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PROCEEDINGS AND DEBATES

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PROCEEDINGS AND DEBATES OF THE SIXTY-EIGHTH CONGRESS
FIRST SESSION

SENATE

WEDNESDAY, *May 14, 1924*

(Legislative day of Tuesday, May 13, 1924)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The principal clerk will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Bayard	Curtis	Heflin	Robinson
Brookhart	Dial	Johnson, Calif.	Sheppard
Bruce	Fernald	King	Smith
Cameron	Fess	Lodge	Sterling
Capper	Frazier	Oddie	Trammell
Caraway	Gooding	Overman	Wadsworth
Copeland	Harris	Ransdell	Warren
Cummins	Harrison	Reed, Pa.	

Mr. CURTIS. I wish to announce that the Senator from Utah [Mr. SMOOT], the Senator from Connecticut [Mr. MCLEAN], the Senator from North Carolina [Mr. SIMMONS], and the Senator from New Mexico [Mr. JONES] are attending a meeting of the Finance Committee.

I also announce that the junior Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I will let this announcement stand for the day.

I also desire to announce that the Senator from Ohio [Mr. WILLIS] is detained on official business.

I also wish to announce that the Senator from Nebraska [Mr. NORRIS], the Senator from Oregon [Mr. MCNARY], the Senator from New Hampshire [Mr. KEYES], and the Senator from Indiana [Mr. RALSTON] are attending a meeting of the Committee on Agriculture and Forestry.

I also announce that the Senator from New Hampshire [Mr. MOSES], the Senator from Washington [Mr. JONES], and the Senator from Montana [Mr. WHEELER] are attending a meeting of a special investigating committee of the Senate.

I also announce that the Senator from California [Mr. SHORTRIDGE], the Senator from Pennsylvania [Mr. PEPPER], the Senator from Colorado [Mr. PHIPPS], the Senator from South Dakota [Mr. NORBECK], the Senator from Florida [Mr. FLETCHER], the Senator from Wyoming [Mr. KENDRICK], the Senator from Virginia [Mr. GLASS], and the Senator from Mississippi [Mr. STEPHENS] are attending a meeting of the Committee on Banking and Currency.

The PRESIDENT pro tempore. Thirty-one Senators have answered to the roll call. There is not a quorum present. The clerk will call the roll of absentees.

The principal clerk called the names of the absent Senators, and the following Senators answered to their names when called:

Bursum	Neely	Pittman	Watson
McKellar			

The PRESIDENT pro tempore. Thirty-six Senators have answered to their names. There is not a quorum present.

Mr. ROBINSON. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Ashurst	Edge	Reed, Mo.	Walsh, Mass.
Ball	Ernst	Shipstead	
Broussard	Harreld	Swanson	

Mr. ROBINSON. Mr. President, I inquire how many Senators have responded to their names.

The PRESIDENT pro tempore. Forty-six Senators have answered to their names.

Mr. ROBINSON. I move that the Sergeant at Arms be directed to compel the attendance of absent Senators.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Arkansas that the Sergeant at Arms be directed to compel the presence of absent Senators.

The motion was agreed to.

The PRESIDENT pro tempore. The Sergeant at Arms is directed to compel the presence of absent Senators.

The following Senators entered the Chamber and answered to their names:

McLean and Johnson of Minnesota.

Mr. ROBINSON. Mr. President, I move that the Senate adjourn until 12 o'clock.

The motion was agreed to; and (at 11 o'clock and 37 minutes a. m.) the Senate adjourned until 12 o'clock meridian.

SENATE

WEDNESDAY, *May 14, 1924*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, we turn our thoughts to Thee. Thou knowest us better than any others can possibly know us. We seek from Thee guidance in the many duties which come. Enable us to see Thy face continually, and may we be glad to do Thy will, fulfilling every purpose of Thy grace in connection with responsibilities which are so arduous. We ask in Jesus' name. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Tuesday, May 13, 1924, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL

Mr. ROBINSON. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Fernald	Lodge	Shipstead
Ashurst	Fess	McKellar	Shortridge
Bayard	Fletcher	McKinley	Simmons
Borah	Frazier	McLean	Smith
Brandegee	Gerry	McNary	Smoot
Brookhart	Glass	Moses	Spencer
Broussard	Gooding	Norbeck	Stanfield
Bruce	Hale	Norris	Stephens
Bursum	Harreld	Oddie	Sterling
Capper	Harris	Overman	Swanson
Caraway	Harrison	Pepper	Trammell
Colt	Heflin	Phipps	Wadsworth
Copeland	Howell	Pittman	Walsh, Mass.
Cummins	Johnson, Minn.	Ralston	Walsh, Mont.
Curtis	Jones, N. Mex.	Ransdell	Warren
Dale	Jones, Wash.	Reed, Mo.	Watson
Dial	Kendrick	Reed, Pa.	Wheeler
Dill	Keyes	Robinson	Willis
Edge	King	Sheppard	
Ernst	Ladd	Shields	

Mr. CURTIS. I wish to announce that the junior Senator from Wisconsin [Mr. LENROOT] is absent owing to illness. I ask that this announcement may stand for the day.

The PRESIDENT pro tempore. Seventy-eight Senators have answered to their names. There is a quorum present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed a bill (H. R. 3933) for the purchase of the Cape Cod Canal property, and for other purposes, in which it requested the concurrence of the Senate.

PETITIONS AND MEMORIALS

Mr. ROBINSON presented a memorial of sundry citizens of Reyburn and vicinity and Hot Springs County, Ark., remonstrating against any increases in the rates in the parcel-post service, which was referred to the Committee on Post Offices and Post Roads.

Mr. CAPPER presented a resolution of the District Woman's Home Missionary Society of the Methodist Episcopal Church of Coats, Kans., protesting against amendment of the national prohibition act, which was referred to the Committee on the Judiciary.

Mr. JONES of Washington presented a petition of sundry citizens of Sylvan, Wash., praying an appropriation to enable the United States to participate in the forthcoming international conference for the suppression of the narcotic traffic, which was referred to the Committee on Foreign Relations.

Mr. WARREN presented petitions of sundry citizens of Green River, Wyo., remonstrating against the passage of the so-called Howell-Barkley railway labor bill, which were referred to the Committee on Interstate Commerce.

Mr. JOHNSON of Minnesota presented the petition of Art E. Granlund and 184 other citizens of Mille Lacs County, Minn., praying the imposition of higher tariff duties on butter and butter products so as to protect the home market, which was referred to the Committee on Finance.

He also presented petitions of H. P. Bengtson and 35 other citizens of Yellow Medicine County; of A. V. Hare and 25 other citizens of Pennington County; and of S. A. Syresson and 47 other citizens of Scambler Township, all in the State of Minnesota, praying for the passage of the so-called McNary-Haugen export corporation bill, which were referred to the Committee on Agriculture and Forestry.

He also presented resolutions adopted by Pacific Post No. 290, the American Legion, William Courtney commander, favoring the passage of the so-called Johnson bill for the relief of disabled veterans of the World War, which were referred to the Committee on Finance.

He also presented the petition of A. G. Sanford and 55 other citizens, members of Gopher Local, No. 205, International Brotherhood of Blacksmiths, Dropforgers, and Helpers, of Minneapolis, Minn., praying for the passage of the so-called Howell-Barkley railway labor bill, which was referred to the Committee on Interstate Commerce.

He also presented the petition of Fred Schmidt and 188 other patients of United States Veterans' Hospital No. 68, of Minneapolis, Minn., praying for the passage of the so-called Johnson bill for the relief of disabled veterans of the World War, which was referred to the Committee on Finance.

He also presented the memorial of Matt Johnson and H. R. Hicks and 295 other citizens of Grand Marais, Cook County, Minn., remonstrating aginst the passage of the so-called Fuller bill, providing for the enlargement of the Superior National Forest, which was referred to the Committee on Public Lands and Surveys.

He also presented a resolution adopted at a mass meeting of citizens held at Grand Marais, Cook County, Minn., protesting against the passage of the so-called Fuller bill, providing for the enlargement of the Superior National Forest, which was referred to the Committee on Public Lands and Surveys.

REPORTS OF COMMITTEES

Mr. KENDRICK, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 976) for the relief of Lyn Lundquist, reported it without amendment and submitted a report (No. 534) thereon.

Mr. STERLING, from the Committee on Post Offices and Post Roads, to which was referred the bill (H. R. 6482) authorizing the Postmaster General to contract for mail messenger service, reported it with an amendment and submitted a report (No. 535) thereon.

He also, from the Committee on the Judiciary, to which was referred the bill (S. 1005) to make valid and enforceable written provisions or agreements for arbitration of disputes arising out of contracts, maritime transactions, or commerce among the States or Territories or with foreign nations, reported it with amendments and submitted a report (No. 536) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMITH:

A bill (S. 3305) to renew and extend certain letters patent; to the Committee on Patents.

A bill (S. 3306) to amend section 21 of the act entitled "An act making apropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1897, and for other purposes," approved May 28, 1896, as amended; to the Committee on the Judiciary.

By Mr. RANSDELL:

A bill (S. 3307) for the relief of E. L. F. Auffurth and others; to the Committee on Claims.

By Mr. COPELAND:

A bill (S. 3308) granting an increase of pension to Mary A. Helm; to the Committee on Pensions.

GASPARILLA ISLAND MILITARY RESERVATION, FLA.

Mr. FLETCHER submitted an amendment intended to be proposed by him to the bill (S. 3276) authorizing the sale of real property no longer required for military purposes, which was referred to the Committee on Military Affairs and ordered to be printed.

AMENDMENT TO RIVERS AND HARBORS BILL

Mr. HARRIS submitted an amendment providing for the examination and survey of an extension of the intracoastal canal system from New Orleans, La., to Apalachicola River, Fla., and deepening and maintaining a channel up the Apalachicola and Chattahoochee Rivers to Columbus, Ga., of sufficient depth to permit economical operation of self-propelled barges, intended to be proposed by him to House bill 8914, the rivers and harbors authorization bill, which was referred to the Committee on Commerce and ordered to be printed.

AMENDMENT TO SECOND DEFICIENCY APPROPRIATION BILL

Mr. LODGE submitted an amendment providing that additional taxes amounting to $74,657.70, together with all penalties and other charges thereon, assessed by the Treasury Department against the estate of Charles L. Freer, deceased, late of Detroit, Mich., which estate has been closed, the executors discharged, and the residue paid over to the Smithsonian Institution as an endowment for the Freer Gallery of Art, presented to the Nation by the said Charles L. Freer, be canceled and the Treasury Department be authorized and directed to remit any further taxes, penalties, or charges which may hereafter be found due from the said estate, intended to be proposed by him to the second deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

INVESTIGATION OF FEDERAL FARM LOAN SYSTEM

Mr. HOWELL submitted the following resolution (S. Res. 223), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the President of the Senate pro tempore is authorized to appoint a special committee of three members, which shall investigate the Federal farm loan system and the Federal Farm Loan Board and report its findings, together with recommendations for corrective legislation. The committee is authorized to hold hearings, to sit during the sessions and recesses of the Sixty-eighth Congress, and to employ a stenographer at a cost not to exceed 25 cents per hundred words. The committee is further authorized to send for persons and papers; to require by subpœna the attendance of witnesses, the production of books and documents; to administer oaths; and to take testimony.

The expenses of the committee shall be paid from the contingent fund of the Senate.

TERMS OF DISTRICT COURT IN WYOMING

Mr. WARREN. The Senate last night passed the bill (H. R. 4445) to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary." It appears that there is an error in it which should be corrected. I therefore enter a motion to reconsider the vote on its passage, and move that the House be requested to return the bill to the Senate.

The motion was agreed to.

HOUSE BILL REFERRED

The bill (H. R. 3933) for the purchase of the Cape Cod Canal property, and for other purposes, was read twice by its title and referred to the Committee on Commerce.

PRESIDENTAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that the President had approved and signed acts and a joint resolution of the following titles:

On May 9, 1924:

S. 2902. An act authorizing the acquiring of Indian lands on the Fort Hall Indian Reservation, in Idaho, for reservoir purposes in connection with the Minidoka irrigration project.

On May 13, 1924:

S. 2392. An act authorizing an appropriation to indemnify damages caused by the search for the body of Admiral John Paul Jones;

S. 2908. An act providing for a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., in cooperation with the United States of Mexico; and

S. J. Res. 104. Joint resolution requesting the President to invite the Interparliamentary Union to meet in Washington City in 1925, and authorizing an appropriation to defray the expenses of the meeting.

WAR DEPARTMENT APPROPRIATIONS

Mr. WADSWORTH. Mr. President, I move that the Senate proceed to the consideration of House bill 7877, the War Department appropriation bill.

Mr. ROBINSON. I assume that if the Senator from New York would ask unanimous consent to proceed at once to the consideration of the War Department appropriation bill, there would probably be no objection to his request. Pending his request, if he chooses to make it, however, I desire to submit a brief statement.

Mr. WADSWORTH. I will withdraw my motion, and request unanimous consent that the Senate proceed to the consideration of House bill 7877, the War Department appropriation bill.

BUSINESS OF THE SENATE

Mr. ROBINSON. Mr. President, the Senate recessed yesterday afternoon until 11 o'clock this morning. When the Senate met, the Senator from Kansas [Mr. CURTIS] suggested the absence of a quorum and a quorum failed to respond. It then became necessary to move that the Sergeant at Arms be directed to request the attendance of absent Senators. After that motion had prevailed and the Sergeant at Arms had been busy for half an hour, a motion was made to direct the Sergeant at Arms to compel the attendance of absent Senators. At 20 minutes of 12 o'clock I made a motion that the Senate adjourn until 12 o'clock, and that motion prevailed.

I made the motion in order to emphasize the absurdity, when a large majority of the Senators are busy attending committees, of undertaking to hold a session of the Senate at other than the regular hour when the Senate is expected to meet.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield to the Senator from Kansas.

Mr. CURTIS. I wish to state that if the Sergeant at Arms had called the Committee on Finance he would have found there were three Senators in attendance upon that committee who would have come to the Chamber immediately to make up the quorum. The committee room was not called. I had announced the absence of four Senators who were attending the meeting of the Finance Committee. One of those Senators came into the Chamber and answered to his name, and the other three would have come if they had been notified that their presence was required.

Mr. SHORTRIDGE. Mr. President, will the Senator yield to me?

Mr. ROBINSON. I wish to continue my statement for just a moment. I want to finish it.

It is an absurd practice to undertake to have all the Senate committees in session and to have the Senate itself trying to do business at the same time. If it is necessary for committees to meet in the morning, I suggest that the Senate should meet at the regular hour. We have arranged for a night session tomorrow night, and we have been holding night sessions for some time. Why is it thought desirable to arrange for a recess until 11 o'clock, to request Senators to meet here at that hour, and then consume the time until 12 o'clock securing the attendance of a quorum? It wastes an hour's time of 96 Senators. It is an absurd practice. The Senate ought to meet at 12 o'clock, or the Senate committees ought not to be in session if the Senate meets earlier than 12 o'clock. The truth of the matter is that the time of the Senate would be conserved if we arranged for the business of committees to be conducted on certain days and for the Senate to meet on other days when the committees were not in session. I suggest to the majority that hereafter, if they arrange for meetings of the Senate earlier than 12 o'clock, they discontinue their committee meetings, so the Senate may transact business.

Mr. NORRIS. Mr. President, I want to say just a word on the subject touched upon by the Senator from Arkansas. I have just come into the Chamber from a meeting of the Committee on Agriculture and Forestry.

The Committee on Agriculture and Forestry have had under consideration since the reconvening of Congress the question of Muscle Shoals. We have had, of course, extensive hearings on various bills pertaining to other questions related to agriculture and have spent a great deal of time on them.

The Committee on Agriculture and Forestry, I venture to say without fear of successful contradiction, when their hearings are finished will present to the country and to the world the greatest amount of useful evidence and testimony on the question of water power that has ever been gotten together anywhere since the dawn of civilization.

I make this assertion, and I want any member of the Committee on Agriculture and Forestry to dispute it right now if he does not agree with me, that there have never been hearings on the subject of water power or any other subject where the testimony on the average has been more closely confined to the subject at issue and upon which the committee is called to pass. There has never been an instance where the testimony has been more illuminating and more to the point. We find a great clamor on the part principally of those who favor the acceptance of Mr. Ford's offer, and I say this without any criticism, because I agree with them that the question ought to be settled. They claim that the committee should report and that the Senate ought to act; and yet in all the testimony which has been produced before the committee there have been but two witnesses who have for five minutes of the time diverted and brought in a lot of irrelevant testimony, and both of those witnesses were in favor of the acceptance of Mr. Ford's offer.

The testimony has been educational. It has been enlightening. It is a subject, when gone into in any detail, that is almost like fiction. The possibilities of what can be done at Muscle Shoals, which is one of the key points to the whole country, and particularly to the South, are almost beyond human imagination. Personally I have no interest in it and neither have my people except as citizens of our common country. We are not through. We have been in session every day until 12 o'clock, and while there is a demand, which I think is justified to some extent, that we report before this session draws to a close, I wish to say that we can not do it if we are going to be compelled to close those hearings and to come to the Senate at 11 o'clock. That will be out of the question; it will be a physical impossibility. I think we are doing more good and will be able to do more good for the country at large and for the South in particular by going on and exhausting the subject and hearing everybody who has anything of value to say on every bill which has been presented, including my own bill, which provides that the Government shall retain all the property and through a governmental corporation administer it as well.

Mr. SHIELDS. Mr. President——

Mr. NORRIS. I yield to the Senator.

Mr. SHIELDS. I am glad to hear, as I understand the Senator, that the hearings will be concluded and a report will be made by the committee during the present session; at least, it is the opinion of the Senator at this time that that can be done.

Mr. NORRIS. Yes, sir; that is what we are all trying to do.

Mr. SHIELDS. I hope the report will be made in time for action at the present session of Congress.

Mr. NORRIS. I hope so.

Mr. SHIELDS. Mr. President, I am very much interested in this project. I am anxious, and I have been anxious for many years, for the completed development of the Muscle Shoals, and by a general water-power bill. Soon after I came to the Senate in 1914 or 1915, I made an effort to accomplish that purpose, but the measure was killed in the other House, I believe, after the Senate had twice passed it. I will ask the Senator from Nebraska if he can advise me how much has the Government spent in the construction of the dams at Muscle Shoals?

Mr. NORRIS. The Government has spent somewhere in the neighborhood of between $130,000,000 and $150,000,000 on the project.

Mr. SHIELDS. That amount has already been expended?

Mr. NORRIS. Yes; not in the dams alone, however, but also in the other properties that the Government owns there.

Mr. SHIELDS. Such as the construction of the nitrate plant and the steam plant?

Mr. NORRIS. Yes.

Mr. SHIELDS. What is the estimate of the amount it will take to complete the work?

Mr. NORRIS. It is estimated that Dam No. 2, which is now about three-fourths completed, will cost from $49,000,000 to $51,000,000, and that Dam No. 3 will cost from $25,000,000 to $27,000,000.

Mr. SHIELDS. Is it estimated that it will cost that much in addition to what has already been spent?

Mr. NORRIS. No; I mean that will be the total cost.

Mr. SHIELDS. I thought I misunderstood the Senator. How much will be required to complete Dam No. 2?

Mr. NORRIS. Speaking generally, in round numbers, about one-fourth of $50,000,000.

Mr. SHIELDS. Then, it will require from $12,000,000 to $15,000,000?

Mr. NORRIS. Yes.

Mr. SHIELDS. And already about $130,000,000 or $135,000,000 has been expended there?

Mr. NORRIS. Yes.

Mr. SHIELDS. Does the Senator from Nebraska find any disposition or feeling in Congress, in either House, or is there any disposition in the country to suspend that work and leave it uncompleted in its present condition, regardless of whom it may be leased to?

Mr. NORRIS. There has been some propaganda to that effect, but, in my judgment, it is absolutely, completely, and totally unfounded. I would not think of such a thing as consenting to abandoning that property now. There might have been a question at the beginning whether or not we should enter upon the work, but we have entered upon it; we have spent the people's money in its prosecution; and there is only one thing to do, and that is to complete it, whatever disposition may afterwards be made of the property.

Mr. SHIELDS. In about what time is it likely to be completed, in view of the progress which is now being made?

Mr. NORRIS. It is expected that Dam No. 2 will be completed in a year from the next coming July, and that it will take from three to five years to complete Dam No. 3.

Mr. SHIELDS. The completion of Dam No. 2 will enable the lessee, whoever he may be, to begin the manufacture of nitrates and other fertilizers and otherwise to utilize the power?

Mr. NORRIS. Oh, yes. I did not intend to speak of this matter, but since the Senator has asked about it and since he so creditably, in part, represents the great State of Tennessee in this body, I wish to say that this very day I had my attention called to what I was told was propaganda being circulated that we were likely to quit; that those who are opposed to the Ford offer wanted to quit; that the development of the Tennessee River by dams that ought to be built, as well as these two, would never be undertaken; and that the improvement of the navigation of the Tennessee River would not be undertaken. I want to state to the Senator that there is not any foundation of truth whatever for that kind of propaganda or statement, I do not care who makes it.

The Ford proposition, for instance, as well as the propositions of all the other bidders, does not contemplate the building of a single storage dam outside of Dams No. 1 and No. 2. Such a proposition is not contained in any bill.

The bill which the committee has before it, and which, in my judgment, has behind it a majority of the committee, provides for the survey and development of the Tennessee River, completely, from source to mouth, as to flood-water control, as to navigation, and as to power development.

I only rose to say, Mr. President, that while, of course, I know that this question has two sides, if the Senate wants to meet at 10 o'clock or 11 o'clock in the morning, and to require the attendance of Senators, we shall, of course, have to obey; but, if we do, we shall have to suspend operations in the committee; and I think it would be almost a crime to do that.

The PRESIDENT pro tempore. The Senator from New York [Mr. WADSWORTH] asks unanimous consent that the Senate proceed to the consideration of the military appropriation bill. Is there objection?

Mr. HEFLIN. Mr. President——

The PRESIDENT pro tempore. The Senator from Alabama.

Mr. HEFLIN. I have no objection to the request of the Senator from New York.

Mr. WADSWORTH. Then, might we not have the bill laid before the Senate, Mr. President?

The PRESIDENT pro tempore. The Chair hears no objection to the request of the Senator from New York, and it is so ordered.

WAR DEPARTMENT APPROPRIATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes.

Mr. WARREN. Mr. President, will the Senator from Alabama yield to me for a moment?

Mr. HEFLIN. I yield to the Senator from Wyoming.

Mr. WARREN. Mr. President, we are falling behind in the matter of passing the appropriation bills. I hope that the appropriation bill now before the Senate will not be delayed beyond the early portion of to-day, but I think hereafter we shall have to meet evenings and possibly this evening, particularly in view of what my friend, the Senator from Arkansas [Mr. ROBINSON] has said. As it seems to be inconvenient to meet earlier in the morning, probably we shall have to resort to evening sessions in order to expedite the consideration of the appropriation bills. We ought to be here at 11 o'clock promptly; the business of the Senate makes a meeting at that hour necessary.

Mr. HEFLIN. Mr. President, in response to the statement of the Senator from Nebraska [Mr. NORRIS] regarding the hearings that are now proceeding before the Committee on Agriculture I wish to say that these hearings have been going on for weeks, and some very interesting facts have been brought out. Much of the testimony, however, has covered practically the same ground. While suggestions are being made by some of the witnesses, probably, that other witnesses have not made, yet, in the main we have reached that point where, in my judgment, the hearings should be speedily brought to a close.

It has been more than two and a half years since Mr. Ford was invited to make a bid for Muscle Shoals. The Muscle Shoals project had been abandoned; the cofferdams were washing away; the House committee that went down to inspect and investigate the project reported that it ought to be abandoned as junk. Then Mr. Ford, in company with Mr. Edison, went down to see Muscle Shoals, came back, and in response to the invitation of the Government made an offer. For months and months his was the only offer pending; but as soon as the combined power companies discovered that Henry Ford might get Muscle Shoals and they be defeated in their purpose of getting it ultimately they commenced to make bids. That there is a combination between some if not all of these companies to prevent Henry Ford from acquiring Muscle Shoals I have not the slightest doubt. I believe that almost anyone who attended the hearings day by day would be convinced that there is concert of action between some of those representing the various companies, all working together for the good of each other and all against Henry Ford.

Henry Ford is entitled to know whether or not his bid is going to be accepted. Two and a half years have come and gone since the Government invited him to bid. The House, I believe, has twice passed a bill accepting his offer. The Senate has had the bill for quite a while, and it is now before the committee and has been there several weeks.

I say again, Mr. President, I want to see the hearings speedily brought to a close. I do not want to do anybody an injustice; I want everybody to be heard whom it is necessary or desirable to hear; but two and a half years is a long time to consider a matter like this, and two and a half years is a long time to keep in suspense a man who has made a bid, as Mr. Ford has. I submit to the Senate and to the country that, whether his bid is going to be accepted or not, he is entitled to have the Senate determine the question; and I want to appeal to the Senator from Nebraska, who is very much interested in this power question and always has been, although he favors one view of the question and I favor another, in a spirit of justice to Mr. Ford to expedite consideration by the committee so that we may have some kind of action by the Senate before we adjourn and so that Mr. Ford may know whether he is going to get Muscle Shoals or whether he is not going to get Muscle Shoals. He is entitled to know that.

If the Senate does not want him to have Muscle Shoals, it ought to say so by its vote. So I hope that the Senator from Nebraska will help us to expedite matters and hold witnesses to the issue directly involved and speed up the hearings as much as possible, and let us get through this week, if possible, and act on these measures and bring out all of them—I would not object to that—and let the Senate itself say which one of them it will accept.

So far as I am individually concerned, representing the sentiment of the people of Alabama, as I believe I do, who are over-

whelmingly in favor of the Ford offer, as is the whole South, I may say I should regret to see an adjournment until a vote has been had upon this question.

I shall vigorously oppose anything looking toward adjournment until the Senate has an opportunity to vote on the Ford offer.

Mr. GOODING and Mr. REED of Missouri addressed the Chair.

The PRESIDENT pro tempore. The Senator from Idaho.

Mr. GOODING obtained the floor.

Mr. REED of Missouri. Mr. President——

Mr. GOODING. I yield to the Senator from Missouri.

Mr. REED of Missouri. Had the Senator been addressing the Senate in a speech that is not yet concluded?

Mr. GOODING. Yes; but I will yield to the Senator on this subject.

Mr. REED of Missouri. Under those circumstances I do not want to interfere with the Senator. I wanted to discuss the Pittman amendment.

Mr. GOODING. That is before the Senate and I shall be very glad to have the Senator discuss it.

Mr. NORRIS. Mr. President, with the permission of both Senators, I should like to say just a word.

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Nebraska?

Mr. GOODING. I yield.

Mr. NORRIS. I want to say just a few words in reference to what the Senator from Alabama [Mr. HEFLIN] has said. If the Senators are not going to discuss that subject, will they be kind enough to let me do that?

Mr. GOODING. I yield, Mr. President.

Mr. HARRISON. Mr. President, may I say, too, that after the Senator has discussed the matter I desire to say merely a word about the proposition now pending—not the long-and-short-haul proposition?

Mr. NORRIS. Mr. President, it is so often asserted that Muscle Shoals was abandoned; and yet when we get down to the whole truth of the matter we find, as the Senator from Alabama says, that a committee of the House recommended its abandonment. On the other hand, the Senate passed a bill providing for the continuation of the work under way there and the completion of the plant. So it is not correct to say that Muscle Shoals has been abandoned. I know that neither the Committee on Agriculture and Forestry nor other Members of the Senate outside of the committee ever for one moment conceded that it was abandoned, notwithstanding the action taken by the House committee.

I join with anybody in wanting to get this matter settled just as soon as possible. I want it settled, if possible, at this session of Congress; but let me ask the Senator from Alabama [Mr. HEFLIN] and the Senator from Mississippi [Mr. HARRISON], both of whom favor the Ford proposition, whether they can call to mind a single instance, with the exception of the two I have mentioned, where time has been wasted? I am not even criticizing those, because those things creep in; but Major Stalman, a Ford advocate, and the man who followed him, a Ford advocate, devoted most of their time to issues that had nothing to do with Muscle Shoals. Outside of that, I want to ask these Senators if there has been any time wasted?

I know that as chairman of the committee I have received applications from all kinds of people who wanted to be heard, and when I found out that they wanted to talk about something else, or that they had a side issue that they wanted to air, I did not call them. I want to permit everybody, including Mr. Ford, to have all the time he wants to explain his proposition, as long as he sticks to the text.

The Senator has said that, in his judgment, there is a combination of other bidders. Of course I can not say as to that. I can only say that not a scintilla of evidence has been produced before the committee that there is, either directly or indirectly, any such combination. The Senator from Alabama is on the committee. He has an opportunity to bring it out if there is such a thing. I should be glad to have it done. I do not believe there is. As far as my idea of the disposition of Muscle Shoals is concerned, I do not care whether there is a combination or not; I do not want them to have it.

Mr. McKELLAR. Mr. President, will the Senator yield for a question?

Mr. NORRIS. I yield.

Mr. McKELLAR. As I understood the Senator a few moments ago, he said that he thought a report would be made by June 1. Do I understand the Senator to say, also, that he is in favor of a vote on the question at this session?

Mr. NORRIS. Why, of course I am in favor of it.

Mr. McKELLAR. I think it ought to be passed on, and I hope there will be a vote at this session.

Mr. NORRIS. There is one thing, Mr. President, that has been just a little exasperating. Senators say, "Do you want to get a vote at this session?" and I say "Yes"; and the question comes over and over, "Are you going to report as soon as possible?" and I say, "Yes; I am doing everything I can to expedite it"; but the very questioning sometimes appears to me to be an intimation that I am not trying to do that.

If there is anybody on the committee or off of it who has any such information, let him produce it. The committee ought to know about it. I have done the best I could to be absolutely fair, whether the witness agreed with me or not; and, personally, I do not agree with very many of the witnesses as to what ought to be done with Muscle Shoals. That, however, does not preclude me, I think, from giving them a full and fair hearing.

Mr. REED of Missouri. Mr. President, I wish to discuss the Pittman amendment briefly; but since this other question is before the Senate—a question on which I intend to address the Senate later—I shall simply say this:

The disposition to surrender to any one citizen, however good he may be, however wise he may be, however public-spirited he may be, a great public work in which the Federal Government has invested many millions of dollars and to make that surrender upon the theory that this particular individual is in some way a general guardian of the public and the private interests of the people of the United States is, in my opinion, the limit of absurdity. Mr. Ford should be dealt with exactly as any other citizen of the United States. His contract should be shown to be a contract beneficial to the people of the United States and the most beneficial that can be offered.

Mr. NORRIS. Mr. President, may I interrupt the Senator there? I should like to call his attention to the fact that Mr. Ford is the only bidder of all the bidders who has refused to come before the committee in person and explain his bid.

Mr. REED of Missouri. Very well. That does not alter the situation. He should be dealt with on business principles, no matter how good he may be—and he is so good that he can be nominated by the Democratic Party and please it, and then indorse a Republican President the next day and please him. He can do other strange and peculiar things, and, to use a slang phrase, "get away with it." Nevertheless, we must deal on business principles, for, even if he were as good as some people think he is, he is not going to live forever, and the contract we propose to make and which will run for more than a hundred years will have to be carried out by somebody other than Mr. Ford.

There is a disposition to say, "Give it to Henry Ford, and he will do the business." Against that sort of theory I most earnestly protest in the name of common sense. Besides, sir, I do not believe that any man who, when he gets into a financial pinch, will unload upon his agents against their will millions of dollars' worth of his products and compel them to go to the banks and raise money to advance on automobiles and tractors they never ordered, and who, having unloaded these articles upon the agents and compelled them to go to the banks and borrow the money and advance it to him, then refuses to protect them on the price of the article he compelled them to take but cuts the price, is such an archangel of purity and disinterestedness as some other people would have us think.

When this Government comes to deal with Henry Ford it had better deal with him as a shrewd, keen business man and protect itself. I do not say that to speak with harshness of Mr. Ford; but I have been looking around during my lifetime for one of these infallible and absolutely disinterested creatures, and I am still in the same condition of doubt that poor, old Diogenes was when he started out with his lantern. My quest is equally with his a failure.

I have no hesitancy in saying that with the amount of money the Government has put into this great public work the Government ought to complete it; and while I do not believe in the Government being in business at all, I believe it ought to hold it. Then I believe it ought to make an arrangement to wholesale the power under such conditions as will bring to the people of this country the benefits that all of us would like to see realized. That kind of operation will not put the Government in business in the offensive sense in which the term is usually employed.

We have had a good deal of trouble with Muscle Shoals. We have put a lot of money into it, and I want to see that money conserved. I am growing more and more of the opinion as time goes on that the great fundamental resources of this country which are necessary to furnish power to public or

quasi-public service institutions to enable them to furnish heat, light, and power to the people of the United States as a whole should be kept as nearly as possible within complete public ownership and control.

Mr. KENDRICK. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Wyoming?

Mr. REED of Missouri. I do.

Mr. KENDRICK. I want to ask the Senator if he understands that Muscle Shoals as a water power is second only in this country to Niagara Falls?

Mr. REED of Missouri. I have heard that statement made, and I have no reason to doubt it at the present time.

Mr. KENDRICK. And does not the Senator believe that to deliver that water power to any individual or corporation other than under the water power act would have the effect of destroying that act? Does not the Senator believe that it would completely, or almost completely, nullify the water power act?

Mr. REED of Missouri. I think it would greatly impair it.

Mr. President, it was disclosed on the floor of the Senate the other day, in the debate on the tax bill, that some great corporations escaped the payment of surtaxes either by themselves or by their stockholders by accumulating enormous reserves, and that among others Mr. Ford had accumulated something like $265,000,000 in cash, and that by holding it and not distributing it the surtaxes of himself and other stockholders were enormously reduced. I do not speak of that to deal harshly with Mr. Ford, but it illustrates the fact that "though on pleasure he is bent, he has a frugal mind." He looks after, or some of his skillful employees look after, his business pretty keenly, and I think that in figuring with the Federal Government he has not been figuring for the benefit of the man who wants fertilizer. His heart has not been bleeding over the poor farmer who wants to make his fields rich, and to do it with cheap material. He has been thinking about the dividends that will flow to Henry Ford, and he has the right to do that; but, upon the other hand, we, dealing for the people of the United States, must look after the interests of the people of the United States.

This twaddle and folderol and froth indulged in over Henry Ford, to use another slang expression, simply makes me tired. If he has ever done anything great for his country, I do not know it.

Mr. ASHURST. Mr. President——

Mr. REED of Missouri. If John D. Rockfeller were engaged in the automobile business and were doing exactly what Mr. Ford is doing, the common opinion in this country would be that he was cutting prices to destroy all the other automobile companies of the country to create a great monopoly. Gentlemen would be standing here on their hind legs roaring until the stumps out there in the old Potomac River would bob up and down, as those gentlemen denounced John D. Rockefeller.

Mr. ASHURST. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Arizona?

Mr. REED of Missouri. I yield.

Mr. ASHURST. I am interested in what the Senator is saying, because I had a letter last week from a constituent appealing to me very pathetically to be sure to vote to give Muscle Shoals to Henry Ford, as Mr. Ford, so my friend says, would "make nitrates for the farmers." I scrutinized the Ford proposition closely, and I find to my surprise that Mr. Ford does not pledge himself and does not agree to make fertilizers. If I am wrong about that, I should like to be set right.

Mr. HARRISON. Mr. President——

Mr. HEFLIN. The Senator is entirely wrong.

Mr. ASHURST. I am willing to be enlightened. Applying my scrutiny to the Ford proposition, as submitted to me, I find that Mr. Ford does not agree to make fertilizers. As a matter of law, there is nothing in the contract compelling him to make fertilizers.

Mr. KENDRICK. Mr. President, will the Senator yield?

Mr. REED of Missouri. I yield.

Mr. KENDRICK. My interpretation of the contract is that Mr. Ford agrees to make 40,000 tons of nitrates each year, providing he can make 8 per cent on the production.

Mr. REED of Missouri. That is a very modest profit for him to make. Mr. President, I simply threw in those remarks concerning Muscle Shoals because the spirit moved me at this moment to make them.

I want to say a few words to the Senate in regard to the Pittman amendment, the long and short haul amendment. That question has been before the Senate ever since I have been a Member of the Senate, and I say in the inception that there is no question but that the problem of railroad rates is one of the most difficult and intricate with which the human mind has ever undertaken to grapple. There are so many considerations which enter into the question of the making of rates and of permitting the transportation lines to live that none of us can say with absolute certainty that we are able to devise a plan for just and equitable rates in all cases. But this much we certainly know, that every railroad in the United States is a common and public carrier; that there is exercised on behalf of it the powers of eminent domain, whereby it is enabled to take the property of the private citizen for its own use, and that that is justified because it is a public highway, and as it is a public highway it exists for the common benefit of all of the people of the land, always, of course, subject to its just right to fair compensation for services rendered.

Starting with the premise that the railroads are public highways, existing for the common benefit of the public, it follows that any condition or any system of rates so devised as to build up one section of the country at the expense of another section of the country is inequitable, unjust, and utterly indefensible.

Any community of the United States is entitled to the benefits of its natural advantage, and no law is a just law which levies upon that community a tribute for the support, the maintenance, and the emolument of some other portion of the Republic.

Mr. President, when the railroads were practically without governmental supervision they inaugurated a system of meeting competition or, if there was no competition, of building up a particular section of the country, in the hope of thereafter reaping profits from it, and that system embraced frequently the hauling of freight to the favored community for less than the actual cost of the haul. In order to make up the disadvantage for the losses thus sustained an enormously unjust tribute was levied upon other sections of the country which were not so favored by the railroads. So it came about that communities and States and entire sections of the country were, by the arbitrary action of those who managed the public highways of the country, discriminated against, while other sections were specially favored.

That was, of course, an unjustifiable and an iniquitous system, because it placed the destiny of the people in the hands of a few men who controlled the public highways, not for the general public good but for the special good of certain communities, to the end that the transportation lines might reap some special benefit for themselves.

When the Interstate Commerce Commission was created it was expected that those evils and enormities would be abolished, and that a system of transportation rates favorable alike to all sections of the country, justly and fairly arranged, would take the place of the system which had been inaugurated by selfish interests for selfish purposes, but from that day to this we have been struggling with the Interstate Commerce Commission and have found it about as difficult of management as the powers which formerly controlled the railroads, and I have sometimes thought more difficult of management.

Mr. McKELLAR. Mr. President, I was very much interested in what the Senator was saying about building up certain communities. I was wondering if what he had to say in that regard applied to communities situated on natural waterways.

Mr. REED of Missouri. I do not wish to be diverted from the line of thought I am pursuing at this moment, but I will try to answer the Senator's question a little later.

Under the old system, and under the system as perpetuated by the Interstate Commerce Commission, it frequently happened that goods could be shipped—and I speak of this as only one illustration—from New York or St. Louis or Kansas City or other intermediate points clear to the Pacific coast, through the city of Denver or the city of Salt Lake or others of the western towns or cities, and then shipped back cheaper than they could be shipped to one of these towns and unloaded on the direct passage west.

I do not care how much verbal chicanery or intellectual legerdemain may be indulged in, that sort of system can not be justified. It means literally the economic and commercial murder of the interior points, for every man who knows anything about rates understands that upon rates of transportation depends the development of a country. Given an advantage of a few cents a ton, or a few mills per hundred pounds, upon goods that are to be shipped, the locality having that advantage can gather to itself factories and industries and wealth. Change the conditions against it, and that city or town can be made substantially a whistling post, its development arrested, and the entire country dependent upon it correspondingly injured.

Freight rates or transportation rates are the key to the industrial development of any part of the country. An unjust

freight rate militates against and constitutes a robbery of entire communities, and may constitute a despoliation of the peoples of entire States, for the freight rate is added, in the end, to the prices paid by the consumers. If, for instance, the State of Utah, or the State of Idaho, or the State of Colorado, or the State of Missouri has an unjust freight rate, it follows that every one of the inhabitants in those States is taxed on everything he consumes and which has to be shipped, and that tax constitutes a burden upon him which he pays for the benefit of the citizen of some favored part of the United States.

That is an intolerable condition, and it ought not to be allowed to continue. The long-and-short-haul provision has been before the Congress many times. The Senator from Nevada [Mr. PITTMAN] yesterday recited its history. In verification of what he then said I recall that at the time the bill providing that there should not be more charged for a long haul than for a short haul was before the committees of Congress, it was insisted that the words "except under special conditions" should be inserted and that that would be a full protection to the public and yet allow the Interstate Commerce Commission in some rare and exceptional cases to provide against what might otherwise prove to be calamitous. It is also true, as said by the Senator from Nevada, that the Interstate Commerce Commission seizing upon that clause has to all intents and purposes perpetuated the system exactly as it was before the amendment was adopted, and the clause to which I referred, "except under special conditions," was inserted at the request of the Interstate Commerce Commission.

The truth is the Interstate Commerce Commission has so often plainly by its rulings defeated the purpose of the legislation of Congress that I am getting in the humor to ask that the commission be abolished. It seems to be impossible to get the commission to move when it is necessary to have prompt action to save the situation. It seems to me that it is about as thoroughly controlled by the railroads as the boards of directors of the several roads are controlled by the great financial interests which furnish their capital. I have no warfare to make upon railroads, but I say that the sooner the railroads conclude to adopt the policy of absolutely fair, just, and impartial dealings with the public, the sooner they will make friends and the sooner they will make for prosperity.

The Senator from Tennessee [Mr. MCKELLAR] asked me—and I regret that he has left the Chamber—what effect the amendment would have where there is water competition?

I hold to the theory that every locality is entitled to the benefit of its natural advantages. If it is located where water traffic is available, it is entitled to that advantage and no one should take it away. If another locality is situated close to a market it is entitled to that natural advantage, and no law and no ruling of the tribunal should take away that advantage. So that if a city is located, as is New York or New Orleans, upon the ocean or immediately accessible to the ocean no one should try to frame freight rates to disadvantage those cities merely because they have water advantages. Neither should there be a law enacted nor a system inaugurated which would deny to any part of the country such advantages as it may have by closer proximity to the market than other places which happen to have the benefits of water transportation. Either one of these artificial interferences with natural conditions and advantages is unjustifiable.

Upon the other hand, because a city or country may have the benefit of natural water transportation and another community may not have the benefit of water transportation, it is equally unjustifiable to levy a tribute in the form of freight rates upon the community which is deprived of water transportation for the purpose of giving to the place that already has the natural advantage of water transportation the additional and artificial advantage created by law, one which it does not possess naturally, but which is conferred upon it by arbitrary action.

Such a course can not be justified. Moreover such a course does not make for the good of the country. The symmetrical development of all parts of our country is a policy of wisdom which no man ought to doubt.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. STEBLING in the chair). Does the Senator from Missouri yield to the Senator from Utah?

Mr. REED of Missouri. I yield.

Mr. KING. The Senator can understand, I think, the resentment—perhaps I have used too strong a word—the feeling that they have been discriminated against, the feeling of exasperation upon the part of some of the interior portions of our country which are denied access to water, when they see enormous appropriations for rivers and harbors and then find those discriminations by the railroads against them as the result of which it is absolutely impossible for any industrial or economic development to occur.

Mr. REED of Missouri. Answering the question now with special reference to river transportation, the towns along the great rivers of our country, just as the towns along the great seacoasts of the country, are entitled to the natural advantage they have through the existence of the waterways, and a proper development of the waterways is justifiable because as a result of the expenditure of a comparatively small amount of money an enormous traffic can be carried upon the waters. That is only giving them the natural advantage to which they are entitled. But going along with that there certainly should not be a scheme which deprives the dry-land town, if you please, of its right to be treated the same as the water town so far as freight rates are concerned. I may be criticized for saying that because I live in one of the towns that has the benefit of a river, and that I hope to see improved.

But let us see whether the making of equitable freight rates and the abolition of the custom of levying too high freight rates upon one part of the country for the benefit of others will not result in benefit even to river transportation. I have not the figures here, but the astonishing fact exists that the railroads which parallel the Mississippi River, running, speaking generally, from the North to the South across our country, are carrying freight on those parallel lines for a rate which I think is less than one-quarter of the average rate charged over the United States. I shall be glad to get those figures and put them in the RECORD. What does that mean? It means that because the river is there, although only half improved, the railroads in order to get that freight have cut their rates. The result naturally was that when they first inaugurated that system they destroyed the river transportation and continued to destroy river transportation by the maintenance of that character of rates. There are certain kinds of freight, and the kinds are very widely diversified, that can be carried upon those rivers. It can be carried there without the destruction of the railroads. No one with any common sense wants to destroy the railroads. The whole country can be developed by virtue of the cheaper freight rates that come through river transportation.

Now, let me say that those rates thus made upon that river are not confined in their benefits to the lines along the river. Those who are in charge of the boat lines upon the Mississippi River have been fighting and struggling with this same Interstate Commerce Commission to get it to compel the inauguration of just joint rates between the boat lines and the railroads touching the river points. They have had one of the most uphill fights ever waged. It has seemed to me that the Interstate Commerce Commission has acted in a manner wholly unjustifiable in the matter of inaugurating joint rates. But the boat lines have practically succeeded, and the result is that the benefit of the lower freight rates upon the Mississippi River has inured to communities and States hundreds of miles removed from the river, for whenever we can establish a system of boats that will carry freight as cheaply from St. Louis to New Orleans and then can establish joint rates the great States lying to the west and northwest can claim the advantage of those joint rates and get the same advantage from river traffic that the towns along the river receive, or approximately the same advantage.

But we have had a policy which seems to me to be merely stubborn, if not worse. I can illustrate that. There is a boat line operating Government-owned boats on the Mississippi River and also on the Warrior River. The boat line on the Mississippi River, although there are bars across the river, and although transportation is sadly interfered with—and, by way of parenthesis, I will say that every interference could be removed by the expenditure of a few million dollars—has actually made money, and with proper capital it can be made a very profitable enterprise. It has been carrying freight at 80 per cent of the charge of the railroads, although the competition it meets is that of the railroads which have already cut their rates to the bone in order to hold the traffic against the boats.

Mr. PITTMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Nevada?

Mr. REED of Missouri. I yield.

Mr. PITTMAN. Right on that point, I wish to say a word. The Senator from Missouri has already said that these Government barges, if they desire a part of the traffic, can not charge over 80 per cent of what the railroads charge.

Mr. REED of Missouri. They do not charge over 80 per cent of what the railroads charge.

Mr. PITTMAN. They can not do it successfully, it is held, because of the more expeditious moving of freight by rail, we will say——

Mr. REED of Missouri. I think they do it in order to get the business.

Mr. PITTMAN. I also call the attention of the Senator to the fact that the rates on the railroads with which they are now competing are only 58 per cent of the average charge of the railroads somewhere else. The Senator says that these barges are commencing to make money. I think he is right that they can make money, but here is the point: At the present time the discriminations of the railroads are not at the maximum; the fear is not so much for existing conditions but that the Interstate Commerce Commission will grant all of these applications to lower still further the rates at competitive points; and when that happens, the boats go out of business. In other words, Mr. President, I say to the Senator from Missouri that no careful concern can go into business under existing conditions when they are threatened with a reduction of competitive rates by the railroads below a point at which their boats can make money. That threat is pending with the Interstate Commerce Commission to-day in the form of applications. Those applications will be granted if the criterion established by the Interstate Commerce Commission is not abolished by this amendment.

Mr. REED of Missouri. Mr. President, the Senator from Nevada has stated the case very well. I was diverted, however, from the particular thing I was going to say. I have spoken of the Mississippi River. On the Warrior River, where the equipment was inadequate and other conditions somewhat adverse, the Government agency operating a line of boats found itself confronted with this situation: The railroads refused to establish joint rates; and frequently, where the boat haul was ten times the rail haul, the railroads took from 75 to 80, and I believe in some instances even 90 per cent of the total tolls collected. When that case was brought before the Interstate Commerce Commission—a case which seemed to appeal for immediate relief and drastic action—the commission held the case for many months, finally laid down some general rules, and then told the parties to get together and agree.

I am becoming completely and utterly disgusted with the Interstate Commerce Commission. I repeat, I am not here contending as an enemy of railroads. The railroads we must have, and they must be allowed to earn an adequate return or they will cease to exist, and certainly they will cease to make improvements. They must be fairly and justly treated; but because we should fairly and justly treat the railroads is no reason why we should allow injustices to be perpetrated upon vast sections of this land and communities milked for the benefit of other communities or for the building of certain terminals in which the railroads are particularly interested.

Let us settle this question upon its merits and in accordance with the principles of equity. I say no man on earth can justify hauling freight through a town hundreds and perhaps thousands of miles and then hauling it back at a cheaper rate than it could be hauled on the direct route and unloaded. That is a waste of time, a waste of energy, and a manifest wrong. There is no sense in building up one community at the expense of another. There is no sense in undertaking to foster railroads, to the total destruction of water transportation or to its injury, any more than there would be sense in a farmer feeding his horses more than they needed to eat and allowing his cattle to starve to death, or a man looking after one business and pouring into it unnecessary moneys and allowing another branch to go bankrupt. Particularly is this unjustifiable when we have regard to the fact that the railroads of the country are merely the highways of the people, and that the people have the right to fair, just, and equitable treatment, regardless of the particular portion of the country in which they live, and at the same time the roads are entitled to live and to make a decent return upon their just investment.

There has been a great deal said here in the way of attacking the railroads that can not be justified when the facts are thoroughly thrashed out, and there have been some criticisms that are, of course, just. The Pittman amendment, in my judgment, is in the right direction. Whether it goes far enough or not we can only determine upon trial, for it may be that the ingenuity of the Interstate Commerce Commission will again find some means by which it can nullify an act of Congress.

Mr. GOODING. Mr. President, it is indeed gratifying to find a Senator within whose State great cities are located who insists on a square deal for all the people of the State which he represents. The great city of St. Louis has been benefited by the violation of the fourth section by receiving cheaper freight rates than other communities in the great State of Missouri; but the Senator from Missouri [Mr. REED] in this instance, as he always does, stands for an American principle, for if there is anything that the American people demand it is a square deal for all. When a railroad hauls freight 2,000 miles or 3,000 miles, in some cases, for a less charge than they make for a shorter haul—and they are asking to extend that practice now—it is unfair and unjust and must be and is un-American. So I repeat it is reassuring to know that in this fight for a square deal for the people who live in the interior States of the Union, and especially for the people who live in the interior States of the West, the able Senator from Missouri is championing their cause.

Mr. President, I wish to call the attention of the Senate to the profile map of the Monongahela River, which I have had placed on the wall. I first saw this map at one of the interesting hearings on Muscle Shoals before the Agricultural Committee of the Senate. I was so much impressed with the great work that the Government has done on the Monongahela River in making possible transportation for low-priced basic materials that I asked Mr. E. G. Waldo, a civil engineer employed by the Tennessee River Improvement Association, for the loan of this map. The map indicated to my mind the opportunity that lies before the American people for the development of water transportation.

Railroads cross the Monongahela River at eight different points, but there are no violations of the fourth section in that immediate territory, and the result is that in 1920 upon this river there were carried 24,000,000 tons of coal and coal products. It is carrying on an average now something like 18,000,000 tons a year. It has been a mighty factor in making Pittsburgh one of the great steel centers of the world.

This is a Government project, and what a story it tells! There are 15 different locks on the Monongahela River which are operated by the Government itself. In 1889 the Government purchased these locks from the Monongahela Navigation Co., a private concern. The length of the river that is in operation is 130 miles. The Government paid for the locks and improvements of the river at the time $4,300,000, and since then has expended something like $6,000,000 for the operation and maintenance of those locks. No toll is charged upon this river. I suspect that the steel companies of Pittsburgh have been the beneficiaries of this Government expenditure.

Mr. President, it seems strange to me that this Government will spend $10,000,000 in the purchase and operation of a river project for the transportation of freight, and at the same time through its organization, the Interstate Commerce Commission, deny to the people of the Western States and the Southern States a chance to have water transportation, by permitting railroads to charge a lower freight rate for the longer haul than for the shorter haul where they come in competition with water transportation, so that the boats have been driven off of the rivers in the South and have been partly driven out of the Panama Canal and our coastwise routes.

It is strange, is it not, that a policy that is right for the East is not just as right for the people of the South and the people of the West? Yet that does not seem to be the case at the present time.

I was impressed with this map because some day the Government will build a reservoir somewhere near the headwaters of this river, and the floods on that river, that at times do a great deal of damage, causing loss of property and loss of life, will be under complete control.

I am familiar with and understand very fully what flood control means, for in our Western States many of our great rivers now are controlled through a reservoir system which not only holds and controls all the flood water but holds all the water that flows down those rivers the year around. Flood control in this country is going to be one of the simplest and easiest problems that we have to meet. I live on an irrigation project in my own State, that controls and holds all the water that flows down the river and that furnishes water for the irrigation of something like 100,000 acres of land. So the problems of flood control in this country are simple.

If it had not been for this Government project in 1920, when they carried down the Monongahela River 24,000,000 tons of freight—the year when we had the railroad congestion and blockade—the steel plants of Pittsburgh would have been forced to close down. The West is not asking the Government to go out there and develop a project like that and spend its money. I am glad that the Government has done this, because it has demonstrated the necessity of what to my mind is more essential for America than any other one thing is before this country to-day, and that is adequate transportation. Without it this country will be forced to come to a standstill. It is going to be

impossible to build enough railroads to carry the low-priced farm products and the low-priced basic materials of the country, nor can we compete for the trade of the world if we are forced to transport all of those cheap products over the long hauls to market. By every right the coal from the coal mines and the wheat from the wheat fields, where it is possible, should be permitted to seek the nearest water transportation; but this Government policy has forced practically all of the farmer's wheat to be shipped east over a long haul of railroads, that are manned by the most expensive labor in all the world, and in that condition freight rates are necessarily high.

Mr. President, the World War brought us a new world. We have in this country to-day the highest cost of production of any country on earth. Wages here are higher than in any other country, anywhere from 75 to 300 per cent higher. When Germany comes back to normal, with its cheap cost of production as against the high cost of production in this country, unless we do something to move the low-priced farm products and the low-priced basic materials to the furnace and the factory and the market we shall be unable to compete successfully; for the competition for the trade of the world in the future, as I see it, is going to be keen and sharp and severe. We have been prosperous in this country only because the balance of trade has been in our favor. From the beginning of the war up to last year we had a balance of trade in our favor of something like $21,000,000,000, three times as much as we had in all the preceding years since the foundation of this Government was laid; but last year, 1923, our imports exceeded our exports by only $370,000,000. Up to the 1st of September of 1923 the balance of trade was against us in this country; and even with the high protective tariff that we have in this country, with the cheap cost of production there is in foreign countries, I do not believe that it is going to be possible to have a balance of trade in our favor. I believe this country is facing the most dangerous period in its history; and yet we go along blindly and permit the railroads to increase freight rates, the peak of which was 78 per cent above pre-war freight rates, and the present level is 55 per cent above the pre-war level, without any thought or consideration for the future of transportation in this country. The railroads are not keeping pace with the development of commerce. As I showed in my remarks yesterday, there has been only a little over 100 per cent of an increase in miles of tracks in this country in the last 33 years, while at the same time there has been 443 per cent of an increase of traffic in this country.

Only three years ago, I think, some of the railroads put an embargo on perishable fruits from California. They refused to handle them. They were so congested with transportation, if you please, that they would not accept this class of freight at all, and they were only moved by the Interstate Commerce Commission to accept it.

Mr. President, I hope Senators will give this map a little attention, and see what is possible on every other river in the United States, and see what will be possible with the development of that river in the development of electric power.

The Government is now considering building at this point a power plant that will develop something like 50,000 horsepower. It will pay back to the Government all of its expenses in a few years and all of the money that it has paid out for operation. We can generate in this country on our great rivers more power than any other country in the world with the exception of Africa, and it will have to be developed in order to make possible cheaper production all along the line, and we can not commence that work any too soon.

I am ready to go along with the development of Muscle Shoals, Mr. President. I am ready to go along with the building of the St. Lawrence ship canal. It will bring the Atlantic Ocean a thousand miles farther inland. I am ready to go along with the development of the Mississippi and all the rest of the great rivers of the country; but before I do that, Mr. President, I want to know that the money that this Government expends in that development can not be destroyed by the railroads by permitting them to haul freight on the longer hauls cheaper by more than 100 per cent in some cases than on the shorter hauls; and until I can be assured that this policy is not going to be continued I am not going to vote for any appropriation for rivers and harbors.

Now, Mr. President, I want again to take up some of these discriminations and violations of the fourth section of the interstate commerce act. I want to take up again the violations on wool.

The present freight rate on wool in bales in carload lots from San Francisco to Boston, a distance of 3,300 miles, is $1.50 a hundred. The rate on wool in bales from Salt Lake City, Utah, to Boston, a distance of 2,553 miles, is $2.36 a hundred. Although the distance from Salt Lake City, Utah, is 744 miles shorter than the distance from San Francisco, the rate on wool per hundred is 86 cents more than it is from San Francisco.

The rate on wool in bales from Reno, Nev., to Boston, a distance of 3,055 miles, is $2.38½ a hundred. While the distance from Reno to Boston is 245 miles shorter, yet the rate from Reno to Boston is 88½ cents higher than it is from San Francisco.

I come now to violations of the fourth section on the Santa Fe Railroad.

The present rate on wool in bales in carload lots from San Francisco to Boston, a distance of 3,578 miles, is $1.50 a hundred. The rate on wool in bales from Prescott, Ariz., to Boston, a distance of 2,939 miles, is $2.44½ a hundred. The distance from Prescott, Ariz., to San Francisco is 639 miles. So the haul from Prescott to Boston is 639 miles shorter, and yet they will pay a rate of 94½ cents a hundred more on wool than the rate from San Francisco.

Violations on wool on the Northern Pacific: The present freight rate on wool in bales by carload lots from Seattle to Boston, a distance of 3,352 miles, is $1.50 a hundred. The rate from Spokane, a distance of 2,953 miles, is $2 a hundred.

The rate on wool in bales from Fargo, N. Dak., to Boston, a distance of 1,700 miles, is $1.47½ a hundred. Although the distance from Fargo, N. Dak., is 1,652 miles less than the distance from Seattle to Boston, the rate is only 2½ cents less.

On the Great Northern the wool rate is the same as on all the transcontinental railroads, $1.50 a hundred. From Grand Forks, N. Dak., to Boston, a distance of 1,768 miles, the rate is $1.53 a hundred. The distance from Grand Forks, N. Dak., is 1,455 miles less than the distance from Seattle. Yet they are paying 3 cents a hundred more on wool than the people of Seattle.

PROPOSED VIOLATION OF THE FOURTH SECTION ASKED FOR BY THE SOUTHERN PACIFIC

On dry goods in carload lots from Chicago to San Francisco by the way of the Illinois Central, New Orleans, and Southern Pacific, a distance of 3,408 miles, the present freight rate is $1.58 per hundred. The railroads have asked the Interstate Commerce Commission for a rate from Chicago to San Francisco of $1.10 per hundred.

From Chicago to Greenville, Miss., on the Illinois Central, a distance of 747 miles, the present rate is $1.10 per hundred.

If this application is allowed by the Interstate Commerce Commission, the people at Greenville, Miss., will pay the same rate as the people of San Francisco, although the haul will be 2,661 miles longer than to Greenville, Miss.

From Chicago to Amesville, La., a distance of 931 miles, the rate on dry goods in carload lots is $1.58 per hundred. The present rate to San Francisco is $1.58.

At the present time the people of Amesville, La., and at all points west on the Southern Pacific are paying the same freight rates on dry goods as those in San Francisco pay. If this fourth section violation is allowed to the Southern Pacific, the people of Amesville, La., will continue to pay a freight rate of $1.58 per hundred on dry goods, but the people of San Francisco will pay a rate of $1.10 a hundred for a haul that is 2,477 miles longer than the haul from Chicago to Amesville, La.

On horseshoes in car lots from Chicago to San Francisco, a distance of 3,408 miles, the present rate is $1 per hundred. The railroads have asked the Interstate Commerce Commission for a rate from Chicago to San Francisco of 75 cents per hundred.

From Chicago to Schriever, La., a distance of 976 miles, the present rate is $1 per hundred.

If this application is allowed by the Interstate Commerce Commission, the people of Schriever, La., will pay the same rate as do the people of San Francisco, although the haul will be 2,432 miles longer than to Schriever, La.

From Chicago to Sugarland, Tex., a distance of 1,208 miles, the rate on horseshoes in carload lots is $1 per hundred. The present rate to San Francisco is $1 per hundred.

At the present time the people of Sugarland, Tex., and all points west, on the Southern Pacific, are paying the same freight rate on horseshoes as is paid at San Francisco. If this fourth section violation is allowed the Southern Pacific, the people of Sugarland, Tex., will continue to pay a rate of $1 per hundred on horseshoes, but the people of San Francisco will pay a rate for a haul that is 2,200 miles longer than the haul from Chicago to Sugarland, Tex., of 75 cents.

Here are some proposed violations of the fourth section asked for by the Santa Fe Railroad: On dry goods in carload lots from Chicago to San Francisco, a distance of 2,540 miles, the present rate is $1.58 a hundred. The same application has been made

by all the transcontinental railroads. They are asking for a reduction to $1.10 a hundred.

If these violations are allowed from Quenemo, Kans., the people of that city will continue to pay $1.58 a hundred on carload lots, which is the present rate to San Francisco, but San Francisco will have $1.10 a hundred, while Quenemo will be paying $1.58, although the haul is 2,017 miles longer from this Kansas town to San Francisco than it is from Chicago to Quenemo.

On ammunition in carload lots from Chicago to San Francisco, a distance of 2,540 miles, the present rate is $1.40 a hundred. The railroads are asking for a rate of $1 a hundred.

Mr. KING. Will the Senator yield?

Mr. GOODING. I yield.

Mr. KING. The Senator has just alluded to the rate which the railroads are asking now from Chicago to San Francisco of $1.10. I presume there is no accompanying proposal that they will reduce the rates charged upon freight shipped from Chicago to intermediate points. They are going to maintain the same high levels of rates which now exist from Chicago to all intermediate points?

Mr. GOODING. Yes; that is correct.

Mr. KING. So, of course, they would build up Chicago, perhaps, and San Francisco or the port towns at the expense of all the intermediate sections.

Mr. GOODING. That is the object of it, of course, together with the idea of destroying water transportation, which is the primary object. That has been the struggle, and on the side of the railroads has been this Government, represented by the Interstate Commerce Commission, and its work has been complete.

All these violations, which cover 50 commodities, are applications, as far as freight reduction is concerned, to Pacific coast terminals. No point on this side that I am aware of gets any reduction at all. It means, of course, a destruction of our jobbing interests in the interior country. We will not be able to serve our own people in the simplest way.

Mr. KING. Has the Senator before him any of the rates showing the highest levels to any intermediate point between Chicago and San Francisco?

Mr. GOODING. The highest points?

Mr. KING. The highest level upon any of those 50 articles, if the Senator has the rates before him. If not, I do not want to interrupt the orderly arrangement of his remarks. I presume the highest rate between Chicago and San Francisco at some intermediate point would be very much in excess of the $1.10 which they are now asking as the rate from Chicago to San Francisco.

Mr. GOODING. The highest level reached at the intermediate point is the present Pacific coast rate of $1.58, which is blanketed back from the Pacific coast to Ogallala, Nebr., which is 820 miles west of Chicago.

The figures I have show that 48 per cent is the greatest reduction they are asking for. I have not all the figures in connection with this application before me at this time, however.

From Chicago to Raton, N. Mex., a distance of 1,098 miles, the rate on ammunition in carload lots is $1.40 a hundred. The present rate to San Francisco is $1.40 a hundred. If the rate is reduced, of course the people in San Francisco will have a rate of $1.10, while the people of Raton, N. Mex., will continue to pay a rate of $1.40 a hundred. The haul from Chicago to San Francisco is 1,444 miles longer than it is from Chicago to Raton.

On bolts in carload lots from Chicago to San Francisco, a distance of 2,540 miles, the present rate is $1 a hundred. The railroads are asking for a reduction to 75 cents a hundred. From Chicago to Newton, Kans., on the Santa Fe, a distance of 636 miles, the present rate is 75 cents a hundred. If this application is allowed the people of Newton will be paying the same price the people of San Francisco pay, although the haul to San Francisco is 1,904 miles longer than it is to Newton, Kans.

From Chicago to Dalies, N. Mex., a distance of 1,306 miles, the rate on bolts in carload lots is $1 a hundred. If this application is allowed the people at that point will continue to pay $1 a hundred, while the people of San Francisco will have a rate of 75 cents a hundred. At no place at any intermediate point do the railroads propose to reduce a single rate from the present rates which they have in effect.

Mr. DILL. Mr. President——

The PRESIDING OFFICER (Mr. ODDIE in the chair). Does the Senator from Idaho yield to the Senator from Washington?

Mr. GOODING. I yield.

Mr. DILL. If these rates were granted and the net revenues of the railroads were not sufficient to meet the payment of interest on the bonded indebtedness, the next application would be to increase the rates to the interior. Would not that be the natural result?

Mr. GOODING. Not at all. If the railroads would permit the Senator's great State to develop in the interior, and all the rest of the interior Western States to develop, they would have to double-track their lines to take care of their business.

Mr. DILL. I do not think the Senator understood my question.

Mr. GOODING. Yes; I understood the Senator's question. I am coming to a more direct answer to it. The controversy at the present time is over about 2 per cent or less of the business of the railroads that is now going through the Panama Canal. There is no doubt, in my judgment, that if the rates are reduced to San Francisco the railroads will not earn as much money as they are earning at the present time with the rates they have in force. That is not the object at all. The object is to do just what the transcontinental railroads have always said they would do, and that is, if possible, to make it so that pond lilies would grow in the channels of the Panama Canal. There is no question about what the railroads are fighting for—a monopoly.

Mr. DILL. But if there should be a raise in rates, necessarily, under present conditions, the application would be to raise the rates to the interior points and not to the coast or water points.

Mr. GOODING. That is what this has the effect of doing.

Mr. DILL. That is what I understood.

Mr. GOODING. It lowers the rates to the coast points. I think most of the merchants of the country take the position that they are not so much interested in what the freight rate is as that they shall not have any discrimination or that some other merchant in some other town shall not have a lower freight rate than they have. Of course, the merchant is able to pass the freight on to the consumers. The farmers are interested in lower freight rates on farm products, for he pays the freight going and coming—he is not able to pass it on. With the high freight rates which we are forced to pay over the long haul to eastern markets, agriculture in the Senator's State and mine and all the interior States of the West is not even getting a fighting chance.

The Government made two horizontal increases in freight rates. They increased the rates on all low-priced farm products with the exception of wheat and livestock. The first increase made by Director of Railroads McAdoo was 25 per cent. When the Interstate Commerce Commission made its increase from 25 per cent to 40 per cent, and 33⅓ per cent as between different zones, it did not make any distinction at all as to low-priced farm products. The result is that we have to-day low-priced farm products in the West in some cases paying 3,000 per cent higher freight rates according to its value than some of the manufactured articles of the East, for the maintenance and upkeep of the railroads.

Mr. KENDRICK. Mr. President, will the Senator yield?

Mr. GOODING. I am glad to yield to the Senator from Wyoming.

Mr. KENDRICK. Can the Senator tell us, in view of this request, if permission to lower the freight rates at competing points with water transportation should be granted, whether there was any general request made by the railways a year or two ago to reduce the freight rates on farm products that could not be moved to market without such a reduction? Does the Senator recall any instance in which the railroads appealed to the Interstate Commerce Commission for permission to lower the rates in order that the farm products might be moved to market?

Mr. GOODING. I have no knowledge of any such application on the part of the railroads. I do know that President Harding tried very hard to get the Interstate Commerce Commission and the railroads, when the reduction of 10 per cent was made, to give that 10 per cent reduction to farm products and the low basic materials of the country, and that six members of the Interstate Commerce Commission refused to do it, five voting for it, and the railroads refused to give any reduction or to give the 10 per cent reduction to farm products and the basic materials that were suffering from the horizontal increase of freight rates that had been made.

Mr. KENDRICK. In fact, the Senator does not know that in many instances and in many localities in the West it was found impossible to move farm products to market because of the prohibitive rates, and a great many of the products were therefore allowed to waste because of the impossibility to market them?

Mr. GOODING. In my own State thousands of carloads of potatoes could not be moved to market.

Mr. KENDRICK. The same was true in my State.

Mr. GOODING. At times it was pretty hard, with the low prices of some kinds of livestock, to move it to market. This year my people were not able to move the finest red apples that grow in America without paying in advance the freight rates. Trains of refrigerator cars of prunes passed up the valley of the Snake River that brought back to the railroads $36,000 in freight rates, but not a penny to the prune grower. He had to guarantee the freight rates and pay any loss, and yet they would not reduce the freight rates. When agriculture was suffering, the wheat growers of the West appealed to the Interstate Commerce Commission for a reduction of freight rates, but one of the commissioners said, "Why do they want to grow wheat if they can not make a living? Why do they not grow something else?" Another one of the commissioners said, "Why don't they get off the farms if they can not make a living there?" This Government is responsible for the condition of the wheat growers and the condition of the farms, but that is the expression we get from the Interstate Commerce Commission. I am sorry to say—I am going to say it, however—that a majority of them are just mere tools for the railroad corporations. I think a thorough investigation would prove that beyond the question of a doubt.

Many of the farmers are forced to grow wheat because they can not grow anything else. They have no machinery to grow anything else. Prosperity has been destroyed. My God, they have not been able in some States to buy a mere plain coffin to bury the dead of their families, and yet the Interstate Commerce Commission, to which we appeal, says, "Why don't they grow something else or why don't they get off the farms?" when they have, without any consideration at all or any investigation, increased the freight rates 33⅓ per cent.

Now, when we talk to them about reduction of freight rates they say it will take years to bring it about.

When Mr. McAdoo was appointed director of railroads he made a horizontal increase in three days after he was appointed, of 25 per cent, but he made exception as far as wheat and livestock were concerned and provided that no increase on wheat should be more than 6 cents a hundred, and that no rate on livestock should be increased more than 7 cents a hundred. Even a schoolboy understands that low-priced farm products can not bear the increase, where the freight rate is already high, as does the manufactured article. The railroads have always given some consideration heretofore to what a product would bear to carry it to market. They have usually taken all it would bear to carry it to market, or so nearly so at least that there has not been much left for agriculture in the past. When the Government forced freight rates on the farmer that were 65 per cent of an increase, they destroyed the American farmer and destroyed his prosperity everywhere, and made it impossible for him to ship many of his products to market. All we ask in Idaho—and my State is only 350 miles from tidewater—is an opportunity to go to tidewater with our cheap farm products; but with their policy of excessive freight rates, we are forced over the long haul to the eastern market.

Mr. ASHURST. Mr. President, will the Senator yield to me?

Mr. GOODING. Certainly.

Mr. ASHURST. The Senator's speech is able and penetrating, and I agree with him so fully that, although I know I will mar the symmetry of his speech, I can not resist making the observation at this time that the dwellers in the city complain seriously and justly about the high prices of farm products. Now is an opportunity for the representatives of the dwellers in the cities to in some way help equalize the rates so that the farmer may bring his produce to the city at a reasonable rate.

The Senator's speech is one of the most valuable contributions he has made to the public service. I almost envy him the ability and courage he displays in making it. He is saying things that ought to have been said long ago. I hope that those who come from the large cities, where they must have every morning a fresh supply of food for their subsistence, will give consideration to this important question of at least equalizing the rates.

My State, strange, is noted not only as a metal-producing State but as an agricultural State. We have a great opportunity in the southwest to become an agricultural country, but we are paralyzed and strangled by the unjust discrimination inhering of the so-called long-and-short haul. We are anxious to sent the cantaloupe to the tables of the East. We are anxious to send other agricultural products to the East, but the long-and-short haul and its vicious and unjust discrimination makes it practically impossible to do so.

Mr. GOODING. I thank the Senator for his kind words. There have been occasions in my life when I wished that my early training or occupation might have been along different lines. When I had wanted to express myself so that I might be understood, I have sometimes wished that I might have been a lawyer, but those were only passing fancies with me. I am glad that my life has been that of a farmer and stock grower out in the great open, out in the mighty West. I do have in presenting this question a feeling so deadly in earnest that possibly if I had the early training of the Senator from Arizona and his ability I might make myself better understood.

Mr. ASHURST. I reciprocate the kind words of the Senator, but the Senator need not fear that the words will be misunderstood. They are good, plain, strong English words, and there will be no person in this country who will fail to comprehend them because they are so plain and so strong that he who runs may read.

Mr. GOODING. I thank the Senator again. I want to get back to the observation the Senator made about dwellers of the cities. None are more interested in the prosperity of the farmer and in seeing that he has reasonable freight rates than are the dwellers of the cities—the men who work for day pay—because the farmer has been the best customer of their toil. No class of people in America or any place in the world spend money more freely than do the American farmers. They want to live, to educate their children, and to have the same opportunities that the people have who follow other occupations in the country. But if the time shall ever come in this country when the farmer is driven back to the old gray mare to go to market and those who live off of the toils of the farmer are able to honk him off of the road with their limousines, then we shall have reached the end of this civilization.

What I am fighting for are freight rates without discrimination. This is vital to the American citizen who tills the soil and who has made this country the mightiest country in all the world. He has been the pioneer of America. He has blazed the trail; he has cut away the great forests; has built our roads; has subdued the desert; has made a thousand blades of grass grow where none grew before; and has made it possible for those who followed him in after years to enjoy peace, prosperity, and happiness in the great West; but now he is confronted by an application for freight rates, which, if granted, will give his competitor 1,000 or 2,000 miles farther toward the Pacific coast cheaper transportation than he is privileged to enjoy. It is un-American; it is a crime against civilization; and there is no doubt in my mind that, properly presented, it would be decided to be unconstitutional.

I desire at this point to refer to some violations on the Northern Pacific Railroad. On dry goods in carload lots from Chicago to Seattle, a distance of 2,314 miles, the rate is $1.58 a hundred. The rates on dry goods are all $1.58 per hundred at the present time. From Chicago to Detroit, Minn., on the Northern Pacific, a distance of 613 miles, the present rate is $1.10 a hundred. If this application is allowed, the people of Detroit, Minn., will be paying $1.10 per hundred, the same as the people at Seattle, although the distance is 1,700 miles longer than it is to Detroit, Minn.

From Chicago to Steele, N. Dak., a distance of 812 miles, the rate on dry goods in carload lots is $1.58 a hundred, the same as it is to Seattle at the present time. If the application of the railroads be allowed, the people in this town of North Dakota will continue to pay $1.58 a hundred and all the people west, in North Dakota and Montana, will be paying $1.58 a hundred, while the people of Seattle will be receiving a carload lot of dry goods for $1.10 a hundred.

Mr. President, I have a number of similar illustrations, comprising but few, however, of those which might be cited. With the permission of the Senate, I ask to have them incorporated in the RECORD at this point in my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

PROPOSED VIOLATIONS OF THE FOURTH SECTION ASKED FOR BY THE NORTHERN PACIFIC

On soap in carloads from Chicago to Seattle, Wash., a distance of 2,314 miles, the present freight rate is $1.25 per hundred.

The railroads have asked the Interstate Commerce Commission for a rate from Chicago to Seattle of $1 per hundred.

From Chicago to New Salem, N. Dak., a distance of 889 miles, the present rate is $1 per hundred.

If this application is allowed by the Interstate Commerce Commission, the people of New Salem, N. Dak., will pay the same rate as the people of Seattle, although the haul will be 1,425 miles longer than to New Salem, N. Dak.

From Chicago to Sentinel Butte, N. Dak., a distance of 1,027 miles, the rate on soap in car lots is $1.25 per hundred.

The present rate to Seattle is $1.25 per hundred.

At the present time the people of Sentinel Butte, N. Dak., and all points west on the Northern Pacific are paying the same freight rate on soap as Seattle. If this fourth-section violation is allowed the Northern Pacific, the people of Sentinel Butte, N. Dak., will continue to pay a freight rate of $1.25 per hundred on soap, but the people of Seattle will pay a rate for a haul that is 1,287 miles longer than the haul from Chicago to Sentinel Butte, N. Dak., of $1.25 per hundred.

On roofing material on car lots from Chicago to Seattle, Wash., a distance of 2,314 miles, the present freight rate is $1.10 per hundred.

The railroads have asked the Interstate Commerce Commission for a rate from Chicago to Seattle of $0.90 per hundred.

From Chicago to South Heart, N. Dak., on the Northern Pacific, a distance of 996 miles, the present rate is $0.90 per hundred.

If this application is allowed by the Interstate Commerce Commission, the people of South Heart, N. Dak., will pay the same rate as the people of Seattle, although the haul will be 1,318 miles longer than to South Heart, N. Dak.

From Chicago to Beach, N. Dak., a distance of 1,036 miles, the rate on roofing material in carload lots is $1.10 per hundred.

The present rate to Seattle is $1.10 per hundred.

At the present time the people of Beach, N. Dak., and all points west on the Northern Pacific are paying the same freight rates on roofing material as Seattle. If this fourth-section violation is allowed the Northern Pacific, the people of Beach, N. Dak., will continue to pay a freight rate of $1.10 per hundred on roofing material, but the people of Seattle will pay a rate for a haul that is 1,278 miles longer than the haul from Chicago to Beach, N. Dak., of $1.10 per hundred.

FOURTH SECTION VIOLATIONS BY THE ILLINOIS CENTRAL

On dry goods from Chicago to Meridian, Miss., a distance of 712 miles, the freight rate is $1.82 per 100.

The railroads have asked the Interstate Commerce Commission to be permitted to make a rate from Chicago to New Orleans, a distance of 912 miles, on dry goods in carload lots of $1.53½ per 100.

If this application is allowed by the Interstate Commerce Commission, the people of Meridian, Miss., will have to pay for a 200-mile shorter haul than the haul from Chicago to New Orleans, a freight rate of 28½ cents more per 100 pounds.

The present rate on dry goods in carload lots from Chicago to San Francisco, a distance of 3,408 miles, is $1.58 per 100.

The present rate to Meridian, Miss., a distance of 712 miles, is $1.82 per 100.

Although the haul from Chicago to Meridian, Miss., is 2,796 miles shorter, the people of Meridian pay 34 cents per 100 more.

The railroads have asked the Interstate Commerce Commission to be permitted to make a rate of $1.10 per 100 from Chicago to San Francisco.

If the commission permits them to make a rate of $1.10 per 100, the people of Meridian, Miss., will have to pay for a haul that is 2,796 miles shorter, a freight rate of 72 cents more per 100.

PROPOSED VIOLATION OF THE FOURTH SECTION ASKED FOR BY CHICAGO, ROCK ISLAND & PACIFIC, AND SOUTHERN PACIFIC

On dry goods in carload lots from Chicago to San Francisco, a distance of 2,760 miles, the present freight rate is $1.58 per 100.

The railroads have asked the Interstate Commerce Commission for a rate from Chicago to San Francisco of $1.10 per 100.

From Chicago to Willard, Kans., on the Rock Island, a distance of 601 miles, the present rate is $1.10 per 100.

If this application is allowed by the Interstate Commerce Commission, the people of Willard, Kans., will pay the same rate as the people of San Francisco, although the haul will be 2,159 miles longer than to Willard, Kans.

From Chicago to Haviland, Kans., a distance of 749 miles, the rate on dry goods is $1.58 per 100.

The present rate to San Francisco is $1.58 per 100.

At the present time the people of Haviland, Kans., and all points West on the Rock Island and Southern Pacific are paying the same freight rate on dry goods as San Francisco. If this fourth section violation is allowed the Rock Island and Southern Pacific, the people of Haviland, Kans., will continue to pay a freight rate of $1.58 on dry goods, but the people of San Francisco will pay a rate for a haul that is 2,011 miles longer than the haul from Chicago to Haviland, Kans. of $1.10 per 100.

On bolts and nuts, in carload lots, from Chicago to San Francisco, a distance of 2,640 miles, the present freight rate is $1 per 100.

The railroads have asked the Interstate Commerce Commission for a rate from Chicago to San Francisco of 75 cents per 100.

The present rate from Chicago to Lebanon, Kans., on the Rock Island, a distance of 704 miles, is 75 cents per 100.

It this application is allowed by the Interstate Commerce Commission, the people of Lebanon, Kans., will pay the same rate as the people of San Francisco, although the haul will be 1,836 miles longer than to Lebanon, Kans.

From Chicago to Brewster, Kans., a distance of 868 miles (on the Rock Island) the rate on bolts and nuts in carload lots is $1 per 100.

The present rate to San Francisco is $1 per 100. At the present time the people of Brewster, Kans., and all points west on the Rock Island and Southern Pacific are paying the same freight rate on bolts and nuts as San Francisco.

If this fourth-section violation is allowed the Rock Island and Southern Pacific, the people of Brewster, Kans., will continue to pay a freight rate for a haul that is 1,772 miles longer than the haul from Chicago to Brewster, Kans., of $1 per 100.

Mr. GOODING. Mr. President, at the present time not all the transcontinental railroads are making a fight for the privilege to violate section 4 of the interstate commerce act. They have asked for it, but there has been a division among them because, after all, some of them at least understand that they are only building up coast points at the expense of the interior; that they are building up great cities which sooner or later, beyond a doubt, will ship most of their merchandise on the ocean through the Panama Canal. They are building up great cities where they will come in competition with other railroads and must divide the business. No thought or consideration has been given on the part of the railroads to the development of their own territory, over which they have a monopoly.

Mr. President, I have here a short letter from Mr. Kenney, vice president and director of traffic of the Northern Pacific Railroad, which I send to the desk and ask to have read.

The PRESIDING OFFICER. The Secretary will read as requested.

The reading clerk read as follows:

[W. P. KENNEY, vice president and director of traffic]

GREAT NORTHERN RAILWAY CO.,
Seattle, Wash., July 26, 1921.

(Personal.)

Mr. EDWARD CHAMBERS,
Vice President, Santa Fe System, Chicago, Ill.

MY DEAR MR. CHAMBERS: There is intense feeling regarding request of the railroads for fourth-section relief.

I have been in Spokane and around the coast. There seems to be but little interest on the coast, while in Spokane and other inland cities the merchants are up in arms because they understand the railroads will file the request for fourth-section relief, and my own opinion is that our filing this request for fourth-section relief will alienate all of the intermediate shippers, who, as Mr. McCarthy says, do not care what the rate is so long as they are on equality with their competitors.

If we are ever going to fix up rates, such as you and I discussed, to apply terminal rates at intermediate points as maximum, we should, if we can do so, avoid the necessity for filing an additional fourth-section application at this time, because our filing such application will be to signal for a general attack on our rates by the intermediate States, and I think we had better be prepared to apply every domestic rate as the maximum at intermediate points. If not and we get fourth-section relief we are going to merely build up people that will continually try to break down our rates through water competition while the intermediate jobber, who wants to be friendly and stay with us, will be less able to meet the competition from the coast.

A general attack on our intermediate rates as to their reasonableness, such as the grain rates from Montana, wool rates, livestock rates, etc., that will be precipitated by fourth-section application on our part, will lose us much more than we can gain by any relief we will secure through such application.

I have certainly reached the conclusion that if we buck the intermediate sentiment we will lose much revenue in the interior, much more than we will gain on the coast, and we will finally get an inflexible long-and-short-haul clause that will cause us a great deal of worry and trouble in the future.

Yours very truly,

W. P. KENNEY.

Mr. GOODING. Mr. President, the letter just read from the desk was secured by the Interstate Commerce Commission or its representatives in its investigation into the propaganda of commercial clubs and great cities and of the railroads themselves to force fourth-section violations upon the country. At this point I conclude my remarks.

Mr. BROOKHART obtained the floor.

Mr. BRUCE. Mr. President——

Mr. BROOKHART. Does the Senator from Maryland desire to proceed at this time?

Mr. BRUCE. I thought the Senator from Idaho [Mr. GOODING] had the floor. I had not observed that the Senator from Iowa had taken the floor.

Mr. PITTMAN. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER (Mr. ODDIE in the chair). Does the Senator from Iowa yield to the Senator from Nevada?

Mr. BROOKHART. I yield.

Mr. PITTMAN. It is apparent that there is not a quorum in the Chamber, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The roll will be called.

The roll was called, and the following Senators answered to their names:

Adams	Edge	Lodge	Sheppard
Ashurst	Fess	McKellar	Smith
Ball	Frazier	McKinley	Stanfield
Borah	Gooding	McNary	Sterling
Brandegee	Hale	Moses	Swanson
Brookhart	Harris	Neely	Trammell
Broussard	Harrison	Norris	Wadsworth
Bruce	Heflin	Oddie	Walsh, Mont.
Bursum	Johnson, Calif.	Overman	Warren
Cameron	Johnson, Minn.	Phipps	Wheeler
Capper	Jones, Wash.	Pittman	Willis
Copeland	Kendrick	Ransdell	
Dial	Keyes	Reed, Mo.	
Dill	Ladd	Robinson	

The PRESIDING OFFICER. Fifty-three Senators having answered to their names, a quorum is present.

Mr. BROOKHART. Mr. President, the proposed amendment has but one object, and that is to prevent a lower charge for a long haul than for a short haul over the same route and in the same direction. Since, under the law, rates must be compensatory, and since these low rates to points competitive with water transportation have been adjudicated to be compensatory, I assume, and shall discuss this proposition from the standpoint, that this amendment means a reduction of rates to intermediate points. It will not be of great value to the farmers unless it does mean a reduction of rates.

The first question to which I shall address myself is, who shall be benefited by this amendment, and who shall be injured, assuming that each, according to his personal interest, will be for it or against it?

I think, in the long run, when every phase of the matter is figured out and fully considered, that there will be nobody against it except those who believe in a monopoly of transportation. Perhaps there was a time when the city of St. Louis believed that the low rates put in by the railroads for the specific purpose of destroying the river traffic would be a good thing for that city. Perhaps some of them, seeing the temporary advantage, took that view; but after the river transportation was destroyed, and the boats had ceased to move, and traffic had practically ended on the river, and the rates were then raised, that sentiment changed.

I know from personal contact with the people of St. Louis recently that at this time they are entirely opposed to any scheme of rate-discrimination that will destroy river traffic; and any temporary advantage that might at one time, and did at one time, accrue to them from that policy of the railroads, is now long since past and gone.

The same argument will apply to the cities on the Atlantic seaboard. Transcontinental rates have been put in, and are proposed now to be put in, for the purpose of destroying the Panama Canal traffic in the same way that the river traffic was destroyed. There might result a temporary advantage to New York and to Norfolk and to Charleston and some of the other cities on the Atlantic seaboard, and to some extent a corresponding benefit to the Pacific seaboard cities; but as soon as the railroads have accomplished their purpose of monopoly in transcontinental traffic and have again raised the rates to those points the temporary advantage will be not only quickly lost but quickly outbalanced by the disadvantages that result from this monopoly.

I therefore assume that each Senator will consider this question in its full aspect; that each Senator will figure it out not as a temporary matter for a local result but as a permanent matter for its national result. Upon that basis I think that every city and every State should favor this equalization of railroad rates, and that every citizen should favor it, unless it be that small group of citizens that are interested in a railroad monopoly of transportation.

A recent report of the Director General of Railroads said that there were some 768,000 people in the United States who owned railroad stocks. If that be true, that is less than three-quarters of 1 per cent of our people who have any direct interest in this railroad monopoly, and many of those in that membership would be loyal to the public interest against any little benefit that might result to them personally.

With this general idea in view and upon the theory that this amendment will reduce the intermediate rates, and that it ought to reduce the intermediate rates, I shall proceed to a discussion of this question. I want to point out some of the larger facts which indicate that not only these rates but all railroad rates ought to be reduced. I want to discuss the big proposition as well as to the specific question relating to the long-and-short-haul proposition.

In the first place, I assert that the railroads can and should reduce their rates because their valuation is not now and never has been the $19,000,000,000 that has been fixed by the Interstate Commerce Commission. I want to present a theory of valuation which I think deserves the serious consideration of the Congress of the United States, especially at this time, when agricultural values have been so completely broken down.

These 768,000 people who own the railroads of the United States do not own locomotives. They do not own ties. They do not own steel rails. They do not own coaches. They do not own freight cars. They do not own terminal stations, either freight or passenger. What those people own are certificates of stock; and the only other people in the United States who have a direct interest in the ownership of railroads are the bondholders, and of course they own bonds. These certificates of stock are the property of these people, and they have a value; and I want to say, and put it of record, that the value of those stocks and bonds, the actual properties owned by these people, on any market that has ever been created in the United States, never has exceeded $12,000,000,000; it does not now exceed $12,000,000,000; and I insist that that market value of these securities is the maximum value upon which they are entitled to a return.

I have some authorities upon this question that I desire to present in the record of the Senate. I have here American Railroads of date March 13, 1922. This is a bulletin published by the authority of the Association of Railway Executives, 61 Broadway, New York. This publication, on the date I have mentioned, printed a speech of Mr. C. W. Barron before the Economic Club upon this question of railroad transportation.

Mr. Barron is the owner of the Wall Street Journal, and in that speech Mr. Barron said:

> The railroads of the United States, as you know, have been capitalized at $20,000,000,000. They could not be duplicated for $30,000,000,000. They are selling for $12,000,000,000.

Which means, and which is true, that upon the markets you could buy all the stock and all the bonds representing all the value of all the railroads in all the United States at $12,000,000,000, and the people owning those stocks and bonds would get every cent of value they had in their ownership, and more than they ever actually invested in those stocks and bonds.

In the next place, I wish to quote from Mr. Theodore H. Price, the editor of Finance and Commerce, speaking before the Retail Lumber Dealers' Association of Nebraska, at Omaha, on February 15, 1923. In discussing this question Mr. Price said:

> Taking up the capital investment first, it may not be generally known that, although the Interstate Commerce Commission has accepted a valuation of $18,900,000,000 for the railroad properties of the country, in construing the provisions of the Esch-Cummins bill the aggregate market value of all the railroad stocks and bonds outstanding is rather less than $12,000,000,000.

These statements are from as high and well-informed financial authority as we have in this country. I myself have made a partial check of this situation. I checked the values of the stocks and bonds of 35 roads, and, taking the market value and the percentage, it is my judgment, too, that this estimate of $12,000,000,000 for the total value of all these properties is high enough.

Is it an unsound theory that we should take that value as a basis of the return upon the railroads? If we do take that value, it means that $7,000,000,000 of water was legalized under the provisions of the transportation act, and that we must pay a return upon that $7,000,000,000 now of 5½ per cent.

Up jumps some financier and says, "It is unsound to take those as a basis of value." If it is unsound, it is for this reason—that it is too high—and that the stock and bond markets have been manipulated. This is the maximum value, then, that would be sound from the standpoint of the people of the United States.

Surely the owners of the railroads can not complain about the market value of their securities as a test for fixing the real valuation of the railroads. They themselves have created

that market. They buy and sell those stocks and those bonds upon the market. Therefore they have no argument and no reason for not accepting this as a sound basis of value.

At times that market has been manipulated. At times stocks have been advanced far beyond their value by speculation. Bonds have also been advanced far beyond their value, because I find that the bonds of these railroads are watered as well as stocks. While that is true, and while it would not do for us to take some particular road of which the stock values have been manipulated by speculation and use that as a test, still, as a matter of fact, it has only been a small percentage of this whole volume of stock that has been manipulated at any one time.

That small percentage does not change the grand total of twelve billion very much, and throughout the entire history of the railroads stocks and bonds have, in fact, in their market value been nearer to the actual value of the properties than any other index.

It is said that you can not use that as a test. It is said that a lot of other elements must be considered, and it is also true that the Supreme Court of the United States, in the old, original case of Smyth *v.* Ames, laid down a rule including several other elements of value. I think it might be well at this time to refresh the record with the doctrine laid down by the Supreme Court in that leading case. I will read a portion of the opinion of the court, as follows:

> It can not, therefore, be admitted that a railroad corporation maintaining a highway under the authority of the State may fix its rates with a view solely to its own interests, and ignore the rights of the public. But the rights of the public would be ignored if rates for the transportation of persons or property on a railroad are exacted without reference to the fair value of the property used for the public or the fair value of the services rendered, but in order simply that the corporation may meet operating expenses, pay the interest on its obligations, and declare a dividend to stockholders.
>
> If a railroad corporation has bonded its property for an amount that exceeds its fair value, or if its capitalization is largely fictitious, it may not impose upon the public the burden of such increased rates as may be required for the purpose of realizing profits upon such excessive valuation or fictitious capitalization; and the apparent value of the property and franchises used by the corporation, as represented by its stocks, bonds, and obligations, is not alone to be considered when determining the rates that may be reasonably charged. What was said in Covington & L. Turnpike Co. *v.* Sandford, 164 U. S. 578, 596, 597 (41: 560, 566, 567), is pertinent to the question under consideration. It was there observed:
>
> > "It can not be said that a corporation is entitled, as of right, and without reference to the interests of the public, to realize a given per cent upon its capital stock. When the question arises whether the legislature has exceeded its constitutional power in prescribing rates to be charged by a corporation controlling a public highway, stockholders are not the only persons whose rights or interests are to be considered. The rights of the public are not to be ignored. It is alleged here that the rates prescribed are unreasonable and unjust to the company and its stockholders. But that involves an inquiry as to what is reasonable and just for the public. * * * The public can not properly be subjected to unreasonable rates in order simply that stockholders may earn dividends. The legislature has the authority, in every case where its power has not been restrained by contract, to proceed upon the ground that the public may not rightfully be required to submit to unreasonable executions for the use of a public highway established and maintained under legislative authority."

There is much more general discussion to the same effect, but I will find a part of the opinion, if I may, which points out the specific things which are considered in making up a reasonable rate. I read:

> We hold, however, that the basis of all calculations as to the reasonableness of rates to be charged by a corporation maintaining a highway under legislative sanction must be the fair value of the property being used by it for the convenience of the public. And, in order to ascertain that value, the original cost of construction, the amount expended in permanent improvements, the amount and market value of its bonds and stock, the present as compared with the original cost of construction, the probable earning capacity of the property under particular rates prescribed by statute, and the sum required to meet operating expenses, are all matters for consideration, and are to be given such weight as may be just and right in each case. (U. S. Supreme Court Repts., 167–170, Smyth *v.* Ames, marginal pp. 545, 546, 547.)

Those are the specific elements of the reasonable rate as it must be considered and established by the Interstate Commerce Commission when it is regulating rates for railroads operated by private corporations.

In that method of establishing rates is included the value of the stocks and bonds. However, that is only one of the elements, and these other elements are considered in determining this rate.

Now, however, there is a different theory or policy which I desire to present in connection with this question of valuation. If this valuation can be reduced by $7,000,000,000 legally and rightfully, it is easy to see that not only these intermediate rates but the whole rate structure can be reduced, and this is the proposition.

I think everybody who has studied the railroad question has reached this conclusion, that there must be a combination of these roads into systems, which will end a large part of the competition, especially of the petty competition, which exists at this time. Personally I do not believe in the theory of competition in transportation at all. I believe it is vicious and always works to the disadvantage of the public.

If it be true that these roads should be combined into systems, then the Congress has the right to combine them by condemnation of the stocks and the bonds. If the Interstate Commerce Commission, in fixing this $18,900,000,000 value, has correctly interpreted the law as laid down in Smyth against Ames, then we have two ways of doing it—one by accepting a value of that kind, the other by proceeding directly against the value of the stocks and the bonds.

We do not need to proceed against the bonds; they can be paid when they become due, and there is no necessity of their condemnation; but if we proceed against the stocks, we will take them at their fair market value, which will reduce the whole value of these roads to less than $12,000,000,000. Every owner of stocks in the United States would get every dollar that his property is worth.

I have seen the railroads come through my State. I have seen them take farms for use in railroad construction. They took those farms at their fair market value, and that was all there was to it. The same rule should apply when we must unite the roads into systems to bring about further economy in the transportation system of the people of the United States. If we follow that rule, then we could adopt the amendment and could reduce all the intermediate rates until they fall below the terminal rates which have been established by the exceptions under the law.

I desire to place in the RECORD the holding of the Supreme Court upon the question of the right to condemn stocks and bonds. That has been decided without dissent by a unanimous decision of the Supreme Court. The case is reported in Two hundred and third United States Supreme Court Reports, at page 231, Charles K. Offield, plaintiff in error, *v.* New York, New Haven & Hartford Railroad Co., defendant in error. I shall not take the time to read the opinion, although it is not long. It is by Mr. Justice McKenna. I will read only the latter part of it, as follows:

> (1) The power of the State to declare uses of property to be public has lately been decided in Clark *v.* Nash (198 U. S. 361; 49 L. ed. 1085; 25 Sup. Ct. Rep. 676) and in the case of Strickley *v.* Highland Boy Gold Mining Co. (200 U. S. 527; 50 L. ed. 581; 26 Sup. Ct. Rep. 301). These cases exhibit more striking examples of the power of a State than the case at bar. In the first case the statute of the State permitted an individual to enlarge the ditch of another to obtain water for his own land; in the second case the statute authorized the condemnation of a right of way to transport ore from a mine to a railroad station. In the first case it was said that the public policy of the State, declaring the character of use of property, depends upon the facts surrounding the subject. In the second case it was said, commenting on the first, "it proved that there might be exceptional times and places in which the very foundations of public welfare could not be laid without requiring concessions from individuals to each other upon due compensation, which, under other circumstances, would be left wholly to voluntary consent."
>
> The case at bar does not need the support of such broad principles. The ultimate purpose of defendant in error in the case at bar is the improvement of the New Haven & Derby Railroad, which "connects (we quote from the opinion of the supreme court of errors, 77 Conn. 419, 59 Atl. 511) at New Haven on the east with four, and at its western terminals with two, important railroad lines owned by the plaintiff (defendant in error) and forms a link in an all-rail route between Boston and the West, which is the only one controlled by the plaintiff, and the only one of any kind controlled by it over which goods can be transported with assured dispatch in all weathers and at all seasons." In this purpose the public has an interest, and to accomplish it the court applied the statute. The court observed: "To

develop this route so as best to serve the public interest requires the laying of additional tracks on the New Haven & Derby Railroad and other extensive and very costly improvements. The lessor company has neither means nor credit whereby this can be effected on advantageous terms. The plaintiff could and will effect it, and at much less cost, if it can acquire the two outstanding shares of the stock of the lessee. They are owned by the defendant, who refuses to agree on terms of purchase."

(2) The contract which it is contended was impaired is the lease of the New Haven & Derby Railroad by defendant in error. The lease is for a period of 99 years from July 1, 1892, at a rental of 4 per cent per annum upon the capital stock, together with the payment of taxes, assessments, and interest upon the funded debt. Associated with this contention there is another, more general, to the effect that the statute impairs the contract rights of plaintiff in error as a stockholder of the New Haven & Derby Railroad Co. We do not find it necessary to give precise and separate discussion to these contentions. They seem to us to be but parts or incidents of the contention that the stock is sought for a private use. If they are not incidents of that, they are answered and opposed by the case of Long Island Water Supply Co. *v.* Brooklyn (166 U. S. 685, 41 L. ed. 1165, 17 Sup. Ct. Rep. 718). Whatever value the lease gives the shares of stock will be represented in their appraisement.

Therefore, the court not only holds for the power of condemning stocks, but leases or any other form of contract that would interfere with the public interest in this kind of a case. Under that situation the Congress of the United States is now at this point. Shall we consolidate the railroads into systems under a valuation that will place them at about $20,000,000,000, thereby taking into that value all sorts of theories, estimates, and calculations which are not based upon actual investment or upon facts, but based upon the opinions of experts who have opinions without limit; or shall we base that value upon the stocks owned by 768,000 people in the United States and pay them directly what their stocks are worth? If we do that thing, we squeeze $7,000,000,000 of water out of the valuation, and we end the return that must be paid forever upon that valuation. By doing that we would be able not only to adopt this amendment and to reduce the intermediate rates that are higher than the rates in competition with water transportation, but we would be able to reduce the whole rate structure of the United States. We would do no damage and no wrong to any owner of any interest or any right in any railroad whatsoever. We would do exactly what we have done in every condemnation proceeding in all the States and in all the United States for that matter.

The next proposition I desire to discuss is this: If the value be established at $12,000,000,000, what is a reasonable return upon it? I assert that 5¾ per cent is an unreasonable return. It is unreasonably high, and I have some facts and a theory which I desire to present to the Senate which would reduce that return under any fair conditions to something like 3½ or 4 per cent. I base my theory upon the average increase of wealth in the United States, as a result of all labor in the United States, as a result of all earnings of capital in the United States, and as a result of all unearned increment in the United States added together.

The percentage that would represent all of those things would be the maximum that any stabilized capital ought to earn. It is more than the maximum that any stabilized capital should earn, because capital is not entitled to all that the people of the United States can produce. There should be some sort of division when we come to figure the total earnings. I think the theories of figuring out a reasonable return have been based upon the unreasonable returns that have been taken by the power of monopoly in institutions like the Steel Trust and the Oil Trust and the Henry Ford trust and those great combinations that have ruled the matter of profits in our country.

On this question I desire to present to the Senate a recent bulletin of the Department of Commerce, which gives the values of all property in the United States for the years 1912 and 1922. It also goes back to the years 1904, 1900, and previous years. In 1912 the total value of all property in the United States was $186,209,664,000. From those figures, in the next 10 years the value increased to $320,803,862,000. I took the first figures and figured them at 5 per cent, compounding or adding in the interest at the end of each year, because the 5 per cent, if that be the rate, would be added each year. When I got through I found that 5 per cent almost represented the entire advance. A slight fraction over 5 per cent is all the wealth increase that all the people and all the capital and all the property advance in the United States are able to produce in a period of 10 years.

Mr. NORRIS. Mr. President, will the Senator give that 10-year period again? I have forgotten the date.

Mr. BROOKHART. From 1912 to 1922. If Senators desire to figure other periods, I will give the figures for 1904 and 1900 because the rate does not change very materially over any of the periods. The figures for 1904 are $107,104,194,000 and for 1900 the figures are $88,517,307,000.

Mr. NORRIS. That is a period of only four years.

Mr. BROOKHART. Yes; but it only figures between 5 and 6 per cent anywhere along the line, as I recollect it.

This is a great economic fact that has received but little consideration in framing the laws that should govern our economic institutions in the United States. Profits are allowed to run wild, and the profits that go highest and wildest are those that are controlled by business that is the most stable. Stable business certainly has no right to a profit above the average earnings of all the people and of all properties. There may be some other lines of business that are a greater risk that would be entitled to some consideration upon that theory, but the whole proposition is that all of the earnings of the people are entitled to more weight in figuring up a reasonable return than is any other consideration.

Mr. NORRIS. Mr. President, may I ask the Senator from Iowa a question?

Mr. BROOKHART. Yes.

Mr. NORRIS. In the totals which he is stating, does he include the so-called "unearned increment"?

Mr. BROOKHART. Absolutely; and that ought not to be included in a railroad valuation. I will discuss that in a moment.

Furthermore, while these figures show only a 5 per cent increase in property in all the United States year by year, here is the comment of the Secretary of Commerce upon these figures:

> It should be borne in mind that the increases in money value are, to a large extent, due to the rise in prices which has taken place in recent years, and so far as that is the case they do not represent corresponding increases in the quantity of wealth.

Therefore, the actual wealth or property increases have probably been much less than the 5 per cent which is figured out in this case.

Under that situation, what is a fair return upon a railroad property, which is one of the best stabilized properties now in the United States under the present transportation act? It is stabilized by a command in the law directing the Interstate Commerce Commission to levy rates upon the people of the United States high enough to yield the railroads a return of 5¾ per cent on their adjudged value. Five and three-fourths per cent is an unreasonable return upon their property. There are $10,000,000,000 of bonds now in that valuation that are only yielding about 4½ per cent; and nobody has ever explained to me or given to me a reason why there should be an extra return of $150,000,000, a bonus, as it were, upon that bonded portion of this capital.

What about the "unearned increment"? Should it be added to railroad valuation in any case? It is said that a farmer has a right to the advance in the value of his farm, and, therefore, it is asked, why should not a railroad have the right to the advance in the value of its property; but is that a fair comparison? What is the difference in the comparison? The farmer has no law and no board that fixes prices for his products high enough so that he can collect operating expenses, all taxes, and all depreciation, and then have a return of 5¾ per cent in addition upon the full value of his farm, and 50 per cent of water added.

There is no such law surrounding any business except the business of the public utility, but the public utility has that law, as decided in the Smyth-Ames case, which I have just read. Even before the enactment of the transportation act the public utility had the right under the common law and under the Constitution to a reasonable return, which was, in effect, a guaranteed return. It had the right to levy rates high enough to yield such a return and to compel the public to pay those rates. Since the farmer and other business have no such law and no such right, there is a different situation as to "unearned increment" presented when it relates to public utilities and when it relates to private business.

I maintain that the public utility has no right to a law that will give it a guaranteed return; then, in addition, charge up and add to its capitalization a speculative increase in the value of its property; and then charge the public which created that increase rates high enough to get a return upon that speculative value. So far as railroads are concerned, there is no jus-

tice in the capitalization of "unearned increment." Perhaps we can not correct what has happened in the past, though to some extent we can by the condemnation of the stocks and bonds; but two or three billion dollars' worth of those stocks and bonds would have no value in them at all to-day had not the "unearned increment" in the real-estate values grown up under them and given them a value.

Some say if this method of condemning the stocks and bonds were adopted it would mean Government ownership of the railroads. What if it did? Government operation during the war was a good deal cheaper than the operation which followed after the railroads were turned back. The McAdoo management of the railroads, which I have always condemned, was nearly a billion and a half dollars cheaper than the private management which immediately followed it. I desire to put the figures in the RECORD at this point. I quote from Statistics of Railways for the year 1919, which was the last year of Government operation of the railroads and within two months of the end of Government operation. I find on page 50 of that report that the total operating expense of all three classes of roads for that year was $4,569,029,750. Two months later the roads were turned back to the so-called efficient private ownership, and for the next 10 months of that year they were operated under private ownership. What happened to the operating expenses in that time? Did they decrease under the efficiency of private ownership? Did it cost the people of the United States less to operate the roads? Here we have a comparison for two years, the best two years for the purpose of comparison in the history of the railroads, for during those two years traffic and other conditions were more nearly equal than in almost any other two years that can be mentioned. How much were the operating expenses reduced under the so-called efficiency of private management? Here are the figures. The Statistics of Railways for the year 1920, to December 31 of that year, on page 43, show that the total operating expenses for that year were $6,054,033,684. Senators can subtract those two amounts for themselves and see that, instead of the operating expenses decreasing under this efficient private management, they increased $1,485,000,000.

Mr. NORRIS. Mr. President, may I interrupt the Senator again?

Mr. BROOKHART. Yes.

Mr. NORRIS. I was called out of the Chamber for a moment and I lost to some extent the connection, but, as I gather, the last figures the Senator has quoted represent the operating expenses under private management for only 10 months?

Mr. BROOKHART. Yes; for only 10 months.

Mr. NORRIS. While the other figures the Senator read just previously as to operation under Government control represented 10 or 12 months?

Mr. BROOKHART. Twelve months. The figures I have given were for the whole 12 months in each case, but 2 months of the 12 in the last figures were under Government operation, being the months of January and February. If the roads had been in private management throughout the whole period of the 12 months the showing would have been worse.

During 6 months of those 10 there was a Government guaranty, which was paid out of the Treasury of the United States. The law guaranteed the roads this return during that time. I asked the Interstate Commerce Commission for a statement of how much was paid out to make up these expenses, and I have the statement here, dated May 12, 1924. The total is $505,857,512.70, and it is estimated that the balance due under the section is $30,142,487.30. Those two items added together make exactly $536,000,000, representing funds paid to the railroads by the Government of the United States. Yet when the Agricultural Committee tries to obtain a little appropriation of $200,000,000 to assist agriculture in its present distressed condition, those who advocate that plan are denounced as an outfit of socialists and anarchists and bolshevists. No one denounced in those terms the men who advocated taking $536,000,000 out of the Treasury of the United States to guarantee to the railroads a return of 6 per cent upon a fictitious valuation, $7,000,000,000 of which was watered.

That is not all the Government has done for the railroads. While we are upon the question of paternalism I wish to point out that paternalism and socialism and anarchism and all the other isms which the representatives of the farmers and the common people are accused of advocating are very reasonable things when they are advocated by a lot of Wall Street anarchists.

In addition to the cash amount paid to the railroads under the law the Interstate Commerce Commission was authorized to take out of the Treasury $350,000,657 of loans to the railroads. These gigantic amounts of Government aid have been granted to the railroads at different times, although their total real valuation is only $12,000,000,000. In addition to that there is held uncertified nearly $100,000,000 more for the purpose of such loans. The secretary of the commission gives me the figures as $97,335,425.

Mr. NORRIS. What is that item, I should like to ask the Senator? I wish he would explain that item.

Mr. BROOKHART. That is loans under the revolving fund. It is headed:

The following statement shows, as of April 30, the status of the revolving fund of $300,000,000 created by section 210 of the transportation act.

So right now we have that system of paternalism in operation to take care of the railroads and to protect the profits of the owners of railroad stocks—not only three-quarters of 1 per cent above the average earnings of all the people of the United States and of all the property of the country, but upon a valuation that is $7,000,000,000 or $8,000,000,000 higher than you could purchase the property for right now in the markets of the United States.

That is not quite all that we have done under our system for transportation in our history. I want to mention at least one other matter of paternalism that has been done by the Government for the railroads of the United States, and that is the land grants to the railroads.

I notice that this document went out of print suddenly. I had a hard time to find it, but I finally got a copy of it. It was printed first in 1915. It is entitled:

Statement showing land grants made by Congress to aid in the construction of railroads, wagon roads, and so forth, together with data relative thereto.

It was prepared by the Department of the Interior, by A. A. JONES, First Assistant Secretary.

Mr. WARREN. That is the senior Senator from New Mexico.

Mr. BROOKHART. Our Senator JONES?

Mr. NORRIS. Yes; that is our Senator JONES.

Mr. BROOKHART. Then there is not any doubt but that it is right.

Mr. NORRIS. At least, nobody here would dare dispute it.

Mr. BROOKHART. No.

Then what do we find? We find that there has been given to the railroads in land grants 158,293,376.84 acres. That is more than 4½ times the size of the State of Iowa; and one-fifth of the State of Iowa was given away in those grants.

The present value of that land is far more than the total value of all the railroads in the United States, and at the value at which they held it then it was more than the amount of money that they put into the railroads of the United States.

I was up in New York not long ago. I was talking to a crowd of those financiers who juggle the railroads for their own private profit, and after I had finished talking there was a series of questions. One of those chaps stood up and said to me: "You are unfair to the railroads." He said: "I was out in your State when land was worth $5 an acre."

Mr. WARREN. I was there when it was worth $2.50 an acre.

Mr. BROOKHART. He said: "We built a railroad along beside that land, and it became worth $150 an acre." Then I said to him, "Yes; Iowa is the best agricultural spot in this big, round world. It produces one-tenth of all the foodstuffs in all the United States. There is not another spot of ground on this earth as large as Iowa, as near square as Iowa, with as little waste land and as rich soil and as great production as the State of Iowa; and we gave one-fifth of that princely domain to the railroads. Not only that, but we voted taxes upon towns and upon townships, and we voted bonds on counties, and we built those roads, and after we built them you owned them back here in New York."

In spite of all that the Government and the people of the United States have done for transportation——

Mr. NORRIS. Mr. President, may I interrupt the Senator before he leaves the subject of giving lands to the railroads?

Mr. BROOKHART. I yield.

Mr. NORRIS. Does this document to which the Senator has referred give the number of acres by States and localities?

Mr. BROOKHART. It does by railroads and in detail as the grants are made.

Mr. NORRIS. I do not want to interfere with the outline of the Senator's remarks, but I think it would be interesting if he would give us some of those details. For instance, how much land was given to the Union Pacific, and how much of that was in the State of Nebraska, and how much in Colorado?

Mr. BROOKHART. I doubt whether it is divided by States, because the grants, I think, were not made by States.

As to the main line of the Union Pacific, I find this:

STATEMENT SHOWING LAND GRANTS MADE BY CONGRESS TO AID IN THE CONSTRUCTION OF RAILROADS, WAGON ROADS, CANALS, AND INTERNAL IMPROVEMENTS, TOGETHER WITH DATA RELATIVE THERETO, COMPILED FROM THE RECORDS OF THE GENERAL LAND OFFICE.

Chronological No. 41:

Date of grant.—July 1, 1862 (12 Stat. p. 489).

Route of road.—From a point on the one hundredth meridian of longitude west from Greenwich, between the south margin of the valley of the Republican River and the north margin of the valley of the Platte River, in the Territory of Nebraska, to the western boundary of Nevada Territory; also from a point on western boundary of Iowa to the one hundredth meridian aforesaid.

Extent of grant in place.—Odd sections within 10 miles on each side of road.

Extent of indemnity limits.—No indemnity.

Grantee.—Union Pacific Railroad Co.

Subdivisions of grant and present owners.—No subdivision. Union Pacific Railroad Co.

Additional legislation affecting but not increasing grant—

July 3, 1866 (14 Stat. p. 79). Authorized company to locate and construct its road from Omaha westward by the best and most practicable route without reference to the initial point on the one hundredth meridian previously provided by law.

July 26, 1866 (14 Stat. p. 367). Grants right of way through military reservation and authorizes the President to set apart lands for depot purposes.

April 10, 1869 (16 Stat. p. 56). Provides for the protection of the interests of the United States in the Union Pacific Railroad Co. for a common terminus of the Union Pacific and Central Pacific roads at or near Ogden.

May 6, 1870 (16 Stat. p. 21). Fixes the point of junction of the Union Pacific and Central Pacific Railroad Cos.

June 20, 1874 (18 Stat. p. 111). Amends section 15, act of July 2, 1864, and provides for a penalty for a refusal of the company or any officer or agent thereof to use and operate the Pacific railroads as a continuous line and a mode of enforcing said penalty.

May 7, 1878 (20 Stat. p. 56). Provides for a sinking fund, etc.

June 24, 1912 (37 Stat. p. 138). Legalizing conveyances of rights of way.

Date of definite location—

First 100 miles west of Omaha, October 24, 1864. Date of withdrawal: December 16, 1863; December 22, 1863; December 16, 1864; and December 19, 1864.

First 100 miles west of Omaha, November 4, 1864.

One hundred miles west of Omaha to Sale Lake, June 25, 1865. Date of withdrawal: December 18, 1867, and December 28, 1867.

Second 100 miles west of Omaha, January 19, 1866. Date of withdrawal: February 6, 1866.

Second 100 miles west of Omaha, June 29, 1866. Date of withdrawal: August 21, 1866.

Third 100 miles west of Omaha, July 23, 1866. Date of withdrawal: None.

Third 100 miles west of Omaha, March 30, 1867. Date of withdrawal: June 26, 1867, and April 21, 1871.

Fourth 100 miles west of Omaha, March 14, 1867. Date of withdrawal: June 26, 1867.

Fourth 100 miles west of Omaha, January 6, 1868. Date of withdrawal: November 6, 1869; December 21, 1870; April 21, 1871; and November 8, 1873.

Fifth 100 miles west of Omaha, January 6, 1868. Date of withdrawal: November 6, 1869; December 21, 1870; November 8, 1873; August 9, 1870; April 17, 1871; and May 11, 1872.

Sixth 100 miles west of Omaha, January 6, 1868. Date of withdrawal: November 6, 1879; November 8, 1873; August 9, 1870; April 17, 1871; and May 11, 1872.

Seventh 100 miles west of Omaha, July 2, 1868. Date of withdrawal: August 9, 1870, and April 17, 1871.

Eighth 100 miles west of Omaha, October 21, 1868. Date of withdrawal: August 9, 1870, and April 17, 1871.

Ninth 100 miles west of Omaha, October 21, 1868. Date of withdrawal: August 9, 1870, and April 17, 1871.

Tenth 100 miles west of Omaha, April 28, 1869. Date of withdrawal: August 9, 1870; April 17, 1871; May 15, 1869; April 6, 1870; April 22, 1872; and October 16, 1873.

Eleventh 100 miles west of Omaha, April 28, 1869. Date of withdrawal: August 9, 1870; April 17, 1871; May 15, 1869; April 6, 1870; April 22, 1872; and October 16, 1873.

Date of restoration of indemnity lands—No right of indemnity.

Condition of grant—Not adjusted.

Estimated area of grant, in acres—12,119,671.63.

Number of acres certified or patented to June 30, 1914—11,933,776.09.

Length of road, in miles—1,038.68.

Miles of road completed within time prescribed—1,038.68.

Miles of road completed after time prescribed—None.

Miles of road uncompleted at date entire road should have been completed—None.

Miles of road uncompleted September 29, 1890—None.

Remarks—Extends from the Missouri River at Omaha, Nebr., to a junction with the Central Pacific Railroad in the northwest quarter of northeast quarter section 1, township 6 north, range 2 west, Utah, 5.11 miles north of the town of Ogden. See act of May 6, 1870. The Central Pacific Railroad Co., however, leases and operates the road between the point of junction and Ogden, 5.11 miles, the running connections being made at the latter point. Company received bonds for 1,038.68 miles.

Chronological No. 41a:

Date of grant—July 2, 1864 (13 Stat. p. 356).

Route of road—From a point on the one hundredth meridian of longitude west from Greenwich, between the south margin of the valley of the Republican River and the north margin of the valley of the Platte River, in the Territory of Nebraska, to the western boundary of Nevada Territory; also from a point on western boundary of Iowa to the one hundredth meridian aforesaid.

Extent of grant in place—Odd sections within 20 miles on each side of road.

Extent of indemnity limits—No indemnity.

Grantee—Union Pacific Railroad Co.

And here is the total:

Estimated area of grant in acres, 12,119,671.63.

Number of acres certified or patented to June 30, 1914, 11,993,776.09.

I will say to the Senator that I have some recent information, which I have not yet checked, that the Union Pacific now owns, as a result of that grant, lands and natural resources that are worth more than its road, and is carrying them on its books at the original valuation to avoid taxation.

Mr. President, I think there has been no economic policy in the history of the world that has gone so far from the rights of the people as our economic policy with reference to transportation. It has been said that this system gave us railroads speedily, and a speedy development of the country. I deny that conclusion. I want to say that this system has retarded the development of the country just exactly as the cost-plus contracts retarded the building of the cantonments during the war. If we had gone about this matter in a proper way and handled it in the interest of the public, instead of turning it over into the hands of a few great financiers who were reaching out for their own personal profit, the results would have been speedy, and they would have been much better for the development of the whole country, and in addition this discrimination in rates, at which the amendment under consideration strikes, never would have been developed.

It has been said that this system of building our railroads gave us lower rates. I have read in newspapers hundreds of times that American freight rates were the lowest in the world.

I want to place the statement in the RECORD, and I stand ready to demonstrate it beyond possible denial that American freight rates have been the highest in the world for the same service.

A freight rate is made up of two elements. One is the terminal expense of loading and unloading. The other is the movement. In the United States that is divided about half and half. The terminal expense costs about as much as does the movement on the road. The average haul in the United States, as I find from consulting the 1921 table, was 304 miles. That is the longest average haul in the world, unless it be in Canada. Taking that longer haul and comparing it with the shorter hauls of other countries, they were able to get a per-ton-mile rate for the United States that was lower than in other countries. The average haul in Germany before the war was 68 miles, so that there was nearly five times as much terminal in the German haul as there was in the American haul, and yet by comparing them as though the service were the same they reached the conclusion that the American rate of about three-quarters of a cent per ton-mile was lower than the German rate of one and a quarter cents per ton-mile. Then I took their rules for figuring terminal expenses, and I figured out the terminal expense per ton in the United States, and I found that the terminal expense alone was more than the whole German rate, terminal move-

ment and all. So that under this sort of a juggling of figures we have proceeded under the theory that we have the best service and the best rates, when in fact we have no such thing. We were charged the highest rate, and in comparison our service was not equal, when the propositions were properly compared.

Most of this does not bear directly on the proposition in issue before the Senate at this time, but indirectly it has an important bearing, because we have reached the time when we must consider all of these questions with reference to the whole economic problem, and when we consider it in that way we must have all of the big facts upon which this economic situation is justly based. We must take into consideration the relative situation of agriculture and of other business and of transportation.

Agriculture is the greatest business in the United States. The property value of agriculture, under the 1920 census, was over $78,000,000,000. Since then the deflation has reduced it. It has gone down perhaps to $60,000,000,000, but while agriculture has been deflated the artificial value put upon the railroads continues. It has not been deflated one cent, and the added investments have been added to it, so that the present value exceeds the value at first fixed by the Interstate Commerce Commission.

The railroads have been sustained by this paternalistic law, which maintains their value for them whether times are good or bad. The value of the Steel Trust properties and of the Oil Trust properties have been maintained because the Government of the United States, through a paternalistic tariff, has permitted them to establish prices for their products which maintain their profits regardless of what may be the condition of agriculture or of other lines of business.

Mr. WADSWORTH. Is there a tariff on petroleum?

Mr. BROOKHART. I could not answer the Senator's question.

Mr. WADSWORTH. My attention was directed to the assertion of the Senator that the oil companies' values are sustained by a tariff.

Mr. NORRIS. The Steel Trust, he said.

Mr. WADSWORTH. The Senator referred to the oil companies.

Mr. BROOKHART. I may have included the oil companies, and there may be some tariff on some of the oil products. I think there is.

Mr. WADSWORTH. If so, I would like to have my attention called to it.

Mr. BROOKHART. At any rate, I know in some instances the combinations may not need a tariff. The situation as to location and everything else may be such that they can organize their combinations and levy their profits upon the people of the United States regardless of whether they are right or wrong.

Mr. FESS. Mr. President——

The PRESIDING OFFICER (Mr. LADD in the chair). Does the Senator from Iowa yield to the Senator from Ohio?

Mr. BROOKHART. I yield.

Mr. FESS. Does not the tariff apply to farmers just as it does to the others?

Mr. BROOKHART. No; it does not apply to farmers, because the situation is different. The farmer is not enabled by the tariff to fix his price at Pittsburgh, plus freight, as the Steel Trust does, and he never has been able to.

Mr. FESS. How does the manufacturer fix his price through the tariff in any different way from what the farmer can fix his price with the same tariff in operation?

Mr. BROOKHART. Is the Senator familiar with the Steel Trust cost-plus system of fixing prices at Pittsburgh?

Mr. FESS. No; the Senator is not.

Mr. BROOKHART. I will tell him about it, then. When the Steel Trust wants to fix the price, it figures up what it will charge at Pittsburgh. It does not ask anybody what the price is in Liverpool, or in London, or in Hamburg, or any place else. It figures it out at Pittsburgh. For 15 years before the war the Steel Trust put a price on steel rails at $28 a ton. There was an $8 tariff on rails. If you bought rails at Gary, Ind., or Pueblo, Colo., or anywhere else, they added the freight from Pittsburgh to the point where those rails were made, although the rails were not shipped from Pittsburgh at all.

Mr. FESS. Will the Senator yield?

Mr. BROOKHART. That is the Pittsburgh plus theory. I yield.

Mr. FESS. What do the independent steel manufacturers do, those who handle a little more than 50 per cent of the steel production of the United States?

Mr. BROOKHART. They trail right along after the trust, and if they did not, they would be smashed. They do not dare do otherwise.

Mr. FESS. In other words, one fixes the price for all?

Mr. BROOKHART. Practically so. That is the practical result. I checked up those prices for five years on rails—and those rails are paid for largely by farmers in freight rates—and at the time I priced steel rails in Canada, at Winnipeg, they paid more than a thousand miles of freight and sold the rails at $20 a ton in Winnipeg. I checked the prices in Europe, and found that the manufacturers paid the freight across the ocean and sold the rails at $20 a ton.

Mr. NORRIS. May I interrupt the Senator there?

Mr. BROOKHART. Certainly.

Mr. NORRIS. The Pittsburgh plus system does not apply merely to rails. It applies to all steel products.

Mr. BROOKHART. That is true.

Mr. NORRIS. And that same system applies to building material. Just to illustrate, let us say that a manufacturer in Chicago sells rails to a builder in Omaha; the price of those rails includes the freight charge from Pittsburgh to Chicago, although as a matter of fact, they never saw Pittsburgh and never were east of Chicago. There is no question about that. It is a question as to which the Federal Trade Commission made complaint against the steel people, and issued an order against them, stating that it was an unfair practice. That is in court now, under an injunction pending against the Federal Trade Commission, to prohibit them with going on with the case.

Mr. BROOKHART. The tariff enabled them to do that. Without the tariff they could not have done that with steel.

Colonel Rumsey, of St. Louis, Mo., who is heavily interested in mining, told me that he bought his steel supplies for his mines in Mexico for prices 20 per cent lower, on an average, than he bought them in the United States, buying them from the same company.

Mr. FESS. Will the Senator yield there?

Mr. BROOKHART. I yield.

Mr. FESS. Was that steel of the same style, or of a different style, which is sold at a cheaper rate in the foreign market?

Mr. BROOKHART. It was the same thing in every respect.

Mr. NORRIS. It might have been a different style, but it was sold by the ton. If it was a lighter rail it did not cost so much, of course, but it was sold by the ton.

Mr. FESS. It is a very common thing for American manufacturers to sell a style abroad that is different from what we use here. For example, the locomotives that were supplied to Russia by our country were not the same locomotives we use here, and therefore they could be sold at lower prices.

Mr. BROOKHART. But the steel bars which Colonel Rumsey bought for his mines were the same as those he bought in this country, and described them to me as exactly the same articles. He said all kinds of such articles cost him in Mexico an average of 20 per cent less.

The farmer has no rights under the tariff. He has no possibility of doing those things. His price is fixed at Liverpool by the markets of the world; and I want to say right now that the protective system is on trial. I say that the farmers of the United States are going to have some arrangement so that their prices will be fixed at cost of production plus a reasonable profit, or something will happen to the tariff system in the United States.

Mr. FESS. Mr. President, does not the Senator believe that the price of a farm product, the same as the price of any other product is determined, not by the fixing of a price, but by the demand and the ability to meet the demand?

Mr. BROOKHART. I do not believe demand has anything to do with any protected industry's price in the United States, I believe it is fixed by the tariff and by combinations behind the tariff.

Mr. FESS. Then why does it not apply to the farmer?

Mr. BROOKHART. Because the farmer's price is fixed by the surplus which he must sell abroad.

Mr. FESS. Why is the manufacturer's price not fixed by the surplus?

Mr. BROOKHART. Because they do not care. The surplus is a small amount, and they have control of it. Our surplus is not under our control. It is under the control of certain trusts and exporters.

Mr. FESS. I fear the Senator's view is going to increase the surplus, and his remedy is going to be worse than the disease.

Mr. BROOKHART. There is always some economic theory by which you try to get around doing anything for the farmer if you can; but you are not going to get around it this year

and get away with it. Something is going to happen unless they get, not a promise of relief, but a law which will relieve the farmers in this situation.

Mr. FESS. I fear that if the Senator has his way something will happen to the farmers.

Mr. BROOKHART. Something has happened to them under the Senator's way of doing business down here, and that is bankruptcy. That is what the Senator's system has done for them.

Mr. FESS. Is the decrease in the production of wheat from 9 bushels per acre to 6 bushels per acre in the Northwest due to the tariff, or due to the Government, or due to anything we do here?

Mr. BROOKHART. It is due to several different things. It has nothing to do with the point we are discussing.

Mr. FESS. I think it has very much to do with it. We are talking about inadequate freight rates.

Mr. BROOKHART. The Senator is in favor of the protective tariff for industrial enterprises in the United States, is he not?

Mr. FESS. I am in favor of the protective tariff to the degree of making up the difference in the cost of labor here and in the country with which we compete.

Mr. BROOKHART. The Senator always puts it on the basis of labor, and takes it on the basis of profit. Is that right?

Mr. FESS. The profit goes to labor; certainly.

Mr. BROOKHART. The profit as I figure it out does not go to labor.

Mr. FESS. The Senator figures it out wrong.

Mr. BROOKHART. Let me give the Senator the figures. I have the figures on profits.

Mr. FESS. Suppose we had no tariff upon an article which is imported from Germany to-day; with Germany working at the inflated price of the mark for about one-fifteenth of what our American workmen work for, what would be the effect?

Mr. BROOKHART. The effect would be that the Germans would destroy our industrial institutions.

Mr. FESS. Precisely; that is right.

Mr. BROOKHART. I have been a protectionist all my life, but I have not been a protectionist for the Steel Trust as a specialty. I am not a protectionist on the theory that we will protect a few and let the many suffer, and that is the situation in which we find ourselves now.

Mr. FESS. The Senator and I agree on that, that we are not protectionists for any special interest. The Steel Trust, as a matter of fact, has less protection than most of the industries of the country. In fact, the tariff has been reduced on steel products for the last 30 years, as the Senator knows.

Mr. BROOKHART. Yes; but it was too high at the beginning and too high at the end.

Mr. FESS. The Senator would say that the oil industry is one of the greatest trusts. There is no tariff upon oil.

Mr. BROOKHART. On oil products?

Mr. FESS. Some products——

Mr. BROOKHART. I thought so.

Mr. FESS. As to some products in which labor is involved, there is a tariff to protect labor.

Mr. BROOKHART. We will see about labor in a moment.

Mr. NORRIS. Mr. President, the theory of the protective tariff does not imply that some industries ought to have any tariff at all. The thorough protectionist, as I conceive him to be, believes that articles which we can manufacture better and cheaper than they can be made anywhere else on earth ought to be on the free list. A protectionist does not necessarily demand a tariff on everything. Where we are producing and exporting an article to the balance of the world, and selling it in competition with the balance of the world, no protectionist would ask that a tariff be placed on such an article, no matter what it might be.

Mr. FESS. Mr. President, does the Senator say that we would need to have protection on an article that could be produced to the point of exporting it?

Mr. NORRIS. I thought I made myself clear. It is true there might be an instance here and there where temporarily we would export, even in cases where we ought to have a tariff. I concede that; but I am speaking now of a general rule——

Mr. FESS. I agree with the Senator——

Mr. NORRIS. A general proposition. As I conceive protection, we ought to have no tariff on things in which we can under ordinary, reasonable, fair conditions compete with the entire world, and which we can send all over the world and sell all over the world.

Mr. FESS. Not if we can do it without the protection; but if we have an industry like the refining of sugar, for instance, as to which under proper protection we could ultimately become an exporting country, the tariff should not be taken off because we have reached the point where we can export, because as soon as we did that the competition with the old country would put us back where we were before, unless we reduced the recompense of our labor.

Mr. NORRIS. I think there is a good deal in what the Senator said, but, again, the protectionist does not believe in putting a tariff on things that we can not produce here unless he does it purely for revenue—for instance, on coffee. We would agree on that.

Mr. FESS. Yes.

Mr. NORRIS. There might be articles—and sugar might be one of them—where there would be an honest disagreement as to whether we were prepared and qualified to produce them to the limit of our consumption. The Senator has given an instance where I think there might be an honest disagreement. If we can produce the sugar and do not have to make the tariff too high to do it, and can develop it, we ought to do it. We could produce bananas in this country if we made the tariff high enough and grew them in glass houses, but no protectionist would stand for a scheme of that kind. Under ordinary natural conditions can we do it?

Mr. FESS. I used the sugar illustration because a former Secretary of Agriculture said we had 278,000,000 acres of ground in this country that is sugar land, and I presume with that acreage we could produce all the sugar we need and supply a good portion of the world demand. I think the Senator from Nebraska and I are agreed on the fundamental statement of the principle that he mentioned a moment ago.

Mr. BROOKHART. But I am not agreed to the proposition that we are entitled to set up a protective tariff system that will enable any line of capital in the United States to earn more in the way of dividends and profits than the people of the United States can produce. That is the basis from which I start. I pointed out—I do not know whether the Senator from Ohio was present or not—that 5 per cent a year in the last 10 years represented all the wealth increase of all the brains and all the muscle and all the capital and all the everything else that contributes to property increase.

Mr. FESS. I do not think I agree with the Senator.

Mr. BROOKHART. I think we have gone wild in having a corporation system that has enabled them to levy and to charge profits upon us, charging them as a tax, a tax without representation, just as surely as was the tax on tea that sent us into the Revolutionary War.

Mr. FESS. Does the Senator mean we ought not to stimulate, through a protective tariff, an industry to the point where we go beyond supplying our own needs and can supply other portions of the world?

Mr. BROOKHART. I do not mean any such thing, but I mean that the profits on that business should not be turned to a few men at a rate in excess of what the people of the country can produce in profits. That is special privilege. I want to say to you that if all the increase from all the wealth and all the unearned increment only amounts to 5 per cent a year, then capital is not entitled to 5 per cent. When the banks charge 7 and 8 and 10 per cent upon money loaned they are not entitled to charge it. They are taking more than they are entitled to in this economic situation. When the Steel Trust and the Oil Trust and these other fellows who are combined in the trusts of the country take these gigantic profits and these enormous stock dividends which they are taking, and to which they are not entitled, they are taking them out of the sweat and labor of the farmers and the common people of the United States. When the railroads under this law are able to charge 5½ per cent upon a valuation, and that valuation has $7,000,000,000 of water in it over and above what we could buy all the stocks and all the bonds for, representing all the value at this moment, then I say to you that such an economic situation can not continue. That is what is the matter in the country.

Mr. FESS. Oh, the Senator does not mean that all the stocks that are issued in an industry are to measure all the value of that industry, does he?

Mr. BROOKHART. No; I certainly do not, nor in the case of the railroads.

Mr. FESS. In other words, the stocks and bonds of the railroads do not represent what the railroads are worth. Does the Senator mean that?

Mr. BROOKHART. If the Senator had been in the Chamber during my discussion of the matter, he would have found out what I mean. No; I do not mean that. I said the stocks represented mostly water and they do not represent value at all. I referred to the total value of the railroads. I fix that total

value because we could buy all the stocks and bonds right now for less than $12,000,000,000 if we got them at present market value.

Mr. FESS. I am as much interested in the reduction of freight rates as is the Senator from Iowa. As a member of the committee I have been studying the problem very carefully. How is the Senator going to reduce the income of the railroads if he does not reduce the cost of operation? In reducing the cost of operation, how much of the tax is he going to take off? How much of labor is he going to reduce? How much of operating expenses is he going to take off? Where is he going to take it all off?

Mr. BROOKHART. I am going to take $7,000,000,000 of water out of the value to start on, and there is $400,000,000 of revenue to start with. In the next place I am going to stop the capitalization of some $300,000,000 of unearned increment that no public utility should have any right to capitalize. In the next place I am going to stop the return on the bonded portion of the capital over and above the interest rates on the bonds, which now on $10,000,000,000 is less than 4½ per cent. In the next place I am going to stop the graft of the subsidiary companies that are making all the supplies for the railroads, which amounts to $300,000,000 or $400,000,000 a year. With those items I am going to reduce freight rates in the country by more than $1,000,000,000 without reducing the wages of any man that works.

Mr. FESS. The Senator has made a statement I do not understand. I do not know whether other Senators understand it or not. I am asking how he is going to reduce the cost of operation, and he says he is going to take $7,000,000,000 of water out of the stock.

Mr. BROOKHART. Yes; and that takes $400,000,000 out of operation.

Mr. WADSWORTH. But it has nothing to do with operation. The Senator is speaking of cost of operation.

Mr. BROOKHART. Under this law they get 5¾ per cent upon the valuation, and I am going to reduce that valuation until the return we must pay on it will be $400,000,000 less a year.

Mr. FESS. The Senator has made a statement. Will he indicate by the ledger that marks the amount of money he takes in and the amount he pays out, wherein he is cutting?

Mr. BROOKHART. I have just figured out a billion dollars of it and over, by ledger or any other way the Senator wants to figure. If the Senator can not add $400,000,000 on capital and $300,000,000 on unearned increment and $150,000,000 of excess return on the bonded portion of the capital, and then $300,000,000 or $400,000,000 graft in the furnishing of supplies, and take all of those out of the costs, all of which are added in operating expenses now, I can not help him to understand the situation.

Mr. WADSWORTH. Operating expenses?

Mr. BROOKHART. Yes.

Mr. WADSWORTH. Dividends are not a part of operating expenses. I beg the Senator to think that over a moment.

Mr. BROOKHART. I do think it over, and I know what I am talking about. Under this law we are required to pay 5¾ per cent, and that is operating expense.

Mr. MOSES. Oh, no. That is the limitation. That is not a guaranty.

Mr. FESS. That is merely the maximum. It is not a guaranty.

Mr. BROOKHART. The Senator said it is not a guaranty, and yet the law commands the Interstate Commerce Commission to levy rates upon me and upon the farmers and the people of the country high enough to yield that return upon a valuation which is, as fixed in the beginning, $18,900,000,000.

Mr. FESS. If it commands it, why has it not been done?

Mr. BROOKHART. There is a power sometimes even beyond the czar, and when they deflated the farmers so that they did not have the money to pay it they could not collect it, but they have collected every dollar they could. If prosperity should return so they could collect it, they would collect every dollar of it now.

Mr. FESS. It is simply a matter of permission to the Interstate Commerce Commission, and the commission has never exercised it.

Mr. BROOKHART. The commission had it all in its power. It raised the rates until it destroyed agriculture or contributed largely to the destruction of agriculture. It raised them to a point beyond which they found out the returns were declining, and then they quit raising them. The people did not have the money to pay them.

Mr. President, in view of the questions by the Senator from Ohio [Mr. FESS], I am going to put into the RECORD some figures in relation to the profits of the manufacturing industries and of the wages of labor. I have before me the bulletin of the Department of Commerce on manufactures for the year 1919. On page 3 of that publication, I find that in that year there was capital employed in manufactures amounting to approximately forty-four and one half billion dollars; that the wage earners employed averaged 9,096,372; that they received in wages ten and a half billion dollars, approximately, which means approximately $1,100 each. In the year of the highest wages and the high tide of prosperity in the United States, I find that the total value of manufactured products was nearly sixty-two and a half billion dollars. I find that that value was increased by manufacture over $25,000,000,000. Subtracting the wages of workers, the salaries of the officers, the rent, the taxes, the fuel, the power, and other items, I find that there was left $9,324,000,000, or 21 per cent upon that whole amount of nearly forty-four and one-half billion dollars invested.

During the same year the farmers, with a valuation of $78,000,000,000, only had a gross value in their production of about $14,000,000,000. They had a less percentage of earnings for all their work and the work of their families and children and hired men than any other industry. There never has been a time when profits have been proportioned rightly. There never has been a time when those who were in the big combinations were not able to make excessive charges upon the other people of the United States.

Mr. KING. Mr. President, will the Senator from Iowa permit an inquiry at that point? I desire to ask a question for information.

Mr. BROOKHART. I yield.

Mr. KING. The statement has often been made that the Railroad Administration under the management of Mr. McAdoo raised the wages of the employees of the railroads to altitudinous heights entirely disproportionate to the wages which were paid in other lines of industry. I will ask the Senator if it is not a fact that the wage increase then made was on an average less than 25 per cent, that there have been two increases in wages since Mr. McAdoo's administration, and that even now the wages of the railroad employees in many departments are much lower than in other lines of industry?

Mr. BROOKHART. As I recollect the percentages, the wages of railroad labor were raised less than were wages generally. I recollect one raise in wages after Mr. McAdoo retired from the management of the railroads. Then, of course, there has been a big reduction in wages, I think to the extent of about $552,000,000 or something like that, since the railroads were turned back to their owners. Considering the risk of the employees, and all of the matters connected with the railroad service, railroad wages are not substantially higher than are any other wages in the country even at this time.

Mr. President, in reference to this situation, I desire to have printed in the RECORD an editorial from the Des Moines Register of last Sunday. It covers the question of the returns to the farmers, to the railroads, to the banks, and to business generally in a very fair-minded way. It points out the disjointed situation as to agriculture and the reasons why it is time for the industrial world to wake up and see that agriculture shall join in the partnership of prosperity. I think, Mr. President, that the prosperity of which we read so much can not much longer continue, with agriculture in the depressed condition in which it is at the present time.

The PRESIDING OFFICER. Without objection, the editorial referred to will be printed in the RECORD.

The editorial is as follows:

[From Des Moines Sunday Register, Sunday, May 11, 1924]

WHY NOT FACE IT?

The Register republishes this morning on this page a most interesting showing of America's enormous financial gains out of the war.

From paying interest abroad before the war of $300,000,000 a year we have now coming from abroad about $700,000,000 a year, a net change of $1,000,000,000 a year.

Even with all our travel abroad and with all our purchases abroad the net balance is in our favor. We are receiving more than we are spending. The gold is still being shipped to us to meet balances.

And yet at this very time, with this enormous shift of the world's wealth to America, farms are being foreclosed all over the West, banks heavily loaned to farming are in distress, renters are walking off their farms without a dollar, and hundreds of thousands are flocking to the industrial centers to earn day wages.

How does it happen that just when America is becoming the wealthiest nation of the world an occupation that concerns one-third of our people and furnishes our basic supplies is, figuratively speaking, on the rocks, with nobody suggesting a way out that promises any sort of equalizing of benefits, or if somebody is suggesting an equalizing of

benefits the suggestion is immediately hailed as a violation of the "economic law" and of "the law of supply and demand"?

On the face of it there is something wrong with the organization of the industrial community when a nation that gains so rapidly in wealth finds one-third of its people, in its most basic employment, not only not holding their own but actually losing out.

There is no "economic law" and no "law of supply and demand" to account for any such disproportion of benefits. For if the mere laws of nature were alone at work manifestly no such disproportion could come. It is the organization of society, the stabilization of industries, the control of markets, of banking, of railroading, that is at the bottom of the ups and downs of business. In the old days the artisan shared with the farmer. Why in this post-war period has that not happened to the organized trades? Anybody who answers that question will answer the larger question.

At the close of the war we were threatened with an invasion of European goods at bankrupt prices. What was Congress at once asked to do? To erect a tariff wall for the express purpose of keeping the American market above the world market, for the express purpose of enabling the manufacturer to sell at a high price at home and dispose of his surplus abroad at what he could get for it.

But the moment somebody suggests that this same American market be kept for the farmer, at the same level of prices the manufacturer has, the farmers' surplus to be sold abroad at what it will bring, at once it is denounced as paternalism, State socialism, an interference with the natural laws of trade.

Now, why should the farmer be left to the world market and asked to listen to ancient platitudes about the natural laws of trade, when we are so prompt to move if the manufacturer is threatened? Why should the manufacturer be a national concern, for whom half the time of every Congress is taken adjusting tariffs, when the farmer is more distressed by world competition than the manufacturer?

If everybody would consider frankly what is involved in the creation of the Federal reserve banking system, we should have the American judgment on organized national efforts to sustain business, for the creation of the Federal reserve system was in direct violation of everything the standard economists say about the present situation. Fortunately, the debate has been heated enough and prolonged enough to permit everybody to know precisely what was involved.

The struggle for some national organization of banking was in Jackson's day, and for a generation was defeated by the determined State-sovereignty notions of "Old Hickory." The same plea was made then for the individual initiative of the local bank, for freedom from Government interference. Even when the Federal reserve system was forced in Congress everybody recalls how individual banks resisted it, how thy complained after it was organized over being forced to sustain it with cash capital and with deposits, much against their inclination. The Federal reserve banking system was in direct violation of the "economic law" and the "law of supply and demand" as preached to the farmer. Without any question whatever it was the handling of interest rates by the Federal Reserve Board that brought on such violent deflation and forced the farmers to such ruinous liquidation.

And yet the common judgment of the people is that if the Federal reserve system had not been instituted when it was, individual banking would not only not have seen us through the war, individual banking would not have got us started in the war. We should have been financially flat before we were well along to any big organized effort of any sort.

Coming back to the question why the farm is flat when the country is so suddenly rich in assets, we are just where we should have been if, with all our wealth, we had not had a national organization of bank credit for the war. The farm has been left to the "natural laws of trade" when everything else has been organized to resist the ups and downs of the natural laws of trade, the very men who lecture the farmer the most to "grin and bear it" being the ones who have been first to get the Nation organized and stabilized at the other end.

Now, there is one of two courses. We can either retrace our steps of stabilization and let every tub stand on its own bottom in the business world, under an unlimited competition of the natural laws of trade. Or we can go ahead with stabilization by taking all our great interests in under the same tent cover. The one course we can not pursue much longer with safety is to put one-half of our big business in under the tent cover of national organization and legislative protection and leave the other half out to meet the cold blasts of world competition without shelter.

It is fully time for the economists to be honest with themselves and face the situation.

Mr. JOHNSON of Minnesota. Mr. President, will the Senator yield?

Mr. BROOKHART. I yield.

Mr. JOHNSON of Minnesota. Judging from the editorial appearing in this morning's Washington Post, the farmers are all right. The writer of the editorial calls attention to the fact that just as soon as the farmers of South Dakota get their crops in they make tours to Florida, California, and other places.

Mr. BROOKHART. If there is any editorial page in the country that I would consign to the realms of concentrated ignorance all the time, it is that of the Washington Post.

Mr. NEELY. Mr. President, will the Senator yield?

Mr. BROOKHART. I yield.

Mr. NEELY. Is that because of the Senator's particular love for the owner, Ed McLean, or because of the character of the propaganda that the newspaper conducts?

Mr. BROOKHART. It is because of both.

Mr. President, in connection with the editorial from the Des Moines Register I also ask to have printed in the RECORD a statement entitled "America's financial strength," from the Manchester Guardian, the statement being referred to in the editorial from the Des Moines newspaper. The figures given in that statement indicate some of the prosperity that has gone to other lines of business and that has been denied to agriculture.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is follows:

AMERICA'S FINANCIAL STRENGTH

(By Sir George Paish in Manchester Guardian Commercial)

The net sum of $294,000,000 of gold imported into the United States last year was somewhat larger than the $238,000,000 of gold imported in 1922, but in 1923 America's new foreign investments were reduced to $300,000,000 from $600,000,000 in the previous year, and allowance must be made for this. Still the fact remains that in 1923 America had a favorable balance of $600,000,000 after meeting all outgoings, and that she received payment for this sum half in gold and half in foreign securities.

The reason for the ability of America to maintain her exchange at gold parity is thus obvious. She has no difficulty in selling all the produce and goods she needs to sell in order to buy what she requires, and, as her requirements are not equal to her sales, she is able to make large foreign investments and to import great sums of gold. How greatly America's exports have exceeded her imports since 1914 will be obvious from the following:

America's foreign trade since 1915

Year	Exports	Imports	Exports over imports
1915	$2,716,000,000	$1,674,000,000	$1,042,000,000
1916	4,272,000,000	2,197,000,000	2,075,000,000
1917	6,227,000,000	2,639,000,000	3,588,000,000
1918	5,839,000,000	2,946,000,000	2,893,000,000
1919	7,750,000,000	3,904,000,000	3,846,000,000
1920	8,080,000,000	5,278,000,000	2,802,000,000
1921	4,485,000,000	2,509,000,000	1,976,000,000
1922	3,831,000,000	3,112,000,000	719,000,000
1923	4,165,000,000	3,789,000,000	376,000,000
9 years	47,365,000,000	28,060,000,000	19,270,000,000

The interest accruing to America upon her foreign investments has, during the whole of this period, more than taken care of her tourist expenditures, gifts to friends, and other invisible imports, and more than the whole of the favorable trade balance has been invested in foreign securities or has been received in gold. The total amount of securities, both American and foreign, purchased abroad in these nine years is about $20,000,000,000 over and above the receipt of $2,000,000,000 in gold. Prior to the war America employed foreign capital to the extent of about $6,000,000,000, upon which the annual interest charge to be paid abroad by her exports was about $300,000,000 per annum. The greater part of this foreign capital has now been repaid by America, and over and above this America now possesses some $15,000,000,000 of foreign securities, bringing to her an income of about $700,000,000 per annum, or a turnover from interest payable to interest receivable of nearly $1,000,000,000 per annum.

Mr. BROOKHART. Mr. President, the amendment under consideration will help a little, but only a little; it will help somewhat to equalize and to lower freight rates and will assist agriculture to that extent. I yield the floor, Mr. President.

Mr. WADSWORTH. Question!

Mr. BORAH. What is the question?

Mr. WADSWORTH. The bill is before the Senate as in Committee of the Whole and open to amendment.

Mr. KING. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum being suggested, the roll will be called.

The roll was called, and the following Senators answered to their names:

Adams	Dill	Lodge	Reed, Pa.
Ashurst	Edge	McKellar	Robinson
Ball	Fess	McKinley	Sheppard
Borah	Frazier	McLean	Simmons
Brandegee	Gooding	McNary	Smith
Brookhart	Harris	Moses	Smoot
Bruce	Heflin	Neely	Spencer
Cameron	Johnson, Calif.	Norbeck	Sterling
Capper	Johnson, Minn.	Norris	Swanson
Caraway	Jones, N. Mex.	Oddie	Trammell
Copeland	Jones, Wash.	Overman	Wadsworth
Cummins	Kendrick	Phipps	Walsh, Mont.
Curtis	Keyes	Pittman	Warren
Dale	King	Ralston	Wheeler
Dial	Ladd	Ransdell	Willis

Mr. CURTIS. I desire to announce that the Senator from California [Mr. SHORTRIDGE], the Senator from Pennsylvania [Mr. PEPPER], the Senator from Nebraska [Mr. HOWELL], the Senator from Virginia [Mr. GLASS], the Senator from Florida [Mr. FLETCHER], and the Senator from Mississippi [Mr. STEPHENS] are attending a meeting of the Committee on Banking and Currency.

The PRESIDING OFFICER. Sixty Senators having answered to ther names, a quorum is present.

Mr. ODDIE. Mr. President, I desire to say a few words by way of indorsement of the amendment upon the long-and-short-haul clause offered by my colleague [Mr. PITTMAN].

Our State, Nevada, has suffered severely for many years because of freight conditions and the uncertainty existing at the present time regarding them. The Intermountain States are practically all in a similar position. Our enterprises, manufacturing and commercial, must be stimulated. They have been throttled to an extreme, with the result of holding back our growth and prosperity to a very serious extent. It is unfair, uneconomic, and unjust. The growth of our Intermountain States can hurt nobody. It will benefit the whole United States, and especially the Pacific coast. The more business that is developed there the larger and the more prosperous the population and the greater the benefits that will come to the whole Pacific coast.

I refer to the action of George Washington before the Revolution, as outlined in a letter of his to England written about that time, in which he criticized the British for their attitude toward the Colonies, an attitude of suppression, an attitude which tended to hold down the growth of their industries. He suggested that if that were changed and the manufacturing and various other industries in the Colonies were allowed to prosper and grow, it would result in greater business to England. The policy he complained of is similar to that followed by the railroads and the Pacific coast toward the Intermountain States. England later changed her policy toward her Colonies in this particular and they then started to grow and prosper. The more the Intermountain States grow the more their prosperity will be reflected in increased business throughout the country. The manufacturing States of the East will benefit very largely by their growth and development.

I can see very plainly that the railroads themselves will benefit by this amendment in the end. The more business we have in the Intermountain States the more prosperous they will be and the more business the railroads will have. It is not a case where they should try to figure merely on the dollars and cents profits on the existing business and conditions. They should look to the future.

Years ago, when the Atlantic Coast States were the only ones in the Union, business began gradually growing and expanding to the West. If the policy that is now being pursued by the opponents of this amendment had been followed at that time, we would not have had any Middle West or West.

Mr. President, I want to see this amendment adopted, and I want to see it considered in an economic way. My colleague [Mr. PITTMAN] has gone into the legal and other aspects of this matter very thoroughly. The Senator from Idaho [Mr. GOODING] has gone into the business end of it in a very able manner. I simply want to add my voice of approval to this amendment, and to say that if it should be agreed to we will have an era of prosperity in the Intermountain States which will reflect itself on the whole United States. We have a class of people out there who have braved the elements, who have pioneered, and who are entitled to at least a living chance to get ahead; which they do not have to-day. I hope this amendment will be agreed to.

Mr. KING. Mr. President, may I inquire of the able Senator from Massachusetts whether it is his intention to have an executive session this evening?

Mr. LODGE. It is the desire to have an executive session before the Senate adjourns or takes a recess.

Mr. EDGE. Mr. President, it seems that we have reached somewhat a state of impasse on the pending bill. I do not want to do anything in the world to obstruct its passage; quite the contrary. There is some other important legislation, however; and I should like to ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Senate bill 1889, the postal salary readjustment bill.

Mr. KING. Mr. President, it would take too long to consider that.

Mr. WARREN. Of course, I object to that.

The PRESIDING OFFICER. There is objection.

Mr. LODGE. Mr. President, I do not wish to interfere with the plans of the Senator in charge of the bill. Whenever it is agreeable to him I shall be glad to move an executive session.

Mr. WADSWORTH. Mr. President, perhaps I may be permitted to make a very brief observation.

On Monday at 2 o'clock the War Department appropriation bill was handed down as the unfinished business. The consideration of the text of the bill was completed by 3.30 that afternoon. Since then the discussion has proceeded upon a subject which has not yet been presented to the Senate in the form of an amendment or in any other form.

We have now discussed this matter the equivalent of three days. Regardless of our opinion of the merits of the amendment which we are informed will at some future time be offered to the bill, I think it proper to remind Senators that thus far only two of the great appropriation bills have passed both Houses and have been sent to the White House. The delay upon this bill, of course, has the effect of banking up behind it not only the appropriation bills which have not yet reached the Senate as a body at all but also other measures of great importance and of great interest to many Members of the Senate; and I include in that category the so-called farm-relief legislation. We have conflicting ideas as to that, and there are several bills pending on that question. The bill which the Senator from New Jersey [Mr. EDGE] has just endeavored by unanimous consent to bring before the Senate is another bill which attracts the favorable attention of a good many Senators; and if one should go through the calendar which is still unacted upon, one would find many, many bills of great interest to Senators and of great importance to the country.

Mr. President, I have no special liking for night sessions. I have engagements, as other Senators have them, which I shall find it exceedingly difficult and embarrassing to break; but we are confronted with a situation which we can not ignore. If I may be permitted to express myself in such fashion, either this amendment should be offered and the Senate allowed to act upon it, or it should not be offered.

Mr. GOODING. Mr. President, will the Senator yield?

Mr. WADSWORTH. I yield.

Mr. GOODING. I want to say to the Senator that, so far as I am concerned, I am trying to find out whether or not we need any appropriation for rivers and harbors in this country. If we are going to destroy the opportunity for their use, it seems to me it is a waste of money to appropriate money to develop further our rivers and harbors—that is, to the extent provided for in this bill.

Mr. WADSWORTH. All the Senator has to do is to move to strike out the appropriation for rivers and harbors which is contained in this bill, and I think probably he would be the only Senator who would vote in favor of it.

Mr. KING. No; I shall vote for it, too.

Mr. GOODING. I hope the Senator will not try to throttle debate here.

Mr. WADSWORTH. Why, Mr. President, there is no means that I could employ that would throttle debate. If I could throttle debate, I would have done it two days ago. There have been three days of debate on something that is not before the Senate at all.

Mr. PITTMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Nevada?

Mr. WADSWORTH. I yield.

Mr. PITTMAN. The matter is just as much before the Senate as it would have been if it had been presented as an amendment. It has been presented by the Senator from Nevada, it has been printed, it is on the desk of every Senator. They all know what they are discussing. They all know that whenever the discussion is completed the amendment is going to be offered, that it is going to be acted on, that a point of order will be made, and that the minute the point of order is made the debate will cease to be on

the merits of the matter and will be on the parliamentary situation.

As I stated to the Senator from New York when we started, my reason for that was simply this, and nothing else, that I desired that this subject, which I conceive to be of great importance—and some other Senators think so, too—should be understood by the Senate. I feel that it will be better understood through the procedure I have taken than it would have been understood if the debate had instantly gone off on a parliamentary point. That was my sole reason for the action I have taken.

I want to say to the Senator that I have not participated in any filibuster on this question, and I do not think any other Senator has participated in a filibuster on it. I am perfectly conscious of the fact that I have spoken at length. I did not try to do so, however. I was dealing with statistics which bear on this question, and I quoted only a very few of those. The Senator from Idaho [Mr. GOODING] has also been dealing with essential facts bearing on the question.

I stated before to the Senator—whether I stated it to him on the floor or privately I do not remember—that it was a subject which was going to be discussed not for the purpose of delay but that Senators who are intensely interested in this question and believe it is of an extremely important character were desirous that those Senators who had not participated in the study of the question before the committee which had it in charge might at least understand the subject.

Mr. WADSWORTH. Mr. President, I have entire sympathy with the Senator in wanting this subject understood, and I appreciate its great importance; but if I may be permitted to say so, I think the reasonable and indeed the more expeditious way to get a decision on the question upon its merits is to permit the War Department appropriation bill to pass and go to conference, and then, if the supporters of the measure so desire, move to take up the bill, which is now on the calendar. If there is a sufficient number of votes to attach it to the War Department appropriation bill, where everybody admits it does not belong at all, then there is a sufficient number of votes to take it up and pass it.

But the trouble in the situation is that by attempting to attach it to the War Department appropriation bill the question is thrown into a parliamentary tangle and becomes a parliamentary issue rather than a question of the merits of the bill; and if the proponents of this measure desire the quickest possible effective action by the Senate, why not move to put the measure before the Senate? That is apparently not their intention. They intend to propose it as an amendment to the Army appropriation bill, and it will be subject to a point of order.

Mr. DILL. Mr. President, how many times previously have the river and harbor appropriations been placed on the War Department appropriation bill?

Mr. WADSWORTH. For the last three years, since the rules of the House of Representatives were changed.

Mr. PITTMAN. May I answer just two statements made by the Senator, in his time?

Mr. WADSWORTH. I would be very glad to have the suggestions of the Senator.

Mr. PITTMAN. The Senator has stated, in the first place, that the simple method is, if we have a measure we want enacted, to take up the bill and pass it. That suggestion would be entirely sound and past contravention if this were the only body in the Congress; but it happens that nothing becomes a law until it has passed both branches of Congress. Consequently, in considering it we have to consider the parliamentary situation in two bodies.

Mr. WADSWORTH. I have that in mind, too; with some experience along that line.

Mr. PITTMAN. I have no doubt whatever that we can pass it in the form of a bill through the Senate, and I am perfectly confident, from the debates that have taken place here in the past, that this body is entirely in favor of this proposition. But, mind you, I am also conscious of the fact that the rules of the House, and the parliamentary proceedings in that body, make it possible and very probable that it would never come on the floor of the House out of the committee. That is one reason why I have pursued this policy. If it were earlier in the session, it might be different; but it is not.

Mr. WADSWORTH. Perhaps we might discuss it from the practical standpoint. I have had experience in conferences between the Senate and the House, and under the rules as to conferences and conference reports, House conferees have taken one steady, consistent stand on legislation attached by the Senate to general appropriation bills, and that is this, that they will not even discuss the matter.

Mr. PITTMAN. That is a very unfortunate thing.

Mr. WADSWORTH. They will not even discuss it. They say that it is in such direct violation of every rule of the House that they will not even take it back to the House. I have run up against that myself. That is their general attitude toward legislation attached by the Senate to a general appropriation bill.

Suppose we could persuade the House conferees on the War Department appropriation bill to submit this matter to the House for special instructions; thereupon the supporters of this measure in the House would find themselves confronted by the obstacle of the House rules and the tradition of the House, who have declared again and again in the last five years that they will not permit the Senate to force down their throats legislation attached by the Senate to an appropriation bill.

Mr. President, I say in all sincerity that the supporters of this measure are picking out the most difficult way to get it enacted. They are summoning up in its path every conceivable objection which can be found in the House rules and in the traditions and the pride of the House. The House simply will not accept it.

The quick and proper method, I say in all humility to those who are managing this proposition, as I assume, is to pass through the Senate in regular fashion the bill on the calendar dealing with the long and the short haul clause and send it to the House. I remind the Senator from Nevada that the other body has amended its rules at the present session providing for a method of discharging a committee from the consideration of a bill.

The responsibility is with the Senators who are supporting this measure, and who, in my humble judgment, are selecting the most difficult way they could possibly find in order to get their legislation enacted.

Mr. PITTMAN. I thank the Senator for his advice. I realize perfectly he would like to help those who are advocating this amendment.

Mr. WADSWORTH. Mr. President, the observation of the Senator draws from me an observation in turn. I will vote to bring the Senator's bill before the Senate.

Mr. PITTMAN. That is a very good idea, but I am afraid the Senator's support in the Senate will not help us very much in the House. If the Senator could use his great influence with the leaders of the House to get an assurance for us that it would be brought on the calendar in the House, it would be very valuable assistance.

The Senator tells us of the difficulties of passing legislation through the House. It is an unfortunate situation when one of two bodies which must pass on laws assume that they may regulate the method of procedure in the other branch of Congress. That thing is intolerable. The House may regulate the presentation of amendments in the House. They have a right to do that. But this thing is certainly going beyond its natural jurisdiction when it states the method of amending a bill in the Senate, and if we have come down to the point where no matter what this body desires to adopt as a parliamentary procedure we can not adopt it unless it is the parliamentary procedure of the House, then we should abolish our rules altogether and adopt the rules of the House.

We should ask the House when we might change our method of amending bills, because we can not amend them in any other way than that which is agreeable to them. We might as well try that situation out.

Mr. WADSWORTH. It has been tried out before several times.

Mr. PITTMAN. But this is a delightful time to try it out now. I say to the Senator right now that there are those here in this body who think so seriously of this legislation—and I have tried to convince them that I do—that we do not see the necessity for the appropriation of money for the Panama Canal if they are going to uphold in Congress a law permitting the Interstate Commerce Commission to drive half of the ships off the Panama Canal. We do not see the necessity of appropriating money to make navigable the inland waterways of the country if Congress at the same time, with knowledge covering 30 or 40 years, is going to sit supinely by and permit one of its agents, the Interstate Commerce Commission, to misconstrue the laws of this body to such an extent as to make those appropriations useless.

I am in favor of improving the inland waterways and the harbors of this country and maintaining the Panama Canal, but I am not in favor of appropriating the money solely for the purpose of expending it. If it is not in aid of navigation and if it does not result in navigation, it is a waste of the money of the people of the country. And when you say that another body than this will tell us how we may legislate in this body, how we may amend our bills in this body, when we

shall, and when we shall not, I say it is time to try the question out, and for one, if this body sees fit to attach any amendment to the bill, I am willing to try it out with the House, and if they insist upon controlling our methods of legislation in this body, say "The responsibility for lack of legislation is on you and not on us."

Mr. NORRIS. Mr. President, I want to say only a word. I may want to discuss this matter at length later.

For a great many years two things have been taking place both in the House and in the Senate. Ever since I have been in public life the question of the long and the short haul in a commerce law has been a live one and always agitated. Time and again Congress has thought, or I have presumed they thought, for I did, that the law was amended so that an evil, which, it seems to me, must be conceded to be a great evil, would be remedied, but each and every time by some hook or crook or legerdemain or decision or manipulation what Congress thought had become a remedial piece of legislation became nothing, not worth the paper on which it was written, and we still have the question unsettled. That has been with us for 20 years. The injustice has been pointed out continually.

Another thing which has been with us has been the river and harbor appropriation bill. Quite a large number of Members of the Senate and of the House have been fighting river and harbor appropriation bills. I have joined with them myself on several occasions; and the thing that moved me, and I suppose it has influenced everybody else in the same attitude, was the fact that we were appropriating millions of dollars—yes, hundreds of millions—for the improvement of our rivers, to make them navigable, just to see them drift full of sand and never be used, and the people get no benefit out of them.

That has been the principal reason why I have opposed river and harbor bills in the past. I have seen the money of the taxpayers thrown into these streams and no good come from it because of the evil that existed, and which we have tried to cure by changing the long-and-short-haul clause to prevent the railroad companies from putting the boats out of commission on the rivers by rates that were too low, and when they got the boats off raising the rates again. As long as the men who were otherwise engaged in river transportation knew that was possible they simply abstained from going into it, and our rivers do us no good.

Mr. DILL. Mr. President——

Mr. NORRIS. I yield to the Senator from Washington.

Mr. DILL. The Senator from New York [Mr. WADSWORTH], in answer to a question by me, said the river and harbor appropriations had been included in the War Department appropriation bill for the last three years, since the House rules were changed. I am not familiar with the changes in the rules of the House, but I am familiar with what happened to river and harbor bills in the House previous to the change in the rules. The fact was that they were killed by votes in the House, if not in the Senate also. It looks to me like this is a method to drag in appropriations for rivers and harbors by attaching them to the War Department appropriation bill. If we are going to drag in appropriations for rivers and harbors, we ought to drag in legislation also that will have some controlling effect upon the value of the rivers and harbors.

Mr. NORRIS. My attitude on the appropriation proposed in the pending bill with reference to rivers depends a great deal upon what happens to this amendment. I am not willing to be a party to appropriating money to build up our rivers and then see the money literally thrown away. On the other hand, I believe most sincerely that we can afford to appropriate public money for the improvement of our rivers and making them navigable if we will protect the navigation on them after we have done that. The amendment under consideration is intended to do that, and I think will do it.

Therefore, so far as I am concerned, if there are enough Senators who feel as I do, if the amendment or something like it is not put on the bill, I am ready to go into any kind of a fight against the part of the bill relating to appropriations for rivers and harbors. I think they ought to be cut away down if we are going to keep this amendment out. To my mind, the amendment involves a fundamental principle of transportation. While I know that a great many people are opposed to that kind of legislation, I do believe that they are moved, perhaps unconsciously, by selfish interests of the different localities of the country. A favored spot, a favored city, a favored harbor, a favored market, under present conditions built up at the expense of the people who live in the interior of the country, away from those favored spots, naturally, if selfishness prompts them, are opposed to this kind of legislation. I think it is a serious proposition. I do not ask that the legislation be passed. I must abide by the majority vote of the Senate and the House, but I think that we are entitled to a fair, square, honest vote on the proposition.

Mr. PITTMAN. Mr. President, I would like to have the attention of the Senator from New York [Mr. WADSWORTH]. I want to say that I am just as anxious to get the matter disposed of as is the Senator. The only difference in the matter is that the Senator said he would cut off the debate if he could, while I would not do that. There are Senators who have announced to me a desire to discuss the question. One of them is the Senator who has just entered the Chamber, the chairman of the Committee on Interstate Commerce, Mr. SMITH. I think very probably he is as familiar now with this subject as anyone in the Senate. He was chairman of the committee that reported out the bill which is the foundation of the amendment.

There are other Senators here who are especially interested in the matter. They have stated that they want to discuss it. They are as much interested as I am and have as much right to discuss it. They probably are more familiar with it than I am and certainly can present it better than I have done. Therefore I say, as I have said frankly all the time, as soon as those who desire to discuss it are ready to quit discussing it, I will present the amendment.

I will state to the Senator now that from information I have at the present time from those who desire to speak, I do not think there will be over probably two or three hours more discussion. That, of course, is a rough guess; but knowing those who are going to speak, that is my opinion. I feel perfectly confident that I can present the amendment to-morrow and then let it take its parliamentary course. That is the way I feel about it. It would seem that way to me now.

Mr. WADSWORTH. Would the Senator entertain a suggestion that an hour to-morrow be fixed at which debate on the proposed amendment shall cease and the amendment shall be introduced and the question of parliamentary procedure decided without further debate?

Mr. PITTMAN. I am hardly in a position to do that, for the sole reason that I have not conferred with those who are supporting the matter. I only speak for those whom I know said they desire to discuss it. If there is no objection made by anyone here, I would state this—because I have no way of knowing their thoughts on the subject—that I will present the amendment at some hour that might be agreed on to-morrow, which would practically throw the debate directly on the parliamentary situation.

Mr. WADSWORTH. So far as I may make an agreement, it would be only binding upon myself.

Mr. PITTMAN. That is all I can do now.

Mr. WADSWORTH. I would be willing to enter into some satisfactory agreement, say, to cease debate at 4 o'clock to-morrow.

Mr. GOODING. Mr. President, I do not think it is possible to reach any agreement.

Mr. WADSWORTH. Would the Senator be willing to agree to conclude debate on this particular matter by 5 o'clock to-morrow afternoon?

Mr. GOODING. Not until I shall have consulted with those whom I know want to speak on the subject, which I have not done. I may be able to answer the Senator to-morrow at 12 o'clock possibly, but before entering into an agreement on the matter I must consult with those whom I know want to discuss it. Just how long they will want to talk I do not know. I still have some observations that I desire to make.

Mr. WADSWORTH. Does the Senator think at this moment that it would be impossible to reach a unanimous-consent agreement?

Mr. GOODING. I am sure of that.

Mr. PITTMAN. Does not the Senator from Idaho think we can get through the main speeches to-morrow and let me submit the amendment and let it be considered on the parliamentary feature of the matter?

Mr. GOODING. That might be possible, but I have not consulted any of the Senators as to the time they may desire to take. Probably we can do that, but it would be out of place to enter into an agreement at this time. It seems to me the whole matter might well go over until to-morrow. I do not think we can come to an agreement to-night.

Mr. PITTMAN. As I said, as soon as the main speeches shall have been made on the proposition, so that the discussion from that time on will be purely a parliamentary discussion, I want to present the amendment. I understand the Senator from New York will make his point of order at the time I submit the amendment and from that time the discussion will be purely on the parliamentary question. That seems to be the situation in which we find ourselves at this time.

Mr. WARREN. Mr. President, I do not think there is any disposition to cut off proper debate at any time, but it seems to me that the Senate must either meet promptly in the morning, or it must run its business into the night hours, or it must cease some of this important debate—I will admit that it is important—if we expect to adjourn in ordinary season this year. Think of the spectacle of the Senate of the United States taking in the usual way a recess until 11 o'clock in the morning and assembling here without a quorum and having the Sergeant at Arms and his employees running in every direction for Senators and, finally, compelling the leader of the minority on the other side of the Chamber to move an adjournment until 12 o'clock. This could have been done on either side of the Chamber, so far as that is concerned, and it was the only proper thing we could do. But I think the spectacle to the country and the show we made of ourselves is putting us in the position that if we will not come here and get to work, and if we will not stay here at night and work, we will be accused of filibustering, and we can not expect otherwise. I do not accuse the Senator from Nevada of that, or any other Senator, but the country will believe it, and we will soon have to believe it ourselves. I will have to believe it, so far as I am concerned, because I know we can get here in the morning if we like, and I also know that we can stay here at night, whether we like it or not.

I am perfectly ready, so far as I am concerned, to come to any reasonable agreement as to the time to-morrow or to-morrow night, or whenever it can be arranged, when the amendment shall be submitted and voted on. Of course, as I said, I am going to yield to whatever the Senate wants to have done. I am always ready to take its orders, but I still say, and I think it will not be disputed by my friend from Nevada, that we either "ought to fish or cut bait," to use the farmer's phrase. We ought to be here to talk or here to act, or else say that we can not and recess for a few days or for a week until we shall finally be able to work.

Mr. PITTMAN. I thoroughly agree with the Senator, and that is exactly what the Senator from Arkansas [Mr. ROBINSON] said this morning, that "we ought to fish or cut bait." The Senator, of course, said he did not accuse me of not being here this morning. I want it affirmatively known that I was here this morning. I also want it said for the benefit of the Senator from Idaho [Mr. GOODING] that at 11 o'clock this morning he was standing in front of his map with his pointer in his hand, ready to finish the speech upon which he was engaged yesterday.

Mr. WARREN. I hope the Senator from Nevada will not take what I said as being personal to any of those who have occupied the time of the Senate. In fact, I honor them for their punctuality and being here all the time and saying what they have to say. But it is those who have nothing to do apparently with legislation who ought to loan us at least their presence in the morning to answer the roll call. They ought not to leave it to those who do the work to be compelled to run after them to get them here so that they will join us in simply having a roll call.

Mr. PITTMAN. I am willing to come here at any hour in the morning that may be decided to be the proper hour. I think if we could have gotten a quorum at 11 o'clock this morning we would have been quite a bit further ahead than we seem to be now.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

Mr. PITTMAN. I yield the floor.

Mr. NORRIS. I take it that what the Senator from Wyoming said does not apply to those who were here. It must apply to those who were not here. I was not here, so it must apply to me as one, and yet I think I was doing more work than the average Senator from 6 o'clock this morning until 12 o'clock, when I did get here.

The Committee on Agriculture and Forestry are crowded and condemned on the one hand because they do not finish their work. They can not finish their work if the Senate requires their attendance here, and you can "fish or cut bait" on that proposition just as you have a mind to do.

I am accused half the time, at least inferentially, on the one side by saying: "Here, we want to get this Muscle Shoals business out of the way," and I am asked about every 15 minutes if I am still going along with it, and on the other hand condemned because I am not here in the Senate Chamber. Senators can take their choice. If the Senate, on the one hand, wants to stop the hearings of the committee, it of course has the power to do it, and it can compel by arrest the attendance of Senators here; but I do not want anybody to insinuate that those who are working night and day on a proposition of as great importance as any one of the bills which we are now discussing, even though I do regard this as a very important proposition, are not doing their best to get the Muscle Shoals matter ready for the Senate, or are idling away their time by any means.

Mr. WARREN. Mr. President, will the Senator allow me to interrupt him?

Mr. NORRIS. There is no other committee of the Senate—I except none and I defy anyone to successfully contradict it—that has done as much work during this session of the Senate as has the Committee on Agriculture and Forestry.

Of course all the members of the committee are never there at one time, but there are a few there, and the chairman is always there, and we try conscientiously to do what we can. There are some other committees in much the same position. I see the Senator from North Dakota [Mr. LADD] in his place. He is chairman of the Committee on Public Lands, which is carrying on an investigation. The fact is, Mr. President, that nobody can be in two places at one time, and he ought not to be expected to be. I protest against the Senate meeting at 11 o'clock unless it first directs that the committees, particularly the committee of which I have the honor to be the chairman, shall cease work. When the Senate orders us to quit we have to obey; but I am not going, on the one hand, to be accused of delaying legislation pending before that committee, and on the other hand, to be condemned because I am there trying to push the work of the committee and to keep it going just as rapidly as it can possibly be pushed along.

Mr. WARREN. Mr. President——

Mr. NORRIS. I yield to the Senator from Wyoming.

Mr. WARREN. Mr. President, the able Senator from Nebraska has stated the case very well as to the committees meeting in the morning. I honor the committees for so doing and for carrying forward their work, and that is why I say if we can not meet earlier in the morning—and I never have asked the Senate to meet at 11 o'clock in the morning, as I remember, certainly I have not done so lately—we should have sessions in the evening.

I alluded to the fact that the pending appropriation bill ought to be drawn to a conclusion to-day, in order to indicate to the Senate that it ought to remain in session to-night, and I wish the Senate might remain in session to-night. It seems to me to be necessary, with all the committee work which it is necessary to do, that opportunity should be given for them to conclude their work, and that could be done by having the Senate meet at the usual time, and then sitting in the evening. I hope the Senator will remember that the committee of which I have the honor to be chairman, is one of the committees which is busy every morning. We ought to have time for the work of the committees and also sufficient time to keep matters moving along in the Senate as smoothly as possible.

Mr. NORRIS. Mr. President, I should like to see the business of the Senate move along. I would not object to a reasonable limitation on debate in the Senate; but I think we ought to face the fact that, unless we do put some limitation on debate here, it will be an impossibility for the Senate to adjourn at the time when a good many Senators say it is going to adjourn, namely, early in June. It can not be done, Mr. President, unless some drastic method is adopted, several of which I have suggested. Either we must stop the committees in their work, or we must make up our minds that we are not going to get through by the 7th day of June. I wish we could adjourn on the 1st of June; it means more to me than to most Senators to be compelled to remain in Washington during the hot weather; but I want to say to you frankly, Mr. President, that, however much we may desire to do it, however delighted we might be if it could be done, I have reached the conclusion that it is an impossibility, and we might just as well face the inevitable. We can not finally adjourn then, but we will have to stay here longer.

Mr. LADD. Mr. President, I think I owe it to the Committee on Public Lands to make a brief statement. The Committee on Public Lands has been in session practically every day since the 20th of last November. The room in which we are holding the committee hearings, the "marble room," so called, in the Office Building, has no bell connections with the Senate, so that we know nothing about whether there is a call for a quorum or whether the Senate is in session. We might not come if there were a bell; but, at least, if there were a bell we would know when there was a call for a quorum. If that room is to be used for committee hearings in the future, there should be some provision for notifying Senators who are working in committee there as to when their presence is required in the Senate Chamber.

Mr. WARREN. Mr. President, I am very glad that there have been brought out the facts and circumstances which have been developed from the statements made this evening. I understand that many Senators have engagements for to-night, and I understand further from the Senator who is particularly in charge of the proposed amendment to the pending bill that other Senators are not ready to go on to-night. So I think that the better course would be to take a recess until 12 o'clock to-morrow, unless some Senator desires to discuss further the pending question.

Mr. LODGE. I should like an opportunity to have a short executive session.

Mr. WARREN. I suggest that when the Senate completes its session to-day it take a recess until to-morrow at 12 o'clock noon.

SENATOR BURTON K. WHEELER

Mr. BORAH. Mr. President, I desire to submit the report of the special committee authorized under Senate Resolution 206 to investigate the charges against Senator BURTON K. WHEELER. This report is signed by four members of the committee. The Senator from South Dakota [Mr. STERLING] reserved the right to file separate views. I submit the report for reading and printing, and later shall discuss it upon the floor.

The report (No. 537) was read and ordered to be printed, as follows:

[Senate Report No. 537, Sixty-eighth Congress, first session]

SENATOR BURTON K. WHEELER

Mr. BORAH, from the special committee authorized to investigate charges against Senator BURTON K. WHEELER, submitted the following report pursuant to S. Res. 206:

On April 9, 1924, the Senate passed the following resolution:

> "*Resolved*, That a committee consisting of five Members of the Senate be appointed by the President pro tempore to investigate and report to the Senate the facts in relation to the charges made in a certain indictment returned against Senator BURTON K. WHEELER in the United States district court for the State of Montana."

That thereafter the President pro tempore of the Senate appointed Senators WILLIAM E. BORAH, CLAUDE SWANSON, THOMAS STERLING, T. H. CARAWAY, and CHARLES L. MCNARY as a special committee to make the investigation authorized by the foregoing resolution.

The charge against Senator BURTON K. WHEELER, and which charge your committee was authorized to investigate, arises under and by virtue of section 1782 of the Revised Statutes of the United States. That statute reads as follows:

> "No Senator, Representative, or Delegate, after his election and during his continuance in office, and no head of a department or other officer or clerk in the employ of the Government, shall receive or agree to receive any compensation whatever, directly or indirectly, for any services rendered, or to be rendered to any person, either by himself or another, in relation to any proceeding, contract, claim, controversy, charge, accusation, arrest, or other matter or thing in which the United States is a party, or directly or indirectly interested, before any department, court-martial, bureau, officer, or any civil, military, or naval commission whatever. Every person offending against this section shall be deemed guilty of a misdemeanor, and shall be imprisoned not more than two years, and fined not more than $10,000, and shall, moreover, by conviction therefor, be rendered forever thereafter incapable of holding any office of honor, trust, or profit under the Government of the United States."

The Supreme Court has construed this statute particularly in the case of Burton v. the United States, 202 U. S. p. 344.

Under this statute an agreement to receive compensation for services rendered, or to be rendered, before any department, court-martial, bureau, officer, or any civil, military, or naval commission is made an offense; the receiving of compensation in violation of the statute whether pursuant to a previous agreement or not is also made an offense. In other words, if a party agrees to receive compensation for such services he is guilty under the statute; or if he receives compensation without any previous agreement, he is also guilty of an offense. This statute in no way prohibits or interferes with a Member of Congress from appearing before any department, court-martial, bureau, officer, or any civil, military, or naval commission, provided he does so free from any agreement to receive compensation, or without receiving compensation therefor. The sole question which your committee was authorized to investigate, therefore, was: Did Senator WHEELER agree to receive compensation, directly or indirectly, for services rendered, or to be rendered; or did he receive compensation for services rendered, or to be rendered, relative to his appearance or services before any department, court-martial, bureau, officer, or any civil, military, or naval commission?

Your committee finds:

First. That during the months of January and February, 1923, after his election to the Senate, Senator WHEELER entered the employ of Gordon Campbell as his attorney, the said contract of employment including the firm of lawyers under the name of Wheeler & Baldwin.

Second. That, according to the terms of employment by which he entered the service of Campbell as his attorney, the said firm of Wheeler & Baldwin was to receive a retainer's fee of $10,000 per annum; that $2,000 thereof was paid January 9, 1923, and $2,000 thereof on February 16, 1923, and that the balance is still unpaid.

Third. That it was fully understood and agreed between all parties to said contract of employment that the services of Senator WHEELER and his firm related alone to the litigation then pending, or to be brought, in the State courts of Montana, said Campbell being at that time interested in a number of lawsuits, some 19 or 20 at least in number.

Fourth. That said BURTON K. WHEELER did not at any time agree to receive compensation for services before any department, court-martial, bureau, officer, or any civil, military, or naval commission, at Washington, and did not at any time receive compensation for such services before any department, court-martial, bureau, officer, or any civil, military, or naval commission.

Fifth. That, on the other hand, the sole contract of employment which he had with Campbell related to matters of litigation in the State courts of Montana; that Senator WHEELER did not at any time appear for said Campbell, or his companies, before any of the departments in Washington under agreement to receive compensation, and did not at any time receive compensation for any appearance or services rendered before said Government departments.

In conclusion, the committee wholly exonerates Senator BURTON K. WHEELER from any, and all, violation of section 1782 of the Revised Statutes of the United States, and finds that he neither received or accepted, or agreed to receive or accept, any compensation whatever, directly or indirectly, for any services rendered, or to be rendered, to any person, either by himself or another, in relation to any proceeding, contract, claim, controversy, charge, accusation, arrest, or other matter or thing in which the United States was a party, or directly or indirectly interested, before any department, court-martial, bureau, officer, or any civil, military, or naval commission whatever.

The committee further states that in its opinion Senator WHEELER was careful to have it known and understood from the beginning that his services as an attorney for Gordon Campbell, or his interests, were to be confined exclusively to matters of litigation in the State courts of Montana, and that he observed at all times not only the letter but the spirit of the law.

WM. E. BORAH.
CHAS. L. MCNARY.
CLAUDE A. SWANSON.
T. H. CARAWAY.

EXECUTIVE SESSION

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 10 minutes spent in executive session the doors were reopened.

RIGHTS IN SYRIA AND THE LEBANON

In executive session this day, the following convention was ratified, and, on motion of Mr. LODGE, the injunction of secrecy was removed therefrom:

To the Senate of the United States:

To the end that I may receive the advice and consent of the Senate to its ratification, I transmit herewith a convention, signed by the plenipotentiaries of the United States and France at Paris on April 4, 1924, respecting the rights of the two Governments and their respective nationals in Syria and the Lebanon, over which a mandate was conferred upon the Government of France.

CALVIN COOLIDGE.

THE WHITE HOUSE, *April 28, 1924.*

The PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, a convention between the United States and France with respect to the rights of the two Governments and their respective nationals in Syria and the Lebanon, over which a mandate was conferred upon the Government of France, signed at Paris on April 4, 1924.

Respectfully submitted.

CHARLES E. HUGHES.

DEPARTMENT OF STATE,
Washington, April 25, 1924.

CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND FRANCE REGARDING THE MANDATE FOR SYRIA AND THE LEBANON

The President of the United States of America and the President of the French Republic.

Whereas by the treaty of peace concluded with the allied powers Turkey renounces all her rights and titles over Syria and the Lebanon; and

Whereas article 22 of the covenant of the League of Nations in the treaty of Versailles provides that in the case of certain territories which as a consequence of the late war ceased to be under the sovereignty of the states which formerly governed them mandates should be issued and that the terms of the mandate should be explicitly defined in each case by the council of the league; and

Whereas the principal allied powers have agreed to intrust the mandate for Syria and the Lebanon to France; and

Whereas the terms of the said mandate have been defined by the Council of the League of Nations, as follows:

ARTICLE 1. The mandatory shall frame, within a period of three years from the coming into force of this mandate, an organic law for Syria and for the Lebanon.

This organic law shall be framed in agreement with the native authorities and shall take into account the rights, interests, and wishes of all the population inhabiting the said territory. The mandatory shall further enact measures to facilitate the progressive development of Syria and the Lebanon as independent states. Pending the coming into effect of the organic law, the government of Syria and the Lebanon shall be conducted in accordance with the spirit of this mandate.

The mandatory shall, as far as circumstances permit, encourage local autonomy.

ART. 2. The mandatory may maintain its troops in the said territory for its defense. It shall further be empowered, until the entry into force of the organic law and the reestablishment of public security, to organize such local militia as may be necessary for the defense of the territory and to employ this militia for defense and also for the maintenance of order. These local forces may only be recruited from the inhabitants of the said territory.

The said militia shall thereafter be under the local authorities, subject to the authority and the control which the mandatory shall retain over these forces. It shall not be used for purposes other than those above specified save with the consent of the mandatory.

Nothing shall preclude Syria and the Lebanon from contributing to the cost of the maintenance of the forces of the mandatory stationed in the territory.

The mandatory shall at all times possess the right to make use of the ports, railways, and means of communication of Syria and the Lebanon for the passage of its troops and of all materials, supplies, and fuel.

ART. 3. The mandatory shall be intrusted with the exclusive control of the foreign relations of Syria and the Lebanon and with the right to issue exequaturs to the consuls appointed by foreign powers. Nationals of Syria and the Lebanon living outside the limits of the territory shall be under the diplomatic and consular protection of the mandatory.

ART. 4. The mandatory shall be responsible for seeing that no part of the territory of Syria and the Lebanon is ceded or leased or in any way placed under the control of a foreign power.

ART. 5. The privileges and immunities of foreigners, including the benefits of consular jurisdiction and protection as formerly enjoyed by capitulation or usage in the Ottoman Empire, shall not be applicable in Syria and the Lebanon. Foreign consular tribunals shall, however, continue to perform their duties until the coming into force of the new legal organization provided for in article 6.

Unless the powers whose nationals enjoyed the aforementioned privileges and immunities on August 1, 1914, shall have previously renounced the right to their reestablishment, or shall have agreed to their nonapplication during a specified period, these privileges and immunities shall at the expiration of the mandate be immediately reestablished in their entirety or with such modifications as may have been agreed upon between the powers concerned.

ART. 6. The mandatory shall establish in Syria and the Lebanon a judicial system which shall assure to natives as well as to foreigners a complete guarantee of their rights.

Respect for the personal status of the various peoples and for their religious interests shall be fully guaranteed. In particular the control and administration of Wakfs shall be exercised in complete accordance with religious law and the dispositions of the founders.

ART. 7. Pending the conclusion of special extradition agreements, the extradition treaties at present in force between foreign powers and the mandatory shall apply within the territory of Syria and the Lebanon.

ART. 8. The mandatory shall insure to all complete freedom of conscience and the free exercise of all forms of worship which are consonant with public order and morality. No discrimination of any kind shall be made between the inhabitants of Syria and the Lebanon on the ground of differences in race, religion, or language.

The mandatory shall encourage public instruction which shall be given through the medium of the native languages in use in the territory of Syria and the Lebanon.

The right of each community to maintain its own schools for the instruction and education of its own members in its own language, while conforming to such educational requirements of a general nature as the administration may impose, shall not be denied or impaired.

ART. 9. The mandatory shall refrain from all interference in the administration of the councils of management (conseils de fabrique) or in the management of religious communities and sacred shrines belonging to the various religions, the immunity of which has been expressly guaranteed.

ART. 10. The supervision exercised by the mandatory over the religious missions in Syria and the Lebanon shall be limited to the maintenance of public order and good government. The activities of these religious missions shall in no way be restricted nor shall their members be subjected to any restrictive measures on the ground of nationality, provided that their activities are confined to the domain of religion.

The religious missions may also concern themselves with education and relief, subject to the general right of regulation and control by the mandatory or of the local government in regard to education, public instruction, and charitable relief.

ART. 11. The mandatory shall see that there is no discrimination in Syria or the Lebanon against the nationals, including societies and associations of any state member of the League of Nations as compared with its own nationals, including societies and associations, or with the nationals of any other foreign state in matters concerning taxation or commerce, the exercise of professions or industries, or navigation, or in the treatment of ships or aircraft. Similarly there shall be no discrimination in Syria or the Lebanon against goods originating in or destined for any of the said states; there shall be freedom of transit, under equitable conditions, across the said territory.

Subject to the above, the mandatory may impose or cause to be imposed by the local governments such taxes and customs duties as it may consider necessary. The mandatory, or the local governments acting under its advice, may also conclude on grounds of contiguity any special customs arrangements with an adjoining country.

The mandatory may take or cause to be taken, subject to the provisions of paragraph 1 of this article, such steps as it may think best to insure the development of the natural resources of the said territory and to safeguard the interests of the local population.

Concessions for the development of these natural resources shall be granted without distinction of nationality between the nationals of all states members of the League of Nations, but on condition that they do not infringe upon the authority of the local government. Concessions in the nature of a general monopoly shall not be granted. This clause shall in no way limit the right of the mandatory to create monopolies of a purely fiscal character in the interest of the territory of Syria and the Lebanon, and with a view to assuring to the territory the fiscal resources which would appear best adapted to the local needs, or, in certain cases, with a view to developing the natural resources either directly by the state or through an organization under its control, provided that this does not involve either directly or indirectly the creation of a monopoly of the natural resources in favor of the mandatory or its nationals, nor involve any preferential treatment which would be incompatible with the economic, commercial, and industrial equality guaranteed above.

ART. 12. The mandatory shall adhere, on behalf of Syria and the Lebanon, to any general international agreements already existing, or which may be concluded hereafter with the approval of the League of Nations, in respect of the following: The slave trade, the traffic in drugs, the traffic in arms and ammunition, commercial equality, freedom of transit and navigation, aerial navigation, postal, telegraphic, or wireless communications, and measures for the protection of literature, art, or industries.

ART. 13. The mandatory shall secure the adhesion of Syria and the Lebanon so far as social, religious, and other conditions permit, to such measures of common utility as may be adopted by the League of Nations for preventing and combating disease, including diseases of animals and plants.

ART. 14. The mandatory shall draw up and put into force within 12 months from this date a law of antiquities in conformity with the following provisions. This law shall insure equality of treatment in the matter of excavations and archæological research to the nationals of all states members of the League of Nations.

1. "Antiquity" means any construction or any product of human activity earlier than the year 1700 A. D.

2. The law for the protection of antiquities shall proceed by encouragement rather than by threat.

Any person who, having discovered an antiquity without being furnished with the authorization referred to in paragraph 5, reports the same to an official of the competent department shall be rewarded according to the value of the discovery.

3. No antiquity may be disposed of except to the competent department unless this department renounces the acquisition of any such antiquity.

No antiquity may leave the country without an export license from the said department.

4. Any person who maliciously or negligently destroys or damages an antiquity shall be liable to a penalty to be fixed.

5. No clearing of ground or digging with the object of finding antiquities shall be permitted, under penalty of fine, except to persons authorized by the competent department.

6. Equitable terms shall be fixed for expropriation, temporary or permanent, of lands which might be of historical or archæological interest.

7. Authorization to excavate shall only be granted to persons who show sufficient guaranties of archæological experience. The mandatory shall not, in granting these authorizations, act in such a way as to exclude scholars of any nation without good grounds.

8. The proceeds of excavations may be divided between the excavator and the competent department in a proportion fixed by that department. If division seems impossible for scientific reasons the excavator shall receive a fair indemnity in lieu of a part of the find.

ART. 15. Upon the coming into force of the organic law referred to in article 1, an arrangement shall be made between the mandatory and the local governments for reimbursement by the latter of all expenses incurred by the mandatory in organizing the administration, developing local resources, and carrying out permanent public works, of which the country retains the benefit. Such arrangement shall be communicated to the Council of the League of Nations.

ART. 16. French and Arabic shall be the official language of Syria and the Lebanon.

ART. 17. The mandatory shall make to the Council of the League of Nations an annual report to the satisfaction of the council as to the measures taken during the year to carry out the provisions of this mandate. Copies of all laws and regulations promulgated during the year shall be attached to the said report.

ART. 18. The consent of the Council of the League of Nations is required for any modification of the terms of this mandate.

ART. 19. On the termination of the mandate, the Council of the League of Nations shall use its influence to safeguard for the future the fulfillment by the Government of Syria and the Lebanon of the financial obligations, including pensions and allowances, regularly assumed by the administration of Syria or of the Lebanon during the period of the mandate.

ART. 20. The mandatory agrees that if any dispute whatever should arise between the mandatory and another member of the League of Nations relating to the interpretation or the application of the provisions of the mandate, such dispute, if it can not be settled by negotiation, shall be submitted to the Permanent Court of International Justice provided for by article 14 of the covenant of the League of Nations.

Whereas the mandate in the above terms came into force on September 29, 1923; and

Whereas the United States of America by participating in the war against Germany contributed to her defeat and the defeat of her allies and to the renunciation of the rights and titles of her allies in the territory transferred by them, but has not ratified the covenant of the League of Nations embodied in the treaty of Versailles; and

Whereas the Government of the United States and the Government of France desire to reach a definite understanding with respect to the rights of the two Governments and their respective nationals in Syria and the Lebanon;

The President of the United States of America and the President of the French Republic have decided to conclude a convention to this effect and have nominated as their plenipotentiaries:

The President of the United States of America.

His excellency, Mr. Myron T. Herrick, ambassador extraordinary and plenipotentiary of the United States of America to France.

And the President of the French Republic:

M. Raymond Poincaré, senator, president of the council, minister of foreign affairs.

Who, after communicating to each other their respective full powers, found in good and due form, have agreed as follows:

ARTICLE 1

Subject to the provisions of the present convention, the United States consents to the administration by the French Republic, pursuant to the aforesaid mandate, of Syria and the Lebanon.

ARTICLE 2

The United States and its nationals shall have and enjoy all the rights and benefits secured under the terms of the mandate to members of the League of Nations and their nationals, notwithstanding the fact that the United States is not a member of the League of Nations.

ARTICLE 3

Vested American property rights in the mandated territories shall be respected and in no way impaired.

ARTICLE 4

A duplicate of the annual report to be made by the mandatory under article 17 of the mandate shall be furnished to the United States.

ARTICLE 5

Subject to the provisions of any local laws for the maintenance of public order and public morals, the nationals of the United States will be permitted freely to establish and maintain educational, philanthropic, and religious institutions in the mandated territory, to receive voluntary applicants and to teach in the English language.

ARTICLE 6

Nothing contained in the present convention shall be affected by any modification which may be made in the terms of the mandate as recited above unless such modification shall have been assented to by the United States.

ARTICLE 7

The present convention shall be ratified in accordance with the respective constitutional methods of the high contracting parties. The ratifications shall be exchanged at Paris as soon as practicable. The present convention shall take effect on the date of the exchange of ratifications.

In witness whereof the respective plenipotentiaries have signed this convention and have affixed thereto their seals.

Done in duplicate at Paris the 4th day of April, in the year 1924.

[L. S.] (Signed) MYRON T. HERRICK.

RECESS

Mr. WARREN. I move that the Senate take a recess until 12 o'clock noon to-morrow.

The motion was agreed to; and (at 5 o'clock and 30 minutes p. m.) the Senate took a recess until to-morrow, Thursday, May 15, 1924, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 14, 1924

POSTMASTERS

ALABAMA

Minnie W. O'Hara to be postmaster at Hurtsboro, Ala., in place of S. A. Borom. Incumbent's commission expires June 4, 1924.

Alden M. Wallace to be postmaster at Tuskegee, Ala., in place of B. C. Gibson, resigned.

ALASKA

William J. Shepard to be postmaster at Cordova, Alaska, in place of C. H. Scheffler. Incumbent's commission expires June 4, 1924.

ARKANSAS

Robert A. Choate to be postmaster at Tuckerman, Ark., in place of R. A. Choate. Incumbent's commission expires June 4, 1924.

Bertha E. Millian to be postmaster at Lexa, Ark., in place of B. E. Millian. Incumbent's commission expires June 4, 1924.

CALIFORNIA

Clyde W. Holbrook to be postmaster at Venice, Calif., in place of J. C. Barthel. Incumbent's commission expired February 11, 1924.

Earle R. Hawley to be postmaster at Stockton, Calif., in place of E. R. Hawley. Incumbent's commission expires June 4, 1924.

Chauncey P. Wright to be postmaster at San Pedro, Calif., in place of C. J. Adair. Incumbent's commission expired February 11, 1924.

Louis P. Miller to be postmaster at Rio Vista, Calif., in place of L. P. Miller. Incumbent's commission expires June 4, 1924.

George W. Nygren to be postmaster at Parlier, Calif., in place of G. W. Nygren. Incumbent's commission expires June 4, 1924.

William C. Werry to be postmaster at Palo Alto, Calif., in place of W. H. Kelly. Incumbent's commission expires June 4, 1924.

Marion W. Bessom to be postmaster at Lawndale, Calif., in place of M. W. Bessom. Office became third class April 1, 1924.

Flora H. Vaughn to be postmaster at Earlimart, Calif., in place of F. H. Vaughn, resigned.

John H. B. Speer to be postmaster at Delano, Calif., in place of R. M. Wilbur, resigned.

COLORADO

James L. Allison to be postmaster at Woodmen, Colo., in place of J. L. Allison. Incumbent's commission expires June 4, 1924.

George Haver to be postmaster at Eckley, Colo., in place of George Haver. Incumbent's commission expires May 21, 1924.

Irving P. Beckett to be postmaster at Craig, Colo., in place of I. P. Beckett. Incumbent's commission expires June 4, 1924.

CONNECTICUT

John A. Ayer to be postmaster at Saybrook, Conn., in place of R. D. Burns. Incumbent's commission expires June 5, 1924.

Clarence L. Clark to be postmaster at Lyme, Conn., in place of C. L. Clark. Incumbent's commission expires June 5, 1924.

William T. Crumb to be postmaster at Jewett City, Conn., in place of D. F. Finn. Incumbent's commission expires June 5, 1924.

James F. Holden to be postmaster at Forestville, Conn., in place of J. F. Holden. Incumbent's commission expires June 5, 1924.

Edward S. Coulter to be postmaster at Essex, Conn., in place of E. S. Coulter. Incumbent's commission expired April 9, 1924.

IDAHO

Lester J. Holland to be postmaster at Shelley, Idaho, in place of O. P. Jensen. Incumbent's commission expires June 5, 1924.

Charles J. Shoemaker to be postmaster at Sand Point, Idaho, in place of D. C. D. Moore. Incumbent's commission expires June 5, 1924.

Floyd E. Reynolds to be postmaster at Richfield, Idaho, in place of F. E. Reynolds. Incumbent's commission expires June 5, 1924.

Hugh D. Stanton to be postmaster at Kendrick, Idaho, in place of J. F. Brown. Incumbent's commission expires June 5, 1924.

Albert E. White to be postmaster at Payette, Idaho, in place of A. E. White. Incumbent's commission expires June 5, 1924.

Frank Dvorak to be postmaster at Aberdeen, Idaho, in place of Frank Dvorak. Incumbent's commission expires June 5, 1924.

ILLINOIS

Harry L. Dean to be postmaster at Witt, Ill., in place of T. W. Daly. Incumbent's commission expires June 4, 1924.

Anna J. Arthur to be postmaster at Lovejoy, Ill., in place of A. J. Arthur. Office became third class April 1, 1924.

Laura A. Gregory to be postmaster at Willisville, Ill., in place of L. A. Gregory. Incumbent's commission expires June 5, 1924.

Simon K. Lewis to be postmaster at Utica, Ill., in place of John Gilchrist. Incumbent's commission expires June 5, 1924.

Christian Andres to be postmaster at Tinley Park, Ill., in place of Christian Andres. Incumbent's commission expires May 28, 1924.

Henry H. Pierce to be postmaster at Royalton, Ill., in place of H. H. Pierce. Incumbent's commission expires June 5, 1924.

Harry Hutchins to be postmaster at Rockton, Ill., in place of W. W. Sloan. Incumbent's commission expires June 5, 1924.

August Kalkitz to be postmaster at Red Bud, Ill., in place of Albert Schrieber. Incumbent's commission expires June 5, 1924.

Jessie A. Livingston to be postmaster at Livingston, Ill., in place of F. A. Thomure. Incumbent's commission expires June 5, 1924.

Andrew R. Tarbox to be postmaster at Gibson City, Ill., in place of A. R. Tarbox. Incumbent's commission expires June 4, 1924.

John H. Stolle to be postmaster at Evansville, Ill., in place of C. D. Pautler. Incumbent's commission expires May 28, 1924.

Frank G. Robinson to be postmaster at El Paso, Ill., in place of F. G. Robinson. Incumbent's commission expires May 28, 1924.

Edwin C. O'Brien to be postmaster at Barry, Ill., in place of E. C. O'Brien. Incumbent's commission expires May 28, 1924.

Francis W. Craig to be postmaster at Apple River, Ill., in place of W. H. Smith. Incumbent's commission expires June 5, 1924.

Lottie M. Jones to be postmaster at Antioch, Ill., in place of L. M. Jones. Incumbent's commission expires June 5, 1924.

INDIANA

Warren B. Johnson to be postmaster at Owensville, Ind., in place of F. W. Boren. Incumbent's commission expires June 5, 1924.

Walter C. Farrell to be postmaster at Middletown, Ind., in place of W. C. Farrell. Incumbent's commission expired May 6, 1924.

IOWA

Jesse A. Stump to be postmaster at Wellman, Iowa, in place of D. F. Kirkpatrick. Incumbent's commission expires June 5, 1924.

Clair A. Sodergren to be postmaster at Wayland, Iowa, in place of Jacob Wenger. Incumbent's commission expired March 22, 1924.

Hazel A. Coltrane to be postmaster at Stockport, Iowa, in place of Gustavus Anderson. Incumbent's commission expired March 22, 1924.

William H. Ward to be postmaster at Ryan, Iowa, in place of W. H. Ward. Incumbent's commission expires June 5, 1924.

Frank E. Moravec to be postmaster at Oxford Junction, Iowa, in place of F. E. Moravec. Incumbent's commission expired August 5, 1923.

Charles E. L. See to be postmaster at Laurens, Iowa, in place of C. E. L. See. Incumbent's commission expires June 4, 1924.

John F. Dicus to be postmaster at Griswold, Iowa, in place of R. A. Donahoe. Incumbent's commission expires June 5, 1924.

Lloyd S. Meyers to be postmaster at Columbus Junction, Iowa, in place of L. S. Meyers. Incumbent's commission expires June 4, 1924.

William W. Jamison to be postmaster at Brighton, Iowa, in place of A. J. Johnson. Incumbent's commission expired March 22, 1924.

Charles G. Wiley to be postmaster at Bonaparte, Iowa, in place of C. G. Wiley. Incumbent's commission expires June 4, 1924.

Patience Felger to be postmaster at Afton, Iowa, in place of Patience Felger. Incumbent's commission expires June 4, 1924.

KANSAS

Eldon C. Newby to be postmaster at Randolph, Kans., in place of J. E. Leach. Incumbent's commission expires June 4, 1924.

George F. Gibson to be postmaster at Lyons, Kans., in place of B. C. Peterson. Incumbent's commission expired October 11, 1923.

Sherman F. Lull to be postmaster at Linn, Kans., in place of M. L. Hoerman. Incumbent's commission expires June 4, 1924.

James L. Reeves to be postmaster at Gridley, Kans., in place of J. L. Reeves. Incumbent's commission expires June 4, 1924.

Merton M. Fletcher to be postmaster at Glasco, Kans., in place of C. T. Butler. Incumbent's commission expires June 4, 1924.

Herbert L. Fryback to be postmaster at Colby, Kans., in place of W. J. Taylor. Incumbent's commission expired May 6, 1924.

KENTUCKY

Carley O. Wilmoth to be postmaster at Paris, Ky., in place of J. W. Payne, resigned.

Edgar Renshaw to be postmaster at Hopkinsville, Ky., in place of J. E. Moseley, removed.

LOUISIANA

Lillian P. Witherow to be postmaster at Lake Providence, La., in place of L. P. Witherow. Incumbent's commission expires June 2, 1924.

MAINE

Lawrence H. Allen to be postmaster at South Windham, Me., in place of W. K. Foster. Incumbent's commission expires June 5, 1924.

Gustavus A. Young to be postmaster at Island Falls, Me., in place of G. A. Young. Incumbent's commission expires May 18, 1924.

Carleton E. Young to be postmaster at Winterport, Me., in place of C. E. Young. Incumbent's commission expires May 18, 1924.

MASSACHUSETTS

Charles W. Swift to be postmaster at Yarmouth, Mass., in place of C. W. Swift. Incumbent's commission expires June 4, 1924.

Wendell F. Gurney to be postmaster at Whitman, Mass., in place of Martin Ratigan. Incumbent's commission expires June 4, 1924.

Nancy S. Harley to be postmaster at South Hanson, Mass., in place of N. S. Harley. Incumbent's commission expires June 4, 1924.

Walter B. Currier to be postmaster at South Acton, Mass., in place of W. B. Currier. Incumbent's commission expires May 28, 1924.

Herbert E. Buxton to be postmaster at Shrewsbury, Mass., in place of H. E. Buxton. Incumbent's commission expires May 28, 1924.

Joseph L. McGrath to be postmaster at Sharon, Mass., in place of J. L. McGrath. Incumbent's commission expires June 4, 1924.

Charles H. Sawyer to be postmaster at Northampton, Mass., in place of P. F. Brown. Incumbent's commission expires June 4, 1924.

MICHIGAN

Frank N. Green to be postmaster at Olivet, Mich., in place of Thomas Maveety. Incumbent's commission expires June 4, 1924.

Arthur G. Stone to be postmaster at Niles, Mich., in place of F. W. Richter. Incumbent's commission expires June 4, 1924.

Adrian J. Westveer to be postmaster at Holland, Mich., in place of W. O. Van Eyck. Incumbent's commission expires June 4, 1924.

Edwin L. Groger to be postmaster at Concord, Mich., in place of E. L. Groger. Incumbent's commission expires June 4, 1924.

MINNESOTA

Hans P. Becken to be postmaster at Hanska, Minn., in place of H. P. Becken. Incumbent's commission expires May 28, 1924.

MISSOURI

Isaac P. Hopkins to be postmaster at Edgerton, Mo., in place of I. P. Hopkins. Incumbent's commission expires June 5, 1924.

MONTANA

Thomas E. Devore to be postmaster at Whitehall, Mont., in place of T. E. Devore. Incumbent's commission expired May 10, 1924.

Robert Parsons to be postmaster at Sweetgrass, Mont., in place of Robert Parsons. Incumbent's commission expires May 28, 1924.

NEBRASKA

May Roberts to be postmaster at Nemaha, Nebr., in place of May Roberts. Office became third class April 1, 1924.

Orin J. Schwieger to be postmaster at Chadron, Nebr., in place of B. A. Brewster, removed.

Margaret M. Anderson to be postmaster at Stromsburg, Nebr., in place of M. M. Anderson. Incumbent's commission expired April 9, 1924.

Harry B. Clayton to be postmaster at Central City, Nebr., in place of E. H. Bishop. Incumbent's commission expired April 9, 1924.

Edward F. Farley, jr., to be postmaster at Bancroft, Nebr., in place of X. Y. Zuhlke. Incumbent's commission expires June 4, 1924.

NEW HAMPSHIRE

William T. Lance to be postmaster at Meredith, N. H., in place of G. F. Sanborn. Incumbent's commission expires June 5, 1924.

Leston F. Eldredge to be postmaster at Durham, N. H., in place of Samuel Runlett. Incumbent's commission expires June 5, 1924.

Thomas H. Dearborn to be postmaster at Dover, N. H., in place of G. H. Sherry. Incumbent's commission expires June 5, 1924.

NEW JERSEY

Harry B. Mason to be postmaster at Pompton Lakes, N. J., in place of J. F. Beardsley, deceased.

Lyle W. Morehouse to be postmaster at Little Falls, N. J., in place of J. T. Steel, resigned.

Charles Herrmann to be postmaster at South River, N. J., in place of Clara Mark. Incumbent's commission expired March 2, 1924.

NEW YORK

William P. McConnell to be postmaster at Marlboro, N. Y., in place of Herbert McMullen. Incumbent's commission expired July 21, 1924.

Lulu B. Morehouse to be postmaster at Marathon, N. Y., in place of A. L. Slate. Incumbent's commission expired May 6, 1924.

NORTH CAROLINA

Perry T. Roane to be postmaster at Kelford, N. C., in place of P. T. Roane. Office became third class April 1, 1924.

Stella Taylor to be postmaster at Efland, N. C., in place of B. A. Clark. Office became third class January 1, 1924.

NORTH DAKOTA

Benjamin L. Anderson to be postmaster at Grenora, N. Dak., in place of B. L. Anderson. Incumbent's commission expired January 23, 1924.

OHIO

Fred M. Hopkins to be postmaster at Fostoria, Ohio, in place of Roscoe Carle. Incumbent's commission expired February 24, 1924.

Olive G. Randall to be postmaster at Hubbard, Ohio, in place of S. E. Denison, removed.

Frank J. Eckstein to be postmaster at Salem, Ohio, in place of G. H. Mounts. Incumbent's commission expired May 10, 1924.

Charles R. Finnical to be postmaster at Newton Falls, Ohio, in place of J. B. Beard. Incumbent's commission expires June 4, 1924.

John W. Kramer to be postmaster at Maumee, Ohio, in place of J. W. Kramer. Incumbent's commission expires June 2, 1924.

Hosea A. Spaulding to be postmaster at Delaware, Ohio, in place of W. E. Haas. Incumbent's commission expires June 4, 1924.

OKLAHOMA

Fred Godard to be postmaster at Wellston, Okla., in place of Fred Godard. Incumbent's commission expires May 18, 1924.

Clifton J. Owens to be postmaster at Mill Creek, Okla., in place of C. J. Owens. Incumbent's commission expires May 18, 1924.

PENNSYLVANIA

Howard S. Kiess to be postmaster at Blossburg, Pa., in place of M. C. Bermingham. Incumbent's commission expires June 5, 1924.

PORTO RICO

Moises Jordan to be postmaster at Utuado, P. R., in place of Moises Jordan. Incumbent's commission expires May 28, 1924.

Jose M. Alcover to be postmaster at Arecibo, P. R., in place of J. M. Alcover. Incumbent's commission expires May 28, 1924.

Carlos F. Torregrosa to be postmaster at Aguadilla. P. R., in place of C. F. Torregrosa. Incumbent's commission expires June 4, 1924.

SOUTH DAKOTA

William R. Amoo to be postmaster at Morristown, S. Dak., in place of W. R. Amoo. Incumbent's commission expires May 28, 1924.

TENNESSEE

Herschel H. Tatlock to be postmaster at Covington, Tenn., in place of R. H. Green. Incumbent's commission expires June 4, 1924.

TEXAS

William H. Tarter to be postmaster at Roxton, Tex., in place of R. C. Lattimore. Incumbent's commission expires June 4, 1924.

Abundio Contreras to be postmaster at Riogrande, Tex., in place of Abundio Contreras. Incumbent's commission expires June 4, 1924.

Mike O. Sharp to be postmaster at Denison, Tex., in place of H. L. Piner. Incumbent's commission expires June 4, 1924.

UTAH

William S. Anderson to be postmaster at Moroni, Utah, in place of W. S. Anderson. Incumbent's commission expires June 4, 1924.

VERMONT

Reginald W. Buzzell to be postmaster at Newport, Vt., in place of D. R. Stetson. Incumbent's commission expires June 5, 1924.

VIRGINIA

Nannie L. Curtis to be postmaster at Leehall, Va., in place of N. L. Curtis. Incumbent's commission expired April 13, 1924.

WEST VIRGINIA

Earle Reger to be postmaster at Weston, W. Va., in place of Earle Reger. Incumbent's commission expires June 5, 1924.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 14, 1924

POSTMASTERS

CALIFORNIA

Frances W. Brown, Montrose.
Myrtle H. Turner, Reseda.
Ralph R. Merritt, Tehachapi.
Ellen M. Gholson, Tennant.

COLORADO

Thomas F. Beck, Aspen.
John C. Kessenger, Limon.
Erman D. Acton, Oak Creek.

CONNECTICUT

Frederick W. Foster, Short Beach.

FLORIDA

Edward O. Sawyers, Zolfo Springs.

ILLINOIS

Oscar N. De Forde, Alma.
John H. Lawder, Campbell Hill.
Harry V. Popejoy, Cropsey.
Willis G. Hodge, Ina.
Charles J. Rohde, Lena.
Irene L. Ford, Mahomet.
Lyle E. Wilcox, McLean.
Louis A. Willman, Metamora.

IOWA

Charles H. Cookinham, Ayrshire.
William E. Clayman, Conrad.
James W. Duckett, Corwith.
Calvin C. Knoll, Gilmore City.
Perry D. Burke, Gladbrook.

KENTUCKY

Edna W. Morin, Alexandria.
John F. Graves, Arlington.
Herbert E. Brown, Brandenburg.
Annie M. Thomas, Cadiz.
Bryant H. Givens, Caneyville.
John M. Burkholder, Crofton.
Nannie J. Wathen, Irvington.
Henry C. Hurst, Jackson.
Gertrude Berry, La Center.
J. Whit Wingo, Lynnville.
Ella M. Geddes, Pippapass.
Anna E. Fuqua, Rockvale.
Thomas B. Rhoades, Sturgis.

LOUISIANA

Robert H. Staples, Castor.

MISSOURI

Walter L. Meyer, Auxvasse.
Milton C. Terry, Carterville.
Robert J. Smith, Miller.
Ezra L. Plummer, Seneca.

NEBRASKA

Leah P. Rice, Harrison.
Louis A. Rice, Wilsonville.

NEVADA

William E. Dalton, Gerlach.
Louis H. Ulrich, Hawthorne.
John W. Christian, Pioche.

NEW JERSEY

Francis M. Denver, Blackwood.
Rachel E. Berger, Ringoes.
George A. Yewell, Yardville.

NEW MEXICO

George H. Disinger, Hillsboro.

OREGON

William P. Skiens, Burns.
Henry W. Bahringer, Dundee.
Charles Royse, Spray.

RHODE ISLAND

Marion A. Smith, Conimicut.

SOUTH DAKOTA

Arthur W. Siegele, Herreid.
Thomas C. Burns, Mitchell.

TENNESSEE

William G. Leach, Huntingdon.
Haggai M. Miller, Mountain City.
Alvin L. Henderson, Tracy City.

TEXAS

Sudie Gaut, Arp.
Charles F. Palm, Carrizo Springs.
George H. Fricke, Cat Spring.
Lenora A. Rudder, Coahoma.
Lee M. Feagin, Colmesneil.
Charles W. Ford, Gatesville.
Thomas C. Hood, Lyford.
Robert W. Bourland, Marathon.
Edgar Lewis, Mesquite.
Fred N. Bland, Orangefield.
Charles A. Qualls, Post.
Mabel E. Kennedy, Rockport.
Cynthia M. Martin, San Augustine.
Raymond G. Hirth, San Juan.
Manton W. Williams, Sinton.

WASHINGTON

William G. Menelce, Carson.
Thomas D. Johnson, Cosmopolis.
Hugh E. Osborn, Longmire.
Rose M. Illy, Uniontown.

WEST VIRGINIA

Lawrence Barrackman, Barrackville.
Aileen J. Calfee, Eckman.
Gertrude Smith, Oak Hill.
Harry A. Pettigrew, Pursglove.

WYOMING

Mrs. Bert Williams, Cumberland.

WITHDRAWALS

Executive nominations withdrawn from the Senate May 14, 1924

POSTMASTERS

PENNSYLVANIA

John W. Hawes to be postmaster at Renton, in the State of Pennsylvania.

RHODE ISLAND

Marion A. Smith to be postmaster at Conimicut, in the State of Rhode Island.

HOUSE OF REPRESENTATIVES

WEDNESDAY, *May 14, 1924*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Love Divine, keep us in the ways of Thy precepts lest we fail; lead us and shield us lest we falter. Great is our need, but greater far is Thy loving power. Remind us, O Lord, that no good thing dost Thou withhold from him who walks uprightly. In every way may we so value this life that we may realize that it is but an echo of the life eternal. This day may our thoughts be pure, our words clean, our labor wise and helpful. Forgive us if we are selfish; rebuke us if we are untrue; recall us if we go estray; and cleanse us from all secret faults. For Jesus's sake. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Welch, one of its clerks, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House of Representatives to the bill (S. 381) to amend section 2 of the act entitled "An act to provide for stock-raising homesteads and for other purposes," approved December 29, 1916 (39 Stat. L. p. 862).

The message also announced that the Senate had passed with amendment the bill (H. R. 6207) authorizing and directing the Secretary of War to transfer to the jurisdiction of the Department of Justice all that portion of the Fort Leavenworth Military Reservation which lies in the State of Missouri, and for other purposes, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had disagreed to the amendments of the House of Representatives to the bill (S. 114) to vacate certain streets and alleys within the area known as the Walter Reed General Hospital, District of Columbia, and to authorize the extension and widening of Fourteenth Street from Montague Street to its southern terminus south of Dahlia Street, Nicholson Street from Thirteenth Street to Sixteenth Street, Colorado Avenue from Montague Street to Thirteenth Street, Concord Avenue from Sixteenth Street to its western terminus west of Eighth Street west, Thirteenth Street from Nicholson Street to Piney Branch Road, and Piney Branch Road from Thirteenth Street to Butternut Street, and for other purposes, and asked a conference with the House on the disagreeing votes of the two Houses thereon and had appointed Mr. BALL, Mr. JONES of Washington, and Mr. KING as the conferees on the part of the Senate.

The message also announced that the Senate had passed with amendments the bill (H. R. 4445) to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary," in which the concurrence of the House of Representatives was requested.

The mesage also announced that the Senate had passed bills and joint resolution of the following titles, in which the concurrence of the House of Representatives was requested:

S. 1785. An act to amend an act entitled "An act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto," approved June 6, 1892, and acts amendatory thereof;

S. 2287. An act to permit the Secretary of War to dispose of and the Port of New York Authority to acquire the Hoboken Shore Line;

S. 2932. An act to quiet the title to lands within Pueblo Indian land grants, and for other purposes; and

S. J. Res. 103. Joint resolution authorizing expenditure of the Fort Peck 4 per cent fund now standing to the credit of the Fort Peck Indians, of Montana, in the Treasury of the United States.

The message also announced that the Senate had passed the following order:

Ordered, That the House of Representatives be requested to return to the Senate the bill (H. R. 4445) to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary."

SENATE BILLS AND JOINT RESOLUTION REFERRED

Under clause 2 of Rule XXIV, Senate bills and joint resolution of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 2287. An act to permit the Secretary of War to dispose of and the Port of New York Authority to acquire the Hoboken Shore Line; to the Committee on Military Affairs.

S. 1785. An act to amend an act entitled "An act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto," approved June 6, 1892, and acts amendatory thereof; to the Committee on the District of Columbia.

S. 2932. An act to quiet the title to lands within Pueblo Indian land grants, and for other purposes; to the Committee on Indian Affairs.

S. J. Res. 103. Joint resolution authorizing expenditure of the Fort Peck 4 per cent fund now standing to the credit of the Fort Peck Indians, of Montana, in the Treasury of the United States; to the Committee on Indian Affairs.

ORDER OF BUSINESS

Mr. McKENZIE. Mr. Speaker, this is Calendar Wednesday. I understand that there are scheduled about two hours of speeches on various subjects to-day, and inasmuch as the Committee on Military Affairs has a number of rather important bills—not great bills, but important to the service, both the National Guard and the Regular Army—I hope that there will be no extensions asked for further time on this day, which should be given to the consideration of bills from the Committee on Military Affairs.

INTERNATIONAL COURTS

The SPEAKER. By a special order the gentleman from Pennsylvania [Mr. WATSON] is entitled to address the House for 15 minutes.

The gentleman from Pennsylvania is recognized.

Mr. WATSON. Mr. Speaker, I rise pursuant to my request to speak on the international courts, where nations may settle disputes either by arbitration or judicial procedure.

First, I purpose to outline the history of the two courts, in order more clearly to emphasize my belief, that through the philosophy of progression a court can and will be established to meet the approval of all nations.

Arbitration was practiced among the ancients in the disposition of civil cases. The Permanent Court of Arbitration of modern times was established in 1899. Nicholas, the Czar of Russia, initiated the peace conference which was held in the city of The Hague in 1898, and at The Hague the court was instituted and there maintained its seat.

The United States was numbered with many signatory powers that ratified the court. The group created a list of 100 names, from which are selected three or five arbitrators to decide a dispute that may arise between its members. Each case has different arbitrators, "hence the impossibility of arriving at a jurisprudence capable of developing international law." The first case was arbitrated in 1902. It involved a question between the United States and Mexico relative to boundary lines of certain territory. The decision was accepted by both countries and thus the controversy ended in peace. The result interested Andrew Carnegie, which prompted him to offer to the commissioners of the court a fund to establish a law library. While the proffer was in abeyance, Mr. Carnegie advised that his gift of $1,500,000 be applied for the erection of a building to house the court in place of a library, and thus the "Carnegie Foundation" was realized, known as the Palace of Peace.

The issue as to the site was settled when the city of The Hague donated the Royal Park, a tract of 15 acres located in the heart of the city. Two hundred and sixteen competitive designs were submitted. The one adopted presented a building 160 feet long, of Norwegian granite, columns of gray stone, and stately towers, all of which mark the edifice with inspiring dignity.

By a resolution of the commissioners in the conference of 1907, all nations were privileged to present materials and objects of art. The city of The Hague gave the grand marble staircase; the United States, a group of statuary; England, stained glass windows; Japan, silk tapestry and furniture; France, paintings and Gobelins; other nations, rich pieces of decoration. A noted horticultural engineer beautifully laid out the grounds with ornamental lakes, fountains, perennial plants, rose and flower gardens. These, with a background of old and majestic trees, present a peaceful charm.

Attempt was made in the 1907 conference to establish with the Permanent Court of Arbitration a permanent court of arbitral justice, by electing judges for a stated term, drawing salaries, and being always ready to respond to the invitation of powers desiring to submit a difference to their judgment. This failed because the great and small powers were unable to agree upon a method of selecting the judges. After the armistice the League of Nations was created, from which eminated the Court of International Justice, which is also located in the Palace of Peace.

Article XIV of the league provides that the council shall formulate a plan for the establishment of the court, which was submitted to the league and adopted December 13, 1920. The council and the assembly, two organizations of the League of Nations, within their prescribed power, elected for a period of nine years, 11 acting and 4 deputy judges. The rules of the court relative to practice are similar to those of the Supreme Court of the United States. The nations submitting their differences must file an agreement with the registrar, that the decision of the court shall be the decision of the parties in suit. There is no appeal, but either contestant may file an application for revision. The session commences June 15 each year and ends when the calendar is cleared.

The court was formerly restricted to the members of the league. The rules, however, have been modified to admit every nation, and have been broadened to cover all international disputes.

The jurisdiction of the court was originally confined to—

(a) The interpretation of a treaty;

(b) Any question of international law;

(c) The existence of any fact, which, if established, would constitute a breach of an international obligation; and

(d) The nature or extent of the reparation to be made for the breach of an international obligation.

The docket indicates a gradual increase of cases, and it is significant that not one has been entered in the court of arbitration since the organization of the court of justice.

The United States may appeal to the World Court for settlement of differences with other nations, but as the United States can not name the judges nor be assessed to maintain the court without membership, of course the United States would not submit issues to the court. Therefore, the question, Shall the United States become a member of the World Court? Member-

ship would not draw the United States into the League of Nations, nor place it under obligation to accept its covenants.

Primitive man was governed by the unwritten law that permitted the stronger to prevail over the weaker, and "the strength of the arm won over the strength of the mind." The evolution of law marks the progress of civilization. As life of ease forges its way into human conduct, the desire for war gradually dies away in the advance stage of society, where the heart of man softens toward his fellow being.

One code of law can not be framed to apply to all nations, but one court can be organized to settle differences that may arise between nations. Habits of the peoples of the earth are growing similar, resulting from modern sciences by which thought may be quickly transmitted around the world and articulated sounds be waved across the Atlantic. Thus human society appeals for peace, public economy, higher morale, and legislation to be in accord with the age. People rebel against the enactment of new laws, as they are looked upon as taking away the common-law rights of liberty. Therefore we find opposition to the World Court. As an illustration, history relates a story that when Varus failed in his expedition to Germany, where Rome had enforced the laws of her country, a German warrior meeting one of the Roman jurists thrust a sword into his heart, saying: "Viper, hiss again if you can."

The International Court has been founded and it will remain. Under Article XIV of the covenant, the functions of the court are of a twofold nature—judicial and advisory. Its judicial functions are defined as follows:

> The court shall be competent to hear and determine any dispute of an international character which the parties thereto submit to it.

The advisory functions are founded upon the last phrase of the article.

> The court may also give an advisory opinion upon any dispute or question referred to by the council or by the assembly.

It has required the age of man to perfect the civil tribunals as they are to-day. Courts with new jurisdiction, laws to neutralize the imperfections of old ones, and commissions are created almost daily throughout the world to meet the requirements of civilization and the density of population. The Court of International Justice has been established only since September, 1922, permanently, however, regardless of the opinion of political students to the contrary, and as its calendar becomes crowded new branches of the court will be ordained.

The method of electing judges, the objections that facts are not developed by a jury, and that the judges have or have not international interest in the disputes are questions that can be adjusted at the will of man, as similar ones have in the gradual formation of the civil tribunals. A nation that has not accepted the optional clause concerning the court's compulsory jurisdiction in disputes with another nation need not go to the World Court but to arms if preferable. The International Court of Justice is a stride forward. It will not eliminate wars to-morrow, but it will arrest the vigor for wars, which may in time bring universal peace. [Applause.]

REPEAL OF SECTION 15A OF THE TRANSPORTATION ACT

The SPEAKER. The gentleman from Nebraska [Mr. SHALLENBERGER] is recognized for 30 minutes.

Mr. SHALLENBERGER. Mr. Speaker and gentlemen of the House, I obtained leave last week to address the House for 30 minutes to-day to discuss railroad rate legislation, particularly the repeal of section 15a. I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. SHALLENBERGER. Further, I would like first to be permitted to proceed uninterrupted, and then later I shall be glad to answer questions.

I am glad to state to the House that we are at last to have hearings before the Committee on Interstate and Foreign Commerce on section 15a. The bill concerning which I am about to address you at this time has been for two years and four months pending before that committee, and so far no hearings have been ordered upon it. But this morning, the very morning when I am to address you on the bill, a resolution was passed by the Committee on Interstate and Foreign Commerce to have hearings on section 15a. The program of committee hearings on 15a does not in any way lessen the necessity for filing the discharge petition at the Clerk's desk. We need not hope because hearings are to be held, we will get a chance to vote upon the repeal of section 15a, because of any action by the Committee on Interstate and Foreign Commerce. The hearings do not mean that we are to have a favorable report on the bill from the committee. I do not believe that the membership of the House believes that as that committee is now organized we shall receive a favorable report on the bill. The fact that hearings will be had does not mean that the bill will be favorably reported by the House committee, and the bill will not be considered in the House without a rule from the Committee on Rules, and the membership of the House knows that we can not receive a favorable report on the bill from the Committee on Rules of this Congress.

This is the most important measure the Committee on Interstate and Foreign Commerce has before it upon the question of railroad rate reduction. I hope we may have consideration of it in the House before this Congress adjourns.

On May 7 I filed a motion in writing, as required by the rules of the House, to discharge the Committee on Interstate and Foreign Commerce from further jurisdiction of H. R. 5427, and asking for its immediate consideration by the House. This bill was introduced by the gentleman from Alabama [Mr. HUDDLESTON]. It provides for the repeal of section 15a of the interstate commerce act and declares unlawful advances in rates, fares, and charges authorized after the passage of the transportation act, which includes section 15a.

The transportation act was approved February 28, 1920.

The bill H. R. 5427 was first introduced by Mr. HUDDLESTON in the Sixty-seventh Congress and was referred to the Committee on Interstate and Foreign Commerce and remained there during the Sixty-seventh Congress and has been resting peacefully in possession of that committee along with many other bills relating to transportation problems.

It is evident to everyone at all familiar with the situation confronting this House at this time that if there is to be any action by this Congress upon the question of railroad rate legislation it requires immediate action and consideration to be effective.

It is the recognized intention of those who control the program of this Congress to adjourn some time next month.

So those who are favorable to this legislation find themselves confronted with the situation that they must endeavor to secure action through a motion to discharge the Committee on Interstate and Foreign Commerce or this session of Congress will end without attempting to grant any relief to the great basic industries that are suffering because of excessive transportation charges.

This is the first effort made in this Congress to secure relief from the excessive freight charges which have become an unbearable burden upon the basic industries of the country and more especially destructive to agricultural prosperity.

Section 15a is that portion of the transportation act which has received the most severe and constant criticism of any section of the bill. This section contains nearly all the evils which have brought public condemnation upon the so-called Esch-Cummins law. Section 15a was not in the transportation act of 1920 when that bill first passed the House.

It was forced upon the House from the conference committee and by reason of its addition to the measure many Members then refused to support it who had been favorable to the bill before.

There have been numerous bills introduced in this Congress for the repeal of section 15a itself or declaring unlawful the rates which have been established because of its provision and since its enactment.

As showing the strong demand for the repeal of section 15a and the wide opposition to it from different sections of the country, I want to read a list of the bills introduced in this session of Congress for the repeal or radical modification of this section of the transportation act.

Mr. GRAHAM of Illinois, a recognized leader both of his party and of the Congress, and a member of the Interstate and Foreign Commerce Committee, has introduced a bill to repeal section 15a.

Mr. MCLAUGHLIN of Nebraska has introduced a bill for the repeal of the entire transportation act of 1920, which includes 15a, so his bill also includes the section referred to in the Huddleston bill.

Mr. TILLMAN, of Arkansas, has introduced a bill to amend section 15a, making unlawful the advance in freight rates ordered after its approval.

Mr. VINSON, of Georgia, has introduced a bill amending section 15a, making unlawful the rates and charges ordered by the Interstate Commerce Commission under section 15a.

I also introduced a bill for the repeal of section 15a and section 19a, and that bill was referred to the Commerce Committee.

Mr. HUDDLESTON, of Alabama, introduced, on the 14th of January last, the bill which I have petitioned to have taken from the committee and immediately considered by the House.

This is a larger number of bills than have been introduced concerning any other one transportation question before the American Congress. Section 15a should be repealed for the reason that it contains fundamental provisions that are wholly wrong in public policy, both as to principles and practices.

First, it provides a cost-plus plan for determining the rates which the carriers shall be allowed to charge the public. It in effect commands the Interstate Commerce Commission to make rates high enough to earn 5½ per cent net upon all railroad property above the reported operating expenses, without regard to any other consideration.

The authorized per cent which the railroads are permitted to earn is 5½ per cent upon the determined value of all the railroads. Commissioner Esch, in hearings before the House Commerce Committee, stated that such a rule for fixing a fair return inevitably resulted in many railroads earning incomes far in excess of what any court would declare or permit as a just return upon the capital invested.

Section 15a makes the rule to determine the fairness of a rate the matter of the cost of the service alone, instead of also including the value of the service rendered and its effect upon the commerce of the Nation.

Section 15a makes it lawful for the principal railroad systems of the country, which carry the vast volume of traffic of the Nation, to tax the people through excessive freight rates and earn enormous and unfair percentages and profits.

This provision of the law is excused as necessary in order that poorly managed or weak and failing railroads may earn a profit in spite of all just economic law. The principle is unreasonable, unsound, and can not be justified under any of the recognized rules of economic justice or decisions of our courts prior to the enactment of this law.

The absolute unfairness and injustice of this rule was so apparent that the recapture clause was incorporated in the section while the bill was in conference. This clause provides that only one-half of the excessive and unfair rates which are taken from the people shall be retained by the railroads; the other part of the unfair earnings of the carriers is to be turned over to the Interstate Commerce Commission, upon the supposition that it may be used for the rehabilitation of railroads that are trying to keep out of the hands of receivers or courts of bankruptcy.

The recapture clause is as unfair in practice and principle as though a bank were permitted by law to charge its borrowers who were solvent and prompt in payment any usurious rate, no matter how high, in order that the bank might make good its losses upon its loans made to other borrowers who were insolvent or refused to pay.

Before the enactment of the transportation act including section 15a the courts had held that if it could be shown that a carrier was earning an unfair percentage of income upon its property investment because of excessive rates and charges the public was entitled to have such charges reduced sufficiently to leave the carrier only a just return.

Under that construction the unfair rates that the public is now compelled to pay to the railroads that carry the great bulk of the Nation's traffic would not be permitted by the courts. But section 15a makes injustice lawful.

Section 15a in paragraph 17 provides that no shipper shall be entitled to recover from the carrier upon the sole ground that any rate shall reflect a proportion of excess income to the carrier if a portion of the excessive charges is paid to the commission in the public interest under the provisions of this section.

In other words, if the percentage of earnings of a carrier is 20 per cent or 30 per cent, under the present law, the public is estopped from the plea that the rate is unjust and excessive since one-half of the robbery is to be paid to the Interstate Commerce Commission for its disposal.

The people of Nebraska or Iowa or Pennsylvania or any other State may be required to pay a rate that returns excessive and unfair profit to the carrier in those States, but they must endure the injustice because some bankrupt railroad in another State can be bolstered up by money taken from the pockets of the people of another Commonwealth.

It is because of the unfair and revolutionary provisions contained in section 15a, a few of which I have mentioned, that there has arisen a tremendous demand on the part of both producers and consumers from every quarter of the Nation insisting upon its repeal.

It was forced upon the House by the power of special interests fighting behind the prestige of a conference report, and the House should repeal it now that it knows the results of its unfair provisions.

It hog ties the Interstate Commerce Commission by its provisions so that it is no longer free to determine what are just and fair rates both to the public and the carrier.

The commission must base the rate of return only upon the cost to the carrier without regard to the value of the service rendered or its effect upon the price of commodities or the other business interests of the Nation.

Under the mandate of 15a the Interstate Commerce Commission advanced railroad rates and charges so enormously that as a result commerce between the States is halted, all basic industries are declining, and agriculture is suffering as it has never suffered before.

The prospect of the soft-coal industry for the future is as black as the coal itself. The public refuses to buy coal because freight rates make the price prohibitive. As a consequence, the coal is piled up at the mine's mouth for the lack of markets and labor in the soft-coal regions is idle or working for short periods and at reduced wages.

Prices of all basic commodities are affected adversely because of unreasonable transportation charges. Profitable agriculture is rapidly being destroyed, and the farming regions of the West and Middle West are suffering more acutely at this time than any other section of the Republic.

But the contagion of bankruptcy brought on by the stagnation and destruction of the farming industry is creeping nearer and nearer to the States in the prosperous East that have yet escaped the blasting influences that followed from section 15a. But even the prosperous East is bound to suffer from its blighting effects sooner or later.

Commissioner Esch in a statement to the Interstate and Foreign Commerce Committee of the House states that in the eastern section railroad charges were 211 per cent above prewar charges.

Every day word is brought from the great agricultural valleys of the West that business conditions are becoming more and more unendurable. The people out there have lived up the profits they accumulated in happier times. When that condition comes to you in the East you will feel what the West has had so long to endure.

Because of the provisions of section 15a the Interstate Commerce Commission enormously advanced freight rates, effective August 26, 1920. In all the years prior to 1917 only once did the commission grant a general increase of railroad freight rates and that was only an advance of 5 per cent to the roads in one section of the country.

Yet in 1916 the railroads of the Nation earned a net return of over 6 per cent upon their total valuation. That was before the cost-plus plan of figuring net returns was authorized and inaugurated under section 15a of the Esch-Cummins law.

In 1917 an advance of 15 per cent was allowed to the railroads in the eastern division. In 1918 the Director of Railroads, Mr. McAdoo, advanced freight rates on all railroads under his control 25 per cent additional to that of 1917.

March 1, 1920, the railroads were returned to private control. On that date section 15a began to operate, and railroad operating expenses for the year 1920 showed an increase over that of 1919 of $1,406,755,525.

Under the provisions of section 15a the public were required to pay this enormous increase in expenses before the railroads would show any net earnings. The cost-plus plan of figuring profits nearly bankrupted the Government during the war, and the cost-plus plan of determining railroad income and rates has about bankrupted the producers and consumers of America.

The increase in freight rates granted by the Interstate Commerce Commission to the carriers, effective August 26, 1920, amounted to from 25 to 40 per cent above those already in effect when the railroads were returned to private control.

The amount of the increase as stated by the Interstate Commerce Commission was $1,528,000,000 per annum. Complaints became so loud because of this new burden put upon the public that a horizontal reduction of 10 per cent was ordered by the commission in 1922.

There have also been some reductions in rates upon wheat, coarse grains, and livestock, which were granted for the relief of agriculture in certain sections. But there still remain in force increases in rates under the order of August 26, 1920, above those in force prior to that order in an amount in excess of $1,000,000,000 per annum because of the requirements of section 15a.

Section 2 of the Huddleston bill provides that the rates and charges made effective since and including August 26, 1920, are declared unlawful. It is because of this provision of section 2 that I selected this bill as the one that would bring real

and immediate relief to the producers and consumers of the country if enacted into law.

The repeal of section 15a is a consummation devoutly to be wished. But such action is useless unless its repeal is followed by resulting relief. The repeal of the section should be followed by setting aside the rate advances which the act compelled the Interstate Commerce Commission to allow. That is just what the Huddleston bill provides for.

Discussing the Hoch bill for readjustment of railroad rates, Commissioner Esch said:

> The problem, of course, arises out of the command to the Interstate Commerce Commission under the transportation act to so arrange schedules, rates, fares, and charges as with honest, economical, and efficient management would produce 5½ per cent net upon the aggregate value of the carriers properly devoted to public use.

The Interstate and Foreign Commerce Committee has reported out the Hoch bill. That is a bill providing for an investigation in order to find out if we can not discover some way to relieve basic industries from unfair rates; but, gentlemen, I have little faith in investigations. I have generally found that when we want to stall upon something in Washington or want to put off action we call for an investigation. We had Commissioner Esch before us, as well as the director of traffic of the Interstate Commerce Commission, and in reply to an inquiry Commissioner Esch said that the investigation asked for in Mr. Hoch's bill would, in his judgment, take 10 years before it could be brought to a conclusion. Gentlemen, I do not expect to be here 10 years from now, so I would like to have some action upon this grave question before 10 years. [Applause.] Furthermore, gentlemen, I have found out that if you refer something to a commission for investigation and you give the commission plenty of money that commission will hold hearings until the money runs out. If I had my way, I would put over the doors of all these investigating committees empowered to investigate grave questions the same sign which Dante said he saw over the door to the inferno, "All hope abandon, ye who enter here." [Applause.]

Mr. HOCH. Will the gentleman yield?

Mr. SHALLENBERGER. Yes.

Mr. HOCH. The gentleman does not contend that the resolution which I introduced is limited to an investigation, does he?

Mr. SHALLENBERGER. No; I do not contend that.

Mr. HOCH. Does it not direct that these maladjustments be corrected?

Mr. SHALLENBERGER. It does.

Mr. HOCH. And is it not also true that the witness to whom the gentleman has referred did say that it might possibly take 10 years, but that subsequently he modified that statement by saying it might be possible to go through an entire survey of the freight structures and some relief given in the near future? Is not that true?

Mr. SHALLENBERGER. I agree with that. But the whole trend of the commissioner's testimony was that the bill which the gentleman from Kansas [Mr. HOCH] has introduced does not give any new power to the commission which the commission does not already have, but that it simply instructs them to hold an investigation, while I want some change in the law which controls and affects the commission's actions.

If the bill I am asking to be considered is enacted into law, it will result in an immediate reduction of at least $1,000,000,000 in freight charges. The provisions of the bill are so plain and easily understood that he who runs may read and understand them.

We made a fight last week for the enactment of a bill that will protect the interests and secure the rights of labor. What excuse can Members of this House offer to the producers and consumers of the Nation, who are suffering more at this time than any other class, if we do not invoke the same rule and make a fight for them?

Labor is organized and therefore is armed and prepared to fight for its rights. The farmer and the consuming public are not organized as they should be to secure their just rights from Congress. But I think we will find them organized at the polls in November, and they will hold every Member of this House responsible if they do not make a fight for them here and now, and they ought to do so.

It will not avail any Member to say he did not sign the petition because he did not understand the purposes and provisions of the bill. They are as plain as day and as certain as fate if enacted into law.

It is futile for Members to try to excuse themselves by saying it is too late to secure the passage of the bill at this session. We can still pass the bill if a majority are here who desire to do it, and we can not determine that unless we bring the matter to the test.

No Member can fairly claim that he is in favor of reducing railroad rates and charges and withhold his signature from the petition now upon the Clerk's desk. We can no longer dodge a great question since the adoption of the discharge rule.

The line is very clearly drawn, and all must take their stand upon one side or the other. The basic producers and the consuming public are all going to know where we stand upon the matter of securing relief from excessive railroad rates and charges.

Unless we revoke the rule of law established under section 15a the present high freight rates will remain in force, no matter how tremendous the fall in the value of commodities. Agriculture already has suffered such a decline in prices that the present freight rates are confiscatory.

Reduction of freight and passenger rates to a lower and more just level does not necessarily mean that the carriers shall therefore earn a smaller net annual income. The railroads must shape their business policy toward increasing the volume of transportation traffic rather than that of increasing charges upon a lesser or diminishing volume of freight business.

Labor costs will not trouble the railroad managers any more than they trouble Henry Ford if they will use the same sound principles of business management by which Mr. Ford has built up the greatest industrial property in the world.

American workmen are the highest-paid labor in the world. But America also dominates the world's markets with her products of mass production because American labor is the most efficient and economical, measured by the cost of production, of any labor in the world.

The bill is not revolutionary, nor does it involve any unfair or new principle of determining what shall constitute a fair railroad return.

The bill does not take away any power which the Interstate Commerce Commission now has. It only relieves them from the restrictions and obligations that section 15a has imposed upon them.

It leaves to the carriers all the advances that were granted to them before the war and during the war as war measures. It empowers the Interstate Commerce Commission to so adjust railroad rates, fares, and charges as they shall find to be just, reasonable, and in conformity with the value of the service rendered.

Members of Congress will find it difficult to convince their constituents that these terms and provisions are not fair and reasonable as to the public, the producer, the consumer, and the railroads.

Mr. Speaker, we have by law constituted the railroad systems of the Nation a great private monopoly. We then created the Interstate Commerce Commission as an instrumentality of the Government to protect the people from injustice and oppression by this nation-wide transportation monopoly.

But the transportation act has changed the powers of that commission into an instrument behind which and by whose order the railroad monopoly is permitted to prey upon the public, which it was before designed to protect.

The bill that I am asking to be considered will again put the Interstate Commerce Commission in a position to protect the public from charges and injustices that have become intolerable and indefensible. [Applause.]

Mr. CHINDBLOM. Will the gentleman yield?

Mr. SHALLENBERGER. Yes.

Mr. CHINDBLOM. Does the gentleman think that Congress would have the power, without an investigation and without hearings, to wipe off the schedule of rates now in force and declare excessive any rates greater than those which were in force on August 25, 1920?

Mr. SHALLENBERGER. Yes; I think Congress certainly has that power. I had that particular proposition put up to me when I was making my race for Governor of Nebraska, on the question of reducing passenger fares in Nebraska from 3 cents a mile to 2 cents a mile. The argument was made by those who opposed that action by legislative enactment, which is what I propose here, that it would not be sustained by the courts. I was charged then with not being a lawyer and advocating something unlawful; and, of course, I know that my questioner, the distinguished gentleman from Illinois, is a good lawyer. The Republican papers said, "You can lock that fellow from the short-grass country up in a room, give him paper and pen and ink and leave him there for a week, and he can not draft a law which will stand the test of the courts, nor the attacks of the learned lawyers the railroads will employ." My answer was, being a Democrat I was not expected to spell big words, but that I could read words of one syllable; that if I were empowered

to write such a law I would hunt around in the present law—which declared the maximum fare that the people of Nebraska would be required to pay was 3 cents per mile—and I would scratch out the word "three" and write in the word "two," and reenact the law; and I said I believed that the law would stand the test of the courts. Now, that is what we are in substance seeking to do here. We are striking out the excessive rates ordered because of the present law by declaring them unlawful. It may be interesting to you to know that we finally passed the 2-cent passenger fare law in Nebraska and put it upon the statute books. The committee that drafted the law in the legislature was composed of a number of distinguished lawyers like my friend from Chicago [Mr. CHINDBLOM]. They spent a month trying to draft a bill different in language from the one I had advocated, but finally they threw away all the bills the lawyers had drawn; they hunted around in the old act until they found the word "three," they scratched it out and wrote in the word "two," and reenacted it into law. It stood the test of the courts, and it gave the people of Nebraska the right to ride on the railroads at 2 cents for 11 years.

Mr. CHINDBLOM. How long ago was that?

Mr. SHALLENBERGER. That was in 1907, but the rate stood for 11 years. Mr. McAdoo first raised it to 3 cents during Government control of the railroads, and then under the Esch-Cummins law passenger fares were advanced to 3.6 cents per mile.

Mr. CHINDBLOM. Does the gentleman contend that a rate that was reasonable in 1907 or that was reasonable in 1920 is necessarily reasonable in 1924?

Mr. SHALLENBERGER. No; and this bill does not provide that. It simply provides that we shall declare unlawful the rates and advances made since the adoption of section 15a if we repeal the section. Section 2 of the bill I am advocating gives to the Interstate Commerce Commission the right to decide the very thing that the gentleman wants to have decided by it; but I want them to be free to act and not bound down and hog tied by this particular section of the transportation act.

Mr. CHINDBLOM. But we would be establishing rates by legislative enactment.

Mr. SHALLENBERGER. We are seeking to establish the fact that certain rates are unlawful and authorizing the Interstate Commerce Commission to determine by another rule the rates that the railroads may lawfully charge the public.

Mr. CHINDBLOM. But in the meantime the old rates will be in force.

Mr. SHALLENBERGER. No; they would not be in force, because I take it the Interstate Commerce Commission will obey the mandates of Congress, which would make them unlawful.

Mr. CHINDBLOM. They will have to take time to have hearings on the question of the rates.

Mr. SHALLENBERGER. There will be plenty of time to do that before we get this bill enacted into law; I know that.

The Huddleston bill (H. R. 5427) is as follows:

A bill (H. R. 5427) to repeal section 15a of the interstate commerce act and to restore rates, fares, and charges authorized prior to increases effective August 26, 1920

Be it enacted, etc., That section 15a of the interstate commerce act be, and the same is hereby, repealed.

SEC. 2. That hereafter all charges, rates, and fares of carriers subject to the interstate commerce act greater than were in force on August 25, 1920, shall be unlawful: *Provided*, That this act shall not operate to increase any rate, fare, or charge above what same was prior to its passage: *Provided further*, That the Interstate Commerce Commission shall hereafter have authority to change any particular rule, rate, fare, or charge which may be found not to be just, reasonable, and in conformity with the value of the service rendered.

The SPEAKER. The time of the gentleman from Nebraska has expired.

Mr. LEA of California. Mr. Chairman, I desire to speak in opposition to the proposition of the gentleman from Nebraska [Mr. SHALLENBERGER], not because I am opposed to considering legislation upon this subject, but because of my belief that the bill he is supporting would deal with one of the most delicate and vital economic problems of America in a ruthless and in a destructive way.

The bill which he supports proposes to do two things, fundamentally. The first is to repeal section 15a. Section 15a of the interstate commerce act has 18 subdivisions. They deal with three or four important elements of our transportation problem.

In the first place it is that section of the law which defines the rules of rate making. It defines the basis of railroad charges against freight and passenger traffic. It is the provision that is responsible for the change from the old rule of "reasonable return" to the rule of the transportation act which is that of a "fair return" upon the aggregate value of the property involved.

I agree with the gentleman from Nebraska [Mr. SHALLENBERGER] that as a matter of principle the fair-return principle is objectionable. That was one of the reasons I voted against the transportation act. In my judgment that rule includes as elements of value charges which should not be placed against the shippers of the country. However, the question at this hour as to whether or not we shall change that principle is practically an abstract one. A repeal of that rule at this time would give no promise of practical benefits of value in any reasonable time. The abstract definition of the rule of rate making in the United States is not of immediate practical importance.

Section 15a also established the group system of rate making, which this bill would abolish. The group system of rate making is based on the candid admission that we have what are called "weak sister" railroads in this country that can not survive against open competition. Due to unsuccessful management or improvident investment at the beginning, they can not in competition with the efficient and successful road make a return that is sufficient to maintain themselves and serve the great communities where they operate. The group-rate system takes care of this situation.

In considering this question of the group system of rate making which this bill would so ruthlessly wipe from our transportation system I ask you to consider this point: There are many of these weak roads in this country that are to-day giving reasonably satisfactory service only because they are furnished this crutch by the transportation act. The group system of rate making deserves most careful consideration.

Section 15a contains the recapture clause. We frankly admit that when we make the rate high enough to sustain the weak roads we are compelled to fix a rate that gives an excessive return to the efficient and prosperous roads. As a means of taking care of that excess payment by the shippers of the United States the recapture clause provides that half of the income of carriers in excess of 6 per cent shall be paid to the Interstate Commerce Commission for the United States, to be used for certain specified purposes in aid of railroad equipment.

This bill would wipe out the recapture clause without providing what shall be done with the funds. At the present time something over $3,000,000 has been paid into the revolving recapture fund for the Goverament. The Supreme Court has recently held that provision constitutional. The Interstate Commerce Commission is now engaged in an effort to enforce it.

Another feature of section 15a provides that this fund of the Interstate Commerce Commission may be loaned to the railroads or it may use the fund to buy equipment which may be rented to the railroads. This feature also will be wiped out by this legislation.

Realizing how important section 15a, embodying these features, is to the transportation system of the United States, nevertheless that section is a minor consideration as compared with the second thing which this bill proposes to do, so far as immediate practical results are concerned.

The second purpose attempted to be accomplished by this bill is to provide that all rates and fares greater than those in existence on the 25th day of August, 1920, shall, by the enactment of this bill, be wiped off the books.

Any raise made subsequent to that time, regardless of how meritorious or how necessary it may be, is absolutely, by congressional action, wiped off the slate. The well-settled plan of railroad regulation adopted in this country is by a regulatory body—the Interstate Commerce Commission. Nobody has ever contended it was practical or possible for Congress to write the railroad rates from the floor of this House, yet the method proposed here would, in a few sentences, wipe the Interstate Commerce Commission out of the picture, and we would attempt to write railroad rates from this floor. We would make the wise use of its powers impossible without being able to do the work we made impossible for them.

Now, what is the result as a practical thing, and that is what we are interested in after all, and not the theory of it? This bill, if it became a law, would reduce the freight income of the railroads of the United States 12.81 per cent. More than $1 out of every $8 that the railroads are now receiving from freight would be taken away from them by one sentence of this bill when written into law. In addition to that the bill would take away from the railroads 15.86 per cent of the fares the railroads now collect. Now, to go a little further into what that means. In 1923 the railroads had a net operating income

of $977,000,000. This bill would take out of that $977,000,000 $774,000,000. Is there anybody that can defend this bill for one moment when they realize that $4 out of $5 of net operating returns of the railroads of the United States would be taken from them by this bill? Does that mean anything but destruction, chaos, and discouragement? That would leave the railroads of the United States an income out of their net operating income of only $203,000,000, which is less than the railroads have received in any year for many years past, even in the lean and most unfortunate years.

If you add to the $203,000,000 the nonoperating income, you would have a gross income of $460,000,000. Deduct from that interest and rentals which the railroads are paying and you would have an annual deficiency of $186,000,000 by writing this bill into law.

Let us get the background of the picture behind this legislation. In 1918 we took over the railroads into Federal control. The railroads were in bad condition. In 1918 the director of the railroads made a flat increase of freight rates of 25 per cent. The result was that the increased operating revenues of the railroads in 1919 amounted to $1,130,000,000. Following that action during Federal control the additional cost of operating the railroads was $1,548,000,000, or a total expense increase after the raise that the Federal administration made of $418,000,000.

During Federal control we were in effect subsidizing the railroads at the expense of the Federal Government. That became necessary to serve our war purposes. Outside of that subsidization they were in an insolvent condition. Out of the Treasury of the United States we gave the railroads a standard return, paying them $718,000,000.

Now to contrast the working conditions under Federal control with the present. If during the Federal control we had paid for the transportation of freight during that period the same rates that we were paying in March, 1923, the shippers and passengers of the United States would have paid the railroads $2,468,000,000 more than they did pay during the Federal control period. In other words, while the Federal control during the period of control cost the United States a billion and a quarter dollars, the higher freight rates following private operation were twice that amount, or $2,468,000,000, for the same amount of traffic.

What is the position since Federal control as to the financial condition of the railroads?

The operating revenue under the administration of the railroads since Federal control in 1919 has increased $1,172,000,000. The operating expenses have increased $524,000,000, making a net increase in the income over expenses of $648,000,000. The total increased expense has been $711,000,000, leaving a net revenue increase in 1923, as compared with 1919, of $462,000,000.

In 1920 we adopted the transportation act with the idea of giving the United States an adequate, self-supporting transportation system. We adopted the fair-return standard and the group system of rate making. In July, 1920, the Labor Board ordered an increase in the wages of labor of $618,000,000. The amount of the raise paid labor alone was greater than the total net operating income of the railroads in 1919. In order to produce the fair return and meet all the additional charges, the Interstate Commerce Commission divided the country into groups, as it had been authorized to do, and it made these raises of August 26, 1920. In the eastern division freight rates were raised 40 per cent; southern, 25; western, 35; and the mountain and Pacific, 25. Then what followed? All the country knows of the business depression. It so happened that with the raise in the railroad rates came a slump in prices, particularly the slump in the price of farm products. Then we had the worst conditions we could have in reference to transportation charges on industry. In 1921 there was a decrease in the volume of freight in the country of 25 per cent. The result was that the transportation act failed to make that fair return which the Interstate Commerce Commission had determined was necessary. Then, in 1921, reductions in rates began to be made. The Labor Board in 1921 and 1922 made a labor reduction of $450,000,000, with the result that in 1923 the total received by labor of the railroads was reduced to $161,000,000 above what it was during Federal control in 1919.

Beginning in 1921, there followed a series of piecemeal reductions in freight rates. I will not attempt to enumerate. Finally, on the 1st of July, 1922, the commission made an order that reduced freight rates approximately $1,000,000,000 in addition to all other reductions which had been made. It reduced the eastern rates 14 per cent, the western 13½ per cent, the southern, the mountain, and the Pacific 12½ per cent.

Incidentally, I would like to call attention to the proportionate effect upon some products of agriculture. The revenue that wheat, corn, and all grain gives to the railroads of the United States is less than 7 per cent of their income. The income on cattle, sheep, and hogs is less than 3 per cent of the revenue of the railroads of the United States. I do not say that with the idea of minimizing the importance of wheat, corn, cattle, sheep, and hogs, but to show its relation to the railroad schedules of the United States. Many of those reductions, in fact most of the reductions in 1921 and 1922, were established with the intention of relieving the agricultural situation.

Now, what is the proposition to-day? The net operating revenue in 1923, the most successful year since 1916, was $977,000,000, or an average of 5.02 per cent upon the estimated value of the railroad property. The cost of transportation for 1923 as compared with 1913 index figures is 154. The index number for all commodity wholesale articles was 150. The index figure of some of the great agricultural products in the United States is materially less than the index figure for freight transportation.

Mr. SUMMERS of Washington. Will the gentleman yield for a question?

Mr. LEA of California. Yes.

Mr. SUMMERS of Washington. The gentleman refers to the retail market, does he not, when he makes that statement?

Mr. LEA of California. All commodity prices.

Mr. NEWTON of Minnesota. That is wholesale.

Mr. LEA of California. Yes; all commodity prices.

Mr. SUMMERS of Washington. The wholesale agricultural price of farm commodities is far below the freight.

Mr. LEA of California. For some products, yes.

I would like to take a little broader view of this question. What is the transportation problem of the United States? The laboring man may say it is a question of higher wages between employee and employer. The stockholder may think it is a question of how much dividends he is going to get. The bondholder thinks it is a question of the interest on bonds. The shipper thinks it is a question of getting lower freight rates. The transportation problem of the United States is not that. It is all that and much more. These things are only incidental. The great transportation problem of the United States is the problem of America, one of her greatest and most vital problems. There is nothing more vital to the prosperity and the advancement of the United States than an efficient and economical transportation system.

We have in the United States 250,000 miles of railroads. Their length is sufficient to reach 10 times around the earth. It is sufficient to reach 80 times across the continent from the Atlantic to the Pacific. These carriers have freight cars sufficient to make six solid trains across the continent, consisting of 2,400,000 freight cars. The railroads represent an estimated investment of $19,000,000,000. They owe over $11,000,000,000. They employ 1,700,000 men.

They are the essential connecting link between the producer and the consumer. The farmer and the manufacturer depend upon them for an outlet for their products. The consumer depends on them for his supplies. The cost of transportation is part of every pound of food, clothing, and material purchased by the American consumer.

Look at the map of the United States. The Mississippi Valley, the great Central West, is the greatest producer of tonnage on this earth. Beyond the Rockies is our Pacific coast. We are dependent upon the railroad for many of our supplies, and it is by means of the railroad that we place our products in the centers of population, in the East, and in foreign markets. The relation of transportation to economic efficiency is probably more vital in the United States than in any other country in the world. We are the biggest consuming Nation; we have the greatest volume to transport; we have the greatest productive areas to be served by our railroads.

What have the American people a right to demand of their transportation system? The public of the United States have a right to two things—efficient service and reasonable charges. The present service is, at least, reasonably efficient. The question of securing more reasonable charges involves many considerations. At the present time it involves the question as to what should be the rule of rate making. Should we maintain the present rule, providing for a fair return on the aggregate value of the property held and used by the carrier in the service of transportation, or should we return to the old rule that rates must be reasonable? The "fair return" rule considers, primarily, the interest of the carrier and largely ignores inflated values or improvident investments in railroad properties.

The question of securing reasonable charges also involves the method and justice of the system of valuation of the properties

of the carriers and also the wisdom of the group system of rate making. In addition to this, efficient supervision or regulation of railway expenses is necessary to protect the public by preventing unwarranted expenses of various kinds being charged to expense accounts.

Congress can define the rule of rate making. It can prescribe the general principles to be followed in the valuation of railroads. It can determine the wisdom of maintaining, modifying, or repealing the present law, providing for the the group system of rate making. But the successful administration of all these features that most intimately affect the ultimate question as to whether or not we are going to secure reasonable rates depends upon the administration of the law by the Interstate Commerce Commission.

A slight knowledge of the duties and responsibilities of the Interstate Commerce Commission will convince anyone that its members have a very important and a very burdensome task, one that requires ability, patience, and great skill. Our transportation system is so great and so widespread in its ramifications that our rate structure must be handled with ability, courage, and skill.

From the standpoint of the investor in railroad properties, and ultimately from the standpoint of the people of the country, a reasonable return is essential to efficient service and reasonable transportation charges. We necessarily exercise regulatory power over railroad rates. We deny the railroad investor the right that we grant to other investors, to make unlimited profits for his capital. Depriving him of the advantage and attraction of an investment that may bring excessive returns, we must, in part at least, provide the advantage of a fairly certain return, though moderate in amount. The railroads of the country, as a whole, can neither give efficient service nor at reasonable rates unless they be maintained as going concerns on a profit-making basis. Without profits there is no inducement to the investor; there is no opportunity for betterments or expansion. The inevitable consequence of nonprofitable railroad property is poor service, deteriorating equipment, and excessive charges.

We might unreasonably cut down the revenue of the railroads and secure a continuance of satisfactory service temporarily, but our satisfaction from such a source would be temporary and ill-advised. The shipper needs cars, service, and promptness. The traveler needs comfort, safety, and reliability. These are advantages that come from going concerns and not from insolvent concerns.

Our transportation problem is yet in an uncertain stage. There are only three possible plans. We are going to have a nonregulated railroad, public ownership, or the present system of regulation. The nonregulated railroad has passed forever and will not again be the subject of practical consideration. Public ownership of railroads gives the advantage of unification of control and unified use and operation of facilities. It gives the advantage that would come from the unearned increment going to the public instead of the owners of railroad properties. Government ownership during the last 60 years would have given this advantage, inasmuch as many railroad properties have increased materially, due to increase of population and the railroad traffic that accrued.

However, so far no one has suggested any plan by which we could have Government ownership free of politics. The railroads will shortly have 2,000,000 employees. These men might easily be primarily interested in the political life of the Nation on questions concerning their own compensation and conditions of employment. No plan is known by which, with a popular government, we could free the management and operation of railroads from political influence of appalling consequences. Without a certainty of separation of government from railroads and politics I could not reconcile myself to Government ownership.

In the next few years we may be in the final test of our present system of regulation. The country must be confident that it can get efficient service at reasonable cost under the present system or it will probably turn to Government ownership, as undesirable as that appears to be. Has this popular form of government the ability, courage, and the skill necessary to properly control and regulate our great transportation system, assuring us efficiency and economy? We commit much of that problem to the Interstate Commerce Commission. Its success or its failure is closely related to the economic and political welfare of the future decades of our country.

The SPEAKER. The time of the gentleman has expired.

Mr. LEA of California. I ask the privilege of revising and extending my remarks.

The SPEAKER. The gentleman from California asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

The SPEAKER. The gentleman from Kansas [Mr. HOCH] under order of the House is recognized for 20 minutes. [Applause.]

Mr. HOCH. Mr. Speaker and Members of the House, you have already heard two excellent speakers on this railroad subject. I appreciate that it is a rather technical subject, and perhaps you are not in a mood to hear further about it, but I offer in justification for taking any time of the House now the very great importance of the matter involved in the motion filed by the gentleman from Nebraska [Mr. SHALLENBERGER]. I want, if I may, simply to supplement what the gentleman from California [Mr. LEA] has said, and to call your attention to what seems to me to be the high points in the proposition that is involved in this motion to discharge the committee from the consideration of this bill, H. R. 5427, and bring that bill up on the floor of the House for action here upon the floor without hearings and without full knowledge of the facts. Now, this bill has two sections. The first section is a flat, unconditional repeal of section 15a. The second section automatically restores all freight rates that were in effect in this country at the close of Federal control. Now, I want to say a word or two in reference to the first—probably I may duplicate, but I shall endeavor not to do that—the repeal of section 15a. This section 15a contains two major propositions. The first one is the so-called rule of rate making. The second one of those propositions, which a good many people I find in this country do not know is included in section 15a, is a provision for the so-called recapture of excess earnings. Now, in reference to the rule of rate making, I will say to you frankly I have never agreed that as an economic principle the rule of rate making laid down in section 15a is sound, although I realize there are very plausible arguments in its support. Upon countless occasions I have voiced my objection in committee and outside committee with reference to the rule of rate making involved in section 15a.

I am sorry that there is not time now, and that this is not the place to go into a technical discussion of that rule of rate making; but let me say again that that rule of rate making is not a governmental guaranty. In fact, there has not been an act of Congress passed since I have been a Member of this House that has been so grossly misrepresented from one end of the country to the other as the act containing that rule laid down in section 15a. It is not a guaranty. Not a dollar has ever been paid or ever will be paid out of the American Treasury as a guaranty under section 15a.

Mr. CARTER. What is the difference to the people between having it paid out of the Treasury and paid by the people?

Mr. HOCH. The Interstate Commerce Commission is required to fix rates which, under honest, efficient, and economical administration—to quote the statute—will, in their judgment, earn a reasonable return on the investment. Certainly no one wants to deny the roads, under honest management and honest valuation, the opportunity to make a fair return, because obviously we can not maintain the railroads without that fair return. But if the railroad does not earn a fair return—and even in the last year, which was the most prosperous year to the roads since the act went into effect, they earned, the railroads as a whole, 5.2 per cent—there is no guaranty. Many roads have earned only 1 per cent or 2 per cent, and some have had no net earnings. No dollar has ever been taken out of the Treasury in any way to make up the 6 per cent to these roads, so that it is not a guaranty, and no claim has ever been made by a railroad that it is a guaranty, and no claim has ever been made upon the Government for a return on that basis. There is a considerable difference between a guaranty, under which a deficiency in revenues would be made up by the Government, and this provision, under which the Government or the people do not make up the deficiency and the railroads must bear it themselves.

Mr. CARTER. The gentleman in charge of the bill, Mr. Esch, admitted that it was a guaranty when he brought the bill into the House.

Mr. HOCH. The gentleman is mistaken about that. It is not a guaranty in any ordinary use of that term. And I say that, although, as I have said, I do not subscribe to the soundness of the provision. It is true that there was a guaranty in the railroad law previous to that. I do not say this as a partisan matter. Gentlemen will agree with me when I say that I seldom discuss partisan matters on this floor. But President Wilson when he took over the railroads put in a declaration for an actual guaranty to the railroads of a stand-

ard return for three years—and those years had been prosperous years for most railroads—and the Congress followed with the Federal control act, which continued and ratified that standard return. The transportation act passed by a Republican Congress continued that standard return for six months.

Personally I may say—although I perhaps ought not to stop to indulge in personal references—I was not a Member of Congress when the Federal control act was passed; but when the transportation act was passed we had a separate vote on the six months' extension of that guaranty, and I voted against it and have always been opposed to it. Under that guaranty there was paid directly out of the Federal Treasury for the 26 months of Federal control close to $2,000,000,000 as an actual guaranty, and those who misrepresent the transportation act of 1920 by calling it a guaranty should remember that there was an actual guaranty under the Democratic administration under which the operating expenses of the railroads were increased to a high level and no adequate increase of transportation charges were made to take care of that increase, and then they turned around and made up the deficiency out of the Federal Treasury. [Applause.]

Mr. WEFALD. Mr. Speaker, will the gentleman yield?

Mr. HOCH. I can not yield; I am sorry.

The SPEAKER. The gentleman declines to yield.

Mr. HOCH. Now, then, so much for the rule of rate making. I would like to go into it further if I had the time, to show my objection to it. The second part of section 15a is this provision as to the recapture of excess earnings. That is a very debatable subject as a matter of governmental policy. I realize that. But certainly I would not want to vote for a flat, unconditional repeal of the recapture clause, which does take at least from these prosperous roads a part of their excess earnings for the benefit of transportation as a whole in this country.

I am surprised that anybody should come here and propose a flat, unconditional repeal of that part of section 15a which compels the prosperous roads to surrender half of their excess earnings.

Mr. CHINDBLOM. The gentleman will remember that the prosperous roads made a vigorous fight against this recapture clause.

Mr. HOCH. Yes. The prosperous railroads made a vigorous fight, as the gentleman from Illinois says, against this recapture clause. They went to the Supreme Court, and recently the Supreme Court sustained the constitutionality of the recapture clause.

The gentleman from Nebraska [Mr. SHALLENBERGER] says that no money has been paid in. Of course, that was an unintentional error. I have a letter here from the Interstate Commerce Commission of May 9, showing that there has already been paid into the Federal Treasury $3,286,000 in actual cash. That has all been turned in. That is only a small part of what already appears on the record as excess earnings. I want to say that some of the railroads, in my judgment, are indulging in indefensible practices in their effort to avoid showing excess earnings. Some of them are making unwarranted claims as to valuation, and some of them are indulging in overmaintenance of their roads, to avoid showing excess earnings. But are we, without testing that, without trying that, without going and bringing from those roads the earnings which they should rightfully surrender—are we to go on and repeal this recapture clause without reservation and without consideration of whether the principle of surrender of excess earnings should be maintained? What would happen to these claims, aggregating many, many millions of dollars, which the Federal Government now has upon records already made from these prosperous roads? And yet, gentlemen, by one stroke of the pen, without consideration in committee, without any effort to find out the exact situation, seek to come here and repeal that section and release all these railroads from claims aggregating many, many millions of dollars which the Federal Treasury now has upon the railroads.

How much time have I remaining, Mr. Speaker?

The SPEAKER. The gentleman has nine minutes more.

Mr. HOCH. The second part of the bill which we are asked to bring here without committee consideration is section 2, which automatically restores the freight rates which were in effect in this country at the close of Federal control.

Now, gentlemen, I come from a country where the burden of heavy freight rates has been grievous. I think members of the committee and others know that I have been somewhat active in seeking any possible measure of freight relief. I know that the proposal here is a seductive proposition, but I ask you as fair men to look that proposition squarely in the face. What do you propose to do? You propose by one act to wipe out all of the increased revenues of the railroads made necessary by the increase in operating costs, including the increases in labor costs. You leave all of the labor costs, and you leave all of the other operating costs of the railroads as they are, but you propose to simply wipe out the charges which the railroads make upon the public and from which alone they are able to meet these operating costs and these high labor costs.

I believe in good wages. I believe in maintaining a high standard of American living, and all of that, and I am not here discussing the question about labor costs, although I come from a country where the farmers have not fared as well, unfortunately, as the men employed upon the railroads.

Let me give you just a figure or two. During Federal control the operating expenses of the railroads in this country, comparing the last year of private control, 1917, with the last year of Federal control, 1919—the annual operating expenses of the railroads under Federal management were increased in one year $1,548,000,000. Of this amount, the increase in the pay roll alone amounted to $1,100,000,000. In addition to that increase in the labor costs of $1,100,000,000 during Federal control there was added in 1920 to the pay roll of the railroads an amount of $618,000,000. Now, I want to be entirely fair. Since that time this labor cost has been reduced about $450,000,000, which leaves a net increase since Federal control of $161,000,000 in labor costs alone. If you add that to the increase during Federal control——

Mr. BLANTON. The gentleman means $1,610,000,000?

Mr. HOCH. No; I mean $161,000,000 as the net increase since Federal control, but if you add that to the increases during Federal control it amounts to $1,261,000,000.

Now, then, I ask the gentlemen who come here in the interest of American labor—and I stand with them in all fair measures for American labor—whether it is in the interest of American labor to take from the railroads by one sweep all increases in operating revenues, out of which alone they can pay these increases in labor costs. [Applause.] I ask whether it is in the interest of the American farmer, as much as he needs cheaper transportation, and I ask whether it is in the interest of American labor to wreck these railroads by one fell swoop and bring them to a condition of insolvency? My friends, I do not believe that any man can fairly take those figures and come out of that consideration and say that this is a fair measure.

Mr. WEFALD. The farmers are insolvent.

Mr. HOCH. Does the gentleman desire the railroads also to be insolvent?

Mr. WEFALD. I say, the farmers are insolvent.

Mr. HOCH. And I ask the gentleman again whether he desires to make the railroads insolvent?

Mr. WEFALD. Does the gentleman desire the farmers to be insolvent?

Mr. HOCH. I do not, and I am willing to compare records with the gentleman or anyone else here in manifested desire to give relief to the farmers in any possible practical way. I think that one of the ways to bring about a better condition for the American farmers is, while we are reducing freight rates as much as can be done, at the same time to see that we do not destroy the transportation system of the country, upon which its prosperity depends as much as any other factor. [Applause.] I desire to see every legitimate industry in this country solvent.

The gentleman from Nebraska [Mr. SHALLENBERGER]—I think not intentionally, however—misstated the effect of the bill which I introduced some time ago, upon which we have had hearings, and which, I am glad to say, is now upon the calendar of this House. It is not merely, as he says, for an investigation, but it directs the Interstate Commerce Commission to readjust these freight rates and correct whatever inequalities exist. If I had the time I think I could show that there are many inequalities. I think the basic commodities, particularly agricultural commodities, are bearing an unfair share of the freight burden in this country, and I want an adjustment to be made sanely and fairly and made in such a way as not only to bring relief to the people who need relief but at the same time made in such a way as will make it possible to maintain an adequate system of transportation in this country, which I do not believe any sane man in his sane moments wants to destroy. [Applause.]

I want to say in this connection that there was passed in the Senate day before yesterday a resolution as to freight rates similar to mine. I have no personal pride in my resolution as to form, but I hope we may get consideration for a measure of that sort which I think is sane and fair and which attempts to give a measure of relief in connection with the freight burden. But I am opposed—and I think in his better moments every Member in this House is opposed—to discharging a committee from the consideration of a bill like this and bringing it upon the floor of this House without hearings

to develop the real facts, where every man knows a technical measure like this can not be fairly and properly drafted in the first instance. I am opposed to legislation in America by impulse. [Applause.]

Now, I might indulge in criticism. I have not always been satisfied with the speed made by the committee upon measures in which I was interested. I wonder if there are other gentlemen here who have at times, perhaps, been dissatisfied because committees of which they were members did not give as speedy consideration as they thought they ought to have to the particular measures in which they were interested. I have not always been satisfied. I have at times criticised, and perhaps sometimes too severely, the action of my own committee in some of these matters.

I am glad to say that we are to have hearings, beginning next week, on this subject, and if I had time I think I could show you that this committee is not subject to the extreme criticism that has been made upon the floor of this House.

We gave consideration, for instance—taking it from the railroad standpoint, from which the criticism has been made—recently to a very important measure introduced by the gentleman from Ohio [Mr. COOPER] with reference to the boiler-inspection service. That measure is now on the calendar with a favorable report, and I trust we may get action upon it. We have the freight rates resolution here which I have referred to and which, in my judgment, is a substantial, constructive effort to bring relief along these lines.

Mr. HUDSPETH. Will my colleague yield for a question?

Mr. HOCH. Yes.

Mr. HUDSPETH. Will my friend from Kansas give me some idea when the truth in fabrics bill will be reported out of this committee?

Mr. HOCH. I will say to the gentleman that hearings have just been completed upon that measure. A subcommittee has been named to put together the various bills—and there were 10 or 12 of them, involving all sorts of very complicated considerations—and draft a composite bill. That problem itself is not as simple as it seems at first blush. I have been a friend of that measure, but I want to say to you that after the hearings I do not think it is a matter so simple that we can pass it out without giving it thorough consideration.

Mr. HUDSPETH. I agree with the gentleman, but it has been pending for five years before the committee, I understand.

Mr. HOCH. I am glad a subcommittee has been appointed, and I trust we may get action upon a measure of that sort. [Applause.]

The SPEAKER. The time of the gentleman from Kansas has expired.

By special order of the House, the gentleman from Texas [Mr. CONNALLY] is recognized for 20 minutes.

THE CONGRESS OF THE UNITED STATES

Mr. CONNALLY of Texas. Mr. Speaker, I ask unanimous consent to proceed for 10 additional minutes.

The SPEAKER. The gentleman from Texas asks unanimous consent that his time may be extended 10 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. CONNALLY of Texas. Mr. Speaker and gentlemen of the House: The Congress of the United States is an institution that was established by the Constitution of our country. It is chosen at the ballot box by the people of the several States in the exercise of the most solemn and serious function of citizenship. It embodies the very essence of representative government and institutions. It should never lack a defender. An adherence to that conviction has led me to-day to speak, when some one other than I should lift up his voice here; some Member of the majority of this Congress, the Speaker or the majority leader, Mr. LONGWORTH, who wear honors conferred by the majority of this body.

Mr. COLE of Iowa. What is the majority?

Mr. CONNALLY of Texas. The gentleman from Iowa wants to know what is the majority. The majority is the most votes. The majority is the most votes that the Speaker got when he was elected Speaker and the gentleman from Ohio received when he was elected Republican floor leader. That is what a majority is.

Mr. COLE of Iowa. How often do we have it?

Mr. CONNALLY of Texas. I have answered the gentleman and I hope he will ask me something that calls for some information.

But neither of these gentlemen speaks, neither cares nor dares to speak. They who should stand forth as the champions of the Congress sit silent in their seats. They who wear the honors of the Congress, and who should pick up the insulting challenge hurled into the face of the Congress, sit in their seats without resentment and permit abuse of the Congress to go unrebuked. That is my warrant for taking the liberty of calling the attention of this House to a recent publication in the Literary Digest of May 10, entitled "Leading Americans Attack and Defend Congress."

The Digest is a journal of 1,500,000 circulation and it reaches and makes a strong appeal to an influential reading public, and containing as it does some of the most savage thrusts at Congress it broadcasts them throughout the United States.

The article to which I refer opens with the following:

> Bolshevism and Congress were coupled as menaces to the American Nation at a conference of the American Bankers' Association in New York last week. "With such agencies at work in the country as Bolshevism and the present United States Congress, we have some job on our hands to maintain the integrity of the Nation and the security of her institutions," said the speaker, Mr. Orrin Lester, of the Bowery Savings Bank. "The worst thing we have is our American Congress," declared Elbert H. Gary, chairman of the United States Steel Corporation, addressing the annual meeting of stockholders a few days earlier.

Further along in the article the editor comments as follows:

> The sharpest onslaughts against Congress seem to be made by spokesmen for business and finance—as illustrated by the words of Mr. Gary and Mr. Lester already quoted—among whom there seems to be a feeling that our legislators have hampered the advance of prosperity with partisan and unsettling investigations while neglecting to enact promised and essential measures.

And then Nicholas Murray Butler rises to remark:

> If the record of the present House of Representatives is bad, and if that of the Sixty-eighth Congress as a whole is one that gravely disappoints every patriotic American, what is to be said of the exhibition of shameless contempt for the public interest and of ill-mannered scandalmongering that is presented by the Senate?

The editor then observes:

> From presidents of chambers of commerce all over the country comes a sharp fire of criticism against our national legislators. Failure to enact the Mellon tax reduction bill is a heavy count against Congress, in the opinion of many of the chamber of commerce presidents.

Mr. Speaker, those charges are more than an attack upon the present and temporary membership of this Congress. If that were all that these charges imply, I, a member of the minority, would not feel compelled to repel assaults on the Republican majority, with which I frequently disagree. But these assaults go much farther. They constitute a subtle attack upon the Congress as an institution, an attack upon representative government as contrasted with rule by bureaucrats and cabinets; and I propose to demonstrate to this House that these men who bring these charges are opposed to the rule of a representative assembly, but want this Government controlled by cabinets and bureaucrats. That I propose to do, speaking alone for myself and the splendid constituency that has honored me with a seat in this Chamber.

What are the counts in this indictment drawn by these gentlemen? The first count is that Congress has not enacted the Mellon tax plan; second, that Congress has investigated and exposed some of the most startling and sensational scandals that ever stained the annals of American official life.

I have said these denunciations constituted an attack on representative government, and why? Steel King Gary, Mr. Lester, of the Bowery Savings Bank, and others in the columns of the Literary Digest are angry because Congress has not enacted the Mellon tax plan. Gentlemen, are they angry because Congress has not reduced taxation? Oh, no. Are they angry because Congress has not deliberated upon this question in its sessions and in its committees? Oh, no. Are they angry because through the Houses have not been passed any bills reducing taxes? Oh, no; because Congress has already passed a bill through each Chamber lowering taxes; a bill that gives greater relief to American taxpayers than the Mellon plan; a bill that reduces the taxes of every taxpayer in the United States; a bill that took into account the ability to pay and gave the greater reduction to persons having an annual income of $50,000 or less, while the Mellon plan proposed to give the greatest reduction to persons with annual incomes of $50,000 or more. And so these men are not angry because Congress has failed to reduce taxes. But the bill which passed Congress was not the Mellon plan, and these men assail Congress because it did not tamely accept the dictates of the Secretary of the Treasury, because the Congress failed and refused to enact the Mellon plan without changing a word or altering a figure. These men are mad with rage because the Congress of the United States, the elected representatives of the people, chose

to exercise their constitutional function rather than to accept the dictates of a bureaucrat to pass a bill that was written in secret and thrown into this Chamber with the coarse demand that it be enacted just as it was written.

Of course, nobody is surprised that the United States Steel Corporation, that made fabulous profits during the war, that fattened off the woes and misfortunes not only of America but of the Allies, while the American people were pinching and sacrificing to buy bonds that were later sold at a discount; nobody is surprised that Judge Gary, the chairman of the board of that corporation, who directed its destinies during the war and who kept it down on the low sordid plane of greed while the spirit of America was lifted into the heights of exaltation; nobody is surprised that Judge Gary, now gorged with gains, with a debt of $20,000,000,000 and more hanging over the American people, is perfectly willing and desirous that Congress shall take a very large share of that burden off the owners of the Steel Corporation and thereby increase the great burden of debt which remains on the people of small and moderate incomes.

Nobody is surprised that Banker Lester, of the Bowery Savings Bank, whose profits come from the savings of the poor, is perfectly willing to have the taxes of himself reduced by a larger percentage than the tax of the poor upon whom he profits.

So I say this is a challenge to representative government because these gentlemen demand that this Congress accept the ukase of a Cabinet officer, that it shall not deliberate, but swallow speedily and quickly without examination of the contents, but noting only the label, the nauseous Mellon plan, prescribed by the Secretary of the Treasury and compounded in the secret precincts of his office.

Mr. BLACK of New York. Will the gentleman yield?

Mr. CONNALLY of Texas. I yield.

Mr. BLACK of New York. I wonder if the gentleman noticed in the Literary Digest a column advertisement containing the announcement of the American Bankers' Association that could not possibly have any business reaction, and also that the Remington Typewriter Co. had a similar ad in the same number.

Mr. CONNALLY of Texas. I will state to the gentleman that I did not read the advertisements in the Digest, but I am sure his statement is correct as to that.

Mr. SANDERS of Indiana. Will the gentleman yield?

Mr. CONNALLY of Texas. Certainly.

Mr. SANDERS of Indiana. As a matter of fact, the Literary Digest presented both sides of the question.

Mr. CONNALLY of Texas. I do not desire to spend much time on the Literary Digest. I am pointing out the individuals and their interests as quoted in the Literary Digest. What are these gentlemen disturbed about? They are angered because Congress did not constitute itself so many wooden men with so many wooden heads and register the will of the Secretary of the Treasury. They are angry not because we have not reduced taxes but because at the press of a button in the Secretary of the Treasury's office this Congress did not transform itself into so many automatons and register the will of a bureaucrat not elected to office but holding his tenure of office by appointment. I say that sentiment, whether it comes from Judge Gary, of the Steel Corporation, or Mr. Lester, of the Bowery Savings Bank, or Nicholas Murray Butler, president of Columbia University, or the man in the street, that kind of doctrine is a challenge to the very foundations upon which this institution of Congress rests. [Applause.]

What else do we find? They do not believe in popular government; they believe in Cabinet rule. They do not believe that Congress should regulate taxes, they do not believe that the fathers were wise when they placed in Congress the right to regulate taxes; they do believe that Mellon ought to regulate taxes and that Congress ought to merely go through some sort of a perfunctory confirmation of his decrees.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. CONNALLY of Texas. Certainly.

Mr. MOORE of Virginia. We understand, do we not, that the Mellon plan was drawn up before Congress met; that the Secretary did not take into his confidence any Member of the incoming Congress, and that so far as we are advised he did not consult with the prospective majority leader or any gentleman who constituted the majority side of the House?

Mr. CONNALLY of Texas. That is my information gained from rumor. I have no knowledge on that subject because I am not in the confidence of the gentlemen mentioned. But I will say this, it is to the credit of a Representative of the majority on the other side of the Chamber, the chairman of the Ways and Means Committee, that he had the courage to repudiate the methods of the Secretary of the Treasury in trying to force down the throats of Congress such a bill without consideration and without proper deliberation. [Applause.] Be it said to the credit of the majority leader, the gentleman from Ohio, that after making several unsuccessful attempts to swallow the Mellon prescription he had the good sense to compromise with some gentlemen on his side and first made quite an improvement by perfuming it and coloring it to make it more palatable and acceptable, and finally abandoned it altogether. [Laughter.]

Mr. BLANTON. Will the gentleman yield for a question?

Mr. CONNALLY of Texas. I yield.

Mr. BLANTON. Is it not a fact that in the end there was hardly a handful of Members who voted against the amended bill in the House?

Mr. CONNALLY of Texas. I do not know about the handful; there was a small minority.

Mr. BLANTON. About eight, I think.

Mr. CONNALLY of Texas. Now, gentlemen, this indictment has two counts in it. What is the second count in the indictment? The second count is that they "have hampered the advance of prosperity with partisan and unsettling investigations."

True, gentlemen, the advance of the prosperity of Sinclair and Doheny, the oil magnates, a prosperity at the expense of the American naval oil reserves, has for the time being been slightly hampered. [Laughter.] Partisan investigations, say these gentlemen. Partisan! Why, gentlemen, is it partisan to insist on public officials being honest, is it partisan to detect criminal guilt and insist that the guilty be punished? Is that partisan? When did it become partisan to protect public property? But partisan and unsettling investigations! Now, it is true that these investigations have been somewhat unsettling. For instance, they unsettled Attorney General Daugherty [laughter] and jolted him out of the Cabinet.

They unsettled the mind of the President to let out Secretary Denby after he had said that it was settled that he would not let him out. They forced proceedings to unsettle some settlements made by Secretary Fall with Mr. Doheny and Mr. Sinclair. And so these caustic critics and especially Doctor Butler are unhappy and outraged because the Congress has unmasked criminal conspiracy between crooked big business and crooked big politics. Now, what would have been the situation if we had had no investigation? Secretary Fall would not have been forced to plead his own crime to avoid testifying. Mr. Fall would have his $100,000 received from Mr. Doheny and his $25,000 from Mr. Sinclair and would be posing as a distinguished former Cabinet member. Mr. Doheny would have the oil reserves in California; Mr. Sinclair would have possession of Teapot Dome; Mr. Denby would be now in the Department of the Navy, leasing out, I suppose, the rest of the oil reserves to the same parties, because he has said that he would do exactly what he did over again if he only got the chance. And Mr. Daugherty would be conducting the affairs of the Department of Justice. Is that all of the picture?

Mr. STENGLE. No; Burns.

Mr. CONNALLY of Texas. Mr. Burns was merely a subordinate in the Department of Justice, but he would still be in office had Daugherty not been forced to resign.

Mr. COLE of Iowa. Why not mention McAdoo?

Mr. CONNALLY of Texas. I will mention him. This is a nonpartisan matter, you can see from the interruptions. [Laughter.] Every time anybody mentions politics there are some gentlemen on the Republican side who begin to have nightmares about McAdoo, and they dream dreams about McAdoo. McAdoo whatever he may have done, I do not know whether he has done anything wrong or not, has not been shown by the evidence to have violated any law or to have done any wrong. If he committed any wrong, even as to ethics, he committed it while he was out of office as a private citizen. He did not betray the property of the people of the United States nor barter the public confidence of the people of the United States in a Cabinet office for dirty gold. [Applause.]

Now, let us see. I want to go a little further here. What else? This is not the only story. If Fall and Doheny and Sinclair and Denby and Daugherty had not been disturbed, Judge Gary and Mr. Lester and Doctor Butler would be happy. They would be partially happy at least, partially happy if these investigations had not taken place. Now, what do we find? We find that these men right here again betray their preference for the rule of cabinets and bureaucracy over the rights and the power of the Congress. They do not want these Cabinet officials interfered with. They do not believe the Congress ought to investigate their doings.

Do you believe, or do they believe, that the bureaucrats of the Cabinet, appointed and not elected, should act either within the law or without the law, as they may choose? Do these gentlemen mean to proclaim to the country that the

people of the United States do not expect the Congress to protect their rights here in this Capital? Is it not the duty of Congress to investigate the dark places and find out the truth and drag out of their places those who betray the public trust and pull them out into the open places?

Mr. Speaker, the Congress ought to receive its instructions from the people, and the people alone; its investigations ought never to stop until every corrupt official is exposed; until every guilty man is punished. The American people believe in that doctrine. But Doctor Butler, Judge Gary, and the flock of critics in the Literary Digest do not accept that doctrine. They want the Congress to accept the dictates of Secretary Mellon, and want Congress to keep its hands off the investigation of the other bureaus. Fall was in the Cabinet, Daugherty was in the Cabinet, Denby was in the Cabinet, Mr. Mellon is still in the Cabinet. And these gentlemen rise and criticize Congress and want these Cabinet members to rule and want the Congress to stand aside. Doctor Butler, it should be said, complains of ill-mannered scandal-mongering in the Senate. It is possible Doctor Butler would not object to nice, refined, ladylike scandal-mongering, but he complains of "ill-mannered scandal-mongering." [Laughter.] It is only that particular kind and variety of scandal-mongering that seems to offend the delicate texture of his scholarly mind.

Mr. Speaker, the most amazing and remarkable thing about these shocking revelations is that any self-respecting element can look upon corruption in high office with complacency, if not toleration. Guilt is personal, it is true, but when it is condoned, when it is defended, it becomes more than personal. That any prominent man should condemn its exposure is alarming; it is a most distressing sign that his concept of public virtue is either subnormal or decayed. If this Republic shall ever perish, the forces of its destruction will be found in corruption and internal decay rather than in assault from without. The Goths and Vandals never, unresisted, trampled upon the prostrate Roman State until its once stern public virtue had become corrupted and its rulers and captains had fallen under the influence of gold and license.

And who are these men that assume the function of judging Congress? What sublimated beings are these? Whence do they derive this strange and occult wisdom that is superior to that of the makers of the Constitution? Why does the Digest place Judge Gary on the front page? Is it because he is a public benefactor? What distinguished service has he ever rendered to the public or to his generation? Is it upon that his fame depends, or does it rest upon the fact that he incarnates the sinister and sordid spirit of privilege and profiteering?

Now, what are these gentlemen's ideas about government? I have no doubt on earth that Judge Gary's idea of a proper substitute for Congress—because he says Congress is the worst thing we have; and if it is the worst thing we have, surely it ought to be destroyed—I have no doubt that Judge Gary's idea of a proper substitute for Congress would be a board of directors, with himself as chairman and all the other members of his own selection. I am satisfied that that kind of a governmental institution would function according to his idea of democracy.

Why, my friends, that is the same doctrine that every autocrat has embraced in one form or another from the old Egyptian King, Tutankhamen, of whom we have lately read, who made his subjects work 12 hours a day and bend their sweating backs to lift up a monument to their master, to Gary, who until recently worked his employees 12 hours a day to pile up profits for the masters of the Steel Corporation. Old King Tut got his monument because the law allowed him to take a certain toll out of the labor of his subjects, and Judge Gary gets his profits because the law allows him to lay a toll on the labor of every man who consumes steel products in the United States. Of course, Judge Gary would like to see his board of directors or some similar one running the Government of the United States.

Now, what does Doctor Butler say? What are his ideas about government? Doctor Butler made a speech several years ago and in it he said:

> I have no time now to more than indicate where I believe the path of true political progress for our democracy leads. It leads, in my judgment, not to more frequent elections, but to fewer elections. It leads not to more elective officers but to fewer. It leads not to more direct public interference with political institutions but to less. It leads to a political practice in which a few important officers are chosen to relatively long terms of service, given much power and responsibility, and are then held to strict accountability therefor.

That is the idea of Nicholas Murray Butler as to democratic institutions. He at that time said he wanted to hold officers to a strict accountability. He must have changed his mind. Now he does not seem to want to hold them to strict accountability, at least not to Congress and to strict investigation. Set over against the words of Butler the words of James Bryce in discussing the development of "Modern democracies":

> If we look back from the world of to-day to the world of the sixteenth century, comfort can be found in seeing how many sources of misery have been reduced under the rule of the people and the recognition of the equal rights of all.

And again:

> Yet the rule of many is safer than the rule of one—as Cavour said, that however faulty a legislative chamber may be, an ante-chamber is worse—and the rule of the multitude is greater than the rule of a class. However grave the indictment may be brought against democracy, its friends can answer, "What better alternative do you offer?"

While the world has been moving forward toward democracy Doctor Butler has been moving backward toward oligarchy. He wants fewer elective officers. And do you know that out of the 500,000 officials and employees of the Federal Government only 533—the Congress and President and Vice President—are elected, while all the remaining half million men are bureaucrats and Cabinet heads and subordinates?

Mr. Butler no doubt believes in a rule by the President and by the Cabinet. You will recall that a few years ago he was a candidate for the nomination for President on the Republican ticket, an enterprise, if Democrats were moved by partisan considerations, in which we would look with great pleasure upon his success. He may still entertain that ambition. He may still run for the Republican nomination some day; and I want to observe that since the coming of woman suffrage the strength of Doctor Butler has greatly increased, because I understand that he now has the support of both himself and his wife in his candidacy for the nomination for the Presidency. [Laughter and applause.]

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. CONNALLY of Texas. Mr. Speaker, I ask for five minutes additional.

The SPEAKER. The gentleman from Texas asks for five minutes additional. Is there objection?

There was no objection.

Mr. CONNALLY of Texas. Mr. Speaker and gentlemen of the House, if Congress is not to rule this country, if the laws of America are not to be enacted in these two Chambers that sit under this Dome, who is to rule? There is no one else to rule the Federal Government except the bureaus and the Cabinet in this city and elsewhere throughout the Republic—bureaus and cabinets who owe no direct responsibility to the people—bureaus and cabinets to whom Gary, Lester, and Butler hope to have easy and frequent access. Tyranny is the abuse of power whether by a king or a bureau—and the most despicable of tyrants is an arrogant bureau head. If Congress does not curb the demands of the bureaus, taxes will be vastly increased instead of decreased. It is the habit of bureaus to grasp more power, to increase the number of employees, and to intrude their authority farther and farther into the affairs of the citizen.

Gary and Lester and Butler may have received some inspiration for their utterances from high official sources. The President, like Gary and the rest, demanded that Congress accept the Mellon plan just as it was sent to the Capitol, and when Congress dared to legislate in fact and dared to investigate, he sneeringly referred to Congress in these words:

> and the Congress or the legislative branch, which is supposed under the Constitution to be engaged in legislation.

And then after losing from his Cabinet Denby and Daugherty by the investigation route, he protested, in a message to the Senate, against an investigation of Secretary Mellon, after the Secretary had protested to him.

Mr. Speaker, whatever the source of these attacks, the functions of Congress must be maintained—the right of the Congress to investigate, a Democratic administration, or a Republican administration, must be vindicated. The Congress must not surrender its power to reduce taxes in the interest of all the people and cowardly submit to the demand of selfish interests.

Congress must first do its duty by doing right and then trust the public, when informed, when it learns the truth, to approve its course. If this Congress had adopted the Mellon plan and had not exposed public corruption, Gary and Butler would have thought it one of the best in our history. Gentlemen, so it is that we are confronted by this challenge by men of prominence

like Gary and Butler; a defiant challenge wherein they say that the worst thing we have is the Congress of the United States.

Mr. McSWAIN. Mr. Speaker, will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. McSWAIN. Did he think it so bad that it ought to be adjourned for five years before they raised the protective tariff in 1921?

Mr. CONNALLY of Texas. Oh, no. The gentleman got what he wanted out of Congress in 1921, and that is the tariff bounty; and now he is perfectly willing for the Congress to adjourn until he hopes it will raise it another peg.

Mr. MacLAFFERTY. Mr. Speaker, will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. MacLAFFERTY. Why does not the gentleman comment on what Samuel Gompers and numerous other heads of labor organizations say in the Literary Digest? Some of their strictures are worse than those he has mentioned.

Mr. CONNALLY of Texas. I do not want to be diverted. Some well-informed men brag on Congress. [Laughter]

Let me say that when Judge Gary says that the American Congress is the worst thing we have on our hands he is but repeating the cry that comes down to us through six centuries of struggle toward liberty. Why, there will be Garys and Lesters and Butlers to scoff at a Congress they can not control as long as the contest between the people and the great covetous and selfish interests goes on.

Mr. MacLAFFERTY. Mr. Speaker, will the gentleman yield?

Mr. CONNALLY of Texas. No. I have only two or three minutes.

The SPEAKER. The gentleman declines to yield.

Mr. CONNALLY of Texas. Gentlemen, in the olden time, in the year 1265, I believe it was, when the English Parliament was established, there were those who opposed its establishment. All the beneficiaries of royal favor were against it, all the court favorites were opposed to it, all of the cabinet denounced it, all who had the King's ear fought it. The cry of Judge Gary is but an echo of that same cry that they hurled at the doors of the Parliament of England. Judge Gary says the worst thing we have is our American Congress. I would remind Judge Gary that the worst thing that the beneficiaries of privilege had on their hands 600 years ago was the Parliament at Westminster. I would remind him that the worst thing that Charles I had on his hands was the Parliament of the English people. I would remind him that the worst thing that Louis XVI had on his hands was the States-General, the National Assembly, and the convention of the French people. And I would remind Judge Gary that the worst thing that George III had on his hands was the Continental Congress [applause], that led the people of the American Colonies to tear down the power and the majesty of a King and his court and build up the power of the American people [applause]; the Garys and Lesters and Butlers shall not tear it down. [Applause.]

The SPEAKER. The gentleman from Kansas [Mr. TINCHER] is recognized.

Mr. TINCHER. Mr. Speaker, I ask unanimous consent to proceed for 10 additional minutes.

The SPEAKER. The gentleman from Kansas asks unanimous consent that his time be extended 10 additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. TINCHER. Mr. Speaker and gentlemen of the House, with a considerable portion of the address just delivered I am in accord. However, I believe that the best feeling Members of Congress can have is to so conduct themselves as to feel absolutely innocent when charges like the Literary Digest charges are flaunted in their faces. I do not think it makes much difference about the criticisms of Congress unless the criticisms are based on facts.

It is rather unfortunate that all the criticism that Congress is receiving now does not come from Butler and Gary. The people of this country were in thorough sympathy with Congress so long as they believed the investigations that were being made were made in the interest of the Government, and so long as they believed that we were seeking to clean house and punish the guilty I think the sentiment of the whole country was with Congress. But I do think that when it became apparent that certain men were called across the continent—like Al Jennings and this man, Means—and given headlines in the newspapers for a good many days, that the folks got to thinking whether it was true or not, and that was not confined to Gary and Butler. People got to thinking that there was a little politics in it and they became disgusted with the conduct of certain investigations. Whether the Congress could have protected itself by being fair with itself on that criticism is too patent for answer.

Now, I am seriously in favor of not having things about for which we can be criticized, and then if they criticize just let them go. But let us see what we are doing over here. There are some things which have been bothering me a little lately. I do not like to repeat. I have talked twice on this so-called Barkley bill, and I have been criticized for those speeches. I have examined them and examined them more, and I am not here to retract anything, but I am here for the purpose of emphasizing, if possible, some of the things I have already said.

I have in mind this morning a residence block out in a country county-seat town. On the corner of this block lives the pharmacist, a highly educated man about 45 years old, a man who has worked in the same store for 10 or 15 years. He gets $120 a month. He works six days a week, 10 or 12 hours, and then he goes to the store and fills prescriptions for the sick on Sunday. He is a respectable man, and he has gotten along some way on $120 a month. Next door to this pharmacist is the bank cashier. I have noticed recently that his hair is turning prematurely gray, because the struggle since the war has been an uphill one. He gets $125 a month, because this is in an agricultural section. He has not much prospect for a raise, and if he has any stock in the bank he has not gotten any dividends and will not receive any for some little time. Then, next in that block is the fireman who runs the train over to the main line. He will never be an engineer, they say, because there is some qualification he does not possess. Although he is a middle-aged man he will never be promoted to an engineer, but he gets $11.45 a day, and his working time is only about six hours, although he is on duty eight hours. Sometimes he is on duty a little longer and sometimes he gets in some extra time, but he is well paid for it, and $11.45 is his salary. Then, next is a widow. Her husband died about the time the war came on. They had two boys practically grown, and a little girl. They lived on a farm but they bought this little house in town so that she might send the children to high school, and she stayed there in the wintertime. One of the boys has married and the other brother lives with him out on the farm and they are working it, but she is still there in that house in order to send the little girl to high school, and I think she graduates this year. They have had to mortgage the farm since the war, in the farm-loan bank. Not because of mismanagement, but because of depressed prices, they have not been able to make a living on that 640 acres of land.

Then next is the grocery man, who had an invoice of $6,000 before the war. He worked hard 12 and 14 hours a day for six days in the week. He is a thrifty fellow, but things have not been well with him. I know he was out of debt just before the war, and I know he is in debt a little now. And so on around the block. The next man is the county treasurer, a reputable farmer who came in there and took the office of county treasurer because the neighbors love and respect him and know he is an honest man. His salary is $1,500 a year. There is no one in the block who gets half what the fireman gets, and yet here we are proposing a law which will take up all the remainder of the time of the American Congress, and it is proposed in obedience to the demands of the lobby over here which says that this Congress must spend the balance of its time in legislating for organized labor. Oh, yes; the statement was made openly—with the gallery full of his friends—by the gentleman from Alabama. He stood here and tragically declared that on this side is peace and on this side is war. The druggist, the banker, the pharmacist, and the widow have no lobby here. They can not maintain a newspaper in the city of Washington to publish the names of the Congressmen who do not obey their beck and call, and so clip this out and put it away for future reference.

Ah, my friends, I would rather have the feeling that the charge that I acted at the beck and call of that outfit was not true than to have all the magazines lay off in criticism. [Applause.] Their criticisms do not need to worry us if we do the right thing.

This morning we spent our time in debating whether we would discharge the Committee on Interstate and Foreign Commerce and take up another one of those bills. I do not know why, unless it is because we reported out a bill which we think will reduce freight rates on agricultural products. I think it is about time the folks at home had the right to believe that the pharmacist and ordinary fellow will have the same treatment in the American Congress as though they had lobbies down here standing at our doors every morning.

There is not a man in my district, farmer or business man, who is worth as much money to-day as he was when the Adamson law was passed. The Adamson law did make a joke of the American Congress. They took us by the throat—I was not here at the time, and I suppose if I had been I would have been in it, too—and said, "You must pass this law; we will have no other." And from that day to this they have felt that at any time just before a presidential election they can walk in and take the Congress by the throat and say, "You must pass this measure."

Ah, my friends, they ask you as the representatives of all the people to take the bill that their lawyers, high-priced men, spent weeks and months on, perfecting it from their standpoint, and vote blindly on it as a representative of all the people.

This block of residents is in every one of your towns, and I hope that every Member of Congress between now and next Monday——

Mr. WEFALD. Will the gentleman yield?

Mr. TINCHER. I do not yield to the gentleman.

I hope every Member of Congress will get in mind a picture of those people and will remember that they are entitled to our consideration here the same as though they had a newspaper to denounce you and a lobby to sit in the gallery and hiss or applaud you. [Applause.]

I think this is a happy morning, and let us start out now to stop such articles of criticism as appear in the newspapers, and the best way to stop them is to say that from now on every one of us is going to do what he believes to be right, regardless of what the lobby here tells us to do. [Applause.] If you do that, the Barkley bill will not last 30 minutes, because it is undoubtedly the most vicious legislation that anyone ever tried to thrust down the throat of an American Congress. It ignores the rights of everyone and attempts to legislate for a class—a class that you know has the best of it right now.

I thank you, gentlemen. [Applause.]

CALENDAR WEDNESDAY

The SPEAKER pro tempore. To-day is Calendar Wednesday, and the Clerk will call the roll of committees.

The Clerk called the Committee on Military Affairs.

AMENDMENT OF THE NATIONAL DEFENSE ACT

Mr. McKENZIE. Mr. Speaker, I call up H. R. 8886, a bill providing for sundry matters affecting the Military Establishment. This bill is on the Union Calendar, and I ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that this bill be considered in the House as in Committee of the Whole. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker, reserving the right to object, I understand there is an amendment to be offered. There will be opportunity to offer amendments, I presume.

Mr. McKENZIE. Yes. If I may be permitted, Mr. Speaker, I wish to say to the membership of the House that this bill represents a conclusion reached by the representatives of the National Guard in conjunction with the officers of the Regular Army and the Secretary of War concerning little defects that exist in the present national defense act. The bill tends to equalize and put the National Guard on the same footing as the officers and men in the Regular Army, and I do not think there will be one objection to this bill. However, it will be read section by section, and if the Members feel they ought to offer any amendment, that opportunity will be given. My reason for doing this, I want to say, is because we have a great many bills from our committee and many of the Members have matters of great importance to them on the calendar, and I simply desire to expedite the work. I have no interest in any one of these bills above another, and I simply wish to expedite the work in order that the Members may get action on their bills which are pending.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That section 87 of the national defense act of June 3, 1916, as amended, be, and the same is hereby, amended by adding thereto the following proviso:

"*And provided further*, That property issued to the National Guard and which has become unserviceable through fair wear and tear in service, may, after inspection thereof and finding to that effect made by an officer of the Regular Army designated by the Secretary of War, be sold or otherwise disposed of, and the State, Territory, or District of Columbia, accountable, shall be relieved from further accountability therefor; such inspection, and sale or other disposition, to be made under regulations prescribed by the Secretary of War, and to constitute as to such property a discretional substitute for the examination, report, and disposition provided for elsewhere in this section."

Mr. McKENZIE. Mr. Speaker, I move to strike out the last word. I feel that in fairness to the membership of the House I ought to make a brief statement in connection with this bill in order that they may know the facts. I do not wish to mislead any Member of the House in connection with the proposed legislation.

Section 1 simply amends the national defense act, covering the disposition and the replacement of damaged property in the hands of the National Guard. Section 1 of this bill simply adds the proviso to both the Government and the National Guard and makes it satisfactory to both branches.

Section 2 of the national defense act is the section providing for the training of the National Guard. The amendment provides that several detachments may combine for drill, and so forth, and cures the defect in the law now held by the comptroller that in order to be entitled to Army drill pay, drills must be attended by all units of an organization. This simplifies the thing so that the National Guard can go on and do their training to great advantage over the present system.

Section 3 provides that the rates of pay shall be under the present laws governing pay, as approved by the act, and amends section 109 of the national defense act. It increases the number of possible drills from five to eight in any one calendar month. The purpose of this is that during the summer months there might be companies that could drill to greater advantage in wintertime than in the summer months, when they are busy; and this section takes care of that.

As a matter of fact, there is not anything in this bill that is revolutionary or does anything except put the National Guard practically on the same basis as the Regular Army.

The expense involved comes in section 6. It is estimated that this amendment will involve an additional expense of $60,000, but no additional appropriation will be requested for the year 1925.

That is about all there is to the bill.

The SPEAKER pro tempore. Without objection, the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk completed the reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. McKENZIE, a motion to reconsider the vote by which the bill was passed was laid on the table.

AMENDING THE NATIONAL DEFENSE ACT

Mr. McKENZIE. Mr. Speaker, I call up the bill S. 2169, to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes, and I ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that the bill be considered in the House as in Committee of the Whole. Is there objection?

Mr. LaGUARDIA. I reserve the right to object.

Mr. McKENZIE. If the gentleman will permit, I will say that this bill includes a number of matters, some of which died on the calendar in the last Congress. It also has a provision affecting the detailing of all officers with troops, and it is limited to the Medical Department. The House might want to change that amendment of the committee, but I want to say that if this bill is permitted to be considered on the Union Calendar after the first section is read, the gentleman from New York [Mr. WAINWRIGHT], who reported the bill, will take the floor and explain the bill in detail.

Mr. BLANTON. Reserving the right to object, how much is this going to cost the Federal Treasury?

Mr. McKENZIE. So far as the section covering the increase in the percentage of noncommissioned officers, which is the same as it was a year ago, for we amended it in committee, it will be about one million and a half dollars.

Mr. BLANTON. How much will the whole bill cost the Government?

Mr. McKENZIE. I do not think there is very much in the other sections that will cost anything.

Mr. BLANTON. The gentleman from Illinois is a careful legislator, and he knows what a piece of legislation is going to cost before it gets behind him. How much is the bill going to cost the Federal Treasury?

Mr. McKENZIE. I have not the figures here.

Mr. WAINWRIGHT. If my friend will wait until I can explain the bill, I will give him the figures.

Mr. BLANTON. This is the idea—if this bill is going to cost a whole lot, it ought to be debated in the Committee of the Whole House, but if it is not, the membership will probably be willing to have it debated in the House.

Mr. McKENZIE. The first section which will cost money as I say will cost a million dollars and a half.

Mr. BLANTON. How much will the whole bill cost?

Mr. WAINWRIGHT. I have the figures here. I have not footed up the total, but I can give each item, and the gentleman can make his own computation. The first section provides for the increase in the number of noncommissioned officers and will not cost more than $1,575,000 estimated.

Mr. BLANTON. How much more each year thereafter?

Mr. WAINWRIGHT. That is the maximum that it can cost. It is represented that it will require no additional appropriation this year because there are funds available to take care of it. The personnel of the Regular Army is not up to maximum yet. In the second section there is no cost whatever; the third section no cost whatever. In the fourth section no cost, and the fifth section provides for the forage of animals owned and hired by the State. That may cost $50,000 if taken full advantage of.

Mr. BLANTON. Is the forage provided for them the year round?

Mr. WAINWRIGHT. I presume it would be for the year round because the horses being owned by the State are necessarily to be fed the entire year. These are animals for the National Guard owned by the State. There is a slight addition in the number of caretakers allowed to the heavier than air squadron, an increase of $25,000. Then there is one lieutenant colonel which will be provided for one of the ancient organizations of the State of Massachusetts, which is entitled to have him under the existing law. That will be $900.

Mr. BLANTON. The whole cost is within $2,000,000.

Mr. WAINWRIGHT. Well, within $2,000,000—I think $1,700,000.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois that this bill be considered in the House as in Committee of the Whole?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That hereafter the respective grade percentages prescribed in section 4 (b) of the national defense act of June 3, 1916, as amended, of the total authorized number of enlisted men shall not exceed seventy-nine one-hundredths of 1 per cent for the first grade, 2.17 per cent for the second grade, 2.99 per cent for the third grade, 10.11 per cent for the fourth grade, 9.5 per cent for the fifth grade, and 25 per cent for the sixth grade; and aforementioned section 4 (b) is hereby amended accordingly.

The committee amendments were read as follows:

Page 1, line 6, strike out seventy-nine one-hundredths of 1 per cent and insert "0.79 per cent."

Page 1, line 7, strike out "2.17" and insert "2.1."

Page 1, line 8, strike out "2.99" and insert "3.4."

Page 1, line 9, strike out "10.11" and insert "9.2."

The question was taken, and the amendments were agreed to.

Mr. McSWAIN. Mr. Speaker, I have another committee amendment, which I will offer now or at the proper time. Shall I offer it now?

The SPEAKER pro tempore. The gentleman can offer it when the gentleman from New York yields the floor.

Mr. WAINWRIGHT. There will be at least two committee amendments offered in the progress of the consideration of the bill.

Mr. McSWAIN. That is, we will take the amendments up in their order?

Mr. WAINWRIGHT. I am assuming that the committee amendments will be offered at their place in the bill.

Mr. McSWAIN. Very well.

Mr. WAINWRIGHT. Mr. Speaker and gentlemen, I will be as brief as I can in the explanation of the provisions of this bill. Section 1 proposes to amend section 4 (b) of the national defense act in so far as it divides into seven grades the enlisted personnel of the Army. In 1920 Congress adopted a new method for the grading of enlisted commissioned personnel, and they were divided into seven grades. The law specified the percentage for each grade, and that percentage determined the number and the sum total of those percentages making up the authorized enlisted strength of the Army.

Mr. MORTON D. HULL. Percentages of what?

Mr. WAINWRIGHT. Percentages of the total authorized enlisted strength of the Regular Army. Now, those percentages were based upon the experience then available and based also upon the enlisted strength of an Army of 280,000. In addition to the normal tasks of the noncommissioned officers of the Army——

Mr. BEGG. Will the gentleman yield for a question?

Mr. WAINWRIGHT. I will.

Mr. BEGG. Will the gentleman explain just what these percentages do? Does it increase the number of officers in the Army or decrease them, or just what does it do?

Mr. WAINWRIGHT. I will come to that if the gentleman will permit me to make an explanation as briefly as I can in my own way, and I think I shall answer the question before I get through. Now, in addition to the normal tasks of the higher grades of the enlisted personnel, namely, the noncommissioned officers of the line of the Army, as you are all aware a large number are required for duties with the National Guard, with the schools, and with the Organized Reserves. Now, the reductions in the Army from 280,000 to 225,000, of course, has much reduced the number of noncommissioned personnel. The percentages by law, of course, remain fixed, and the tasks, irrespective of those in the line of the Army, have not only not decreased, but have increased. The reduction of the Army from an enlisted strength of 280,000 to 125,000 has resulted in a reduction of the noncommissioned officers of the Army of over 8,000.

This section proposes by changing the percentages, particularly the percentages in the four higher grades, to increase the noncommissioned personnel by 1,987. That increase will be in the first grade, master sergeants, 237; second grade, technical and first sergeants, 515; and the third grade, staff sergeants, 1,750, with a reduction in the fourth grade of duty sergeants of 375, making the net increase of noncommissioned officers of 1,987. The purpose of this increase is to enable the War Department to carry on successfully and efficiently the important duties involved in the training and instruction of the National Guard, the Organized Reserves, the civilian military training camps, the Reserve Officers' Training Corps, and other activities. It has been found that the number at present——

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. WAINWRIGHT. I ask unanimous consent to be permitted to continue for an additional 10 minutes.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

Mr. LARSEN of Georgia. Will the gentleman yield?

Mr. WAINWRIGHT. I will.

Mr. LARSEN of Georgia. In this increased number of officers what cost does it involve?

Mr. WAINWRIGHT. I attempted to answer that question when propounded by the gentleman from Texas, $1,575,000. Now, the second section, unless there are some further questions in regard to the first, originally provided for a complete change in the law with regard to the duty of commissioned officers of the Army with troops, but there was so much objection to that that finally the committee determined that the only change that should be made in that regard should be in the Medical Corps in order to give the President authority to retain a medical officer at a hospital or other similar establishment for a period of more than four years if deemed desirable. Under the present law an officer is only permitted to remain away from duty with troops for four years, after which he must return to actual duty with troops. But the committee decided that a different situation was presented with regard to the Medical Corps; that it would be advisable to permit the President to retain at some of the medical establishments—let us say, for example, Walter Reed Hospital here in Washington—some of the distinguished surgeons who have been developed in the medical service of the Army.

Mr. BLANTON. Before the gentleman reaches it, and while the gentleman is generally discussing the bill, would he kindly explain section 9 to us?

Mr. WAINWRIGHT. I will propose an amendment to section 9, striking that from this bill because that is included, as I recall, in the bill just passed.

Mr. BLANTON. Section 109 will be stricken out.

Mr. WAINWRIGHT. I understand that section 9 has been incorporated in the bill just passed. If that is the case it will be stricken out of this bill, of course. Now, the authority——

Mr. LaGUARDIA. Do I understand the gentleman correctly to say that section 9 will be stricken out?

Mr. WAINWRIGHT. If it is included in the bill just passed as explained by the gentleman from Illinois [Mr. McKENZIE].

Now as to section 3 of the bill——

Mr. FROTHINGHAM. Does the gentleman mean section 9 or section 109?

Mr. BLANTON. Section 9, the last section of the bill.

Mr. WAINWRIGHT. I beg the gentleman's pardon. I thought he referred to "section 109."

Mr. BLANTON. Will the gentleman explain No. 9?

Mr. WAINWRIGHT. Yes; I will explain it when I get to it, if the gentleman will permit.

Mr. BLANTON. There was some question as to whether that section was in a bill that had been disapproved by the President. We want to know something about it before we reach it. Would the gentleman mind letting us know about the provisions in that section now?

Mr. WAINWRIGHT. If the gentleman will permit, I will be glad to explain it when we come to that section.

Section 2 provides that officers of the National Guard shall be commissioned in the Army of the United States. This is to remove an objection which the National Guard officers have to taking Reserve commissions. Up to this time not over 50 per cent of the National Guard officers have taken Reserve commissions. Thus there are not 50 per cent of them who would be available for Federal service in time of emergency. Now to obviate objections on that score, and in deference to the wishes of the National Guard, expressed in their national convention, also on the recommendation of a commission composed of officers of the Regular Army and of the Reserve and of the National Guard which met recently here in Washington under appointment from the Secretary of War, this provision is being proposed, which will result in all officers of the Reserve being commissioned, as they should be, in the Army of the United States, recognizing the fact that the basic, all-inclusive establishment is the Army of the United States in which the Regular Army, the Reserves, and the National Guard are merely components. So in Federal service the National Guard officer will receive, if he desires it—it will not be obligatory—in addition to his National Guard commission, which of course comes from the State, a commission from the President of the United States in the Army of the United States Reserves.

It is also provided in this section that the National Guard officer may hold this commission as long as he holds his National Guard commission, relieving him of the present provision of the law which limits the Reserve commission to five years, thus preventing the necessity of the National Guard officer being reexamined and recommissioned every five years.

Mr. BEGG. Mr. Speaker, will the gentleman yield to me?

Mr. WAINWRIGHT. Yes.

Mr. BEGG. I could not hear distinctly on account of the confusion in the Chamber whether the gentleman answered my question a little while ago or not. I want to ask it now in a little different way. This is to increase the number of commissioned officers to 1,987. Has that necessity arisen from the fact that so many officers have been promoted, and so many retired so that they could be promoted, and you have no vacancies now? Have so many commissioned officers been promoted that you have a lack now of the noncommissioned officers?

Mr. WAINWRIGHT. I thought I had made that clear. The reduction of the Army from 280,000 to 125,000 had resulted in the reduction of the noncommissioned officers by 8,000.

Mr. BLANTON. If the gentleman will yield, the gentleman from Ohio will understand this, that those 1,987 are additional noncommissioned officers added to the present establishment.

Mr. WAINWRIGHT. No. Let me correct the gentleman. This will in no way increase the authorized maximum of the Army.

Mr. BLANTON. I am not talking about that. I am talking about the present personnel as it exists now.

Mr. WAINWRIGHT. It would not increase by one man the personnel.

Mr. BEGG. Is not the situation this: That you have none now, and you must create some?

Mr. WAINWRIGHT. No; that is not the fact.

Mr. BEGG. I can not read anything else, either in the report or in this bill, than that men have been promoted from noncommissioned to commissioned officers, and then so many have been promoted out that you have a shortage of "noncoms" now.

Mr. WAINWRIGHT. No. I have never heard that feature of it referred to in any way in the discussion of this measure.

Mr. McKENZIE. Mr. Speaker, will the gentleman yield?

Mr. WAINWRIGHT. Yes.

Mr. McKENZIE In response to the gentleman from Ohio [Mr. BEGG], he has evidently forgotten that Congress legislated out of the Army several hundred commissioned officers a few years ago at the same time that we were cutting down the enlisted personnel.

Mr. BEGG. It was a hardship on them when we let them out.

Mr. BLANTON. I want to suggest to the gentleman from Ohio that he will remember that right after the war, when there was a reorganization, there were so many promotions that we did not have a second lieutenant.

Mr. McKENZIE. Yes. That is what has happened now.

Mr. SPEAKS. Mr. Speaker, will the gentleman yield?

Mr. WAINWRIGHT. Yes.

Mr. BEGG. I would like to have somebody who is frank tell all about it.

Mr. SPEAKS. This will not increase the enlisted personnel of the Army by one man. This will not increase the commissioned personnel of the Army in any particular. What is required and desired in this bill is to furnish some additional noncommissioned officers who can be sent out to the National Guard organizations.

Mr. BEGG. What became of the noncommissioned officers who were in the Army two years ago?

Mr. SPEAKS. I might say this: That two years ago, before the strength of the Army was increased to such a wide extent, there was an ample number of noncommissioned officers. But to-day we are sending out noncommissioned officers to the National Guard organizations in every State of the Union, and they are constantly clamoring for more, one in the gentleman's town, probably.

Mr. BEGG. Yes; and they will have one there if you pass this bill. It is a good place to spend the summer.

Mr. McKENZIE. Mr. Speaker, will the gentleman yield?

Mr. WAINWRIGHT. Yes.

Mr. McKENZIE. In order that the gentleman may get this clear in his mind I want to ask the gentleman from Ohio [Mr. SPEAKS] if this is not true, that when the Army was reorganized on the basis of 280,000, there were 0.6 of 1 per cent of the enlisted men put in the top grade. This bill provides for 0.79 of 1 per cent.

Mr. SPEAKS. Absolutely.

Mr. McKENZIE. When the Army was reduced, following the law, they had to reduce down the number of noncommissioned officers in that grade and in all the other grades, and they simply pushed them down from the top to the grades of first-class privates and privates. That is what happened.

Mr. SPEAKS. Now, one thing more. I want to confess that, in my judgment, we have too many major generals and brigadier generals and colonels and lieutenant colonels, but we have not too many of these noncommissioned officers and enlisted men. I say frankly that so far as the higher grades are concerned I would be willing to reduce the number at any time, and I have so stated on this floor. But in the case of these noncommissioned officers, we do not have enough. They are men of long experience and men who are required to perform important duties, and in many cases now a first-class private is required to perform duties which ought to be looked after by a sergeant or corporal.

Mr. TEMPLE. Will the gentleman yield?

Mr. WAINWRIGHT. I shall be glad to yield to the gentleman.

Mr. TEMPLE. Is it not true that the number of noncommissioned officers is a percentage of the enlisted personnel of the Army?

Mr. WAINWRIGHT. Absolutely.

Mr. TEMPLE. Is it not true also that there is considerable use for noncommissioned officers on service away from the enlisted personnel?

Mr. WAINWRIGHT. More use than ever.

Mr. TEMPLE. When we reduced the number of enlisted personnel we did not reduce the number of places outside the Regular Army service.

Mr. WAINWRIGHT. That is it exactly.

Mr. TEMPLE. Now, we need more men, but not for service with the enlisted personnel.

Mr. WAINWRIGHT. That is correct.

Mr. TEMPLE. When we reduced the number we did not reduce the number of these outside places; consequently six-tenths of 1 per cent of 280,000 will furnish more of the men available for outside work than six-tenths of 1 per cent of 70,000.

Mr. WAINWRIGHT. That is correct. The gentleman has made a more lucid statement than I could make. Section 4 simply provides that on reenlistment a man may be enlisted for one or three years. To-day reenlistments are limited to one year.

The SPEAKER pro tempore. The time of the gentleman has again expired.

Mr. WAINWRIGHT. May I have another five minutes?

Mr. BLACK of Texas. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas that the gentleman have 10 minutes additional? [After a pause.] The Chair hears none.

Mr. BLACK of Texas. I want to ask the gentleman about section 9 of the bill.

Mr. WAINWRIGHT. I have not come to that yet.

Mr. BLACK of Texas. I thought the gentleman was discussing the bill generally.

Mr. WAINWRIGHT. No; I am attempting to explain each section. Now, section 5 provides that animals owned by the State and used exclusively for military purposes may be foraged out of Federal funds. It also provides for five additional caretakers for each of the heavier-than-air squadrons of the Aviation Service of the National Guard. This will mean one caretaker for each plane, whereas in the Regular Service there are two caretakers for each plane. As I have said, section 6 is to be stricken out of this bill because it is included in the bill just passed. The purpose of section 7 is simply to authorize, in time of peace, a lieutenant colonel, as well as a major, for a Massachusetts organization which has had this additional officer since the time of its organization in 1792. Section 8 provides that enlisted men should be paid for drills actually made and not limited merely to 60 per cent of the drills made during a month. Of course, the present provision of law was intended to induce greater regularity at drills, but the effect has been found to be just the reverse.

It should need no explanation or no justification that we should pay these men for drills actually made. Section 9 of the bill, as to which I have been interrogated, simply provides that when noncommissioned officers of the Army who served as commissioned officers during the World War are retired they may be retired as warrant officers, the highest grade of noncommissioned officers. The comptroller, or maybe it is the Judge Advocate of the Army, has ruled that only those who were discharged during the World War should be discharged as warrant officers. It should need no explanation that those men who served as commissioned officers during the World War who return to the service and who have been serving as noncommissioned officers should be retired with the highest possible grade of noncommissioned officers.

Are there any further questions with regard to this bill which any Member desires to ask?

Mr. CONNERY. Section 9 would merely cover the fact that a man who served during the World War as a noncommissioned officer and who stayed in the Army would receive his discharge on retirement as a warrant officer?

Mr. WAINWRIGHT. That is it exactly.

The SPEAKER resumed the chair.

The SPEAKER. The Chair suggests, if there is no objection, that the Clerk read the substitute instead of reading the sections stricken out.

There was no objection.

The Clerk read as follows:

SEC. 2. Add at the end of section 4c of the national defense act of June 3, 1916, as amended, the following sentence: "When in his judgment efficiency demands such action, the President is authorized to except officers of the Medical Corps from the provisions of this section requiring duty with troops of one or more of the combatant arms."

Mr. WAINWRIGHT. Mr. Speaker, I have a committee amendment to the amendment.

The SPEAKER. The gentleman from New York offers a committee amendment to the amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment to the amendment offered by Mr. WAINWRIGHT: Page 4, line 6, add the following: "The appointment as Chief of Infantry, of Cavalry, of Field Artillery, or of Coast Artillery, of an officer of a grade above that of colonel shall create a vacancy in such grade, but shall not deprive the officer so appointed of the commission he otherwise holds in the Army: *Provided*, That the authorized total number of officers in the Army shall not be exceeded and that no officer serving as chief of any branch shall while so serving be appointed as a brigadier general. The President may at any time discharge the chief or any assistant chief of any branch from his office as such, and such officer when so discharged shall resume the position he would have occupied but for his appointment as such chief or assistant chief."

Mr. WAINWRIGHT. Mr. Speaker, taking the last provision first, this gives the President the right to discharge a chief or assistant chief of any branch. Under the present law the President has not that right, nor has anybody that authority, except, as I understand, Congress. It has seemed to our committee that the Executive should have that right.

The provision in the first sentence provides that if an officer is appointed above the grade of colonel in the four combat branches—the Infantry, the Cavalry, the Field Artillery, and Coast Artillery—a vacancy shall be created. Under the present law the appointment of an officer above the grade of colonel does not create a vacancy, and the consequence is that if a brigadier general is appointed as the chief of one of these arms we may get a major general, but we lose a brigadier general. This is proposed in order to enable the President and the Secretary of War to make the selections for chiefs of the combat branches from among those who should be best qualified, namely, brigadier generals, who have been selected on account of their superior ability and without sacrificing a brigadier general or reducing the number of brigadiers by making such appointment. Under the present law the practice is to appoint colonels so as not to lose a brigadier general. This will create no more brigadier generals and it will operate to avoid losing a brigadier general upon the promotion of a brigadier general to major general as chief of one of the combat branches mentioned.

Mr. BLANTON. Will the gentleman yield?

Mr. WAINWRIGHT. Certainly.

Mr. BLANTON. What is the gentleman going to do about the recommendation made by our colleague, the gentleman from Ohio [Mr. SPEAKS]? He said we had too many of them.

Mr. WAINWRIGHT. I know the views of the gentleman from Ohio [Mr. SPEAKS] with regard to those questions. I have heard them very often expressed in the committee, but I am sure General SPEAKS will agree with me that this will not increase the number of brigadiers.

Mr. BLANTON. But we all have confidence in the judgment of the gentleman from Ohio [Mr. SPEAKS], and he says we have too many brigadier generals, too many major generals, and too many colonels.

Mr. WAINWRIGHT. Oh, the gentleman from Ohio [Mr. SPEAKS] is for this proposition. There is no question about that.

Mr. BLANTON. I have not heard him speak for it, but I heard him, just a moment ago, speak against the policy and the principle of it.

Mr. WAINWRIGHT. Not against this proposition. May I say to the committee that this is the only proposition—I do not know whether this is going to help or hurt the proposition—that General Pershing has asked; and the only thing that General Pershing himself came before the committee and advocated strongly, stating that he considered it was vital that he should have this power in order that he might be able to appoint the best man he could find for chief of the four combat branches.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. McKENZIE. Mr. Speaker, I move to strike out the last word in order that the gentleman from Kansas may ask a question; and I also want to ask the gentleman a question.

Mr. ANTHONY. I simply want to ask a question of the gentleman from New York to find out exactly what this provision does. It seems to me, in the first place, it creates additional colonels in the Army, because that is the class of officer from which these chiefs of branches will be appointed. You say that the appointment of a colonel to chief of a branch as major general shall create a vacancy. That means some other man can be promoted up to the grade that is vacated; is that right?

Mr. WAINWRIGHT. A brigadier is appointed a major general and chief of branch.

Mr. ANTHONY. Not always; he can be appointed from a colonelcy.

Mr. WAINWRIGHT. But assuming a brigadier general is appointed, this bill is to enable the appointment of a brigadier without the loss of the authorized number of brigadiers. For instance, a brigadier is appointed major general; that will create a vacancy in the list of brigadiers.

Mr. ANTHONY. And make the appointment of another brigadier possible.

Mr. WAINWRIGHT. Of course, a colonel will be appointed a brigadier and there will be promotion up the line. Of course, that will necessarily follow.

Mr. ANTHONY. Then in regard to the other language in the paragraph giving the President the authority to remove these chiefs of branches at any time, heretofore they have had a four-year tenure of office?

Mr. WAINWRIGHT. Yes.

Mr. ANTHONY. Does not this mean in substance that when the chief of a branch office differs in policy with anyone of higher authority his head would come off? Do you not think that would interfere with the exercise of free judgment on the part of the chief of a branch?

Mr. WAINWRIGHT. I do not think so. I think we should be willing to trust the President of the United States and the Secretary of War to justly exercise that authority. Let us take the other case. There may be some chief of a branch who may be very unsatisfactory for many reasons. As the law stands to-day, it is impossible for the President to get rid of such a chief of branch, as I understand it, without a resolution of Congress.

Mr. ANTHONY. Does not the gentleman know that when the legislation was passed creating these chiefs of branches it was done with the idea of getting men of long experience, experts, technical men at the head of these branches, so we could have the benefit of their judgment in the administration of the branches? If we provide they shall not have a four-year tenure of office and their heads can be chopped off at any time, these men will simply be the clerks of the higher authority and will not be able to exercise their own mature judgment in the administration of their branches.

Mr. WAINWRIGHT. I do not see why it should in any way interfere with the independence or the efficiency of the chief of a branch, but I do see how it would give the President this power—which I believe he should have—with regard to any officer so appointed.

Mr. ANTHONY. But the gentleman knows the President never exercises this power. This power is always exercised by the Chief of Staff or some officer who operates the War Department in his name.

Mr. McKENZIE. Will the gentleman yield to me a moment? I did not listen to the reading of your amendment, but does it include the provision that any officer serving as a chief of branch can not be promoted to the grade of brigadier general while so serving?

Mr. WAINWRIGHT. Yes; it does. I should have stated that. In the interest of saving time I overlooked that feature of the provision.

Mr. McKENZIE. I wish to say to the members of the committee that this is the situation: When General Pershing came to see about this matter, I said to him very frankly that in my judgment it was a 50–50 proposition so far as the Army was concerned, and the criticism made by the gentleman from Kansas [Mr. ANTHONY] is one of the criticisms that can be made. On the other hand, if the hands of the War Department are tied by getting an inefficient man detailed as chief of a branch, of course that is not good for the service. I can understand that, but here is what we want to protect. We want to legislate in the interest of the Military Establishment and not in the interest of individual officers, and for that reason the committee inserted a provision to prevent promotion while an officer is serving as chief of a branch. For example, a colonel under the law can be appointed chief of any of the branches, and while so serving he draws the pay of a major general. Now, while serving as major general in that capacity, he is in fact a colonel. If there is a vacancy in the grade of brigadier general, he could be transferred into the grade of brigadier general and made a brigadier general while serving as a major general, chief of a branch, and we feel this way about it, or at least I do, that the colonels in the Army at least ought to have a fair show, and it would not be fair to permit, under the law, the making of a colonel a major general, and while so serving as chief of a branch promote him into the vacancy created in the grade of brigadier general.

Mr. LaGUARDIA. What happens to the vacancy of the colonel?

Mr. McKENZIE. They fill it.

Mr. LaGUARDIA. Mr. Speaker, I rise in opposition to the amendment. I agree with the acting chairman of the committee that in legislation of this kind we want to legislate for the benefit of the Military Establishment and not for the individual. What is the result? The more power you concentrate in the Chief of Staff and the General of the Army, or nominally in the President, the more you promote the absolute control of the heads of these branches. I have had some experience very recently. When we had the military bill under consideration I called the attention of the House to the maneuvers at Panama where the aviation cooperated with the Coast Defense Corps and the Navy.

A report was submitted by the Army and the Navy. Where the report is we could not ascertain. When you asked one branch of the War Department they referred you to some other bureau. It is impossible to obtain any information of the result of those maneuvers to guide us in our work in legislating for the Army. Why is that? We got information unofficially. Some very interesting facts were learned as a result of the maneuvers. I gather information from various sources and yet we are unable to be officially informed. I often hear experts in the Army tell of startling facts, but they will add "I can not tell it officially." When you ask for information you are unable to get it, and if a report is submitted not in accordance with the ideas of the General Staff you can not get the facts. That is the condition that exists to-day. You can try as much as you like to legislate for the Army and improve the establishment, but you are up against the stubbornness of the General Staff. If there were more of a spirit of cooperation with us it would be better for the Army and better for the country. You undertake to provide for the heads of the branches. If a colonel is promoted to the head of one branch he takes the rank and pay of a major general. You want to fill that gap. Suppose he finishes his time as head of the branch, what becomes of him?

Mr. WAINWRIGHT. That is just what we want to get rid of, appointing a colonel; this is to enable the department to appoint a brigadier.

Mr. LaGUARDIA. But you fill the vacancy of the colonel. Suppose a new man is relieved after six months as the head of the branch of the Army, what happens?

Mr. WAINWRIGHT. He goes back as a brigadier and another brigadier is appointed in his place.

Mr. LaGUARDIA. If the gentleman believes that it will improve the establishment, make it more modern and businesslike, and produce better cooperation, I am for the gentleman's amendment.

Mr. WAINWRIGHT. General Pershing believes that it will add to the efficiency of the service and get better men for the extremely important positions of heads of these branches.

Mr. LaGUARDIA. The only recommendation we get from them for efficiency is promotion to a higher rank.

Mr. WAINWRIGHT. It does not affect the promotion of anybody except the promotion of the colonel to a brigadier to fill the vacancy.

Mr. CONNERY. If the gentleman will yield, in line with what General SPEAKS has just said, I want to say that at Camp Devens last summer the boys were all lined up and singing to the tune "We have no bananas," "Yes, we have no privates." [Laughter.]

Mr. BLANTON. Mr. Speaker, I think the gentleman from Kansas [Mr. ANTHONY] hit the nail on the head when he said they are going to commission a good many more colonels than we need; at least some additional ones. I am willing to follow our colleague from Ohio, General SPEAKS, because he knows, and he says we have now too many of the higher officers—too many colonels, too many brigadiers, and too many major generals.

I am reminded of what happened in my office the other day. A distinguished-looking gentleman came in, introduced himself as Colonel ———, a retired Army officer, and told me he wanted me to vote for the new retirement pay bill for Army officers. I asked him how old he was, and he said he was 63. He looked as young as I do, appeared to be in as good health as I am, and looked to be as strong and vigorous. He said he had been retired already two years, and said he was not getting enough money from the Government. I said, "How much do you receive, Colonel, from the Government of the United States?" He said, "I just receive $354 a month." I said, "You ought to be the happiest man on God's earth; you are just 63 years old, able-bodied, and in fine health, and you have been retired two years, and you are getting $350 every month of the year, and you are doing nothing on earth." Now, there are too many of that kind.

Mr. BOYLAN. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BOYLAN. Does the gentleman take into consideration the fact of what this gentleman has done in the past?

Mr. BLANTON. Oh, yes.

Mr. BOYLAN. That he has been under a good deal of a strain?

Mr. BLANTON. Not any more strain than the Members of Congress undergo. [Laughter.]

Mr. BOYLAN. That he has been under a strain that almost took life itself?

Mr. BLANTON. Perhaps.

Mr. BOYLAN. The gentleman does not compare the everyday, prosaic life of a Member of Congress with that of a colonel?

Mr. BLANTON. They do not live under half the strain of life that we do. According to our distinguished colleague from Ohio, General SHERWOOD, the death rate of the higher officers in the last war was not as great as the death rate of the membership of this House. [Laughter.]

Mr. WEFALD. Does the gentleman think that the colonel is on a par with the fireman the gentleman from Kansas spoke of?

Mr. BLANTON. The railroad fireman is well off, because he has got a job for life.

Mr. WEFALD. A colonel does not do half the work?

Mr. BLANTON. We must revise and reduce the retirement pay of officers in the Army and Navy and force them to contribute to their own retirement fund. They are getting too much retirement pay for the services they render. The idea of paying a retired man, able-bodied and in good health, at 61 years of age, the age at which this colonel retired, $350 a month, three-fourths of his pay and allowances!

Mr. CRAMTON. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. CRAMTON. Is the gentleman in touch with this equalization program the Navy is now reporting that will require retirement considerably sooner than at present?

Mr. BLANTON. Yes. And they will get that through. They will have some friend on the Naval Affairs Committee get up here—not the chairman of the committee but some particular friend—get up and offer from the floor an amendment, subject to a point of order; but the chairman will sit in his seat and not make the point of order against it, as in this case, and nobody in the House will know anything about it except the distinguished gentleman who introduces it, and it will pass.

Mr. CRAMTON. I understand they propose retirement at 62 instead of 64.

Mr. BLANTON. Yes; and nobody here will know anything about the gentleman's amendment except the gentleman himself.

Mr. WAINWRIGHT. I think every member of the committee knows.

Mr. BLANTON. Why did not the gentleman have the committee put it in the bill? Why did he wait until the bill came up and offer the amendment from the floor? Why did the chairman have to ask the gentleman so many questions about the nature of this amendment? Why did not he put his amendment in the bill?

Mr. CHINDBLOM. This committee is luckily not to be discharged.

Mr. WAINWRIGHT. I call the attention of the gentleman to the fact this bill passed the Senate.

Mr. BLANTON. The chairman could have killed this amendment with a point of oder, if he had made it.

Mr. JEFFERS. Mr. Speaker, I rise in opposition to the pro forma amendment for the purpose of asking a question of the gentleman from New York [Mr. WAINWRIGHT]. As I understand it, this amendment is simply for the purpose of making an adjustment in the law so that the heads of sections, under the present national plan of defense, can be provided for in an orderly way without disrupting the list of brigadier generals on duty in the field and otherwise. That is about all that it amounts to, is it not?

Mr. WAINWRIGHT. It is to appoint a brigadier general, staff service, without losing a brigadier general.

Mr. JEFFERS. From the field?

Mr. WAINWRIGHT. Let me again repeat. If this amendment is adopted and the bill is adopted it would not lead to an increased number of brigadier generals.

Mr. JEFFERS. Mr. Speaker, as I understand the amendment it is merely a remedial or perfecting amendment which is needed in conjunction with the present plan of national defense. For the first time in the history of the Nation we have had, since 1921, a comprehensive plan of national defense, for the proper functioning of which the Chief of Staff is responsible. Now, no plan as great as the present plan of national defense could be expected to be perfect or to function perfectly from the very beginning without proper adjustments and amendments from time to time, and here is a situation which the Chief of Staff has come up against and he needs this perfecting amendment, and since we are holding him responsible for the smooth working of this great plan, I think we ought to grant this perfecting amendment to the law.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. JEFFERS. I will.

Mr. LAGUARDIA. In keeping with the modernization of the Military Establishment as the gentleman suggests, does not the gentleman believe that this new General Staff and new establishment should keep pace with the times and so improve methods of warfare rather than to retard them for the sake of holding so many high ranking officials?

Mr. JEFFERS. Well, I think this is a step looking toward improvement. I think it is needed and I think it is clearly meritorious.

Mr. LAGUARDIA. Let us hope so.

Mr. JEFFERS. I do hope so and believe so, and therefore I am for the amendment, and hope it will pass.

Mr. BLACK of Texas. Mr. Speaker, since the question of retirement and retirement pay has been brought up, I want at this time to call attention to section 9 of this bill. Now, some of you will probably remember—those of you who were here in 1917—that the war risk insurance act when it was first brought before the Congress was written upon the central idea that compensation for disability should be paid according to the rank and pay of the officer and enlisted man, also that pay to the dependents of deceased officers and enlisted men should be graded in the same manner. Now, that was an unprecedented step on the part of the American Government. It was a new departure, and when the bill was before the House I drew a series of amendments which struck out the whole unequal and discriminatory percentage plan and followed the uniform policy that our Nation has always followed, to compensate the dependents of the deceased officer or enlisted man upon an equal footing, and the House by an almost unanimous vote adopted my whole series of amendments and the Senate accepted them and they were written into the law. Ever since then there has been one effort after another made to break down the decision of Congress at that time and engraft upon the law one exception after another, and several of them have already passed the House in first one way and then the other. Each such exception seems as a precedent for another. At the last session the Senate passed what is known as the Bursum bill, which if it had been adopted by the House would have put every officer who had incurred 30 per cent disability upon the retired list and would have paid him officer's retirement pay for the rest of his life.

Mr. LAGUARDIA. Will the gentleman yield there?

Mr. BLACK of Texas. Yes; I will yield to the gentleman.

Mr. LAGUARDIA. Does not the gentleman believe that all emergency officers who are disabled should receive the same retirement or compensation as the Regular Army officer who was disabled to exactly the same extent?

Mr. BLACK of Texas. The retirement act for Regular Army officers was written before I ever came to Congress. If I were rewriting the whole retirement act, if I had it in my power, I would make many changes in it. It is now entirely too burdensome to the taxpayers of the Nation and will become increasingly so as time goes on. The gentleman from New York will not get me to support one proposition because some Congress in the past enacted some other one which is not defensible.

The thing to do is to correct some of the mistakes of the present Army officers' retirement act and not multiply them by adding on more discriminatory features as section 9 of this present bill would do.

Section 9 ought to be stricken out of the bill. Congress did pass a law in 1920 for those enlisted men of the Regular Army who served as commissioned officers during the war and retired during the war because of disability. Congress passed a law allowing them to draw the retired pay of warrant officers. They were men retired during the war because of disabilities received during the war.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. BLACK of Texas. Mr. Speaker, may I have five minutes more?

The SPEAKER. The gentleman from Texas asks unanimous consent to proceed for five minutes more. Is there objection?

There was no objection.

Mr. McKENZIE. I ask unanimous consent, Mr. Speaker, that at the termination of the five minutes asked for by the gentleman from Texas all debate on this section and amendments thereto close.

The SPEAKER. The gentleman from Illinois asks unanimous consent that at the termination of five minutes all debate on this section and amendments thereto be closed. Is there objection?

There was no objection.

Mr. BLACK of Texas. There were 325 enlisted men of the Regular Army who were thus retired during the war and were

placed upon the retired list with the pay of warrant officers. But since the war and up to now there are 464 who have been retired, and they want to be put on the pay roll as retired warrant officers. That is the purpose of section 9; retired, if you please, since the war closed. There is no requirement that they are retired because of injuries received during the war; not at all. I do not know what they were retired for. The Members of this House do not know what they were retired for. All we know is that if we pass section 9 of this bill these 464 men will be immediately placed upon the retired list as warrant officers, and their retired pay will be increased $250 a year, and will add $120,000 per annum at the expense of the taxpayers. The committee itself admits that while that will be the first year's cost of section 9, they will not undertake to estimate how much it may cost and how large the increased expenditure may go in some future years.

Now, gentlemen, if we do not quit this extravagance in retired pay of Army officers and Navy officers and Government civilians; if we do not quit it, pretty soon everybody in the United States will be working for the Government. We who are not directly on the pay roll will be working for those who are on the pay roll. [Applause.] It is getting time we were bringing some check to bear on this retirement extravagance, and I am going to offer an amendment to strike out section 9 of this bill, and I hope my amendment will be adopted.

Mr. HULL of Iowa. Mr. Speaker, I have another amendment to offer.

The SPEAKER. The question is on agreeing to the pending amendment.

The amendment was agreed to.

The SPEAKER. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HULL of Iowa: Page 4, line 5, after the word "corps," insert "Ordnance Department and Chemical Warfare Service."

Mr. HULL of Iowa. Mr. Speaker, and gentlemen of the House, this amendment will not increase the commissioned personnel. It will not cost one penny. It is simply to correct and make possible something that is necessary in the Army organization. The Chemical Warfare Service to-day is practically all located at Edgewood Arsenal, in New Jersey, and to require them to send out with troops the personnel of that arsenal will destroy what you have of Chemical Warfare Service. As a matter of fact, it is a physical impossibility, because as your Army is organized at the present time they have not units out with the troops at all. It is a purely technical branch, which is and should be kept at Edgewood Arsenal. The same is true with respect to the Ordnance Department. That should be included with the Medical Department, as the amendment calls for.

Mr. LAGUARDIA. What does the gentleman's amendment do? Does it add to the Medical Department unit?

Mr. HULL of Iowa. No. It simply exempts the Medical Corps, the Ordnance Corps, and the Chemical Warfare Service from the provision which requires them to be sent out with the troops. It comes in on line 5 after the Medical Corps.

Mr. TILSON. Mr. Speaker, will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. TILSON. I understand, so far as the Ordnance is concerned, that it is eminently proper that that should be so. I do not know so much about the Chemical Warfare. Has the gentleman conferred with the Army officers in regard to that?

Mr. HULL of Iowa. Oh, certainly. They asked for other branches to be exempted, which we refused to do. Our attention was called to the fact that it was a physical impossibility to comply with the present provisions of the law as to the Ordnance and Chemical unit, and so we ask it here.

Mr. TILSON. But the Chemical Warfare is a fighting service.

Mr. LAGUARDIA. The gentleman thinks that that is a correct amendment?

Mr. HULL of Iowa. Yes; I think it is all right.

Mr. BEGG. Mr. Speaker, I have an amendment that I want to offer after the Wainwright amendment is disposed of.

The SPEAKER. The amendment offered by the gentleman from Iowa [Mr. HULL] is pending. The question is on agreeing to the amendment offered by the gentleman from Iowa.

The amendment was agreed to.

Mr. BEGG. Mr. Speaker, I offer an amendment.

The SPEAKER. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BEGG: Page 4, at the end of the Wainwright amendment, change the period to a colon and add the following:

"*Provided*, That in time of peace no officer of the Army shall be or remain detailed in the War Department more than five out of any period of seven consecutive years."

Mr. McKENZIE. I have no objection to letting that go to conference.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The Clerk will read.

The Clerk read as follows:

SEC. 3. That said national defense act, as amended, be, and the same is hereby, further amended by inserting therein, immediately after section 37 thereof, a new section, to be known as section 38, in lieu of original section 38 struck out by section 31 of the amendatory act of June 4, 1920, and to read as follows:

"SEC. 38. Commissions of reserve officers: All persons appointed reserve officers shall be commissioned in the Army of the United States. Officers of the National Guard, federally recognized as such under the provisions of this act, who are appointed reserve officers under the provisions of section 37 of this act, shall be appointed for the period during which such recognition shall continue in effect and terminating at the expiration thereof in lieu of the five-year period hereinbefore prescribed, and in time of peace shall be governed by such special regulations appropriate for this class of reserve officers as the Secretary of War may prescribe."

Mr. LAGUARDIA. Mr. Speaker, I move to strike out the last word.

Mr. RAKER. Mr. Speaker, I move to strike out the last word.

The SPEAKER. The gentleman from New York is recognized.

Mr. LAGUARDIA. Mr. Speaker, I am afraid the House did not realize the importance of the last amendment, that was just passed, and I believe the attention of the House ought to be called to it, because the older Members of the House will remember that it took many years of struggle in this House before you passed the law which required officers assigned to desk jobs to go back to troops every four years. The amendment which you have just passed destroys that law.

Mr. McKENZIE. Will the gentleman yield?

Mr. LAGUARDIA. Of course, I yield.

Mr. McKENZIE. I think the gentleman is entirely mistaken.

Mr. LAGUARDIA. I hope I am.

Mr. McKENZIE. The amendment offered by the gentleman from Ohio [Mr. BEGG] does not repeal the Manchu law, but the effect of it, as I understand it, would be this——

Mr. LAGUARDIA. It just changes it.

Mr. McKENZIE. No; it does not do that. It just takes in the officers who are now subject to the Manchu law and provides that they must also go out.

Mr. LAGUARDIA. If the gentleman pleases, the law now is that after four years of assignment an officer must be returned to troops—is not that correct?

Mr. McKENZIE. He can be reappointed.

Mr. LAGUARDIA. No; he must go back to troops.

Mr. McKENZIE. No. Take the Surgeon General of the Army.

Mr. LAGUARDIA. Let us except the Surgeon General and let us take the line officers. A line officer, after four years' assignment, is ordered back to troops. That is the law, and the amendment which you have just passed permits them to stay five years out of seven. And if that is not destroying the very purpose of the Manchu law, I do not know what it is.

Mr. BEGG. Does not the gentleman think he is a wee bit late in raising his criticism?

Mr. LAGUARDIA. I wanted to see the maneuvering and tactics that the chairman of this committee adopted.

Mr. McKENZIE. If the gentleman will yield, I will simply say to the gentleman from New York that if he will just contain himself until this law is finally written he will probably find out that the chairman of the committee has not been maneuvering for any other purpose than that of protecting the Military Establishment and the Government of the United States, and when we get through I think the gentleman will say it is a good job.

Mr. LAGUARDIA. I beg the gentleman's pardon. I thought we were legislating here. I do not know what else we are doing.

Mr. CHINDBLOM. No; we were legislating to go to conference.

Mr. LaGUARDIA. I think there has been too much of legislating in conference in the last few weeks. You will have a little taste of that when your tax bill comes back.

I hope the House will reconsider that, and when the bill is up for passage I am going to ask for a separate vote on that very important and vital amendment.

Mr. BLANTON. The gentleman's time for that has passed, because we are in the House now.

Mr. LaGUARDIA. Can we not have a separate vote on an amendment in the House?

Mr. BLANTON. No.

Mr. LaGUARDIA. Well, we will have to defeat it some way.

Mr. BEGG. The gentleman from New York does not know what it is all about yet.

Mr. LaGUARDIA. I do know what it is all about, and the gentleman from Ohio knows what it is all about.

Mr. HOWARD of Nebraska. Will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. HOWARD of Nebraska. I am so thoroughly impressed by the earnestness of the gentleman from New York in stating that this amendment practically kills the law which compels a fellow to take his heels off of a desk once every four years and go out in the field that I am almost inclined to say that there are not enough of us here to consider such an important proposition.

Mr. LaGUARDIA. I will say to my friend from Nebraska that it has been considered.

Mr. HOWARD of Nebraska. But we are going to vote upon it pretty soon, and we ought to have more, if that is the case, so, Mr. Speaker, I suggest the absence of a quorum.

The SPEAKER. The gentleman from Nebraska makes the point of order that there is no quorum present. The Chair will count.

Mr. HOWARD of Nebraska. Mr. Speaker, upon being more accurately advised concerning the situation, for the moment I withdraw the suggestion of no quorum. [Applause.]

Mr. LaGUARDIA. Mr. Speaker, the purpose for which I took the floor was to call the attention of the House to the method employed in certain sections of the country in commissioning officers in the reserve. Now, the backbone of our Military Establishment is the reserve, and I believe the gentlemen of the committee will agree with me on that.

It has come to my attention that in certain sections of the country capable, able, and efficient men who served in the World War, and with brilliant military records, are turned down, while men with certain influences, local, if you please, or departmental, in some cases, are appointed to high rank. I know of cases in New York City where men have been appointed to high rank without examination. I have a case in mind out in Ohio, in the gentleman's State [Mr. BEGG], of one of the most efficient young officers who served in the American Expeditionary Forces. Owing to local conditions that young man's application for a commission in the Engineer Corps was turned down.

The SPEAKER. The time of the gentleman has expired.

Mr. LaGUARDIA. Mr. Speaker, I ask unanimous consent to proceed for five minutes more.

The SPEAKER. The gentleman from New York asks unanimous consent to proceed for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. LaGUARDIA. And the excuse presented was so flimsy that it was ridiculous. This man served with me in the Aviation Service. He brought order out of chaos at aviation headquarters; he coordinated the whole service in France. He was awarded a distinguished-service medal; he was efficient in every sense of the word, and yet they turned him down on the pretext that he was not a civil engineer, when the greater percentage of the officers commissioned in the Engineer Corps are not civil engineers. One of them was a salesman, the other was a draftsman, and so on. I have the entire list.

If the War Department expects the cooperation of this House, and they ought to have it, of course, and if we are going to build up a reserve force in this country, the thing to do is to let the department know that we will not stand for the playing of favorites, for the selecting of these young officers through political or social influence, and that we expect them to maintain a high standard of efficiency in the reserve force and fairness and impartiality in the selection of the reserve personnel.

The trouble is, gentlemen, you are coddling these men and instead of making soldiers out of them you are making politicians out of them. You have just passed an amendment that will go a long way toward keeping these departmental politicians in Washington. Leave them here five years; and you talk about lobbies! Why, they will be around here lobbying all the time, and they will build up their little departmental cliques, and they will not run the department for the good of the Military Establishment, but according to their own views and their own comforts and their own interests.

I appeal to the House, and I want to say right now that I am going to follow up this case from Ohio, and if the department wants to make a test of it, I will show where men were appointed lieutenant colonels and colonels who were absolutely incompetent to hold the rank in case of an emergency. I do not object to a colonelcy being handed here and there for local reasons. That is all right. I suppose they have to do it, but I do say, in the main, they ought to give due credit to military record in the war, and they ought to give due credit to a man's age and his ability. I have complained to The Adjutant General about the case I have mentioned here, and I expect to follow it up. I do hope that in legislating for the reserve corps—and there is nothing more important to the national defense than our reserve force—we will at least so legislate as to build up a reserve force and not a departmental-military-political machine.

Mr. RAKER. Mr. Speaker, I rise in opposition to the pro forma amendment. Mr. Speaker, simply for expedition, I ask unanimous consent that I may print in the RECORD, so it will be in the RECORD to-morrow, proposed legislation and present law and a statement from the Secretaries of State, Commerce, and Labor relative to seamen.

The SPEAKER. The gentleman from California asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. LONGWORTH. Mr. Speaker, reserving the right to object, does this request involve a large mass of material?

Mr. RAKER. I suppose it will cover about four or five pages.

Mr. LONGWORTH. What is the gentleman's object?

Mr. RAKER. The matter will be squarely before the House to vote on to-morrow.

Mr. LONGWORTH. The vote will be on accepting the conference report. It will not be a matter of going into all this detail.

Mr. RAKER. It will be discussed, and my purpose was to have the information in parallel columns so that the House might know the full situation and the status as to the laws that exist now and the proposed legislation.

Mr. LONGWORTH. Mr. Speaker, let me see what the gentleman intends to put in and perhaps later on I shall not object.

Mr. RAKER. I would have to go to the office and it will take me a couple of hours to get it ready. If the gentleman thinks it will delay the disposition of the matter I will forego the pleasure until after the conference report is through, but I want to get it printed in full before we get through.

Mr. MADDEN. I think the gentleman's presence here is very important on the matter we are considering now and the gentleman ought not to have to leave to go to his office, and therefore, I think, for the present I shall object.

Mr. BEGG. Mr. Speaker, I move to strike out the last word.

I do not expect to consume more than a couple of minutes. It does strike me that the gentleman from New York [Mr. LaGUARDIA] in his remarks might perhaps be easily misunderstood.

I do not know whether favoritism is shown in the selection of these commissioned officers of the reserve corps or not, but I do know that if we can not trust the Army to select the reserve officers on merit, then we had better begin to revise the Army, and the gentleman's remarks to me are such a common experience that I could not help but call attention to the fact that every time there is an appointment of any kind to be made that comes under the jurisdiction of a Congressman or otherwise, the defeated candidate for that particular office always says the selection was not fair.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. BEGG. In referring to the gentleman's own State, he said a reserve officer from Ohio was turned down. I do not know whether he refers to a friend of mine who tried very diligently to get into the Army and could not qualify——

Mr. LaGUARDIA. Oh, this man had a great military record.

Mr. BEGG. Well, I said he could not qualify, and that is what I mean.

Mr. LaGUARDIA. Evidently we are not talking about the same man.

Mr. BEGG. He could not qualify to the point of being selected. That does not mean anything against the man. It simply means that those charged with the responsibility of selecting the officer were more impressed with some other candidate.

My good friends, I think with all the cries and criticism against the Government we are hearing on every side, and most of it

without foundation, we Members of the House ought to be very careful about charging the departments with being unfair, unless we have the goods to back it up. In the gentleman's example, it is just the gentleman's judgment against those authorized by law to select the various men in the Army, and I deplore the fact that we criticize destructively too many times on our own prejudice, and the populace read it in the RECORD and they go out and say that everything is wrong.

I do not make these remarks with any thought of criticizing or chastising my good friend from New York. I simply think we ought to be more careful.

Mr. WEFALD. Does the gentleman want to leave the inference that these men are appointed like postmasters are appointed?

Mr. BEGG. The gentleman from New York indicated that.

Mr. WEFALD. Are they appointed in that way?

Mr. BEGG. I do not know. I never went to the department and asked for the appointment of any man either in the Army or out of it.

Mr. LAGUARDIA. If the gentleman does not know how does he know that the complaints of the gentleman from New York are unfounded?

Mr. BEGG. Well, the gentleman from New York did not offer any evidence.

The Clerk read as follows:

SEC. 5. That section 90 of said national defense act, as amended, be, and the same is hereby, amended to read as follows:

"SEC. 90. That funds allotted by the Secretary of War for the support of the National Guard shall be available for the purchase and issue of forage, bedding, shoeing, and veterinary services, and supplies for the Government animals issued to any organization, and for animals owned or hired by any State, Territory, District of Columbia, or National Guard organization, not exceeding the number of animals authorized by Federal law for such organization and used solely for military purposes, and for the compensation of competent help for the care of material, animals, armament, and equipment of organizations of all kinds, under such regulations as the Secretary of War may prescribe: *Provided*, That the men to be so compensated shall not exceed five for each organization, except heavier-than-air squadrons, for each of which a maximum of 10 to be so compensated is hereby authorized, and shall, save as otherwise provided in the next succeeding proviso, be duly enlisted therein and detailed by the organization commander, and shall be paid by the United States disbursing officer in each State, Territory, and the District of Columbia: *Provided further*, That whenever it shall be found impracticable to secure the necessary competent enlisted caretakers for the material, animals, armament, or equipment of any organization from the duly enlisted personnel thereof, the organization commander may employ one civilian caretaker therefor who shall be entitled to such compensation as may be fixed by the Secretary of War."

Mr. ANTHONY. Mr. Speaker, I move to strike out the last word. I notice in section 5 provision is made for forage for animals of the National Guard aside from those owned by the Government to cover those hired by the Government. It developed during the hearings on the appropriation bill that the National Guard had quite a number of animals that were neither owned nor hired but were loaned to the guard. For instance, the Government animals are not sufficient to horse the entire company and in many instances residents in the locality have loaned animals to the Government, and they must be foraged at the Government's expense. That is right, and we appropriated a certain sum in the appropriation bill. It seems to me that in order to cover that in the law there ought to be a provision here to cover animals that are loaned. It is economy for the Government to have the animals loaned to the National Guard. I offer the following amendment which I send to the desk.

The Clerk read as follows:

Page 5, line 14, after the word "organization," insert "for animals loaned to the National Guard."

Mr. McKENZIE. I have no objection to that.

Mr. LAGUARDIA. I have an amendment to the amendment. At the end of the amendment offered by the gentleman from Kansas insert the words "*Provided*, The horses are used for no other purpose than military purposes."

Mr. McKENZIE. I can not accept that.

Mr. LAGUARDIA. You do not want to feed horses for joy riding, do you?

Mr. WAINWRIGHT. I think if the gentleman will read the section he will see that his amendment is unnecessary. It provides in lines 17 and 18 that all of the horses shall be used solely for military purposes.

Mr. CHINDBLOM. That is a limitation upon all of them.

Mr. LAGUARDIA. Then, why do you object to my amendment?

Mr. WAINWRIGHT. Because it is already in there and is not necessary.

Mr. LAGUARDIA. Mr. Speaker, let us have the whole provision read as it will appear with the amendment inserted.

Mr. McKENZIE. I ask unanimous consent that the sentence to which the amendment is offered be read as it will read when amended.

The Clerk read as follows:

SEC. 90. That funds allotted by the Secretary of War for the support of the National Guard shall be available for the purchase and issue of forage, bedding, shoeing, and veterinary services, and supplies for the Government animals issued to any organization, for animals loaned to the National Guard, and for animals owned or hired by any State, Territory, District of Columbia, or National Guard organization, not exceeding the number of animals authorized by Federal law for such organization and used solely for military purposes.

Mr. LAGUARDIA. I withdraw my amendment to the amendment.

The SPEAKER. The question is on the amendment offered by the gentleman from Kansas.

The question was taken, and the amendment was agreed to.

Mr. McKENZIE. Mr. Speaker, section 6 has already been enacted into law in the bill H. R. 8886. Therefore I ask unanimous consent that the reading of section 6 be omitted and the section stricken from the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read as follows:

SEC. 7. That pursuant to section 63 of the national defense act of June 3, 1916, as amended, the First Corps Cadets, antedating, and continuously existing in the State of Massachusetts since, the act of May 8, 1792, now designated as the Second Battalion, Two hundred and eleventh Artillery, Antiaircraft, Coast Artillery Corps, First Corps Cadets, Massachusetts National Guard, hereby declared to be such a corps as is defined in said section 63 for all the purposes thereof and now incorporated in the Organized Militia and a part of the National Guard of Massachusetts, shall be allowed to retain its ancient privileges and organization. Said First Corps Cadets is hereby further declared to be entitled to a lieutenant colonel in command, and a major second in command; and said officers, when federally recognized, shall receive, in accordance with the provisions of said national defense act, and the pay readjustment act of June 10, 1922, the pay of their respective grades: *Provided*, That nothing in this section or other provisions of law shall be deemed to be in derogation of any other ancient privileges to which said First Corps Cadets is entitled under the laws, customs, or usages of the State of Massachusetts.

Mr. LAGUARDIA. Mr. Speaker, I move to strike out the last word in order to ask the chairman of the committee a question. What are the ancient privileges that we are extending here?

Mr. WAINWRIGHT. The only ancient privilege in regard to this particular organization is the right of a battalion in time of peace to have two commanding officers, a lieutenant colonel and a major. The only object is that when they go out on maneuvers or training they may take along the lieutenant colonel as well as a major.

Mr. FROTHINGHAM. It is not only that but it is to attend the governor in certain ceremonies and to wear a certain uniform.

Mr. LAGUARDIA. Is it a serviceable uniform for field purposes?

Mr. FROTHINGHAM. It is absolutely. This organization not only served in the Civil War but in the late war, and the only change is that a battalion usually has a major for a commandant, but they want a lieutenant colonel. The Comptroller recognizes him as a major, and this is to do away with the ruling of the Comptroller General.

Mr. LAGUARDIA. Of course, in time of emergency if they were ordered in the field, they would be subject as other troops.

Mr. FROTHINGHAM. They are part of the National Guard, subject to federalization like other troops.

Mr. McKENZIE. This was written in the law, and the question was raised by the comptroller.

Mr. CRAMTON. If the gentleman will yield, with reference to the gentleman's historical statement I notice he omitted any reference to the War of 1812. Was that because this organization shared the common view of Massachusetts in that struggle? [Laughter.]

Mr. FROTHINGHAM. I did not think it would interest the gentleman.

Mr. JEFFERS. Will the gentleman yield for a question? Did the gentleman say two commanding officers?

Mr. WAINWRIGHT. They had a lieutenant colonel from the beginning. This section only applies to this organization, which has been in continuous existence since 1792, and this is one of the purposes of their organization so far as two commanding officers are concerned. This is the First Corps of Cadets of Massachusetts.

The Clerk read as follows:

SEC. 8. That the first paragraph of section 110 of said national defense act, as amended, be, and the same is hereby, amended to read as follows:

"SEC. 110. Pay for National Guard enlisted men: Each enlisted man belonging to an organization of the National Guard, other than enlisted men of the sixth and seventh grades, shall receive compensation at the rate of one-thirtieth of the initial monthly pay of his grade in the Regular Army, and each of those of the sixth and seventh grades shall receive compensation as is provided in section 14 of the pay adjustment act of June 10, 1922, for each drill ordered for his organization where he is officially present and in which he participates for not less than one and one-half hours, not exceeding eight in any one calendar month and not exceeding 60 drills in one year: *Provided*, That the proviso contained in section 92 of this act shall not operate to prevent the payment of enlisted men actually present at any duly ordered drill or other exercise: *Provided further*, That periods of any actual military duty equivalent to the drills herein prescribed (except those periods of service provided for in sections 94, 97, 99, and 101 of the national defense act, as amended) may be accepted as service in lieu of such drills when so provided by the Secretary of War: *And provided further*, That any enlisted man shall, under such regulations as the Secretary of War may prescribe, receive compensation under the provisions of this section for any drill had in accordance with such provisions where he is officially present and in which he participates for not less than one and one-half hours with a National Guard organization within the same State at a station other than his own, upon presentation of a certificate in form prescribed in said regulations from the organization commander to the commanding officer of the organization of which he is a member showing such drill participation."

Mr. WAINWRIGHT. Mr. Speaker, I ask unanimous consent that the numbers may be changed in the bill to conform with the striking out of section 6.

The SPEAKER. The gentleman from New York asks unanimous consent to change the numbers in the bill as indicated. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

SEC. 9. That retired enlisted men of the Army heretofore or hereafter retired who served honorably as commissioned officers of the Army of the United States at some time between April 6, 1917, and November 11, 1918, shall be entitled to receive the pay of retired warrant officers of the Army; and retired enlisted men of the regular Navy and Marine Corps heretofore or hereafter retired who served honorably as commissioned officers, regular, temporary, or reserve, in the naval service at some time between the aforesaid dates, and who at the time of their retirement were members of the regular Navy or Marine Corps, shall be entitled to receive the pay of retired warrant officers of the Navy and Marine Corps, respectively: *Provided*, That such enlisted man retired prior to July 1, 1922, shall be entitled to receive the pay provided by law for retired warrant officers of equal length of service retired prior to that date, and that any such enlisted man retired subsequent to June 30, 1922, shall be entitled to receive the pay provided by law for retired warrant officers of equal length of service retired subsequent to that date: *Provided further*, That nothing in this act shall operate to prevent any person from receiving the pay and allowances of his grade, rank, or rating on the retired list when such pay and allowances exceed the pay to which he would be entitled under this act by virtue of his commissioned service.

Mr. BLACK of Texas. Mr. Speaker, I offer an amendment.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BLACK of Texas: Page 10, line 16, strike out all of section 9, on pages 10 and 11.

Mr. BLACK of Texas. Mr. Speaker, awhile ago I called the attention of the House to the fact that if this section is adopted it will have the effect of engrafting one more exception to the general principle of the war risk insurance act, to the effect that the same payment should be made for disabilities incurred in the service to a private as is paid to an officer. I am not in the habit of trying to give the House any warning or undertake to offer any superior advice; but if this section remains in the bill you will find that it will be offered as a precedent to bring pressure upon the Committee on Military Affairs to report out the so-called Bursum bill, which provides that every man who served in the World War as a commissioned officer and who was disabled to the extent of 30 per cent shall be placed on the retired list and shall be retired at the rank that he held while in the service. Under that Bursum bill, if a man served as a captain and has a rating of 30 per cent disability he would be retired at a compensation of $150 per month for the rest of his life. Now, in the few remarks I made awhile ago I called your attention to the fact that 325, I believe it is, of these enlisted men who were actually retired during the World War were retired as warrant officers, and we are not seeking to disturb them; but 464 have been retired since the war closed, and the purpose of this section is to take up these 464 men and say, "Gentlemen, we will place you on the retired list as warrant officers and increase your retired pay $250 per annum," or a total expenditure of $120,000 a year. Now, gentlemen, before we do that let me submit this: We already have the most liberal and generous retirement law of any nation in the world. Is there a Member on the floor of the House who will dispute that fact?

Mr. WAINWRIGHT. If the gentleman will give way——

Mr. BLACK of Texas. In a moment. These 464 men have all been retired upon full retirement pay as enlisted men. Are we justified in adding this $120,000 to the already bended backs of the taxpayers? I ask you that.

The SPEAKER. The time of the gentleman has expired.

Mr. BLACK of Texas. I ask that I may have two more minutes, and then I shall yield to the gentleman from New York.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. BLACK of Texas. I will yield to the gentleman from New York.

Mr. WAINWRIGHT. Let me give the gentleman this instance. I will give an actual instance of two noncommissioned officers of the Regular Army, both of whom were commissioned as majors, one in The Adjutant General's Department and one in the Quartermaster General's Department, both in combat divisions. One of them gets his discharge and is retired as a warrant officer. The other was not quite through with soldiering and elected to stay for five or six years, and when he comes to be retired, being then a master sergeant, he retires as a master sergeant. Does not the gentleman think it is fair he should have exactly the same pay, the same distinction, and the same recognition from his Government as the other man?

Mr. BLACK of Texas. Let me give the gentleman this answer by citing an example myself which I think will exactly cover the case. Congress passed an Army and Navy pay bill here two or three years ago. I thought it was unduly extravagant in some of its pay provisions and I voted against it. I had a few days ago an Army officer in my office, and he said, "I retired before that pay bill was passed, and I think you gentlemen ought to amend the law so as to go back and increase all our pay to equal all who have retired since the Army retirement act was passed." What does the gentleman from New York think about that? If we do that sort of thing there will never be any end to the drain on the Treasury.

The Bible says that broad is the way to destruction and many there be who travel it, and that narrow is the way which leads to life eternal and few there be that follow it.

The way to reduce taxation, and the only way, is the straight and narrow path of economy, and my experience is that few there be that travel it. The way to waste and extravagance is the broad highway of increased appropriations, and many there be that follow it.

The country is not going to get much relief from taxation until the situation is reversed.

Mr. QUIN. Mr. Speaker and gentlemen of the House, I am a member of this committee, and I have decided to say nothing except what I believe to be vital. This section 9 in the Senate bill is a great, big snake that slips in there for the purpose of giving a special privilege to a lot of men in the Army and Navy who call themselves warrant officers. This Congress has been just and fair, according to my construction, to the Regular soldiers of this last war; and those men in the Regular service should expect the law to be applied to their retirement just the same as if there had been no war.

Now they come up, because they happened to be in the Regular Army and Navy before entering into the World War, and ask a special privilege at the expense of the taxpayers of the United States. It is time for the Congress to take note of all these little apparently insignificant sections that creep into these measures. Already crowding around the doors of the Com-

mittee on Military Affairs there is a bunch of warrant officers who want to have their pay raised; great hordes of them; so much so that they actually come around and lobby for the provisions they desire. This is just another one of them.

They reported out here a bill to give a special privilege to officers who stayed in the Regular Army after the war is over, men who went into the war during the years 1917 and 1918 above 45 years of age, whereas the Committee on Military Affairs passed a bill, which became a law, providing that all of that age who stayed in the Army should not be retired because of physical disability on the pay of Regular Army officers. Yet that bill to favor those men who stayed in the service knowing they could not be retired on the Regular Army officer retirement pay is reported out to this House, and they expect you to pass it. So you see how they are edging up on you on all occasions.

Now, where do the taxpayers of the country come in? We must have some regard for the people who pay the taxes. If you go out and put on the retired list all those who happen to hold a job in the Army or Navy or in the civil service, you place them on the backs of the people who toil. I can not see a more pitiful picture than the farmer who toils in his fields all day, bowed down with his cares and his work, when I realize that he has a whole horde of Government Army officials and employees on his back.

This section 9 grants a special privilege that is not deserved to these men who held those positions, and when you vote for it, you vote to take out of the pockets of the laboring people of this country their hard-earned money to give to these people who have been well paid for their services in positions which they accepted themselves as their chosen pursuit in life. They were enlisted men in the Regular Army and Navy and Marine Corps, and when the United States entered the World War they were made noncommissioned officers. After the war they were demoted to privates, and now, as they retire as privates, you propose to retire them not on the retirement pay of privates but on the noncommissioned officer pay. It is wrong. This section involves an additional expense of $120,000 a year. Multiply that by 40 years and see what it amounts to. By and by we shall be in the hands of the Philistines. [Applause.]

Mr. BLACK of Texas. It will cost $120,000 the first year, and the committee itself says it does not know what it will cost in future years.

Mr. QUIN. Yes. It will just keep on growing as the number will grow. It is just like moss growing on a tree. It first starts on one limb, and then it spreads over other limbs, and before you know it the whole tree is covered. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. QUIN. May I have two additional minutes?

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. QUIN. I call on you, Members of the House, to strike out section 9. If you do not do that, we ought to kill the whole bill, although the balance of the bill is good, except the Begg amendment.

Mr. STENGLE. Mr. Speaker, will the gentleman yield?

Mr. QUIN. Yes.

Mr. STENGLE. I believe the gentleman wants to be fair, and so far as he has gone on the other lines I am with him; but he made a misstatement a while ago when he said that the civil employees of this Government are a burden on the backs of the toilers. I want to inform the gentleman that they pay for their pensions, and they now have on hand a reserve fund of $40,000,000.

Mr. QUIN. They pay only part of it; but the rest of it comes out of the pockets of the taxpayers. Do you think there is a civil-service pension in this country where the employees pay it all themselves? That would be nothing but Government insurance. The taxpayers of the country are contributing largely to that fund. The gentleman from New York ought to inform himself. All the people in these lines are getting paid at the expense of the hard-working people of the country. The man who lives in idleness in his gilded palace and has a limousine to ride in gets the taxes on his wealth necessarily from the labor of those who toil, either in the workshops or in the mills or in the stores, offices, or on the farms of the Republic. For one, I am going to vote to relieve, wherever I can, the taxpayers of the country from such burdens. [Applause.]

Mr. McKENZIE. Mr. Speaker, I do not want to take the time of the House further than to say that this bill is intended to give to all enlisted men in the Army who served during the World War the rank of warrant officer, whether they served during the World War as commissioned or as noncommissioned officers. As the gentleman from Texas has said, several hundred of them retired while still holding their commissions. Several hundred more were forced back into the ranks and now are being retired as enlisted men. This provision would give to all of them the retired pay of a warrant officer. The only question involved, to be determined by the Members of this House, is whether or not we wish to give this additional compensation, which will amount to about $120,000, I am informed, to these old enlisted men.

It is not a question that requires debate. My position on retirement is well known in this House. I have insisted and I have endeavored to get some of my good friends to get a joint committee appointed to work out an entire retirement system. The present system, in my judgment, is wrong, and up to this time such a joint committee, as I have suggested, has not been appointed. But until we have a different system, a system that will be more equitable and just, a system that recognizes retirement for disability rather than for age or every other excuse that can be thought of, almost, we must get along in the same old rut. I can see no reason why it would not be an act of justice and fairness, at least, to give these men the same pay in the meantime, and let Congress get down to business later and work out a system that will be just and equitable to all.

Mr. LaGUARDIA rose.

Mr. McKENZIE. Let us have a vote. I move that all debate on this section and all amendments thereto end in five minutes.

The SPEAKER. The gentleman from Illinois moves that all debate on this section and all amendments thereto close in five minutes. The question is on agreeing to that motion.

The motion was agreed to.

Mr. LaGUARDIA. Mr. Speaker, in this instance I agree with the chairman of the committee, and I hope that that amendment will be voted down. There was no more useful service rendered in the entire war than the service of these experienced noncommissioned officers. But the gentleman from Texas couples with his amendment notice to the House that he is opposed to a bill, which we hope to bring before the House very shortly, providing equal compensation for all disabled officers of the World War.

Mr. BLACK of Texas. Will the gentleman yield?

Mr. LaGUARDIA. Certainly.

Mr. BLACK of Texas. Is the gentleman in favor of disturbing the principle we wrote into the war risk insurance act, to wit, that the same pay should be paid to a private who was disabled, and for the same disability, as is paid to an officer? Does the gentleman desire to disturb that principle?

Mr. LaGUARDIA. That is not the principle in existence today, because, I submit to the gentleman, you are paying compensation to disabled officers in accordance with their rank if they happen to be members of the Regular organization, but you refuse to pay the same compensation to a boy holding the same rank and with exactly the same disability if he happens to be a volunteer.

Mr. McKENZIE. Will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. McKENZIE. In time of war, of course, it is necessary to have a large emergency force?

Mr. LaGUARDIA. Absolutely.

Mr. McKENZIE. Men are called into that emergency force, and some of them are made officers, while others are privates.

Mr. LaGUARDIA. Yes; and some get shot and some stay in Washington. Some go to fight and some get a cost-plus contract.

Mr. McKENZIE. Does the gentleman think it is right to give one of those men much more than is given to others?

Mr. LaGUARDIA. I do not. I pleaded with the gentlemen yesterday when this House considered "war services" in the bill we passed yesterday. I asked then not to give one more than another. What were the "war services" that were considered yesterday? We took some property from some bondholders during the war and yesterday you were very solicitous in seeing that you gave those bondholders just compensation, and you did not stint on the compensation either. You gave them more than 100 cents on the dollar. You took a business venture that was a failure and you are paying 100 cents plus on the dollar for every bond and for every certificate of stock issued. You are not only going to pay for the water in the canal but also for the water, and there is plenty of it, in the stock. Now, if we are going to have a principle and if we are going to treat them all on the $30-a-month basis, let us do it. But let us not talk about that principle when considering disabled officers or retired soldiers, and disregard it when we vote millions to contractors, profiteers, and financial experts.

Mr. BLACK of Texas. The gentleman knows I voted against that proposition.

Mr. LAGUARDIA. And I was with the gentleman, so we agree on that. I am sure that the gentleman from Texas, on reflection, will see the injustice of the present system in giving one officer one rate of compensation and another officer another rate of compensation. So I hope that when that bill does come before the House—and it should come very soon, because gentlemen will remember that in the last Congress we could not get that bill out of the committee——

Mr. JEFFERS. If the gentleman will permit I would like to make this observation: That not only are the Regular Army officers retired for disability received during their war service but also the provisional Regular Army officers, the regular and emergency naval officers and the regular and emergency marine officers. So we have seven classes of officers—the Regular Army officers, the provisional officers in the Regular Army, the marine regular and emergency officers, and the naval regular and emergency officers. Those six classes are retired, while the disabled emergency officers of the Army are the only ones out of seven classes so discriminated against.

Mr. LAGUARDIA. Certainly. My colleague and buddy [Mr. JEFFERS] is right. The gentleman from Texas [Mr. BLACK] is so fair that I am certain if we ever do get that bill before the House he will help us put it through. [Applause.]

The SPEAKER pro tempore. The time of the gentleman has expired; all time has expired. The question is on the amendment offered by the gentleman from Texas [Mr. BLACK].

The question was taken; and on a division (demanded by Mr. BLACK of Texas) there were—ayes 24, noes 34.

Mr. QUIN. Mr. Speaker, I make the point of no quorum.

The SPEAKER pro tempore. The gentleman from Mississippi makes the point of order that there is no quorum present. The Chair will count.

Mr. MCKENZIE. I hope the gentleman from Mississippi will withdraw his point of order.

The SPEAKER pro tempore (after counting). Evidently there is not a quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 60, nays 217, not voting 155, as follows:

YEAS—60

Allen	Evans, Iowa	Logan	Salmon
Anthony	Fulmer	Lowrey	Sanders, Tex.
Begg	Garner, Tex.	Lozier	Shallenberger
Black, Tex.	Garrett, Tenn.	McClintic	Sherwood
Blanton	Hammer	McSwain	Stedman
Box	Harrison	Major, Ill.	Stevenson
Bulwinkle	Hastings	Milligan	Strong, Kans.
Busby	Hill, Wash.	Moore, Ga.	Sumners, Tex.
Byrns, Tenn.	Hoch	Morrow	Taylor, W. Va.
Cannon	Howard, Nebr.	Porter	Thomas, Ky.
Connally, Tex.	Hudspeth	Quin	Thomas, Okla.
Cramton	Johnson, W. Va.	Ragon	Tincher.
Dominick	Kerr	Rankin	Tucker
Doughton	Larsen, Ga.	Rayburn	White, Kans.
Driver	Lilly	Romjue	Wolff

NAYS—217

Abernethy	Cooper, Wis.	Greene, Mass.	McKenzie
Ackerman	Croll	Griest	McKeown
Almon	Crosser	Hadley	McLaughlin, Mich.
Andrews	Crowther	Hardy	McLeod
Arnold	Cullen	Hawes	McReynolds
Aswell	Cummings	Hawley	McSweeney
Ayres	Dallinger	Hayden	MacGregor
Bacon	Darrow	Hersey	MacLafferty
Beck	Davis, Minn.	Hill, Ala.	Magee, N. Y.
Beers	Denison	Hill, Md.	Major, Mo.
Bell	Dickinson, Mo.	Hudson	Mapes
Berger	Dowell	Hull, Iowa	Martin
Bland	Drewry	Hull, Morton D.	Mead
Bloom	Dyer	Humphreys	Michener
Boyce	Eagan	Jacobstein	Miller, Wash.
Boylan	Elliott	James	Mills
Brand, Ga.	Evans, Mont.	Jeffers	Minahan
Brand, Ohio	Fairfield	Johnson, Ky.	Moore, Ohio
Briggs	Fairchild	Johnson, Tex.	Moore, Va.
Browne, Wis.	Faust	Kearns	Morgan
Browning	Favrot	Keller	Murphy
Brumm	Fisher	Kent	Nelson, Me.
Buckley	Fitzgerald	Kindred	Newton, Minn.
Burtness	Foster	King	Nolan
Burton	Frear	Knutson	O'Connell, R. I.
Butler	Free	Kurtz	O'Connor, La.
Cable	French	LaGuardia	O'Sullivan
Canfield	Frothingham	Lampert	Oliver, N. Y.
Carew	Gallivan	Lankford	Paige
Chindblom	Garber	Lazaro	Peery
Christopherson	Gardner, Ind.	Lea, Calif.	Perlman
Clancy	Garrett, Tex.	Leatherwood	Phillips
Clarke, N. Y.	Gasque	Leavitt	Prall
Cleary	Geran	Lineberger	Purnell
Cole, Iowa	Gibson	Linthicum	Rainey
Collier	Glatfelter	Longworth	Raker
Colton	Graham, Ill.	Luce	Rathbone
Connery	Graham, Pa.	McDuffie	Reece
Cook	Green, Iowa	McFadden	Reed, N. Y.
Richards	Sites	Timberlake	Williams, Ill.
Roach	Smith	Tinkham	Williams, Mich.
Robinson, Iowa	Smithwick	Treadway	Williamson
Robsion, Ky.	Speaks	Tydings	Wilson, Ind.
Rogers, Mass.	Stalker	Underhill	Wilson, La.
Rubey	Stengle	Underwood	Wingo
Sabath	Stephens	Vincent, Mich.	Winslow
Sanders, Ind.	Summers, Wash.	Vinson, Ga.	Woodruff
Sandlin	Swank	Voigt	Woodrum
Schafer	Swing	Wainwright	Wright
Schall	Taber	Watkins	Wurzbach
Schneider	Temple	Watres	Yates
Seger	Thatcher	Watson	Young
Shreve	Thompson	Weaver	
Sinclair	Tillman	Wefald	
Sinnott	Tilson	Wertz	

NOT VOTING—155

Aldrich	Fenn	Lindsay	Reid, Ill.
Allgood	Fish	Little	Rogers, N. H.
Anderson	Fleetwood	Lyon	Rosenbloom
Bacharach	Fredericks	McLaughlin, Nebr.	Rouse
Bankhead	Freeman	McNulty	Sanders, N. Y.
Barbour	Fulbright	Madden	Scott
Barkley	Fuller	Magee, Pa.	Sears, Fla.
Beedy	Funk	Manlove	Sears, Nebr.
Bixler	Gifford	Mansfield	Simmons
Black, N. Y.	Gilbert	Merritt	Snell
Boies	Goldsborough	Michaelson	Snyder
Bowling	Greenwood	Miller, Ill.	Sproul, Ill.
Britten	Griffin	Montague	Sproul, Kans.
Browne, N. J.	Haugen	Mooney	Steagall
Buchanan	Hickey	Moore, Ill.	Strong, Pa.
Burdick	Holaday	Moores, Ind.	Sullivan
Byrnes, S. C.	Hooker	Morehead	Sweet
Campbell	Howard, Okla.	Morin	Swoope
Carter	Huddleston	Morris	Tague
Casey	Hull, William E.	Mudd	Taylor, Colo.
Celler	Hull, Tenn.	Nelson, Wis.	Taylor, Tenn.
Clague	Johnson, S. Dak.	Newton, Mo.	Upshaw
Clark, Fla.	Johnson, Wash.	O'Brien	Vaile
Cole, Ohio	Jones	O'Connell, N. Y.	Vare
Collins	Jost	O'Connor, N. Y.	Vestal
Connolly, Pa.	Kahn	Oldfield	Vinson, Ky.
Cooper, Ohio	Kelly	Oliver, Ala.	Ward, N. Y.
Corning	Kendall	Park, Ga.	Ward, N. C.
Crisp	Ketcham	Parker	Wason
Curry	Kiess	Parks, Ark.	Weller
Davey	Kincheloe	Patterson	Welsh
Davis, Tenn.	Kopp	Peavey	White, Me.
Deal	Kunz	Perkins	Williams, Tex.
Dempsey	Kvale	Pou	Wilson, Miss.
Dickinson, Iowa	Langley	Quayle	Winter
Dickstein	Lanham	Ramseyer	Wood
Doyle	Larson, Minn.	Ransley	Wyant
Drane	Lee, Ga.	Reed, Ark.	Zihlman
Edmonds	Lehlbach	Reed, W. Va.	

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Bankhead (for) with Mr. Curry (against).
Mr. Collins (for) with Mr. Wason (against).
Mr. Wilson of Mississippi (for) with Mr. Hickey (against).

Until further notice:

Mr. Kahn with Mr. Clark of Florida.
Mr. Aldrich with Mr. Kincheloe.
Mr. Connolly of Pennsylvania with Mr. Hull of Tennessee.
Mr. Fleetwood with Mr. Black of New York.
Mr. Bacharach with Mr. Williams of Texas.
Mr. Manlove with Mr. Morris.
Mr. Kiess with Mr. Gilbert.
Mr. Snell with Mr. Allgood.
Mr. Funk with Mr. Goldsborough.
Mr. Boies with Mr. O'Brien.
Mr. Fenn with Mr. Barkley.
Mr. Magee of Pennsylvania with Mr. Greenwood.
Mr. Fredericks with Mr. O'Conner of New York.
Mr. Madden with Mr. Hooker.
Mr. Reid of Illinois with Mr. Bowling.
Mr. Winter with Mr. Griffin.
Mr. Kendall with Mr. Doyle.
Mr. Johnson of Washington with Mr. Vinson of Kentucky.
Mr. Ketcham with Mr. Ward of North Carolina.
Mr. Gifford with Mr. Fulbright.
Mr. Michaelson with Mr. Morehead.
Mr. Strong of Pennsylvania with Mr. Weller.
Mr. White of Maine with Mr. O'Connell of New York.
Mr. Sweet with Mr. Browne of New Jersey.
Mr. Wood with Mr. Howard of Oklahoma.
Mr. Vare with Mr. Oldfield.
Mr. Taylor of Tennessee with Mr. Kunz.
Mr. Sears of Nebraska with Mr. Rogers of New Hampshire.
Mr. Swoope with Mr. Oliver of Alabama.
Mr. Merritt with Mr. Buchanan.
Mr. Wyant with Mr. Huddleston.
Mr. Vestal with Mr. Park of Georgia.
Mr. Morin with Mr. Reed of Arkansas.
Mr. Newton of Missouri with Mr. Celler.
Mr. Patterson with Mr. Parks of Arkansas.
Mr. Welsh with Mr. Byrnes of South Carolina.
Mr. Perkins with Mr. Carter.
Mr. Mudd with Mr. Jones.
Mr. Ransley with Mr. Pou.
Mr. Scott with Mr. Drane.
Mr. Lehlbach with Mr. Mooney.
Mr. Freeman with Mr. Casey.
Mr. Bixler with Mr. Jost.
Mr. Campbell with Mr. Quayle.
Mr. Dickinson of Iowa with Mr. Rouse.
Mr. Burdick with Mr. Kvale.
Mr. Fish with Mr. Sears of Florida.

Mr. McLaughlin of Nebraska with Mr. Corning.
Mr. Cole of Ohio with Mr. Lanham.
Mr. Johnson of South Dakota with Mr. Lee of Georgia.
Mr. William E. Hull with Mr. Steagall.
Mr. Miller of Illinois with Mr. Crisp.
Mr. Fuller with Mr. Sullivan.
Mr. Holaday with Mr. Davey.
Mr. Parker with Mr. Lindsay.
Mr. Ward of New York with Mr. Tague.
Mr. Sproul of Illinois with Mr. Lyon.
Mr. Britten with Mr. Taylor of Colorado.
Mr. Rosenbloom with Mr. McNulty.
Mr. Beedy with Mr. Deal.
Mr. Clague with Mr. Upshaw.
Mr. Kelly with Mr. Mansfield.
Mr. Cooper of Ohio with Mr. Dickstein.
Mr. Sanders of New York with Mr. Montague.

The result of the vote was announced as above recorded.

Mr. ANTHONY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment by Mr. ANTHONY: Page 11, after section 9, add the following as a new section:

"SEC. 10. Payments of commutation for the additional rations provided for certain noncommissioned officers by the act of May 18, 1920, and the act of June 4, 1920, made after July 1, 1922, to noncommissioned officers of the National Guard receiving pay under the provisions of sections 94, 97, and 99 of the national defense act, as amended, and remaining uncollected are hereby authorized to be credited in the disbursing officers' accounts in which they now appear."

Mr. ANTHONY. Mr. Speaker, the purpose of the amendment just offered is to correct the status of a number of the accounts of disbursing officers of the National Guard in various States whose expenditures for the payment of rations with respect to the National Guard have been disallowed by the comptroller. Previous to the enactment of the last pay act there were two classes of specialists who were allowed certain pay as a substitute for rations. The pay act did away with that, but, nevertheless, in a few States the disbursing officers kept on making payments for these allowances for rations. The payments were authorized by the Militia Bureau. For instance, in my State the comptroller has disallowed against the disbursing officer a total of $690.89. Of that amount, $301.01 was for longevity pay, a correction of which has been made in the bill just passed this afternoon, but there has been no correction of these disallowances by the comptroller for overpayments on these rations, and if this amendment is adopted it will relieve these disbursing officers on account of having paid $389.88 allowed by the Militia Bureau in my State, and also relieve the officers in other States of small sums of this kind.

Mr. McKENZIE. Will the gentleman yield for a question?

Mr. ANTHONY. I yield.

Mr. McKENZIE. Has the gentleman from Kansas investigated this matter and looked into it and found that the facts as stated by him are correct?

Mr. ANTHONY. That is the result of my investigation at the Militia Bureau.

Mr. McKENZIE. And this is recommended by the Militia Bureau?

Mr. ANTHONY. No; I have had no direct recommendation from the bureau.

Mr. McKENZIE. But they find the facts to be as stated?

Mr. ANTHONY. They say the facts are as I have stated them, and as the gentleman will recall, in the bill just previously passed, we corrected the overpayments by these disbursing officers in the instance of longevity pay, but there has been no legislation so far to correct the overpayments on the rations. If we do not reimburse these officers in this instance, the State legislatures undoubtedly will have to do it, and as the payments were authorized by the Militia Bureau and the payments made in good faith by the disbursing officers—and they are not large in amount—I think in justice to these National Guard officers Congress ought to authorize the comptroller to allow them.

Mr. McKENZIE. You think this is equitable and just?

Mr. ANTHONY. I do.

Mr. McKENZIE. I think the judgment of the gentleman from Kansas ought to be accepted. The gentleman was on the Committee on Military Affairs a great many years and should know about these things.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SPEAKS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment by Mr. SPEAKS: Page 11, line 15, after the period add the following: That section 9 of the act of June 10, 1922, is hereby amended by adding at the end of said section the following:

"The Secretary of War is hereby authorized in execution of the preceding provision to fix the pay grades hereunder of all enlisted men of the Army, retired prior to the inception on July 1, 1920, of the operation of section 4(b) of the national defense act as amended."

Mr. SPEAKS. Mr. Speaker and gentlemen of the House——

The SPEAKER. The Chair understands that all debate on this section has been closed.

Mr. McKENZIE. Mr. Speaker, I ask unanimous consent that the gentleman may have two minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois? [After a pause.] The Chair hears none.

Mr. SPEAKS. Mr. Speaker, this amendment is offered with the consent of the chairman of the committee. The language is that of the War Department. The amendment in no wise affects any commissioned officer of the Army. It relates solely to enlisted men of the Army with 30 years of service, upon which they retire. When the pay bill was enacted the language in one particular was such that the comptroller by a decision held that these men could not occupy a classification which it had been intended they should have.

The language of this bill simply authorizes the Secretary of War to so classify. As I stated before, the amendment is drawn by the War Department.

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

Mr. McSWAIN. Mr. Speaker, I offer the following committee amendment.

The Clerk read as follows:

Amendment offered by Mr. McSWAIN: At the end of the bill insert a new paragraph as follows:

"SEC. 10. That section 11 of the national defense act of June 3, 1916 (39 Stats. pp. 173–174), as restated in modified form in section 11 of the act of June 4, 1920 (41 Stats. p. 768), is hereby amended by striking out the words 'one assistant' and inserting in lieu thereof the words 'two assistants,' and by adding to said section the following: '*Provided*, That one of said two assistants shall be legally eligible for assignment in charge of the public buildings and grounds in the District of Columbia, shall be legally eligible for assignment as superintendent of the State, War, and Navy Department buildings, and shall also be legally eligible for service in the exercise of any or all functions heretofore exercised by the officer detailed to act as officer in charge of the public buildings and grounds in the District of Columbia or as superintendent of the State, War, and Navy Department buildings.' That portion of the act of March 3, 1873 (17 Stats. p. 535), which prescribed that the officer in charge of the public buildings and grounds in the District of Columbia shall have the rank, pay, and emoluments of a colonel is hereby repealed."

Mr. BLANTON. Mr. Speaker, I make the point of order that this amendment is not germane either to the bill or the paragraph.

Mr. McSWAIN. Mr. Speaker, as far as the paragraph is concerned, it is a new paragraph or section. The bill is a general bill relating to a number of phases and activities of the War Department, and relates to all of the activities of the general subject of national defense. This is an amendment to section 11 of the national defense act, which is under consideration in the bill S. 2169. It seems to me the subject of the bill opens up all the general subject of the sections of the national defense act.

The SPEAKER. It does not seem to the Chair that this bill brings the whole national defense act before the House. It only brings before the House a very limited portion of it and not the portion affected by the amendment offered by the gentleman from South Carolina. The Chair is disposed to sustain the point of order. The point of order is sustained. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. McKENZIE, a motion to reconsider the vote whereby the bill was passed was laid on the table.

CONTESTED-ELECTION CASE—ANSORGE AGAINST WELLER

Mr. COLE of Ohio, chairman of the Committee on Elections No. 1, presented a report from that committee on the contested-election case of Ansorge against Weller, which was referred to the House Calendar.

ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. J. Res. 248. A joint resolution to provide for the remission of further payments of the annual installments of the Chinese indemnity;

H. R. 1823. An act for the relief of the Long Island Railroad Co.;

H. R. 5799. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Seminole Indians may have against the United States, and for other purposes;

H. R. 2878. An act to authorize the sale of lands allotted to Indians under the Moses agreement of July 7, 1883; and

H. R. 4161. An act authorizing the Commissioner of Indian Affairs to acquire necessary rights of way across private lands, by purchase or condemnation proceedings, needed in constructing a spillway and drainage ditch to lower and maintain the level of Lake Andes, in South Dakota.

RETURN TO THE SENATE OF THE BILL H. R. 4445

The SPEAKER laid before the House the following:

In the Senate of the United States May 14, 1924—

Ordered, That the House of Representatives be requested to return to the Senate the bill (H. R. 4445) entitled "An act to amend section 115 of the act of March 3, 1911, entitled 'An act to codify, revise, and amend the laws relating to the judiciary.'"

GEORGE SANDERSON, *Secretary.*

The SPEAKER. Without objection, the request will be complied with.

There was no objection.

THE QUESTIONNAIRE

Mr. HAWES. Mr. Speaker, I ask unanimous consent to extend in the RECORD some remarks on the subject of the questionnaire.

The SPEAKER. The gentleman from Missouri asks unanimous consent to extend his remarks in the RECORD on the subject of the questionnaire. Is there objection?

There was no objection.

Mr. HAWES. Mr. Speaker, all municipal and State legislative bodies, as well as Congress, provide, first, for the printing of a bill; second, its reference to a committee where it is publicly discussed by its friends and opponents and testimony is taken as to its good and bad effects; third, the report of the bill, usually changed and amended, is then submitted to the House; fourth, a report of the revised bill, a special report of those favoring and opposing it, is sent to the Members of the House, and Members are furnished with a copy of the hearings.

The bill is then placed upon the calendar and equal time is permitted for proponents and opponents to discuss it.

It is then engrossed and read three times, and not until this has all been done do Members vote upon it.

This proceeding in Congress is followed practically in every legislative body in the United States.

Yet the author of the questionnaire seldom reads a bill; it is never given careful discussion; only the proponents of the bill are heard; usually the question is propounded at a meeting and indorsed at the same meeting. Then the question is sent to a Congressman and he is expected to answer "yes" or "no" before he has read the bill, discussed it, or heard any testimony on the subject.

The Congressman, however, is expected to pledge himself for or against a measure, according to the wishes of the propounders of the questionnaire.

This he is expected to do in advance of the meeting of Congress.

Now, contrast the method of discussion, of hearings, the care which is put upon the legislature by Municipal, State, and National laws, with the action of the author of the average questionnaire.

He demands an offhand expression of opinion from a Congressman before he has read, discussed, or heard testimony on the subject, and frequently the group behind the questionnaire vote for or against a Member of Congress on this single subject.

If this policy were pursued generally, the functions of Congress and all legislative bodies would be usurped and Congressmen would be denied the privilege of investigation, discussion, and the educational effect of debate. They would be tied and vote as automatons in the way they had pledged themselves to vote prior to even the convening of Congress.

Many of the authors of questionnaires are sincere, earnest men and women. They think they are doing right, but they are weakening the intellectual force of Congress and are in addition in many cases carried away by hearing only one side of a question; and in a majority of cases, not even having read the bill which they indorse, they indorse it upon a mere statement of what it contains.

It has been my experience that many bills seem good at first, but after hearing and discussion appear in quite a contrary light.

The same is true of other bills, which create a bad impression at the outset but upon discussion and hearing testimony they may be all right.

Then there is a third class of bills—those which are changed in committee and made acceptable. There is not one bill in a thousand presented to the House which is not changed.

And yet the questionnaire demands, in advance of a hearing, in advance of testimony, in advance of a discussion, and in advance of an opportunity for amendment, an unqualified "yes" or "no" answer on a subject which even the author of the questionnaire has not investigated and upon which he has not taken testimony nor heard evidence.

This is unfair to the public, it is unfair to Congress, and it is even unfair to many misguided men and women who thoughtlessly indorse a bill or a project which they do not understand and which they have not even examined.

Congressmen and Senators are overriden with this sort of thing. It is undermining the individuality of Congress and is harmful to a large degree.

THE PROPAGANDIST

The propagandist is another evil.

Some one presents a subject from his point of view. The other side of the question is not heard or discussed. Naturally defects and objections are glossed over, and the main object of the bill is described in a satisfactory way.

Then the propagandist proceeds to secure an indorsement and sends this indorsement to Congress, and in many cases he accompanies it by a series of petitions advocating the passage or defeat of a bill.

Not one in a thousand signers has ever read the bill or understands it. They are acting solely upon the representations made to them by the person who starts the propaganda. Usually behind this propaganda will be found some special interest.

The average Congressman desires to hear from his constituents on any measure which may be before Congress if his constituents have read the measure and understand it. He values such communications. They are of service to him. So are arguments and briefs on any subject upon which he may vote, or the statement of a practical farmer, laborer, or business man.

But when he is deluged by telegrams and letters which he knows originate in one central point and are merely copied by persons who have not read the bill or who do not understand it, he is placed in an embarrassing position.

It is impossible for him to correspond with all the signers of these petitions. He can, if he has time and at great labor, send to all these petitioners copies of the hearings and records of the debates before Congress. But time will usually not permit this to be done.

THE QUESTIONNAIRE AND THE CANDIDATE

Not to make the matter personal, I will simply say that I happen to know a Congressman who two years ago received a questionnaire containing over 30 questions. They ranged from State to National subjects. He put in nearly three days reading municipal statutes, State laws, and the National statutes, looking up cases, and then proceeded to answer the questionnaire. Some of the questions he answered favorably, some unfavorably, and on those about which he was doubtful he entered into lengthy discussions.

About the time he had concluded this three days' labor a friend came in and asked him if he had answered this particular questionnaire, and the candidate told him that he was not quite through but would finish the next day.

His friend then informed the candidate that his opponent for Congress had answered each question in the affirmative, and he further learned that every questionnaire presented to his opponent had been answered by him in the exact way he thought the promoters of the questionnaire had desired it to be answered.

The result was that the candidate refused to answer any questionnaires. He was perfectly justified in this, because if he was to be measured in the matter of vote getting by an opponent who answered "yes" to everything, he was placed at an immediate disadvantage.

In the long questionnaire above refered to it so happened that the candidates who had answered everything "yes" had a record so black, regarding the specific matters mentioned, that no particular harm had been done.

But suppose he had been an unknown man who did not care how he pledged himself and that his one pursuit was that of votes, the great injustice of this procedure can be easily seen.

Then there is another difficulty so far as the candidate is concerned. He is asked if he will vote for a certain measure and he answers "yes." Later he is confronted with a bill which may cover one portion of the subject about which he is questioned, but goes far beyond it and extends into a variety of subjects, and has a tendency altogether different from what he was led to suppose it would be.

These questionnaires usually demand a reply within a limited period.

The municipal assembly, the legislature, and Congress all permit a long period of discussion, but the questionnaire does not permit this investigation, and, in many cases, driven by the fear of loss of votes, he commits himself to a policy which is repugnant to him intellectually and bad for the country.

If the questionnaire consisted of a copy of a bill in its entirety, and the candidate was given an opportunity to read and study the bill, and then an expression of opinion was asked it would have some of the elements of fairness. But even this would not be quite fair to the candidate, because he would be deprived of the public hearing and the testimony of those who favored and opposed the bill. He would even in this case be deprived of the benefit of a discussion on the subject.

Of course, there are certain subjects and certain general principles upon which a candidate should declare himself, and he should submit, where honestly propounded, to questions in his campaign; but the average man should be content with the declaration of principles made by the party convention of which the candidate is the nominee.

The candidate himself may not understand a question propounded in these questionnaires.

Take, for instance, a question which has been propounded throughout the United States by an organization of well-meaning people couched in this language:

Will you vote for any measure which will tend to weaken a certain law?

Now, the candidate might honestly answer this question "No," and yet his idea of whether the law would be weakened by an amendment might be entirely different from that of the person preparing this question. He might be entirely honest and have a different viewpoint as to what was meant by a weakening of the law. He might think that if it was changed in a number of respects it would be strengthened, while the author of the question would think that any change would be a weakening.

The questionnaire is dangerous in itself and tends to eliminate the element of ability, the matter of sincerity, and may, in addition, cause a vote for or against a candidate on one single subject when this same candidate may have to pass upon 10,000 different bills presented to Congress containing 10,000 different subjects. He might be right on 99 out of 100 problems, but if the propaganda back of the questionnaire found him wrong in 1, they would vote against him on the 1, although he was right on 99 others.

THE REMEDY

An organization which discusses a question and hears both sides, allowing an opportunity for proponents and opponents to be heard, which provides for the hearing of testimony, debates, and the same process of discussion provided by law in municipal, State, and national organizations, might with some propriety after this kind of hearing and discussion address a candidate on the subject of securing his "yes" or "no" statement; but no organization which does not hear both sides discussed and does not proceed with the same care that the body in which the candidate votes has the right to attempt to dictate to him, especially where the decision has been arrived at hastily, unfairly, or without impartial hearing.

Instead of advancing the cause of good government, no matter what the object may be, it would be an attack upon intelligent government.

If these organizations would adopt a rule of printing their bill, setting a time for discussion, and inviting both sides to be heard, that in itself would be an improvement; but this is rarely done.

In 99 cases out of 100 only one side is heard, or a resolution, sprung at the eleventh hour in a convention, without discussion or hid away in a series of resolutions, is adopted, then made the basis of a demand upon a Congressman.

The whole proceeding is unfair to the legislative body to which the candidate belongs; it is unfair to the public; and it is even unfair to the organization which has been hastily forced into a position which it does not understand.

ADJOURNMENT

Mr. McKENZIE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 22 minutes p. m.) the House adjourned until to-morrow, Thursday, May 15, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

474. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Illinois River, Ill., with a view to preparing plans and estimates of cost for the prevention and control of floods on said river and its tributaries, and to determine the extent to which the United States and local interests should cooperate in carrying out such plans (H. Doc. No. 276); to the Committee on Flood Control and ordered to be printed, with illustrations.

475. A communication from the President of the United States, transmitting a deficiency estimate of appropriation for the fiscal year 1921, $37,603.52, and a supplemental estimate of appropriation for the fiscal year ending June 30, 1924, $4,890.67—in all, $42,494.19—for the Navy Department; also drafts of proposed legislation affecting certain existing appropriations (H. Doc. No. 277); to the Committee on Appropriations and ordered to be printed.

476. A communication from the President of the United States, transmitting a deficiency estimate of appropriation for the legislative establishment of the United States for the fiscal year ending June 30, 1923, in the sum of $7,285.08 (H. Doc. No. 278); to the Committee on Appropriations and ordered to be printed.

279. A communication from the President of the United States, transmitting a deficiency estimate of appropriation for the fiscal year 1923, $50.62; and supplemental estimates of appropriations for the fiscal year ending June 30, 1924, $41,000, for the District of Columbia, amounting in all to the sum of $41,050.62 (H. Doc. No. 279); to the Committee on Appropriations and ordered to be printed.

280. A communication from the President of the United States, transmitting a deficiency estimate of appropriation for the United States Veterans' Bureau, vocational rehabilitation, for the fiscal year ending June 30, 1923, $900,000 (H. Doc. No. 280); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. DYER: Committee on the Judiciary. H. R. 7650. A bill to amend sections 136 and 138 of the Judicial Code; without amendment (Rept. No. 740). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. H. R. 745. A bill for the establishment of migratory-bird refuges to furnish in perpetuity homes for migratory birds, the establishment of public shooting grounds to preserve the American system of free shooting, the provision of funds for establishing such areas, and the furnishing of adequate protection for migratory birds, and for other purposes; with amendments (Rept. No. 746). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. H. R. 4088. A bill to establish the Upper Mississippi River wild life and fish refuge; with amendments (Rept. No. 747). Referred to the Committee of the Whole House on the state of the Union.

Mr. GIBSON: Committee on the District of Columbia. H. R. 5327. A bill to provide for the payment to the retired members of the police and fire departments of the District of Columbia the balance of retirement pay past due to them but unpaid from January 1, 1911, to July 30, 1915; with amendments (Rept. No. 748). Referred to the Committee of the Whole House on the state of the Union.

Mr. RICHARDS: Committee on the Public Lands. H. R. 8587. A bill granting certain public lands to the city of Phoenix, Ariz., for municipal, park, and other purposes; without amendment (Rept. No. 749). Referred to the Committee of the Whole House on the state of the Union.

Mr. LUCE: Committee on the Library. H. R. 9157. A bill for the purchase of the Oldroyd collection of Lincoln relics; without amendment (Rept. No. 753). Referred to the Committee of the Whole House on the state of the Union.

Mr. GIBSON: Committee on the District of Columbia. S. 112. An act providing for a comprehensive development of the park and playground system of the National Capital; without amendment (Rept. No. 755). Referred to the Committee of the Whole House on the state of the Union.

Mr. ABERNETHY: Committee on the Territories. H. R. 5558. A bill to authorize the incorporated town of Juneau, Alaska, to issue bonds in any sum not exceeding $200,000 for the purpose of improving the street and sewerage system of the town; with amendment (Rept. No. 754). Referred to the House Calendar.

Mr. COLE of Ohio: Committee on Elections No. 1. A report in the contested-election case of Ansorge v. Weller, from the twenty-first district of New York (Rept. No. 756). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. McREYNOLDS: Committee on Claims. H. R. 1671. A bill for the relief of Adaline White; with amendments (Rept. No. 741). Referred to the Committee of the Whole House.

Mr. THOMAS of Oklahoma: Committee on Claims. H. R. 4750. A bill for the relief of James F. Jenkins; with an amendment (Rept. No. 742). Referred to the Committee of the Whole House.

Mr. WAINWRIGHT: Committee on Military Affairs. H. R. 5813. A bill for the relief of Samuel T. Hubbard, jr.; with an amendment (Rept. No. 743). Referred to the Committee of the Whole House.

Mr. FROTHINGHAM: Committee on Military Affairs. H. R. 6268. A bill for the relief of Francis M. Atherton; with an amendment (Rept. No. 744). Referred to the Committee of the Whole House.

Mr. RICHARDS: Committee on the Public Lands. S. 511. An act to authorize the Secretary of the Interior to issue patent in fee simple to the Board of Regents of the University of Arizona, State of Arizona, of Tucson, Ariz., for a certain described tract of land; without amendment (Rept. No. 745). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 4896. A bill for the relief of John H. Cowley; without amendment (Rept. No. 750). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 4904. A bill for the relief of Jesse P. Brown; with an amendment (Rept. No. 751). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 6001. A bill for the relief of John E. Walker; without amendment (Rept. No. 752). Referred to the Committee of the Whole House.

Mr. HILL of Maryland: Committee on Military Affairs. H. R. 2958. A bill for the relief of Isaac J. Reese; with an amendment (Rept. No. 757). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. GRAHAM of Pennsylvania: A bill (H. R. 9221) to fix salaries of certain judges of the courts of the United States; to the Committee on the Judiciary.

By Mr. McKEOWN: A bill (H. R. 9222) to amend section 237 of the Judicial Code as amended by the act of February 17, 1922; to the Committee on the Judiciary.

By Mr. FISH: A bill (H. R. 9223) authorizing an appropriation for the transportation, maintenance, and subsistence of deceased World War veterans' mothers to and from the burial places of such veterans; to the Committee on Military Affairs.

By Mr. LOWREY: A bill (H. R. 9224) granting the consent of Congress to the Panola-Quitman drainage district to construct, maintain, and operate a dam in the Tallahatchie River; to the Committee on Interstate and Foreign Commerce.

By Mr. McLEOD: A bill (H. R. 9225) to prohibit and punish certain seditious acts against the Government of the United States, and to prohibit the use of the mails for the purpose of promoting such acts; to the Committee on the Judiciary.

By Mr. HAWES: Resolution (H. Res. 313) for the consideration of House bill 4088, authorizing the establishment of the upper Mississippi River wild-life and fish refuge; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOYLAN: A bill (H. R. 9226) for the relief of Anna Jeanette Weinrich; to the Committee on Claims.

Also, a bill (H. R. 9227) for the relief of Mr. and Mrs. Charles Vanderveer; to the Committee on Claims.

By Mr. BUTLER: A bill (H. R. 9228) for the relief of Charles Ritzel; to the Committee on Naval Affairs.

By Mr. COLE of Ohio: A bill (H. R. 9229) granting a pension to Daisy A. Barnhart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9230) granting an increase of pension to Flora S. Weeks; to the Committee on Invalid Pensions.

By Mr. CROWTHER: A bill (H. R. 9231) granting a pension to Bertha Scheich; to the Committee on Invalid Pensions.

By Mr. CURRY: A bill (H. R. 9232) for the relief of Arthur J. Santonge; to the Committee on Military Affairs.

By Mr. JOST: A bill (H. R. 9233) granting an increase of pension to Emelia Goerisch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9234) granting an increase of pension to Charles W. Hildreth; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9235) granting an increase of pension to Gertrude Rank; to the Committee on Invalid Pensions.

By Mr. KNUTSON: A bill (H. R. 9236) granting an increase of pension to John E. Hanson; to the Committee on Pensions.

By Mr. LOZIER: A bill (H. R. 9237) granting an increase of pension to Susan G. Caplinger; to the Committee on Pensions.

By Mr. MacLAFFERTY: A bill (H. R. 9238) for the relief of the owners of the barkentine *Monterey*; to the Committee on Claims.

By Mr. MORGAN: A bill (H. R. 9239) granting a pension to Adeline McAnaney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9240) granting an increase of pension to Anna M. Smith; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2751. By Mr. BOYCE: Petition of John P. Nields, Wilmington, Del., favoring a Permanent Court of International Justice; to the Committee on Foreign Affairs.

2752. Also, petition of National Association of Letter Carriers, Wilmington, Del., favoring House bill 9035; to the Committeee on the Post Office and Post Roads.

2753. Also, petition of R. R. German, S. N. Culver, and others, of Delmar, Del., in relation to House bill 9035 for the relief of postal employees; to the Committee on the Post Office and Post Roads.

2754. By Mr. DARROW: Petition of the City Council of Philadelphia, in opposition to the McNary-Haugen bill (S. 2012, H. R. 5563); to the Committee on Agriculture.

2755. By Mr. GARBER: Petition of Mr. P. E. Courtney, service officer, American Legion, Enid, Okla., urging changes in Veterans' Bureau work; to the Committee on World War Veterans' Legislation.

2756. By Mr. HICKEY: Petition of Northern Indiana Lay Electoral Conference of the Methodist Episcopal Church, held at Marion, Ind., through its secretary, Mr. F. W. Greene, Syracuse, Ind., protesting against the modification of the eighteenth amendment and the Volstead Act; to the Committee on the Judiciary.

2757. By Mr. KETCHAM: Petition of citizens of Michigan and adjoining States, opposing the passage of the Sterling-Reed national education bill; to the Committee on Education.

2758. By Mr. NEWTON of Minnesota: Petition of tubercular patients of United States Veterans' Hospital, No. 68, Minneapolis, Minn., in favor of the Royal C. Johnson bill for disabled veterans; to the Committee on World War Veterans' Legislation.

2759. By Mr. RAKER: Thirteen letters from Tacoma, Wash., in re measure to change name of Mount Rainier to Mount Tacoma; to the Committee on the Public Lands.

2760. Also, petition from Mabel Wick, San Francisco, Calif., in re San Carlos dam bill (S. 966); to the Committee on Indian Affairs.

2761. By Mr. VARE: Petition of city council of Philadelphia, Pa., urging Congress to defeat the McNary-Haugen bill; to the Committee on Agriculture.

2762. By Mr. WELSH: Petition of Philadelphia Board of Trade, opposing certain provisions of House bill 8887; to the Committee on Banking and Currency.

SENATE

THURSDAY, *May 15, 1924*

(Legislative day of Wednesday, May 14, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The principal clerk will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fernald	Ladd	Robinson
Ashurst	Fess	Lodge	Sheppard
Bayard	Fletcher	McKellar	Shields
Borah	Frazier	McKinley	Shipstead
Brandegee	George	McLean	Shortridge
Brookhart	Glass	McNary	Smith
Broussard	Gooding	Neely	Smoot
Bruce	Hale	Norbeck	Stephens
Cameron	Harreld	Norris	Sterling
Capper	Harris	Oddie	Swanson
Caraway	Harrison	Overman	Trammell
Copeland	Heflin	Owen	Wadsworth
Cummins	Howell	Pepper	Walsh, Mass.
Curtis	Johnson, Calif.	Phipps	Walsh, Mont.
Dale	Johnson, Minn.	Pittman	Warren
Dial	Jones, Wash.	Ralston	Watson
Dill	Kendrick	Ransdell	Weller
Edge	Keyes	Reed, Mo.	Willis
Ernst	King	Reed, Pa.	

Mr. CURTIS. I wish to announce that the junior Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I ask that the announcement may stand for the day.

I was requested to announce that the junior Senator from Montana [Mr. WHEELER] is attending a meeting of a special investigating committee of the Senate.

The PRESIDENT pro tempore. Seventy-five Senators have answered to the roll call. There is a quorum present.

PERSONAL EXPLANATION

Mr. HARRELD. Mr. President, I desire to take this opportunity to say a few words in the nature of a personal explanation.

When the Senate voted day before yesterday on the question of whether or not it would sustain the President's veto of the pension bill I voted inadvertently "yea." Some of the newspapers have seen fit to assert and to try to create the impression that I changed my vote on the spur of the moment; that is, that I changed my opinion about how I should vote. I simply want to state for the RECORD that I made up my mind several days before that I would support the President in his veto of the pension bill.

At the time the bell rang to call Senators to the Chamber for the vote I was at lunch with my wife and some guests. I came into the Chamber while the roll was being called. Under the impression that to support the President's veto I should vote "yea," I cast that vote. Immediately afterwards, in conversation with the Senator from Kansas [Mr. CURTIS] and others, I found that I had inadvertently voted wrong and that in order to support the President's veto I should have voted "nay." Of course, I rose immediately after the roll call had been concluded and asked that my vote be changed.

I make this statement in order that it may be understood that it was not a sudden change of mind at all on my part. I had made up my mind several days previously how I was going to vote, and it was necessary to change the vote as I did in order to carry out my purpose.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, returned to the Senate in compliance with its request the bill (H. R. 4445) to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary."

The message also announced that the House had passed the bill (S. 2169) to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed a bill (H. R. 8886) providing for sundry matters affecting the Military Establishment, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the President pro tempore:

H. R. 1823. An act for the relief of the Long Island Railroad Co.;

H. R. 2878. An act to authorize the sale of lands allotted to Indians under the Moses agreement of July 7, 1883;

H. R. 4161. An act authorizing the Commissioner of Indian Affairs to acquire necessary rights of way across private lands, by purchase or condemnation proceedings, needed in constructing a spillway and drainage ditch to lower and maintain the level of Lake Andes, in South Dakota;

H. R. 5799. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Seminole Indians may have against the United States, and for other purposes; and

H. J. Res. 248. A joint resolution to provide for the remission of further payments of the annual installments of the Chinese indemnity.

APPROPRIATIONS FOR DEPARTMENTS OF STATE, JUSTICE, ETC.

Mr. JONES of Washington. Mr. President, I submit a conference report and ask for its immediate consideration.

The PRESIDENT pro tempore. The report will be read.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1 and 2.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 13, 14, 15, 16, 17, 18, 20, 24, 25, 26, 27, 29, 30, 33, 34, 35, 36, 37, and 38, and agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$261,000" and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$233,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$597,550"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 4, 5, 6, 7, 8, 9, 10, 11, 12, 19, 21, 22, and 23.

W. L. JONES,
CHARLES CURTIS,
H. C. LODGE,
LEE S. OVERMAN,
WM. J. HARRIS,
Managers on the part of the Senate.

MILTON W. SHREVE,
GEO. H. TINKHAM,
W. B. OLIVER,
Managers on the part of the House.

Mr. KING. Will the Senator having the matter in charge state what the differences were, or at least what recessions were made by the Senate conferees?

Mr. JONES of Washington. The Senate conferees receded on amendment No. 1. That is the amendment with reference to the Undersecretary of State. They also receded on amendment No. 2, corresponding with amendment No. 1. With reference to the amendments relating to the Department of Commerce, there was a reduction in some of the amounts. There was not a complete recession on those items.

Mr. ROBINSON. Does the report represent a complete agreement?

Mr. JONES of Washington. It does not.

Mr. ROBINSON. What are the amendments still in conference?

Mr. JONES of Washington. The Senate conferees receded from amendments Nos. 1 and 2. Amendment No. 28 is under the Department of Commerce and relates to the commercial attaché. We agreed to $261,000 instead of $291,000. Did the Senator have that particular amendment in mind?

Mr. ROBINSON. No; I merely wanted to know the effect of the conference agreement and what is left in conference.

Mr. JONES of Washington. One of the items left in conference is the provision with reference to the salaries of at-

torneys in the Department of Justice. That had to come back to the Senate in disagreement. Upon most of the other items reported in disagreement the conferees have really agreed, but the items have to go back to the House because of the House rule.

Mr. ROBINSON. The principal outstanding controversy then relates to the salaries of attorneys in the Department of Justice?

Mr. JONES of Washington. It does. There is no serious controversy with reference to that item, but the House conferees felt that they had to take it back to the House.

Mr. ROBINSON. I have no objection to the conference report.

The PRESIDENT pro tempore. The question is upon agreeing to the report.

The report was agreed to.

Mr. JONES of Washington. I move that the Senate further insist upon the amendments still in disagreement, ask for a further conference with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed as conferees on the part of the Senate at the further conference the Senator from Washington [Mr. JONES], the Senator from Kansas [Mr. CURTIS], the Senator from Massachusetts [Mr. LODGE], the Senator from North Carolina [Mr. OVERMAN], and the Senator from Georgia [Mr. HARRIS].

PETITIONS AND MEMORIALS

Mr. ROBINSON presented telegrams in the nature of petitions from the Boston Women's Trade Union League of Boston, Mass.; the Evanston League of Women Voters, Mrs. E. L. Middleton, president, of Evanston, Ill.; Mrs. E. W. Bemis, county commissioner and director Democratic Women's Club, and the Women's Trade Union League, Agnes Nestor, president, both of Chicago, Ill.; Mrs. Walter Cope, Mrs. Samuel S. Fels, and the Consumers' League of Eastern Pennsylvania, of Philadelphia, Pa.; the Consumers' League of New York, Alice D. Jackson, president; the New York League of Women Voters, Mrs. F. Louis Slade, chairman; the New York League of Girls' Clubs, Mabel W. Krause, president; Mrs. Franklin D. Roosevelt, and the Women's Trade Union League, of New York, praying for the passage without amendment of the joint resolution (H. J. Res. 184) proposing an amendment to the Constitution of the United States relative to child labor, which were referred to the Committee on the Judiciary.

Mr. LODGE presented the petition of Alden G. Alley, lieutenant of Infantry, Organized Reserves, and 192 other citizens, all in the State of Massachusetts, praying for the adhesion of the United States to the protocol under which the Permanent Court of International Justice was established by the League of Nations, which was referred to the Committee on Foreign Relations.

Mr. WILLIS presented resolutions adopted by the Toledo (Ohio) Bar Association, protesting against the passage of Senate bill 624, to amend the practice and procedure in Federal courts, and for other purposes, which was referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES

Mr. RANSDELL, from the Committee on Commerce, to which was referred the bill (S. 3161) to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes, reported it without amendment and submitted a report (No. 538) thereon.

Mr. WALSH of Montana, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 2087) for the relief of Laura C., Ida E., Lula P., and Esther P. Peterson, reported it without amendment and submitted a report (No. 539) thereon.

He also, from the same committee, to which was referred the bill (S. 1650) for the relief of William F. Brockschmidt, reported it with amendments and submitted a report (No. 540) thereon.

Mr. STEPHENS, from the Committee on Commerce, to which was referred the bill (S. 3244) granting the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct a bridge across the Pearl River in the State of Mississippi, reported it without amendment and submitted a report (No. 541) thereon.

Mr. DIAL, from the Committee on Commerce, to which was referred the bill (S. 3084) to enlarge the fish-cultural station at Orangeburg, S. C., reported it with an amendment and submitted a report (No. 542) thereon.

Mr. LADD, from the Committee on Commerce, to which was referred the bill (S. 3249) granting the consent of Congress to the construction of a bridge across the Niagara River and Black Rock Canal, reported it without amendment and submitted a report (No. 543) thereon.

Mr. HARRELD, from the Committee on Indian Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (H. R. 2875) to provide for the addition of the names of certain persons to the final roll of the Indians of the Flathead Indian Reservation, Mont. (Rept. No. 544);

A bill (H. R. 4460) authorizing payment to certain Red Lake Indians, out of the tribal trust funds, for garden plats surrendered for school-farm use (Rept. No. 545);

A bill (H. R. 6298) to authorize the leasing for oil and gas mining purposes of unallotted lands on Indian reservations affected by the proviso to section 3 of the act of February 28, 1891 (Rept. No. 546); and

A bill (H. R. 6857) to provide for the addition of the names of Chester Calf and Crooked Nose Woman to the final roll of the Cheyenne and Arapaho Indians, Seger jurisdiction, Oklahoma (Rept. No. 547).

Mr. HARRELD also, from the Committee on Indian Affairs, to which was referred the bill (H. R. 731) authorizing the Wichita and affiliated bands of Indians in Oklahoma to submit claims to the Court of Claims, reported it with an amendment and submitted a report (No. 548) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ROBINSON:

A bill (S. 3309) to establish the Mena National Park in the State of Arkansas; to the Committee on Public Lands and Surveys.

By Mr. SHORTRIDGE:

A bill (S. 3310) for the relief of the owners of the barkentine *Monterey;* to the Committee on Claims.

By Mr. RALSTON:

A bill (S. 3311) for the relief of Alden H. Baker; to the Committee on Claims.

By Mr. COPELAND:

A bill (S. 3312) granting an increase of pension to Isabelle Lowen; to the Committee on Pensions.

By Mr. BALL:

A bill (S. 3313) to provide for the widening of Park Road between Thirteenth and Sixteenth Streets NW., and for other purposes; to the Committee on the District of Columbia.

By Mr. BURSUM:

A bill (S. 3314) granting pensions and increase of pensions to certain soldiers and sailors of the Civil and Mexican Wars and to certain widows, former widows, minor children, and helpless children of said soldiers and sailors, and to widows of the War of 1812, and to certain Indian war veterans and widows, and to certain Spanish War soldiers and widows, and certain maimed soldiers, and for other purposes; to the Committee on Pensions.

By Mr. SHIELDS:

A bill (S. 3315) to amend section 206 of the transportation act, 1920, approved February 28, 1920; to the Committee on Interstate Commerce.

By Mr. PEPPER:

A bill (S. 3316) to amend an act entitled "An act to provide for the consolidation of national banking associations," approved November 7, 1918; to amend section 5136 as amended, section 5137, section 5138 as amended, section 5142, section 5150, section 5155, section 5190, section 5200 as amended, section 5202 as amended, section 5208 as amended, section 5211 as amended, of the Revised Statutes of the United States; and to amend section 9, section 13, section 22, and section 24 of the Federal reserve act, and for other purposes; to the Committee on Banking and Currency.

By Mr. JONES of Washington:

A bill (S. 3317) to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the founding of Fort Vancouver, State of Washington; to the Committee on Finance.

By Mr. LODGE:

A bill (S. 3318) to authorize the payment of an indemnity to the Government of the Dominican Republic on account of the death of Juan Soriano, a Dominican subject, resulting from the landing of an airplane belonging to the United States Marine Corps at Guerra, Dominican Republic; to the Committee on Foreign Relations.

A bill (S. 3319) authorizing the extension and operation of the transcontinental airplane-mail service to Boston, Mass.; to the Committee on Post Offices and Post Roads.

AMENDMENT TO AGRICULTURAL APPROPRIATION BILL

Mr. NORBECK submitted an amendment proposing to increase the appropriation for investigating the food habits of North American birds and animals in relation to agriculture, horticulture, and forestry, etc., from $508,000 to $652,240, intended to be proposed by him to House bill 7220, the Agricultural Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

HEARINGS BEFORE THE COMMITTEE ON PATENTS

Mr. ERNST submitted the following resolution (S. Res. 224), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Patents, or any subcommittee thereof, be, and hereby is, authorized during the Sixty-eighth Congress to send for persons, books, and papers; to administer oaths; and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be pending before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

THE MILITARY ESTABLISHMENT

The bill (H. R. 8886) providing for sundry matters affecting the Military Establishment was read twice by its title.

Mr. WADSWORTH. There is a Senate bill reported by the Committee on Military Affairs now on the Senate calendar which contains the same provisions as are contained in the House bill just laid down.

Mr. SMOOT. What is the calendar number of the Senate bill?

Mr. WADSWORTH. Order of Business 547. I ask unanimous consent that the House bill be placed on the calendar without reference to the committee, the committee having already acted upon the same matter.

Mr. ROBINSON. Is the House bill identical with the Senate bill?

Mr. WADSWORTH. The Senate bill is more comprehensive, in that it contains an additional feature which the House bill does not contain.

Mr. ROBINSON. As far as the House bill goes, it is identical with the Senate bill?

Mr. WADSWORTH. It is.

Mr. ROBINSON. I have no objection.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New York? The Chair hears none, and the House bill will be placed on the calendar.

AMENDMENT OF NATIONAL DEFENSE ACT

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 2169) to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes.

Mr. WADSWORTH. I move that the Senate disagree to the House amendments and ask for a conference with the House on the disagreeing votes of the two Houses, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the President pro tempore appointed Mr. WADSWORTH, Mr. CAMERON, and Mr. FLETCHER conferees on the part of the Senate.

REPORT OF COMMERCIAL COMMISSION TO SCANDINAVIA

Mr. OWEN presented a copy of his remarks made in the Senate and printed in the Appendix to the RECORD of Tuesday, February 19, 1924, relative to and including the report of the commercial commission to Scandinavia, organized and directed by the Southern Commercial Congress, which was referred to the Committee on Printing with a view to having it printed as a Senate document.

TERMS OF COURT IN WYOMING

Mr. WARREN. There is now at the desk, returned from the House, House bill 4445. I wish to move a reconsideration of the vote by which the bill was passed.

Mr. ROBINSON. What is the request of the Senator?

Mr. WARREN. It has reference to a local matter concerning the courts of Wyoming. On the report submitted by the Senator from Montana [Mr. WALSH], who reported the bill from the Committee on the Judiciary, the word "Yellowstone" was stricken out in several places, but in one place it seems that it was left in the bill. I asked for the passage of the bill on the basis of the report and discovered the error afterwards.

Mr. ROBINSON. The Senator wishes to correct an error?

Mr. WARREN. That is all. I move to reconsider the vote by which the bill (H. R. 4445) to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary," was ordered to a third reading and passed.

The motion to reconsider was agreed to.

Mr. WARREN. On page 2, line 4, I move to strike out the words "and in said national park," and in the same line, after the word "such," to strike out the word "dates" and insert the word "date."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

WAR DEPARTMENT APPROPRIATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes.

Mr. BROOKHART. Mr. President, the Senator from Ohio [Mr. FESS] on yesterday asked me a question as to how freight rates could be reduced. I answered his question in part, and I will this morning answer it a little more fully.

The items I mentioned were watered valuation, the excess return on the bonds over the interest rate, and the capitalization of unearned increment. All of those technically, of course, go to the property account of the railroads, but, so far as the people of the United States are concerned, the sums collected for those items are from operating expenses of the railroads and are therefore chargeable to the people's operating expense account. That is what I meant by including them all in the operating expenses of railroads. Of course under the law the commission is commanded—it is not a matter of discretion with the commission itself, but it is its duty—to levy rates high enough to yield a return upon all of these items of valuation. I shall not further discuss them, because yesterday I pointed out the facts. I think, quite fully; but I mentoined the question of subsidiary corporations, and I wish to discuss that question somewhat in detail.

The profits of subsidiary corporations constitute a very great item of the operating expenses of our railroads, and those profits ought to be removed. We start out with the theory that a private concern can manage a railroad better than can anybody else, and then, as soon as we adopt that theory, the next minute it is said, "Well, a railroad can not run a sleeping-car business, so we will organize a Pullman company, an inside corporation, and it will take charge of that." Of course, incidentally, it makes a crop of millionaires and reaps an immense harvest of profits out of the operating expenses of the railroads

It is also said, "Yes; private ownership is efficient in handling the railroad business, but of course it can not operate an express company." Then another group of friends organize an express company, and they dip into the earnings of the railroads and again take great profits out of the operating expense account of the railroads.

Then it is said again, "Yes; private corporations know how to run railroads, but the telegraph business that we need on our roads we can not operate; so we must have another inside company." Accordingly the same process is followed in reference to telegraphs and telephones.

Then it is said, "Our railroad company can not operate refrigerator cars as well as can an inside concern; so let a refrigerator-car company be organized to handle that business." Such a company is organized, and it takes out of the expenses of the railroads a large sum of money for its private profit.

Then along come the oil-tank outfits, and it is said, "Of course it would not do for a railroad company to run tank cars, and we must organize inside companies to run tank cars." They again dip into the operating expenses for excess profits, for a great amount of the profits for the big oil companies of the United States.

Then it is said, "We have locomotive shops, but it will not do to rebuild our locomotives in our own shops; we must send them over to the Baldwin company. Baldwin is our friend, because Mr. Morgan, the same man who runs our railroads, runs the Baldwin company." Again they dip into the profits from operating expenses by charging prices two, three, and four hundred per cent above what it would cost to rebuild those locomotives in the railroad-owned shops. The same thing happens in the case of the car shops.

Then comes perhaps the biggest item of all, the coal companies, which are also organized and controlled by the same men who control the railroads. They sell coal to the railroads not at the lowest price for which they can afford to sell it but for the highest price they can collect from the American people under the guaranty provision of the law and under the guaranty provision of the common law that ex-

listed before the present transportation act. Alongside of the gigantic profits taken in that way are the profits of the steel companies, which now are controlled by the same men who control the railroads, and again the prices which they charge for steel is not the lowest price at which they can afford to make steel in the United States but the highest price that they can collect from the people of the United States. Those items all added together mean many hundreds of millions of dollars; they mean two or three hundred million dollars every year in the operation of the railroads.

Mr. FESS. Mr. President, will the Senator yield?

Mr. BROOKHART. I yield.

Mr. FESS. I think the Senator's premise is wrong. He assumes that the railroad company can do the express work cheaper than can the express company, and, therefore, it could reduce the cost if it would do the same work itself. I do not believe that statement is correct. On the other hand, I believe that separate companies can carry on that business with as much economy and efficiency and at as little cost to the public as could the railroads. I repeat, I think the Senator's premise in that respect is subject to a question.

Mr. BROOKHART. That is the old worn-out argument that has been used ever since these inside profiteers organized companies for those purposes. I will cite some instances where it has been done in the other way and draw the comparison. The expense is reduced very greatly where the railroads do the work themselves. There is no need of all these separate organizations with separate overhead.

Mr. FESS. Let me get the Senator's view. The Senator thinks that the Pennsylvania Railroad system can operate the telegraph and operate the express business and operate oil-tank cars and operate the Pullman cars cheaper to the public than can the separate companies which are now conducting those activities. Is that the position of the Senator?

Mr. BROOKHART. They can do it very much cheaper.

Mr. FESS. I should like to have the figures which demonstrate that it can be done cheaper. My conception is that we are getting more efficient and better service at equally cheap rates, if not cheaper, than if it were all done by one company.

Mr. BROOKHART. I know that is the newspaper view of the situation and that is the argument the railroads and the subsidiary companies have always advanced, but when it comes to the proof it is not there. There is no accounting for the gigantic profits they derive except on the theory that they are charging too much for the service.

Mr. FESS. Is there any illegality in the railroads going into these subsidiary businesses and carrying them on themselves?

Mr. BROOKHART. No; but there would be a loss of profit for their big inside men. There were a couple of men from my State who were connected with the New York Central. One of them was president and the other was general purchasing agent. They came back to the State of Iowa millionaires in a very few years. Their profits were enormous out of those activities. That is the way the business is carried on by all the railroads.

There is of course no exact comparison in the United States, because all of our railroads are using these inside grafting companies and it is difficult to get an exact comparison; but I have analyzed the situation in other countries where such activities are conducted by the railroads, and I find a very much reduced cost. The express companies in Germany did not cost half what they did in the United States for the same service before the war.

Mr. FESS. No; because in Germany the cost of operation is cheaper.

The Senator suggested coal. Is it not true that the Reading Railroad, which owns the anthracite fields, was denied under the law the privilege of operating those fields as a railroad? Is not that true?

Mr. BROOKHART. Yes; that is true, and then it immediately turned around and organized an inside corporation, and the condition was worse than before.

Mr. NORBECK. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from South Dakota?

Mr. BROOKHART. I yield.

Mr. NORBECK. Mr. President, I am enjoying the discussion very much indeed. I regret I did not hear the argument of the able Senator yesterday afternoon, on account of attendance on a committee meeting, but I think we are getting a great many things cleared up. The particular thing in which I am interested, of course, is how to get freight rates reduced to the people in my section of the country. As I now understand, the railroads which have been operating in my State have not been paying dividends for a number of years.

I have in mind especially the Chicago, Milwaukee & St. Paul Railroad, that serves half of our people. I understand the Northwestern Railroad did pay some dividends out of previous earnings, so that they were really on a dividend-paying basis; but stock of the Chicago, Milwaukee & St. Paul Railroad was up to about $1.40 before the Government undertook to handle the railroad problem, before we had what is called "McAdoo railroading," before the Federal Government went into the price-fixing business, and saddled upon us the extra burden of $2,000,000,000, a part of which was necessary, no doubt, for some of the railroad employees were underpaid and should have been taken care of in a better way. But the thing that pleases me very much this morning is that we are finding out where the difference comes in between the two forces here, those that say that we can reduce freight rates and those that say that it is difficult, if not impossible, to do so.

The most striking thing to my mind is the fact that the freight rates had to go up to take care of the $2,000,000,000 wage increase. I have never been able to figure out how we could get away from that burden, and we have got to get away from it in whole or in part before freight rates can be reduced on a railroad which does not pay dividends, but which pays out 100 cents for every dollar collected. But I am interested in what the Senator from Iowa says. He has proved, or attempted to prove, that there are certain leaks that should be stopped, and of which the shipper should have the benefits. I am inclined to agree with a great deal the Senator says. The disappointing thing is that he suggests a saving of only two or three hundred million dollars, which is only 10 or 15 per cent of the wage increase that was put upon us. If that is all the relief that is in sight, we are in horrible shape.

Mr. BROOKHART. If the Senator had been here, he would have heard about the other items of relief that I suggested that amount to quite a good deal more.

Mr. NORBECK. May I ask how much more? It is a question of figures here.

Mr. BROOKHART. Over a billion dollars, without reducing wages one cent. I am going to discuss more of those items now.

So far as the Chicago, Milwaukee & St. Paul Railroad is concerned, that road goes through my town, too, and it is the watered condition of its capital stock that has cut down its return so that it gets little dividends. A hundred millions or more of water has been injected into that value, which, of course, ought not to get any dividends. A large part of that was done in some western extensions which were coupled up with the old system.

So far as the Burlington Railroad is concerned, it paid 24 per cent and 27 per cent and dividends like that for a number of years. The Great Northern, the Northern Pacific, the Northwestern, and all those roads have been able to earn plenty, and that was on top of watered stock. Why, the Burlington has $100,000,000 of water in its stock, and the commission found in 1910 that it had capitalized $150,000,000 of unearned increment.

Mr. FESS. Mr. President, will the Senator answer a question there? We are talking about the profits of railroads, and whether we can reduce the income, thereby reducing freight charges. I can not understand how watered stock has anything whatever to do with the outlay of the railroads; and if you take out the watered stock, how do you reduce the cost of operation?

Mr. BROOKHART. The law provides that the railroads shall have a return of 5½ per cent now, after adjudication.

Mr. FESS. But they never have had it. They never have gotten it.

Mr. BROOKHART. They got it practically in 1923. They have gotten about all of it; and, referring to this valuation which was fixed at $18,900,000,000, I have already pointed out that there was seven billions of water in that legalized valuation which ought not to be there. That means about $400,000,000 of return that the people must pay in their rates under this law that they ought not to pay.

Mr. FESS. But suppose you take that out.

Mr. BROOKHART. I have taken that out in one point of my argument.

Mr. FESS. Suppose you take that out: Then how do you enable the railroads to reduce the rates when you have not changed the cost of operation?

Mr. BROOKHART. If they do not need to earn dividends on that $7,000,000,000 they can reduce the rates by that much.

Mr. FESS. However, they have these fixed prices to pay; and if you reduce the income by that amount, then how are you going to reduce the freight charges when you are not reducing the outgo? You are leaving the outgo the same as it was.

Mr. BROOKHART. The fact that they have fixed prices makes no difference.

Mr. FESS. That only reduces the income. That does not reduce the outgo.

Mr. BROOKHART. Under the law they are entitled to charge rates sufficient to give them a return of 5½ per cent.

Mr. FESS. But the Senator is talking only about the income. I am talking about the outgo.

Mr. BROOKHART. I have just talked about two or three hundred million dollars of outgo in the graft of these inside companies. That is one little item that comes squarely out.

Mr. FESS. That is a disputed point.

Mr. BROOKHART. Yes; it is disputed, but it is there just the same; and that is the reason why we have always had to pay about twice as high freight rates in the United States for the same service as they have had to pay in other countries.

Mr. FESS. Suppose we assume that the Senator's premise is correct in regard to the subsidiaries. How does this watered stock that the Senator talks about have anything to do with the outgo that the railroads are paying?

Mr. BROOKHART. I am afraid it is a hopeless case with the Senator, because he refuses to see that the return collected on this valuation has to be paid by somebody in freight rates. When that has to be done, it amounts to approximately $400,000,000 a year. If we reduce the capitalization so that that will not be collected under the law, it is that much of a saving to the people who pay freight.

Mr. FESS. Let me put it in a different form. Probably then we may able to see it a little more clearly.

The items of cost to a railroad are wages. Are you going to reduce those?—and taxes, $1,000,000 a year. Are you going to reduce those; and if so, how much? Wherein are you going to reduce the items of cost of operation? Which item are you going to reduce? That is what I want to know.

Mr. BROOKHART. All right; I have already told the Senator, in the operating-expense account, how I would reduce these inside profits. That is three or four hundred millions of dollars. Now I am going to tell him about some more of those in the operating-expense account. I had only gotten started on that phase of the proposition.

At the present time overmaintenance is constantly charged by these railroads. They are building up the roads, making them better every year, out of the operating-expense account.

Mr. FESS. There is a point where there might be a reduction.

Mr. BROOKHART. I have proved that before the commission in the rate cases, and I know it is true. It was claimed that they were not properly maintained during Government operation, but the fact is that they were overmaintained then; and the final report of the director general admits that, although he is entirely favorable to the railroad side of these questions. There is another item that is going to reduce these expenses.

If we can have these enforced consolidations by condemnation of stocks and bonds, and end competition, we will end a very great waste and a very great expense. The waste of competition is one of the burdens of our railroad system. Away back in the days of Collis P. Huntington he said that the waste of competition in New York City alone was $100,000,000 a year. If it was $100,000,000 a year in his time, it is $200,000,000 a year now. Ten years ago Edward Dudley Kenna, vice president of the Santa Fe Railroad, one of the great authorities upon these questions, wrote a book analyzing this waste of competition, and he said 10 years ago it exceeded $400,000,000 a year. If it was $400,000,000 10 years ago, it is five or six hundred million dollars a year now, with the advance of wages and the advance of prices and the advance of everything of that kind. So the proposition I have made will cut out these gigantic items in operating expense; it will cut out these gigantic items in the capital account and reduce the amount that will have to be earned in order to pay dividends, and upon all of those items more than a billion dollars' reduction in rates can be made, again I say without reducing the wages of any man that works.

Mr. BRUCE obtained the floor.

Mr. PITTMAN. Mr. President, will the Senator yield for just a moment?

Mr. BRUCE. Is the Senator going to offer an amendment?

Mr. PITTMAN. I am going to suggest something in that connection.

Mr. BRUCE. I think that I prefer to go on just now. I have not been taken into the confidence of the Senator at all with regard to his plans, and so I think that I shall proceed.

Mr. PITTMAN. I was about to do this for the benefit of the Senator.

The PRESIDENT pro tempore. Does the Senator from Maryland yield to the Senator from Nevada?

Mr. PITTMAN. I do not ask the Senator to yield any more. I was going to do something for the Senator's benefit, but since he does not understand it I will not.

Mr. BRUCE. I think I do understand it.

Mr. PITTMAN. If the Senator does understand it, it is surprising.

Mr. BRUCE. Oh, indeed? I at least did not understand the full extent to which—I hardly know what expression to use—to which the haste of the Senator from Nevada is capable of going.

Mr. President, I congratulate the Senator from Nevada upon the strategic cleverness that he has exhibited in this matter. As a member of the Interstate Commerce Committee he said or did nothing to indicate that he felt any particular degree of interest in departures from the fourth section of the interstate commerce act so far as they affected the lower reaches of the Mississippi. What he was really interested in, and what most of the supporters of the amendment that he is about to offer are interested in, is departures from the fourth section of the act in the intermountain country. Like a good general, he has been making a feint attack on departures on the lower Mississippi when what he was truly concerned about was the proposed departures—for there are no actual departures at the present time—in the intermountain region.

Mr. PITTMAN. Mr. President, I do not know whether or not the Senator will object to yielding when he is discussing what I said or did not say in committee. I will ask the Senator if he will yield to me.

Mr. BRUCE. Of course, I shall be glad to yield to the Senator for any purpose except the one that he was harboring just now.

Mr. PITTMAN. I was not going to offer any amendment. I was going to suggest that possibly the amendment might be offered so that it would be open to discussion, but that is past.

Mr. BRUCE. The Senator is a strategist, and in my blundering way I tried to be one just a little, too.

Mr. PITTMAN. I simply wish to say that I did not testify before the Interstate Commerce Committee, and I do not remember what argument I made in the committee in support of the bill. I will admit to the Senator, however, that he is correct in his assumption that my State is more interested in the long and short haul legislation, so-called, by reason of the discriminations that are practiced under it against our State as against coast points than it is in the subject that I was discussing, namely, the effect of this legislation upon water transportation. I will admit that.

Mr. BRUCE. The Senator is bound to admit that, with great respect to him.

Mr. PITTMAN. And I called attention to the fact when I started to speak that I was taking that branch of the subject because the Senator from Idaho [Mr. GOODING] was taking the other branch of it. I would just as soon have taken the other. I dislike very much, however, to have the Senator think, because I come from a State that has a direct interest in the legislation by reason of one phase of it, that I can not as a Senator of the United States have any interest in inland waterways or the Panama Canal.

As a matter of fact, our people out there were intensely interested in the building of the Panama Canal. They thought it was going to be of benefit to the whole country, and particularly to the West. It has resulted as a disadvantage to the intermountain country; but nevertheless, if the Senator please. I do not want him to think that I am so selfish and so narrow that it is impossible for me to look at anything from a national standpoint.

Mr. BRUCE. I do not think that. The Senator has too many of the elements of true statesmanship in him, if he will allow me to say so, to take such an attitude as that toward any public question; and even with reference to this particular question the Senator is not speaking only for the State of Nevada. He is speaking for one of the most important regions in the United States—that is to say, the intermountain region. I gladly acquit the Senator of any disposition whatever to take too pinched or circumscribed a view of the question under consideration; and it may be, for all I know, that, since the Senator was born down on the lower Mississippi, he may have been

drawn back to that part of the United States by sentimental as well as practical considerations.

Be that as it may, I think that more importance has been attached to departures along the lower Mississippi River than the occasion really calls for. My opinion is that the Senator from Nevada has failed to take into due account the handicaps to which navigation on the Mississippi and its tributaries is subject when brought into competition with rail transportation.

There was a time, of course, when the bosom of the Mississippi and the bosom of the Ohio were alive with water craft; but that, as the Senator from Louisiana [Mr. RANSDELL] has pointed out, was a time when there were no railroads running up and down the banks of those western streams.

A railroad may be handicapped to a certain extent when it is in competition with inland water transportation and yet be too much for the water competition. Why is that? The competitive superiority of rail transportation is represented by a differential of no less than 6 per cent. In the first place, railroads can carry and deliver freight with more speed and with more dispatch than steamboats—and speed and dispatch are things for which shippers are always prepared to pay an extraordinary price. In the next place, railroad transportation is much more dependable. As the Senator from Louisiana pointed out, it is only for a brief seasonal period that you can have satisfactory transportation on the Ohio River, and of course navigation on the Mississippi, too, is very much impeded by sand bars and the effects of summer droughts and, in the case of upward voyages, by the force of the current. Railroad transportation, carried on, as it is, on fixed tracks and under perfectly stable and assured conditions, is always a more trustworthy thing than inland water transportation.

The superior trustworthiness of rail service was most strikingly shown during the World War. During that war practically all the coastwise ships that had been transporting freight from the Atlantic seaboard through the Panama Canal to the Pacific coast quit altogether their usual routes for the great profit to be earned from transmarine voyages, and if the people of the Pacific coast had been totally dependent on water transportation they would have had no reliable agency of transportation at all. It was not until after the World War, with its enormous maritime gains, had come to an end that water transportation through the Panama Canal to the Pacific coast of the United States became again what it is at present. So I doubt very much whether any sums that you may expend on the navigation of many of our inland waters will ever produce any permanent results of the same value as those which are secured by railroad transportation.

The discussion in this case, so far as the proposed amendment is concerned, ought to turn, as it turned in the Committee on Interstate Commerce, mainly on transportation conditions in the intermountain region. When we come to that region, the quarrel of the Senator from Nevada [Mr. PITTMAN] and of the Senator from Idaho [Mr. GOODING] is really to a great extent a quarrel with God and nature. The Senator from Idaho is complaining because the Deity gave to the State of Idaho the Snake River instead of the Pacific Ocean. San Francisco and Portland and other points on our Pacific seaboard enjoy a decisive advantage over any intermountain city or town in that they are on the Pacific, that vast sheet of water which in all likelihood will become the most important expanse of water in the world, and which is now intimately connected with the Panama Canal, that brings the coastwise commerce of the United States from its eastern to its western coast.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Maryland yield to the Senator from Idaho?

Mr. BRUCE. I yield.

Mr. BORAH. I understood the Senator to say that my colleague was quarreling with God and nature. As I understood my colleague, what he wants to happen is that God and nature may be permitted to operate without the interference of the Interstate Commerce Commission to thwart their purposes.

Mr. BRUCE. Then, if that were brought about, the intermountain region might be in a worse condition than at present.

Mr. BORAH. If San Francisco and Portland and the other coast cities have their advantage by reason of being upon the ocean, why should they not be satisfied with that advantage, instead of asking for an additional advantage through the railroads charging us more for a short haul than they charge them for a long haul?

Mr. BRUCE. Because if these transcontinental lines were not allowed lower rates to the Pacific seaboard than to intermediate points, then they might have to charge higher rates than now to the intermediate points.

Mr. BORAH. Not necessarily, at all.

Mr. BRUCE. I think so, and that in my judgment is the crux of the whole case. It is true that the low rates to Pacific points which might be granted by the commission might not be fully compensatory in the ordinary sense, but, all the same, they would make a substantial contribution toward the entire overhead expenses of the transcontinental lines, and it is entirely conceivable that if the departures were not allowed on westbound freight rates to Reno, Salt Lake City, Boise City, and other intermountain towns might, instead of being as low as they now are, be still higher.

So, as I have said, the real misfortune of the intermountain country consists in the fact that it is an intermountain country, and, to use the language of Shakespeare, "cribbed, cabined, and confined" by nature. It is not on the sea, and must face the competition of great cities that are.

Mr. REED of Missouri. Mr. President——

Mr. BRUCE. I yield.

Mr. REED of Missouri. I do not want to interrupt the Senator in his discourse, and I do not rise in any spirit except to elicit the Senator's views.

Mr. BORAH. I can not hear the Senator.

Mr. REED of Missouri. I have not said anything of importance yet; maybe I will not.

Mr. BORAH. I know the Senator will.

Mr. REED of Missouri. The Senator, of course, will concede that a railroad can not make any money hauling freight at less than the cost of hauling, and with a little profit added.

Mr. BRUCE. Of course not; there must be the out-of-pocket-plus rate for the railroad to make any profit.

Mr. REED of Missouri. If the railroad hauls, then, to any destination, should it not, as an economic proposition, always charge a rate which will pay the expense of the haul and a small profit to that point; and if it pursues any other policy, does it not necessarily involve a loss?

Mr. BRUCE. That is perfectly true; but these transcontinental lines which are asking for departures in the present case propose, if the Interstate Commerce Commission will allow them to do so, to charge out-of-pocket-plus rates. That is to say, they do not propose to charge fully compensatory rates—under the statute they are not bound to do that—but they do propose to charge reasonably compensatory rates; that is to say, rates which, notwithstanding the fact that they are lower than the rates that they charge to intermediate points, will yet make a material contribution toward their general expenses.

Mr. REED of Missouri. Then they must be making a profit.

Mr. BRUCE. They will make a profit, though a comparatively small profit, and it is to the interest of points in the intermountain country that they should be allowed to make it, because if they were not given permission to do so they might either have to go out of business altogether or charge higher rates to intermediate points.

Mr. REED of Missouri. If the Senator will pardon just a further interruption, I am trying to get his view——

Mr. BRUCE. That is my view.

Mr. REED of Missouri. If a railroad hauls freight from New York to San Francisco and makes a reasonable profit, how can it be justified in making a system of rates such that it can better afford to haul freight from New York through Denver to San Francisco, and then back to Denver, and charge a lower rate for that haul than it would charge as a direct rate to Denver?

Mr. BRUCE. It has to meet water competition at San Francisco or Portland, and it has to adjust its rates so as to be able to meet it, and to share in some of the business which the water lines would otherwise monopolize.

Mr. REED of Missouri. But why does it not unload that Denver freight at Denver when it goes west from New York and not ship it on to the coast and then ship it back something like 1,400 miles to Denver, making a perfectly useless haul of about 2,800 miles?

Mr. BRUCE. I have heard no testimony to the effect that that is ever done.

Mr. REED of Missouri. Those are the facts, and those conditions have existed for many years in various forms. I am trying to see how that can be reconciled, as an economic proposition, with the reduction of overhead charges by making a low rate to the coast.

Mr. BRUCE. Those are not the facts which have been brought to my attention. The roads are simply asking for a differential on the Pacific coast that will enable them to participate to a reasonable extent in commerce that is now water borne.

Mr. KING. Mr. President, will the Senator yield?

Mr. BRUCE. I yield.

Mr. KING. Corroborating what the Senator from Missouri has stated, may I say to the Senator that a practice which pre-

vailed many years in my State, and in all of the intermountain region, was just as destructive as that to which the Senator has referred. Indeed, that is an exemplification of it. Frequently goods and commodities which would be purchased in Chicago and in New York for Salt Lake City, Utah, and Boise and surrounding territories would pass on to California, usually to San Francisco, sometimes to Sacramento, and then be shipped back again to the interior point. They would not permit us to unload them at Ogden or Salt Lake City, or, if we did, we would have to pay the rate to the coast plus the rate back again. That even does not exist to-day, but we fear that if the petitions now pending before the Interstate Commerce Commission shall be granted, we will be confronted with the same evil practices which in the past have been so ruinous to our intermountain section.

Mr. BRUCE. I was coming to that aspect of the case. The discussion has gone on exactly as if there were now departures from the fourth section of the interstate commerce act actually applying to west-bound freight on its way to the Pacific coast. That is not the case. What is being indulged by Members of the Senate who have participated in this discussion so far is a mere apprehension, based solely on the fact that the transcontinental lines have made application to the Interstate Commerce Commission for departures on some 43 west-bound commodities. Nobody knows whether the Interstate Commerce Commission will allow those departures or not. It is clothed with full discretion to say whether it will do so or not. What right therefore has any Member of the Senate to anticipate, in the manner that is now being pursued, the action of the commission on these applications?

Mr. REED of Missouri. I would like to understand the Senator, if he will pardon me.

Mr. BRUCE. Certainly.

Mr. REED of Missouri. I want to be sure that I understand him. Am I to understand the Senator to say that the Interstate Commerce Commission has not allowed such rates to the Pacific coast and that the condition to which I have referred does not, in principle, exist?

Mr. BRUCE. It does not exist in fact at all, if the testimony before the Interstate Commerce Committee can be believed.

Mr. REED of Missouri. Very well; I understand the Senator now.

Mr. BRUCE. In the first place, there are no departures at all, actual or agitated, on eastbound freight from the Pacific coast. That is the testimony, and the chairman of the Interstate Commerce Committee will bear me out when I say that. Nor, as I have said, are there just at this time, though there were before the World War, any departures in force on westbound freight to the Pacific coast.

So I say to the Senator from Idaho [Mr. GOODING] and to the Senator from Nevada [Mr. PITTMAN] that they are crying out before they are hurt. What right have they to prejudge the conclusion of the Interstate Commerce Commission? What right have they to suppose that it will not exercise soundly and wisely its discretion? And yet, notwithstanding the fact that the anticipated departures are all in fieri, even the conservative Senator from Missouri [Mr. REED] has gone so far as to say that he is very often inclined to think that the Interstate Commerce Commission should be abolished and that for one—I think that I quote his exact words—he is fully and completely disgusted with it. The Senator from Idaho [Mr. GOODING] has not fallen short of saying that the commission is a mere tool of the railroads. Think of that! This commission, the duties of which have been administered by such able and upright men as Judge Cooley and Mr. Prouty, a mere tool of the railroads!

The Senator actually went so far in his outburst of extravagant hysteria as to quote the famous letter of Lord Macaulay, in which he predicted the certain downfall of our democratic institutions.

So first of all I ask the Senate to keep in mind the fact that not one single hair upon the head of the intermountain territory has been affected by a departure yet, and that there is not a Member of this body who has any right to arrogate to himself the office of prophecy and to say that the commission will grant a single one of the departures that are now petitioned for.

Here I propose to digress for a moment for the purpose of making just a brief excursion into the wider domain of discussion into which the Senator from Iowa [Mr. BROOKHART] and the Senator from Idaho [Mr. GOODING] at certain points in their respective addresses allowed themselves to be deflected. I confess that I am beginning to weary of the statement that is made almost every day of the week in this body that the farmer is fairly being ground into the earth by excessive freight rates. During the debates on the transportation act of 1920 it was again and again stated that the people of the United States enjoyed the lowest freight and passenger rates in the whole world, notwithstanding the fact that they paid their employees the highest wages in the whole world, and paid for all the materials and supplies that they purchased the highest prices in the world.

Relatively, railroad rates are lower in the United States to-day than they were before the World War. I defy any Member of the Senate or any other legislative body to establish the contrary. The average increase in railroad rates in the United States has been only 54.63 per cent since 1914, as against an average increase in the cost of living, which has been recently computed by one of the Government bureaus to amount to 68 per cent at this time.

Mr. KING. Does the Senator mean the conclusion of the World War or the beginning of it in August, 1914?

Mr. BRUCE. I am speaking of the eve of the war, of 1914. It so happens, as the chairman of the Senate Interstate Commerce Committee knows, that we have recently had a great deal of highly instructive testimony upon this point. Among the witnesses was Mr. Daniel Willard, the president of the Baltimore & Ohio Railroad Co. What did he say before the committee? He said:

> The price which the railroads—or, at least, some of them—were obliged to pay for their fuel in 1923 was 116 per cent higher than in 1916. The prices paid for lumber, ties, steel, including rails and other representative material, were about 57 per cent higher in 1923 than the average prices during the three years, July 1, 1914, to June 30, 1917, known as the test period. Taxes paid by the railroads in 1923 were 145 per cent higher than in 1914, equal to an increase of $196,485,000. The official figures of the United States Department of Labor show that the total cost of living in 1923 was 68 per cent higher than in 1914, as indicated on the chart submitted herewith—that is, the chart attached to this statement. These figures, which have been carefully obtained from the most reliable sources, fully support the statement that railroad rates to-day are comparatively lower than in 1914, because the per cent of increase in railroad charges over 1914 is substantially less than the average aggregate per cent of increase in connection with the other items above mentioned.

These figures can not be gainsaid. They emanate from an absolutely trustworthy source, and are subject to verification by anybody. On the same occasion Mr. Willard said that the average increase of railroad rates since 1914 in the United States had been only 54.63 per cent, though the increase in the wages of railroad employees during the same time had been 98 per cent.

And what else did Mr. Willard say? I ask the attention of every Member of the Senate within the sound of my voice to it. He testified that the entire net revenue of the railroads of the United States from the transportation of agricultural products in 1923 was $132,000,000. Then he demonstrated by a simple arithmetical calculation, which any Member of this body, nay, any schoolboy, can make for himself, that if this whole sum of $132,000,000 was applied to the wheat and corn raised by the farmers of the United States in 1923, it would signify an increase of only 4 cents per bushel. Yet we have a Member of the Senate like the Senator from Idaho [Mr. GOODING] threatening us practically with the destruction of our American institutions if these frightful rate abuses, that exist in his own imagination only, are not redressed.

No; what has been said here is but another illustration of the unreasoning agrarian agitation that is going on in the Northwest, and of that agitation I have no disposition to speak at any length. It is to a great extent as preceding agitations of the kind have been, merely the restless edges of the sea murmuring because they can not escape the constraint of the rock-bound land. But, to use a vigorous phrase, it does fatigue my indignation to hear it said that the railroads of the country are ruthlessly oppressing the farmer and placing an intolerable burden upon his back, and to see our superb railroad system, the finest in the world, threatened with derangement and even destruction by every covert or open attack that could possibly be made upon their welfare and that of the people of the United States to whom their welfare is a matter of such vital concern.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Maryland yield to the Senator from Utah?

Mr. KING. I wish to inquire of the Senator——

Mr. BRUCE. In just one moment I will gladly yield to the Senator. I desire to continue a little longer while I am on my present topic.

Mr. KING. My inquiry is apropos of what the Senator is saying.

Mr. BRUCE. But I desire to go on before the line of thought that I am now pursuing passes from my mind.

Another gentleman with an arithmetical turn of mind has calculated just what effect freight rates at the present time have on the cost of living; and he has made up the following little table:

Freight rates have little, if any, effect on the cost of living

Freight charges on the following commodities and the prices paid by the ultimate consumer are as shown:

Commodity	Freight rate	Consumer pays	Per cent of freight rate to cost to consumer
Flour, 1 pound, Minneapolis to Cedar Rapids, Iowa	1.9 mills	$0.06	3.17
Suit, 6 pounds, Chicago to Seattle (about)	7 cents	50.00	.14
Hat, ½ pound, Chicago to Cedar Rapids	7.9 mills	4.00	.20
Sugar, 1 pound, New Orleans to Chicago	7 mills	.10	7.00
Coffee, 1 pound, New Orleans to Chicago	6.5 mills	.45	1.44
Tea, 1 pound, Seattle to Chicago	1.5 cents	1.00	1.50
Salt, 1 pound, Detroit to Cedar Rapids	2.5 mills	.02	12.50
Butter, 1 pound, Cedar Rapids to Chicago	4.75 mills	.65	.73
Eggs, 2 pounds (1 dozen), Cedar Rapids to Chicago	9.5 mills	.56	1.70

Now, let me pass from that to freight rates on livestock in the West at the present time, as set forth in a recent publication.

Sales of livestock and the freight rates paid on the same were studied at four markets: Chicago, East St. Louis, Kansas City, and South Omaha. These studies were made for three days at intervals of three weeks, October 15, November 5, and November 26, 1923. The stock was received from 27 States and included 13,161 cattle, 18,585 hogs, and 24,682 sheep. Then, taking each class of stock separately, the cost to the purchaser, delivered at the yards, was divided into three items—price paid to the farmer, freight paid to the railroad, and miscellaneous distribution costs. The following is the result:

With cattle, freight was 6.9 per cent of the total bill; miscellaneous costs, 3.1 per cent; price to the farmer, 90 per cent.

With hogs, freight came to 5.1 per cent; miscellaneous costs to 3.3 per cent; price paid to the farmer, 91.6 per cent.

With sheep, freight covered 7.4 per cent; miscellaneous costs, 4.1 per cent; price paid to the farmer, 88.5 per cent.

Or, taking all stock together, of every dollar paid out by the buyer the railroads got 6.5 per cent for freight, other costs absorbed 3.3 cents, and the farmer got 90.2 cents.

In view of all the unimpeachable figures, founded on the actual records of the transportation systems of this country that I have given, I assert again that freight rates in the United States to-day are relatively lower than they were in 1914. Surely it is not the fault of the railroads that wages have gone up 98 per cent since 1914; surely it is not their fault that the cost of everything in the way of materials and supplies which they buy has gone up greatly, too. How can we expect railroad rates to remain down when nothing else remains down?

Mr. KENDRICK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Wyoming?

Mr. BRUCE. I will be glad if the Senator will postpone the interruption for a moment. I have a great deal of matter to get through with. However, if he desires to ask me a question along the line that I am pursuing, I will yield.

Mr. KENDRICK. I merely wish to say that I am sure the Senator would not want to misrepresent the facts in any way. He refers to the record which he has cited as being unimpeachable, but it is a fact that the freight rates on livestock from western points to market are relatively higher in proportion to what the livestock is selling for in the market than they were in 1914.

Mr. BRUCE. I will let the figures speak for themselves. Of course, after all, it is not true that figures do not lie, but I think that they have about the best deserved reputation for veracity of anything in the world.

Mr. KENDRICK. Figures do not lie, but liars do figure.

Mr. BRUCE. Yes; they certainly do sometimes, especially when they are strongly under the influence of agrarian agitation and disaffection.

If I thought that there was any practical way of aiding the farmer along such lines as have been suggested in this body since I became one of its Members, I would certainly lend a helping hand. I am the son of a farmer, of a man who never pursued any occupation during the nearly 50 years of his active business life but that of a farmer, and I myself owned a farm for many years, and have had not a limited experience in farming. Whenever the hand of Congress can be held out wisely to the farmer, I wish to see it held out, because his industry is the basic industry upon which the whole structure of our national prosperity is founded.

I think that a great deal can be done for his benefit along cooperative lines. A few years ago a cooperative marketing tobacco association was established in North Carolina and southern Virginia, which proved highly beneficial to the tobacco planter, and I hope that it is proving so to-day, too.

The real trouble with the farmer is that he happens to be the first individual in the body politic to whom the inevitable processes of deflation that set up after the World War were applied. Sooner or later we shall all be subjected to the same trying process. Under the operation of the crushing tariff enacted by the Republican Party a short time ago the farmer is paying exorbitant prices for almost everything that he buys, and under the operation of what I conceive to be the fatuous international policy of the Republican Party he has no good foreign market in which to sell. So much for the more general considerations which have been lugged into this debate.

Now, as the French say, let us get back to our mutton; that is to say, to the long-and-short-haul clause of the interstate commerce act. I began by saying that the attention of the people of the intermountain section has been so closely riveted upon their own region that in their apprehension lest departures might be fastened upon them under the fourth section of the act, they have quite ignored the fact that in all the other regions of the United States business and commerce are largely built up upon rate structures involving thousands and thousands of such departures. And so little injustice have these departures worked in the central and eastern portions of the United States, that not one solitary human being from them, I believe, appeared before the Interstate Commerce Committee to lift up his voice in favor of the Gooding bill.

It is a great mistake to think that the discretion vested in the Interstate Commerce Commission by the fourth section of the interstate commerce act is exercised only where railroads come into competition with water transportation lines. It is exercised in many cases that have no relation to competition between rail and water transportation.

Let us take just a few typical examples, and I hope that Members of the Senate will apply them to their own local or regional conditions as I go along.

First of all, there may be a direct railroad line between two points, and there may be a circuitous railroad line between the same two points. In cases of that sort the Interstate Commerce Commission in many instances has allowed the circuitous line to fix a lower rate at a common point at which it comes into competition with the direct line than at intermediate points on its own line. The communities served by the two railroads profit by such action on the part of the commission. They have two vehicles of transportation instead of one. They have two railroads engaged in active competition with each other, instead of a single railroad endued with an oppressive monopoly. In times of congestion and car shortage, too, there are two railroads to tap the congestion instead of one.

The Gooding bill, I am glad to say, at least does not entirely destroy the power of the Interstate Commerce Commission to grant departures in cases like these, though it does deprive partly rail and partly water lines and pipe lines and sleeping-car lines of the privilege of departure. A good illustration of a direct line and a circuitous line between the same competitive points is found in the Illinois Central, which is a direct line between Charles City, Iowa, and Omaha, and the Chicago, Rock Island & Pacific and Charles City Western Railways, which is a circuitous line between the same points. The direct line is 275 miles long; the circuitous 318; but the people of the region in which the two railroads are operated are served by both, as they should be, under orders of the Interstate Commerce Commission allowing the proper departures from the fourth section of the interstate commerce act.

Again, the Interstate Commerce Commission at times allows departures for the purpose of strengthening some weak railroad, that without any fault of its own is in a poor financial condition, and experiences difficulty in meeting its operating expenses. There are many roads of this kind in the United States, and yet not a few of them are of indispensable value to the communities that they serve. An illustration of this

situation is found in the Tennessee Central road, which runs from Emory Gap, Tenn., through Nashville, Tenn., where it meets the competition of the Louisville & Nashville Railroad, one of the strongest railroads in the United States, to Hopkinsville, Ky. It traverses a mountainous, sparsely-settled region, and it would have to go out of existence if the Interstate Commerce Commission did not allow it to charge lower rates at Nashville than at intermediate points between Emory Gap and Nashville.

Again, the power of allowing departures is sometimes exercised by the Interstate Commerce Commission for the purpose of equalizing the positions of two ports. For example, there have always been large importations of green coffee into the United States through the port of New Orleans, and there was a strong tendency on the part of this commodity to find its way into the United States through the port of Galveston too, to the same points served by New Orleans. Consequently to enable the railway lines running out of Galveston to deliver green coffee at these points, which were remoter from Galveston than New Orleans, the latter lines were authorized by the commission to charge lower rates to them than to intermediate points; and in the same way the commission has conferred reciprocal privileges upon the port of New Orleans.

Again the commission often allows departures so that the productions from a particular territory or region in the United States can be transported to a common market by more than one railroad line, one railroad line, of course, being more remote from the common market than the other. The result is achieved by allowing the railroad that is the more remote one from the common market to charge lower freight rates at the point of destination than at intermediate points on its line. An example of this sort of departure is found in the special rates that railroads were allowed to make a few years ago on western sugar to meet the competition of foreign sugar coming in through the ports of New York and New Orleans. Again, departures are sometimes permitted to aid situations created by drought or famine. Such a situation arose in 1922 during the terrible drought of that year in the State of New Mexico. The commission allowed railway lines leading into that State to deviate from the hard-and-fast rule of the fourth section both for the purpose of delivering cattle feed in that State at less cost and of shipping cattle out at less cost. The power to make departures in such a case as this is not revoked by the Gooding bill, but it makes no provision for departures in the case of an emergency created by congestion.

A few years ago the cotton mills in New England were about to shut up because the tracks of railways leading to New England were so densely congested that those mills could not obtain from the South the supply of cotton that they required. This predicament the commission met by allowing the proper departures on railway lines leading down from the cotton region to New Orleans and other South Atlantic ports, where the raw cotton needed by the New England mills was transshipped by water to them.

Still another illustration—I might multiply them still more—is this: A joint-line railroad comes into competition with a single-line railroad. The former is subject to a handicap inasmuch as it has to transship. For the purpose of offsetting this handicap and putting the two lines on a footing of parity, the commission will allow the joint line to depart from the strict rule of the fourth section of the act.

Is the beneficent jurisdiction of the Interstate Commerce Commission in all those varied cases, and others that might be enumerated, to be swept out of existence? The Senate should bear in mind that the power to grant departures from the rule prescribed by the long-and-short-haul prohibition has existed ever since February 4, 1887; that is to say, about 37 years. It is true that from time to time the fourth section has been amended, but never has Congress been willing to repeal it. In the first instance, the railroads were allowed to haul freight for longer distances at lower rates than for shorter distances under what the act termed "substantially similar circumstances and conditions." It was found that the discretion that this language gave to the railroads was at times abused, and it was taken away from them by Congress in 1910 and lodged in the commission.

The act of 1910 provided that in special cases a railway might be empowered by the commission to haul freight and passengers for a longer distance at a lower rate than for a shorter distance over the same line and in the same direction. The same act provided also that where a departure from the fourth section was allowed in order that a railroad might meet water competition, the railroad should not afterwards be permitted to raise the reduced rate simply on the strength of the actual elimination of the water competition.

Then later was enacted the act of 1920, which provided that where a rate was allowed to be charged at a point of destination lower than at intermediate points it should be a "reasonably compensatory" one, and that a departure would not be granted to a railroad to meet merely potential water competition. Some other amendments also, which I need not mention in detail, were engrafted upon the interstate commerce act by the act.

Be it remembered that during this entire period of 37 years the power conferred upon the Interstate Commerce Commission by the original interstate commerce act as modified by these amendments has been exercised, and exercised in thousands and thousands of instances, and so wisely exercised that, aside from the intermountain country, and the territory along the lower stretches of the Mississippi, there is no dissatisfaction, so far as I know, harbored at the present time by shippers in any portion of the United States because of rate departures.

Since 1910 there have been some 12,000 applications for departures made to the Interstate Commerce Commission, and among those applications is a vast number of blanket applications, each one of which comprehends many applications. Rate structures throughout the United States have been built up largely on such departures.

The Senator from Connecticut [Mr. McLEAN] knows to what extent the business of New England is founded at the present time upon rail and water differentials.

Mr. McLEAN. Mr. President——

The PRESIDING OFFICER (Mr STANFIELD in the chair). Does the Senator from Maryland yield to the Senator from Connecticut?

Mr. BRUCE. I yield.

Mr. McLEAN. I have not been able to listen to all of the Senator's remarks on this subject. I did listen, as I had an opportunity, to the speeches made in favor of this amendment, and I will say to the Senator from Maryland that they sounded well, but it is not always well to legislate by sound.

I remember that in 1883 and 1884 we had this long-and-short-haul question up for the first time in Connecticut, when I was a member of the Connecticut General Assembly.

It was the important question before that body, and in the enthusiasm of my youth I was easily convinced that the argument which was so attractive to the ear was sound in fact, and we passed the bill. It did not work as we expected. It simply gave the direct line a little additional income, and reduced the income of the circuitous line, which ran through the town in which I happened to live, and if the circuitous line had been permitted to charge rates that would have paid expenses, they would have been compelled to raise the rate instead of lowering it. I can see no other conclusion. Frankly, if this bill is passed, I can not see how anyone living in the State of Idaho can expect to see any reduction in freight rates.

Mr. BRUCE. There would probably be an increase, I should say.

Mr. McLEAN. That seems to me to be a mathematical certainty, because if a transcontinental road, by the operation of this law, is prevented from taking freight to the coast, which it could otherwise take at a compensatory rate, if there is a loss of $100 in its net income, that loss must be made up by adding to the rates to the intermediate points.

Mr. BRUCE. I think that that is unquestionably sound reasoning. Indeed, before the Senator came into the Senate Chamber I endeavored to present that aspect of the pending question.

Mr. McLEAN. We have tried it in the East, and we have learned our lesson, and if the West insists upon the experiment, they will learn the lesson, too.

Mr. GOODING. Mr. President, will the Senator yield?

Mr. BRUCE. I yield.

Mr. GOODING. We are not expecting any reduction in freight rates through this legislation if it is enacted. What we are expecting is that San Francisco, Seattle, Portland, and all other coast points shall not have a cheaper rate than the people of Idaho have, when the haul is a thousand miles longer. This bill interferes with no circuitous lines at all in this country, and permits the Interstate Commerce Commission to make a violation if they want to. That is a special exception that is made. We only ask that our farming interests and other people may go on and develop the interior of our country. We have especially provided that other people shall not be interfered with. If the Senator would read my amendment, I think he would take our view of it.

Mr. McLEAN. The inevitable logic of the Senator's argument is that if the road is deprived of its through traffic, and

thereby loses on its net income, it will have to raise the rate to the intermediate points in order to live.

Mr. GOODING. Mr. President, we can pass legislation that will permit the interior of this country to develop. It has not commenced to develop yet. It is not scratched. The Senator knows that you can not develop a country where there is discrimination in freight rates. He knows what would happen to the business of his town if there were a discrimination of even a few cents against it. That is what we are opposing.

Mr. McLEAN. I do not want to take the time of the Senator from Maryland, but if the Congress is going to undertake to remedy the geographical disadvantage of one community by operation of law, the Senator from Idaho will find that his location will be the first to suffer injury. If there were 20,000,000 people living in San Francisco instead of a million, does the Senator think it would hurt the industries of Idaho? Does he think the building up of the great seaboard cities means injury to the intermountain section?

Mr. GOODING. I will say to the Senator that when they are built up at the expense of the interior, it is an injury.

Mr. McLEAN. You can not build them up at the expense of other sections.

Mr. GOODING. That is exactly what the discrimination in freight rates does.

Mr. McLEAN. It is an economic impossibility.

Mr. GOODING. That is all the Senator is after, a discrimination in freight rates in the interest of his own people, so that they may take the business away from the people of the interior.

Mr. BRUCE. Mr. President, as we lawyers say, this debate is becoming too much res inter alios acta, as far as I am concerned, for me not to crave my privilege of going on to say what I still have to say.

Answering the Senator from Idaho, I affirm that the Pacific Ocean ports will always have lower rates than the intermountain country so long as the Pacific Ocean laps their wharves and piers, as he was told by the counsel of the railways who appeared before the Interstate Commerce Committee when his bill was under consideration. That is the controlling, inescapable fact in this whole discussion. These Pacific ports are seated upon the Pacific Ocean and are readily accessible to the water-borne commerce of both the Atlantic and the Pacific coasts, and consequently the intermountain region can never, under any conditions, occupy as favorable a position as respect rates as do the Pacific port cities.

Mr. McLEAN. The prosperity from this great increase in population at the seaboard must reflect itself, of course, upon the intermediate sections of the country.

Mr. BRUCE. Precisely; it radiates out through all of the intermountain country.

I ask every man on this floor who is directly interested in the welfare of any port on the Atlantic seaboard, or of any railroad in the East, to inquire how the Gooding bill will affect his community and his constituents. Let the Senators from Massachusetts ask how it will affect the commerce of the city of Boston. Let the Senators from New York ask how it will affect the commerce of the city of New York. Let the same question be asked by the representatives of the State of Maryland, of the State of Virginia, of the State of South Carolina, of the State of Georgia, of the State of Louisiana, of the State of Texas, all of which States have important maritime cities whose prosperity is largely based on departures granted by the Interstate Commerce Commission for the purpose of putting them on an equal competitive footing with Atlantic ports farther north. Extending all the way from New England to the southern and southeastern and central parts of the United States are two great agencies of transportation.

First you have all-water lines, or partly rail and partly water lines; and then, making across the United States to the westward, you have great all-rail lines, and it would not be possible to balance these rail and water or partly rail and partly water systems of transportation in such a way as fully to subserve the transportation needs of the people if departures were not allowed by the Interstate Commerce Commission.

Just take, for instance, one line of trade in which the State of New York and the State of Maryland are engaged to a very great extent. I am speaking of shipments of canned goods. The State of New York and the State of Maryland ship great quantities of canned goods by sea to southern ports, and from these ports they find their way to points in the interior, to Oklahoma, to Missouri, and to other localities, to which they could never find their way if there were no such thing as departures to equalize the competition between the agencies by which they are transported and the shorter all-rail agencies by which the same points of destination are reached from the interior of the country.

I say another thing to some of the Senators here: That is that if the fourth section of the interstate commerce act is mutilated, as is proposed by the Gooding bill, we have the testimony of no less an authority than the Interstate Commerce Commission itself to the effect that some of the roads in the States which they represent will go into bankruptcy.

Mr. BORAH. Mr. President, will the Senator permit an interruption?

Mr. BRUCE. Certainly.

Mr. BORAH. It seems to me the logical effect of the Senator's address is that water transportation must be practically eliminated in order to save the railroads.

Mr. BRUCE. Not at all. My idea is the idea of the transportation act itself—that is, that the rail and water transportation systems of the United States should both be fostered and preserved.

Mr. BORAH. But the Senator is not willing that the railroads shall come in competition with water transportation.

Mr. BRUCE. Yes; I am. That is just what I would like to see, if the Interstate Commerce Commission thinks that it is wise in this instance.

Mr. BORAH. Yes; but the best regulator of rates, in my judgment, in the world is water transportation. I think water transportation regulates rates without any favoritism, and it is constantly in operation. It seems to me that it is one of the most certain regulators of rates that we could have.

Mr. BRUCE. It is, but at the same time nothing can be more completely established than the fact that if you have a railroad competing with a steamship line at a certain point of destination the railroad can, if allowed the proper departure, charge just a little more than the water line and yet maintain the competition with a reasonable degree of success. This is because transportation by rail is so much more speedy, so much more certain, and under many circumstances so much more dependable than transportation by water.

Mr. BORAH. The railroads, of course, can take care of themselves against water competition, so we need not be uneasy about cutting into the competition.

Mr. BRUCE. I am not uneasy. All they want to do is come in competition with the water lines at San Francisco and Portland. What they ask is that the rates to those points be placed at levels that will enable them to get a fair share of the traffic at those points.

Mr. BORAH. And the extra charge for it is placed back upon the intermountain points.

Mr. BRUCE. I do not think so. My own view about it is, and the Senator from Connecticut [Mr. McLEAN] seems to agree with me entirely on that subject, that it might be that if we do not allow the transcontinental lines to transport freight to the Pacific coast at rates lower than to intermediate points they might have to put up the rates to intermediate points.

Mr. McLEAN. The Senator from Idaho assumes they can continue to get the traffic if they raise the rate, whereas that is impossible if the water rate is lower.

Mr. BRUCE. That is true.

Mr. BORAH. I do not assume that. The one thing I am objecting to is the high rate, and I want the power of water transportation to bring down those rates.

Mr. McLEAN. If the Senator takes the other horn of the dilemma, they lose the traffic.

Mr. BORAH. I am not uneasy about that. That horn of the dilemma is not disturbing me. The western part of the United States is practically foreign country so far as shipments to the East now are concerned. The freight rates are such that we are practically cut off from the East. Of course, if it is true that the railroads can not exist and earn less money than they are earning, that is one proposition, but a proposition which I do not accept.

Mr. McLEAN. Of course, that is a proposition which is accepted by the railroad managers and the Interstate Commerce Commission.

Mr. BORAH. I know it is accepted by the railroad managers.

Mr. McLEAN. It has been demonstrated that a great many roads have been ruined by reason of the fact that they were not allowed to take freight at a compensatory rate which perhaps did not pay a large dividend.

Mr. BRUCE. I would like to call attention to the fact that the railroads are doing pretty poorly in all of the northwestern territory and all the intermountain territory under existing conditions. They are really having quite a struggle to make anything like a moderate return on the amounts invested on them. For instance, here is the recent testimony by Mr. Elliott, president of the Northern Pacific Railroad, before the

Interstate Commerce Committee. Answering the chairman he said:

Now, here is a little bit of information that may interest you, showing what happened on this particular road, which I happen to know about, the Northern Pacific, before there was a transportation act.

In point of fact, he is president, and the very able president, of that road.

We earned in the year 1916 a rate of return of 6.715 per cent; 1917, 5.946. Then the war difficulties began and we ran down hill. In 1918 we earned 4.603; in 1919, 2.720; in 1920, 0.472; in 1921, 1.993; in 1922, 3.537; and in 1923, 2.982. * * * Then, take that northwestern section, which is a great empire—where you live, Senator GOODING. Last year of the carriers serving that country, the Milwaukee made 2.73 per cent; the Great Northern, 4.56 per cent; Minneapolis & St. Louis, 1.22; Soo Line, 3.77; Northern Pacific, 2.93; Oregon, Washington & Navigation Co., 0.61; total, six roads, 3.10; Chicago, Burlington & Quincy, 4.24; total, seven roads, 3.33.

So it will be seen these carriers are pretty close to the line of net-revenue sterility now.

Continuing what I was saying, I assert that there are some railroads in the United States which will absolutely have to go out of business if they are not allowed the proper departures. For instance, the Kansas City, Mexico & Orient Railroad and the Missouri & North Arkansas Railroad. Both of those railroads are valuable roads to the agricultural regions which they serve.

The same things could, perhaps, almost be said of the Georgia, Florida & Alabama Railroad and of the Missouri & North Arkansas.

The truth is that rate departures are so inseparably interwoven with the commerce of the greater part of the country and so much has been erected upon them that the Gooding bill, if enacted, would probably work untold disturbance and derangement, not to say ruin. Shall the rate structures into which these departures enter topple down and be abased to the very dust simply because the citizens of the intermountain territory are afraid that the Interstate Commerce Commission may, on the applications now pending, grant departures on freight bound over the transcontinental lines to the Pacific coast?

Of course, I do not intend to dwell upon the rhapsody in which the Senator from Idaho [Mr. GOODING] has indulged with reference to the possibilities of the West and its future expansion if departures were only barred. He will have to satisfy me that he is a more accurate observer of contemporary events than I believe him to be before I shall attach much importance to him as a prophet.

I trust that this attempt to maim or hamstring the fourth section of the interstate commerce act will fail, as such efforts have always failed heretofore. Of course, any such provision as the fourth section is bound to breed a certain amount of dissatisfaction. When an act of Congress declares that a railroad may, with the approval of the commission, charge less for a longer than for a shorter distance, and that is done, such a result is almost sure, occasionally, to awaken a sense of fancied injustice on the part of individuals and localities. But on the whole the jurisdiction of the commission in the matter of departures has been justly and judiciously exercised, and is, as a general thing, regarded with popular favor. The commission prescribes certain criteria for itself in exercising the jurisdiction, to which I believe they have honestly adhered. If it is a circuitous route that desires to meet the competition of a direct route, the commission asks whether to grant the departure would involve wasteful transportation or not.

If it is requested to allow a departure on a direct line it takes care to see that when it fixes a lower rate for the longer distance, the rates to intermediate points are not unduly burdensome or unreasonably discriminatory. And that it has the power to fix such lower rates where no excessive burden or undue discrimination is created has been decided by the Supreme Court of the United States in the case of United States *v.* Atchison, Topeka & Santa Fe Railroad (234 U. S.) and the case of United States *v.* Union Pacific Railroad Co. in the same volume. Even if lower rates to the Pacific coast were fixed by the commission than to Salt Lake City or Reno or other similar interior points, that would be no just subject for complaint in a legal sense provided that the rates to these points were not excessively onerous or unduly discriminatory. A departure does not per se necessarily imply such rates.

Before I conclude, I wish further to call attention to the fact that not only is the power of granting departures exercised by the Interstate Commerce Commission, but also by State public-service commissions when dealing with intrastate rates. That shows that the exercise of the power has not only been a good thing on the whole in the sphere of the National Government, but also in the province of the State governments as well.

A thing that I do not understand is why this bill should be brought up at this late day in the session. It was reported favorably from the committee a good many weeks ago, if my memory serves me right, and it has come up for consideration in the Senate certainly at least once if not oftener, and has gone over for lack of attention, if I am not mistaken. Since it came into the Senate nobody seems to have been paying any heed to it, much less urging the Senate to pass it.

It has been allowed to drift along very much as the shallow, demagogic bill providing for an investigation into railroad propaganda has been allowed to drift. Now, toward the close of the session, when it is impossible for the bill independently of some legislative host or other to be enacted, all of a sudden there is this spasmodic effort made to infuse vitality into it, and the Senator from Nevada [Mr. PITTMAN] goes to the extraordinary length, as I conceive it, of offering the bill in the form of an amendment to the War Department appropriation bill.

Mr. President, I have been reading a good deal recently with respect to different forms of animal life that save themselves the trouble of making their own nests and are in the habit of burrowing into the tails or backs of other forms of animal life and depositing their eggs in the cavities thus created. Last night when I turned to a work on elementary science I could not but be struck with the extraordinary analogy between the effort of the Senator from Nevada to engraft his amendment on the pending bill, to which it is totally foreign in nature, and the habits of a little fish found in the waters of the European Continent which is known as the bitterling. The bitterling is a shrewd economist of time and labor, for, instead of making its own nest out of a little circle of stones or what not, it is in the habit of projecting a long ovipositor downward from its body and depositing its spawn in the shell of the mussel, and allowing the mussel to save it the task of incubation. I think that the Senator from Nevada must have been reading about the curious habits of this creature when he announced to the Senate his intention of finding a host for his amendment of the long-and-short-haul section of the interstate commerce act in a War Department appropriation bill.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7995) to limit the immigration of aliens into the United States, and for other purposes.

RESTRICTION OF IMMIGRATION—CONFERENCE REPORT

Mr. REED of Pennsylvania submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7995) to limit the immigration of aliens into the United States, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That this act may be cited as the 'immigration act of 1924.'

"IMMIGRATION VISAS

"SEC. 2. (a) A consular officer upon the application of any immigrant (as defined in section 3) may (under the conditions hereinafter prescribed and subject to the limitations prescribed in this act or regulations made thereunder as to the number of immigration visas which may be issued by such officer) issue to such immigrant an immigration visa which shall consist of one copy of the application provided for in section 7, visaed by such consular officer. Such visa shall specify (1) the nationality of the immigrant; (2) whether he is a quota immigrant (as defined in section 5) or a nonquota immigrant (as defined in section 4); (3) the date on which the validity of the immigration visa shall expire; and (4) such additional information necessary to the proper enforcement of the immigration laws and the naturalization laws as may be by regulations prescribed.

"(b) The immigrant shall furnish two copies of his photograph to the consular officer. One copy shall be permanently attached by the consular officer to the immigration visa and the other copy shall be disposed of as may be by regulations prescribed.

"(c) The validity of an immigration visa shall expire at the end of such period, specified in the immigration visa, not exceeding four months, as shall be by regulations prescribed. In the case of an immigrant arriving in the United States by water, or arriving by water in foreign contiguous territory on a continuous voyage to the United States, if the vessel, before the expiration of the validity of his immigration visa, departed from the last port outside the United States and outside foreign contiguous territory at which the immigrant embarked, and if the immigrant proceeds on a continuous voyage to the United States, then, regardless of the time of his arrival in the United States, the validity of his immigration visa shall not be considered to have expired.

"(d) If an immigrant is required by any law, or regulations or orders made pursuant to law, to secure the visa of his passport by a consular officer before being permitted to enter the United States, such immigrant shall not be required to secure any other visa of his passport than the immigration visa issued under this act, but a record of the number and date of his immigration visa shall be noted on his passport without charge therefor. This subdivision shall not apply to an immigrant who is relieved, under subdivision (b) of section 13, from obtaining an immigration visa.

"(e) The manifest or list of passengers required by the immigration laws shall contain a place for entering thereon the date, place of issuance, and number of the immigration visa of each immigrant. The immigrant shall surrender his immigration visa to the immigration officer at the port of inspection, who shall at the time of inspection indorse on the immigration visa the date, the port of entry, and the name of the vessel, if any, on which the immigrant arrived. The immigration visa shall be transmitted forthwith by the immigration officer in charge at the port of inspection to the Department of Labor under regulations prescribed by the Secretary of Labor.

"(f) No immigration visa shall be issued to an immigrant if it appears to the consular officer, from statements in the application, or in the papers submitted therewith, that the immigrant is inadmissible to the United States under the immigration laws, nor shall such immigration visa be issued if the application fails to comply with the provisions of this act, nor shall such immigration visa be issued if the consular officer knows or has reason to believe that the immigrant is inadmissible to the United States under the immigration laws.

"(g) Nothing in this act shall be construed to entitle an immigrant, to whom an immigration visa has been issued, to enter the United States, if, upon arrival in the United States, he is found to be inadmissible to the United States under the immigration laws. The substance of this subdivision shall be printed conspicuously upon every immigration visa.

"(h) A fee of $9 shall be charged for the issuance of each immigration visa, which shall be covered into the Treasury as miscellaneous receipts.

"DEFINITION OF 'IMMIGRANT'

"SEC. 3. When used in this act the term 'immigrant' means any alien departing from any place outside the United States destined for the United States, except (1) a government official, his family, attendants, servants, and employees, (2) an alien visiting the United States temporarily as a tourist or temporarily for business or pleasure, (3) an alien in continuous transit through the United States, (4) an alien lawfully admitted to the United States who later goes in transit from one part of the United States to another through foreign contiguous territory, (5) a bona fide alien seaman serving as such on a vessel arriving at a port of the United States and seeking to enter temporarily the United States solely in the pursuit of his calling as a seaman, and (6) an alien entitled to enter the United States solely to carry on trade under and in pursuance of the provisions of a present existing treaty of commerce and navigation.

"NONQUOTA IMMIGRANTS

"SEC. 4. When used in this act the term "nonquota immigrant' means—

"(a) An immigrant who is the unmarried child under 18 years of age, or the wife, of a citizen of the United States who resides therein at the time of the filing of a petition under section 9;

"(b) An immigrant previously lawfully admitted to the United States, who is returning from a temporary visit abroad;

"(c) An immigrant who was born in the Dominion of Canada, Newfoundland, the Republic of Mexico, the Republic of Cuba, the Republic of Haiti, the Dominican Republic, the Canal Zone, or an independent country of Central or South America, and his wife, and his unmarried children under 18 years of age, if accompanying or following to join him;

"(d) An immigrant who continuously for at least two years immediately preceding the time of his application for admission to the United States has been, and who seeks to enter the United States solely for the purpose of, carrying on the vocation of minister of any religious denomination, or professor of a college, academy, seminary, or university; and his wife, and his unmarried children under 18 years of age, if accompanying or following to join him; or

"(e) An immigrant who is a bona fide student at least 15 years of age and who seeks to enter the United States solely for the purpose of study at an accredited school, college, academy, seminary, or university, particularly designated by him and approved by the Secretary of Labor, which shall have agreed to report to the Secretary of Labor the termination of attendance of each immigrant student, and if any such institution of learning fails to make such reports promptly the approval shall be withdrawn.

"QUOTA IMMIGRANTS

"SEC. 5. When used in this act the term 'quota immigrant' means any immigrant who is not a nonquota immigrant. An alien who is not particularly specified in this act as a nonquota immigrant or a nonimmigrant shall not be admitted as a nonquota immigrant or a nonimmigrant by reason of relationship to any individual who is so specified or by reason of being excepted from the operation of any other law regulating or forbidding immigration.

"PREFERENCE WITHIN QUOTAS

"SEC. 6. (a) In the issuance of immigration visas to quota immigrants preference shall be given—

"(1) To a quota immigrant who is the unmarried child under 21 years of age, the father, the mother, the husband, or the wife, of a citizen of the United States who is 21 years of age or over; and

"(2) To a quota immigrant who is skilled in agriculture, and his wife, and his dependent children under the age of 16 years, if accompanying or following to join him. The preference provided in this paragraph shall not apply to immigrants of any nationality the annual quota for which is less than 300.

"(b) The preference provided in subdivision (a) shall not in the case of quota immigrants of any nationality exceed 50 per cent of the annual quota for such nationality. Nothing in this section shall be construed to grant to the class of immigrants specified in paragraph (1) of subdivision (a) a priority in preference over the class specified in paragraph (2).

"(c) The preference provided in this section shall, in the case of quota immigrants of any nationality, be given in the calendar month in which the right to preference is established, if the number of immigration visas which may be issued in such month to quota immigrants of such nationality has not already been issued; otherwise in the next calendar month.

"APPLICATION FOR IMMIGRATION VISA

"SEC. 7. (a) Every immigrant applying for an immigration visa shall make application therefor in duplicate in such form as shall be by regulations prescribed.

"(b) In the application the immigrant shall state (1) the immigrant's full and true name; age, sex, and race; the date and place of birth; places of residence for the five years immediately preceding his application; whether married or single, and the names and places of residence of wife or husband and minor children if any; calling or occupation; personal description (including height, complexion, color of hair and eyes, and marks of identification); ability to speak, read, and write; names and addresses of parents, and if neither parent living, then the name and address of his nearest relative in the country from which he comes; port of entry into the United States; final destination, if any, beyond the port of entry; whether he has a ticket through to such final destination; whether going to join a relative or friend, and, if so, what relative or friend and his name and complete address; the purpose for which he is going to the United States; the length of time he intends to remain in the United States; whether or not he intends to abide in the United States permanently; whether ever in prison or almshouse; whether he or either of his parents has ever been in an institution or hospital for the care and treatment of the insane; (2) if he claims to be a nonquota immigrant, the facts on which he bases such claim; and (3) such additional information necessary to the proper enforcement of the immigration laws and the naturalization laws, as may be by regulations prescribed.

"(c) The immigrant shall furnish, if available, to the consular officer, with his application, two copies of his 'dossier' and prison record and military record, two certified copies of his birth certificate, and two copies of all other available public records concerning him kept by the Government to which he owes allegiance. One copy of the documents so furnished shall

be permanently attached to each copy of the application and become a part thereof. An immigrant having an unexpired permit issued under the provisions of section 10 shall not be subject to this subdivision. In the case of an application made before September 1, 1924, if it appears to the satisfaction of the consular officer that the immigrant has obtained a visa of his passport before the enactment of this act, and is unable to obtain the documents referred to in this subdivision without undue expense and delay, owing to absence from the country from which such documents should be obtained, the consular officer may relieve such immigrant from the requirements of this subdivision.

"(d) In the application the immigrant shall also state (to such extent as shall be by regulations prescribed) whether or not he is a member of each class of individuals excluded from admission to the United States under the immigration laws, and such classes shall be stated on the blank in such form as shall be by regulations prescribed, and the immigrant shall answer separately as to each class.

"(e) If the immigrant is unable to state that he does not come within any of the excluded classes, but claims to be for any legal reason exempt from exclusion, he shall state fully in the application the grounds for such alleged exemption.

"(f) Each copy of the application shall be signed by the immigrant in the presence of the consular officer and verified by the oath of the immigrant administered by the consular officer. One copy of the application, when visaed by the consular officer, shall become the immigration visa, and the other copy shall be disposed of as may be by regulations prescribed.

"(g) In the case of an immigrant under 18 years of age the application may be made and verified by such individual as shall be by regulations prescribed.

"(h) A fee of $1 shall be charged for the furnishing and verification of each application, which shall include the furnishing and verification of the duplicate, and shall be covered into the Treasury as miscellaneous receipts.

"NONQUOTA IMMIGRATION VISAS

"SEC. 8. A consular officer may, subject to the limitations provided in sections 2 and 9, issue an immigration visa to a nonquota immigrant as such upon satisfactory proof, under regulations prescribed under this act, that the applicant is entitled to be regarded as a nonquota immigrant.

"ISSUANCE OF IMMIGRATION VISAS TO RELATIVES

"SEC. 9. (a) In case of any immigrant claiming in his application for an immigration visa to be a nonquota immigrant by reason of relationship under the provisions of subdivision (a) of section 4, or to be entitled to preference by reason of relationship to a citizen of the United States under the provisions of section 6, the consular officer shall not issue such immigration visa or grant such preference until he has been authorized to do so as hereinafter in this section provided.

"(b) Any citizen of the United States claiming that any immigrant is his relative, and that such immigrant is properly admissible to the United States as a nonimmigrant under the provisions of subdivision (a) of section 4 or is entitled to preference as a relative under section 6, may file with the Commissioner General a petition in such form as may be by regulations prescribed, stating (1) the petitioner's name and address; (2) if a citizen by birth, the date and place of his birth; (3) if a naturalized citizen, the date and place of his admission to citizenship and the number of his certificate, if any; (4) the name and address of his employer or the address of his place of business or occupation if he is not an employee; (5) the degree of the relationship of the immigrant for whom such petition is made, and the names of all the places where such immigrant has resided prior to and at the time when the petition is filed; (6) that the petitioner is able to and will support the immigrant if necessary to prevent such immigrant from becoming a public charge; and (7) such additional information necessary to the proper enforcement of the immigration laws and the naturalization laws as may be by regulation prescribed.

"(c) The petition shall be made under oath administered by any individual having power to administer oaths, if executed in the United States, but, if executed outside the United States, administered by a consular officer. The petition shall be supported by any documentary evidence required by regulations prescribed under this act. Application may be made in the same petition for admission of more than one individual.

"(d) The petition shall be accompanied by the statements of two or more responsible citizens of the United States, to whom the petitioner has been personally known for at least one year, that to the best of their knowledge and belief the statements made in the petition are true and that the petitioner is a responsible individual able to support the immigrant or immigrants for whose admission application is made. These statements shall be attested in the same way as the petition.

"(e) If the Commissioner General finds the facts stated in the petition to be true, and that the immigrant in respect of whom the petition is made is entitled to be admitted to the United States as a nonquota immigrant under subdivision (a) of section 4 or is entitled to preference as a relative under section 6, he shall, with the approval of the Secretary of Labor, inform the Secretary of State of his decision, and the Secretary of State shall then authorize the consular officer with whom the application for the immigration visa has been filed to issue the immigration visa or grant the preference.

"(f) Nothing in this section shall be construed to entitle an immigrant, in respect of whom a petition under this section is granted, to enter the United States as a nonquota immigrant if, upon arrival in the United States, he is found not to be a nonquota immigrant.

"PERMIT TO REENTER UNITED STATES AFTER TEMPORARY ABSENCE

"SEC. 10. (a) Any alien about to depart temporarily from the United States may make application to the Commissioner General for a permit to reenter the United States, stating the length of his intended absence and the reasons therefor. Such application shall be made under oath, and shall be in such form and contain such information as may be by regulations prescribed, and shall be accompanied by two copies of the applicant's photograph.

"(b) If the Commissioner General finds that the alien has been legally admitted to the United States, and that the application is made in good faith, he shall, with the approval of the Secretary of Labor, issue the permit, specifying therein the length of time, not exceeding one year, during which it shall be valid. The permit shall be in such form as shall be by regulations prescribed and shall have permanently attached thereto the photograph of the alien to whom issued, together with such other matter as may be deemed necessary for the complete identification of the alien.

"(c) On good cause shown the validity of the permit may be extended for such period or periods, not exceeding six months each, and under such conditions, as shall be by regulations prescribed.

"(d) For the issuance of the permit, and for each extension thereof, there shall be paid a fee of $3, which shall be covered into the Treasury as miscellaneous receipts.

"(e) Upon the return of the alien to the United States the permit shall be surrendered to the immigration officer at the port of inspection.

"(f) A permit issued under this section shall have no effect under the immigration laws, except to show that the alien to whom it is issued is returning from a temporary visit abroad; but nothing in this section shall be construed as making such permit the exclusive means of establishing that the alien is so returning.

"NUMERICAL LIMITATIONS

"SEC. 11. (a) The annual quota of any nationality shall be 2 per cent of the number of foreign-born individuals of such nationality resident in continental United States as determined by the United States census of 1890, but the minimum quota of any nationality shall be 100.

"(b) The annual quota for any nationality for the fiscal year beginning July 1, 1927, and for each fiscal year thereafter, shall be a number which bears the same ratio to 150,000 as the number of inhabitants in continental United States in 1920 having that national origin (ascertained as hereinafter provided in this section) bears to the number of inhabitants in continental United States in 1920, but the minimum quota of any nationality shall be 100.

(c) For the purpose of subdivision (b) national origin shall be ascertained by determining as nearly as may be, in respect of each geographical area which under section 12 is to be treated as a separate country (except the geographical areas specified in subdivision (c) of section 4) the number of inhabitants in continental United States in 1920 whose origin by birth or ancestry is attributable to such geographical area. Such determination shall not be made by tracing the ancestors or descendants of particular individuals, but shall be based upon statistics of immigration and emigration, together with rates of increase of population as shown by successive decennial United States censuses, and such other data as may be found to be reliable.

"(d) For the purpose of subdivisions (b) and (c) the term 'inhabitants in continental United States in 1920' does not include (1) immigrants from the geographical areas specified in subdivision (c) of section 4 or their descendants, (2) aliens ineligible to citizenship or their descendants, (3) the descend-

ants of slave immigrants, or (4) the descendants of American aborigines.

"(e) The determination provided for in subdivision (c) of this section shall be made by the Secretary of State, the Secretary of Commerce, and the Secretary of Labor, jointly. In making such determination such officials may call for information and expert assistance from the Bureau of the Census. Such officials shall, jointly, report to the President the quota of each nationality, determined as provided in subdivision (b), and the President shall proclaim and make known the quotas so reported. Such proclamation shall be made on or before April 1, 1927. If the proclamation is not made on or before such date, quotas proclaimed therein shall not be in effect for any fiscal year beginning before the expiration of 90 days after the date of the proclamation. After the making of a proclamation under this subdivision the quotas proclaimed therein shall continue with the same effect as if specifically stated herein, and shall be final and conclusive for every purpose except (1) in so far as it is made to appear to the satisfaction of such officials and proclaimed by the President, that an error of fact has occurred in such determination or in such proclamation, or (2) in the case provided for in subdivision (c) of section 12. If for any reason quotas proclaimed under this subdivision are not in effect for any fiscal year, quotas for such year shall be determined under subdivision (a) of this section.

"(f) There shall be issued to quota immigrants of any nationality (1) no more immigration visas in any fiscal year than the quota for such nationality, and (2) in any calendar month of any fiscal year no more immigration visas than 10 per cent of the quota for such nationality, except that if such quota is less than 300 the number to be issued in any calendar month shall be prescribed by the commissioner general with the approval of the Secretary of Labor, but the total number to be issued during the fiscal year shall not be in excess of the quota for such nationality.

"(g) Nothing in this act shall prevent the issuance (without increasing the total number of immigration visas which may be issued) of an immigration visa to an immigrant as a quota immigrant even though he is a nonquota immigrant.

"NATIONALITY

"SEC. 12. (a) For the purposes of this act nationality shall be determined by country of birth, treating as separate countries the colonies, dependencies, or self-governing dominions, for which separate enumeration was made in the United States census of 1890; except that (1) the nationality of a child under 21 years of age not born in the United States, accompanied by its alien parent not born in the United States, shall be determined by the country of birth of such parent if such parent is entitled to an immigration visa, and the nationality of a child under 21 years of age not born in the United States, accompanied by both alien parents not born in the United States, shall be determined by the country of birth of the father if the father is entitled to an immigration visa; and (2) if a wife is of a different nationality from her alien husband and the entire number of immigration visas which may be issued to quota immigrants of her nationality for the calendar month has already been issued, her nationality may be determined by the country of birth of her husband if she is accompanying him and he is entitled to an immigration visa, unless the total number of immigration visas which may be issued to quota immigrants of the nationality of the husband for the calendar month has already been issued. An immigrant born in the United States who has lost his United States citizenship shall be considered as having been born in the country of which he is a citizen or subject, or if he is not a citizen or subject of any country, then in the country from which he comes.

"(b) The Secretary of State, the Secretary of Commerce, and the Secretary of Labor, jointly, shall, as soon as feasible after the enactment of this act, prepare a statement showing the number of individuals of the various nationalities resident in continental United States as determined by the United States census of 1890, which statement shall be the population basis for the purposes of subdivision (a) of section 11. In the case of a country recognized by the United States, but for which a separate enumeration was not made in the census of 1890, the number of individuals born in such country and resident in continental United States in 1890, as estimated by such officials jointly, shall be considered for the purposes of subdivision (a) of section 11 as having been determined by the United States census of 1890. In the case of a colony or dependency existing before 1890, but for which a separate enumeration was not made in the census of 1890 and which was not included in the enumeration for the country to which such colony or dependency belonged, or in the case of territory administered under a protectorate, the number of individuals born in such colony, dependency, or territory, and resident in continental United States in 1890, as estimated by such officials jointly, shall be considered for the purposes of subdivision (a) of section 11 as having been determined by the United States census of 1890 to have been born in the country to which such colony or dependency belonged or which administers such protectorate.

"(c) In case of changes in political boundaries in foreign countries occurring subsequent to 1890 and resulting in the creation of new countries, the governments of which are recognized by the United States, or in the establishment of self-governing dominions, or in the transfer of territory from one country to another, such transfer being recognized by the United States, or in the surrender by one country of territory, the transfer of which to another country has not been recognized by the United States, or in the administration of territories under mandates, (1) such officials, jointly, shall estimate the number of individuals resident in continental United States in 1890 who were born within the area included in such new countries or self-governing dominions or in such territory so transferred or surrendered or administered under a mandate, and revise (for the purposes of subdivision (a) of section 11) the population basis as to each country involved in such change of political boundary, and (2) if such changes in political boundaries occur after the determination provided for in subdivision (c) of section 11 has been proclaimed, such officials, jointly, shall revise such determination, but only so far as necessary to allot the quotas among the countries involved in such change of political boundary. For the purpose of such revision and for the purpose of determining the nationality of an immigrant, (A) aliens born in the area included in any such new country or self-governing dominion shall be considered as having been born in such country or dominion, and aliens born in any territory so transferred shall be considered as having been born in the country to which such territory was transferred, and (B) territory so surrendered or administered under a mandate shall be treated as a separate country. Such treatment of territory administered under a mandate shall not constitute consent by the United States to the proposed mandate where the United States has not consented in a treaty to the administration of the territory by a mandatory power.

"(d) The statements, estimates, and revisions provided in this section shall be made annually, but for any fiscal year for which quotas are in effect as proclaimed under subdivision (e) of section 11 shall be made only (1) for the purpose of determining the nationality of immigrants seeking admission to the United States during such year, or (2) for the purposes of clause (2) of subdivision (c) of this section.

"(e) Such officials shall, jointly, report annually to the President the quota of each nationality under subdivision (a) of section 11, together with the statements, estimates, and revisions provided for in this section. The President shall proclaim and make known the quotas so reported and thereafter such quotas shall continue, with the same effect as if specifically stated herein, for all fiscal years except those for which quotas are in effect as proclaimed under subdivision (e) of section 11, and shall be final and conclusive for every purpose.

"EXCLUSION FROM UNITED STATES

"SEC. 13. (a) No immigrant shall be admitted to the United States unless he (1) has an unexpired immigration visa or was born subsequent to the issuance of the immigration visa of the accompanying parent, (2) is of the nationality specified in the visa in the immigration visa, (3) is a nonquota immigrant if specified in the visa in the immigration visa as such, and (4) is otherwise admissible under the immigration laws.

"(b) In such classes of cases and under such conditions as may be by regulations prescribed immigrants who have been legally admitted to the United States and who depart therefrom temporarily may be admitted to the United States without being required to obtain an immigration visa.

"(c) No alien ineligible to citizenship shall be admitted to the United States unless such alien (1) is admissible as a nonquota immigrant under the provisions of subdivision (b), (d), or (e) of section 4, or (2) is the wife, or the unmarried child under 18 years of age, of an immigrant admissible under such subdivision (d), and is accompanying or following to join him, or (3) is not an immigrant as defined in section 3.

"(d) The Secretary of Labor may admit to the United States any otherwise admissible immigrant not admissible under clause (2) or (3) of subdivision (a) of this section, if satisfied that such inadmissibility was not known to, and could not have been ascertained by the exercise of reasonable dili-

gence by, such immigrant prior to the departure of the vessel from the last port outside the United States and outside foreign contiguous territory, or, in the case of an immigrant coming from foreign contiguous territory, prior to the application of the immigrant for admission.

"(e) No quota immigrant shall be admitted under subdivision (d) if the entire number of immigration visas which may be issued to quota immigrants of the same nationality for the fiscal year has already been issued. If such entire number of immigration visas has not been issued, then the Secretary of State, upon the admission of a quota immigrant under subdivision (d), shall reduce by one the number of immigration visas which may be issued to quota immigrants of the same nationality during the fiscal year in which such immigrant is admitted; but if the Secretary of State finds that it will not be practicable to make such reduction before the end of such fiscal year, then such immigrant shall not be admitted.

"(f) Nothing in this section shall authorize the remission or refunding of a fine, liability to which has accrued under section 16.

"DEPORTATION

"SEC. 14. Any alien who at any time after entering the United States is found to have been at the time of entry not entitled under this act to enter the United States, or to have remained therein for a longer time than permitted under this act or regulations made thereunder, shall be taken into custody and deported in the same manner as provided for in sections 19 and 20 of the immigration act of 1917: *Provided*, That the Secretary of Labor may, under such conditions and restrictions as to support and care as he may deem necessary, permit permanently to remain in the United States, any alien child who, when under 16 years of age was heretofore temporarily admitted to the United States and who is now within the United States and either of whose parents is a citizen of the United States.

"MAINTENANCE OF EXEMPT STATUS

"SEC. 15. The admission to the United States of an alien excepted from the class of immigrants by clauses (2), (3), (4), (5), or (6) of section 3, or declared to be a nonquota immigrant by subdivision (e) of section 4, shall be for such time as may be by regulations prescribed, and under such conditions as may be by regulations prescribed (including, when deemed necessary for the classes mentioned in clauses (2), (3), (4), or (6) of section 3, the giving of bond with sufficient surety, in such sum and containing such conditions as may be by regulations prescribed) to insure that, at the expiration of such time or upon failure to maintain the status under which admitted, he will depart from the United States.

"PENALTY FOR ILLEGAL TRANSPORTATION

"SEC. 16. (a) It shall be unlawful for any person, including any transportation company, or the owner, master, agent, charterer, or consignee of any vessel, to bring to the United States by water from any place outside thereof (other than foreign contiguous territory) (1) any immigrant who does not have an unexpired immigration visa, or (2) any quota immigrant having an immigration visa the visa in which specifies him as a nonquota immigrant.

"(b) If it appears to the satisfaction of the Secretary of Labor that any immigrant has been so brought, such person, or transportation company, or the master, agent, owner, charterer, or consignee of any such vessel, shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each immigrant so brought, and in addition a sum equal to that paid by such immigrant for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival, such latter sum to be delivered by the collector of customs to the immigrant on whose account assessed. No vessel shall be granted clearance pending the determination of the liability to the payment of such sums, or while such sums remain unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of an amount sufficient to cover such sums, or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs.

"(c) Such sums shall not be remitted or refunded, unless it appears to the satisfaction of the Secretary of Labor that such person, and the owner, master, agent, charterer, and consignee of the vessel, prior to the departure of the vessel from the last port outside the United States, did not know, and could not have ascertained by the exercise of reasonable diligence: (1) That the individual transported was an immigrant, if the fine was imposed for bringing an immigrant without an unexpired immigration visa, or (2) that the individual transported was a quota immigrant, if the fine was imposed for bringing a quota immigrant the visa in whose immigration visa specified him as being a nonquota immigrant.

"ENTRY FROM FOREIGN CONTIGUOUS TERRITORY

"SEC. 17. The Commissioner General, with the approval of the Secretary of Labor, shall have power to enter into contracts with transportation lines for the entry and inspection of aliens coming to the United States from or through foreign contiguous territory. In prescribing rules and regulations and making contracts for the entry and inspection of aliens applying for admission from or through foreign contiguous territory due care shall be exercised to avoid any discriminatory action in favor of transportation companies transporting to such territory aliens destined to the United States, and all such transportation companies shall be required, as a condition precedent to the inspection or examination under such rules and contracts at the ports of such contiguous territory of aliens brought thereto by them, to submit to and comply with all the requirements of this act which would apply were they bringing such aliens directly to ports of the United States. After this section takes effect no alien applying for admission from or through foreign contiguous territory (except an alien previously lawfully admitted to the United States who is returning from a temporary visit to such territory) shall be permitted to enter the United States unless upon proving that he was brought to such territory by a transportation company which had submitted to and complied with all the requirements of this act, or that he entered, or has resided in, such territory more than two years prior to the time of his application for admission to the United States.

"UNUSED IMMIGRATION VISAS

"SEC. 18. If a quota immigrant of any nationality having an immigration visa is excluded from admission to the United States under the immigration laws and deported, or does not apply for admission to the United States before the expiration of the validity of the immigration visa, or if an alien of any nationality having an immigration visa issued to him as a quota immigrant is found not to be a quota immigrant, no additional immigration visa shall be issued in lieu thereof to any other immigrant.

"ALIEN SEAMEN

"SEC. 19. No alien seaman excluded from admission into the United States under the immigration laws and employed on board any vessel arriving in the United States from any place outside thereof, shall be permitted to land in the United States, except temporarily for medical treatment, or pursuant to such regulations as the Secretary of Labor may prescribe for the ultimate departure, removal, or deportation of such alien from the United States.

"SEC. 20. (a) The owner, charterer, agent, consignee, or master of any vessel arriving in the United States from any place outside thereof who fails to detain on board any alien seaman employed on such vessel until the immigration officer in charge at the port of arrival has inspected such seaman (which inspection in all cases shall include a personal physical examination by the medical examiners), or who fails to detain such seaman on board after such inspection or to deport such seaman if required by such immigration officer or the Secretary of Labor to do so, shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each alien seaman in respect of whom such failure occurs. No vessel shall be granted clearance pending the determination of the liability to the payment of such fine, or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine, or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs.

"(b) Proof that an alien seaman did not appear upon the outgoing manifest of the vessel on which he arrived in the United States from any place outside thereof, or that he was reported by the master of such vessel as a deserter, shall be prima facie evidence of a failure to detain or deport after requirement by the immigration officer or the Secretary of Labor.

"(c) If the Secretary of Labor finds that deportation of the alien seaman on the vessel on which he arrived would cause undue hardship to such seaman he may cause him to be deported on another vessel at the expense of the vessel on which he arrived, and such vessel shall not be granted clearance until such expense has been paid or its payment guaranteed to the satisfaction of the Secretary of Labor.

"(d) Section 32 of the immigration act of 1917 is repealed, but shall remain in force as to all vessels, their owners, agents,

consignees, and masters, and as to all seamen, arriving in the United States prior to the enactment of this act.

"PREPARATION OF DOCUMENTS

"SEC. 21. (a) Permits issued under section 10 shall be printed on distinctive safety paper and shall be prepared and issued under regulations prescribed under this act.

"(b) The Public Printer is authorized to print for sale to the public by the Superintendent of Public Documents, upon prepayment, additional copies of blank forms of manifests and crew lists to be prescribed by the Secretary of Labor pursuant to the provisions of sections 12, 13, 14, and 36 of the immigration act of 1917.

"OFFENSES IN CONNECTION WITH DOCUMENTS

"SEC. 22. (a) Any person who knowingly (1) forges, counterfeits, alters, or falsely makes any immigration visa or permit, or (2) utters, uses, attempts to use, possesses, obtains, accepts, or receives any immigration visa or permit, knowing it to be forged, counterfeited, altered, or falsely made, or to have been procured by means of any false claim or statement, or to have been otherwise procured by fraud or unlawfully obtained; or who, except under direction of the Secretary of Labor or other proper officer, knowingly (3) possesses any blank, permit, (4) engraves, sells, brings into the United States, or has in his control or possession any plate in the likeness of a plate designed for the printing of permits, (5) makes any print, photograph, or impression in the likeness of any immigration visa or permit, or (6) has in his possession a distinctive paper which has been adopted by the Secretary of Labor for the printing of immigration visas or permits, shall, upon conviction thereof, be fined not more than $10,000, or imprisoned for not more than five years, or both.

"(b) Any individual who (1) when applying for an immigration visa or permit, or for admission to the United States, personates another or falsely appears in the name of a deceased individual, or evades or attempts to evade the immigration laws by appearing under an assumed or fictitious name, or (2) sells or otherwise disposes of, or offers to sell or otherwise dispose of, or utters, an immigration visa or permit, to any person not authorized by law to receive such document, shall, upon conviction thereof, be fined not more than $10,000, or imprisoned for not more than five years, or both.

"(c) Whoever knowingly makes under oath any false statement in any application, affidavit, or other document required by the immigration laws or regulations prescribed thereunder, shall, upon conviction thereof, be fined not more than $10,000, or imprisoned for not more than five years, or both.

"BURDEN OF PROOF

"SEC. 23. Whenever any alien attempts to enter the United States the burden of proof shall be upon such alien to establish that he is not subject to exclusion under any provision of the immigration laws; and in any deportation proceeding against any alien the burden of proof shall be upon such alien to show that he entered the United States lawfully, and the time, place, and manner of such entry into the United States, but in presenting such proof he shall be entitled to the production of his immigration visa, if any, or of other documents concerning such entry, in the custody of the Department of Labor.

"RULES AND REGULATIONS

"SEC. 24. The Commissioner General, with the approval of the Secretary of Labor, shall prescribe rules and regulations for the enforcement of the provisions of this act; but all such rules and regulations, in so far as they relate to the administration of this act by consular officers, shall be prescribed by the Secretary of State on the recommendation of the Secretary of Labor.

"ACT TO BE IN ADDITION TO IMMIGRATION LAWS

"SEC. 25. The provisions of this act are in addition to and not in substitution for the provisions of the immigration laws, and shall be enforced as a part of such laws, and all the penal or other provisions of such laws, not inapplicable, shall apply to and be enforced in connection with the provisions of this act. An alien, although admissible under the provisions of this act, shall not be admitted to the United States if he is excluded by any provision of the immigration laws other than this act, and an alien, although admissible under the provisions of the immigration laws other than this act, shall not be admitted to the United States if he is excluded by any provision of this act.

"STEAMSHIP FINES UNDER 1917 ACT

"SEC. 26. Section 9 of the immigration act of 1917 is amended to read as follows:

"'SEC. 9. That it shall be unlawful for any person, including any transportation company other than railway lines entering the United States from foreign contiguous territory, or the owner, master, agent, or consignee of any vessel to bring to the United States either from a foreign country or any insular possession of the United States any alien afflicted with idiocy, insanity imbecility, feeble-mindedness, epilepsy, constitutional psychopathic inferiority, chronic alcoholism, tuberculosis in any form, or a loathsome or dangerous contagious disease, and if it shall appear to the satisfaction of the Secretary of Labor that any alien so brought to the United States was afflicted with any of the said diseases or disabilities at the time of foreign embarkation, and that the existence of such disease or disability might have been detected by means of a competent medical examination at such time, such person or tranportation company, or the master, agent, owner, or consignee of any such vessel shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000, and in addition a sum equal to that paid by such alien for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival for each and every violation of the provisions of this section, such latter sum to be delivered by the collector of customs to the alien on whose account assessed. It shall also be unlawful for any such person to bring to any port of the United States any alien afflicted with any mental defect other than those above specifically named, or physical defect of a nature which may affect his ability to earn a living, as contemplated in section 3 of this act, and if it shall appear to the satisfaction of the Secretary of Labor that any alien so brought to the United States was so afflicted at the time of foreign embarkation, and that the existence of such mental or physical defect might have been detected by means of a competent medical examination at such time, such person shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $250, and in addition a sum equal to that paid by such alien for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival, for each and every violation of this provision, such latter sum to be delivered by the collector of customs to the alien for whose account assessed. It shall also be unlawful for any such person to bring to any port of the United States any alien who is excluded by the provisions of section 3 of this act because unable to read, or who is excluded by the terms of section 3 of this act as a native of that portion of the Continent of Asia and the islands adjacent thereto described in said section, and if it shall appear to the satisfaction of the Secretary of Labor that these disabilities might have been detected by the exercise of reasonable precaution prior to the departure of such aliens from a foreign port, such person shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000, and in addition a sum equal to that paid by such alien for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival, for each and every violation of this provision, such latter sum to be delivered by the collector of customs to the alien on whose account assessed.

"'If a fine is imposed under this section for the bringing of an alien to the United States, and if such alien is accompanied by another alien who is excluded from admission by the last proviso of section 18 of this act, the person liable for such fine shall pay to the collector of customs, in addition to such fine but as a part thereof, a sum equal to that paid by such accompanying alien for his transportation from his initial point of departure indicated in his ticket, to the point of arrival, such sum to be delivered by the collector of customs to the accompanying alien when deported. And no vessel shall be granted clearance papers pending the determination of the question of the liability to the payment of such fines, or while the fines remain unpaid, nor shall such fines be remitted or refunded: *Provided*, That clearance may be granted prior to the determination of such questions upon the deposit of a sum sufficient to cover such fines or of a bond with sufficient surety to secure the payment thereof, approved by the collector of customs: *Provided further*, That nothing contained in this section shall be construed to subject transportation companies to a fine for bringing to ports of the United States aliens who are by any of the provisos or exceptions to section 3 of this act exempted from the excluding provisions of said section.'

"SEC. 27. Section 10 of the immigration act of 1917 is amended to read as follows:

"'SEC. 10. (a) That it shall be the duty of every person, including owners, masters, officers, and agents of vessels of transportation lines, or international bridges or toll roads, other than railway lines which may enter into a contract as provided in section 23, bringing an alien to, or providing a means for an alien to come to, the United States, to prevent the landing of

such alien in the United States at any time or place other than as designated by the immigration officers. Any such person, owner, master, officer, or agent who fails to comply with the foregoing requirements shall be guilty of a misdemeanor and on conviction thereof shall be punished by a fine in each case of not less than $200 nor more than $1,000, or by imprisonment for a term not exceeding one year, or by both such fine and imprisonment; or, if in the opinion of the Secretary of Labor it is impracticable or inconvenient to prosecute the person, owner, master, officer, or agent of any such vessel, such person, owner, master, officer, or agent shall be liable to a penalty of $1,000, which shall be a lien upon the vessel whose owners, master, officer, or agent violates the provisions of this section, and such vessel shall be libeled therefor in the appropriate United States court.

"'(b) Proof that the alien failed to present himself at the time and place designated by the immigration officers shall be prima facie evidence that such alien has landed in the United States at a time or place other than as designated by the immigration officers.'

"GENERAL DEFINITIONS

"SEC. 28. As used in this act—

"(a) The term 'United States,' when used in a geographical sense, means the States, the Territories of Alaska and Hawaii, the District of Columbia, Porto Rico, and the Virgin Islands; and the term 'continental United States' means the States and the District of Columbia;

"(b) The term 'alien' includes any individual not a native-born or naturalized citizen of the United States, but this definition shall not be held to include Indians of the United States not taxed, nor citizens of the islands under the jurisdiction of the United States;

"(c) The term 'ineligible to citizenship,' when used in reference to any individual, includes an individual who is debarred from becoming a citizen of the United States under section 2169 of the Revised Statutes, or under section 14 of the act entitled 'An act to execute certain treaty stipulations relating to Chinese,' approved May 6, 1882, or under section 1996, 1997, or 1998 of the Revised Statutes, as amended, or under section 2 of the act entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,' approved May 18, 1917, as amended, or under law amendatory of, supplementary to, or in substitution for, any of such sections;

"(d) The term 'immigration visa' means an immigration visa issued by a consular officer under the provisions of this act;

"(e) The term 'consular officer' means any consular or diplomatic officer of the United States designated, under regulations prescribed under this act, for the purpose of issuing immigration visas under this act. In case of the Canal Zone and the insular possessions of the United States the term 'consular officer' (except as used in sec. 24) means an officer designated by the President, or by his authority, for the purpose of issuing immigration visas under this act;

"(f) The term 'immigration act of 1917' means the act of February 5, 1917, entitled 'An act to regulate the immigration of aliens to, and the residence of aliens in, the United States';

"(g) The term 'immigration laws' includes such act, this act, and all laws, conventions, and treaties of the United States relating to the immigration, exclusion, or expulsion of aliens;

"(h) The term 'person' includes individuals, partnerships, corporations, and associations;

"(i) The term 'commissioner general' means the Commissioner General of Immigration;

"(j) The term 'application for admission' has reference to the application for admission to the United States and not to the application for the issuance of the immigration visa;

"(k) The term 'permit' means a permit issued under section 10;

"(l) The term 'unmarried,' when used in reference to any individual as of any time, means an individual who at such time is not married, whether or not previously married;

"(m) The terms 'child,' 'father,' and 'mother,' do not include a child or parent by adoption unless the adoption took place before January 1, 1924;

"(n) The terms 'wife' and 'husband' do not include a wife or husband by reason of a proxy or picture marriage.

"AUTHORIZATION OF APPROPRIATION

"SEC. 29. The appropriation of such sums as may be necessary for the enforcement of this act is hereby authorized.

"ACT OF MAY 19, 1921

"SEC. 30. The act entitled 'An act to limit the immigration of aliens into the United States,' approved May 19, 1921, as amended and extended, shall, notwithstanding its expiration on June 30, 1924, remain in force thereafter for the imposition, collection, and enforcement of all penalties that may have accrued thereunder, and any alien who prior to July 1, 1924, may have entered the United States in violation of such act or regulations made thereunder may be deported in the same manner as if such act had not expired.

"TIME OF TAKING EFFECT

"SEC. 31. (a) Sections 2, 8, 13, 14, 15, and 16, and subdivision (f) of section 11, shall take effect on July 1, 1924, except that immigration visas and permits may be issued prior to that date, which shall not be valid for admission to the United States before July 1, 1924. In the case of quota immigrants of any nationality, the number of immigration visas to be issued prior to July 1, 1924, shall not be in excess of 10 per cent of the quota for such nationality, and the number of immigration visas so issued shall be deducted from the number which may be issued during the month of July, 1924. In the case of immigration visas issued before July 1, 1924, the four-month period referred to in subdivision (c) of section 2 shall begin to run on July 1, 1924, instead of at the time of the issuance of the immigration visa.

"(b) The remainder of this act shall take effect upon its enactment.

"(c) If any alien arrives in the United States before July 1, 1924, his right to admission shall be determined without regard to the provisions of this act, except section 23.

"SAVING CLAUSE IN EVENT OF UNCONSTITUTIONALITY

"SEC. 32. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act, and the application of such provision to other persons or circumstances, shall not be affected thereby."

And the Senate agree to the same.

DAVID A. REED,
HENRY W. KEYES,
WM. J. HARRIS,
Managers on the part of the Senate.

ALBERT JOHNSON,
WILLIAM N. VAILE,
BIRD J. VINCENT,
JOHN E. RAKER,
Managers on the part of the House.

Mr. REED of Pennsylvania. Mr. President, I move the adoption of the conference report by the Senate, and on that motion I ask for the yeas and nays.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Pennsylvania yield to the Senator from Utah?

Mr. REED of Pennsylvania. I yield.

Mr. KING. Does the Senator wish to disturb the consideration of the pending bill by taking up the conference report?

Mr. REED of Pennsylvania. I understand that under the rules the motion to take up the conference report is privileged.

Mr. KING. I know that it is privileged, but I had hoped that the Senator would let the conference report lie on the table until a later hour this afternoon or to-morrow, in order to give us an opportunity to examine it.

Mr. LODGE. The conference report has got to be read, of course.

Mr. McKELLAR. I hope the Senator from Utah will not insist upon delaying the consideration of the conference report. Let us vote on it.

Mr. KING. Mr. President, of course, I may be in the minority, but I am opposed to the conference report, and I am opposed to the bill in its present form; and I think there are a number of its features that, perhaps, ought to be considered.

Mr. SMITH. May we not have the report read, Mr. President, in order that we may know what changes have been made in the bill by the conference report?

Mr. LODGE. Mr. President, of course, the conference report will be read. The Senator from Pennsylvania [Mr. REED] has moved to agree to the report. The privilege of the conference report extends merely to its presentation. After that any motion in reference to it is in order, and the Senator from Pennsylvania has made a debatable motion.

Mr. ROBINSON. I inquire if the conference report has been printed and is available for the use of the Senate?

Mr. REED of Pennsylvania. The report has been printed in full in the CONGRESSIONAL RECORD. I can explain very briefly just what has been done in conference, if the Senator cares to hear it.

The PRESIDING OFFICER. The Chair is informed that the conference report has also been printed as a House document.

Mr. REED of Pennsylvania. I think the conference report is also printed as a House document, but I have not the number of the document.

Mr. McKELLAR. I should like to have the Senator from Pennsylvania explain the conference report.

Mr. REED of Pennsylvania. I shall be glad to do so.

Mr. President, the conferees have adopted the Senate bill, in substance. The changes of any importance which were made were these: We have included the provisions of the House bill for certain types of nonquota immigrants. The difference between nonquota immigrants and quota immigrants is merely that the nonquota immigrants are required to furnish full information about themselves before getting a visé of their passports. The only additional classes of persons whom we admit outside of quota immigrants——

Mr. ROBINSON. Mr. President, will the Senator yield for a moment?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Arkansas?

Mr. REED of Pennsylvania. I yield.

Mr. ROBINSON. Does the Senator from Pennsylvania expect to take up the conference report now and to have it acted upon?

Mr. REED of Pennsylvania. I hope to get a vote on the conference report at once.

Mr. ROBINSON. Then I think Senators ought to have an opportunity of being present in order to hear the statement of the Senator from Pennsylvania; and if the Senator will yield to me for that purpose, I will suggest the absence of a quorum.

Mr. REED of Pennsylvania. I yield for that purpose.

Mr. ROBINSON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Fernald	Ladd	Shields
Ashurst	Fess	Lodge	Shipstead
Ball	Fletcher	McKellar	Shortridge
Bayard	Frazier	McLean	Simmons
Borah	George	McNary	Smith
Brandegee	Gerry	Mayfield	Smoot
Brookhart	Glass	Neely	Stanfield
Broussard	Gooding	Norbeck	Stephens
Bruce	Hale	Norris	Sterling
Bursum	Harreld	Oddie	Swanson
Cameron	Harris	Overman	Trammell
Capper	Harrison	Owen	Wadsworth
Caraway	Heflin	Pepper	Walsh, Mont.
Colt	Howell	Phipps	Warren
Copeland	Johnson, Calif.	Pittman	Watson
Cummins	Johnson, Minn.	Ralston	Weller
Curtis	Jones, N. Mex.	Ransdell	Wheeler
Dale	Jones, Wash.	Reed, Mo.	Willis
Dial	Kendrick	Reed, Pa.	
Dill	Keyes	Robinson	
Edge	King	Sheppard	

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, there is a quorum present.

Mr. REED of Pennsylvania. Mr. President, I was just starting to describe the only important matters of difference between the conference bill and the immigration bill as it passed the Senate.

The House has yielded to practically everything of importance that was in dispute between the two Houses, with the exception of the nonquota class of immigrants, and as to that item they have yielded almost all that was in dispute. The only nonquota immigrants permitted by the conference bill beyond those who were permitted by the Senate bill are the wives and the children under 18 of American citizens resident here. That is to say, under the Senate bill the wife of an American citizen resident here would be given a preference within the quota, but would be charged against the quota nevertheless, while under the conference bill a wife under those circumstances would be admitted outside the quota.

The question is important only because of the recent enactment of what is known as the Cable Act, which provides that marriage does not automatically operate to transfer the wife's citizenship to that of the husband. Before the Cable Act these same wives under the same circumstances would have been permitted to enter the United States of their own right as American citizens, but under the Cable Act they do not by their marriage acquire American citizenship. What we have done here has been to admit them as nonquota immigrants. They are not charged against the quota; but we have stricken out the House provisions as to parents and as to husbands and as to skilled labor, and practically all of the House nonquota immigrants who would have come in in great numbers in addition to the quota.

The only other point on which we yielded in that regard was as to professors coming to accredited colleges and ministers of recognized religious denominations; and the number of those who will come in any one year is so small that in our judgment it is negligible.

The next important change lay in the Asiatic exclusion clause. Under the Senate bill, the Asiatic exclusion clause would have taken effect immediately upon enactment. Under the conference bill as it now stands—it went through several phases, but in the shape in which it now stands—the exclusion act will take effect on July 1 of this year. The reason why that seems to us wiser than the Senate bill is that there is a small number of Japanese now on the ocean, and it did not seem fair to clap the law on while they were in transit. When the quota law of 1921 was passed nobody thought about the people who were on the ocean, and the act was made to take effect immediately on its adoption, and Congress within a few weeks afterwards had to pass a joint resolution extending the time in substance so as to admit all of those people who were on the ocean at the time the act of 1921 was signed. We do not want to make that mistake here, and so we have made the exclusion clause take effect July 1.

Mr. ROBINSON. Mr. President, may I ask the Senator a question in connection with the exclusion clause?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Arkansas?

Mr. REED of Pennsylvania. I yield.

Mr. ROBINSON. There is no suggestion in the clause as it has been finally agreed upon that any treaty respecting immigration or exclusion shall be negotiated?

Mr. REED of Pennsylvania. Absolutely not any.

Mr. ROBINSON. The conference report, then, recognizes immigration as a domestic issue, and seeks to put no limitation upon the exclusion, except that it shall not take effect until July 1?

Mr. REED of Pennsylvania. Absolutely not any restriction whatever. It is treated as a domestic question. It is handled by legislation only, and there is no suggestion of any treaty modification.

Mr. BAYARD. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Delaware?

Mr. REED of Pennsylvania. I do.

Mr. BAYARD. Would not the deferment of the operation of this act so far as Asiatic exclusion is concerned tend to open the door to a ratification of the gentlemen's agreement up until July 1, 1924?

Mr. REED of Pennsylvania. Not at all. There is no recognition in the act of the existence of any such thing as a gentlemen's agreement. We do not even go so far as did the quota act of 1921, which referred to such agreements generally. We do not even do that in this act.

Mr. BAYARD. But all other portions of the proposed act go into effect immediately upon its becoming a law, do they not?

Mr. REED of Pennsylvania. No; not at all. Only so many sections go into effect immediately as are necessary to enable the consuls abroad to issue immigration visas in the meantime; but all of the quota provisions take effect July 1. The present quota law will continue in effect until the last day of June.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Washington?

Mr. REED of Pennsylvania. I yield to the Senator from Washington.

Mr. JONES of Washington. I have not had time to examine this report. I am advised by a gentleman who ought to know that this report very materially modifies the seamen's act. I should like to know whether that is correct.

Mr. REED of Pennsylvania. I agree with the Senator that his informant ought to know, if it is the same informant that has been appealing to me.

Mr. JONES of Washington. It is Mr. Furuseth.

Mr. REED of Pennsylvania. Yes; Mr. Furuseth has made the same claim to me over and over again, but he is absolutely wrong; and all of the members of the conference committee, so far as I know, feel that he is wrong, with the possible exception of the Senator from Utah [Mr. KING].

Mr. JONES of Washington. So that there is not any intention, at any rate, to modify the seamen's act seriously?

Mr. REED of Pennsylvania. Absolutely not, and in fact we rejected several suggestions that were made by him because we were fearful that they would change the La Follette Seamen's Act, and our intention has been the exact contrary. We have been anxious to avoid any change in that act, and I am perfectly confident as a matter of law that we have avoided it. I think Mr. Furuseth's objections arise out of his great caution and his great care in this matter, but I think he is overfearful.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Tennessee?

Mr. REED of Pennsylvania. I do.

Mr. McKELLAR. I desire to ask the Senator about the so-called Simmons amendment in reference to skilled labor—farm labor.

Mr. REED of Pennsylvania. Yes; I am glad the Senator asked me about that. We have not been able to secure a complete acceptance of it, but we have secured it in substance. Under the act preferences are given within the quota up to the extent——

Mr. McKELLAR. What page of the pamphlet does the Senator refer to?

Mr. REED of Pennsylvania. Section 6, page 4, of the pamphlet. Preferences are given first to the children under 21, the father, the mother, the husband, or the wife of an American citizen who himself is over 21; next, to quota immigrants who are skilled in agriculture, and their wives, and their dependent children under the age of 16, if accompanying or immediately following them. Then it is provided that there shall be no priority between those two classes of preferences; that is to say, that relatives and farmers, farm laborers, shall have a common preference within the quota up to 50 per cent of the quota of each nationality.

That, in substance, is the same as the Simmons amendment. The only point of difference lies in this, that the Simmons amendment provided that the governors or legislatures of particular States might put in a claim for so many immigrants. We were fearful, first, that that provision would not be effective, because obviously we can not restrain the immigrant's movements after he is admitted to the United States; and, next, that it would lead to a clash between the authorities of different States. For those reasons the conferees thought it wisest to leave out that feature.

Mr. HARRIS. Mr. President——

Mr. REED of Pennsylvania. I yield to the Senator from Georgia.

Mr. HARRIS. The change was satisfactory to the Senator from North Carolina [Mr. SIMMONS].

Mr. REED of Pennsylvania. I understood that it was satisfactory to the Senator from North Carolina, and that he saw the force of our reasons for leaving out that feature.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Utah?

Mr. REED of Pennsylvania. I yield to the Senator from Utah.

Mr. KING. I think the Senator should state that the conferees representing the Senate presented fully the views of those who had advocated that amendment to the bill as it was reported and contended for it, but that the House refused to accede to our view, and the compromise is the one which has just been described by the Senator.

Mr. REED of Pennsylvania. I thank the Senator for his suggestion. I supposed it would be assumed, and it was the fact, that we conceived it to be our duty to put forward the thought of the Senate in the adoption of each of these points in disagreement. We did our best to represent the arguments of the sponsors of each of these amendments, and in the main we succeeded in keeping them in.

Mr. HARRISON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Mississippi?

Mr. REED of Pennsylvania. I yield to the Senator.

Mr. HARRISON. Do I understand that the Senate conferees insisted in conference against the exceptions that were put on in the House, which added many thousands of immigrants to this country?

Mr. REED of Pennsylvania. We did insist, and we insisted against that for day after day, and we succeeded in our insistence as to those classes which will add the largest numbers. Those points on which we yielded are the people who will be fewest in number.

Mr. HARRISON. May I ask the Senator whether the conferees have met in the last two days for the purpose of revising the proposition and striking out some of the exceptions?

Mr. REED of Pennsylvania. The conferees met on the day that the House directed their conferees to strike out the Japanese-extension provision, which they had recommended. We have not met since that day.

Mr. HARRISON. I do not want to ask the Senator anything that happened in executive session of the conference, but in the last two or three days has not the chairman of the House conference committee asked the Senate conferees if they would not meet and agree on striking out this provision touching ministers and professors, thereby reducing the number of the nonquota group?

Mr. REED of Pennsylvania. I think it was on Saturday or Monday last, I am not sure which, that the chairman of the House conferees applied to us for a further conference on the matter of striking out that clause, and the Senate conferees unanimously declined to open up the agreement, which had already been signed.

Mr. HARRISON. Does the Senator think that the conferees were carrying out the instructions of the Senate when they declined that invitation, which would have reduced the number and come closer to the views of the Senate?

Mr. REED of Pennsylvania. I am absolutely certain of it, because if we had yielded to that request we might have opened up this agreement, and we would have lost the benefits of this act to a far greater extent——

Mr. HARRISON. Opened up what agreement—the Japanese question?

Mr. REED of Pennsylvania. No; I am not afraid of opening up the Japanese question, but we have here a bill that is much more exclusive than the House bill. It was bitterly resisted by some of the House conferees. We fought to hold down the number, and we have succeeded. We are all satisfied with the result that we got, and we did not want to jeopardize it.

Mr. HARRISON. What I am interested in is whether or not the conferees carried out the instructions of the Senate. The instructions of the Senate were that we were to abide by 2 per cent of the census of 1890. We voted against any exceptions being made. The House conferees, as we now understand, asked for another conference so that the number of exceptions might be reduced, and we find that the Senate conferees said: "No; we will not do it, because we do not want to open it up."

Mr. REED of Pennsylvania. But we could not agree to a partial conference. If we had agreed to any further conference it would have been on the whole bill, and we had gained so much that we did not want to risk losing what we had gained.

Mr. HARRISON. I understand that; but the conferees of the House and Senate have met, and they have adjourned, and they have been called together at the instance of the President, and then they have adjourned, a great many times; and if they had met this time at the invitation of the chairman of the House conferees, they would have come nearer carrying out the instructions of the Senate.

Mr. McKELLAR. Mr. President, may I ask how many additional immigrants are allowed under the compromise provision?

Mr. REED of Pennsylvania. These nonquota immigrants will be the wives of American citizens living here, children under 18, and ministers and professors. That is the only addition. I can only guess at the number, but I should say that in the total the nonquota immigrants admitted under the conference bill will be about one-fourth of the number that would have been admitted under the House bill. Nobody can do better than guess at it.

Mr. KING. I think it is fair to state, Mr. President, that the arguments which were adduced by the House conferees in favor of certain exemptions coming within the nonquota class, particularly wives of American citizens, were appealing and persuasive. I will say frankly that the arguments appealed to me, and I do not think they were sufficiently stressed in the consideration of the bill when it was before the Senate. However, the chairman of the Senate conferees, the Senator from Pennsylvania, insisted upon the bill in these respects as it came from the Senate, but the House conferees—and I hope I am not betraying any confidence—took the position that certain exceptions should go into the bill, and in that respect they refused at the beginning of the conference to accede to the position taken by the Senate conferees.

I am sure the Senator from Pennsylvania and the other conferees—I shall not speak for myself—attempted to carry out the instructions of the Senate, and I will say frankly that some of the provisions of the Senate bill for which I contended in conference, carrying out the views of the Senate, were not agreeable to me. By that I mean I sought to carry out the

wishes of the Senate, though some of them were against my views. As Senators know, I voted against the Senate bill because some of its provisions were not in accord with my views. But as ranking minority member of the conference I attempted to secure a bill that would meet the views of the Senate as expressed in the bill approved by them.

Mr. REED of Pennsylvania. Just one word further, Mr. President. I want to explain what was done about the matter of alien seamen. The Senate Immigration Committee had stricken out all references to alien seamen because we thought that matter ought to await further consideration and be treated in a separate bill. The House had a rather complicated and intricate method of handling alien seamen, and we went into conference with this elaborate House provision and nothing at all on the subject in the Senate provisions.

We had two things in mind. In the first place, we did not want to change the provisions of the La Follette seamen's law, not because we were convinced that they were all so wise and beneficial but because we had not studied the subject enough to tinker with that law in any way. All the Senate conferees felt that way about it.

In the next place, the various interests involved, the shipping companies on one part, the immigration authorities on another part, and the seamen's association for a third group, could no two of them agree on what ought to be done about the alien seamen. There was no agreement on any provision by those three groups which were interested in that question.

What we have done finally has been to take that provision in the bill as it passed the House, which was a mere restatement of the present immigration law of 1917 and will be found in section 19 of the law, which merely provides that no alien seaman who is ineligible as an immigrant shall be permitted to land, except temporarily and under such regulations as the Department of Labor may establish. That is the present law. There is no change in that whatever.

Next, we cut out absolutely the landing-card provision, to which Mr. Furuseth objected so strenuously. There is a good deal to be said for the landing-card system, because it furnishes conclusive identification for deserting seamen. On the other hand, the immigration authorities, or some of them, say that it has been and that it is a failure, practically. Mr. Furuseth argued with great force that it treated alien seamen like convicts, and that that was not a reasonable thing to do; and because of those two arguments we succeeded in striking out the whole of the landing-card section, which was section 20, the one immediately following section 19.

All we have done to the alien seaman law that is new has been to provide that after the inspection of alien seamen by the immigration authorities—and that inspection is required under the present law, and there is nothing new about that—the shipowner or master must keep on board any seaman who is indicated by the immigration inspector as unfit to land. There is a loophole in the present law. The present law requires that such seamen be kept on board until examination. It requires that they be examined, but it does not provide any penalty for the ship captain who lets a man slip overboard or on shore between the time of the examination and the time he is to be put in the hospital.

Mr. SHIPSTEAD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Minnesota?

Mr. REED of Pennsylvania. I yield.

Mr. SHIPSTEAD. The Senator says that the sailor must be inspected. By whom? By the Public Health Service or by the immigration authorities?

Mr. REED of Pennsylvania. The Public Health Service makes the inspection for the immigration authorities. That is under the present law, and that is not changed in any way.

Mr. SHIPSTEAD. An examination into the question of whether or not they are entitled to citizenship?

Mr. REED of Pennsylvania. Oh, no; into the question of whether or not they are entitled to temporary landing.

Mr. SHIPSTEAD. Under this you take a sailor out of the immigration question——

Mr. REED of Pennsylvania. Absolutely.

Mr. SHIPSTEAD. And in section 15 you put him right back again.

Mr. REED of Pennsylvania. Oh, no; that is Mr. Furuseth's argument. If the Senator will look at section 3, he will see very clearly that an alien seaman is taken clear out of the class of immigrants; that he is permitted to land just as a government official is permitted to land. He is not treated as an immigrant at all. What we do and what we need to do is to require a physical examination, and to see that a man who is found to have a contagious disease goes to the hospital after the examination. Just let me finish this explanation and I think it will be clear.

It happens in hundreds of cases, under the present law, that the public health doctors who make the examination for the immigration authorities find a man with trachoma, or with some kind of acute venereal disease, or perhaps even with the smallpox. He says to that man, "You stay on board until you can be taken to the hospital at Ellis Island and put in the contagious-disease ward." The moment the inspector leaves the ship the man slips overboard, or onto the pier, as the case may be, and there is nothing in the present law which enables us to punish or fine the captain of that ship. The only change we make in the law is this: That we require the captain to keep that man on board, in the brig, if necessary, until we can get him in the hospital.

Mr. ROBINSON. Will the Senator yield for a question?

Mr. REED of Pennsylvania. I yield.

Mr. ROBINSON. Does the present law permit a seaman to land under such conditions, after he has been examined and found afflicted with a contagious disease?

Mr. REED of Pennsylvania. No; it does not permit him to land; but it does not put any penalty on the master who lets him land.

Mr. ROBINSON. The law contemplates that he shall not land?

Mr. REED of Pennsylvania. Precisely.

Mr. ROBINSON. And the amendment is intended only to give effect to the intention of the present law?

Mr. REED of Pennsylvania. That is exactly it.

Mr. ROBINSON. No alien seaman has been denied the right to land if he is entitled to land under the present law?

Mr. REED of Pennsylvania. Every alien seaman who has not some contagious disease has a right to land under the present law, and under this measure.

Mr. ROBINSON. Does anybody contend that an alien seaman who has a contagious disease ought to be permitted to land?

Mr. REED of Pennsylvania. Nobody contends that, but Mr. Furuseth reads this provision in a different way from the way in which we read it. He thinks that somehow or other we would keep on board every alien seaman who does not have an immigration visa, and he does not seem to have read section 3, which distinctly provides that such a sailor does not need a visa. I can not make him see it, and although practically every member of the conference committee has explained it to him over and over again he simply can not understand it.

Mr. SHIPSTEAD. Mr. President, is the Senator contending that an alien seaman, under the provisions of the conference report, is taken out of the immigration question?

Mr. REED of Pennsylvania. Absolutely; and if the Senator will look at section 3 he will see it, I know.

Mr. SHIPSTEAD. Then I will ask the Senator another question. If it is true that a bona fide alien seaman is taken out of the immigration question, how, then, do you provide for taking care of a man who is not a bona fide seaman who comes in as a seaman in order to avoid the immigration law?

Mr. REED of Pennsylvania. That is another reason for having him examined, as he is, by the public health doctor and by the immigration authorities. If he is a bona fide seaman, he is not within the law at all. If he is not a bona fide seaman, but is an attempted smuggler, he is held up, and under the law the master is punished if he lets him escape.

Mr. SHIPSTEAD. How are you going to tell whether or not he is a bona fide seaman?

Mr. REED of Pennsylvania. Sometimes they make a mistake.

Mr. SHIPSTEAD. Can you tell by physical examination?

Mr. REED of Pennsylvania. Of course not; but you can tell by an oral examination. We were told about one case of a man who pretended he was an able-bodied seaman, and he spoke of "coiling the funnel in the hawse hole." It was very evident he was not a bona fide seaman. That is what we are driving at, and I think we have succeeded in covering such cases. If the Senator will look at section 3, he will see that it is provided plainly there that the term "immigrant" means any alien coming into the United States, and so on, except a bona fide alien seaman serving as such.

Mr. SHIPSTEAD. Under section 15 it is provided that—

The admission to the United States of an alien excepted from the class of immigrants by clause (2), (3), (4), (5), or (6) of section 3, or declared to be a nonquota immigrant by subdivision (e) of section 4, shall be for such time as may be by regulations prescribed.

What does that mean?

Mr. REED of Pennsylvania. It means that any alien who comes in temporarily, as a tourist, or for a temporary business stay, or any alien in continuous transit through the United States, or any alien lawfully admitted who afterwards goes across the border frequently, or any alien who comes in under a treaty, may be required to give bond, and in reciting the kind of people who may be required to give bond we purposely omitted class 5, which is the alien seamen clause. If the Senator will look at the middle of section 15 he will see that it requires a bond only for classes 2, 3, 4, and 6, and alien seamen come under class 5.

Mr. FLETCHER. Mr. President——

Mr. REED of Pennsylvania. I yield.

Mr. FLETCHER. It seems to me there might be some question, by reason of the provisions of section 19 and section 3, as to whether there is any change in the matter of alien seamen. This is the provision in section 3, that the word "immigraut" does not include "a bona fide alien seaman serving as such on a vessel arriving at a port of the United States." He is not an immigrant. Then section 19 provides that "No alien seaman excluded from admission into the United States under the immigration laws," can do so and so. If he is not an immigrant, is he excluded under the immigration law?

Mr. REED of Pennsylvania. Yes, Mr. President. There are a great many people, several hundred million of them, who are not immigrants, but who are excluded from admission under the immigration laws. In other words, the immigration laws prescribe who shall be immigrants, and forbid the admission of millions of others, including all the Chinese, the Hindus, and the Malays.

Mr. FLETCHER. Then the Senator's contention is that the able seamen on these vessels, although not immigrants, are excluded under our immigration laws?

Mr. REED of Pennsylvania. Yes; under certain conditions they are.

Mr. FLETCHER. Under certain conditions; and they are taken care of under sections 19 and 20 of the committee report?

Mr. REED of Pennsylvania. Precisely. They can be admitted temporarily under regulations, and that is a humane thing, because the Chinese ship coming into our ports with a Chinese crew should not be made a jail while it is in port.

Mr. FLETCHER. I quite agree with that. Then the provision repealing section 32 of the immigration act of 1917 as applied to all seamen arriving in the United States prior to the passage of that act would not interfere with the seamen's act?

Mr. REED of Pennsylvania. Not at all, because the substance of section 32 is reenacted into sections that immediately precede it.

Mr. FLETCHER. In other words, they are divided up. Sections 19 and 20 really embrace section 32 with some strengthening provisions.

Mr. REED of Pennsylvania. It is practically a reenactment of that section.

Mr. FLETCHER. So the Senator is quite clear there is no interference with the seamen's act if the report shall be adopted?

Mr. REED of Pennsylvania. I am very sure, and we have been solicitous to see that there should not be.

Mr. KING. Has the Senator's attention been called by the Senator from Minnesota to a communication which, I think, was sent to a number of Senators—I did not receive one, however—by Mr. Furuseth or his representative under this date? An excerpt from the communication is as follows, but if the Senator from Minnesota called attention to this I shall not do so:

> The sections to which I refer are sections 19 and 21 of the conference committee print of May 8, 1924. I understand that section 20 has already been stricken out of the bill.

Mr. REED of Pennsylvania. That is the one that had to do with landing cards.

Mr. KING. The letter continues:

> In evidence of my assertion that the original purpose in drafting this bill was in no way to conflict with the seamen's act, I call attention to the provisions of section 3, which exclude bona fide alien seamen from the definition of immigrants. Section 19, however, which was written into the bill in conference appears to be in direct conflict with both the letter and the spirit of section 3. This section has the effect, in view of the rigid provisions of the quota requirements and the citizenship provisions, of severely restricting the right of the seaman to come on shore and seek employment in another vessel, which is, of course, the fundamental right guaranteed to him by the seamen's act.
>
> The subjection of the seaman to the absolute control of the master of the vessel while in our ports is made absolute by paragraph (b) of section 21. This paragraph provides:
>
> > "Proof that an alien seaman did not appear on the outgoing manifest of the vessel on which he arrived in the United States, from any place outside thereof, or that he was reported by the master of such vessel as a deserter, shall be prima facie evidence of a failure to detain or deport after requirement by the immigration officer or the Secretary of Labor."
>
> This means that no seaman will be permitted to leave his vessel even for a visit on shore, nor will he be permitted under any circumstances to ship in another vessel, as provided in the seamen's act.

Mr. REED of Pennsylvania. I fully agree with Mr. Furuseth's idea that the men ought not to be detained on the ship, but I reassert that he is overanxious and that there is nothing in the provisions to which he calls attention that could possibly be used to hold the men on ship in such a fashion. The last section that was put in was inserted at the request of the district attorney of New York, who has found it impossible to convict the masters of ships that come in with double crews and go out with the scant requirements of the law. They are smugglers of immigrants. We have to be able to convict them for that smuggling. Unless we can have a presumption that they intended to smuggle from the fact that their outgoing manifest did not include the men who were on the incoming manifest we are never going to get any convictions. No master could hold his men on ship by virtue of that section. If he tried it they could be gotten out on habeas corpus in a minute. Unless the Secretary of Labor should undertake to make such a preposterous regulation as that no alien seaman should leave his ship—of course he never would attempt to make such a regulation—they have a vested right to come on shore under this bill.

Mr. SHIPSTEAD. It is not clear to my mind how the provisions of the bill distinguish between bona fide and mala fide seamen.

Mr. REED of Pennsylvania. It is done in this way: When an immigrant reaches our port an immigration inspector, with the doctor, goes on board the vessel.

Mr. SHIPSTEAD. I am talking about the seamen, not the immigrant.

Mr. REED of Pennsylvania. The immigration inspector goes on board the vessel and inspects every member of the crew and every member on the passenger list. He finds some that claim to be government officials and others that claim to be seamen employed on the ship, and he has to use his judgment. If he finds a man claiming to be a government official who he thinks is not a government official, he says, "You go to Ellis Island for examination by the board of inquiry," and the same thing if he finds a seaman whom he does not think is a bona fide seaman.

Mr. SHIPSTEAD. That takes the seaman into the immigration question if he is taken to Ellis Island.

Mr. REED of Pennsylvania. Of course. Every human being that comes to this country from another country has to be examined by an immigration inspector. Everybody, including government officials, has to pass some scrutiny.

Mr. SHIPSTEAD. And the seamen on the ships?

Mr. REED of Pennsylvania. Including the seamen on the ships. The crew of the vessel is inspected just like the passengers on the vessel and they have to show the bona fides of their status just the same as an ambassador who comes here. He is outside the immigration laws if he presents evidence that he is a real ambassador, and the same thing is true of an alien seaman. They have to show something to establish their status. That is the exact situation.

Mr. SHIPSTEAD. Then what is to be done with him?

Mr. REED of Pennsylvania. If the inspector says that he is a fraud, that he is not what he pretends to be, he sends him to Ellis Island or similar detention station, where he is examined before the board of inquiry consisting of three judges. If he thinks the man is not a fraud he passes him and he comes right in. It has been worked that way for many years.

Mr. SHIPSTEAD. The Senator thinks he is restoring existing law so far as the seamen are concerned?

Mr. REED of Pennsylvania. We do not restore it, but we do not disturb it.

Mr. SHIPSTEAD. But under the law that is not now disturbed, we know and there is plenty of evidence to show that shipowners have shipped in a great many immigrants in the hold of the ship or as extra hands in the crew, who have landed here and mingled with the population and did not return to the country from whence they came.

Mr. REED of Pennsylvania. That is true.

Mr. SHIPSTEAD. Is there any provision now compelling a master to take out as many as he brings in?

Mr. REED of Pennsylvania. No; there is not; but we make him subject to a very high fine if he does not take out the people that he brought in, and we put the burden on him to show why they are not on the ship as it goes out.

Mr. SHIPSTEAD. The Senator does not mean to say that the master of a ship will be fined if he does not take out the same people he brought in?

Mr. REED of Pennsylvania. We fine him unless he shows some good reason for not taking them out.

Mr. SHIPSTEAD. As a matter of fact, the law provides that he can not be fined unless it is shown that there has been collusion between the master and the man who has deserted or left the ship.

Mr. REED of Pennsylvania. Under this provision we presume that if a man is missing, he is missing with the collusion of the master, and the burden is on the master to show that there was no collusion. He can do that very easily if he shows that the man reshipped through his consulate on some other ship. He can do it if he shows a man deserted. What we want to do is to catch just the kind of smuggling which the Senator speaks about.

Mr. SHIPSTEAD. May I ask just one other question? Is there any provision that says a master shall take back as many members of the crew as he had when he came to this country?

Mr. REED of Pennsylvania. No; there is not, and there ought not to be, because sometimes they come ashore and die; sometimes they desert, and it is not his fault. Every spring shoals of men desert from New York and go to work on the Great Lakes, and it would be a great hardship on a ship to make it take back as many men as it brought here under those circumstances.

Mr. SHIPSTEAD. Is it not reasonable to assume that the ship would not bring in a larger crew than was necessary to operate the ship?

Mr. REED of Pennsylvania. It is reasonable to assume that it would not; but as a matter of fact they all carry a few more than the minimum requirement under the law. If we should have any such provision as the Senator has in mind, then the sailing of every big ocean liner could be held up by the strike of half a dozen waiters. We do not want to expose them to that situation. Everybody admits that would be unreasonable. The Senator can understand the situation. In the case of a big liner like the *Aquitania*, if half an hour before sailing time six or eight waiters walked down the gangplank she could not sail if such a provision were in the law.

Mr. SHIPSTEAD. I want to say to the Senator that I should regret very much if the conference report should be adopted without giving us plenty of time to consider it further.

Mr. REED of Pennsylvania. We have been considering this matter for four months. We have given careful thought and study to all of Mr. Furuseth's suggestions, and many of them are good. I think that his apprehensions are groundless.

Mr. HARRISON. Mr. President, I am sure we all quite agree that the junior Senator from Pennsylvania [Mr. REED] has rendered great service to the country in his work on the Immigration Committee and in helping fashion this particular piece of legislation. But it seems to me that when the Senate has deliberately voted upon propositions and conferees have been appointed, they are supposed to carry out the action of the Senate. The conferees have woefully failed to do that. What right have we, after we have passed on a measure here and the conferees have been appointed, not to protest when they have deliberately gone against the instructions of the Senate? No; there was no motion to instruct. It was not necessary. We had a right to expect that the action of the Senate would be carried out in the action of the conferees, and as best possible they would report back the bill for our final approval as we had interpreted it here. I say that has not been done.

The main question in the consideration of immigration legislation when before the Senate was how many immigrants should be permitted to come into the United States. There was a difference of opinion and various views expressed as to whether the number should be 160,000 or 250,000 or no limitation at all. Some Senators voted for the 1890 census and some for the 1910 census. Some thought the percentage should be 1 per cent, others 3 per cent, and so on. But all agreed that some definite number should be fixed to come into the United States annually. The suggestion was not at all presented to the Senate as embodied in the House bill that above a certain quota on a certain census a lot of exceptions could be made and that they might come in above that quota.

This question is of great importance. Last year, in 1923, 337,000 immigrants came to the United States above the quota. So the Senate desired to restrict immigration; and by an overwhelming vote it reduced the number which should come to 160,000 annually, or 2 per cent, based on the census of 1890. The House also provided that 2 per cent, based on the census of 1890, should be permitted to come; but in addition to that they provided that many could come without the quota; that wives of citizens of the United States could come from foreign countries; children could come from foreign countries; and tourists and ministers could also come and not be counted within the quota. Yet as the conference report comes in it not only bases the quota on the 2 per cent of the census of 1890, which is right, if the quota were closed there, but it allows many exceptions to be made so that more can come in.

There is no Senator here who can tell what number may now come in beyond the quota of 2 per cent based on the census of 1890. We do know that many will come in, because many have come in the past. As I have said, 337,000 came in last year above the quota. Of course, the bill as contained in the conference report is better than the present law, because 337,000 could come in under the present law, not counting the exemptions, and, adding the exemptions, 673,000 came in last year. So we have "marched up the hill and marched down again."

I did not think, Mr. President, that when three of the Senators who were on the conference committee voted against the 2 per cent quota based on the 1890 census it would mean that they would go into conference and adopt the House provision containing a lot of exceptions. If I had thought so, there would have been a fight made on the floor of the Senate that conferees be appointed who would carry out the action of the Senate. Here we are with our hands tied. We may vote against the conference report, yes, and a majority of us could do so and send the report back to conference; and it would be the best thing that could be done; but it may be that if we send it back to conference we shall never have it returned.

A startling thing to me is that the members of the conference committee say, "We have put forth our best efforts to carry out the views of the Senate"; and yet the chairman of the conference committee admits upon the floor of the Senate that two or three days ago the chairman of the conferees on the part of the House came to him and invited him into another conference in order to wipe out the provision as to the number of ministers and professors who could come within the exceptions, and he declined the invitation. Does that show that the conferees carried out the instructions of the Senate?

Ah, Mr. President, we had thought we were traveling on the road to real restrictive immigration, but we have not been. Now, I yield to the Senator from Massachusetts if he desires that I shall do so.

Mr. LODGE. I will wait until the Senator from Mississippi yields the floor.

Mr. HARRISON. I am going to talk, perhaps, for three or four hours, and I do not wish to tire the Senator by keeping him standing up.

Mr. LODGE. It would tire me if I should listen.

Mr. HARRISON. Mr. President, there are times when matters occur here that are of interest, and this question is one of great interest to the American people. The distinguished Senator from Rhode Island [Mr. COLT], who is one of the finest characters whom it has ever been my pleasure to know, is not so much of a restrictionist as am I. He was against the proposition to take the census of 1890 as the basis; he was also against the "racial origins" method, and he refused to be a member of the conference committee because he did not feel that he should do so inasmuch as the views of the Senate were contrary to his views. However, Mr. President, it would have been the right thing when the invitation came from the chairman of the House conference committee to go back into conference on the proposition to reduce the number of exceptions under the law, which we are now proposing to pass, to have accepted the invitation.

Members of the conference committee have not been afraid to go into conference since this bill was passed by the Senate. They have performed like Japanese in the game of jujutsu with respect to the Japanese exclusion question. The Senate said what it would do by way of excluding the Japanese, and yet, at the instance of the President of the United States, the conference committee wrote into the conference report, without authority, that the exclusion should not take effect until 1926, I think it was. The proposition went to the House of Representatives; that body would not stand for it, and it repudiated

that action. Then the conferees went back into conference on that question. The President again sent for them; and they have been in hot water on the proposition all the time.

Why, in the interest of the American people and civilization and of restrictive immigration, did they not go into conference this last time and try to reduce the number who could come in by eliminating the ministers and teachers, at least?

Oh, I wish that we could write upon the statute books now an immigration law restricting immigration to 2 per cent based on the census of 1890 and provide that in 1925 only 160,000 immigrants shall come within the portals of the United States and after 1925 the number shall be 150,000, according to the Reed amendment. But that has not been done. The bill provides that 150,000 may enter after 1925, but it also admits all others within the exceptions. It goes beyond the present law in the cases of the exceptions, because the present law does not make the wife an exception. It excepts children under 18 years of age; but in this instance the conferees have written into the law that wives also may come in as well as children under 18 years of age, and ministers and professors, and there are a number of other exceptions.

It is said the conferees had to do it because of the Cable law. Why, God bless you, Mr. President, they came in within the quota under the present law. If a citizen of the United States wants to marry some woman living in a foreign country, let him take his chances of bringing his wife in within the quota. So the children should also come in within the quota. Under this bill if a foreign-born citizen of the United States has a mother in some foreign land solely dependent upon him and without a relative over there, she can not come in without the quota, but she is given a preference within the quota. Why not provide that wives and children may come in within the quota and give them a preferential right, but do not go any further than that?

Mr. President, I have expressed my views. I do not approve of the action of the conferees. I presume I will have to take what they have given to me, but to-morrow I will introduce a bill that will wipe out these exceptions, and if I can get enough help in the Congress I will try and secure its passage.

Mr. LODGE. Mr. President, the purpose of a conference, as I have always understood it, is to settle existing differences between the two Houses. I have never seen a bill of any importance, especially a large bill containing many provisions which was finally agreed to and passed by adopting the views of only one side. The Senate provided for no exemptions as they are commonly called, but the House provided for the exemptions that had been previously in the law, covering, for instance, wives, parents, children, clergymen, and some unimportant lesser classes. Therefore, there was an absolute difference between the two bodies. One was for no exemptions, while the other was for all the existing exemptions. It was one of those cases where a compromise was inevitable.

I am strongly in favor of the attitude taken by the Senate; I believe in the extinction of all exemptions; that is, amending all those classes in the quota, although I am aware there is one which has been retained which it will be extremely difficult to give up and which has a real sentimental importance.

Under those circumstances the conferees on the part of the Senate went into conference, and the Senate never had more loyal or more faithful conferees on any bill of which I have ever known. They fought for the views of the Senate from the beginning to the end. Of course they have made one or two compromises, but they have achieved success in almost every instance. From the point of view of the division between the two Houses, the Senate side has been most successful.

But, Mr. President, when you come to judge a conference report everything depends upon how you look at the general subject. To me the general result of this bill far outweighs any other consideration. It contains certain great provisions on which both bodies are agreed which are infinitely more important in the passage of the coming years than any single item could be.

This legislation, if it shall be maintained, is going to stretch forward into the centuries; it is going to change the current of infusion in the blood of the American population; it is going to make a change for the better in the quality of our immigration, a change far more important than any that has ever yet been made in the much-traversed and much-considered question of immigration to the United States. I regret that our conferees thought it necessary, in view of the opposition of the House, to yield on the question of excluding the exemptions from the quota, but compared to the general importance of the bill that is a small point.

Mr. President, the difference, as it seems to me, between my attitude and that of my friend from Mississippi is that he could not at the end resist bringing it into politics. I have always been proud of the fact, and never more so than during the debate in this Congress, that immigration, which affects the quality of all the people of the United States in the future, has never been a political question in any sense. This bill was discussed; it was passed; it has come back here from the conference, and until this moment there has not been a trace of politics in regard to it. Without reference to politics we have fought side by side.

Mr. HARRISON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Mississippi?

Mr. LODGE. No; I have only a little to say, and if the Senator will allow me, I should like to finish what I am saying. Then I will yield.

Mr. HARRISON. The Senator alluded to "this moment." I wondered if he felt that I had let politics enter into this discussion.

Mr. LODGE. The Senator certainly has not shown it until this moment in this speech.

Mr. HARRISON. I do not know what I have said that leads the Senator to think I have done so now.

Mr. LODGE. I have never seen a man work harder and render better service to a great cause than the Senator from Mississippi, and I say that with great pleasure.

Mr. HARRISON. I have not tried to get any politics into this proposition now. I was expressing the views, or what were the views, of the Senator from Massachusetts——

Mr. LODGE. They are my views still.

Mr. HARRISON. And they are still my views, but evidently they are not now the Senator's views.

Mr. LODGE. But that does not alter my feeling that the great end is more important than any one detail. The chairman of the conference, who has labored night and day on this matter for many weeks, and has done as much as any man could do, and who is one of the ablest and best Senators in this body, and who has given himself to it without any holding back, with the utmost freedom, has fought this matter at every stage, and has got the best bill, I believe, that any man could hope to get. If there was a suggestion made from the House after the conference report had been signed to reopen that matter, everybody who listens to me knows that it would have reopened the Japanese question—that is the plain English of it—and he refused to reopen it. You can not open a little bit of a conference. If you open it, you open it all; and that question was the one that was in the public mind, that was of the utmost gravity to a great section of the United States, on which feeling was heated, where it was important to use violence or harshness in debate which might by any possibility reflect upon a friendly nation, and on which it was desirable to get a final conclusion as soon as possible, for which reasons the Senator from Pennsylvania very wisely and properly declined to reopen the signed conference report.

Mr. President, in my judgment, the Senate has been splendidly represented on that conference, not merely by the Senator from Pennsylvania [Mr. REED], but by the Senators who sat with him, although they may have disagreed somewhat among themselves. In my judgment, they have done the best that could be done; and I am extremely anxious that the work being now done shall receive its final approval by the Senate of the United States.

Mr. SMITH. Mr. President, I do not care to take the floor now, because I am going to speak on a different subject. I was wondering if the chairman of the committee desired to take a vote now, or if the Senate is prepared to take a vote at this time?

Mr. REED of Pennsylvania. Yes; I should like to have a yea-and-nay vote now.

Mr. SMITH. I do not care to cut off anyone who desires to discuss this question.

The PRESIDING OFFICER. Let the Chair state the parliamentary situation. The first question before the Senate is, Will the Senate proceed to the consideration of the conference report? That has not been agreed to yet.

Mr. REED of Pennsylvania. I ask unanimous consent, then, that the Senate proceed to the consideration of the report.

Mr. KING. Mr. President, I hope the Senator will not ask unanimous consent. I have no objection to his moving that the Senate take up the report.

Mr. LODGE. Unanimous consent was not requested by the Senator, I think, if the Senator will pardon me. I think the Senator from Pennsylvania moved that the Senate agree to the report.

The PRESIDING OFFICER. The Chair must state that under the rules of the Senate the motion can not be put in that way. We will first have to get the privilege of proceeding to

the consideration of the report, and that is before the Senate now.

Is there objection to proceeding to the consideration of the conference report?

Mr. KING. I will not object to the Senator from Pennsylvania moving to take up the conference report for consideration; but, of course, he has a right to do so, and I am advised that many Senators desire to have the report immediately disposed of. While I shall not filibuster or attempt to prevent the conference report being laid before the Senate, I regret that such hasty action is deemed necessary. I do not feel that I can consent to its being taken up for the reason that I have some apprehension, notwithstanding the lucid explanation made by the chairman of the conferees, in regard to the alien seamen provision of the bill. A memorandum has been handed to me just a few moments ago, which I have not had time to peruse, in addition to the note to which I called the Senator's attention, which seems to raise some legal questions as to the effect of the provisions of this bill upon the existing seamen's act; and in view of that fact I do not wish to have it taken up to-day. I should be very glad to have consideration of the report go over until to-morrow; but the Senate has the power and if it is asserted, of course, I shall be overcome. I want to add that I did not sign the conference report for the reason that I was dissatisfied with the manner in which the alien seamen provisions were dealt with, and because of other fundamental features with which I did not agree.

Mr. REED of Pennsylvania. Mr. President, I ask unanimous consent that after the disposition of the conference report the unfinished business now before the Senate—that is, the War Department appropriation bill—shall continue to be the unfinished business.

The PRESIDING OFFICER. The Senator from Pennsylvania asks unanimous consent that after the consideration of the conference report the unfinished business shall be then taken up.

Mr. HARRISON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Mississippi will state it.

Mr. HARRISON. If a motion should be made to take up the conference report, would that thereby set aside the Army appropriation bill, and also this unanimous-consent request that is now being asked?

The PRESIDING OFFICER. The Chair understands that the request is made in order that it shall not be set aside.

Mr. REED of Pennsylvania. It is asked in order to make sure that it does not displace the Army appropriation bill.

Mr. HARRISON. I am making a parliamentary inquiry as to whether it would.

The PRESIDING OFFICER. The Chair would decide that it would not. Without objection, that order will be made. The question before the Senate is, Shall the Senate proceed to the consideration of the conference report?

The motion was agreed to, and the Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7995) to limit the immigration of aliens into the United States, and for other purposes.

The PRESIDING OFFICER. The question now is on agreeing to the conference report.

Mr. REED of Pennsylvania and Mr. LODGE called for the yeas and nays.

Mr. ROBINSON. No; Mr. President, we are not going to vote for just a minute.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. ROBINSON. I want to ask the Senator from Pennsylvania a further question about the alien seamen provision. His statement with respect to the first paragraph of section 20 cleared my mind of some of the difficulties that had been suggested by Mr. Furuseth. I do not understand the effect of subsection (b) of section 20, which reads:

> Proof that an alien seaman did not appear upon the outgoing manifest of the vessel on which he arrived in the United States from any place outside thereof, or that he was reported by the master of such vessel as a deserter, shall be prima facie evidence of a failure to detain or deport after requirement by the immigration officer or the Secretary of Labor.

Will the Senator from Pennsylvania explain briefly to the Senate the purpose and effect of that provision? Of course I understand that it relates to a rule of evidence.

Mr. REED of Pennsylvania. I shall be glad to do so, Mr. President.

It has been found in the past that where immigrants are smuggled in in the guise of alien seamen the master pleads ignorance of their intention to desert, and the Government is unable to prove that the master connived with the smuggled immigrant to come to this country and remain. A ship comes in with a large crew showing on its inbound manifest. It goes out with the bare requirements of the law. A large number of those who showed on the incoming manifest do not appear on the outgoing manifest; and the courts have held that those facts standing by themselves do not raise a prima facie case against the master when he is prosecuted for smuggling immigrants. The purpose of the subdivision to which the Senator calls attention, and the only purpose, is to throw the burden of proof over upon the master to show that those missing seamen deserted without his knowledge, or that they died, or that they were held in hospitals.

Under the present law and the present state of the decisions, the United States in any such prosecution has to prove all those negatives. What we want to do is to put the burden on the master to show what became of these missing seamen—either that they deserted, or that they went to a hospital, or that they died, or that they went to their consulates and reshipped on some other foreign ship. The master knows, and the United States does not know without an investigation that would take a year in every case; and it seemed to us that this was a proper enough provision, to put the burden on the master to account for those missing men. It has no other purpose. It will not serve to keep the men in jail, as Mr. Furuseth at one time feared that it would. I think his doubt on that point has been dispelled; and it can not in any way work hardship on the seamen themselves.

Mr. ROBINSON. It merely shifts the burden of proof from the Government to the master of the vessel in cases of that kind?

Mr. REED of Pennsylvania. Precisely; and it does not alter the status of the seamen themselves.

Mr. HARRIS. Mr. President, I have no apologies to make for the humble part I took in the conference report. This is by far the best bill on this subject we have ever had in the United States. It will do more for our country than any other bill that has been passed by Congress, in my humble judgment, since I have been a Member of the Senate. I fought for exclusion of all immigration for five years, in the committee, on the floor of the Senate, and in conference, but I could not get what I wanted in conference. I never have been able to get, from people that did not agee with me, all that I would like to get. The men who construct things in this world are the men who can be criticised, and it is far easier to criticize than it is to construct, and it is often necessary to compromise and get the best you can in order to get anything. Those who opposed restrictive immigration in the House voted against this conference report. They think it is too restrictive. The enemies of restrictive immigration are hoping the Senate will vote down this conference report and defeat all hope of legislation this session.

We have here a measure that I believe meets with the approval of the country. If I had had my way, we would not have had any immigration for five years; and with the exemptions I made I think it would have been far better if my bill had passed, because then we would have had no embarrassment with Japan or any other country. We would only have allowed the fathers and mothers over 55 years of age and children under 18, of American citizens residing in this country, to come here, and not so many would have come, and not near so many would have come in as under the Senate bill.

I am sorry my distinguished friend from Mississippi [Mr. HARRISON] does not agree with me. I did not agree with everything he did. I recall, if I am not mistaken, that the Senator from Mississippi made the motion to increase the percentage from 1 to 2 per cent after the Senate had voted for 1 per cent here. I wanted to shut out immigration entirely for five years, and when my amendment was voted down I voted for 1 per cent, and the Senator from Mississippi certainly voted for 2 per cent if he did not make the motion, while I voted for 1 per cent. I did not get mad with him because of that. The Senator from Mississippi is on the Committee on Immigration and has done a splendid work. He deserves the thanks of his people and the country for the work that he has done; but this conference report was a compromise, and while I thought the House Members were hard-headed at times, when they would not agree with me in consenting to the provisions of the Senate bill, I have never seen men work harder or more conscientiously than the four members of the Senate committee, my colleagues, and the five members from the House. We worked for weeks on this measure, worked eight hours a day and more, and we had only one thought in view, and that was what was the best thing for our country, for our children, and our grandchildren.

While I was disappointed in not getting a more restrictive bill I am proud of the record that was made in this bill. If I felt as some of the other Senators who have criticized it feel about it I would vote against it. I would not vote for a bill if I raised so many objections to it. I do not believe they are going to do that, however, for they know this is the best immigration bill ever passed by Congress. I think the Senate and the country understand that we have done remarkably well, and that we have gotten a better bill than we ever hoped to get a few years ago.

I opposed President Coolidge's recommendations relative to Japanese exclusion, I insisted that Congress alone should control in immigration matters—it is not a question to be settled by treaty—I favored and fought for exclusion of Japanese and am glad Congress took that view of it.

Mr. SHIELDS. Mr. President, I am not going to detain the Senate long to make any argument against this conference report, because I know that it is useless, and I am not in the habit of making an argument and speaking to a question unless I hope to effect something; but this report, I do not hesitate to say, is a very great disappointment to me.

We have been working upon this immigration bill for several weeks. It was the general understanding that we were going to effect some real, substantial restriction upon foreign immigration. We had a very good bill passed by the Senate. There was very great restriction under it, and that bill met the approbation of the American people, as was shown by letters doubtless to every Member of the Senate and by the press at large without any regard to politics.

The American people wanted restriction. We gave them reasonable restriction in the bill as passed here, and in the conference it has been largely abandoned, very largely. The conference report is some better than the present law, and I will vote for it; largely it is a legislative abortion.

Mr. President, we expected a limitation to about 162,000 immigrants by providing that their relatives and friends and certain other exceptions should come with preference under the quota clause, and that made ample provision for them. It prevented all hardships, all of what we might call cruel separations of families. I would not have agreed to a bill that did not provide preferences for those relatives and some chance for them to come here and join those who were already in America and on the way to become American citizens. This decreased the number of other immigrants.

It is well known now that instead of having 160,000 immigrants admitted we will have about 300,000 with these exceptions. This includes those coming under the quota law and those excepted.

Mr. REED of Pennsylvania. Will the Senator yield?

Mr. SHIELDS. In a moment; that we have now about 225,000 who come in from Mexico and Canada annually; about 25,000 sailors who smuggle themselves in. Then there is a large number smuggled in from Cuba, from Canada, and from Mexico, both orientals and Europeans, under the present law, and, Mr. President, there is now possible an immigration to this country from all sources, some six or seven hundred thousand annually, and it is against the will of the people. It is a menace to American citizenship and American institutions.

Mr. HARRIS. May I ask the Senator one question?

Mr. SHIELDS. I yield first to the Senator from Pennsylvania.

Mr. REED of Pennsylvania. I will withhold my question.

Mr. HARRIS. The Senator from Tennessee is familiar with this legislation, because he is on the committee, and he knows how hard I have fought, and he knows my extreme views, which are more extreme than his own. The Senator from Tennessee is criticizing the allowing of Mexicans and Canadians to come in. I made a motion, which the Senate voted down, to place them under the quota. The conferees certainly should not be criticized because they did not try to bring them under the quota, since the Senate voted otherwise.

Mr. SHIELDS. Mr. President, the Senator from Tennessee has made no such question. I simply referred to the immigrants who are coming here from those two countries, Canada and Mexico, as showing the aggregate of foreigners who are now entering the United States annually.

I voted to include Canada and Mexico in the quota law. I thought when we were passing the bill we were restricting immigration, but with all these exceptions, more than there were under the old law, we have accomplished comparatively nothing.

Mr. REED of Pennsylvania. Will the Senator explain just what exceptions he thinks we have added that are going to accomplish such terrible results? Does he think that the addition of persons born in the Western Hemisphere is going to increase the immigration over what the bill as it passed the Senate would have allowed in?

Mr. SHIELDS. If the Senator will just read the exceptions set out in his conference report, he will know exactly what I mean, for I refer to every single one of them.

Mr. REED of Pennsylvania. I am very glad to read them. We have talked about wives of American citizens. Next is the immigrant previously lawfully admitted, and returning from a temporary visit abroad. Does the Senator disagree with that exception?

Mr. SHIELDS. I stand on the Senate bill, excluding every one, and only giving them a preference under the quota. There can not be any doubt about my position or any doubt about the facts, because they are written into the bill.

Mr. REED of Pennsylvania. The doubt arises out of the fact that the same exceptions are in the bill as it passed the Senate, about which the Senator was so proud, and I was wondering why it is any worse——

Mr. SHIELDS. We did not allow them here absolutely, but allowed them to come in under the quota clause, and then you gave up, and opened the floodgates of immigration into this country, against the very spirit of the Senate in passing the bill.

Mr. REED of Pennsylvania. On the contrary, Mr. President, the bill as it passed the Senate admitted them as nonimmigrants. They did not even have to give their pedigrees. Now they are admitted as nonquota.

Mr. SHIELDS. Oh, well; that is mere language. I am talking about people who are getting into this country, not about playing on words. The man can come here whether you call him a nonimmigrant or a quota immigrant.

Mr. REED of Pennsylvania. The Senator has taken the liberty of calling the conference report a "legislative abortion," and I want to show how much has been aborted. The Senator points out that clause allowing the returning absentees to come in. I say it was in the bill as it passed the Senate, for which the Senator voted with such pride.

The next exception is immigrants who were born in the Dominion of Canada and other countries in the Western Hemisphere. I suppose the Senator objects to that. In fact, I know he does, because he called attention to it as one of the items that made this a "legislative abortion." I say that in the bill as it passed the Senate, for which the Senator was so proud to vote, that class was absolutely excepted, and more so. This is more restrictive than was the provision in the bill as it passed the Senate, before we created this "abortion," as the Senator calls it.

Mr. HARRISON. May I interrupt the Senator?

Mr. REED of Pennsylvania. The next one——

Mr. SHIELDS. I mentioned the Canadians and the Mexicans as showing the number that come here, and not as exceptions. I know that under the old law they were allowed to come. They were not within the quota law, and they were not within the quota law as the Senate passed the bill. Some of us tried to include them and failed. There is no controversy about that. What I am attacking is that all these exceptions were to come under the quota law in the bill as passed by the Senate, and you take them out of that and let them come in independent of the quota law, and that raises the number who can come in under the quota provision.

Mr. REED of Pennsylvania. Mr. President, that is just what I am trying to make clear to the Senator from Tennessee, that these people were not under the quota in the bill as it passed the Senate, for which he voted so proudly. The temporary absentees were not under the quota when he voted for the bill as it passed the Senate. The persons born in the Western Hemisphere were not under the quota then any more than they are now, and, finally, the students under 15 years of age, the last class of exceptions, were admitted as nonimmigrants and not under the quota before the bill became an "abortion." The very points the Senator says caused it to be a "legislative abortion" were in the bill when it was such a monument of jurisprudence that he was so proud to vote for it.

Mr. SHIELDS. But they were under the quota clause. The Senator is constantly playing upon words and attributing arguments to me which I did not make.

Mr. REED of Pennsylvania. They were not under the quota clause then and are not now.

Mr. HARRISON. Mr. President——

Mr. HEFLIN. Before the Senator yields to the Senator from Mississippi permit me to say that I did not hear the Senator from Pennsylvania answer the Senator from Tennessee when he said that 300,000 or 350,000 could come in under the bill as reported by the conferees. Can they?

Mr. REED of Pennsylvania. No, Mr. President; the reason the Senator did not hear me answer was that when I tried to answer the Senator from Tennessee would not yield. They can not.

Mr. McKELLAR. How many can?

Mr. HEFLIN. How many, in the judgment of the Senator, can come in?

Mr. REED of Pennsylvania. In the next three years, 161,000 immigrants can come in, because that is what 2 per cent based on the census of 1890 would mean. In addition to that, the wives and children of American citizens who live here can come in. The Senator would not want to keep them out, would he?

Mr. HEFLIN. How many of them can come in under this new provision?

Mr. REED of Pennsylvania. The whole world, if they happen to be married to American citizens, who live here; but, as a matter of fact, it will not be over eight or ten thousand a year. This does not admit the wives of unnaturalized persons. It refers only to wives of citizens who live here.

Mr. SHIELDS. How many came in last year?

Mr. REED of Pennsylvania. Mr. President, the exemptions last year in the quota law, which is about to expire, were so broad that the number who came in almost equaled the number under the quota.

Mr. SHIELDS. That is about the same as the number now.

Mr. REED of Pennsylvania. Oh, no. We allowed domestic servants, and skilled labor, and all kinds of relatives, and there was a list of exemptions of about 20 different classes of people, which we have cut down ruthlessly. The only exemptions allowed here, that were not allowed in the bill as it passed the Senate covers wives of American citizens and the little children, and ministers of the Gospel. Those exemptions will not total 10,000 people in a year.

Mr. HARRISON. The Senator left out professors.

Mr. REED of Pennsylvania. Yes; I omitted professors. That, perhaps, will add 200 or 250.

Mr. HARRISON. In the present law—I am not talking about the Cable law, but the present law—wives were not an exception, were they?

Mr. REED of Pennsylvania. I have not the text of the present law before me.

Mr. HARRISON. I have the text here.

Mr. REED of Pennsylvania. Will the Senator read it?

Mr. HARRISON. It leaves out wives. Children are an exception in the present law, but wives are not. In the bill the Senator has brought in he has children and wives; so he has broadened it, as the Senator from Tennessee has stated.

Mr. REED of Pennsylvania. Before the Cable law was passed those wives were American citizens, and they came in without hindrance.

Mr. HARRISON. Under the Cable law the wives came in under the quota. They do not come in above the quota. They come in within the quota.

Mr. REED of Pennsylvania. Does the Senator think that the wife of an American citizen should be held back by a quota law?

Mr. HARRISON. I think that we ought to have a quota law——

Mr. REED of Pennsylvania. So do I; but will the Senator answer my question?

Mr. HARRISON. The Senator has asked me a question I am glad he asked. I voted to limit immigration to a quota; and when I did, I voted to keep out wives, and to keep out children, and to keep out mothers, and fathers, and professors, and ministers, and that is what I meant. If those people want to come in, they should have a right to come in, within the quota. I know that you have left a hole here which certain people will use as a subterfuge to bring more into the country. There are some people who would not mind paying $3 for a marriage license in order to get somebody into this country, and they will do it.

Mr. SHIPSTEAD obtained the floor.

Mr. SHIELDS. Has the Senator from Mississippi the report?

Mr. HARRISON. I have.

Mr. SHIELDS. Will the Senator read the exemptions that are made under that report?

Mr. HARRISON. The Senator from Minnesota has the floor.

Mr. SHIPSTEAD. I yield that the Senator from Tennessee may ask the Senator from Mississippi a question.

Mr. SHIELDS. I understand the Senator from Minnesota yields that the report may be read.

Mr. HARRISON. I will send it to the Senator.

Mr. SHIELDS. I came in during the discussion, and did not have a copy of the report, and hence I asked the Senator from Mississippi for it. These exemptions, I understand, come in under the clause covering nonquota immigrants. Am I correct in that? I think I am. Those exemptions read as follows:

(a) An immigrant who is the unmarried child under 18 years of age, or the wife of a citizen of the United States who resides therein at the time of the filing of a petition under section 9;

(b) An immigrant previously lawfully admitted to the United States, who is returning from a temporary visit abroad;

(c) An immigrant who was born in the Dominion of Canada, Newfoundland, the Republic of Mexico, the Republic of Cuba, the Republic of Haiti, the Dominican Republic, the Canal Zone, or an independent country of Central or South America, and his wife, and his unmarried children under 18 years of age, if accompanying or following to join him;

(d) An immigrant who continuously for at least two years immediately preceding the time of his application for admission to the United States has been, and who seeks to enter the United States solely for the purpose of, carrying on the vocation of minister of any religious denomination, or professor of a college, academy, seminary, or university; and his wife, and his unmarried children under 18 years of age, if accompanying or following to join him; or

(e) An immigrant who is a bona fide student at least 15 years of age and who seeks to enter the United States solely for the purpose of study at an accredited school, college, academy, seminary, or university, particularly designated by him and approved by the Secretary of Labor, which shall have agreed to report to the Secretary of Labor the termination of attendance of each immigrant student, and if any such institution of learning fails to make such reports promptly the approval shall be withdrawn.

Then it proceeds to give the quota. That appears in the report, and I shall not read it all.

Mr. SHIPSTEAD. Mr. President, before the bill was sent to conference we had a lengthy discussion here that took up several hours of the afternoon. It was decided that the front door and the back door should be closed to immigrants, but the bill was sent to conference with what I would call the side door open after the back and front doors had been closed. We were told that the side door would be closed in conference, and the very able and distinguished Senator from Pennsylvania [Mr. REED] now assures us that this has been done. I do not doubt his sincerity, I do not doubt his good intentions to close the door, but I fail to see that the door has been closed.

I find also, I believe, in the proposed conference report a nullification of section 4 of the La Follette Seamen's Act. Therefore I shall ask the indulgence of the Senate while I discuss the bill as it now comes to us from conference. It seems to me that in the last two weeks we have been rather rushing legislation through, discovering later that we had certain provisions incorporated in it that a good many Senators did not know had been placed in the legislation.

The purpose of the bill is to limit the number of certain kinds of alien immigrants and to prohibit the coming of others into the United States. Such alien persons as are ineligible to become citizens are excluded as immigrants. Certain persons who are not capable of becoming citizens are excluded, because they are subnormal, afflicted with certain diseases, hold certain opinions, or because they can not read.

Legally admissible immigrants are limited to certain specified numbers from each country. Beyond those legally permitted to come as immigrants, none may come unless they are specifically admitted as being outside of the immigration laws.

Section 3 of the bill specifies who may come as not included in or subject to the immigration laws. Among the persons so listed, for the first time in our history, we have the seamen. Section 3 reads in part as follows:

(5) A bona fide alien seaman serving as such on a vessel arriving at a port of the United States and seeking to enter temporarily the United States solely in the pursuit of his calling as a seaman.

This section, it would seem, places the seaman outside of the immigration laws as long as he is a bona fide seaman. The presumption from the language would be that the bill will in some way distinguish between a bona fide seaman and a person who pretends to be a seaman in order to violate the immigration laws, but no such distinction is made as far as I can find.

According to reports of the Commissioner of Immigration, our ports last year were visited by 1,018,000 alien seamen. Those men were employed in our commerce. The free flow of commerce is one of the necessities of existing civilization, and the less interference with those men the better; but among them may be men who are suffering from contagious diseases

and who in the interest of humanity ought to be segregated and sent to some hospital to be cured, as already provided by law, or there may be men who are seeking to violate our immigration laws, but more particularly our exclusion laws, and that is, of course, the reason for using the expression "bona fide seamen."

A remarkable fact about this bill is that it makes no effort to distinguish between bona fide and mala fide seamen. It seems to me that there can be but one reason for placing seamen outside of the immigration laws. It is intended that they shall be permitted on shore. To prevent them from coming on shore would be an inhumanity so gross that no nations prohibit shore leave except for the purpose of quarantine or in times of war. But aside from this consideration we could not hold them on board of the vessel, because they are in our harbors, within our jurisdiction, and it would be involuntary servitude and prohibited by the thirteenth amendment to our Constitution. While we might restrain those seamen in some safe place until they could be deported, it does not seem to me that we can convert those vessels into prisons in our harbors.

Section 15 of this bill, which provides for the maintenance of exempt status, is as follows:

The admission to the United States of an alien excepted from the class of immigrants by clause (2), (3) (4), (5), or (6) of section 3, or declared to be nonquota immigrants by subdivision (e) of section 4, shall be for such time as may be by regulation prescribed (including when deemed necessary for the classes mentioned in classes (2), (3), (4), or (6) of section 3, the giving of bonds with sufficient surety, in such sums and containing such conditions as may be by regulations prescribed) to insure that, at the expiration of such time or upon failure to maintain the status under which admited, he will depart from the United States.

Here we have bona fide and mala fide seamen treated alike. So far as the seamen are concerned, there may be regulations; but there are to be no bonds. The purpose of this distinction between the seamen and others is evidently that the regulations are not to be of such kind as to keep the seamen a prisoner on the vessel. So far these provisions are humane and in the best interests of the United States except that it gives to the mala fide seaman, the man who seeks to use the status of seaman to violate the immigration laws, his opportunity to escape and to thus accomplish his purpose.

The conferees must have felt that section 15 leaves an opening for vessels and mala fide seamen to violate the immigration laws, because section 19 brings all seamen under the complete domination of the immigration laws.

I call the attention of the Senate to the fact that I asked the Senator from Pennsylvania if section 15 did not bring the seamen back under the immigration law, and he said that it did not. The Senator was correct. I made a mistake in the number of the section. I meant sections 19 and 21 instead of section 15.

Mr. REED of Pennsylvania. My answer to the question as changed would have been just the same.

Mr. SHIPSTEAD. I will read section 19 as follows:

SEC. 19. No alien seaman excluded from admission into the United States under the immigration laws and employed by any vessel arriving in the United States from any place outside thereof, shall be permitted to land in the United States, except temporarily for medical treatment or pursuant to such regulations as the Secretary of Labor may prescribe for the ultimate departure, removal, or deportation of such alien from the United States.

The term "immigration laws" is on page 43, lines 21 to 24, defined as follows:

The term "immigration laws" include such act, this act, and all laws, conventions, and treaties of the United States, relating to immigration, exclusion, or expulsion of aliens.

Surely there must be some unconscious oversight. In section 4612 of the Revised Statutes of the United States, the word "seaman" is defined as follows:

and every person (apprentices excepted) who shall be employed to serve in any capacity on board the same (vessel) shall be deemed and taken to be a "seaman."

Sections 8 and 15 exempts the seaman from the immigration laws, and he may go on shore. Section 19 places him under the immigration laws and he may not go on shore except in case of sickness for medical treatment or pursuant to such regulations as the Secretary of Labor may prescribe. Those regulations must, of course, be within the immigration laws, and it does not seem that he can go on shore at all unless he can qualify as an immigrant in every particular and in addition thereto has an immigration visa, which he can not obtain except in his own country.

Section 21 provides a fine of $1,000 in each case for any failure to keep the seaman on board until examined physically and otherwise, or for failure to keep on board and deport him who is not permitted to land, and finally the same fine is imposed if any seaman has deserted and is not on the vessel when she is about to depart from the port. The master will see that no one deserts if he can prevent it, unless he carried such person to our port with the purpose of violating the immigration laws.

The fine of course can not be collected unless collusion can be proved, and under such circumstances as exist in every vessel there is no chance of proving collusion. Thus it seems that the bona fide seaman is legally tied to the vessel, while the mala fide seaman, who came with the purpose of violating the immigration laws, is accomplishing this purpose.

The purpose of amending our maritime law by passing the seamen's act was—

1. To abolish involuntary servitude among seamen in so far as we could do it;
2. To encourage the American citizen to go to sea;
3. To equalize the wage cost of operating foreign and American merchant vessels.

Such equalization could only come by the seamen being liberated. Hence we abrogated such treaties and repealed such statutes as compelled the seaman to remain on the vessel on which he served when coming into our ports. It was realized that if the seaman could not obtain at least half the wages earned and not received he would be held to the vessel by his physical necessities and the purpose of the law would fail. It was for this reason that section 4 of the seamen's act was passed.

Section 4 of the seamen's act reads in part as follows:

Every seaman on a vessel of the United States shall be entitled to receive on demand from the master of the vessel to which he belongs one-half part of the balance of his wages earned and remaining unpaid at the time when such demand is made at every port where such vessel, after the voyage has been commenced, shall load or deliver cargo before the voyage is ended, and all stipulations in the contract to the contrary shall be void. * * * Any failure on the part of the master to comply with this demand shall release the seaman from his contract, and he shall be entitled to full payment of wages earned. * * * *And provided further,* That this section shall apply to seamen on foreign vessels while in harbors of the United States, and the courts of the United States shall be open to such seamen for its enforcement.

It is difficult to see how the seaman can enforce his right under this section of the marine law if the Commissioner of Immigration or the Secretary of Labor is to enforce the immigration laws, as provided in sections 19 and 21 of this bill. Under section 21 it will require a court order to get the seaman legally out of the vessel; and if the seaman deserts, he may, under the immigration laws, be apprehended and either returned to the vessel or deported in some other vessel. The court-order method will be extremely difficult, and enforcement after desertion will be impossible.

For all practical purposes, section 4 of the seamen's act is superseded and repealed.

I do not believe that such was the intention of the conferees, and I certainly do not believe that the Senate had any such intention. This is my reason for taking up the time of the Senate with this question. When the conferees felt that section 15 left a big opening for the violation of the immigration laws, they had a complete remedy in the amendment offered in the Senate by the Senator from Utah [Mr. KING]. At that time it was, as I understood, tentatively agreed that the "side door" should be closed in conference, and the seamen's act left intact. The amendment offered by the Senator from Utah would have closed this door. I remember that on the evening the bill was sent to conference we did not insist upon a record vote, because we were assured that this door would be closed.

The amendment offered by the Senator from Utah made a clear distinction between bona fide and mala fide seamen. It provided for deportation, at the cost of the vessel by which they were brought, of mala fide seamen and of excluded persons coming as seamen, unless the seamen came on a vessel in distress or on a vessel of whose flag they were the proper nationals as distinct from being subject to such flag through belonging to any colony or dependency of such flag.

Subsections (e) and (f) of the amendment offered by the Senator from Utah would effectively close the "side door," and do so without repealing the seamen's act or any part thereof. Before I vote for the report of the conferees, and

thereby assist the foreign shipowners and others unfriendly to the development of a merchant marine and a sea power for the United States, I desire some further information as to why this amendment should not be adopted, especially since we have letters from the Commissioner of Navigation to the effect that, with a slight amendment which would be an improvement, there is nothing impractical in either of these subsections; and from the Secretary of State to the effect that there is no treaty to which such subsections are contrary and that, with a slight amendment, to which there can be no valid exception, it will not offend against any idea of comity; and also from the Secretary of Labor stating that if the bill should incorporate the amendment to which I have referred, he could see no reason why it should cause any interference with the administration of the immigration laws by the Department of Labor.

In the report of the conferees as first submitted there were provisions for photographing and fingerprinting the seamen; in other words, treating them as convicted crooks. Aside from what it did to the seamen, it purposed to burden the vessels with needless, cumbersome, time-destroying and very expensive machinery, which after all would have been ineffective. As I recall, the Senator from Utah told me this afternoon that that provision had been eliminated.

Mr. REED of Pennsylvania. If the Senator from Utah did not say so, I think I did; it has been taken out completely.

Mr. SHIPSTEAD. And there is no landing card provision?

Mr. REED of Pennsylvania. There is no landing card provision.

Mr. SHIPSTEAD. I am of the opinion that the Senate should take action to strike out sections 19 and 21. With those sections stricken out and the adoption of the amendment offered by the Senator from Utah, I believe the side door will be closed, and we shall carry out what I believe was the intention of the Senate when we sent this bill to conference, when we were assured that this door would be closed.

Mr. President, I believe that I have furnished the proofs that sections 19 and 21 as embodied in the conference report repeal or at least take all practical value out of the seamen's act. If this be so, and I believe it to be so, then we shall have, at least until the courts can act, a restoration of involuntary servitude imposed upon seamen serving on board vessels within our jurisdiction; we shall have the old differential in wage cost restored and we shall lose what we now have of efficient American seamen, for all able-bodied, intelligent, efficient Americans will leave the sea unless proper protection and safeguards are afforded them. If this reversal policy is to be effectuated let it be done openly and without any equivocation. It ought not to be brought here as an illogical appendix to the immigration bill. If we are going to kill the seamen's act, let us do it openly and aboveboard. How is such reversal of policy going to appeal to the men without whom we can have no merchant marine? Prior to the passage of the seamen's act we had practically no native or citizen seamen.

So long as the seamen's act was being enforced conditions on board vessels were such that American boys would go to sea. Men who will go to sea are the only source of sea power of any nation. The sea power of a nation can not be built up when its merchant marine and its navy are manned by the nationals of other countries. If America is going to take its place among the nations of the world as a sea power, if it is worth anything to the Nation to have a Navy and to have a merchant marine, they can only be built up by manning the ships of the Navy and of the American merchant marine by American citizens, and they can only be encouraged to serve on board vessels when the conditions are such that they can maintain their self-respect.

Mr. REED of Pennsylvania. I ask for the yeas and nays, Mr. President.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

Mr. NORRIS. I thought the Senator from Minnesota had concluded.

Mr. REED of Pennsylvania. I beg the Senator's pardon; I thought he had finished.

Mr. SHIPSTEAD. I shall finish in a very little while.

Mr. NORRIS. I do not want the Senator to understand that I was trying to hurry him. That was not my purpose by any means. I thought the Senator had finished. He turned around and walked back. I certainly do not want to hurry him.

Mr. SHIPSTEAD. I walked back to get a pamphlet. I will assure the Senator from Pennsylvania and the Senator from Nebraska that I do not think they tried to hurry me.

Mr. President, after years of investigation and study, the seamen's act was passed. The war came. We needed loyal and courageous seamen. The Shipping Board in its reports has indicated the ease with which our efforts might have been hampered by the seamen, but it also records that there were no strikes among the seamen because "of the patriotism and sound leadership which prevailed among the men."

Mr. President, I send to the desk "A call to the sea" which was sent out by the president of the Seamen's Union of America to all men in America who had left the sea. I think the loyalty and devotion of seafaring men in the time of the Nation's crisis was of such a character that they are entitled to the protection of the country which they served well in time of war. I ask that this "Call to the sea" may be read at the desk.

The PRESIDING OFFICER (Mr. STERLING in the chair). Without objection, the Secretary will read as requested.

The principal clerk read as follows:

A CALL TO THE SEA

To all seafaring men ashore or afloat:

The International Seamen's Union of America, in annual convention assembled, representing the organized seamen of America, submits the following to all men of seafaring experience, ashore or afloat.

The Nation that proclaimed your freedom now needs your services. America is at war. Our troops are being transported over the seas. Munitions and supplies are being shipped in ever-increasing quantities to our Armies in Europe. The bases are the ports of America. The battle fields are in Europe. The sea intervenes. Over it the men of the sea must sail the supply ships. A great emergency fleet is now being built. Thousands of skilled seamen, seafaring men of all capacities who left the sea in years gone by as a protest against the serfdom from which no flag then offered relief, have now an opportunity to return to their former calling, sail as free men, and serve our country.

Your old shipmates—men who remained with the ship to win the new status for our craft—now call upon you to again stand by for duty. Your help is needed to prove that no enemy on the seas can stop the ships of the Nation whose seamen bear the responsibility of liberty.

America has the right—a far greater right than any other nation—to call upon the seamen of all the world for service. By responding to this call now you can demonstrate your practical appreciation of freedom won.

All men of seafaring experience can get further information on this subject by applying to any representative of the United States Shipping Board, or to any officer or representative of the International Seamen's Union of America, or any of its district organizations. It should be understood that this statement is not issued because of any real shortage of men at this time. We must be prepared, however, to man the great new merchant fleet now building. Men must be ready and in training. It is in recognition of this need that we, as a duty to the Nation, submit this call to all seamen.

INTERNATIONAL SEAMEN'S UNION OF AMERICA.

Mr. SHIPSTEAD. Mr. President, I send to the desk a letter from the Acting Secretary of Labor and ask that it be read.

The PRESIDING OFFICER. Without objection, the Secretary will read the letter.

The reading clerk read as follows:

DEPARTMENT OF LABOR,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, May 1, 1924.

Hon. JOHN E. RAKER,
House of Representatives, Washington, D. C.

MY DEAR MR. RAKER: In the absence of the Secretary, I have the honor to acknowledge receipt of your letter of April 30, inclosing printed copy of letter from the Secretary of State, in which you ask whether subdivisions E and F of Secretary Hughes's letter can be added to section 19 of H. R. 7995.

We have given section 19 and the proposed amendments careful consideration, and this department is of the opinion that if this section and the proposed amendments, with corrections as suggested by Secretary Hughes, are adopted it will go far toward solving many of the difficulties with which this department has been confronted in its efforts successfully to cope with the seamen's situation as it pertains to the enforcement of the immigration laws. This being true, the proposed amendments meet with the approval of this department and are highly desirable from an administrative standpoint.

Cordially and sincerely yours,

ROBE CARL WHITE,
Acting Secretary.

Mr. SHIPSTEAD. Mr. President, I will say that that letter refers to the amendment that was proposed by the Senator from Utah, which I maintain would have closed this door.

I also send to the desk a letter from the Secretary of State, Mr. Hughes, and a letter from the commissioner of navigation of the Department of Commerce, and I ask that they be printed in the RECORD without being read.

The PRESIDING OFFICER. Without objection, it will be so ordered.

The letters referred to are as follows:

DEPARTMENT OF STATE,
Washington, April 24, 1924.

Hon. JOHN E. RAKER,
House of Representatives.

MY DEAR MR. RAKER: I have received your letter of April 23 asking whether, in my opinion, subdivisions (e) and (f) of the proposed amendment of section 19 of the pending immigration bill, H. R. 7995, would be in conflict with any treaty now existing between the United States and a foreign country. The proposed provisions are as follows:

"(e) All vessels entering ports of the United States manned with crews, the majority of which, exclusive of licensed officers, have been engaged and taken on at foreign ports shall, when departing from the United States ports, carry a crew of at least equal number, and any such vessel which fails to comply with this requirement shall be refused clearance.

"(f) No vessel shall, unless such vessel is in distress, bring into a port of the United States as a member of her crew any alien who, if he were applying for admission to the United States as an immigrant, would be subject to exclusion under paragraph (b) of section 12 hereof; except that any ship of the merchant marine of any one of the countries, islands, dependencies, or colonies, immigrants coming from which are excluded by the said provisions of law, shall be permitted to enter ports of the United States having on board in their crews aliens of said description who are natives of the particular country, island, dependency, or colony to the merchant marine of which such vessel belongs. Any alien seaman brought into a port of the United States in violation of this provision shall be excluded from admission or temporary landing and shall be deported either to the place of shipment or to the country of his nativity, as a passenger, on a vessel other than that on which brought, at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed."

Probably the countries which would be affected most by the proposed measures would be Great Britain, Japan, and the Netherlands.

I do not find anything in the treaty of commerce and navigation of 1852 with the Netherlands which seems to have any direct bearing upon this question.

Article I of the convention of commerce and navigation of 1815 with Great Britain reads as follows:

"There shall be between the territories of the United States of America and all the territories of His Britannic Majesty in Europe a reciprocal liberty of commerce. The inhabitants of the two countries, respectively, shall have liberty freely and securely to come with their ships and cargoes to all such places, ports, and rivers, in the territories aforesaid, to which other foreigners are permitted to come, to enter into the same, and to remain and reside in any parts of the said territories, respectively; also to hire and occupy houses and warehouses for the purposes of their commerce; and, generally, the merchants and traders of each nation, respectively, shall enjoy the most complete protection and security for their commerce, but subject always to the laws and statutes of the two countries, respectively."

Article I of the treaty of commerce and navigation of 1911 with Japan reads, in part, as follows:

"The citizens or subjects of each of the high contracting parties shall have liberty to enter, travel, and reside in the territories of the other, to carry on trade, wholesale and retail, to own or lease and occupy houses, manufactories, warehouses, and ships, to employ agents of their choice, to lease land for residential and commercial purposes, and generally to do anything incident to or necessary for trade upon the same terms as native citizens or subjects, submitting themselves to the laws and regulations there established."

Article IV of the same treaty reads as follows:

"There shall be between the territories of the two high contracting parties reciprocal freedom of commerce and navigation. The citizens or subjects of each of the contracting parties, equally with the citizens or subjects of the most-favored nation, shall have liberty freely to come with their ships and cargoes to all places, ports, and rivers in the territories of the other which are or may be opened to foreign commerce, subject always to the laws of the country to which they thus come."

Provisions more or less similar to those quoted may be found in treaties with other countries.

Especial attention is called to the provisions in the treaties from which I have quoted relating to "reciprocal liberty of commerce" and "reciprocal freedom of commerce and navigation." It appears to me that subdivision (e) of the proposed amendment of section 19 might operate in such a way as to interfere with reciprocal freedom or liberty of commerce and to cause serious loss to British and Japanese vessels, and perhaps vessels of other countries with which the United States has commercial treaties similar to those from which I have quoted. If, for example, a seaman on a vessel coming within the provisions of subdivision (e) should die or become ill and have to be taken to a hospital, or if one or more members of the crew should desert, immediately before the scheduled time for sailing, it is quite possible that a considerable time would be required to obtain other seamen to fill their places. It is quite conceivable that a delay of several hours or of a day or more might be required to fill the quota of the crew. In the case of a large vessel a delay of an hour or more may result in a very large loss. Therefore, if the proposed provision should be adopted, it would seem desirable to amend it in such a way as to make it less rigid. Perhaps this might be done by adding a provision to the effect that the Secretary of the Treasury should have authority to give the vessel clearance where the crew loss has occurred within a specified time before the scheduled time for sailing and where such loss has not been caused by the fault of the vessel. You may wish to consult with the Secretary of the Treasury concerning this point.

As to subdivision (f), there would seem to be no conflict with commercial treaties except, perhaps, in so far as it applies to seamen subject to exclusion under the immigration act as being ineligible to naturalization and coming from overseas dominions or colonies of the country to which the vessel belongs. This objection would not be apt to arise under the convention of commerce and navigation of 1815 between the United States and Great Britain, since that convention specifically applies to commerce between the territories of the United States of America and "all the territories of His Britannic Majesty in Europe." However, the British Government might object upon the ground that the provision as applied to Hindoos serving in British vessels plying between the United States and India would be so unreasonable as to amount to a violation of international comity. The Japanese Government might object upon the ground that the application of this provision to Korean seamen serving on Japanese vessels would be a violation of the provisions of Articles I to IV of the treaty of commerce and navigation of 1911, quoted above. The Japanese Government might reasonably contend that the treaty provisions just mentioned guarantee the right of Japanese subjects, whether coming from Japan proper or from overseas dominions, to come to the United States for purposes of commerce and navigation, and that these provisions cover the seamen on a vessel as well as its owners and agents.

For the reasons mentioned above, it would seem desirable to have subdivision (f) amended in such a way as to avoid its application to seamen of the class mentioned coming from outlying dominions.

I am, my dear Mr. RAKER,

Sincerely yours, CHARLES E. HUGHES.

DEPARTMENT OF COMMERCE,
BUREAU OF NAVIGATION,
Washington, April 23, 1924.

Hon. JOHN E. RAKER,
House of Representatives.

DEAR MR. RAKER: I have received your letter of the 22d instant inclosing proposed amendments of sections 18 and 19 of immigration bill H. R. 7995. You inquire as to the bureau's opinion whether these amendments are in contravention of the seamen's act of March 4, 1915; whether they are contrary to any treaties existing between the United States and any foreign governments; and whether they are in contravention of the "law of the sea."

As I understand the proposed amendments, they are not in contravention of the seamen's act of March 4, 1915.

Whether these proposed amendments are in contravention of treaties of the United States appears to be for the consideration of the Department of State, and this bureau does not feel justified in going into that question.

The proposed addition at the end of line 11, page 25, to the effect that the immigration authorities may remove from vessels, foreign and American, any member of the crew found not to be a bona fide seaman in the opinion of the immigration officer, goes much further than any maritime law or practice with which this bureau is familiar.

The amendment which follows, identified as (e), does not appear to be in contravention of any of our navigation laws unless possibly it is contrary to the spirit of section 4400, Revised Statutes, which provides, in effect, that the United States is not to fix the number of crew which a foreign vessel shall carry, inasmuch as section 4400 does not make 4463, Revised Statutes, as amended, applicable to foreign vessels. The bureau has not before it the law of any other maritime nation containing a similar requirement.

The amendment identified as (f), prohibiting any vessel bringing into a port of the United States an ineligible alien as a member of her crew, with enumerated exceptions, extends much further than

any legislation of any maritime country with which this bureau is familiar.

In making the above statements this bureau wishes it clearly understood that it is not in any sense approving or disapproving the amendments or endeavoring in any way to pass on the merits of such proposals.

Respectfully, D. B. CARSON, *Commissioner.*

Mr. SHIPSTEAD. Mr. President, I will say in conclusion that in my opinion the report of the conference committee ought to be sent back and that the conferees ought to be instructed to bring back a bill complying with the intention of the Senate.

I move, Mr. President, that the bill be sent back to conference and that the conferees be instructed to bring back——

Mr. REED of Pennsylvania. Mr. President, a point of order. I make the point of order that the pending motion is to agree to the conference report, and that no motion is in order unless it would have the effect of bringing about a prompter concurrence between the Houses than would the adoption of the present motion, and therefore that the motion of the Senator from Minnesota is out of order.

The PRESIDING OFFICER. The point of order is sustained. The question is on agreeing to the conference report.

Mr. KING. Mr. President, a parliamentary inquiry. Do I understand the Chair to hold that a motion to recommit with instructions to conferees to insist upon incorporating within the bill certain provisions to which the Senator has referred—namely, an amendment offered by a Senator when the bill was under consideration—is not proper at this time?

The PRESIDING OFFICER. The Chair is of that impression.

Mr. LODGE. Mr. President, simply on the point of order, I think the order of motions in regard to conference reports is very well settled. It is based, of course, on the proposition that that motion which most quickly brings the Houses together is first in order; and if a motion to agree to a report is made, that motion must be first disposed of before any other can be made.

Mr. HARRISON. Mr. President, may I ask the Senator from Massachusetts a question? Here is a conference report. Does the vote come on the adoption of the conference report or the rejection of it?

Mr. LODGE. It must come first on the motion to agree to the report. That has been held here several times.

Mr. HARRISON. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator from Mississippi will state his parliamentary inquiry.

Mr. HARRISON. May I say, before I propound the parliamentary inquiry, that my impression is that it is necessary to vote the report up or down——

Mr. LODGE. Yes.

Mr. HARRISON. And that no motion to recommit with instructions is in order; but if a motion to recommit is in order, I desire to amend the motion to recommit with instructions touching this other phase of the proposition. It is my impression, however, that it is necessary to vote the report either up or down.

Mr. LODGE. Certainly.

The PRESIDING OFFICER. That is the understanding of the Chair, and the Chair has so ruled.

Mr. NORRIS. Mr. President, so far as the parliamentary situation is concerned, it seems to me there can be no controversy. The principle that underlies conference reports, so far as preference of motions is concerned, is always to give preference to that motion which will soonest bring the two Houses together. The motion pending before the Senate is to agree to the conference report. If that motion prevails, of course it brings them absolutely together. There could be no motion made that would do it more effectively than that. If the motion to agree to the conference report should be defeated, then these other motions would be in order.

I did not expect to talk about the parliamentary situation; but, Mr. President, I have been unable for want of time to give any detailed consideration to some of the legislation that is very important and in which I have a deep interest. The immigration bill is one of those measures. I always feel, however, a jealous regard for the seamen's act. That law was put on the statute books after a great deal of discussion, lasting quite a good many years, and upon which honest men disagreed; but finally we put that law on the statute books. I do not want, myself, to do anything that will change that law, unless it be to improve it. I was a believer in it when it passed, and I have always believed in it since.

I regret that I am not able, with the light I have and the study I have been able to make in the limited time I have had to devote to it, to satisfy myself as to just what is the proper thing to do in regard to this conference report. I voted for the immigration bill, and, with the exception of the matter that is in controversy here, I believe in it. I believe particularly in that part of the conference report which has brought to an end the so-called exclusion controversy. I do not want to do anything that would delay the consummation of a law of that kind.

I listened to the explanation made by the Senator from Pennsylvania [Mr. REED] in regard to the so-called seamen's act, and it seemed to me that he made a fair explanation of it. It was fairly satisfactory to me. I have listened to the Senator from Minnesota [Mr. SHIPSTEAD]. I have been very greatly impressed with what he has said, because he has evidently studied the matter and knows much more about the particular controversy than I do. I have been acquainted with Mr. Andrew Furuseth for a good many years, and I want to say for him that of all the men I have come in contact with who are watching legislation for various organizations and various interests there is not a single man that I have met in any capacity of that kind in whom I have greater confidence than I have in Andrew Furuseth. I would be willing to take his word on almost anything that I had not an opportunity myself to study out and solve satisfactorily to myself. I do not believe that he is capable of trying to mislead any honest man, or that he is ever actuated by a dishonest motive.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield?

Mr. NORRIS. Yes.

Mr. REED of Pennsylvania. The Senator did not understand, from anything I said, that I differed with him in that, I hope.

Mr. NORRIS. No; I did not.

Mr. REED of Pennsylvania. I believe, with the Senator, that Mr. Furuseth tells the exact and literal truth as he sees it, whether it is for him or against him.

Mr. NORRIS. I think so.

Mr. REED of Pennsylvania. We can depend on his statements of fact, but I can not yield to him when it comes to the mere matter of construction of a statute.

Mr. NORRIS. Neither could I yield to him if I had had an opportunity to study the matter, as the Senator has, and had reached a different conclusion from Mr. Furuseth. I would follow mine. I am confronted here, however, with a condition where I have not been able to take up the controversy myself and go through it. It has been a physical impossibility for me to do it, as I presume it has for other Senators who have been engaged in other work.

When we passed the immigration bill, although the amendment of the Senator from Utah was not put on it, I thought that the whole thing would be satisfactorily arranged in conference. According to the idea of the Senator from Pennsylvania—and I have great respect for his opinion on the subject, and he has given it much study—that has been done. It seems that there is still a disagreement, however, as to whether the adoption of this conference report would not have the effect of putting some loopholes in the seamen's act.

I say this to those who believe in the restriction of immigration: They are equally interested, I think, in seeing that nothing is done with the seamen's act that will permit owners of foreign ships unlawfully to bring in here immigrants that our law intends to exclude. We all agree to that, of course. The Senator from Pennsylvania does, the same as the rest of us. Whether or not there is such a loophole is in dispute. If I thought this conference report could go back to the conferees and that there would not be any doubt but that we could get another conference report here that would relieve the question of all doubt, I would not hesitate to vote to send it back, although my motive might be misconstrued if I did not express my ideas on it. Outside of that, I should like to approve this conference report.

I do not agree with some of the Senators who object to it because, for instance, some had been put outside of the quota whom they would put in. Most of those I would rather have inside of the quota than out, but we will have to concede something to the other House. We can not get all we want, probably, and we will have to compromise. As far as a citizen of the United States whose wife is an alien and who is abroad is concerned, I believe I would prefer that that exception be outside of the quota, because that is a plain instance where, it seems to me, the wife ought to be admitted, regardless of all conditions and of all circumstances. The idea of passing an immigration law that will separate families and break home ties is simply heartbreaking, and no man can afford to stand for it. I have no objection to the conference report, therefore, on that ground. It will admit a few more, but it will admit only those who ought to come in anyway.

I wanted to say this much, Mr. President, because I did not want to be misunderstood. I do not want to see the seamen's act injured. I do not want to see a loophole left by which persons can come in illegally. I was rather impressed, when the Senator from Pennsylvania outlined the dispute with Mr. Furuseth as to the effect of this conference report on the bill, that the Senator from Pennsylvania was right in his construction. I do not understand, however, why some of these simple amendments which have been suggested by the Secretary of Labor have not been included in the conference report.

I have not been able to be here all the time this debate has been going on. I have been called out two or three times, and knowing the interest which the junior Senator from Utah has taken in this matter, I would like to hear from the Senator from Utah as to his construction of that disagreement between the Senator from Pennsylvania and Mr. Furuseth as to the possibilities or the probabilities of this measure, as it now stands in the conference report, being used for the purpose of bringing in illegally some immigrants, and what change, if any, has been made in the seamen's act. I would like to know what he thinks with regard to the measure as it stands now in the conference report.

Mr. KING. Mr. President, I regret that I am not able to give a satisfactory reply to the inquiry of the Senator from Nebraska [Mr. NORRIS]. I did not anticipate the conference report would be presented to the Senate for action until to-morrow, and I hoped to have had an opportunity to examine the legal questions now raised and brought to my attention for the first time in a sharp and definite manner this morning, in connection with the provisions of the reported bill dealing with seamen. As the Senator knows, when the bill was before the Senate, I offered an amendment which would have dealt in a comprehensive, and I think effective manner with the question of aliens as that question is linked with seamen. It effectually closed the doors which now are surreptitiously opened and through which persons ineligible to citizenship or to entrance into the United States reach our shores. It was a proper complement to the immigration law to be integrated with the seamen's act.

The Senate, however, rejected the amendment which I offered, so that when the Senate bill went to conference, there were no provisions within it dealing with this question. The House bill, however, had a number of provisions dealing with seamen, but some of them were objectionable and were not accepted. I suggested in the conference—and I hope that I am not violating the proprieties in referring to the action of the conferees—that the amendment which the Senate had rejected, or some other suitable provision, be made a part of the measure agreed upon in conference. However, my suggestion was not accepted.

The House provisions were modified, and as modified appear in the conference report. I can say to the Senator from Nebraska that it was the opinion of the conferees who accepted the final draft that it did not impinge upon the seamen's act and would not be construed as in any manner contravening either the letter or spirit of the same. However, I have not had time to examine this question as fully as I should like. I did not approve of the conference report and declined to sign it. One of the reasons which prompted me to withhold my signature was my feeling that we had not handled the immigration question as it was allied to seamen in as effective and satisfactory a manner as it should have been dealt with. I believed that the accepted provisions now found in the conference report would not accomplish what was desired in the exclusion of persons from our shores who, either as seamen or as immigrants, were not permitted to land.

I regret that the measure before us has not covered this important subject, as I believe it should have been dealt with. There was no thought when the provisions were agreed upon in conference that it could possibly be interpreted as affecting the seamen's act, and, as stated, not until to-day was my attention sharply challenged to this matter.

Mr. Furuseth feels that it does modify provisions of the seamen's act, and he takes the position, with great vigor, that it leaves the side door open, as a result of which persons who are excluded from admission to our shores will be enabled to enter the United States. He also feels that it will modify the present law and impose restrictions upon certain persons, which will illegally interfere with their freedom. One of the House conferees with whom I have just spoken, and who has given a great deal of attention to this matter, states that the interpretation placed by Mr. Furuseth upon the conference report will not be the one adopted by the departments or by the courts, and that there need be no concern upon the ground that it may modify or emasculate, in any manner, the seamen's act.

Mr. NORRIS. May I interrupt the Senator?

Mr. KING. Certainly.

Mr. NORRIS. If this conference report were rejected and went back to conference, and everybody understood that it went back just on this one provision alone, would the House conferees, in the Senator's judgment, feel as I think the Senate conferees would feel, that the only object was to remedy what may be a defect in this one particular about the seamen's act, and that if there is any defect, they would like to remedy it? In other words, would there be any real controversy with the House conferees?

Mr. KING. My opinion after having spoken to-day with one of the House conferees, and from the general discussion when the matter was before us in conference, is that if the bill were sent back to conference no change would be made in this provision. By that I mean that a majority of the conferees, I believe, would take the same position that they now take, namely, that the provisions agreed upon in conference are not in conflict in any possible way with the seamen's act. If the conference report could be recommitted and more effective and suitable provisions accepted, I should be glad. It would gratify me if the bill could be recommitted for the purpose of having the amendment which I offered in the Senate substituted for the provisions dealing with alien seamen now appearing in the conference report. Candor, however, compels me to state to the Senator that I do not believe the conferees would accept my amendment or any amendment or provision of similar import.

Mr. President, I am disappointed in the measure which will soon receive the approval of the Senate and which has already obtained the seal of approval by the House. I was in favor of restricting immigration and as a member of the Immigration Committee endeavored as best I could to aid in framing a bill that would be fair and would protect the interests of our country and deal fairly and justly with the various peoples who were to be admitted to our shores. The pending bill is discriminatory against certain nationalities. It has perpetuated a view with respect to the races of Europe which I do not regard as sound and which should not be the basis of national legislation. It is believed by nations of southern and southeastern Europe that it is discriminatory, and the provision of the bill which bases quotas for immigration after the year 1927 upon national origins confirms this view which is so widely entertained. However, the necessity for legislation dealing with the subject of immigration is conceded by all, and this bill will undoubtedly be approved by a great majority of the American people. It has many admirable features and much of which I cordially approve. With a few amendments, I could give it my hearty approval.

The PRESIDENT pro tempore. The question is upon agreeing to the conference report.

Mr. REED of Pennsylvania. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. ROBINSON (when Mr. COPELAND's name was called). The junior Senator from New York [Mr. COPELAND] is necessarily absent. He is paired with the Senator from West Virginia [Mr. ELKINS]. If the junior Senator from New York were present and at liberty to vote, he would vote "nay."

Mr. KING (when his name was called). I have a general pair with the junior Senator from Missouri [Mr. SPENCER]. Not knowing how he would vote, I am compelled to withhold my vote.

Mr. CURTIS (when Mr. LENROOT's name was called). The junior Senator from Wisconsin [Mr. LENROOT] is absent on account of illness.

Mr. LODGE (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. UNDERWOOD]. As he has already voted for the bill, and I know would vote as I intend to vote, I feel at liberty to vote. I vote "yea."

The roll call was concluded.

Mr. ROBINSON. The junior Senator from New Jersey [Mr. EDWARDS] is unavoidably absent. If he were present, he would vote "nay."

The senior Senator from Alabama [Mr. UNDERWOOD] is necessarily absent. If he were present, he would vote "yea."

Mr. BROUSSARD (after having voted in the affirmative). I have a general pair with the Senator from New Hampshire [Mr. MOSES], who would vote "yea" if present. Therefore I permit my vote to stand.

Mr. FESS (after having voted in the affirmative). The Senator from Michigan [Mr. FERRIS], with whom I am paired, is unavoidably absent. I understand that if he were present he would vote "yea." Therefore I allow my vote to stand.

Mr. CURTIS. I wish to announce that the junior Senator from Kentucky [Mr. ERNST] is paired with the senior Senator from Kentucky [Mr. STANLEY].

The result was announced—yeas 69, nays 9, as follows:

YEAS—69

Adams	Edge	Lodge	Shields
Ashurst	Fess	McKellar	Shortridge
Ball	Fletcher	McKinley	Simmons
Bayard	George	McNary	Smith
Borah	Glass	Mayfield	Smoot
Brandegee	Gooding	Neely	Stanfield
Brookhart	Hale	Norbeck	Stephens
Broussard	Harreld	Norris	Swanson
Bruce	Harris	Oddie	Trammell
Bursum	Harrison	Overman	Wadsworth
Cameron	Heflin	Pepper	Walsh, Mont.
Capper	Howell	Phipps	Warren
Caraway	Johnson, Calif.	Pittman	Watson
Cummins	Johnson, Minn.	Ralston	Wheeler
Curtis	Jones, N. Mex.	Ransdell	Willis
Dale	Jones, Wash.	Reed, Pa.	
Dial	Kendrick	Robinson	
Dill	Keyes	Sheppard	

NAYS—9

Colt	Ladd	Owen	Sterling
Frazier	McLean	Shipstead	Walsh, Mass.
Gerry			

NOT VOTING—18

Copeland	Fernald	Lenroot	Stanley
Couzens	Ferris	McCormick	Underwood
Edwards	Greene	Moses	Weller
Elkins	King	Reed, Mo.	
Ernst	La Follette	Spencer	

So the report was agreed to.

POSTHUMOUS APPOINTMENTS AND PROMOTIONS OF CERTAIN PERSONS IN THE ARMY

Mr. HARRIS. Mr. President, during the war a number of our brave soldiers were killed in battle or died. In many cases their commissions had been sent to them or they had been recommended for promotion; but under the law, inasmuch as they had not accepted, they could not be given the rank which it was intended they should have. I have prepared a joint resolution providing that all of these boys shall be placed on the rolls in the grade and at the rank to which they were appointed or for which they were recommended by the War Department, including some whose commissions were not received at all.

Sections 1 and 2 of my resolution to provide for the posthumous appointment to commissioned grades of certain enlisted men and the posthumous promotion of certain commissioned officers are substantially the same as sections 2 and 3 of Senate Joint Resolution No. 28 of the Sixty-seventh Congress, which passed the Senate January 23, 1922, and the latter resolution is identical with Senate Joint Resolution No. 70, of the Sixty-sixth Congress, which passed the Senate August 2, 1919.

The slight changes in the wording of my resolution were made in conformity with the recommendation of the Secretary of War in letter addressed to the chairman Committee on Military Affairs, House of Representatives, March 25, 1922, while that committee was considering Senate Joint Resolution No. 28. These changes in no way alter the meaning or the intent of the original resolutions as they passed the Senate.

The Senate has thus on two occasions, once during the Sixty-sixth and once during the Sixty-seventh Congress, approved these two sections (1 and 2) of my resolution, and the War Department has formally recommended them.

Section 3 of my resolution is substantially the same as section 5 of House Joint Resolution No. 105, Sixty-seventh Congress, the first four sections of which were identical with Senate Joint Resolution No. 28 of that Congress, which, as I have already stated, passed the Senate January 23, 1922. The fifth section of the House resolution, from which my section 3 is taken, was added upon recommendation of the Secretary of War in letter to the chairman Committee on Military Affairs, House of Representatives, dated April 27, 1921, in which Secretary Weeks renewed a recommendation made by his predecessor in letter of October 29, 1919. The slight changes I have made in the wording of this section conform to the recommendation of the Secretary of War in letter to the chairman Committee on Military Affairs, House of Representatives, dated March 25, 1922.

None of these resolutions was ever reported out by the House Committee on Military Affairs, due, I am informed, to objections to sections 1 and 4, both of which have been omitted in my resolution. So far as I am aware, no opposition was voiced to any one of the three sections of the resolution I have introduced, and they are so manifestly appropriate and just, though belated, that I can not conceive of anyone objecting to them.

Briefly, sections 1 and 2 of my resolution provide for the posthumous appointment of soldiers to commissioned grades and promotion of commissioned officers who were killed in action or died in line of duty during the World War after their appointment or promotion to the advanced grade had been duly approved but before official notice thereof or the commissions could reach them. The final step necessary in all appointments and promotions—that is, the formal acceptance of the commission—is therefore lacking, and under a decision of the Supreme Court the men's names can not be carried on the records of the War Department in the advanced grades. To perfect these appointments and promotions, earned in most cases by meritorious and distinguished service on the field of battle, and to provide for the issuance of appropriate commission in the names of the deceased is the purpose of this resolution. The resolution carries no increase of pay; in fact, such increase is specifically prohibited by section 4.

In the case of Brig. Gen. Edward Sigerfoos, who while serving as a colonel was killed in action on October 7, 1918, three days after his nomination by the President for appointment as brigadier general, the Congress by special act approved April 12, 1920, directed that he should thereafter be held and considered to have become a brigadier general and to have held that office until the date of his death. The act also provided for the issuance of a commission as brigadier general in his name.

No doubt special acts would have been passed in behalf of others had not the general resolutions I have mentioned covering all similar cases been pending before Congress.

I myself would have introduced and strongly urged the passage of a bill to promote the late First Lieut. Henry M. Atkinson, jr., whose commission as captain reached his regiment in France the very day of his death.

Lieutenant Atkinson was the only son on one of the most prominent and influential men of my State. Few men have done as much as he has for the development of our section. Lieutenant Atkinson was himself the highest type of young American manhood. He was given the very best educational advantages this country affords, and he made good use of them.

As a boy he attended the Peacock School and Marist College in Atlanta. He spent six years at Groton School and four at Harvard College, receiving his degree of bachelor of arts at the latter in 1915. He then went to the Massachusetts Institute of Technology to pursue a graduate course in electrical engineering to prepare himself to assist his father in his profession. It was the latter's intention gradually to turn over to his son his extensive business interests in order that he might later retire and enjoy a well-earned rest.

Realizing that he might have occasion to serve his country on the field of battle, young Atkinson attended a military school as a boy, and while at Harvard University he served one three-year enlistment in the Massachusetts Volunteer Militia. The character of "Excellent" on his discharge from the latter attests the deep interest taken by him in his military training.

Mr. Atkinson was among the first to volunteer for service after our declaration of war with Germany. He was sent to the first officers' training camp, and upon completion of the course was offered a commission as captain in the Officers' Reserve Corps. He, however, declined this offer and accepted a commission in a lower grade—lieutenant—in the Regular Army, feeling that he might thereby be amongst the first to reach the battle front in France.

Lieutenant Atkinson served with credit and distinction until nine days before the armistice, when he succumbed to an attack of bronchial pneumonia during that terrible epidemic of influenza which took away so many of our patriotic and brave soldiers in France, as well as in our concentration camps at home. I have already stated that his commission as captain, which he had earned on the field of battle, reached his regiment the very day of his death, too late for him to sign his letter of acceptance.

Not realizing that acceptance of the commission was essential to perfect his promotion, the regiment buried him as a captain and placed the title of captain before his name on the white cross that marked his temporary resting place in France.

Nearly four years later, in the summer of 1922, the bereaved father and mother made a pilgrimage to far-off France to be present at the final interment of their son in the national cemetery near Fere-en-Tardenois, one of the six large American cemeteries in France, to which were transferred the bodies of our brave officers and soldiers that were not to be brought back to the homeland.

Upon arrival in Paris the father was informed by the officer in charge of the American graves registration service that instructions had just been received from the War Department to change the rank from captain to first lieutenant on the white cross that was to be placed at the new grave of

his son. It is not difficult to imagine the pain this information caused the disconsolate mother who had made the long journey from her home in America to pay tribute to the memory of her beloved son and hero. She felt that her boy was being demoted by an ungrateful Government after he had made the supreme sacrifice for his country and humanity.

Fortunately the instructions to change the rank on the cross were not transmitted immediately from the headquarters in Paris to the officer in charge of the cemetery, so the parents had the satisfaction of seeing the title of captain before their son's name on the white cross when they reached the cemetery the following day.

Later the War Department authorized the retention of the higher rank on the crosses in the cases of Captain Atkinson and others whose death prevented them from accepting commissions forwarded to their commands.

No doubt the War Department was influenced by the knowledge that there was then pending before Congress a joint resolution, which had twice passed the Senate, providing for the promotion of these officers who had sacrificed their lives for their country, and it is more than probable that the department felt reasonably sure this meritorious provision would soon become law.

This commendable act of the War Department brought comfort to the bereaved parents, widows, and other relatives and friends of the fallen heroes, but the department is without authority of law to take the next step and change its own records to show the appointments and promotions to the higher grades.

We thus have one rank or title before the names of these officers on the headstones or white crosses that mark their last resting places and another and lower rank on the records of the War Department. To correct this anomaly and posthumously confer upon these officers the rank which they earned on the field of battle would be a simple act of justice and would show that their Government has not entirely forgotten the sacrifices they made in its defense.

There is another case, Mr. President, with which I happen to be familiar, that would no doubt have received special consideration by the Congress had there been any fear of unfavorable action upon the pending general legislation now incorporated in my resolution.

It is the case of First Lieut. Thurston Elmer Wood, Twelfth United States Field Artillery, a brave and gallant young officer, who was killed in action in France on July 21, 1918. For extraordinary heroism displayed by him in the battle in which he sacrificed his life, Lieutenant Wood was posthumously awarded the Croix de Guerre with silver star by the French Government, the citation stating that—

He displayed coolness and contempt of danger in going, under a violent bombardment, to the rescue of a wounded driver of his section.

Lieutenant Wood, the son of a distinguished officer of the Navy, Capt. Albert N. Wood, was graduated from the United States Military Academy on August 30, 1917, and served with credit and distinction until he was killed on the field of battle. In recognition of his efficient and meritorious service in France, Lieutenant Wood had been recommended for promotion to the grade of captain and his promotion had been duly approved, but he was cut down by the enemy's projectile before he could accept the commission in the higher grade.

Mr. President, I have explained in detail the case of Lieutenant or Captain Atkinson, and briefly that of Lieutenant Wood, to show there is need for congressional action even at this late date. No doubt there are many other similar cases that have been brought to the attention of Members of this body, and we shall be derelict in our duty if we fail before the end of this session of Congress to authorize the War Department to issue the appropriate commissions and make the necessary corrections in the records of the officers concerned.

The purpose and intent of section 3 of my resolution is set forth in letters of the Secretary of War to the chairman Committee on Military Affairs, House of Representatives, dated October 29, 1919, and April 27, 1921, and to the chairman Senate Committee on Military Affairs, dated May 10, 1921.

I quote from the letter to the chairman of the Senate committee:

The reason for the suggested addition is that a number of officers of the Regular Army have died after they had been examined and found qualified for promotion and after a vacancy had occurred to which they were entitled to be promoted but before they had been able to accept their commissions. In the case of one of these officers, Maj. John T. Haines, a special act (Private, No. 168, Sixty-third Congress, approved February 17, 1915) awarded the rank to which he would have been entitled had he lived to accept his commission. It appears to be appropriate and desirable that legislation should be enacted to cover all future cases of this nature, thus rendering unnecessary such special legislation as was enacted in the case of Major Haines.

In addition to the case of Major Haines, referred to in letter of the Secretary of War, the Congress by special act (Private No. 142, 64th Cong., approved August 29, 1916) posthumously promoted Maj. Matthew C. Butler, jr., who was brutally murdered in cold blood on July 20, 1916, six days after his nomination for promotion to the grade of lieutenant colonel had been confirmed by the Senate.

I might add that Lieutenant Colonel Butler, who had an honorable record of 33 years' service in the Army, was the son of the late United States Senator Matthew C. Butler, of South Carolina, a gallant and distinguished Confederate general.

These Regular Army cases covered by section 3 of my resolution are of rare occurrence, though I happen to know of one other case, that of First Lieut. Ralph H. Countryman, a veteran of the World War, who was drowned on December 4, 1920, after he had stood his examination for promotion. No special act has been passed awarding him the rank of captain, to which he would have been entitled had he lived to accept his commission, as was done in the cases of Major Haines and Major Butler.

My resolution covers the case of Lieutenant Countryman and all other similar cases that have occurred in the Regular Army since our declaration of war with Germany, as well as those that may occur in the future.

The fourth and last section of my resolution specifically provides that no person shall receive any bonus, gratuity, pay, or allowances by virtue of any provision of the resolution, thus removing any possible objection that might be urged against the action contemplated.

The sole purpose of my resolution is to do justice to the memory of a comparatively few officers who have died, or may hereafter die, in the service of their country before being able to accept commissions due them. This consideration by the Congress will afford some measure of comfort to the bereaved widows and parents of the officers, and will entail no expense to the Government.

As I have already stated, the Senate has twice passed resolutions embodying sections 1 and 2, and the Secretary of War has on at least three separate occasions formally recommended all the sections of my resolution.

I trust the Committee on Military Affairs, to which I assume the joint resolution will be referred, will be able to give it early consideration, and will report it back to the Senate without delay, in order that final action may be taken before the end of this session of Congress.

I introduce the joint resolution and ask that it may be printed in the RECORD and referred to the Committee on Military Affairs.

The joint resolution (S. J. Res. 124) to provide for the posthumous appointment to commissioned grades of certain enlisted men and the posthumous promotion of certain commissioned officers, which was read twice by its title and referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

Joint resolution (S. J. Res. 124) to provide for the posthumous appointment to commissioned grades of certain enlisted men and the posthumous promotion of certain commissioned officers

Resolved, etc., That the President be, and he is hereby, authorized to issue or cause to be issued an appropriate commission in the name of any person who, while in the military service of the United States during the war between the United States and Germany and Austria-Hungary, had been duly appointed to a commissioned grade and, through no fault of his own, was unable to accept such commission by reason of his death in line of duty; and any such commission shall issue as of the date of such appointment, and any such person's name shall be carried upon the records of the War Department as of the grade and branch of the service to which he would have been promoted by such commission from the date of such appointment to the date of his death.

SEC. 2. That the President be, and he is hereby, authorized to issue, or cause to be issued, an appropriate commission in the name of any person who, while in the military service of the United States during the war between the United States and Germany and Austria-Hungary, may have been officially recommended for promotion to a commissioned grade, which recommendation shall have been duly approved by the Secretary of War, or by the commanding general American Expeditionary Forces, as the case may be, and who shall have been unable to receive and accept such commission by reason of his death in line of

duty; and any such commission shall issue as of the date of such approval, and any such person's name shall be carried upon the records of the War Department as of the grade and branch of the service to which he would have been promoted by such commission, from the date of such approval to the date of his death.

SEC. 3. That the President be, and he is hereby, authorized to issue, or cause to be issued, an appropriate commission in the name of any former officer of the Regular Army of the United States who, after having been examined and found duly qualified for promotion, died since April 6, 1917, or shall die, in line of duty after the occurrence of the vacancy entitling him, by virtue of seniority, to such promotion and before the issue or acceptance of a commission therefor; and any such commission shall issue with rank as of the date of said vacancy, and any such officer's name shall be carried upon the records of the War Department as of the grade and branch of the service shown in such commission, from the date of such vacancy to the date of his death.

SEC. 4. That no person shall be entitled to receive any bonus, gratuity, pay, or allowances by virtue of any provision of this resolution.

DISCRIMINATION AGAINST AMERICAN SHIPPING

Mr. McKELLAR. Mr. President, I wish to take a moment of the time of the Senate in reference to a matter other than that now before the Senate. I am not always in agreement with editorials which are published in the Washington Post, but there was one published in that newspaper this morning which is of such vast importance to the people of this country, and should be to Congress, that I am going to take the liberty of reading it and thereby calling the attention of the Senate to it. The editorial to which I refer is headed "Discrimination against America," and reads as follows:

DISCRIMINATION AGAINST AMERICA

The chairman of the United States Shipping Board has called attention to the lack of teamwork between American railroads and shipping lines, resulting in the capture of an enormous tonnage of American exports by foreign shipping lines. Some of the railroads have made long-time contracts with foreign shipping interests which have diverted to foreign bottoms the freight that should be carried by American vessels. It is stated that two railroads recently delivered over 70,000 tons to Japanese lines, while American competing lines obtained only 4,000 tons. Yet the American lines offer equally good rates and service, and are ready to deliver freight at points desired.

This discrimination in favor of foreign ships has caused a shortage of freight for the 366 Government-owned vessels now operated, besides making it impossible to operate nearly 900 vessels that could be employed to advantage if freight were available.

At the same time the railroads are putting up a poor mouth and asking for favors from the Government.

Jobbers and exporters are also held accountable for diverting traffic to foreign ships. Cooperation among American interests seems to be entirely lacking.

This situation deserves the attention of Congress in connection with Shipping Board and railroad legislation. There is no good reason why the United States should not apply such measures as will compel cooperation in behalf of American shipping. Foreign governments do not fail to foster their merchant marine, both for the sake of commercial profit and for the upkeep of fleets that are indispensable to their national defense.

The factor of national defense in maintaining the merchant marine is not ignored by any great maritime power other than the United States. Although the ships controlled by the Shipping Board were built for the national defense, the end of the war seems to have marked the end of all concern as to the maintenance of these vessels as adjuncts of defense. Another war would require the rapid expansion and adaptation of the merchant marine to defense purposes. If the merchant marine could be safely dealt with as an exclusively commercial problem during peace times, the country would not pay much attention to the discrimination in favor of foreign ships so long as cargoes were carried cheaply. That was the situation before the war. But the war taught a costly lesson that the American people need not learn twice. It taught the people that a modern war is fought with all weapons available, and that merchant ships are most powerful weapons of offense as well as defense. The transportation of armed forces, munitions, and war materials is but a part of the duty performed by merchant vessels during war. They are indispensable as carriers of raw materials, foodstuffs, and other necessaries which must be obtained in spite of the enemy. The ravages of the submarine upon merchant shipping nearly lost the war to the Allies, notwithstanding their strength on the battle line. American destroyer convoys checkmated the submarines, but the need of merchant shipping was just as urgent as before. If the United States had not built merchant ships the war would have been lost.

Now that the ships are in existence it is the plain duty of the Government to maintain them and to replace them as they drop out of commission. The cost of maintaining the fleet solely for national defense, waiting for a war that may not come for many years, is not only prohibitive, but unnecessary extravagance. The ships can be employed for commerce, and the commerce exists with which to support them.

Foreign governments are skillful managers of ocean shipping. Their energies extend over the earth, and competition sharpens their wits. The two large Japanese lines that are getting the lion's share of American freight bound for the Orient are strongly backed by their Government, while the American lines on the Pacific are deprived of American freight and the United States Government does nothing to keep this freight in American hands. Consequently ship operators are discouraged, and it is with great difficulty that the Shipping Board keeps its vessels operating.

The United States has no quarrel with foreign governments or foreign ship lines. If they can take American freight away from Americans, they are not to be blamed. They are merely exercising the skill, persistence, and teamwork that should be exercised by the United States and its citizens. Americans should not overlook the fact that this foreign activity tends to build up merchant marines, which in time of war would be dangerous weapons in the hands of the enemy. At the same time, superior foreign tactics in capturing American freight increase the difficulty and expense of maintaining an American marine that would be adequate for the national defense.

While present conditions exist, American citizens are placed in the position of contributing to the upkeep of foreign naval power while destroying their own. Naval power is not to be reckoned only in battleships. It includes merchant vessels also. This fact was mentioned by Assistant Secretary Roosevelt in his recent able letter to Chairman BUTLER of the House Committee on Naval Affairs. Statesmanship requires full consideration of the part played by the merchant marine in national defense. For this reason, as well as for others, Senator KING's proposed thorough inquiry into the state of the United States Navy should be ordered by Congress before adjournment.

Mr. President, with all the earnestness of which I am capable, I wish to commend this well-thought out, well-considered advice to Congress, for that is what it is, or what it should be. There is no harshness about it, but it looks at the question in a businesslike way. We have 366 merchant ships in operation, and some 900 are tied up because of the lack of cargoes. There is ample freight in this country to keep them all employed, and merely by cooperation, by bringing about a state of mutual helpfulness between our railroads and our merchant marine, virtually all the wealth of the maritime western world could be brought into the hands of our merchant marine. We are justly entitled to transport the largest share of the freight pertaining to America, but we are disregarding and overlooking the opportunities that are ours. I hope that the commerce committee will take this matter up at the earliest possible moment and bring to a successful conclusion the effort to prevent such discriminations against American shipping as are set forth in the editorial which I have read.

We should not be unfair to our railroads nor should we permit them to be unfair to our merchant marine. They should be willing to cooperate with American shipping, and Congress should arrange terms on which they could cooperate to their own advantage and also to the advantage of our merchant marine. I wish most heartily to commend the statement which Chairman O'CONNOR has given out on this subject and also heartily to commend the editorial expression on this subject which I have quoted.

Mr. PITTMAN. Will the Senator from Tennessee yield to a question?

The PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from Nevada?

Mr. McKELLAR. I yield.

Mr. PITTMAN. I merely wish to say that the editorial which the Senator has read is very timely. While we are endeavoring to build up the merchant marine, the Interstate Commerce Commission is considering the applications of western railroads for competitive rates to Pacific coast points, which applications they will be compelled to grant if they shall follow their prior decisions. At the same time the Shipping Board has passed a resolution stating that if those rates shall be granted under a departure from the fourth section of the transportation act which we have been considering, it will destroy the coastwise trade.

Mr. McKELLAR. What the Senator from Nevada has so well said I indorse. Surely, steps must be taken by Congress to prevent this destruction of the business which properly be-

longs to our merchant marine, and that is what would certainly happen if such a condition were allowed to exist.

WAR DEPARTMENT APPROPRIATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes.

Mr. FLETCHER. Mr. President, we have now only five minutes remaining before we shall take a recess. We can not accomplish anything on the pending bill during the next few minutes, and I wish to ask the chairman of the Committee on Military Affairs, the Senator from New York [Mr. WADSWORTH], if he will not request that the bill be temporarily laid aside in order that I may secure action upon a local measure.

Mr. WADSWORTH. I have no objection, Mr. President, to the unfinished business being temporarily laid aside, and I make that request.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Florida temporarily to lay aside the unfinished business, being the War Department appropriation bill? The Chair hears none, and that bill is temporarily laid aside.

GASPARILLA ISLAND MILITARY RESERVATION

Mr. FLETCHER. From the Committee on Military Affairs I report back favorably with an amendment, in the nature of a substitute, the bill (S. 3211) authorizing the sale of Gasparilla Island Military Reservation, and I submit a report (No. 549) thereon. I ask unanimous consent for the immediate consideration of the bill.

The PRESIDENT pro tempore. The Senator from Florida asks unanimous consent for the immediate consideration of the bill named by him, which will be read for the information of the Senate.

Mr. WILLIS. What is the nature of the bill?

Mr. FLETCHER. The bill has reference to the sale of a military reservation in Florida which is no longer needed for military purposes. The report is made in accordance with the recommendation of the War Department.

The PRESIDENT pro tempore. Does the Senator from Ohio desire that the bill shall be read for information?

Mr. WILLIS. Let the report be read, if it is not too long.

Mr. FLETCHER. I have reported the bill precisely as the War Department has prepared it. The War Department prepared a substitute for the original bill, which has been reported by the committee as an amendment.

Mr. WILLIS. I accept the Senator's statement and do not insist upon the reading of the report.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3211) authorizing the sale of Gasparilla Island Military Reservation, which had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and insert:

That the Secretary of War be, and he is hereby, authorized to sell or to cause to be sold, either in whole or in two or more parts, as he may deem best for the interests of the United States, or any interest therein or appurtenant thereto, the Gasparilla Island Military Reservation, in the State of Florida, no longer needed for military purposes, except such part or portion thereof as is occupied by the Department of Commerce for lighthouse purposes, and to execute and deliver in the name of the United States and in its behalf any and all contracts, conveyances, or other instruments necessary to effectuate such sale.

SEC. 2. In the disposal of said lands the Secretary of War shall cause the same to be appraised, either as a whole or in two or more parts, by an appraiser or appraisers to be chosen by him for each tract, and in the making of such appraisal due regard shall be given to the value of any improvements thereon and to the historic interest of any part of said land.

SEC. 3. The Secretary of War shall sell or cause to be sold said property at public sale at not less than the appraised value, after advertisement in such manner as may be directed by the Secretary.

SEC. 4. A full report of transfers and sales made under the provisions of this act shall be submitted to Congress by the Secretary of War.

SEC. 5. The expense of appraisal, survey, advertising, and sale shall be paid from the proceeds of the sale, and the net proceeds thereof shall be deposited in the Treasury of the United States to the credit of "Miscellaneous receipts."

SEC. 6. The authority granted by this act shall not repeal any prior legislative authority granted to the Secretary of War to sell or otherwise dispose of lands or property of the United States.

Mr. FLETCHER. The substitute, as I have stated, has been prepared in accordance with the recommendation of the War Department.

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. FLETCHER. I ask to have the report on the bill printed in the RECORD.

There being no objection, the report (No. 549) submitted by Mr. FLETCHER was ordered to be printed in the RECORD, as follows:

[Senate Report No. 549, Sixty-eighth Congress, first session]

GASPARILLA ISLAND MILITARY RESERVATION

Mr. FLETCHER, from the Committee on Military Affairs, submitted the following report to accompany S. 3211:

The Committee on Military Affairs, to which was referred the bill (S. 3211) authorizing the sale of Gasparilla Island Military Reservation, having considered the same, report thereon favorably with the recommendation that it do pass with an amendment.

The present occupants of the Gasparilla Island Military Reservation have certain vested rights in the lands and improvements thereon. It is understood that the appraisal and sale to be made under this act would cover only the right, title, and interest of the United States in the lands and the public improvements thereon, it not being intended by this act to alter or modify in any way any rights heretofore created in the reservation.

The bill, as amended, has the approval of the War Department, and the letter of approval of the Secretary of War is appended hereto and made a part of this report, as follows:

WAR DEPARTMENT,
Washington, May 9, 1924.

Hon. JAMES W. WADSWORTH, Jr.,
Chairman Committee on Military Affairs, United States Senate.

MY DEAR SENATOR WADSWORTH: Referring to your request of May 6, 1924, for a report on S. 3211, a bill authorizing the sale of Gasparilla Island Military Reservation, I am pleased to inform you that the War Department has no objections to legislation authorizing a sale of those lands. However, I desire to suggest certain amendments which, in my judgment, would be protective of the Government's interests.

As will be noted, the bill does not require appraisal, advertisement before sale, public sale, report of sale to Congress, use of sale proceeds to meet the sale expenses, nor is there any protective provision to avoid possible repeal of prior legislation. Each of these provisions is contained in the act of March 4, 1923 (42 Stat. 1450), which authorizes the sale of 45 military reservations and is the latest expression of governmental policy as to sales of military lands. It is recommended that the bill be amended to include the foregoing, it being particularly important that authority be given for use of the sale proceeds to meet the sale expenses. For your convenience and consideration, I inclose herewith the draft of a bill containing the foregoing suggestions.

Gasparilla Island is several miles in length and is situated at the entrance to Charlotte Bay on the west coast of Florida. The military reservation has an area of approximately 532 acres and was withdrawn from public domain for military purposes in 1882. There are no fortifications or other military installations thereon. The Department of Commerce occupies a part thereof, approximately 93 acres, for lighthouse purposes, under War Department permit. It will be noted that S. 3211 excepts such tract from sale. The south 2 miles of the island constitutes the military reservation, the northerly portions being privately owned. The Charlotte Harbor & Northern Railway Co. has a tract traversing the island and connecting with the mainland lines. This railroad line was authorized by the act of June 13, 1902 (32 Stat. 384), and in addition to a right of way, this company for some years has occupied additional acreage on the reservation by lease from the War Department. Its present lease expires January 20, 1925. The remainder of the reservation, excepting the lighthouse tract, has been under lease to the Boca Grande Land Co. for some years, the present lease expiring December 1, 1924. A resort hotel owned by one of these lessees is situated on lands adjoining the reservation and the Government land has long been used as a golf course. It is understood that both the railway company and the land company are subsidiaries of the American Agricultural Chemical Co., a New York concern. A permit for a public road is outstanding.

The military reservation is not required for military purposes and disposition thereof has been contemplated by the War Department. As these lands were reserved from the public domain, there is present authority for that transfer thereof to the Interior Department by Executive order pursuant to the act of July 5, 1884 (23 Stat. 103). That act authorizes the Interior Department to sell the lands so transferred at public sale at not less than the appraised value.

Sincerely yours,

JOHN W. WEEKS, *Secretary of War.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 7982) to extend for the period of two years the provisions of Title II of the food control and the District of Columbia rents act, approved October 22, 1919, as amended.

The message also announced that the House insisted upon its amendments to the bill (S. 114) to vacate certain streets and alleys within the area known as the Walter Reed General Hospital, District of Columbia; and to authorize the extension and widening of Fourteenth Street from Montague Street to its southern terminus south of Dahlia Street, Nicholson Street from Thirteenth Street to Sixteenth Street, Colorado Avenue from Montague Street to Thirteenth Street, Concord Avenue from Sixteenth Street to its western terminus west of Eighth Street west, Thirteenth Street from Nicholson Street to Piney Branch Road, and Piney Branch Road from Thirteenth Street to Butternut Street, and for other purposes, disagreed to by the Senate; agreed to the conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ZIHLMAN, Mr. LAMPERT, and Mr. BLANTON were appointed managers on the part of the House at the conference.

ORDER FOR A RECESS UNTIL TO-MORROW

Mr. CURTIS. Mr. President, as we are to have the calendar considered to-night, I ask unanimous consent that when the Senate concludes its business this evening it take a recess until 12 o'clock to-morrow.

The PRESIDENT pro tempore. The Senator from Kansas asks unanimous consent that when the Senate concludes its business to-night it take a recess until 12 o'clock to-morrow. Is there objection?

Mr. ROBINSON. I think there is no objection to that arrangement. I have heard of none.

The PRESIDENT pro tempore. The Chair hears no objection, and it is so ordered.

RECESS

The hour of 5.30 o'clock having arrived, the Senate, under the previous order, took a recess until 8 o'clock p. m.

EVENING SESSION

The Senate reassembled at 8 o'clock p. m., on the expiration of the recess.

THE CALENDAR

Mr. CURTIS. I ask unanimous consent that we commence the calendar where we left off on the last call, at No. 335.

The PRESIDENT pro tempore. Is there objection?

Mr. REED of Pennsylvania. May action on the request be deferred until we examine the calendar?

Mr. CURTIS. Then let us commence at the beginning.

Mr. REED of Pennsylvania. I do not make that request.

Mr. CURTIS. In order to save time let us commence at the beginning.

The PRESIDENT pro tempore. The Clerk will announce the first bill on the calendar.

The bill (S. 55) making an appropriation to pay the State of Massachusetts for expenses incurred and paid, at the request of the President, in protecting the harbors and fortifying the coast during the Civil War, in accordance with the findings of the Court of Claims and Senate Report No. 764, Sixty-sixth Congress, third session, was announced as first in order.

Mr. ROBINSON. I ask that the bill may go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1181) naming the seat of government of the United States was announced as next in order.

Mr. JONES of Washington. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 33) making eligible for retirement under certain conditions officers of the Army of the United States, other than officers of the Regular Army, who incurred physical disability in line of duty while in the service of the United States during the World War, was announced as next in order.

Mr. ROBINSON. Let the bill go over. That is a pension bill that has already been disposed of.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 46) for the relief of Capt. Ramon B. Harrison was announced as next in order.

Mr. DIAL. Let it go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The joint resolution (S. J. Res. 60) to stimulate crop production in the United States was announced as next in order.

Mr. OVERMAN. Let it go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

GORDON G. MACDONALD

The bill (S. 1013) for the relief of Gordon G. MacDonald was announced as next in order.

Mr. ROBINSON. This appears to be a bill for the retirement of an officer in the Naval Reserve. I wonder why it was referred to the Committee on Claims instead of the Committee on Naval Affairs.

Mr. SHORTRIDGE. It was referred to the Committee on Claims and thereafter referred to the Committee on Naval Affairs, and both committees reported unanimously in favor of the passage of the bill.

Mr. ROBINSON. Very well. I make no objection.

The bill was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That Gordon G. MacDonald, who, while serving as a lieutenant, United States Naval Reserve Force, was found by a naval retiring board to be permanently incapacitated for active service by reason of physical disability incurred in the line of duty as a result of an incident of the service, in time of war, shall be eligible for retirement; and the President is hereby authorized to place him upon the retired list with the rank and three-quarters of the pay of the grade held by him at the time such physical disability was incurred.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS, ETC., PASSED OVER

The resolution (S. Res. 124) directing the Interstate Commerce Commission to secure information relative to amount of money expended for the purpose of creating public interest favorable to railroad sentiment was announced as next in order.

Mr. ROBINSON. Let it go over. It is under consideration now in connection with the Army appropriation bill.

The PRESIDENT pro tempore. The resolution will be passed over.

The bill (S. 185) to promote agriculture by stabilizing the price of wheat was announced as next in order.

Mr. OVERMAN. Let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2401) providing for the compensation of retired warrant officers and enlisted men of the Army, Navy, and Marine Corps, or any other service or department created by or under the jurisdiction of the United States Government, and warrant officers and enlisted men of the Reserve Corps of the Army and Navy, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2691) to amend the Penal Code was announced as next in order.

Mr. DIAL. Let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

WRITS OF ERROR

The bill (S. 2693) in reference to writs of error was announced as next in order.

The PRESIDENT pro tempore. The bill has heretofore been considered as in Committee of the Whole and an amendment agreed to.

The Senate as in Committee of the Whole resumed the consideration of the bill.

The amendment of the Committee on the Judiciary, heretofore agreed to, was, in section 2, page 1, line 6, before the words "all cases" to insert the word "in," so as to make the bill read:

Be it enacted, etc., That the writ of error in cases, civil and criminal, is abolished. All relief which heretofore could be obtained by writ of error shall hereafter be obtainable by appeal.

SEC. 2. That in all cases where an appeal may be taken as of right it shall be taken by serving upon the adverse party or his attorney of record, and by filing in the office of the clerk with whom the order appealed from is entered, a written notice to the effect that the appellant appeals from the judgment or order or from a specified part thereof. No petition of appeal or allowance of an appeal shall be required: *Provided, however*, That the review of judgments of State courts of last resort shall be petitioned for and allowed in the same form as now provided by law for writs of error to such courts.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

COMMUTATION OF QUARTERS, HEAT, AND LIGHT

The bill (S. 2299) to validate the payment of commutation of quarters, heat, and light under the act of April 16, 1918, and of rental and subsistence allowances under the act of June 10, 1922, was announced as next in order.

The PRESIDENT pro tempore. The bill was passed on March 31, 1924, and a motion to reconsider entered by the Senator from Utah [Mr. KING].

Mr. WADSWORTH. I hope the Senator from Utah will not insist upon the motion now. If so, I will let the bill go over.

Mr. KING. The Senator from Nebraska [Mr. HOWELL], as the Senator from New York remembers, wanted to speak upon the bill.

Mr. WADSWORTH. He did so the last time the bill was brought before the Senate.

Mr. KING. He spoke only a short time. The Senator will recall that he was unable to conclude and stated that when the bill was before the Senate again he would further discuss it. I know he wants to discuss it quite fully. He has some matters of which I think the Senate should be advised. I have no disposition to delay its consideration, but I feel constrained under the circumstances to appeal to the Senator to let it go over.

Mr. WADSWORTH. Of course, the Senator's appeal is directed to me, and if acceded to means that I consent to the defeat of the bill at this session.

Mr. KING. I do not ask the Senator to do that.

Mr. WADSWORTH. The bill has passed the Senate once after full explanation, and then was brought back from the House at the request of the Senator from Utah, and a motion to reconsider was entered. Here it is now. Everything that was done has been brought back. I can not get all the Senators here at the same time who have been interested in it. It has been brought up again and again.

Mr. KING. I shall join with the Senator, as soon as we finish with the War Department appropriation bill, to-morrow or at any other time the Senator may ask, for the consideration of the bill.

Mr. WADSWORTH. But we are to recess to-night until 12 o'clock to-morrow and then proceed with the consideration of the War Department appropriation bill.

Mr. KING. I shall join with the Senator any time he indicates and ask for the consideration of the bill. The Senator has been very courteous.

Mr. WADSWORTH. May it be temporarily laid aside? Perhaps the Senator from Nebraska will come in later.

The PRESIDENT pro tempore. The bill will be passed over temporarily.

BILLS PASSED OVER

The bill (S. 2149) to facilitate and simplify the work of the Forest Service, United States Department of Agriculture, and to promote reforestation, was announced as next in order.

The PRESIDENT pro tempore. This bill has been heretofore passed and reconsidered.

Mr. CURTIS. I ask that the bill may go over.

Mr. KING. Let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2150) to authorize arrests by officers and employees of the Department of Agriculture in certain cases, and to amend section 62 of the act of March 4, 1909, entitled "An act to codify, revise, and amend the penal laws of the United States," was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2151) to increase the subsistence and per diem allowances of certain officers and employees of the Department of Agriculture was announced as next in order.

Mr. OVERMAN. Let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

SIOUX INDIAN CLAIMS FOR DESTRUCTION OF HORSES

The bill (S. 1174) authorizing the Secretary of the Interior to consider, ascertain, adjust, and determine claims of certain members of the Sioux Nation of Indians for damages occasioned by the destruction of their horses was announced as next in order.

The PRESIDENT pro tempore. The bill has previously been read and considered as in Committee of the Whole.

Mr. KING. I would like to ask the Senator from South Dakota [Mr. STERLING] if any estimate has been made of the probable cost, and the reason why so many years have elapsed since the alleged tort was committed without payment?

Mr. STERLING. This is a claim for 465 horses and ponies that were killed on the order of the Government. It was supposed in the first instance that they were infected with the glanders, and therefore the order was given to investigate and kill them. A veterinarian was sent out for that purpose. He went in and killed 465 of the horses, 288 of which were owned by an Indian woman who had a large ranch, and for the 288 she received a judgment of $29,500 in the Court of Claims, where her case was fully considered and tried. The remaining number, about 173, I think, were killed under exactly the same circumstances.

Mr. ROBINSON. The Court of Claims made a favorable finding in the case referred to it?

Mr. STERLING. Yes. I will say to the Senator from Arkansas I have here the decision of the Court of Claims in the first case.

Mr. ROBINSON. I do not desire that the Senator should read the decision if he is familiar with it. I merely asked if it was a favorable decision.

Mr. STERLING. It was a favorable decision.

Mr. WARREN. What was the amount involved?

Mr. STERLING. The amount in that case was $29,500. The bill does not appropriate any amount; it simply authorizes the Secretary of the Interior in his discretion to investigate, adjust, and determine the unsettled claims on the part of the owners of the horses.

Mr. KING. And refer it back to Congress?

Mr. STERLING. And refer it back to Congress for Congress to make such appropriation as may be necessary.

Mr. ROBINSON. Does the bill authorize a reexamination of the other claim?

Mr. STERLING. I think not, since that has been decided by the Court of Claims, and judgment was awarded and paid.

Mr. HARRELD. Mr. President——

Mr. STERLING. I yield to the Senator from Oklahoma.

Mr. HARRELD. This bill was before the Committee on Indian Affairs and we made a favorable report upon it. There is only one trouble in the case. I remember that in 1895 such ponies sold at public auction in my State for $10 or $15 apiece, and I think the Secretary of the Interior ought to be instructed in making settlement not to settle for the horses at present-day prices.

Mr. STERLING. I do not think there will be any attempt to do that, I will say to the Senator from Oklahoma. I want to say in reference to the claim of Mrs. Rousseau that she had some very valuable blooded horses kept for breeding purposes, and that is the reason why the judgment was as great as it was in her case—$29,500. I have an idea that the rest of the horses were Indian ponies, not worth to exceed $20 or $25 apiece.

Mr. ROBINSON. I ask the Senator about the language of the bill. It appears to authorize an investigation by the Secretary of the Interior into the cases of the Indians who had horses killed under the conditions stated, and I am not sure that it does not authorize a reinvestigation of the Rousseau claim. Was Mrs. Rousseau an Indian?

Mr. STERLING. Yes; she was a Sioux Indian.

Mr. ROBINSON. I think if the Senator will read the language of the bill he will find that it probably authorizes a reinvestigation of that claim.

Mr. STERLING. If the Senator from Arkansas will note the language, it refers to the claim. Mrs. Rousseau can have no claim here now, her claim having been adjudicated and satisfied.

Mr. FLETCHER. It involves the question of attorneys' fees and compensation, does it not?

Mr. STERLING. The compensation of attorneys will have to be paid out of the amount allowed for the claim, and that is to be under the direction of the Secretary of the Interior. I think that is well enough safeguarded so the Indians will not be imposed upon to pay extortionate attorney fees.

Mr. OVERMAN. Did the Senator say the Rousseau judgment had been paid?

Mr. STERLING. I think it has been paid. The judgment was rendered in 1909 by the Court of Claims, if I remember correctly.

Mr. OVERMAN. The bill provides for the investigation of other cases?

Mr. STERLING. Yes; it provides for the investigation of the other cases of horses killed under exactly the same conditions.

Mr. DIAL. Mr. President, I do not think the bill ought to pass.

The PRESIDENT pro tempore. Does the Senator from South Carolina object to its present consideration?

Mr. DIAL. This claim originated in 1895, 1896, and 1897. The veterinary who passed upon the condition of the horses in all probability is dead. Now, to come here 30 years after that time and go back to other cases and say that the Government veterinary was wrong, that he made the same mistake on three successive occasions in three different years and had these horses killed, is unbelievable. If the Government has employed that kind of people, it is time it is waking up.

It seems to me to be a waste of the taxpayers' money to go ahead and entertain this claim at this late day. It is establishing a very bad precedent, indeed, for us to come here and pass upon the acts of individuals some 30 years ago without having more proof before us than the report here disclosed, simply upon the theory of some similar case of some widow out there because her horses were killed. I think it is carrying the theory of responsibility of the Government entirely too far. I do not see how the Government could ever get beyond the reach of similar claims if we paid this one. Here some time ago I believe we paid a claim—at least the bill passed the Senate—where a Government veterinary was said to have stood by and watched them dip some cattle coming over from one State and going into another State because it was claimed it would spread the cattle fever.

I do not know whether or not the Government received any money for inspecting these horses or anything of that kind. This is one of those same cases where although we sit here as a jury, yet we are not prepared to pass upon the facts of the case. Why should a question like this be brought to Congress? It should be referred to a court to pass upon the legality of the claim. It is beyond my belief that there ever were veterinarians employed by the Government who would make the same mistake in three successive years. What they were doing was for the good of the Indian tribe and the community in keeping some horse disease from spreading and horses were killed. After the testimony which has been offered, I do not think we ought to entertain the claim, and I hope the bill may be defeated.

The PRESIDENT pro tempore. Does the Senator from South Carolina object to the consideration of the bill?

Mr. DIAL. No; I do not object. I want to vote against the bill. I think we have set apart to-night in order to consider these cases.

Mr. ROBINSON. I inquire of the Senator in charge of the bill whether a similar measure has passed the House of Representatives at this session?

Mr. STERLING. I think not, I will say to the Senator from Arkansas.

Mr. ROBINSON. It has been suggested to me that such a bill had been passed by the House.

Mr. STERLING. There may be such a bill pending there, but I know of no such bill having passed.

The Indians have been making claims for these losses for years, so far as that is concerned, and I think bills have been introduced heretofore covering the claims, but have not received consideration.

Mr. KING. Mr. President, will the Senator from South Dakota permit a question?

Mr. STERLING. Yes.

Mr. KING. What does the Senator understand is meant by the words "adjust and determine"? Does that mean that the Secretary is authorized to pay or simply to ascertain the facts?

Mr. STERLING. He is authorized simply to ascertain the facts and make a report on the facts.

Mr. KING. Then why would not the Senator consent to amending the bill by striking out the words "adjust and determine" and to insert in lieu thereof "and report to Congress the facts in regard to," so that it will read:

> That the Secretary of the Interior be, and he is hereby, authorized, in his discretion and under such rules and regulations as he may prescribe, to investigate and report to Congress the facts in regard to the claims of members of the Sioux Nation.

If the Senator construes the word "adjust" as he has just interpreted it, he ought to accept my amendment, which I now offer.

Mr. STERLING. I suggest that the purport of the amendment proposed by the Senator from Utah is contained in the bill, taking the text of the bill altogether. The bill provides that the Secretary of the Interior is to "report the amounts so ascertained and determined to be due the various claimants and attorneys to Congress not later than December 3, 1924, through the Treasury Department." I think that fairly covers the idea suggested by the Senator from Utah.

Mr. OVERMAN. I should like to make an inquiry of the Senator from South Dakota. There seem to be a number of attorneys in this case. What have the attorneys done for which they should be paid?

Mr. STERLING. I can not say what all the attorneys have done as yet, so far as that is concerned.

Mr. OVERMAN. No suit has been brought?

Mr. STERLING. No suit has been brought that I know of.

Mr. OVERMAN. Does the language mean that we are to pay a lot of lobbyists and attorneys who have been here?

Mr. STERLING. I do not think that the bill contemplates that the Secretary of the Interior will be authorized to pay lobbyists for getting the claims through. There would be attorneys of record in case any suits had been brought, and I know of no suits having as yet been brought. I will say to the Senator from North Carolina.

Mr. OVERMAN. I should like to know what services have been performed by attorneys for these claimants.

Mr. STERLING. I know of none now. In any event, attorneys will not be paid any compensation separate and apart from the amounts allowed on the claims.

Mr. OVERMAN. The Indians would be cheated unless the attorneys performed some service in their behalf.

Mr. STERLING. I would be willing to trust the Secretary of the Interior in that regard.

Mr. OVERMAN. Attorneys may come here and lobby in behalf of bills but perform no service. Does the Senator know whether the attorneys have a contract with the Indians?

Mr. STERLING. I know of no contracts on the part of the Indians with any attorneys in regard to the matter.

Mr. OVERMAN. There have been claims here where attorneys have had contracts and yet have rendered no service except to appear before Congress as lobbyists, which contracts are null and void, as the Supreme Court has decided. I do not know whether these are attorneys of that sort or not. I do not know anything about them.

Mr. STERLING. I do not believe there is any contract with the Indians for paying any attorney for his services in regard to this matter.

Mr. OVERMAN. Does the Senator know how many attorneys there are?

Mr. STERLING. I do not know.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 1174) authorizing the Secretary of the Interior to consider, ascertain, adjust, and determine claims of certain members of the Sioux Nation of Indians for damages occasioned by the destruction of their horses.

Mr. KING. Mr. President, notwithstanding the statement made by the Senator from South Dakota, I renew my motion; and if that prevails, I shall move to strike out the words to which the Senator called attention in lines 11, 12, and 13, on page 2. There is no reason why the report should be made to the Treasury Department. If anybody is to be reported to, it should be Congress. The Secretary of the Interior, as I understand the purport of the bill, is to be made a fact-finding commissioner to determine what the facts are and to report them to Congress. With all due respect to the able Senator from South Dakota, the proper way would have been to remit the matter to the Court of Claims and let that tribunal ascertain the facts; but that course has not been pursued, so I move the amendment which I have offered.

The PRESIDENT pro tempore. The time of the Senator from Utah has expired. The Secretary will state his proposed amendment.

The READING CLERK. On page 1, in lines 5 and 6, it is proposed to strike out the words "adjust and determine" and to insert "and report to Congress the facts in regard to."

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Utah.

The amendment was agreed to.

Mr. KING. Mr. President——

The PRESIDENT pro tempore. The Chair desires to remind Senators of the terms of Rule VIII.

Mr. KING. The Senator from Utah is familiar with the rule. I rose for the purpose of making a motion. I move to strike out in lines 11, 12, and 13 the words "through the Treasury Department, for payment as legal claims out of appropriations that may be made by Congress therefor." That amendment is necessary in view of the amendment which has just been adopted.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Utah.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 192) to provide for a girls' dormitory at the Fort Lapwai Sanatorium, Lapwai, Idaho, was announced as next in order.

Mr. OVERMAN. Is the money in this case to be paid out of the Treasury or out of Indian funds?

Mr. HARRELD. The appropriation is to be made out of the Treasury.

Mr. OVERMAN. There are a number of public buildings we should like to have provided for. I object to the consideration of the bill.

The PRESIDENT pro tempore. Objection being made, the bill will be passed over.

The bill (S. 2327) to amend section 4 of the interstate commerce act was announced as next in order.

Mr. ROBINSON. Mr. President, that is what is known as the "long and short haul" bill, which is under consideration before the Senate, and therefore I ask that it go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1707) appropriating money to purchase lands for the Clallam Tribe of Indians in the State of Washington, and for other purposes, was announced as next in order.

Mr. JONES of Washington. Mr. President, that bill ought to be passed, but it involves such a large sum that I do not believe it can be passed to-night under the rule. So I myself ask that it go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1809) for the relief of Emelus S. Tozier was announced as next in order.

Mr. DIAL. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

DEPUTY CORONERS IN THE DISTRICT

The bill (S. 116) to amend section 196 of the Code of Law for the District of Columbia was considered as in Committee of the Whole. It proposes to amend section 196 of the Code of Law for the District of Columbia by striking out that section and inserting in lieu thereof the following:

SEC. 196. Deputy coroners: The Commissioners of said District shall have authority to appoint two deputy coroners, who shall assist the coroner in the performance of his duties aforesaid, and shall perform the same duties in case of the absence or disability of the coroner. The deputy coroners shall serve and receive pay only in case of the absence or disability of the coroner, and when serving, their duties shall be the same as the aforesaid duties of the coroner. The deputy coroners shall, while acting, receive compensation at a rate not exceeding $5 per day, to be paid as other expenses of said District, and each shall give bond in the penalty of $2,500, with security to be approved by the Supreme Court, conditioned for the due performance of his duties.

Mr. BALL. Mr. President, I should like to state that the original law provided for one deputy coroner, while this bill provides for two, or one additional. It seems to be very necessary to have the additional coroner in the District at this time.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

NORTHERN PACIFIC LAND GRANTS

The joint resolution (S. J. Res. 82) directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes, was announced as next in order.

Mr. LADD. Mr. President, inasmuch as a similar measure to the one the title of which has just been read has been passed by the House and is now on the Senate Calendar, I move that the joint resolution be indefinitely postponed.

The motion was agreed to.

THE SECRETARY OF THE TREASURY

The resolution (S. Res. 200) directing the Committee on the Judiciary to inquire into the right of the Secretary of the Treasury to hold his office was announced as next in order.

Mr. REED of Pennsylvania. Mr. President, I ask that that resolution go over under Rule IX.

The PRESIDENT pro tempore. The resolution will be passed over under Rule IX; but the Chair is of the opinion that there is no such thing as the calendar under Rule IX.

Mr. McKELLAR. Then let it be passed over.

The PRESIDENT pro tempore. It has been the custom of the Senate, however, to place measures on the calendar under Rule IX.

Mr. REED of Pennsylvania. We have on the calendar a page which is headed "Under Rule IX."

Mr. OVERMAN. We always have had a calendar under Rule IX, and there is one now.

Mr. REED of Pennsylvania. If the Chair will look on page 25, he will find there the heading "Under Rule IX," and it is to that page that I ask that this resolution go.

The PRESIDENT pro tempore. The Chair understands that, but the Chair is of opinion that there is no authority for it. However, the Chair will not interfere with the custom of the Senate.

BILL PASSED OVER

The bill (S. 1639) to provide for the appointment of a court reporter by each judge of the United States district court, fixing their salaries and fees, defining their duties, and repealing all laws and parts of laws inconsistent herewith, was announced as next in order.

Mr. DIAL. Let that bill go over.

Mr. JOHNSON of Minnesota. I should like to have that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

CAPT. JOHN W. LOVELAND, JR., DECEASED

The bill (S. 1387) to provide for payment of the amount of a war risk insurance policy to a beneficiary designated by Capt. John W. Loveland, jr., deceased, was announced as next in order.

Mr. KING. I ask that that bill go over.

Mr. BAYARD. Mr. President, I will ask the Senator to withhold his objection for a moment, and will inquire if he has read the report?

Mr. KING. I have not.

Mr. BAYARD. I should like to explain this measure to the Senator. The bill is designed to pay the insurance that was taken out by young Captain Loveland, who died shortly after his return from the World War. He had kept up his insurance and had written to the Veterans' Bureau in regard to the renewal of it and perhaps a transference of the name of the beneficiary, and perhaps a change in terms which the bureau was then offering to those who had taken out insurance during the term of the war.

The record discloses a mere pencil mark in the records of the Veterans' Bureau tending to show—that is the explanation given by the bureau—that some information was sent him; that the custom was to send out a printed form; and that the blue-pencil mark showed that. So far as the evidence shows, young Loveland never did receive this information and was waiting to receive it, having paid his assessments up to that time. The correspondence shows that he was up to date, shortly before his death, and was depending upon the information to be received from the bureau. Then he died; and the bureau since that time has claimed that his insurance lapsed; that this blue-pencil mark showed that they had sent him this information on the printed form, and that they could do nothing. The boy during his lifetime complained to his parents that he had not received this information and wondered why it was, and the record seemed to show nothing beyond this blue-pencil mark of a customary procedure on the part of the bureau. There was nothing to show the receipt of this information by the boy; and the committee—although I am not reporting out the bill—were of the opinion that the facts plainly showed that the boy did everything he could, and the records of the bureau did not show that they had fulfilled their obligations in giving him the information to which he was entitled.

Mr. McKELLAR. Mr. President, I do not know that Director Forbes was much authority; but I notice, on page 6 of the report, that he said:

In view of the general terms of the war risk insurance act, applying to all alike, and the fact that the bill is a special measure which amounts in effect to a pension, I am opposed to such special legislation as opening the way to the granting of free insurance.

As I say, I do not know that Mr. Forbes's opinion about this matter is of very much value. I would a great deal rather take the Senator's opinion about it. The Senator thinks the bill ought to pass, does he?

Mr. BAYARD. I had occasion to examine into this claim last year, so I happen to know the details of it. It came then just at the end of the session, so the bill was not reported out on the floor. The Senator from Missouri [Mr. SPENCER] reports it out this time. It seems to be otherwise a worthy claim, and the committee were unanimous in reporting it out.

Mr. KING. Mr. President, I objected to the consideration of the bill, and in view of the statement made by the Senator I am very reluctant to persist in the objection. I can see, however, because I know something about the insurance matters there, that if we pass this claim upon the statement made by the Senator we will have hundreds if not thousands of applications to open up insurance cases which have been closed, the result of which no one can foresee. I think there ought to be further investigation before we pass this measure, because of the precedent which will be established; and if my friend will indulge me I shall ask that it go over until we can get a little further light on it.

Mr. BAYARD. May I state to the Senator that I am quite sure we will not get any more information in this case. I personally examined the records with great care last year, and for the reasons stated I did not report out the bill just at the close of that session. The Senator from Missouri [Mr. SPENCER] did the same thing at this session, and he has come to the conclusion that the bill should pass, and so reported to the full committee, which has reported the bill unanimously. We have gotten every piece of paper we can lay our hands on as far as the department's records are concerned.

Mr. KING. I think we should know the effect of this as a precedent, and I beg that the Senator will not appeal to me to withdraw the objection which I have made.

Mr. BAYARD. I do not think it will establish a precedent.

The PRESIDENT pro tempore. Objection being made, the bill will be passed over.

BILL PASSED OVER

The bill (S. 2685) for the relief of the Davis Construction Co. was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

LEASING OF UNALLOTTED INDIAN LANDS

The bill (S. 2314) to permit the leasing of unallotted lands of Indians for oil and gas purposes for a stated term and as long thereafter as oil or gas is found in paying quantities, and for other purposes, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Indian Affairs, with an amendment.

Mr. McKELLAR. Mr. President, will the Senator from Oklahoma explain the bill?

Mr. HARRELD. Mr. President, this bill applies only to unallotted lands. Under the general mining law certain Indian lands can be leased only for 10 years for oil. The law was intended to be applicable to other minerals, but it is applicable to petroleum. The Indian lands that come within this general mining law limiting to 10 years the time for which leases can be made are at a disadvantage when it comes to leasing. Nobody will take a lease on Indian land for petroleum for 10 years, because it takes that long to develop a tract of land, usually, if it is oil land; and, more than that, as time goes on apace and the 10-year limit comes nearer, it is impossible to get them to do anything toward developing it.

Very frequently lands leased under this 10-year tenure lie by the side of a tract that is leased on the usual terms, and the usual terms are to lease lands for 10 years or as long thereafter as oil or gas is produced in paying quantities, which makes the lease a continuing lease. Very frequently these lands that can be leased only for 10 years lie alongside a tract that is leased for 10 years or as long as oil or gas can be found in paying quantities. The consequence is that production work is pushed on the one and retarded on the other, and it amounts to drainage in some instances. So this bill was introduced, at the instance of the department, to cure that condition, to make it possible to lease all unallotted Indian lands after full notice on the same terms as the others, which means for 10 years or as long thereafter as oil can be found in paying quantities. It is to be done at public auction also.

Mr. McKELLAR. Mr. President, I ought to know, perhaps, but I do not: What are unallotted Indian lands?

Mr. HARRELD. Those that have not been allotted in severalty, that belong to tribes.

Mr. McKELLAR. Who controls the land? What is this council speaking for the nation?

Mr. HARRELD. Almost every tribe has a council.

Mr. McKELLAR. Of its own people?

Mr. HARRELD. Of its own people, where they have unallotted lands. All the tribes that have unallotted lands have a council of some sort, and this bill provides that these leases shall be made upon their application.

Mr. McKELLAR. Where does the money go—to the tribe?

Mr. HARRELD. It goes into the tribal fund, and then is distributed among the members of the tribe.

Mr. WILLIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Ohio?

Mr. HARRELD. I yield.

Mr. WILLIS. The Senator will remember that when the bill was up before I objected to its consideration. I do not desire to object now, but I do desire to call the attention of the Senator to the language at the end of the amendment. It seems to me that is very important. It reads:

And the terms of any existing oil and gas mining lease may in like manner be amended by extending the term thereof for as long as oil or gas shall be found in paying quantities.

Therefore, the bill applies not only to future leases but to any lease already made, which, under this amendment, may be extended indefinitely.

Mr. HARRELD. That is true; and the argument I have just made makes it very desirable to do that, because most of these 10-year lease lands are not being developed, while lands all around are being developed, and these lands are being drained.

Mr. WILLIS. The Senator thinks that the public interest and the interest of the Indians is sufficiently protected?

Mr. HARRELD. I think so. Of course, it is all done under rules and regulations of the department and at public auction. It puts these lands on exactly the same plane as allotted Indian lands as to the making of leases.

The PRESIDENT pro tempore. The amendment of the committee will be stated.

The READING CLERK. The committee proposes to strike out all after the enacting clause and to insert:

That unallotted land on Indian reservations subject to lease for mining purposes for a period of 10 years under the proviso to section 3 of the act of February 28, 1891 (26 Stat. L. p. 795), may be leased at public auction by the Secretary of the Interior, with the consent of the council speaking for such Indians, for oil and gas mining purposes for a period of not to exceed 10 years, and as much longer thereafter as oil or gas shall be found in paying quantities, and the terms of any existing oil and gas mining lease may in like manner be amended by extending the term thereof for as long as oil or gas shall be found in paying quantities.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the leasing for oil and gas mining purposes of unallotted lands on Indian reservations affected by the proviso to section 3 of the act of February 28, 1891."

EXTENSION OF NATIONAL BANK ACT TO VIRGIN ISLANDS.

The bill (S. 2919) to extend the provisions of the national bank act to the Virgin Islands of the United States was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the national bank act, as amended, and all other acts of Congress relating to national banks, shall, in so far as not locally inapplicable, hereafter apply to the Virgin Islands of the United States: *Provided*, That such inhabitants of the Virgin Islands of the United States as resided therein and were Danish citizens on January 17, 1917, and who have not since that date elected to preserve their Danish citizenship in the manner provided for in article 6 of the convention between the United States and Denmark signed August 4, 1916, shall be regarded as citizens of the United States within the meaning of section 5146 of the Revised Statutes, as amended: *Provided further*, That section 19 of the act of February 8, 1875 (18 Stat. L. p. 311), shall not apply to the National Bank of the Danish West Indies: *Provided further*, That any bank which shall organize under the authority of this act shall not have the right to issue bank notes until after the expiration of the concession granted to the National Bank of the Danish West Indies or the relinquishment of such concession by said bank.

Mr. McLEAN. Mr. President, I introduced this bill at the request of the Assistant Secretary of the Navy. It has the approval of the Solicitor of the Treasury and the Comptroller of the Currency.

There is at the present time one commercial bank in the Virgin Islands. It was organized under the laws of Denmark. The owners of the bank want to dissolve and reorganize and come in under our national bank act, now that we own the

islands. I know of no objection to the bill, and I hope it will pass.

Mr. ROBINSON. Mr. President, does the bill define the political status of the inhabitants of the Virgin Islands?

Mr. McLEAN. Yes; it takes care of that. They have the same status that the inhabitants of the Philippine Islands have, and they will retain that; but this bill provides that in so far as our law requires that directors of national banks shall be citizens of the United States the law is modified so that the inhabitants of the islands who now control this bank can qualify as directors.

Mr. FLETCHER. Mr. President, I see no objection to the bill except that it is going to be very expensive to send an examiner over there to examine one or two banks in the Virgin Islands.

Mr. McLEAN. This bank will have to pay that expense.

Mr. ROBINSON. Is it expected that other banks may be organized there under the national banking law from time to time?

Mr. McLEAN. Not at the present time, I assume. There is only one commercial bank of any importance there at the present time.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF FEDERAL RESERVE ACT

The bill (S. 2905) to amend section 25 (a) of the act approved December 23, 1913, known as the Federal reserve act, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That section 25 (a) of the act approved December 23, 1913, know as the Federal reserve act, as amended, be further amended by changing the last sentence of subparagraph (a) of the paragraph which specifies the corporate powers of corporations organized under the said section, to read as follows:

"Whenever a corporation organized under this section receives deposits in the United States authorized by this section it shall carry reserves in such amounts and in such form as the Federal Reserve Board may prescribe, but in no event less than 10 per cent of its deposits."

Mr. McKELLAR. Mr. President, will the Senator explain that bill?

Mr. McLEAN. Mr. President, under the existing law the foreign finance corporations which are organized under the Edge Act have to maintain a demand deposit or a cash deposit of 10 per cent. They are in no sense commercial banks. They are not permitted to accept deposits subject to check. In fact, they are permitted to accept no deposits except such as are incidental to their foreign business. Banks organized under State law and having the same powers that these banks have are not required to keep any deposits at all. This act does not relieve the corporations of the requirement of the deposit. It simply gives the Federal Reserve Board power to permit them to keep their deposits in some other form than cash—short-time commercial gilt-edge paper, or something of that sort. The passage of the bill is recommended by the Federal Reserve Board. It seems to me that the Federal corporations ought to be put upon a par with the corporations organized under State laws and doing the same kind of business.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

DOMINIC I. MURPHY

The bill (S. 1699) authorizing Dominic I. Murphy, consul general of the United States of America, to accept a silver fruit bowl presented to him by the British Government, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That Dominic I. Murphy, a consul general of the United States of America, be, and he is hereby, authorized to accept and receive a silver fruit bowl bearing on one side an engraved crest of the British Government and on the other the words "Presented to Dominic I. Murphy by His Majesty's Government, November 11, 1918," the bowl being now in the custody of the Secretary of State.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

WESTERN STATE COLLEGE OF COLORADO

The bill (H. R. 3104) granting 160 acres of land to the Western State College of Colorado at Gunnison, Colo., for the use of the Rocky Mountain biological station of said college, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Public Lands and Surveys, with amendments, on page 2, line 8, after the word "use," to strike out "for a period of two years," and on the same page, line 13, after the word "that," to strike out "for a period of two years subsequent to the passage of this act," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to convey to the board of trustees of the Western State College of Colorado at Gunnison, Colo., subject to the provisions and reservations of section 24 of the Federal water power act, and with a reservation to the United States of all the coal and other minerals in the lands granted, together with the right of the United States, its grantees or permittees, to prospect for, mine, and remove the same, the following described land, to wit, the south half of the southwest quarter of section 14 and the west half of the northwest quarter of section 23, all in township 51 north, range 1 east, New Mexico meridian, consisting of 160 acres, more or less, for use of the Rocky Mountain biological station of the said college: *Provided*, That the lands hereby granted shall be used by the State only for the purpose of a biological station, and if the said land or any part thereof shall be abandoned for such use for a period of two years, said land or such part shall revert to the United States; and the Secretary of the Interior is hereby authorized and empowered to declare such a forfeiture of the grant and to restore said premises to the public domain, if at any time he shall determine that for a period of two years subsequent to the passage of this act the State has abandoned the land for the use of a biological station, and such order of the Secretary shall be final and conclusive, and thereupon and thereby said premises shall be restored to the public domain and freed from the operation of the grant aforesaid.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

DANIEL A. SPAIGHT AND OTHERS

The bill (S. 588) for the relief of Daniel A. Spaight was considered as in Committee of the Whole.

The bill had been reported from the Committee on Claims with an amendment to strike out all after the enacting clause and to insert:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, as follows, to wit: To Daniel A. Spaight, the sum of $8,269.90, $769.90 of which is for medical expenses; to Elizabeth Tabele, the sum of $2,500; to Mary F. Spaight, the sum of $2,900, $400 of which is for medical expenses; to Thomas F. Sutton, the sum of $700; and to Thomas A. Tabele, the sum of $250, in full settlement for injuries received on June 25, 1922, at Westport, Mass., when an automobile in which they were passengers was struck by an auto truck belonging to and negligently operated by the War Department.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Daniel A. Spaight and others."

SALVADOR BUITRAGO DIAZ

The bill (S. 2455) to authorize the payment of an indemnity to the Government of Nicaragua on account of damages alleged to have been done to the property of Salvador Buitrago Diaz by United States marines on February 6, 1921, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Foreign Relations with an amendment, on page 1, line 6, to strike out "$1,500" and insert in lieu thereof "$750," so as to make the bill read:

Be it enacted, etc., That there is authorized to be paid, out of any money in the Treasury not otherwise appropriated, as a matter of grace and without reference to the question of liability therefor, to the Government of Nicaragua, $750, to indemnify Salvador Buitrago Diaz, owner of the newspaper La Tribuna, of Managua, Nicaragua, for damages alleged to have been done to his property by United States marines on February 6, 1921, as set forth in the letter from the Secretary of State dated January 9, 1924, and printed as Senate Document No. 18, Sixty-eighth Congress, first session.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NICARAGUAN INDEMNITY

The bill (S. 2457) to authorize the payment of an indemnity to the Government of Nicaragua on account of the killing or wounding of Nicaraguans in encounters with United States marines, was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That there is authorized to be paid, out of any money in the Treasury not otherwise appropriated, as a matter of grace and without reference to the question of liability therefor, to the Government of Nicaragua, $11,700, being $1,500 each for the benefit of the families of Manuel Gomez Molino, Obdulio Gomez, Guadalupe Valverde, Francisco Ramos, Estanislao Rocha, Julio Carballo, and Manuel Hernandez, Nicaraguan subjects who were killed by United States marines at Managua, Nicaragua, between the dates of December 8, 1921, and January 25, 1922, and $150 each to Manual Pineda, Alejandro Malespin, Ignacio Dona, Manuel Aburto, Teofilo Garcie, Pedro R. Vega, Gilberto Lopez, and Juan Ortiz, who were wounded by United States marines at Managua, Nicaragua, between the dates of December 8, 1921, and January 25, 1922, as set forth in the letter from the Secretary of State to the President, dated January 18, 1924, and printed as Senate Document No. 24, Sixty-eighth Congress, first session.

Mr. KING. Mr. President, may I inquire of the Senator from Massachusetts whether the presence of the marines in Nicaragua was the immediate cause of the outbreak or the assaults which were committed which culminated in injuries to Nicaraguans, and which were the basis of the claims for damages against the United States?

Mr. LODGE. This bill was sent to the committee by the State Department with a recommendation that it be paid. I think there is no doubt that these injuries were caused by the marines. The bill was referred to the Senator from Minnesota [Mr. SHIPSTEAD], who is not here to-night, I am sorry to say. He is fully acquainted with all the details; but I remember the case. I think the Government should pay the claim.

Mr. ROBINSON. Mr. President, the record shows that in some of the cases embraced in this bill the marines were tried and sentenced by court-martial for the offenses out of which the claims arise. The committee looked into the matter of the claims somewhat carefully, and I believe they ought to be paid.

Mr. LODGE. I have no doubt of it. We looked into them very carefully.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ELECTIVE FRANCHISE IN PORTO RICO

The bill (S. 2448) to amend the organic act of Porto Rico, approved March 2, 1917, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Territories and Insular Possessions with amendments, on page 3, line 14, after the word "determined" and the period, to strike out the words "a vice governor shall also at such time be elected for a term of four years, under like conditions. He shall act as governor in case of vacancy, the temporary absence or removal, resignation, or disability of the governor, and shall exercise all the powers and perform all the duties of the governor during such vacancy, disability, or absence. The vice governor shall be ex officio the president of the senate"; on line 22, after the word "governor," to strike out the words "and vice governor"; on line 23, after the word "hold," to strike out the words "their offices" and to insert the words "his office"; on line 24, to strike out the words "their successors have" and to insert the words "his successor has"; on page 4, to insert a paragraph, as follows: "The elected governor herein provided for may be removed at any time during his term of service by order of the President of the United States for cause, and may be impeached by the insular house of representatives and on trial by the insular senate may be removed by a two-thirds vote of that body upon conviction of treason, bribery, or other high crimes and misdemeanors. Judgment in cases of impeachment shall not extend further than to removal from office, and disqualification to hold and enjoy any office of honor, trust, or profit under the United States or Porto Rico, but the party convicted shall nevertheless be liable and subject to indictment, trial, judgment, and punishment according to law. In the case of removal of any elected governor by order of the President or by impeachment during his incumbency, the President of the United States shall appoint a governor, by and with the advice and consent of the United States Senate, who shall serve the remainder of the term, or until such time as a successor for the unexpired term may be elected at an election to be ordered by the President"; on page 5, line 18, after the word "incumbency," to insert the words "and shall have resided in Porto Rico for at least two years prior to their appointment," so as to make the bill read:

Be it enacted, etc., That section 12 of an act entitled "An act to provide a civil government for Porto Rico, and for other purposes," approved March 2, 1917, be, and the same is hereby, amended to read as follows:

"SEC. 12. That the supreme executive power shall be vested in an executive officer, whose official title shall be the Governor of Porto Rico. He shall be appointed by the President, by and with the advice and consent of the Senate, and hold his office at the pleasure of the President and until his successor is chosen and qualified. The governor shall reside in Porto Rico during his official incumbency, and maintain his office at the seat of government. He shall have general supervision and control of all the departments and bureaus of the government in Porto Rico, so far as is not inconsistent with the provisions of this act, and shall be commander in chief of the militia. He may grant pardons and reprieves and remit fines and forfeitures for offenses against the laws of Porto Rico, and respites for all offenses against the laws of the United States until the decision of the President can be ascertained, and may veto any legislation enacted as hereinafter provided. He shall commission all officers that he may be authorized to appoint. He shall be responsible for the faithful execution of the laws of Porto Rico and of the United States applicable to Porto Rico, and whenever it becomes necessary he may call upon the commanders of the military and naval forces of the United States in the island to summon the posse comitatus, or call on the militia, to prevent or suppress lawless violence, invasion, insurrection, or rebellion, and he may, in case of rebellion or invasion, or imminent danger thereof, when the public safety requires it, suspend the privilege of the writ of habeas corpus, or place the island, or any part thereof, under martial law until communication can be had with the President and the President's decision therein made known. He shall annually, and at such other times as he may require, make official report of the transactions of the Government of Porto Rico to the executive department of the Government of the United States to be designated by the President as herein provided, and his said annual report shall be transmitted to Congress, and he shall perform such additional duties and functions as may in pursuance of law be delegated to him by the President.

"At the general election to be held in Porto Rico in the year 1928, and thereafter at each general election, the qualified electors of Porto Rico shall elect the governor, who shall qualify as such on the first Monday of January of the succeeding year, and upon such qualification the office of the appointed governor shall cease and determine. The governor thus elected shall hold his office for a term of four years and until his successor has been elected and qualified.

"The elected governor herein provided for may be removed at any time during his term of service by order of the President of the United States for cause, and may be impeached by the insular house of representatives and on trial by the insular senate may be removed by a two-thirds vote of that body upon conviction of treason, bribery, or other high crimes and misdemeanors. Judgment in cases of impeachment shall not extend further than to removal from office and disqualification to hold and enjoy any office of honor, trust, or profit under the United States or Porto Rico, but the party convicted shall nevertheless be liable and subject to indictment, trial, judgment, and punishment according to law. In the case of removal of any elected governor by order of the President or by impeachment during his incumbency, the President of the United States shall appoint a governor, by and with the advice and consent of the United States Senate, who shall serve the remainder of the term, or until such time as a successor for the unexpired term may be elected at an election to be ordered by the President."

SEC. 2. That section 13 of the said organic act approved March 2, 1917, be, and the same is hereby, amended to read as follows:

"SEC. 13. That the following executive departments are hereby created: A department of justice, the head of which shall be designated as the attorney general; a department of finance, the head of which shall be designated as the treasurer; a department of interior, the head of which shall be designated as the commissioner of the interior; a department of education, the head of which shall be designated as the commissioner of education; a department of agriculture and commerce, the head of which shall be designated as the commissioner of agriculture and commerce; a department of labor, the head of which shall be designated as the commissioner of labor; and a department of health, the head of which shall be designated as the commissioner of health.

"The heads of departments shall be appointed by the governor, by and with the advice and consent of the Senate of Porto Rico, for the term of four years, and until their successors are appointed and qualified, unless sooner removed by the governor.

"Heads of departments shall reside in Porto Rico during their official incumbency.

"The heads of the departments shall collectively form a council to the governor, known as the executive council. They shall perform

under the general supervision of the governor the duties hereinafter prescribed or which may hereafter be prescribed by law and such other duties not inconsistent with law as the governor, with the approval of the President, may assign to them; and they shall make annual and such other reports to the governor as he may require, which shall be transmitted to the executive department of the Government of the United States, to be designated by the President as herein provided: *Provided*, That the duties herein imposed upon the heads of departments shall not carry with them any additional compensation."

SEC. 3. That section 18 of the said organic act, approved March 2, 1917, be, and the same is hereby, amended to read as follows:

"SEC. 18. That the commissioner of agriculture and commerce shall have general charge of such bureaus and branches of government as have been or shall be legally constituted for the study, advancement, and benefit of agriculture, commerce, and other industries; the chief purpose of this department being to foster, promote, and develop the agricultural interests and the welfare of the farmers of Porto Rico; to improve their market conditions and to advance their opportunities for profitable sales of their products, and shall perform such other duties as may be prescribed by law."

SEC. 4. That between sections 18 and 19 of said organic act, approved March 2, 1917, a new section is hereby inserted to read as follows:

"SEC. 18 (a). That the commissioner of labor shall have charge of such bureaus and branches of government as have been or shall be legally constituted to foster and promote the welfare of the wage earners of Porto Rico; to improve their working conditions and to advance their opportunities for profitable employment, and shall perform such other duties as may be prescribed by law."

The amendments were agreed to.

Mr. WILLIS. Mr. President, I offer the following amendment.

The PRESIDING OFFICER (Mr. CURTIS in the chair). The Secretary will state the amendments.

The READING CLERK. On page 3, line 10, after the word "year," strike out "1928," and insert, "1932: *Provided*, That if at any time prior to that date a census of Porto Rico, taken under the rules and regulations followed by the United States Census Bureau in such cases, should disclose that the percentage of illiteracy does not exceed 30 per cent, the qualified electors shall be permitted to elect a governor."

Mr. KING. I would be glad to have the Senator from Ohio explain the full import of the amendment.

Mr. WILLIS. Mr. President, this bill was reported by the Committee on Territories and Insular Possessions after the most careful investigation and thorough hearing, and upon a report from the War Department favoring the bill, provided that the year to be set for the election of the governor should be 1932 instead of 1928.

The committee reported it, fixing the date at 1928, but my own judgment is, and I made this reservation in the proceedings of the committee, that we ought to conform to the departmental recommendations. The amendment provides that the election shall be held in 1932, but that if at any time prior thereto inquiry by the Census Bureau shows that the percentage of illiteracy shall have been reduced below 30 per cent, then the election may be had anyhow. This affords encouragement to the people there to extend their educational facilities. I believe it will be beneficial, and I think it will not be objectionable to the people there.

Mr. KING. Of course, I shall not try to retard the passage of the bill. I had the honor to offer this bill, and appeared before the committee in its advocacy. I believe that, with the splendid record which has been made by the Porto Ricans, we could have trusted them to the election of their governor long before the date suggested in the amendment offered by the Senator from Ohio.

May I say that the records of the hearings show that in the election a greater percentage of the Porto Ricans vote than American citizens vote in any State in the Union. My recollection is that something like 80 per cent, and in some parts of the island a larger percentage than that, of the registered voters—and practically all were registered—participated actively, enthusiastically, and intelligently in the various elections which have been held.

Mr. ROBINSON. Will the Senator yield for a question?

Mr. KING. I yield.

Mr. ROBINSON. The present Governor of Porto Rico, Governor Towner, appeared before the committee and advocated the passage of the bill. Did he suggest that it should go into effect in 1932? His proposal was that it should take effect at once if I remember correctly.

Mr. KING. Yes; the Senator is correct.

Mr. WILLIS. I have in my possession a letter from Governor Towner, which came to me after this amendment was prepared, in which he said that, in his judgment, it would be all right if it were enacted to provide for 1928, but he does not think 1932 would be objectionable, and in view of the fact that the department and all parties represented—and there were three political parties represented in the large delegation here—finally agreed upon this measure, it seemed to me that it would be wiser to make it 1932, especially in view of the fact to which the Senator from Utah has just been directing our attention, namely, that they have been making splendid progress in education.

In my judgment, if the amendment shall be adopted, as I hope it will be, it will be such an incentive to the people there that before 1932 they will be able to elect their governor. I quite agree with what the Senator from Utah has said about the fine progress made there, and I believe this will encourage them.

Mr. ROBINSON. I attended the meetings of the committee when the matter was discussed, and I heard the testimony of all the representatives of Porto Rico who advocated extending the privilege to the people of Porto Rico to elect their own governor and to make it effective immediately. There was no suggestion in the hearings before the committee, as I recall, that we should defer the privilege until 1932.

Mr. WILLIS. If the Senator will refer to the report of General McIntyre, on page 7 of the committee report, he will observe that the recommendation is distinctly made there for 1932. That was likewise the opinion of the Secretary of War, and since there was agreement upon it, it seemed to me best to pass it in that form. I hope the Senator from Utah will accept the amendment.

Mr. ROBINSON. Did the Senator state that the representatives of Porto Rico made an agreement that the provision should become effective in 1932?

Mr. WILLIS. I should not like to make the statement that they agreed to it, but from information——

Mr. ROBINSON. I understood the Senator a moment ago to say that an agreement had been made by the representatives of all the political parties and by the War Department to that effect.

Mr. WILLIS. I did not mean to say that. I wish the Senator from Arkansas would turn for a moment to the report and read what General McIntyre said. This is his language:

> Finally, it should be stated that this recommendation that the Porto Rican people be permitted to elect their governor in 1932 and thereafter is made at this time because of the unanimous request of the representatives of the several political parties of Porto Rico to elect their governor and because it conforms to the American policy heretofore outlined with respect to Porto Rico, and in this most important respect for the first time the political parties in Porto Rico have united in requesting what we had always indicated our intention to grant at the appropriate time.

It seems to me that in good faith we ought to carry that out.

Mr. ROBINSON. I do not think any sound reason could be assigned for postponing the taking effect of the act until 1932. I shall not object to the amendment if the Senator from Utah agrees to it.

Mr. McKELLAR. Before the matter is passed on will the Senator from Ohio state what the percentage of illiteracy now is in Porto Rico?

Mr. WILLIS. I have forgotten the exact figures. Perhaps the Senator from Utah has them. It is rather high, but they are making splendid progress, and it seems to me that this amendment will encourage them to further progress. I think it is probably something like 50 per cent.

Mr. KING. It is my recollection that it is between 40 and 50 per cent.

Mr. WILLIS. But they are reducing it rapidly, and I believe that with this incentive it will be reduced still more rapidly, and that they will be enabled to elect their governor before 1932. My colleague just advises me that he knows that the commissioner made the statement that the illiteracy is about 50 per cent. I hope the Senator from Utah will accept the amendment.

Mr. ODDIE. Mr. President, I have visited Porto Rico twice in the last two years, and I desire to testify to the splendid condition and remarkable progress being made in the schools of that island and as to the healthy and happy appearance of the children. It is remarkable. I do not think there is a State in this Union in which the children in the schools are as contented looking and as happy and are doing better work than

they are in Porto Rico. I want to say the same thing for the people there in general. They are making fine progress and are worthy of every consideration we can give them.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio.

Mr. KING. I do not want to accept the amendment. Of course, it is for the Senate to determine. I just want to say that Governor Towner, a very estimable gentleman, whom we all know, who was an able Member of Congress for many years, came before our committee. He is the present Governor of Porto Rico, and he gave very strong testimony in favor of this bill.

The testimony showed remarkable development and progress, not only industrially but intellectually, and all the evidence before the committee showed the devotion and attachment of the people of Porto Rico to this Republic and to our form of government. They exhibited a spirit of loyalty to our Republic and to our institutions that would be creditable to some people who live upon the mainland. I regret very much that the Senator has felt constrained to offer the amendment, and I regret that General McIntyre and the War Department have felt it necessary to make the recommendation.

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. KING. Certainly.

Mr. WILLIS. I wonder if the Senator will permit me to read just a paragraph from a letter which recently came to me from Governor Towner:

> It may be better, in view of the opposition of the Secretary—

That is, the Secretary of War—

> to such an early date, to adopt his suggestion of putting it off until 1932. In that event, however, I hope you will also adopt his suggestion that if before that date the percentage of illiterates is reduced 30 per cent that then the right to elect their governor shall be given the people of Porto Rico.

So he is inclined to accept the amendment.

Mr. KING. I regret very much that the Secretary of War has felt impelled to interpose his personality into the matter. I do not think it was his province to recommend when Congress should grant to the people of Porto Rico the right to elect their own governor. However, he has done so.

Mr. WADSWORTH. It seems to me that that criticism of the Secretary of War is utterly unwarranted. Under the statute the Governor of Porto Rico reports to the Secretary of War, and it is the business of the Secretary of War to make his opinions known as to the condition of the island and its government.

Mr. KING. I am very glad the Secretary of War has such an able and eloquent champion in the distinguished Senator from New York, but I repeat what I said a moment ago. The Secretary of War may make his findings and may make his statements to the committee—he did appear before the committee—but I do not think that in legislation of this character his opinion ought to be controlling or that his recommendation should be of the peremptory character which this seems to be.

Mr. McKELLAR. Mr. President, I want to ask the Senator from Ohio a question. Of course, the illiteracy is 50 per cent now. The proviso of the Senator as proposed to be inserted is that when they shall have only 30 per cent illiteracy they shall elect their own governor. It seems to me that the proviso would be nugatory so far as fixing the time is concerned. It could not be expected that they would reduce their illiteracy to 30 per cent before 1932.

Mr. WILLIS. The Senator heard the statement that they are making very rapid progress and it was the opinion of the governor that it would be very helpful to them.

Mr. McKELLAR. It would be the most marvelous progress ever made in the world if they did as well as that.

Mr. FLETCHER. I do not understand that the amendment carries any reference to the reduction of illiteracy. It simply fixes the time at 1932.

Mr. WILLIS. It says that the election shall be in 1932, but if prior to that time the percentage of illiteracy is reduced below 30 then they can elect their governor at an earlier date.

Mr. FLETCHER. I feel that this right ought to be granted to these people. In view of the unanimity of opinion and the fact that they have all united on this date, it ought to be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. KING. Before the matter is passed by, may I ask whether the amendment on page 5, lines 18 and 19, was agreed to or approved by Governor Towner and by the representatives of the Government?

Mr. WILLIS. Yes; that was specifically covered in the recommendations from the War Department. It was not thought necessary that that should be required. Since the governor is now to be elected, it was not thought necessary that the heads of the Government should reside in Porto Rico, but that would be attended to by the governor anyhow.

This is rather an important measure. I ask that the report on the bill be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The report is as follows:

[Senate Report No. 356, Sixty-eighth Congress, first session.]

TO AMEND THE ORGANIC ACT OF PORTO RICO

Mr. WILLIS, from the Committee on Territories and Insular Possessions, submitted the following report to accompany S. 2448:

The Committee on Territories and Insular Possessions, to whom was referred the bill (S. 2448) to amend the organic act of Porto Rico, approved March 2, 1917, having had the same under consideration, reports thereon with the recommendation that the bill do pass with certain amendments.

On page 2, line 23, strike out the word "hapeas" and insert in lieu thereof the word "habeas."

On page 3, line 14, strike out "A."

On page 3, strike out lines 15, 16, 17, 18, 19, 20, and 21.

On page 3, line 22, strike out the word "senate."

On page 3, line 22, strike out the words "and vice governor."

On page 3, line 23, strike out the words "their offices" and insert in lieu thereof the words "his office."

On page 3, line 23, strike out the second word "their" and insert in lieu thereof the word "his."

On page 3, line 24, strike out the words "successors have" and insert in lieu thereof the words "successor has."

At the bottom of page 3 insert the following new paragraph:

> "The elected governor herein provided for may be removed at any time during his term of service by order of the President of the United States for cause, and may be impeached by the insular house of representatives, and on trial by the insular senate, may be removed by a two-thirds vote of that body upon conviction of treason, bribery, or other high crimes and misdemeanors. Judgment in cases of impeachment shall not extend further than to removal from office and disqualification to hold and enjoy any office of honor, trust, or profit under the United States or Porto Rico, but the party convicted shall nevertheless be liable and subject to indictment, trial, judgment, and punishment according to law. In the case of removal of any elected governor by order of the President or by impeachment during his incumbency the President of the United States shall appoint a governor, by and with the advice and consent of the United States Senate, who shall serve the remainder of the term, or until such time as a successor for the unexpired term may be elected at an election to be ordered by the President.

On page 4, lines 24 and 25, strike out "and shall have resided in Porto Rico for at least two years prior to their appointment."

Realizing that S. 2448 contemplates a very important and far-reaching change in the character of the government of Porto Rico, your committee has given most careful consideration to the measure.

Extended hearings were held, during which statements were made by the Governor of Porto Rico, by various officials of the insular government, as well as by numerous citizens representing every shade of political opinion in the island. It was the unanimous opinion of all of those who appeared before your committee that such action as is proposed under S. 2448 would be not only promotive of the best interests of the people of the island but would serve to strengthen the strong ties which bind those people to other citizens of the United States. On this general subject Governor Towner in his statement, page 3 of the hearings, said:

> "This extension of autonomous government, I am inclined to think, is fully justified.
>
> "You know, as has been suggested here to-day, the steps of autonomy in our dependent possessions are, or should be, at least, gradual, and are, or should be, given to the people in direct proportion to their ability to meet their responsibilities.
>
> "Following our military occupancy Porto Rico was governed by a military government. Three generals of the Army were the first governors of the island. Then followed the Foraker Act. I think you remember that quite well, Senator McLEAN. The Foraker Act provided for an extension of autonomous government to the island, which gave them the right to elect the lower branch of their legislature but still kept within the control of the President by appointment the upper chamber of the legislature or

council, which was equivalent to the senate. Then followed the last act, which was adopted in 1917, which was on a par almost with the Philippine act which you have been considering, which gave the people of Porto Rico the right to elect both the senate and the house of representatives, and which extended to them other powers which it is not necessary for me to take the time to discuss.

"They have been acting under that act down to the present time. They are asking now for a further extension by a grant of the privilege to elect their own governor."

His further statement on page 7 of the hearings confirms the above contention. It is as follows:

"Since 1917 they have had the entire responsibility of the legislation of the island. While the governor has had the right of veto, in so far as I remember it has never been exercised in any important matter. It has been exercised upon some matters of legislation that would be in controversy and which I thought ought not to pass, relating to items of the appropriations; the veto power extends to canceling items in the budget, and, of course, that is exercised sometimes by the governor, and it was exercised by me, but never at any time has anyone suggested that the United States take a part in destroying legislation enacted unwisely or in giving them additional legislation to correct or modify or change legislation that has been unwisely passed by the legislature.

"Of course, one can not say that every act that has been passed by the legislature was a wise act, any more than we could claim that for all of our acts in Congress or anywhere else; but on the whole I think I would be justified in saying that the legislation that has been passed by the Legislature of Porto Rico might well challenge comparison with that of almost any State in the Union. It would be surprising to you, I think, to look through a volume of their laws and note the wisdom of each action and the independence of it as well."

Attention is also invited to the argument made by Hon. Miguel Guerra Mondragon, speaker of the House of Representatives of Porto Rico, page 15 of the hearings, in which he spoke, in part, as follows:

"It has been hinted that the granting to Porto Rico of the right to elect our governor might operate as an encouragement for future independence, for the separation of the island, and the Filipino people is set as an instance of that. But that is not so. When Congress granted a quasi-autonomous government to the Philippine Islands—in other words, granted quasi autonomy to the Filipinos—that did not by itself put independence into the minds and hearts of the Filipinos. They were encouraged to think of independence by the very promise made by Congress to them. In other words, it was Congress that encouraged the people of the Philippine Islands to think of independence, aside from other reasons. That was not so with Porto Rico. Almost at the same time that Congress promised the Filipinos that as soon as their people were able to establish a stable government they would be made independent the people of Porto Rico were granted American citizenship. In other words, Congress established two policies almost at the same time, one for the Philippine Islands and an entirely different one for Porto Rico, and Porto Rico was able to understand what this action on the part of Congress meant. So much so that we knew from the first that American citizenship meant not a mere theory, but something real and something that was an honor as well as a duty.

"When we entered the war and when Congress was about to pass the military conscription bill, Porto Rico, as one man, asked you not to leave her out of that war measure, for we wanted to show our appreciation and to perform the duties and undergo the sacrifices the newly granted citizenship signified. We were given the honor to serve under the flag; and the armistice, when it came, saw 15,000 Porto Ricans at Camp Las Casas ready for battle, willing to seal with their blood the new compact made with the Nation."

Gen. Frank McIntyre, Chief of the Bureau of Insular Affairs, War Department, in a letter to the committee, says:

"Finally, it should be stated that this recommendation that the Porto Rican people be permitted to elect their governor in 1932 and thereafter is made at this time because of the unanimous request of the representatives of the several political parties of Porto Rico to elect their governor and because it conforms to the American policy heretofore outlined with respect to Porto Rico, and in this most important respect for the first time the political parties in Porto Rico have united in requesting what we had always indicated our intention to grant at the appropriate time.

"It would seem to be wise to take advantage of this unanimity of opinion in Porto Rico, and thus prevent, if possible, the spasmodic talk, on the one hand, of independence, and, on the other hand, of an incorporated Territory and statehood—requests which could not be seriously considered."

It thus appears that not only officials of Porto Rico, but the representatives of the people of that island and the officials of our own Government as well, who are charged particularly with the responsibilities connected with the insular affairs, are agreed in their view that this measure is a wise one, and that the present time is opportune for its enactment.

It is noted, as disclosed by the hearings, that there is no disposition on the part of the people of Porto Rico to secure independence and separation from the United States. The whole trend of the testimony upon this point is to the effect that the Porto Ricans are proud of their American citizenship and desire to continue indefinitely as a part of the United States. The letter from General McIntyre is a carefully prepared summary of the history of legislation, so far as it affects Porto Rico, and the development that has occurred under this legislation. This document is hereby embodied as a part of the report on this bill:

WAR DEPARTMENT,
Washington, March 29, 1924.

MY DEAR SENATOR WILLIS: General McIntyre has submitted to me your letter of March 27 expressing the desire of your committee for a full expression of the views of the department on S. 2448, a bill amending the organic act of Porto Rico.

Complying with your request, I am transmitting a memorandum prepared in the Bureau of Insular Affairs, which is a statement of the policy heretofore pursued by the United States with reference to the government of Porto Rico and of the reasons why it is deemed advisable at this time to enact the legislation proposed.

Sincerely yours,

JOHN W. WEEKS, *Secretary of War.*

Hon. FRANK B. WILLIS,
Acting Chairman Committee on Territories and Insular Possessions, United States Senate.

WAR DEPARTMENT,
BUREAU OF INSULAR AFFAIRS,
Washington, March 28, 1924.

Senator WILLIS, the acting chairman of the Committee on Territories and Insular Possessions, requests a full expression of the views of the department regarding S. 2448, a bill to amend the organic act of Porto Rico, approved March 2, 1917, with a proposed amendment providing for an elective governor in 1932 and thereafter.

As the providing for an elective governor in the Territory of the United States is a new departure, a brief review of our policy in Porto Rico would seem to be advisable.

The intent of the United States has been set forth for the Executive by our several Presidents and Secretaries of War, who have had the supervision of Porto Rican affairs; by Congress in its several enactments relating to Porto Rico; and by the Supreme Court in its decisions on the political questions arising in Porto Rico. These views have been uniform and have given no basis for the claim that the status of Porto Rico with reference to the United States was in doubt.

The designation of the status—a new one to us—was perhaps first officially applied by the Supreme Court, "Porto Rico is unincorporated Territory of the United States." It might be well to cite, in chronological order, some of the more important official statements and acts indicative of the settled purpose of the United States.

Mr. Root, in his report as Secretary of War for 1899, made clear his view that Porto Rico should be governed by Congress in the exercise of the power conferred by the Constitution upon Congress, "to dispose of and make all needful rules and regulations respecting the Territory or other property belonging to the United States."

Congress, shortly after the publication of this report, passed an act creating a civil government in Porto Rico. In the debate on the organic act of Porto Rico, Mr. Foraker, the chairman of the committee who managed the bill in the Senate, said that it was not desired to use the word "Territory" in describing the Legislative Assembly of Porto Rico, because he and those who were of his mind in the matter did not desire that Porto Rico should be what we had heretofore called a Territory in the United States. In order that this intention should be made clear by the act—

First, the use of the word "Territory" was avoided.

Second, the bill which had originally provided that inhabitants of Porto Rico should be, with certain exceptions, citizens of the United States was amended, on motion of the chairman of the committee, so that they would be "citizens of Porto Rico."

Third, section 1891 of the Revised Statutes, which had been included in the organic acts of all Territories since 1850, was omitted and an effort to include it in the organic act of Porto Rico was defeated. The section provides as follows:

"The Constitution and all laws of the United States which are not locally inapplicable shall have the same force and effect within all the organized Territories and in every Territory hereafter organized as elsewhere within the United States."

It was clear that Congress did not intend to incorporate Porto Rico into the United States, and that it did not desire to make it a Territory, which might be regarded as a promise of statehood.

The Supreme Court in cases coming before it definitely fixed the relation of Porto Rico to the United States as that of "unincorporated territory," thus Porto Rico's relation to the United States as recommended by the Executive had been fixed by Congress and the congressional legislation was construed by the Supreme Court as doing exactly what it was intended to do.

The first serious effort to amend or remold the Foraker Act was undertaken in 1910. Secretary of War Dickinson visited Porto Rico at the close of 1909, and on January 20, 1910, submitted to the President a report on his visit, recommending certain changes in the organic law. After outlining these proposals, Mr. Dickinson said:

"While I believe the changes recommended by me are desirable, and believe that they will redound to the advantage of Porto Rico and of the United States in their relations with Porto Rico, I feel that I should say that in my opinion the people of Porto Rico have had on the whole an excellent government, and that the people of the United States can look with just pride upon the administration they have given of affairs there."

Mr. Taft transmitted this report in a special message to Congress.

This bill was taken up by the House Committee on Insular Affairs, and after hearings thereon it reported "A bill to provide a civil government for Porto Rico, and for other purposes."

An analysis of the resulting bill is unnecessary. It passed the House of Representatives, but did not receive consideration in the Senate. It is of importance because of the fact that it was the basis of what subsequently became the present organic act of Porto Rico and embodied a number of provisions now unchanged in this act. It developed, however, the view of the committee at that time of the status of Porto Rico. In this regard the committee was unanimous, and its view is best set forth in the following statement made by Mr. Olmsted, the chairman of the committee, in advocating the passage of the bill on the 25th of May, 1910:

"This bill is in line with the recommendations of President Roosevelt. It carries into effect the recommendations of President Taft. It does not provide statehood. It does not promise statehood. It does not incorporate Port Rico into the United States. But it does go as far as, under present conditions, wisdom and prudence dictate, in the direction of constituting Porto Rico a self-governing community under the sovereignty and protection of the United States."

Having undertaken a revision of the Foraker Act, the committees of Congress handling Porto Rican affairs continued a study of the subject until the present organic law was passed and approved on March 2, 1917.

The statements made by Mr. Olmsted, quoted above, continued to be the outstanding policy of Congress and of the Executive until the new law was passed. Mr. Stimson, in his reports as Secretary of War, emphasized the necessity of avoiding anything in the pending legislation which could be construed as creating in Porto Rico an incorporated Territory or as promising to the people of Porto Rico statehood.

It should be observed that while this reformation of the organic law of Porto Rico was under consideration the political control in the United States had passed from one party to another, but that this made no difference in the policy to be pursued in Porto Rico.

The bill which became the organic law of 1917 was considered by Congress at intervals for seven years. The history of the effort to secure the passage of this bill, as well as the views of the executive department in urging it, was thus set forth in the annual report of the Bureau of Insular Affairs for 1916:

"Since 1910, or, in fact, since Porto Rico was placed under the jurisdiction of the War Department, there has been an effort consistently backed by the Presidents and by the department, to obtain for Porto Rico a new organic act which would make the Porto Ricans citizens of the United States and would give to them a practically autonomous government.

"The department contemplated, in recommending an act to replace the present act 'temporarily to provide revenues and a civil government for Porto Rico,' that it should embody the following general principles:

"First: The people of Porto Rico should be made citizens of the United States to make clear that Porto Rico is to remain permanently connected with the United States.

"Second. The present fiscal system by which Porto Rico received its own internal revenue and customs receipts should be continued.

"Third. It should be clear that Porto Rico was not made by the act an incorporated Territory of the United States, and therefore it should be made plain that the Constitution and general statutory laws of the United States were not extended to Porto Rico and that there was no direct or implied promise of statehood.

"Fourth. The government given Porto Rico should be as autonomous as consistent with fair efficiency and of a form permitting further extension of powers without radical change in the form of government.

"Fifth. The form of government was to be a development from the experience of Porto Rico and no sacrifice of efficiency was to be made to adapt its form to our theories."

The purposes thus set forth were accomplished in the bill enacted. The statement in the third paragraph that the Constitution should not be extended to Porto Rico is a nontechnical statement, but the idea was well understood in the United States and in Porto Rico, and was that the position of Porto Rico with reference to the Constitution should not be changed by the act, and the Supreme Court held that this was the case, in its opinion, however, stating that—

"The Constitution of the United States is in force in Porto Rico as it is wherever and whenever the sovereign power of that Government is exerted. This has not only been admitted but emphasized by this court in all its authoritative expressions upon the issues arising in the Insular cases, especially in the Downes v. Bidwell and the Dorr cases.

"The Constitution, however, contains grants of power and limitations which, in the nature of things, are not always and everywhere applicable, and the real issue of the Insular cases was not whether the Constitution extended to the Philippines or Porto Rico when we went there, but which ones of its provisions were applicable by way of limitation upon the exercise of executive and legislative power in dealing with new conditions and requirements." (Jesus M. Balzac v. People of Porto Rico.)

Our policy, therefore, having been uniform and the intent being clear progressively to extend to Porto Rico all purely local authority as rapidly as it could be done consistently with fair efficiency, it is obvious that this extension of power would be urged by Porto Ricans and that it would be granted by Congress as rapidly as there should be evidence that powers extended would be for the benefit of the people of Porto Rico.

This particular request from the people of Porto Rico to be permitted to elect their own governor after a certain fixed date is deserving of special consideration because of the fact that it is practically the unanimous request of the people of Porto Rico. It has been urged by the legislative representatives of the three political parties represented in the legislature. This is the more important because it is an evidence of the fact that the three parties are as to this question in line with the policy of our Government. Heretofore two of the parties of Porto Rico have been insistent in urging—

First, the establishment of a Territorial government in Porto Rico.

Second, the extension to Porto Rico of those clauses of the Constitution not now in effect there, desiring that the United States should commit itself directly or impliedly to a promise of statehood for Porto Rico.

What is now urged implies no such promise.

The questions which now present themselves are:

First, should this additional and most important step in creating an autonomous government now be made?

Second, if so, should it take this particular form?

The effect of the passage of the act in question, with the modification suggested, would mean that after 1932 the legislative and executive departments of the government of Porto Rico would be representative of the electorate of Porto Rico, with the exception of the auditor, who would be appointed by the President, as at present. The judiciary would likewise be so, except the supreme court, the justices of which would be appointed by the President, as at present. The several executive departments of the Federal Government would have the same jurisdiction in Porto Rico as at present.

The Porto Rican people prior to the American occupation of that island were without experience in self-government or, in fact, in the operation of any government. Their experience in government may with accuracy be said to have begun first with the military government of the United States and, since 1900, with the civil government established under the Foraker Act. They have had experience for 25 years in the passing of their own laws, in conducting practically all of the affairs of government; the elections have been conducted, on the whole, fairly, the government has been free from corruption, and the administration of justice has not been generally complained of.

Briefly, while not in all respects and in all details a highly efficient government, and while there is perhaps a disposition to extravagance on the part of the legislature, there has never been a failure to meet all obligations when due, and there has been, on the whole, an improvement in the Government in all its branches with the experience acquired, and this nothwithstanding the fact that the local participation in the Government has been steadily increased. On several occasions in the past and for considerable periods residents of Porto Rico have acted as governor and performed acceptably the duties of the office. The experience in government has been brief. The condition as to literacy in the island has greatly improved but leaves much to be desired.

There would seem to be little doubt that if advantage is taken of the next eight years, in 1932 the governorship of Porto Rico could be made elective, not only without a loss of efficiency on the part

of the Government, but probably with beneficial results. The responsibility for the selection of the governor will rest with the people of Porto Rico and probably with the leaders of Porto Rican opinion as it may be developed.

There might be added a proviso making the provision for the election of governor contingent upon a certain percentage of literacy in the electorate. Such a provision might have a beneficial effect in stimulating education in Porto Rico. It is probable, however, that the stimulus is unnecessary, and it would seem that the people of Porto Rico are at present making every effort to overcome this inherited disadvantage.

The grant of autonomy to Porto Rico in this form can not but bring up, by comparison, the form of autonomy under which the self-governing dominions of Great Britain have been administered. This brings up for decision whether our own customary form of government—and the only one with which Porto Ricans have had a practical experience—should be continued or whether we should adopt the British system under which a governor would be appointed by the President but would be in effect a presiding officer and not a chief executive.

It would seem wiser to continue the development in Porto Rico along the line heretofore pursued, to make the local government there established conform as nearly as possible to American practice. For this reason it is believed that the provision in the bill meets the situation.

Finally, it should be stated that this recommendation that the Porto Rican people be permitted to elect their governor in 1932 and thereafter is made at this time because of the unanimous request of the representatives of the several political parties of Porto Rico to elect their governor and because it conforms to the American policy heretofore outlined with respect to Porto Rico, and in this most important respect for the first time the political parties in Porto Rico have united in requesting what we have always indicated our intention to grant at the appropriate time.

It would seem to be wise to take advantage of this unanimity of opinion in Porto Rico, and thus prevent, if possible, the spasmodic talk, on the one hand, of independence, and, on the other hand, of an incorporated Territory and statehood—requests which could not be seriously considered.

As to the details of the bill, attention is invited to House Report No. 291 to accompany H. R. 6583, being a report from the Committee on Insular Affairs on a similar bill, which embodies certain amendments which may be deemed advisable. It is specifically recommended—

First. That beginning on line 14 of page 3, the provision for vice governor be stricken out, and that the last sentence on page 3 read, "The governor thus elected shall hold office for a term of four years and until his successor has been elected and qualified."

There is no necessity in Porto Rico of a vice governor. Section 24 of the present organic act, which is continued in effect, would fully meet the necessity of an officer to act in the absence of the governor, and the officer so designated is far better in touch with the duties of the governor than would a vice governor be. The only duty provided for the vice governor is to preside over the senate. The senate in Porto Rico is in session an average of not more than 50 days a year.

Second. That lines 23, 24, and 25, on page 4, be stricken out. It is not believed that such a restriction as to residence is necessary or advisable.

FRANK MCINTYRE, *Chief of Bureau.*

Section 12 of the bill, up to and including line 8, on page 3, is the existing law.

In the provision for an elective governor it is to be noted that the year 1928 is stated as the time at which a general election shall be held for the purpose of choosing a governor. The recommendation from the War Department is based upon the theory that this election would be held in 1932 instead of 1928. However, it is to be noted that your committee recommends an amendment which gives the President of the United States the authority to remove the elected governor for cause, and also gives power to the insular house of representatives to impeach and to the insular senate to try the elected governor. The causes under which an elected governor may be removed by a two-thirds vote of the senate are the same causes as are designated in the Constitution of the United States.

Inasmuch as the authority of the elected governor would be thus lessened by the power of removal vested in the President, and the power of impeachment vested in the local legislative body, it is believed that the arguments so clearly stated by General McIntyre in favor of an elective governor will still apply, even though it is proposed that the election shall be held in 1928 instead of 1932.

The provision for the election of a vice governor in the original bill is recommended to be stricken out by committee amendment, because it was believed that section 24 of the organic act makes a sufficient provision for filling a vacancy in case of the death or inability of the governor.

Section 24 of the original organic act is not changed by the pending bill, and is as follows:

"SEC. 24. That the President may from time to time designate the head of an executive department of Porto Rico to act as governor in the case of a vacancy, the temporary removal, resignation, or disability of the governor, or his temporary absence, and the head of the department thus designated shall exercise all the powers and perform all the duties of the governor during such vacancy, disability, or absence."

The amendment of section 13 is for the purpose of establishing an independent department of labor. Under the existing law section 13 reads as follows:

"SEC. 13. That the following executive departments are hereby created: A department of justice, the head of which shall be designated as the attorney general; a department of finance, the head of which shall be designated as the treasurer; a department of interior, the head of which shall be designated as the commissioner of the interior; a department of education, the head of which shall be designated as the commissioner of education; a department of agriculture and labor, the head of which shall be designated as the commissioner of agriculture and labor; and a department of health, the head of which shall be designated as the commissioner of health. The attorney general and commissioner of education shall be appointed by the President, by and with the advice and consent of the Senate of the United States, to hold office for four years and until their successors are appointed and qualified, unless sooner removed by the President. The heads of the four remaining departments shall be appointed by the governor, by and with the advice and consent of the Senate of Porto Rico. The heads of departments appointed by the governor shall hold office for the term of four years and until their successors are appointed and qualified, unless sooner removed by the governor.

"Heads of departments shall reside in Porto Rico during their official incumbency, and those appointed by the governor shall have resided in Porto Rico for at least one year prior to their appointment.

"The heads of departments shall collectively form a council to the governor, known as the executive council. They shall perform under the general supervision of the governor the duties hereinafter prescribed, or which may hereafter be prescribed by law and such other duties, not inconsistent with law, as the governor, with the approval of the President, may assign to them; and they shall make annual and such other reports to the governor as he may require, which shall be transmitted to the executive department of the Government of the United States to be designated by the President as herein provided: *Provided*, That the duties herein imposed upon the heads of departments shall not carry with them any additional compensation."

It will be observed that the bill provides instead of a department of agriculture and labor, a department of agriculture and commerce, the head of which shall be designated the commissioner of agriculture and commerce.

Section 18 of the organic act is amended so as to provide a direct statement of the duties of the commissioner of agriculture and commerce instead of those of the commissioner of agriculture and labor. The new section known as section 18a, to be inserted between sections 18 and 19 of the organic act, designates the duties of the new commissioner of labor. It is believed that this amendment will give larger recognition to the dignity of labor, and provide at the same time a more complete stimulus for the improvement of its conditions, and extend the opportunities for profitable employment.

The bill, as amended, is in harmony with the early history and policy of the American Government in its dealings with Porto Rico. It is significant that while there have been different policies advocated with reference to other insular possessions because of changes in political control in the continental United States, there has been a continuous policy followed with reference to Porto Rico. The letter from the War Department points this out, especially in the following language:

"It should be observed that while this reformation of the organic law of Porto Rico was under consideration the political control in the United States had passed from one party to another, but that this made no difference in the policy to be pursued in Porto Rico."

Inasmuch as the proposed legislation is in strict harmony with the historical precedents of our Government and is the logical development of the principle of autonomy which has been applied throughout in the relations between Porto Rico and continental United States, it is believed that the enactment of the proposed legislation will be promotive of public good and a strengthening of the feeling of respect and affection entertained by the people of Porto Rico for the Government of the United States.

The experience of the people of that island thus far under American leadership has been most encouraging. Schools have been built, roads have been constructed, the percentage of illiteracy has been rapidly reduced, health conditions have been improved, business has advanced.

All this is appreciated by the people of Porto Rico, and it is believed by them and by your committee that the enactment of this proposed legislation will serve further to encourage the spirit of progress and advancement which is now so strong in this beautiful island.

EUSTACIO B. DAVISON

The bill (S. 513) for the relief of Eustacio B. Davison was announced as next in order.

Mr. STANFIELD and Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ALLOTMENT OF ISAAC JACK, A SENECA INDIAN

The bill (H. R. 1629) authorizing the removal of the restrictions from 40 acres of the allotment of Isaac Jack, a Seneca Indian, and for other purposes, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the restrictions upon the northeast quarter of the southeast quarter of section 21, township 25 north, range 24 east of the Indian meridian, in Oklahoma, which is land heretofore allotted to Isaac Jack, Seneca allotee No. 264, are hereby removed, and the Secretary of the Interior is hereby authorized and directed to cause to be issued to said Isaac Jack a patent in fee simple for said described land.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

JAMES A. HUGHES

The bill (S. 2548) for the relief of James A. Hughes was announced as next in order.

Mr. FLETCHER. The bill was reported adversely. I move its indefinite postponement.

The motion was agreed to.

CARLISLE BARRACKS RESERVATION

The bill (S. 2949) authorizing the Secretary of War to sell a portion of the Carlisle Barracks Reservation was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the transfer from the Department of the Interior to the War Department of the control and jurisdiction over the parcels known as farm No. 1, farm No. 2, and the Sanno tract, now constituting a part of the Government reservation at Carlisle Barracks, Pa., is ratified and confirmed.

SEC. 2. The Secretary of War is authorized to sell at either public or private sale, upon terms and conditions deemed advisable by him, the land lying north of the Carlisle-Harrisburg Highway, being part of the tract of land known as farm No. 2, constituting a part of the Carlisle Barracks Reservation, the land to be sold as a whole or in parcels, as the Secretary of War may determine, and to execute and deliver in the name of the United States and in its behalf any and all deeds or other instruments necessary to effect such sale.

SEC. 3. For the acquisition of the additional land needed at the post of Carlisle Barracks for the use of the Medical Field Service School an appropriation of $10,000 is authorized.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

JURISDICTION OF CIRCUIT COURTS OF APPEALS

The bill (S. 2060) to amend the Judicial Code, further to define the jurisdiction of the circuit courts of appeals and of the Supreme Court, and for other purposes, was announced as next in order.

Mr. KING. That is a very important bill. However, I do not want to object to its consideration if some Senator here desires to have it considered and will explain it.

Mr. CUMMINS rose.

Mr. KING. I shall not object if the Senator from Iowa [Mr. CUMMINS] thinks it can be disposed of under the five-minute rule.

Mr. CUMMINS. I would like very much to have it passed, but I recognize that it involves many and very important changes in the jurisdiction of the Supreme Court of the United States and the circuit courts of appeals. It will be utterly impossible to consider the proposed changes within the limits that are permitted at this time. While I do not ask it to go over, I shall not be surprised if some one else does.

Mr. OWEN. Let it go over.

The PRESIDING OFFICER. The bill will be passed over.

QUALIFICATIONS OF POSTMASTERS

The bill (S. 819) prescribing certain qualifications of postmasters of offices of the first, second, and third classes, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That no person shall be eligible for appointment to fill a vacancy as postmaster of any office of the first, second, or third class who has not actually resided within the delivery of the office and also been a bona fide patron of the office for a period of not less than two years immediately preceding the occurrence of the vacancy to be filled.

The bill was reported without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

THIRD-CLASS MAIL

The bill (H. R. 4442) to extend the insurance and collect-on-delivery service to third-class mail, and for other purposes, was announced as next in order.

Mr. KING. I would like to have the Senator who reported the bill make an explanation of it, the extent of it, and the cost, if any, to the Government.

The PRESIDING OFFICER. It is a House bill, reported by the Senator from South Dakota [Mr. STERLING].

Mr. STERLING. It has passed the House.

Mr. KING. I think I shall ask that it go over, to give us a chance to investigate it.

The PRESIDING OFFICER. The bill will be passed over.

CALUMET RIVER BRIDGE, CHICAGO, ILL.

The bill (H. R. 2665) granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River in the vicinity of One hundred and thirty-fourth Street in the city of Chicago, county of Cook, State of Illinois, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the city of Chicago, a corporation organized under the laws of the State of Illinois, to construct, maintain, and operate a bridge and approaches thereto across the Calumet River at a point suitable to the interests of navigation in the vicinity of One hundred and thirty-fourth Street, in section 36, township 37 north, range 14 east of the third principal meridian, in the city of Chicago, county of Cook, State of Illinois, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

SUSQUEHANNA RIVER BRIDGE

The bill (H. R. 6810) granting the consent of Congress to the Millersburg & Liverpool Bridge Corporation and its successors to construct a bridge across the Susquehanna River at Millersburg, Pa., was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Millersburg & Liverpool Bridge Corporation, a corporation organized under the laws of the State of Pennsylvania, and its successors and assigns to construct, maintain, and operate a bridge and approaches thereto across the Susquehanna River at a point suitable to the interests of navigation, at or near Millersburg, Pa., in the county of Dauphin, in the State of Pennsylvania, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

MISSISSIPPI RIVER BRIDGE

The bill (H. R. 7063) granting the consent of Congress to the State of Illinois, and the State of Iowa, or either of them, to construct a bridge across the Mississippi River, connecting the county of Carroll, Ill., and the county of Jackson, Iowa, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Illinois and the State of Iowa, or either of them, to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River at a point suitable to the interests of navigation, at or near the city of Savanna, in the county of Carroll, Ill., and the city of Sabula, in the county of Jackson, in the State of Iowa, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

SUSQUEHANNA RIVER BRIDGE

The bill (H. R. 7846) to extend the time for the construction of a bridge across the North Branch of the Susquehanna River

from the city of Wilkes-Barre to the borough of Dorranceton, Pa., was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That the time for commencing and completing the reconstruction of a bridge authorized by act of Congress approved September 7, 1916, as renewed and extended by joint resolution approved February 15, 1921, to be constructed by the county of Luzerne, State of Pennsylvania, across the North Branch of the Susquehanna River, from the city of Wilkes-Barre to the borough of Dorranceton, in said county of Luzerne and the State of Pennsylvania, are hereby extended one and three years, respectively, from the date of approval hereof.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

NAVAL AIR STATION AT PENSACOLA, FLA.

The bill (S. 2928) authorizing the Secretary of the Navy to accept certain lands in the vicinity of Pensacola, Fla., to assure a suitable water supply for the United States Naval Air Station at Pensacola, was considered as in Committee of the Whole and was read as follows:

Be it enacted, etc., That the Secretary of the Navy is authorized, when directed by the President, to accept on behalf of the United States, free from encumbrances and without cost to the United States, the title to such lands as he may deem necessary or desirable in the vicinity of Pensacola, Fla., for use as a site and right of way for the construction and maintenance of a pumping station, wells, and pipe line to provide a suitable water supply for the United States Naval Air Station, Pensacola, Fla.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ESTATE OF ROBERT DILLON

The bill (S. 1834) for the relief of the legal representative of Robert Dillon, deceased, was considered, as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That the claim of the legal representative of Robert Dillon, deceased, for the net proceeds of the cotton purchased, or turned over to him, or owned by him, taken by United States officers, sold, and the net proceeds thereof placed in the United States Treasury, be, and the same is hereby, referred to the Court of Claims of the United States for determination of the law and the facts, under the act of Congress approved March 12, 1863 (12th Stat. L. p. 820), any statute of limitations, or the act of July 2, 1864 (13th Stat. L. p. 376), and all other nonintercourse laws to the contrary notwithstanding, and report to Congress.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

DREDGE "DELAWARE" AND STEAMSHIP "A. A. RAVEN"

The bill (S. 2052) to carry out the decree of the United States District Court for the Eastern District of Pennsylvania in the case of United States of America, owner of the steam dredge *Delaware*, against the steamship *A. A. Raven*, American Transportation Co., claimant, and to pay the amount decreed to be due said company, was considered as in Committee of the Whole and was read, as follows:

Whereas by final decree of the District Court of the United States for the Eastern District of Pennsylvania, entered December 21, 1916, in an action in admiralty known as No. 4 of 1914, wherein the United States, as owner of the steam dredge *Delaware*, was libellant, and the steamship *A. A. Raven*, whereof American Transportation Co. was owner, was respondent, which action arose out of a collision between the said dredge and the said steamship, occurring in the Delaware River on December 1, 1913, it was adjudged, ordered, and decreed that both the dredge *Delaware* and the steamship *A. A. Raven* were in fault as to said collision; that the damage, costs, and interest accruing to each party in said cause be equally divided; and that said damages, interest, and costs were found to be as follows: To the libellant $8,567.34, and to the respondent $14,883.82; and

Whereas upon dividing the damages of the said dredge *Delaware* and steamship *A. A. Raven*, as decreed by the court, it appears that there is due from the United States to said American Transportation Co., as owner of said steamship, the sum of $3,158.24: Therefore

Be it enacted, etc., That the Secretary of the Treasury be, and is hereby, authorized and directed to pay to the American Transportation Co., out of any money in the Treasury not otherwise appropriated, the sum of $3,158.24, in full settlement and discharge of the sum found due to said American Transportation Co. by the decree of the United States District Court for the Eastern District of Pennsylvania, as hereinbefore recited.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

RELIEF OF ITALIAN GOVERNMENT

The bill (S. 2826) for the relief of the Italian Government was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the Italian Government, out of any money in the Treasury not otherwise appropriated, the sum of $291,001.88 to reimburse said Government for the loss of a cargo of copper as a result of a collision between the U. S. S. *Buford* and the barge *Anode*, which occurred in the harbor of New York on January 18, 1919.

Mr. REED of Pennsylvania. I move to amend, in line 4, page 1, by striking out the word "pay" and inserting the word "credit." The language of the bill is—

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the Italian Government, out of any money in the Treasury not otherwise appropriated, the sum of $291,001.88.

There is no doubt about the justice of the claim, and I understand from the report that it is only intended that it should be credited to the Government of Italy, but before we pass the bill I think we had better make it a little more clear that it is the intention only to credit that amount of money and not to pay it.

Mr. BAYARD. May I explain to the Senator from Pennsylvania that under the agreement this Government has with the Italian Government immediate payments of this character and similar payments are to be credited to our claim against the Italian Government. We have under our agreement with the Italian Government, in the case of a payment of this kind, the understanding that it shall be taken on their account and no cash actually shall pass. The Senator will find a reference to it in the letter from the Secretary of the Treasury.

Mr. SMOOT. I would like to say that my understanding is similar to that of the Senator from Delaware. The appropriation is made direct, but whatever amount is appropriated will be credited upon their indebtedness to the United States.

Mr. REED of Pennsylvania. If it is the intention to credit only, I do not see why we should not say so.

Mr. SMOOT. I think the appropriation ought to be made so that it will come out of the Treasury of the United States and be paid with the understanding we have. I know that it will merely be credited to their account.

Mr. FESS. May I call attention to the fact that a similar bill was passed in another instance and we have paid the actual cash? I think the Senator from Pennsylvania is correct. We ought to put that language in the bill to make sure that it is only to be credited.

Mr. REED of Pennsylvania. Early in the session I remember a similar bill, to which I offered a similar amendment, and there was no objection to it. It seems to me where they owe us over a billion dollars, as they do, we ought not to leave it to be a matter of any doubt whatever that we do not intend the money to be actually paid, but only credited.

Mr. FLETCHER. It is a Senate bill and can be put in such form as the Senate sees fit now without causing any delay one way or the other.

Mr. SMOOT. If the amendment is agreed to, then we certainly will have to amend the balance of the bill, because it provides that the Secretary of the Treasury is authorized and directed to pay to the Italian Government, out of any money in the Treasury not otherwise appropriated. The whole bill would then be out of line.

Mr. REED of Pennsylvania. That would be very easily done by striking out line 5 and the first words in line 6.

Mr. SMOOT. If we are going to pass a bill of this kind, we ought merely to say that "the Secretary of the Treasury be, and is hereby, authorized to credit the sum of $291,000 to reimburse said Government for the loss of the cargo," and so forth.

Mr. REED of Pennsylvania. If that is what we mean why not say it?

Mr. SMOOT. I do not know just how the books of the Navy Department and the Treasury Department would appear as a result of the passage of a bill of this kind. It seems to me the proper way is to make the appropriation and credit the amount. That is exactly what would happen.

Mr. BAYARD. Let me read to the Senator from Pennsylvania the concluding paragraph of Secretary Mellon's letter under date of April 29, 1922. It is as follows:

It is my understanding of the arrangement to which you refer that it gives the Treasury the right, if it should so elect, to make payment of all claims of the Italian Government or any department or agency

thereof against this Government or any department or agency thereof by crediting the amount of any such claim on Italian obligations held by the United States. The phrase "all claims" is broad enough to include claims in tort as well as claims in contract, and there is nothing to indicate that the words were intended to have a narrower application in this respect. It is the view of the Treasury, therefore, that if provision is made by Congress for payment of the claim under consideration the Treasury's right to take suitable action under the above-mentioned arrangement would be the same as if the claim were one arising out of contract instead of out of a tort.

Mr. KING. Will the Senator from Pennsylvania, in view of the suggestion made, accept this amendment? Permit the language of the bill to remain as it is, and at the close add the following proviso:

Provided, That said amount shall be applied by the Secretary of the Treasury as a credit upon any sum due from the Italian Government to the United States.

Mr. REED of Pennsylvania. I shall be very glad to accept that language.

The PRESIDING OFFICER. Does the Senator from Pennsylvania withdraw his amendment.

Mr. REED of Pennsylvania. I do.

Mr. SMOOT. There is no necessity for it at all because that agreement has already been made between the two Governments.

Mr. KING. Notwithstanding that, I think there is no objection to making it a legislative direction, and I offer the amendment.

The PRESIDING OFFICER. The Senator from Utah offers the amendment, which will be stated.

The READING CLERK. Add at the close of the bill the following proviso:

Provided, That said amount shall be applied by the Secretary of the Treasury as a credit upon any sum due from the Italian Government to the United States.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EAST L'HAVE TRANSPORTATION CO. (LTD.)

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 2498) for the relief of the East LaHave Transportation Co. (Ltd.), owner, A. Picard & Co., owner of cargo, and George H. Corkum, Leopold S. Conrad, Wilson Zinck, Freeman Beck, Sidney Knickle, and Norman E. LeGay, crew of the schooner *Con Rein*, sunk by United States submarine *K–4*, which was read, as follows:

Be it enacted, etc., That the claim of the East LaHave Transportation Co. (Ltd.), owner of the schooner *Con Rein*, of the port of LaHave, in the Province of Nova Scotia, Canada; that the claim of A. Picard & Co., the owner and consignee of the cargo aboard said schooner, and the claims of the several members of the crew of said schooner, namely, George Corkum, Leopold S. Conrad, Wilson Zinck, Freeman Beck, Sidney Knickle, and Norman LeGay, against the United States for damages alleged to have been caused by collision between said schooner and the submarine *K–4*, owned by the Government of the United States and operated by the United States Navy, which occurred near Block Island, R. I., on August 29, 1921, may be sued for by the said claimants in the United States District Court for the District of Massachusetts, sitting as a court of admiralty and acting under the rules governing such court with jurisdiction to hear and determine such suit, and to enter judgments or decrees for the amounts of such damages and costs, if any, as may be found against the United States in favor of the said claimants, or any of them, or against said claimants in favor of the United States, upon the same principles and measures of liability as in like cases in admiralty between private parties and with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act.

Mr. KING. I should like to have some explanation of that bill.

Mr. BAYARD. Mr. President, I will explain to the Senator from Utah that the bill proposes to give to the East LaHave Transportation Co. (Ltd.), owner of the schooner *Con Rein*, the right to bring suit in the Federal district court for damages caused by collision occurring between that schooner and a submarine owned by the Federal Government. The bill provides that due notice must be given to the Attorney General, and suit must be brought within a definite time after the passage of the act. The rights of the Government are fully protected, and the court is merely to hear and determine such suit, and to enter judgments or decrees for the amounts of damages.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

RUSH O. FELLOWS

The bill (H. R. 3183) for the relief of Rush O. Fellows was announced as next in order.

Mr. DIAL. Let that bill go over, Mr. President.

Mr. STERLING. I hope the Senator from South Carolina will withhold his objection.

The PRESIDING OFFICER. Does the Senator from South Carolina withdraw his objection?

Mr. DIAL. I withdraw my objection for the present.

Mr. STERLING. I think this is a most meritorious claim and ought to be passed. A similar bill has passed the other House. The bill provides for the reimbursement of Rush O. Fellows for expenses incurred in behalf of the Government while he was postmaster at Bellefourche, S. Dak. The Postmaster General says that the department has very carefully examined into the claim of Mr. Fellows, and that it should be paid. I trust that it will be. The expenditures made by Mr. Fellows seem to have been necessary, and the Government got the benefit of those expenditures.

Mr. KING. Mr. President, the amount involved, of course, is very small, but these small matters sometimes constitute very vexatious and embarrassing precedents in the future. If the postmaster, without authority, made expenditures and now comes and asks the Government to reimburse him, what limit will there be upon other employees of the Government? I should like an explanation of the bill or I shall be compelled to vote against it.

Mr. STERLING. I will say to the Senator from Utah that the explanation is this: During the incumbency of the predecessor of Mr. Fellows the post office was changed from the third to the second class and there were paid out of the pocket of the postmaster certain amounts of money.

Mr. KING. For what purpose?

Mr. DIAL. I desire to know for what purpose the expenditure was made.

Mr. STERLING. The expenditures were made for rent, for one thing. Here are the items paid out by Mr. Fellows:

UNITED STATES POST OFFICE,
Bellefourche, S. Dak., April 30, 1922.

The United States Government, Dr., to Rush O. Fellows, postmaster, from July, 1913, to May 1, 1922

Voucher No. 1. Paid on rent from July 1, 1913, to December 31, 1915, 30 months, at $5 per month	$150.00
Voucher No. 2. Paid on rent from January 1, 1916, to August 31, 1917:	
20 months, at $5 per month	100.00
10 months, at $10 per month (from September 1, 1917, to June 30, 1918)	100.00
Voucher No. 3. Paid water tax from July 1, 1913, to November 15, 1920, 88½ months, at $1 per month	88.50
Voucher No. 4. Paid for construction of room on sidewalk for fuel and parcel-post storage	87.50
Voucher No. 5. Paid for janitor service from March 15, 1920, to November 15, 1920, 8 months, at $5	40.00
Paid 50 cents semimonthly for removing ashes and hauling and burning accumulated trash, 88½ months (no vouchers available; work done by different draymen)	88.50
	604.50
But then he is charged with—	
Credit: Cash received from rental of basement from July 1, 1913, to June 30, 1917, 48 months, at $5 per month (which was vacated on last date mentioned)	240.00
Balance due or cash from personal funds	364.50

The bill provides for $354.50.

That is due to the fact that he built a shed which was necessary for the use of the post office at an expenditure of $37.50; he then sold the shed for $10, and hence he is charged with $10 received on that account, which reduced the bill to $354.50 for money actually paid out.

Mr. KING. Does the Postmaster General recommend the passage of the bill?

Mr. STERLING. He does. I call attention to the statement of the Postmaster General, which is as follows:

This claim has been carefully considered, and the department is of the opinion that it is a meritorious one, as it is apparent that the amount covered thereby was expended personally by Mr. Fellows in order to properly maintain the service at the Bellefourche office, and that no allowances have been granted by the department to reimburse him for such expenditures.

It being a second-class post office during the time of his incumbency it was the business of the Government to pay these expenses, which were found to have been necessary by the department itself.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

It proposes to pay to Rush O. Fellows, of Bellefourche, S. Dak., $354.50, to repay him for private funds expended for governmental purposes while he was postmaster at Bellefourche, S. Dak.

Mr. DIAL. Mr. President, the passage of this bill will establish somewhat of a precedent; but the amount is small and, as the Postmaster General recommends the passage of the bill, I shall not object.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PASSAGE OF HOUSE BILLS BY THE SENATE

Mr. FLETCHER. Mr. President, I desire to inquire if the Senator from South Dakota [Mr. STERLING] can give us any sort of assurance that the gentlemen at the other end of the Capitol will pay any attention to Senate bills which pass this body. There are a number of House bills coming up for consideration in the Senate, and we are passing them right along, but, so far as I can learn, the Members of the other body are not giving much attention to any bills which may pass the Senate and be sent over there.

Mr. STERLING. The bill which has just been passed is a House bill.

Mr. FLETCHER. I wonder if the Senator from South Dakota can make some arrangement whereby there will be some understanding that when we pass bills of the House of Representatives they will remember the Senate bills which may be sent to that body?

Mr. STERLING. I hope such an arrangement may be made, and I shall be very glad if it may be.

BILLS PASSED OVER

The bill (H. R. 6049) for the relief of V. E. Schermerhorn, E. C. Caley, G. W. Campbell, and Philip Hudspeth was announced as next in order.

Mr. DIAL. Let that bill go over.

The PRESIDING OFFICER. The bill will go over.

The bill (H. R. 8235) for the relief of Aktieselskabet Marie di Giorgio, a Norwegian corporation of Christiania, Norway, was announced as next in order.

Mr. KING. I should like some explanation of the bill.

The PRESIDING OFFICER. The Senator who reported the bill is not present. The bill will go over.

The bill (H. R. 8237) for the relief of Bruusgaard Kiosteruds Dampskibs Aktieselskab, a Norwegian corporation of Drammen, Norway, was announced as next in order.

Mr. McKELLAR. That is a bill similar to the one which has just gone over.

Mr. KING. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

J. R. KING

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2669) for the relief of J. R. King, which had been reported from the Committee on Claims with an amendment in line 4, after the words "directed to pay," to insert "out of any money in the Treasury not otherwise appropriated," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury not otherwise appropriated to J. R. King, father and administrator of the late Lawrence B. King, a lieutenant in the Air Service of the Officers' Reserve Corps, who died on duty at Clover Field, Santa Monica, Calif., the sum of $478.51, burial and transportation expenses.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The bill was reported to the Senate as amended, and the amendment was concurred in.

THOMPSON-VACHE BOAT CO.

The bill (H. R. 2123) for the relief of the Thompson-Vache Boat Co., of Bonnots Mill, Mo., was considered as in Committee of the Whole. It provides that the claim of the Thompson-Vache Boat Co., of Bonnots Mill, Mo., against the United States for the loss alleged to have been sustained by the sinking of the steamer *Floyd* in the Missouri River on March 3, 1920, may be sued for by the company in the United States District Court of the Western District of Missouri, sitting as a court of admiralty and acting under the rules governing such court, and the court shall have jurisdiction to hear and determine such suit and to enter judgment or decree for the amount of such damage, including interest, and costs, if any, as shall be found to be due agtinst the United States in favor of the Thompson-Vache Boat Co., or against the Thompson-Vache Boat Co. in favor of the United States, upon the same principles and measures of liability as in like cases in admiralty between private parties and with the same rights of appeal; but such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States; and suit shall be brought and commenced within four months of the date of the passage of this act.

Mr. DIAL. Mr. President, that bill authorizes suit, as I understand, but does not provide for payment.

The PRESIDING OFFICER. The Chair understands that the bill merely provides that suit may be brought in a court of admiralty.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. KING subsequently said: Mr. President, referring to House bill 2123, which was just passed, and which, for the purpose of the remarks I am about to make, I move to reconsider——

The PRESIDING OFFICER. Without objection the vote whereby the bill was ordered to be engrossed for a third reading, read the third time, and passed, will be reconsidered.

Mr. KING. My eye has just rested upon the statement of Secretary Weeks that—

No copies of the affidavits which accompanied that letter were retained on the files of the office of the Chief of Engineers, and no papers except the above-mentioned copy of letter, therefore, accompany this reply.

I also find in a communication from the Assistant Secretary of War the following statement:

It is therefore believed that the claim of the Thompson-Vache Boat Co. is without merit, and that it should not receive a favorable report from the Committee on Claims.

I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

BILL PASSED OVER

The bill (H. R. 2126) for the relief of C. C. Carson was announced as next in order.

Mr. DIAL. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

EXAMINATION AND REGISTRATION OF ARCHITECTS IN THE DISTRICT

The bill (S. 933) to provide for the examination and registration of architects and to regulate the practice of architecture in the District of Columbia was announced as next in order.

Mr. OWEN. I ask that that bill go over.

Mr. BALL. Mr. President, I trust the Senator will not insist on his objection to the bill. It involves no extra expense to the Government or to the District, but merely provides a method whereby more efficient architects may be provided in the District. The bill will certainly fill a need in the District, and there is evidence of the necessity for such a measure in a great calamity which occurred in the District a year or two ago. As I have said, the bill involves no expense.

Mr. OWEN. I withdraw the objection.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments.

The first amendment was, in section 10, on page 4, line 6, before the word "each," to strike out "July" and insert "August," so as to make the section read:

SEC. 10. That a roster showing the names and places of business and residences of all registered architects shall be prepared by the secretary of the board during the month of June of each year; such roster shall be printed out of the funds of the board as provided in section 11. On or before the 1st day of August each year the board shall submit to the Commissioners of the District of Columbia a report of its transactions for the preceding fiscal year, together with a complete statement of the receipts and expenditures of the board, certified by the chairman and the secretary, and a copy of the said roster of registered architects.

The amendment was agreed to.

The next amendment was, on page 4, after line 11, to strike out section 12 as follows:

SEC. 12. That the said board shall have suitable quarters and equipment provided by the Commissioners of the District of Columbia.

The amendment was agreed to.

The PRESIDING OFFICER. Without objection the sections will be renumbered to correspond with the amendment which has just been made.

Mr. KING. Mr. President, I should like to have the Senator from Delaware explain the full effect of this bill. The Senator knows that too often in our municipalities there is a disposition on the part of a few of the elite or of the elect in each profession to control the profession and to determine who shall enter the profession, and they set up a sort of machine by which they eliminate from active practice in the profession those that do not measure up to such standards as they may set. What is the effect of this bill?

Mr. BALL. The bill provides for the appointment of a board by the Commissioners of the District to supervise the examination and registration of architects.

Mr. KING. Would it prevent a man from building his own house and acting as his own architect? Would a man have to go before the proposed board of five men who are architects and submit to an examination?

Mr. BALL. If the plans were approved by the engineers of the District, he would not have to do so; but the bill will prevent a man who is not qualified from holding himself out as a recognized architect in the District and having his plans accepted as an architect's plans.

Mr. KING. Is it not one of the objects of the bill—and I have not read it all, as it embraces 14 pages—to keep out of the field of competition here out-of-town architects no matter how competent and able they may be?

Mr. BALL. Mr. President, the first bill that was introduced on this subject grew out of the calamity which befell the Knickerbocker Theater. A number of persons professing to be architects in the District were drawing plans which were not sufficient in their detail and engineering aspects to insure the safety of the structures designed to be built. It was following that disaster that the first bill on this subject was introduced. This is the first time the House has been able to pass such a bill. Now I trust the Senate will also pass the bill.

Mr. KING. Mr. President, there may be very great necessity for the passage of the bill; sometimes a very great disaster or a bad decision may result in bad laws. This may be a good bill and it may be a bad bill. I am trying to find out. I shall not object; but, without knowing more about it, I shall refrain from voting, because I can not assent to it without knowing what it provides.

Mr. BALL. I will say to the Senator that this is a good bill.

Mr. FLETCHER. Mr. President, I understand that what the bill intends is that no one shall set himself up as an architect unless he is professionally qualified.

Mr. BALL. That is correct.

Mr. FLETCHER. And that no one shall undertake to practice architecture until he has stood an examination before the board selected by the commissioners.

Mr. BALL. He must be recognized by his profession as a qualified architect.

Mr. FLETCHER. He can not practice architecture until he is licensed by the proposed board. A man may draw plans, prepare designs, and all that sort of thing as an individual, but he can not set himself up and represent himself to be an architect until he has stood this examination.

Mr. McKELLAR. Under the bill will a man be able to draw his own plans and build his own house?

Mr. FLETCHER. Undoubtedly. Section 14 provides:

> That any person wishing to practice architecture in the District of Columbia under title of architect shall, before being entitled to be or be known as an architect, secure from such board a certificate of qualifications to practice under the title of architect, as provided by this act.

If he does not want to engage in the practice of architecture, the bill does not affect him. I do not know whether the bill provides that architects may come from other States and practice in the District. Can the Senator tell us anything about that? Suppose a builder here wants to erect a building, can he engage a qualified architect in New York or Boston to prepare his plans?

Mr. BALL. The bill requires that before a man may become an architect he shall know sufficient about drawings, and so forth, to pass an examination before the board, just as is required in other professions. When a man receives a certificate from the board he is entitled to represent himself to be a member of the profession.

Mr. FLETCHER. There is nothing in the bill, though, that would prevent the Senator from engaging an architect in New York or in Philadelphia or in Boston, if he so desired, to prepare plans for a building that he might wish to erect in the District.

Mr. BALL. The object of the bill is to prevent the people from selling as architects the results of their labor when they are not professional architects.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

BILLS PASSED OVER

The bill (S. 1027) to regulate the practice of optometry in the District of Columbia was announced as next in order.

Mr. BALL. Mr. President, I move that House bill 3236 be substituted for that bill. It has passed the House.

The PRESIDENT pro tempore. Is the bill on the calendar?

Mr. BALL. No; it is not on our calendar, but it has passed the House.

The PRESIDENT pro tempore. It has not yet been reported by the committee?

Mr. BALL. No; but it is here. It has come over from the House.

Mr. CURTIS. Mr. President, unless it is on the calendar, that is not permissible, and I object to it. I suggest that the bill go over. The Senator can report out the House bill, and then we can take it up.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1733) to authorize the Secretary of War to secure for the United States title to certain private lands contiguous to and within the Militia Target Range Reservation, State of Utah, was announced as next in order.

Mr. McKELLAR. Mr. President, will somebody explain that bill?

Mr. KING. Mr. President, I know only a little about it. The Government had a military post in Utah, and the target range, as I understand, is not sufficient. That is to say, the Government has not sufficient land of its own upon which to conduct target practice, and this is to enable the Government to acquire it.

Mr. ROBINSON. The bill would appear to authorize the Government to acquire private holdings within the limits of the present target range. Of course the purpose of that is apparent. If there are private lands there that might be occupied and used for private purposes, that would defeat the object of the target range.

Mr. KING. Yes

Mr. McKELLAR. Mr. President, I call attention to an apparently adverse report by the Secretary of War. He says:

> In connection with this viewpoint of the War Department it is but fair to state that provision for the acquisition of the parcels of land covered by the bill was not included in the War Department's submit of its budget for the fiscal year 1925, due to more urgent projects that had to be provided within the limiting total of funds allotted to the War Department by the President.
>
> On this account it becomes me to state that the acquisition of the real estate covered by Senate bill 1733 does not fall within the financial policy of the President for the fiscal year 1925.
>
> Sincerely yours,
>
> JOHN W. WEEKS, *Secretary of War.*

Mr. OVERMAN. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

VALIDATION OF APPLICATIONS AND ENTRIES OF PUBLIC LANDS

The bill (S. 2975) validating certain applications for and entries of public lands, and for other purposes, was considered as in Committee of the Whole, and was read, as follows:

> *Be it enacted, etc.*, That the Secretary of the Interior be, and he is hereby, authorized to issue patents upon the entries hereinafter named upon which proof of compliance with law has been filed upon the payment of all moneys due thereon:
>
> Homestead entry, Santa Fe, N. Mex., No. 026282, made by Guadalupe D. de Romero on October 24, 1916, for the west half of the southwest quarter, west half of the northwest quarter, northeast quarter of the northwest quarter, north half of the northeast quarter, and southeast quarter of the northwest quarter, section 17, township 14 north, range 22 east, New Mexico principal meridian.
>
> Additional homestead entry, Las Cruces, N. Mex., No. 017008, made by Joseph S. Morgan on April 1, 1921, for the southwest quarter of section 30, township 17 south, range 10 east, New Mexico principal meridian.

Additional homestead entry, Clayton, N. Mex., No. 028903, made by Allie M. Vickers, widow of James L. Vickers, deceased, on February 2, 1922, for the west half of section 15, township 15 north, range 30 east, New Mexico principal meridian.

Homestead entries, La Grande, Oreg., Nos. 014086 and 015372, made by James A. Wright, for the southeast quarter of the northeast quarter, east half of the southeast quarter, section 13, township 11 south, range 41 east, and lots 2 and 3, southeast quarter of the northwest quarter, northeast quarter of the southwest quarter and northwest quarter of the southeast quarter, section 18, township 11 south, range 42 east, Willamette meridian.

Homestead entry, Lamar, Colo., No. 025406, made by John Bond on April 18, 1918, for the west half of the northwest quarter of section 29, and the east half of the northeast quarter of section 30, township 21 south, range 42 west, sixth principal meridian.

Homestead entry, Montrose, Colo., No. 012686, made by Mary A. McKee (Mary A. Ryan, deceased) on November 4, 1919, for the south half of the north half and the north half of the south half, section 20, south half of the north half and the north half of the south half, section 21, township 42 north, range 13 west, New Mexico principal meridian.

Homestead entry, Cass Lake, Minn., No. 09851, made by Joseph La Fond on March 9, 1918, for lot 9 of section 17, township 55 north, range 26 west, fourth principal meridian.

Homestead entry, Blackfoot, Idaho, No. 028692, made by Margaret E. Askew (now Margaret E. Tindall), on July 10, 1918, for the north half of section 25, township 9 north, range 32 east, Boise meridian.

SEC. 2. That the entries hereinafter named be, and the same are hereby, validated, and the Secretary of the Interior authorized to issue patents thereon upon submission of satisfactory proof of compliance with the law under which such entries were allowed:

Homestead entries, Douglas, Wyo., No. 026690 and 026691, made by Peter Peterson on April 20, 1921, for lots 3 and 4 of section 30, and lot 1 of section 31, township 37 north, range 62 west, and the east half of the northeast quarter and the northeast quarter of the southeast quarter of section 20, south half of the northwest quarter and the northwest quarter of the southwest quarter of section 28, township 37 north, range 63 west, sixth principal meridian.

Homestead entry, Douglas, Wyo., No. 030379, made by Orin Lee on December 10, 1921, for the south half of section 17, township 36 north, range 85 west, sixth principal meridian.

Homestead application, Roswell, N. Mex., No. 050381, filed by Robert T. Freeland, for the north half of section 24, township 5 south, range 14 east, New Mexico principal meridian, subject to the provisions of the act of December 29, 1916 (39 Stat. L. p. 862).

Homestead entry, Santa Fe, N. Mex., No. 040823, made by Charles N. Barnhart on August 21, 1922, for the west half of section 12, township 29 north, range 10 east, New Mexico principal meridian.

SEC. 3. That the Secretary of the Interior be, and he is hereby, authorized to allow the following application to make entry:

Homestead application, Santa Fe, N. Mex., No. 046215, filed by Feles Montoya for lot 1 and the east half of the northeast quarter, section 36, township 13 north, range 3 east, and lot 10, section 31, township 13 north, range 4 east, New Mexico principal meridian, effective March 7, 1923, the date filed, and that the State of New Mexico through its proper officers be, and it is hereby, authorized to select 134.80 acres of surveyed nonmineral, unappropriated, and unreserved public land in lieu of that part of the above-described tract situate in said section 36.

SEC. 4. That homestead entry 011279, Montrose, Colo., embracing lots 5 to 20, inclusive, section 1, township 48 north, range 8 west, New Mexico principal meridian, may be perfected under the provision of section 2 of the act of July 28, 1917 (40 Stat L., p. 248), by the legal representatives of Clyde R. Hiatt.

SEC. 5. That Hiram Williams be, and he is hereby, allowed to perfect by acceptable final proof homestead entry 049024, Roswell, N. Mex., embracing lots 13 and 14 and the east half of southwest quarter of section 6, township 18 south, range 17 east, New Mexico principal meridian; and that the Secretary of the Interior be, and he is hereby, authorized to allow the application 049025, Roswell, N. Mex., of said Williams, to make an additional entry under section 4 of the stock raising homestead act of December 29, 1916 (39 Stat. L., p. 862), for lots 5 to 12, both inclusive, and southeast quarter of said section 6.

SEC. 6. That the Secretary of the Interior be, and he is hereby, authorized to issue to Francis W. Woodward a patent for the fractional west half of northwest quarter and the fractional northwest quarter of southwest quarter of section 18, township 28 north, range 6 west, fourth principal meridian, Wisconsin, upon payment therefor at the rate of $1.25 per acre.

SEC. 7. That the Secretary of the Interior be, and he is hereby, authorized to issue a patent to Lukas Zullig and Max Zullig, infant children of Robert Zullig, under homestead entry 06833, Lakeview, Oreg., for the southeast quarter of section 14 and northeast quarter of section 23, township 26 south, range 18 east, Willamette meridian.

SEC. 8. That the Secretary of the Interior be, and he is hereby, authorized to allow Y. Charles Earl, of Blackshear, Ala., to purchase at private sale, at the rate of $1.25 per acre, the southeast quarter of southeast quarter of section 23, township 3 north, range 3 east, St. Stephens meridian, Alabama.

SEC. 9. That the Sabine Lumber Co., of St. Louis, Mo., be, and it is hereby, authorized to purchase at private sale the southwest quarter of southwest quarter of section 23, township 1 north, range 19 west, fifth principal meridian, Arkansas, at the rate of $1.25 per acre.

Mr. LADD. Mr. President, at the request of the Secretary of the Interior, I desire to amend this bill by the addition on page 3, after line 17, of the matter which I send to the desk.

The PRESIDENT pro tempore. The Senator from North Dakota proposes an amendment, which will be stated.

The READING CLERK. On page 3, after line 17, it is proposed to insert the following:

Homestead entry, Missoula, Mont., No. 08533, made by Hudson L. Mason on August 24, 1920, for lots 1, 2, 3, 4, 5, and 6, and the south half of the northwest quarter, southwest quarter of the northeast quarter, northwest quarter of the southeast quarter, and northeast quarter of the southwest quarter, section 1, township 7 south, range 15 west, Montana principal meridian.

The amendment was agreed to.

Mr. ROBINSON. Mr. President, this appears to be something in the nature of an omnibus bill validating homestead entries. I presume they are all approved by the Interior Department, or recommended by the department?

Mr. LADD. The bill was submitted by the Interior Department, and there is a written report covering each item.

Mr. MCKELLAR. Was there a unanimous report of the committee?

Mr. LADD. There was. I may say that the bill covers only little technicalities here and there that the Secretary felt he would rather have Congress approve than approve himself.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MISSISSIPPI RIVER BRIDGE, MINNESOTA

The bill (S. 2977) granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River was announced as next in order.

Mr. LADD. Mr. President, inasmuch as a House bill identically the same has passed the House and is on the calendar, I ask that House bill 8229, Order of Business No. 474, on page 16 of the calendar, be substituted in place of this bill.

The PRESIDENT pro tempore. The question is on the motion of the Senator from North Dakota.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 8229) granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 2977 is indefinitely postponed.

LANDS IN FORT ASSINNIBOINE MILITARY RESERVATION, MONT.

The joint resolution (S. J. Res. 90) providing an extension of time for payment by entrymen of lands on the Fort Assinniboine abandoned military reservation in the State of Montana was considered as in Committee of the Whole, and was read, as follows:

Resolved, etc., That the act of January 6, 1921 (41 Stat. L. p. 1086), providing additional time for the payment of purchase money under homestead entries within the former Fort Assiniboine Military Reservation, in Montana, be, and the same is hereby, amended so as to authorize extensions of time from year to year for the payment of all unpaid principal upon the payment of interest thereon in advance at the rate specified in the said act, for not to exceed 10 years from date of entry.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

HOMESTEAD ENTRIES, ETC., FORT BERTHOLD INDIAN RESERVATION, N. DAK.

The bill (H. R. 4494) authorizing extensions of time for the payment of purchase money due under certain homestead entries and Government land purchases within the Fort Berthold Indian Reservation, N. Dak., was considered as in Committee of the Whole.

Mr. KING. Mr. President, I should like to inquire whether this means that white settlers upon Indian lands have the time extended for making payment, and if so, whether such extension is with the approval of the tribe? The reason why I make the inquiry is because a number of complaints have been brought to my attention, and I know to the attention of the Committee on Indian Affairs, by representatives of the Indian tribes, that where lands have been taken from their reservation and sold, or where entries have been made by white settlers upon their lands, payments have been deferred by act of Congress or by regulations of the Interior Department, which has resulted, of course, in deferring for a very long period the payment of money which the Indians had relied upon; and they have made complaints in many instances because of these deferred payments, and have claimed that they were deferred in some instances without their consent.

Mr. LADD. Mr. President, as I recall, Fort Berthold Indian Reservation is an old reservation that has been given up, this portion of it, and opened to settlers.

Mr. KING. Does the Senator recall whether the payments derived from the sale go to the Indians or go to the Government?

Mr. LADD. They go to the Government.

Mr. KING. I have no objection.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

WILLIAM KAUP

The bill (S. 953) for the relief of William Kaup was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the homestead entry of William Kaup on farm unit E. Huntley reclamation project, Montana, under the act of June 17, 1902, the said entry being known as lot 2, section 31, township 3 north, range 29 east, principal meridian, is hereby validated, subject to further compliance with the law.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. This bill is the unfinished business.

Mr. McKELLAR and other Senators. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

FIRST LIEUT. HARRY L. ROGERS, JR.

The bill (S. 2138) for the relief of First Lieut. Harry L. Rogers, jr., was considered as in Committee of the Whole.

The bill had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of," to strike out "$902.63" and insert "$700," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to Harry L. Rogers, jr., first lieutenant, Infantry, United States Army, out of any money in the Treasury not otherwise appropriated, the sum of $700, as reimbursement for the loss sustained by him as commanding officer of the Twenty-fifth Recruit Company, Fort Slocum, N. Y., when such amount was stolen on or about April 1, 1921, by his company clerk, who immediately thereafter deserted.

The amendment was agreed to.

Mr. KING. Mr. President, may I ask the Senator from New York [Mr. WADSWORTH] whether any arrangements are made by which these clerks or custodians of war funds in the various departments are under bond, so that in cases like this, where there is a defalcation or a theft, the Government may recover?

Mr. WADSWORTH. I am not familiar with the terms of this bill. It did not come from the Committee on Military Affairs.

Mr. KING. No; it comes from the Claims Committee; but it is to reimburse an officer for money stolen.

Mr. WADSWORTH. No; a commissioned officer in the Army handling or disbursing funds, as in a case of this sort, is not under bond; but if loss occurs—in the event, for example, that funds are stolen by some other person—they are charged against the officer's account. If he can show, however, that the theft has been perpetrated through no neglect of his own, the War Department is glad to ask the Congress to relieve the officer of responsibility for the funds.

Mr. KING. Does not the Senator think that it might be wise for the War Department to require bonds to be given by those who are custodians of funds?

Mr. WADSWORTH. That would involve a very large expense upon a very large number of officers; and I think that if the Senator will think over the matter he will agree that, taking the history of the United States Army as a whole for 130 years, the amount of money lost to the Government of the United States through the negligence of Army officers in cases of this sort is infinitesimal.

Mr. KING. I think that is true.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 2793) for relief of estate of Anne C. Shymer was announced as next in order.

Mr. OVERMAN. Mr. President, this question ought to be left to the commission. The commission passes on all these claims and is now sitting. This bill ought not to be here at all. It is for property that was lost on the *Lusitania*, as I understand. There is a commission now sitting on all claims for losses sustained by the sinking of the *Lusitania*.

Mr. ROBINSON. Apparently the basis of the claim is that it was sent to the State Department by some one and lost in transit, and a bill was presented for $12,000; but an amendment was adopted reducing the amount to $3,900. It is a very unusual claim, and I think it had better go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 336) for the relief of Harry Ross Hubbard was announced as next in order.

Mr. KING. Mr. President, this bill, as I hastily get its meaning, involves the policy to be pursued by the Government in dealing with the Comptroller General. I ask the attention of the Senator from Nebraska [Mr. HOWELL] to this matter. Congress has passed a law giving to the Comptroller General considerable authority. He is a sort of a check on appropriations and upon the departments, and a very wise check; but we seem to be dissatisfied, and there may be grounds for the dissatisfaction with some of his decisions. The proposition now is to ignore his decisions, and reject his action, and validate payments made by subordinate officers when the Comptroller General has rejected them. I should like an explanation of this claim before I should be willing to vote for it.

Mr. ROBINSON and Mr. McKELLAR. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

ELIZABETH WOOTEN

The bill (S. 830) for the relief of Elizabeth Wooten was considered as in Committee of the Whole.

The bill had been reported from the Committee on Claims with an amendment on page 1, line 6, after the words "sum of," to strike out "$3,000" and insert "$2,000," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Elizabeth Wooten, out of any money in the Treasury not otherwise appropriated, the sum of $2,000 as compensation for injuries received and expenses incurred by reason of having been struck by a United States Army motor truck in Jacksonville, Fla., on the 27th day of May, 1918.

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS AND JOINT RESOLUTION PASSED OVER

The bill (S. 1182) to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor was announced as next in order.

Mr. KING. Mr. President, that is a very important bill. I think we are in favor of it, but we can not consider it under the five-minute rule.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 56) for the allowance of certain claims for indemnity for spoliations by the French prior to July 31, 1801, as reported by the Court of Claims, was announced as next in order.

Mr. OVERMAN. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 1) proposing an amendment to the Constitution of the United States giving Congress power to limit or prohibit child labor was announced as next in order.

Mr. WADSWORTH. Let that go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (S. 246) for the relief of Margaret I. Varnum was announced as next in order.

Mr. KING. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 354) for the relief of J. H. Toulouse was announced as next in order.

Mr. KING. Mr. President, I should like to ask whether this man was an employee of the Government at the time, and whether the work which he gave in devising these plans was within the line of his employment and within his usual hours of labor?

Mr. CURTIS. Let the bill go over, Mr. President.

The PRESIDENT pro tempore. The bill will be passed over.

ARCHIBALD L. MACNAIR

The bill (S. 825) for the relief of Archibald L. Macnair, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay Archibald L. Macnair, out of any money in the Treasury not otherwise appropriated, the sum of $1,530.10 as damages for the destruction of his Sopwith airplane by an Army service airplane, March 12, 1922, at Daytona Beach, Fla.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

RED CROSS BUILDINGS IN THE CITY OF WASHINGTON

The joint resolution (S. J. Res. 95) to authorize the American National Red Cross to continue the use of temporary buildings now erected on square No. 172, Washington, D. C., was considered as in Committee of the Whole, and was read, as follows:

Joint resolution (S. J. Res. 95) to authorize the American National Red Cross to continue the use of temporary buildings now erected on square No. 172, Washington, D. C.

Whereas by joint resolution of Congress approved the 22d day of May, 1917, authority was granted to the American National Red Cross to erect temporary structures upon square No. 172, in the city of Washington, D. C., for use in connection with its work in cooperation with the United States Government, provided said buildings erected under said authority should be removed and the site or sites thereof placed in good condition within such time as may hereafter be provided by Congress; and

Whereas the buildings erected pursuant to said resolution are still needed for use in connection with its work in cooperation with the United States Government: Therefore be it

Resolved, etc., That authority be, and is hereby, given to the central committee of the American National Red Cross to continue the use of such temporary buildings as are now erected upon square No. 172, in the city of Washington, for the use of the American Red Cross in connection with its work in cooperation with the Government of the United States: *Provided*, That any building or buildings the use of which is extended under this authority shall be removed and the site or sites thereof placed in good condition within such times as may hereafter be provided by Congress: *Provided further*, That the United States shall be put to no expense of any kind by reason of the exercise of the authority hereby conferred.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

POST-OFFICE BUILDING, CINCINNATI, OHIO

The bill (H. R. 4200) to provide for the cleaning of the exterior of the post-office building at Cincinnati, Ohio, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to permit the cleaning of the exterior of the post-office building at Cincinnati, Ohio, in connection with the improvements in the blocks known as Fountain Square, said cleaning to be without expense to the United States and to the entire satisfaction of the representative of the Treasury Department who may be detailed for the final inspection thereof.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

LAND AT WASHINGTON, MO.

The bill (H. R. 6059) authorizing the conveyance to the city of Washington, Mo., of 10 feet of the Federal building site in said city for the extension of the existing public alley through the entire block from Oak to Lafayette Streets, was considered as in Committee of the Whole and read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to convey to the city of Washington, in the State of Missouri, by quitclaim deed, the north 10 feet of the Federal building site in the said city of Washington, Mo., to be used for an extension of the existing public alley through the entire block from Oak to Lafayette Streets, which said existing public alley now extends but half way through said block, to be used for a public alley and for no other purpose: *Provided, however*, That the city of Washington shall open said extension to the existing public alley as herein authorized to be granted, and improve and maintain the same as other public alleys of said city are improved and maintained; also, that the city of Washington shall bear all expense incident to the moving of the north curb and the partial rebuilding of the driveway entrance to the Government lot, made necessary by the establishment of the new alley line along the northern boundary of the Federal building site: *Provided further*, That the city of Washington shall not have the right to sell or convey the land herein authorized to be granted, or any part thereof, or to devote the same to any other purpose than as hereinbefore described, and in the event that the said land shall not be used for the purpose of a public alley it shall revert to the United States.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

RELIEF OF AGRICULTURE

The bill (S. 3091) declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes, was announced as next in order.

Mr. OVERMAN. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

EXTENSION OF RITTENHOUSE STREET

The bill (S. 2593) for the extension of Rittenhouse Street, in the District of Columbia, was considered as in Committee of the Whole.

The bill had been reported from the Committee on the District of Columbia with amendments, on page 2, to strike out lines 5, 6, and 7, as follows:

Such proceedings shall be governed as to assessment of damages and benefits under the laws of said District provided for the condemnation and extension of streets and avenues.

Also to strike out lines 19, 20, and 21, as follows:

Such estimate, with suitable report as to the cost of such conduit, shall be made to Congress in the next annual report of said commissioners.

So as to make the bill read:

Be it enacted, etc., That upon the filing by the owners in the surveyor's office of the District of Columbia a dedication of the land necessary to extend Rittenhouse Street from the Metropolitan Branch of the Baltimore & Ohio Railroad Co. east to Sligo Mill Road, through parcels or tracts of land known as 115/51 and 115/52, the Commissioners of the District of Columbia are hereby authorized and directed, within 30 days thereafter, to institute and prosecute proceedings in the Supreme Court of the District of Columbia holding a district court, for the condemnation of the land necessary for the remainder of said street, so as to extend same from its present terminus at Blair Road east to Sligo Mill Road in accordance with the approved highway plan for the District of Columbia.

And when the land for said street is so dedicated and condemned, the said street shall be taken and used with its present grade at said railroad tracks with the same intent and meaning as any other street so situated, any law or regulation to the contrary notwithstanding.

And said commissioners are hereby directed to cause to be prepared by the engineer department of the District of Columbia plans and secure estimates looking to the construction of a conduit to create and provide a suitable roadway through said street under the tracks of the Baltimore & Ohio Railroad.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MEDICAL SOCIETY OF THE DISTRICT OF COLUMBIA

The bill (H. R. 4122) to amend an act entitled "An act to revive, with amendments, an act to incorporate the Medical Society of the District of Columbia," approved July 7, 1838, as amended, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the act entitled "An act to revive, with amendments, an act to incorporate the Medical Society of the District

of Columbia," approved July 7, 1838 (6 Stat. L. p. 741), as amended, be, and the same hereby is, amended so as to read as follows:

"That Doctors George Wythe Cook, William Gerry Morgan, John B. Nichols, John D. Thomas, E. Y. Davidson, Philip S. Roy, A. L. Stavely, Henry C. Macatee, E. G. Sibert, J. Russell Verbrycke, jr., A. W. Boswell, Charles S. White, J. A. Gannon, D. S. Lamb, and Virgil B. Jackson, and such other persons as they may associate with themselves, and their successors, be, and they hereby are, constituted a body corporate not for profit, of the District of Columbia, for the purpose of promoting and disseminating medical and surgical knowledge and for no other purpose, and not for the purpose of establishing a medical school or schools.

"SEC. 2. That the Medical Society of the District of Columbia be, and it is hereby, empowered to own, mortgage, and convey such property as may be necessary for its purposes, and to make such rules and regulations as it may require, and which may not be repugnant to the Constitution or laws of the United States.

"SEC. 3. That Congress may at any time alter, amend, or annul this act of incorporation of said society."

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BERNICE HUTCHESON

The bill (H. R. 3148) for the relief of Bernice Hutcheson was announced as next in order.

Mr. KING. I would like to inquire if the War Department which must have made an examination, recommends the payment of this claim. Since asking the question I see that in the concluding paragraph of the report, on page 3, the Secretary of War, Mr. Weeks, refrains from a positive recommendation for or against the claim in question.

Mr. DIAL. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

HUBERT REYNOLDS

The bill (H. R. 5541) for the relief of Hubert Reynolds was announced as next in order.

Mr. ROBINSON. Mr. President, that bill should be explained.

Mr. CURTIS. Let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

EDWARD T. WILLIAMS

The bill (H. R. 5808) for the relief of Edward T. Williams was considered as in Committee of the Whole and was read as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the accounts of Edward T. Williams, acting postmaster at Niagara Falls, N. Y., in the total sum of $87,932.77, due the United States on account of losses as the result of burglary on June 2, 1920, as follows: Postal funds, $4,306.27; postage stamps, $32,734.27; 8,044 war savings stamps, at $4.17 each, $33,543.48; 20,225 thrift stamps, at 25 cents each, $5,056.25; and internal revenue stamps, $12,292.50.

Mr. KING. I would like to have an explanation of the bill.

Mr. WADSWORTH. Mr. President, this bill is for the relief of the postmaster at Niagara Falls, or, rather, the man who was acting as postmaster, Mr. Edward T. Williams, for a total of $87,932.77, that being the amount stolen from the office; in postal funds, $4,306.27; postage stamps, $32,000; 8,044 war savings stamps, at $4.17 each, a total of $33,000; 20,225 thrift stamps, at 25 cents each, $5,056.25; and internal revenue stamps amounting to $12,392.50.

This bill has passed the House. It would seem that the theft occurred at this office through no negligence on the part of the postmaster. Under the regulations of the department the postmaster is held liable for this amount. Obviously, it is utterly impossible for him to pay $87,000 into the Federal Treasury. This bill is for the purpose of relieving him of that liability. It was a case of robbery.

Mr. KING. They could have had burglary insurance.

Mr. WADSWORTH. The Post Office Department does not carry burglary insurance.

Mr. McKELLAR. The postmaster could not have been required to take out insurance.

Mr. WADSWORTH. No. It is one of those unfortunate cases that sometimes happen, and under the statutes the postmaster is responsible.

Mr. KING. Was it prudent to keep such a large amount on hand?

Mr. WADSWORTH. Niagara Falls is a city of 40,000 or 50,000 inhabitants, and that amount of postage stamps is required to be kept on hand in the office.

Mr. DIAL. Has anyone been arrested or prosecuted in connection with the matter?

Mr. WADSWORTH. I am not informed as to that. Of course, that is a matter in the hands, in the first instance, of the post-office inspectors, and if they can possibly trace the thief, the testimony is turned over to the United States attorney, and the Senator knows that the arm of the Federal Government is quite long in cases of this kind. They keep after the case until the man is found, and sometimes it takes years.

Mr. McKELLAR. I suppose the postmaster has not paid the money, but this is merely to relieve him from doing it?

Mr. WADSWORTH. That is the idea.

Mr. BROOKHART. There were arrests and convictions.

Mr. WADSWORTH. The Senator from Iowa prompts me that there were arrests and convictions. I was not familiar with that side of the question.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

GREAT LAKES ENGINEERING WORKS

The bill (S. 698) for the relief of the Great Lakes Engineering Works was announced as next in order.

Mr. DIAL. Let that go over.

Mr. ROBINSON. This is merely to refer to the Court of Claims for adjudication a claim for damages alleged to have grown out of a collision between a United States steamship and a steamship belonging to the Great Lakes Engineering Works. It seems to be appropriate to refer it to the Court of Claims for adjudication, if the Senator will withdraw his objection to its consideration.

Mr. FLETCHER. I suggest also the absence, on account of serious illness, of the Senator who introduced the bill. He is not here to look after it.

Mr. ROBINSON. The Senator who reported the bill is absent, and requested me to look after it.

Mr. FLETCHER. I think it ought to be passed.

Mr. DIAL. Mr. President, I had not read far enough down to see where it was stated that it would be referred to the Court of Claims. I thought it was to be adjusted out of court. I am very much in favor of referring cases to the court, and I withdraw my objection.

The bill was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the claim of the Great Lakes Engineering Works, a corporation organized under the laws of the State of Michigan, with its principal place of business in the city of Detroit, in said State, owner of the steamship *Frank H. Goodyear*, and certain docks on the Detroit River, at Ecorse, Mich., against the United States for damages alleged to have been caused by collision between the U. S. S. *Isla de Luzon* and said steamship *Frank H. Goodyear* on May 24, 1917, in the Detroit River, at Ecorse, Mich., may be sued for by the Great Lakes Engineering Works in the District Court of the United States for the Eastern District of Michigan, sitting as a court of admiralty and acting under the rules governing such court, and said court shall have jurisdiction to hear and determine such suit and to enter a judgment or decree for the amount of such damages and costs, if any, as shall be found to be due against the United States in favor of the Great Lakes Engineering Works, or against the Great Lakes Engineering Works in favor of the United States, upon the same principles and measures of liability as in like cases in admiralty between private parties and with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by the order of said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

COMMERCIAL UNION ASSURANCE CO. (LTD.) AND OTHERS

The bill (S. 1975) for the relief of the Commercial Union Assurance Co. (Ltd.), Federal Insurance Co., American & Foreign Marine Insurance Co., Queen Insurance Co. of America, Fireman's Fund Insurance Co., United States Lloyds, and the St. Paul Fire & Marine Insurance Co. was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to redeem, without interest, thirteen 4 per cent United States Treasury certificates of indebtedness Nos. 12033, 12034, 12035, 12036, 12037, 12038, 12039, 12040, 12256, 12257, 12258, 12259, and 12260, of the denomination of $1,000 each, dated August 20, 1918, and maturing July 15, 1919, without presentation of such certificates of indebtedness, which have been lost, stolen, or destroyed, and to pay, from the proceeds of such redemption, to the

following companies the respective sums set after their names: Commercial Union Assurance Co. (Ltd.), $2,600; Federal Insurance Co., $2,600; American & Foreign Marine Insurance Co., $1,950; Queen Insurance Co. of America., $1,950; Fireman's Fund Insurance Co., $1,820; United States Lloyds, $1,560; St. Paul Fire & Marine Insurance Co., $520; a total sum of $13,000: *Provided*, That the said certificates of indebtedness shall not have been previously presented and paid: *And provided further*, That the said Commercial Union Assurance Co. (Ltd.), Federal Insurance Co., American & Foreign Marine Insurance Co., Queen Insurance Co. of America, Fireman's Fund Insurance Co., United States Lloyds, and the St. Paul Fire & Marine Insurance Co. shall first file in the Treasury Department of the United States a bond in the penal sum of double the amount of the principal of said certificates of indebtedness, in such form and with such sureties as may be acceptable to the Secretary of the Treasury, to indemnify and save harmless the United States from any loss on account of the lost, stolen, or destroyed certificates of indebtedness hereinbefore described.

Mr. McKELLAR. Will the Senator from Delaware please explain the bill?

Mr. BAYARD. Mr. President, this is a bill to reimburse certain insurance companies for the losses of United States Treasury certificates of indebtedness, a certain number set up in the bill.

Under the facts in the case the securities in question were shipped by one of the Federal reserve banks to the Treasury Department here and were lost in transit. They were insured with the Treasury Department by the original owners of these certificates, and the Treasury Department paid the loss. Then the Treasury Department was reimbursed by the several insurance companies named, and they were therefore subrogated to the rights of the Treasury Department, which had paid for these certificates of indebtedness which were lost. But the certificates are still outstanding evidences of debt against the United States, and therefore by subrogation belong to the subinsurers, and have not yet been paid, are owed by the United States, and are owned by these insurance companies by the doctrine of subrogation. They will give bond in double the sum of the bonds to the Federal Government, in the event of these securities turning up hereafter, and the bill is approved by the Secretary of the Treasury.

Mr. McKELLAR. That means that it will not cost the insurance companies anything? As I understand, they insured the safe delivery of the bonds?

Mr. BAYARD. The Government insured the safe delivery of the bonds, and reinsured themselves with the insurance companies. So the insurance companies have been subrogated as owners of these bonds.

Mr. KING. Did they pay the Government?

Mr. BAYARD. They paid the Government. The Government paid the original owners of the bonds, and then the Government called upon the insurance companies, who were the subinsurers of the Government, which had just insured the shippers.

Mr. McKELLAR. Does the bill provide that if these bonds turn up at any time——

Mr. BAYARD. There is a provision in the bill indemnifying the Government in case they turn up. Every precaution is taken. There have been a number of these cases in the last two or three years, since the issue of the war securities. This is another case of subrogation. It has all been gone over by the Secretary of the Treasury, who recommends the passage of this bill, and who helped to draw the particular terms of it.

Mr. McKELLAR. It looks like an unusual proceeding. The Government insures itself against loss in the transportation of bonds, and the insurance companies pay the Government, and then the Government pays the insurance companies. The Government might still not have insured in the first place.

Mr. BAYARD. The bonds did not belong to the Government in the first place. They were shipped by one of the Federal reserve banks to the Treasury Department here, but they were not in the ownership of the Government. They were shipped on account of other parties, and were insured by the Government. The Government had reinsured those, as a precaution against loss, and then the Government paid the original shippers the face value of the bonds, and then collected from the subinsurers, and by the doctrine of subrogation the subinsurers became the owners of the bonds, which are still outstanding, which are still owing.

Mr. KING. I would like to ask the Senator a question. I do not understand this case yet. As I understand, the bonds were lost, and the Government of the United States paid in cash the par value of the bonds, plus accumulated interest.

Mr. BAYARD. Not interest.

Mr. KING. Paid for the bonds, then. The bill calls for the payment of the amount which the Government has already paid to the insurance companies, so the Government will make two payments, though it has received but one.

Mr. BAYARD. Oh, no. The Government received payment for the bonds when it issued them. Do not forget that. These bonds were issued once by the Government, and the Government received par for the bonds, and the owners of the bonds shipped them from the Federal reserve bank to the Treasury Department here, and they were lost in transit. But the Government had insured the safe delivery of those bonds, and they not having been delivered—in fact, being lost—the Government then paid the shippers of the bonds, but it had reinsured itself in the meantime, and collected that money, which was paid to the shipper, from the reinsurers, who in turn became subrogated as owners of those bonds.

Mr. McKELLAR. Suppose the bona fide owner of those bonds turns up and demands from the Government that they pay him? Then the Government will be paying for them twice, certainly.

Mr. BAYARD. I tried to explain to the Senator that these insurance companies give bond in twice the amount of the bonds.

Mr. McKELLAR. In other words, the insurance company proceeds on the theory that the bonds have been lost permanently and will not come into the hands of an innocent holder.

Mr. BAYARD. And the Government owes the money on them. They are fully indemnified under the terms of the bill.

Mr. McKELLAR. How long ago did this happen? It seems to me they might wait awhile.

Mr. BAYARD. I do not remember the exact date.

Mr. ROBINSON. Shipment was made July 1, 1919, according to the report.

Mr. BAYARD. And the bonds have matured.

Mr. FLETCHER. I understand the situation to be that these were original Government bonds issued by the Government, sold to A, B, and C, and that A, B, and C took the bonds to the Federal reserve bank to be sent on to Washington. The Federal reserve bank insured the bonds——

Mr. BAYARD. With the Government.

Mr. FLETCHER. I do not suppose so. The Federal reserve bank is responsible to the shipper for the bonds. They took out insurance to protect themselves. The Government did not actually insure them, but the Federal reserve bank was liable for the delivery of the bonds, and the bank took out insurance, and then when the bonds were lost the bank had to pay the owners of the bonds and call on the insurance company to reimburse them.

Mr. BAYARD. No. What happened was that the insurance was taken by the Federal Government because they were sent by mail.

Mr. McKELLAR. What sort of bond was given, a surety-company bond?

Mr. BAYARD. It is the regular bond provided in similar cases by Government authority.

Mr. McKELLAR. It may be merely a private bond.

Mr. BAYARD. I imagine not.

Mr. McKELLAR. It seems to me it is bad business unless the bond is beyond question. If it is merely an individual bond, it may not be much security. I am talking about the bond they have offered for security.

Mr. ROBINSON. That is all subject to approval of the Treasury Department. I think the bill is all right. The next bill is of the same character.

Mr. BAYARD. The bill is similar except the facts are not quite the same. The principle involved is the same exactly.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

COMMERCIAL UNION ASSURANCE CO. (LTD.), AND OTHERS

The bill (S. 1976) for the relief of the Commercial Union Assurance Co. (Ltd.), Federal Insurance Co., American & Foreign Marine Insurance Co., Queen Insurance Co. of America, Fireman's Fund Insurance Co., St. Paul Fire & Marine Insurance Co., and the United States Lloyds was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to redeem, without interest, two 4½ per cent United States Treasury certificates of indebtedness Nos. 7012 and 7013 of the denomination of $5,000 each, dated April 10, 1918, and maturing July 9, 1918, without presentation of such certificates of indebtedness, which have been lost, stolen, or destroyed,

and to pay from the proceeds of such redemption to the following companies the respective sums set after their names: Commercial Union Assurance Co. (Ltd.), $2,000; Federal Insurance Co., $2,000; American & Foreign Marine Insurance Co., $1,500; Queen Insurance Co. of America, $1,500; Firemen's Fund Insurance Co., $1,400; St. Paul Fire & Marine Insurance Co., $400; and United States Lloyds, $1,200; a total sum of $10,000: *Provided*, That the said certificates of indebtedness shall not have been previously presented for payment: *Provided further*, That the said Commercial Union Assurance Co. (Ltd.), the Federal Insurance Co., the American & Foreign Marine Insurance Co., the Queen Insurance Co. of America, the Fireman's Fund Insurance Co., the St. Paul Fire & Marine Insurance Co., and the United States Lloyds, shall first file in the Treasury Department of the United States a bond in the penal sum of double the amount of the principal of said certificates of indebtedness, in such form and with such sureties as may be acceptable to the Secretary of the Treasury, to indemnify and save harmless the United States from any loss on account of the lost, stolen, or destroyed certificates of indebtedness hereinbefore described.

Mr. McKELLAR. I suppose the same principle is involved here that was involved in the bill just passed?

Mr. BAYARD. The same principle is involved, but on a different state of facts.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PERLEY MORSE & CO.

The bill (S. 2124) for the relief of Perley Morse & Co. was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

FREDERIC K. LONG

The bill (S. 2022) to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That the President be, and he is hereby, authorized to reconsider the record of trial of Frederic K. Long, who on March 19, 1924, while a captain of Infantry in the Regular Army, was dismissed the service of the United States pursuant to a sentence adjudged by general court-martial; and if upon reconsideration of said record of trial in connection with the record of service of said Frederic K. Long, including his service during the World War, the President shall determine that the ends of justice and discipline and the public interest would be served better by loss of a certain number of files in military rank and in position on the promotion list than by permanent separation from the military service, the President is hereby authorized, by and with the advice and consent of the Senate, to reappoint said Frederic K. Long a captain of Infantry in the Regular Army, to fill the next or any subsequent vacancy in the grade of captain, with such date of rank not earlier than his former date of rank and such place upon the promotion list not above his former place upon that list as to the President may seem just and advisable.

Mr. KING. I would like to understand the necessity for this legislation.

Mr. WADSWORTH. This is a case which appealed to the Committee on Military Affairs very strongly.

Mr. ROBINSON. The officer was found guilty of having failed to pay his obligations on several occasions.

Mr. WADSWORTH. Yes. This officer served during the war in France. He was found guilty since the war—he was still in the regular service—of having failed to pay his just obligations after having promised on several occasions in writing to do so. He was finally court-martialed and was sentenced to be dismissed from the service. Before the papers in the case reached the Secretary of War for approval, a former Assistant Secretary of War, the Hon. J. M. WAINWRIGHT, now a Member of the House of Representatives, visited in person the Secretary of War, and asked that official if he would hold the papers on his desk before the dismissal was approved in order that he, Mr. WAINWRIGHT, might have an opportunity to give him, the Secretary of War, some additional information about the officer. The Secretary of War agreed to do that, and agreed to do it in perfectly good faith, especially because Mr. WAINWRIGHT served with this man in France and knew his military record from close, constant daily observation.

Unfortunately the papers passed over Secretary Weeks's desk with his approval without his having had his attention recalled to the fact that he was to see Mr. WAINWRIGHT. When it was discovered, the Secretary of War was very much aggrieved at his own failure to give the supplemental hearing, as it were, to former Assistant Secretary WAINWRIGHT, who incidentally had been this officers' comrade in France. Upon considering the case the Secretary of War agreed with Mr. WAINWRIGHT to support a bill which might be introduced and passed by the Congress, the effect of which would be to reopen the case and give a chance for the additional testimony to be introduced. That is the purpose of the bill.

Mr. McKELLAR. Is it cause for dismissal that an officer does not pay his debts?

Mr. WADSWORTH. Oh, yes.

Mr. ROBINSON. The bill does not reinstate the officer?

Mr. WADSWORTH. It does not.

Mr. ROBINSON. It merely authorizes the President to look into the facts with a view of reinstating him if the circumstances justify that action?

Mr. WADSWORTH. That is the entire purpose of the bill.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

UNDERWOOD TYPEWRITER CO. AND FRANK P. TROTT

The bill (H. R. 4647) for the relief of the Underwood Typewriter Co. and Frank P. Trott was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay $707.50 from the appropriations originally applicable to the Underwood Typewriter Co. for 17 Underwood typewriters delivered to various field offices of the General Land Office during the fiscal year 1921, valued at $1,147.50, less the value of 17 unserviceable typewriters taken in exchange, valued at $400, claims for which were disallowed by the Auditor for the Interior Department because of the act of May 29, 1920 (41 Stat. L. p. 688).

That the Comptroller General be, and is hereby, directed to allow credit in the accounts of Frank P. Trott, United States surveyor general of Arizona, the sum of $42.50, being the amount suspended by the Comptroller General in the settlement of his accounts for the period October 1, 1920, to June 30, 1921, under the appropriation, "Deposits by individuals for surveying public lands," for payment to the Underwood Typewriter Co. for one Underwood typewriter.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

SOUTHERN PACIFIC CO.

The bill (H. R. 6012) to confer jurisdiction upon the Court of Claims to ascertain the cost to the Southern Pacific Co., a corporation, and the amounts expended by it from December 1, 1906, to November 30, 1907, in closing and controlling the break in the Colorado River, and to render judgment therefor, as herein provided, was considered as in Committee of the Whole and was read, as follows:

Whereas at the request of President Roosevelt and under the stress of great emergency, from December 1, 1906, to November 30, 1907, the Southern Pacific Co. closed and controlled the break in the Colorado River and thereby prevented the overflow and destruction of 1,214,000 acres of irrigable land in the Imperial Valley in southern California and saved to the Government the Laguna Dam and the Yuma reclamation project connected therewith in Arizona as well as thousands of acres of other Government land along the Colorado River: Therefore

Be it enacted, etc., That the claim of the Southern Pacific Co., a corporation, against the United States for reimbursement and repayment to such company of the cost to said company and the amounts expended by it from December 1, 1906, to November 30, 1907, in closing and controlling the break in the Colorado River, be, and such claim is hereby, referred to the Court of Claims, and full jurisdiction is hereby vested in said court to ascertain the amounts actually expended and the actual costs incurred by the said Southern Pacific Co. in closing and controlling said break within said period and to render judgment in favor of said Southern Pacific Co. and against the United States of America for such aggregate amounts, less such proportion of such expenditures and costs as would be fair and reasonable to be deducted as said company's share of such expenditures and costs and the share of any subsidiary corporation of said Southern Pacific Co., because of the amount and probable value of the land and improvements thereon belonging at the time to said company or any subsidiary corporation of said Southern Pacific Co., and which in the opinion of said court were saved by the closing and controlling of said break, as compared with the amount and probable value of the other land, improvements, and other property belonging at the time to the United States Government and occupants and settlers and exclusive of railroad holdings and holdings of any subsidiary corporation of said Southern Pacific Co. which in the opinion of said court were also saved by the closing and controlling of said break; with the right of appeal to both parties, and no statute of limitations shall apply to the right of recovery by said claimant. In ascertaining and determining aforesaid costs, expenses, facts, and matters the court may receive and consider all papers, depositions, records, correspondence, and documents heretofore at any time filed in Congress or with committees thereof and in the

executive departments of the Government, together with any other evidence offered.

Mr. OVERMAN. I ought to object to the bill because it renders judgment.

Mr. KING. Will the Senator withhold his objection until the Senator from California [Mr. SHORTRIDGE] may offer an explanation? I think we considered a similar bill favorably at the former session.

Mr. SHORTRIDGE. A bill to the same effect was introduced at the last session and was referred to the Committee on Claims, which reported unanimously in favor of its passage. I introduced a bill of this character at this session. The immediate bill now before the Senate was introduced in the House, favorably reported, and came to us here. It is a most meritorious bill.

Mr. OVERMAN. Several Senators around me tell me that it was before the Senate and was gone into very carefully, so I withdraw my objection, although I do not think the Court of Claims ought to be allowed to render judgment.

Mr. ROBINSON. This claim has been pending before the Congress for a great many years. It has been investigated and reinvestigated by the committees in both Houses of Congress, and many favorable recommendations have been made respecting the claim. I believe the bill ought to pass. I think, in good faith, considering the circumstances under which the claim arose, that it is the duty of the Government to make arrangements to see that it is promptly adjudicated and finally paid.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

ALBERT O. TUCKER.

The bill (S. 2035) for the relief of Albert O. Tucker was announced as next in order.

Mr. DIAL and Mr. KING. Let the bill go over.

Mr. CAMERON. Mr. President, I hope the Senators will withhold their objection until I can make a brief explanation.

This is a bill for the relief of Albert O. Tucker. It is a most meritorious case. This man is 87 years old. He is in very destitute and feeble condition. Owing to the fact that he has been unable to submit evidence to the effect that he was unable to return to duty because of wounds and injuries, or disease received or contracted in line of duty, the War Department is unable to issue a discharge to him. An effort has been made to locate the doctor who attended him during the illness, or some one who could substantiate his testimony, but without success. The physician who attended him has no doubt been dead for a long time.

In view of his age and pitiable condition the committee was of the opinion that he should be given the benefit of any doubt that may exist as to his record, and that he should receive a pension for the few remaining years of his life. I think it is the duty of the Senate at least to allow him to have an honorable discharge, as there is no back pension involved.

Mr. KING. I find in the report which has been submitted the following language:

> On which date it is shown that he left his company while on the march and did not return. Prisoner-of-war records show that he was taken prisoner at Suffolk, Va., July 8, 1863; that he was confined at Richmond, Va., July 10, 1863; that he was paroled at City Point, Va., July 14, 1863; that he reported at Camp Parole, Md., July 15, 1863, and that he deserted from that camp July 23, 1863.

It looks as though he had the habit of deserting, because he left twice in a month.

Mr. CAMERON. Will the Senator read further?

Mr. KING. If there is anything the Senator wants to read, I shall be glad to have him do so.

Mr. CAMERON. I read further:

> In January, 1865, he went to Augusta, Me.——

Mr. KING. The Senator asked me to go on further. Of course, he meant in the same paragraph?

Mr. CAMERON. I would be very glad to have the Senator read that paragraph.

Mr. KING. It reads as follows:

> Nothing has been found of record to show that Tucker ever returned to his command or notified the military authorities of his whereabouts or the cause of his absence.

That is confirmatory evidence of desertion. I presume the Senator wants to read the affiant's statement?

Mr. CAMERON. I do.

Mr. KING. It is ex parte.

The PRESIDENT pro tempore. Objection has already been made, and the bill will go over.

OOSTANAULA RIVER BRIDGE, GEORGIA

The bill (S. 3025) to authorize the construction of a bridge across the Oostanaula River, in Gordon County, Ga., was considered as in Committee of the Whole.

The bill had been reported from the Committee on Commerce with amendments, on page 1, line 3, to strike out the words "county of Gordon, in the State of Georgia," and insert in lieu thereof the words "Highway Department of Georgia," and on page 2, after line 2, to insert a new section, as follows:

> SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

So as to make the bill read:

Be it enacted, etc., That the Highway Department of Georgia, its successors and assigns, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Oostanaula River, in Gordon County, Ga., at a point suitable to the interests of navigation, on the road between Calhoun, Gordon County, Ga., and Dalton, Whitfield County, Ga., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NUMBER OF NATIONALS ADMITTED INTO THE UNITED STATES

The resolution (S. Res. 202) directing the Secretary of Labor to furnish information as to number of nationals admitted into the United States during the past 12 months was announced as next in order.

Mr. WILLIS. The resolution relates to immigration matters that have already been passed upon. I do not think any good purpose would be served by its passage. I suggest that it go over.

The PRESIDENT pro tempore. The resolution will be passed over.

REFUNDS TO WORLD WAR VETERANS ON RECLAMATION PROJECTS

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2397) to provide for refunds to veterans of the World War of certain amounts paid by them under Federal irrigation projects, which had been reported from the Committee on Irrigation and Reclamation with amendments.

The first amendment was, in section 2, page 2, line 9, after the word "time," to strike out "prior to the date of passage of this act" and to insert "since April 6, 1917"; and in line 14, after the word "after," to strike out "April 1, 1917," so as to read:

> SEC. 2. (a) Any veteran—who at any time since April 6, 1917, has made entry upon a farm unit within a Federal irrigation project under the reclamation law and (1) who no longer retains such entry because of cancellation by, or relinquishment to, the United States, or (2) who, prior to receipt by him of a final certificate in respect of such entry, but in no case more than one year after the date of passage of this act, desires to relinquish such entry—may, in accordance with regulations prescribed by the Secretary of the Interior, file application for the refund provided in subdivision (b). A veteran who has been compensated, in cash or otherwise, for any such relinquishment shall not be entitled to the benefits of this act, and before payment of such refund the Secretary of the Interior, under such regulations as he may prescribe, shall require proof that the veteran has not been so compensated.

The amendment was agreed to.

Mr. KING. I should like the Senator from Wyoming, who introduced the bill, to explain its terms.

Mr. KENDRICK. Mr. President, the purpose of this bill is to refund to veterans of the World War such moneys as they have paid on construction charges on claims selected by them on reclamation projects. Only in cases where they have failed to finish their proof on those projects are they allowed or entitled under the bill to a refund of the original payments. The bill does not allow them any refund for the maintenance charges or the overhead charges; it does not propose to return to the veteran the cost of any improvements that he may have put on the land. It merely proposes to return the original amount paid in construction charges where he has failed to finish his proof and to receive title to the land.

Under the circumstances it is inconceivable that the Government would want to profit on the veterans of the World War. In case the money is returned to the veteran the bill provides by an amendment that that shall be deemed a relinquishment of all his rights, which, of course, means that the

Government still holds the land and still owns the water rights that go with the land. The Government will not be out a single cent.

The land is improved to whatever extent the veteran has contributed improvements; but it is not proposed that there shall be any refund because of improvements in the shape of houses, fences, and plowing and planting. All of these improvements are to be relinquished and abandoned to the Government, and I repeat there is to be no return of overhead and maintenance charges.

Mr. KING. I was about to ask the Senator, would it not be better to provide for an extension of the time within which to make payments, to encourage the veteran to acquire a home by giving him advantageous terms, than to encourage him by this law to abandon the property and receive back the pittance which he has paid to the Government?

Mr. KENDRICK. That arrangement is now proposed by legislation which, I hope, will shortly come before the Senate, which provides for an extension of time, and in some cases, I believe, for deductions from the original price of the land and the water rights; but in the cases covered by this bill—and there are not many of them; they are very limited—the veterans have forsaken the land and have abandoned the right to it because, in most instances, of sickness or ill health of themselves or their families. Under no circumstances can the Government suffer any loss as a consequence of such an abandonment, and, as I have already said, it seems inconceivable that the Government should profit at the expense of these veterans.

Mr. KING. Has the Secretary of the Interior approved this proposed legislation?

Mr. KENDRICK. The Secretary of the Interior approves of it with the amendments which have been reported by the committee.

Mr. DIAL. I desire to know whether or not if this bill be passed it would establish a precedent for treating others in the same position in like manner and thus extending the principle? Of course, I want to be kind to the veterans, but I am afraid there is a good deal of harm sometimes done in the name of the veterans.

Mr. KENDRICK. This bill applies only to veterans, and in any event, as I have already said, not many of them will be involved. The passage of the bill would not establish a dangerous precedent, because in the majority of the cases the veterans are benefited more directly or materially by maintaining their right to the land and making final proof; but where they have found it impossible to do that and have relinquished all their rights, and although they have actually given days and weeks and months of hard work to improving it and have in many cases made physical improvements upon the land, they are willing to sacrifice all that and leave the land, it seems only just and fair to them that they should be allowed to have the original investment in the land returned to them. Of course, they would not abandon the land and leave it through choice, but where they find it necessary to do so it seems unfair to them to insist that the Reclamation Service should profit by retaining the pitiful amount that they have invested in the property.

Mr. DIAL. Does this bill apply to all reclamation projects?

Mr. KENDRICK. It applies only to reclamation projects; and I dare say it would not involve to exceed from 15 to 20 veterans all told.

Mr. DIAL. Of course if those are all which are to be included not much harm could happen. I do not desire, however, that we shall establish a precedent which might be extended to others.

The next amendment reported by the Committee on Irrigation and Reclamation was, in section 2, page 3, line 2, after the word "authorized," to strike out the words "and directed" and to insert "to investigate the facts and, in his discretion"; and in line 7, after the word "such," to strike out the word "suit" and to insert "unit. Every such refund so approved by the Secretary of the Interior shall be paid from the appropriation for the project on which the entry in question was made," so as to make the clause read:

(b) Upon receipt of such application the Secretary of the Interior is authorized to investigate the facts and, in his discretion, to pay as a refund to any such veteran entitled thereto, a sum equal to all amounts paid to the United States by such veteran, or for his account, as construction charges and as interest and penalties on such charges in respect of such unit. Every such refund so approved by the Secretary of the Interior shall be paid from the appropriation for the project on which the entry in question was made.

The amendment was agreed to.

The next amendment was, on page 3, line 18, after the word "shall," to strike out the word "relinquish" and to insert "be deemed thereby to have relinquished," so as to make the clause read:

(b) A veteran (or his estate) accepting in respect of any farm unit the benefits of this act shall be deemed thereby to have relinquished, in accordance with regulations prescribed by the Secretary of the Interior, all right, title, or interest of such veteran (or estate) in such farm unit and any improvements thereon.

The amendment was agreed to.

The next amendment was, on page 4, after line 6, to strike out as follows:

SEC. 6. There is hereby appropriated, out of any moneys in the reclamation fund established under the reclamation law, an amount sufficient to carry out the provisions of this act.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 106) for the relief of Robert F. Hamilton was announced as next in order.

Mr. DIAL. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

MODIFICATION OF CERTAIN BARGE CONTRACTS

The joint resolution (S. J. Res. 102) authorizing the Secretary of War to modify certain contracts entered into for the sale of boats, barges, tugs, and other transportation facilities intended for operation upon the New York State Barge Canal was announced as next in order.

Mr. KING. Let the joint resolution go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

Mr. WADSWORTH. Mr. President, may I ask the Senator from Utah to withhold his objection for a moment?

Mr. KING. I will withhold it in order that the Senator may make an explanation of the joint resolution.

Mr. WADSWORTH. Mr. President, this joint resolution has to do with an unusual situation. It was examined into by the Military Affairs Committee in extensive hearings, which finally resulted in a unanimous report by the committee in favor of this measure. I may say that my colleague [Mr. COPELAND] has also examined it and thoroughly approves of this measure.

During the war the United States Railroad Administration established a line of barges on the New York State Barge Canal. As a matter of fact, the boats themselves were not finished until just about the time the war ended, but the boats were installed and the service started for the purpose of relieving the traffic congestion on the railroads, which at that time were greatly overburdened.

After the war was over the Railroad Administration transferred to the War Department the ownership of these barges, and the War Department proceeded to operate them as a Government undertaking on the New York Canal. In the transportation act passed, as I recall, in 1920, a provision was inserted by Congress directing the Secretary of War to sell these barges and cease governmental operation on the New York canals. The Secretary of War at that time advertised for bids for this group of boats. The War Department believed that they were worth more than a million dollars. They were built at war-time costs. The highest bid that was received as a result of the first advertisement was in the neighborhood of $450,000 from a certain company, but the conditions of the bid were not as favorable as even that might seem, because there was to be a cash payment of only 33⅓ per cent, and then installment payments extending over a good many months thereafter.

The War Department was dissatisfied with the bids and ordered another advertisement. Upon that advertisement the highest bid, instead of being $450,000, was $300,000. It then became apparent to the War Department that by advertising for bids they could not get responsible bidders to offer anything like the sum which had been originally expended on these barges by the Railroad Administration.

Finally the War Department persuaded a syndicate of gentlemen, most of them residing in New York, to purchase these boats on a contract under which they were to pay the principal sum of $1,000,000—$100,000 down and $150,000 to be secured by bonds, and the remainder to be paid in 72 equal monthly installments, the installments to run over 6 years.

Mr. KING. With interest?

Mr. WADSWORTH. No; I think not. The boats were turned over to the company, and the company has been struggling with the operation ever since. They have had much the same experience as the Warrior and Mississippi River barge lines have had, which have been run by the War Department itself. As a matter of fact, Colonel Ashburn, the head of inland waterways transportation on behalf of the War Department, has kept very close track of the operations of this company. The fact of the matter is the company has paid in $100,000 in cash and has paid something like $58,000 in interest and installments, and the bonding companies can be compelled to pay $150,000 more. The Government to-day is in a position to collect, all told, the principal sum of about $306,000.

The company has lost money steadily. Last year it lost $40,000 over and above its income. It simply can not meet the terms of the contract. They paid too much for the boats, and they are greatly overcapitalized, $1,000,000 being the capitalization. Their accounts have been audited twice by the War Department, and their entire business operations have been examined by Colonel Ashburn, who has had a very similar experience on the Warrior and the Mississippi Rivers.

The question arises now, Shall the Government collect from the bonding companies $150,000 and take back the boats? If it does so, it will have collected altogether $306,000, which is more money than was bid after public advertisement at the second bidding. Shall the Government take back the boats, and because the War Department, under the statute, can not operate them, endeavor to dispose of them all over again?

This bill proposes to authorize the Secretary of War to modify that original contract. He has told us that he has no right under the statute to make any modification, but desires to draft a new contract with these people, who have done their level best to live up to the old one, but who have lost everything they put in, potentially at least. Under no circumstances, however, shall the Government accept as a principal sum less than $500,000 under a modified contract.

Mr. McKELLAR. Does that mean in addition to the $158,000 that it has already received in principal and interest?

Mr. WADSWORTH. The amount is inclusive.

Mr. HOWELL. Mr. President, may I ask the Senator what is the condition of the company that entered into this contract with the Government?

Mr. WADSWORTH. The condition of their business, perhaps, may be of interest. The boats have been running full, east and west, on the barge canal; but, unfortunately, the boats were not properly designed—they were built by the Government originally—and they are not the most practical type of boats. The company has not been able to handle them in an economical manner, in addition to which the expenses of operating them have been much higher than was ever supposed would be the case. Their experience has been the same as that which Colonel Ashburn has had with the Warrior and Mississippi River boats. They have carried two-thirds of all the through freight passing over the barge canal between New York and Buffalo both ways. If they are taken off the canal by reason of the War Department taking the boats away from them, and leaving them penniless in the meantime, the shippers on the canal will be greatly inconvenienced.

The canal is slowly coming into its own. The business of barge transportation, apparently, is a new thing in the United States, and those who go into it have bitter experiences for the first two or three years. That has been the case on the lower Mississippi, on the Warrior, on the upper Mississippi, on the Ohio, on the intercoastal canal, and on the barge canal.

Mr. McKELLAR. Conditions on the lower Mississippi are improving greatly at this time.

Mr. WADSWORTH. Our people are beginning to learn the "trick of the trade" and how to run barge lines for transportation purposes.

These people are so terribly overcapitalized that they can not pay these installments and the interest. If we will permit them to reduce their capitalization by modifying the contract, there is not the slightest doubt that they can live and continue to serve the shippers of the West. Half the stuff they carry is wheat; 111,000 tons of wheat were brought from Buffalo to New York during the last canal season. If they are cut off by reason of the recapture of the barges by the Government, those shippers are the losers as well as these unfortunate gentlemen who in perfect good faith went into this enterprise but bid much too high for the property.

Mr. McKELLAR. I take it that they have paid no dividends since they have had the boats?

Mr. WADSWORTH. Oh, they have not had a penny of dividends—nothing. The accounts have been carefully audited by the War Department. We had before us Colonel Ashburn, who described the difficulties of starting barge-line transportation.

The Secretary of War has been consulted about this matter and is heartily in favor of giving these people a chance to live. Otherwise the barges will come back to the Government, and the Government can not use them, and no one will ever pay the Government anything like what these people attempted to pay.

Mr. HOWELL. Mr. President, what are the net assets of this concern?

Mr. WADSWORTH. Their statement is found on page 3 of the report.

Mr. FLETCHER. The statement is in the report.

Mr. WADSWORTH. It is quite an extended statement, and is the result of a double audit by the War Department itself. The War Department gives them a clean bill of health on their accounts, and also a clean bill of health as to the condition in which they have maintained this equipment. The equipment to-day is in what might be termed "apple-pie order."

Mr. HOWELL. The point I am arriving at is this: Are they able to pay their obligations to the Government, assuming that their property is sold in the open market?

Mr. FLETCHER. No; it would not bring anything.

Mr. HOWELL. Are their assets sufficient to pay the indebtedness to the Government were the property sold in the open market?

Mr. WADSWORTH. Oh, no; they could not pay. The Government would have to take back the property. They have fallen down on the contract. That is what has happened.

Mr. WARREN. Their sole assets are these boats.

Mr. WADSWORTH. The Government has a lien on the boats; and when these people can not meet the terms of their contract, which they should never have entered into, the Government takes back the boats.

Mr. HOWELL. But have they not the notes of this corporation?

Mr. WADSWORTH. Yes; but the Government can not collect.

Mr. HOWELL. Does the Senator mean that they have no assets outside of these boats?

Mr. WADSWORTH. No; they have not, as a corporation. The corporation was formed for this one purpose.

Mr. FLETCHER. The corporation was formed for the purpose of making this purchase, and this comprises their whole property. If they are not allowed to do this, the Government will have to take back all the boats, and the Government is not in a position to operate that line successfully. It seems that this is the only chance for the Government to realize anything out of it.

Mr. WILLIS. Mr. President, I do not desire to object to the consideration of this joint resolution, but I suggest for the consideration of the Senator from New York, whether he might be willing to let it go over until there can be joint consideration of this measure, and another bill which was reported from the Committee on Commerce to-day, proposing absolutely the opposite policy with reference to the Mississippi barge line?

Mr. WADSWORTH. The Mississippi barge line is owned and operated by the Government.

Mr. WILLIS. Precisely; I understand that. The disposition which is proposed here is, of course, exactly the opposite policy from that.

Mr. WADSWORTH. There is no analogy between the two cases. I am familiar with that bill also. That bill is to authorize the Government, which owns and operates the Warrior-Mississippi barges, to form a corporation the stock of which shall all be owned by the Government, and that the undertaking thereafter shall be operated by a Government-owned corporation. This is not a Government-owned corporation.

Mr. WILLIS. Precisely; and, as the Senator suggests, if the Government should foreclose under the rights it now has, it would have the boats, and we would have the same situation that exists in the other case.

Mr. WADSWORTH. Not at all, because the law forbids the Government operating any boats on the New York Barge Canal under any circumstances.

Mr. WILLIS. The State law?

Mr. WADSWORTH. No; the Federal law. The people of the State of New York never will permit the United States Government to use their canal in a Government operation, and thereby keep all New York citizens off of it, because the people of New York built that canal, and they own it. They

paid $167,000,000 for it, but it is free of toll for any citizen of the country. There is no analogy between the two cases.

Mr. WILLIS. It seems to me there ought to be.

Mr. WADSWORTH. There can not be.

Mr. McKELLAR. Will the Senator state again what tonnage passed through that canal over this barge line?

Mr. WADSWORTH. Two hundred and forty thousand tons.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which was read, as follows:

Whereas in pursuance of Public Resolution No. 62, approved February 27, 1921, the Secretary of War sold all boats, barges, tugs, and other transportation facilities originally intended for the New York Barge Canal to a syndicate which organized the New York Canal & Great Lakes Corporation, and transferred the aforementioned transportation facilities purchased thereto; and to a syndicate which organized the Baltimore, Philadelphia & Southern Transportation Corporation and transferred the transportation facilities purchased thereto, for an aggregate sum of $1,400,000; and

Whereas the Inland Steamship Co., the successor to the Baltimore, Philadelphia & Southern Transportation Corporation, did, on the 14th day of November, 1922, for various considerations, transfer by lease or otherwise, all of its boats, barges, tugs, and other transportation facilities to the New York Canal & Great Lakes Coporation; and

Whereas the New York Canal & Great Lakes Corporation has been actively engaged in transportation business with said transportation facilities upon the New York Canal, and has made strenuous efforts, and expended considerable money in endeavoring to establish paying transportation facilities upon such canal; and

Whereas the War Department has caused to be made two complete audits of the affairs of said company, and an inspection of all vessels now in the possession of such corporations, and finds that such audits and inspection indicate a sincere and earnest effort on the part of the New York & Great Lakes Corporation to carry out the terms of its contracts; and

Whereas such audits have demonstrated the practical impossibility of said New York Canal & Great Lakes Corporation being able to put its boats, barges, tugs, and other transportation facilities on a paying basis, with such a capital charge against them; and

Whereas the provisions of Public Resolution No. 62, approved February 27, 1921, preclude the operation of such boats, barges, tugs, and other transportation facilities by the Secretary of War, or any other agency of the United States upon the New York Canal; and

Whereas such boats, barges, tugs, and other transportation facilities are not suitable for operation upon any other navigable waters upon which the Inland and Coastwise Waterways Service, War Department, is conducting operations for the Secretary of War, in accordance with the transportation act, 1920; and

Whereas the bid of the syndicate which purchased three-fourths of the tugs, barges, boats, and other facilities actually constructed for operation on the New York Barge Canal was $699,900 in excess of the nearest competing bid, to wit, that of the Knickerbocker Marine Navigation Co., opened May 16, 1921, after a campaign of country-wide advertising, of $300,100; and

Whereas the controlling stockholders in the New York Canal and Great Lakes Corporation, and the Inland Steamship Co., the successor to the Baltimore, Philadelphia & Southern Transportion Co., are to all intents and purposes the same; and

Whereas Congress has declared its policy in section 500, transportation act, to be the promotion, encouragement, and development of water transportation service and facilities in connection with the commerce of the United States, and the fostering and preservation in full vigor of both rail and water transportation: Now, therefore, be it

Resolved, etc., That the Secretary of War be, and he is hereby, authorized to so modify the terms of all contracts and supplements thereto that have been entered into by the United States regarding the sale of boats, barges, tugs, and other transportation facilities intended for operation on the New York State Barge Canal by such a new contract or contracts as will enable the New York Canal and Great Lakes Corporation to operate the boats, barges, tugs, and other transportation facilities sold under the terms of Public Resolution No. 62, 1921, with a reasonable prospect of success: *Provided,* That the terms of sale shall not be so modified in any manner or condition as to result in the acceptance by the United States of a principal sum of money less than $500,000.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

BILL PASSED OVER

The bill (S. 2590) to amend sections 1, 3, and 6 of an act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment," was announced as next in order.

Mr. OWEN. Let that go over.

Mr. FESS. Mr. President, will the Senator withhold that objection a moment?

Mr. OWEN. Mr. President, I made the point against the bill because it will take a long time to dispose of it.

Mr. FESS. But will the Senator withhold it for just one minute?

Mr. OWEN. Certainly; I withhold it for a moment.

Mr. FESS. This is a continuation of the act passed June 2, 1920. It was a permanent law as it left the House. The Senate limited it to four years. The law expires on the 30th of next month. Unless we ratify what the House did a few days ago this entire work, which has operated in 36 States, will be discontinued.

I do not think the Senate desires to defeat the continuation of the act. If it is objected to, I shall take the earliest opportunity to move to bring it before the Senate, because it is very important.

Mr. KING. I call for the regular order.

The PRESIDENT pro tempore. Objection being made, the bill will be passed over.

ROBERT F. HAMILTON

Mr. HARRELD. Mr. President, I ask to return to Senate bill 106, Order of Business 448, for the relief of Robert F. Hamilton. The Senator from South Carolina [Mr. DIAL] objected to the consideration of this bill, but he has very kindly agreed to withdraw his objection. The bill will take only a moment.

The PRESIDENT pro tempore. The Senator from Oklahoma asks unanimous consent to return to Order of Business 448. Is there objection?

Mr. DIAL. Mr. President, I thought this was a desertion case, but I find it is not, and I therefore withdraw my objection.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That in the administration of the pension laws and laws conferring rights and privileges upon honorably discharged soldiers, their widows, and dependent relatives Robert F. Hamilton, late a private in Company M, Tenth Regiment Ohio Volunteer Cavalry, shall be held and considered to have been honorably discharged from the military service of the United States as a member of said organization on the 25th day of April, A. D. 1864: *Provided,* That no back pay, pension, bounty, or other emolument shall accrue prior to the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 7111) to promote American agriculture by making more extensively available and by expanding the service now rendered by the Department of Agriculture in gathering and disseminating information regarding agricultural production, competition, and demand in foreign countries in promoting the sale of farm products abroad, and in other ways, was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

J. F. ROWELL

The bill (S. 2526) providing for an allotment of lands from the Kiowa, Comanche, and Apache Indian Reservation, Okla., to J. F. Rowell, an enrolled member of the Kiowa Tribe, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Indian Affairs with an amendment to strike out all after the enacting clause and to insert:

That in order to give effect to the act of Congress of April 4, 1910 (36 Stat. L. p. 280), directing an allotment to James F. Rowell, an intermarried and enrolled member of the Kiowa Tribe of Indians, Oklahoma, who has heretofore received no allotment of land, or money settlement in lieu of such allotment, the Secretary of the Interior is hereby authorized to make an allotment of 160 acres of land to James F. Rowell out of the remaining lands embraced in the former Kiowa, Comanche, and Apache Indian Reservation, Okla., including land reserved for agency, subagency, and school purposes, no longer needed for administration of the Kiowa Agency, should it appear to the Secretary of the Interior that the aforesaid lands selected be not worth more than $25 per acre, after appraisement: *Provided,* That such selection shall be made within 90 days after the passage of this

act, by and with the advice and consent of the superintendent of the Kiowa Indian Agency, and shall not include land in the pasture reserves or on which buildings are located; and shall be subject to final approval by the Secretary of the Interior: *Provided further*, That the Secretary of the Interior shall issue to the said James F. Rowell a fee patent for the lands allotted to him under the provisions of this act.

Mr. KING. Mr. President, will the Senator from Oklahoma explain this bill?

Mr. HARRELD. Mr. President, J. F. Rowell is a citizen of the Kiowa Tribe. He is the only citizen of that tribe who has failed to get an allotment. This bill is to authorize the Secretary of the Interior, under certain conditions, to allow him to have an allotment. The courts have held that he is entitled to an allotment, and there is no doubt about it. If the allotment is made, it will have to be made out of certain lands that have been reserved for school purposes. For that reason the bill is hedged about by fixing a limit on the price. The Secretary of the Interior has approved the bill.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill providing for an allotment of land from the Kiowa, Comanche, and Apache Indian Reservation, Okla., to James F. Rowell, an intermarried and enrolled member of the Kiowa Tribe."

CHIPPEWA INDIANS IN MICHIGAN

The bill (H. R. 694) to amend an act entitled "An act for the relief of the Saginaw, Swan Creek, and Black River Band of Chippewa Indians in the State of Michigan, and for other purposes," approved June 25, 1910, was announced as next in order.

Mr. KING. Mr. President, a gentleman to-day spoke to me in regard to this bill. Is that the one that was before the committee some time ago when a Representative from Oklahoma was present?

Mr. HARRELD. I do not think that is the bill the Senator has reference to.

Mr. KING. If the Senator will explain the bill briefly, I can determine whether it is or not.

Mr. CURTIS. Mr. President, if the Senator will permit me, this is a case where, in 1910, these Indians were authorized to bring a suit, and the attorney's fee was limited to $10,000. They never have been able to employ lawyers to go on with the case for that amount. The Secretary of the Interior has no objection to the bill and recommends it, so that the fee can be not to exceed $25,000 for carrying the case through.

Mr. KING. It involves attorneys' fees only?

Mr. CURTIS. That is all. It is an amendment to the old act.

Mr. HARRELD. That is all there is to the bill.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

COMANCHE INDIANS OF KIOWA RESERVATION

The bill (H. R. 2881) to compensate three Comanche Indians of the Kiowa Reservation was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

HOMESTEAD ALLOTMENTS TO KANSAS OR KAW INDIANS, OKLAHOMA

The bill (H. R. 2887) to authorize the extension of the period of restriction against alienation on the homestead allotments made to members of the Kansas or Kaw Tribe of Indians in Oklahoma was announced as next in order.

Mr. KING. Mr. President, may I say to the Senator that I have had several letters recently from some association——

Mr. CURTIS. Not about this bill, I think.

Mr. KING. It was with respect to limitations imposed by the Government. One letter claimed that the Government was too strict in permitting alienations, and the other communication asserted that the Government was too liberal and that the Indians parted with their lands before they should.

Mr. CURTIS. May I explain this bill?

Mr. KING. Yes.

Mr. CURTIS. These Indians were allotted land in 1902, with a 25-year restriction. The 25 years is about up. There are now about 130 full-blood Indians—98 full bloods and about 30 above three-quarters. In the last two years very valuable oil deposits have been found upon this land. The restrictions expire on all the lands—they have 160-acre homesteads and 240 acres of surplus lands—in about three years. The extension of the restrictions is only upon the homesteads after the expiration of the restrictions contained in the act of 1902. The department wants to protect the full-blood Indians, the incompetent Indians, and this bill authorizes the extension of the restrictions for 20 years upon such Indians as the Secretary deems in need of further restrictions.

Mr. KING. The Senator thinks it is all right, then?

Mr. CURTIS. There is no question about it.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

LAND IN WINNEBAGO INDIAN RESERVATION, NEBR.

The bill (H. R. 3800) to cancel an allotment of land made to Mary Crane or Ho-tah-kah-win-kaw, a deceased Indian, embracing land within the Winnebago Indian Reservation in Nebraska, was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

LAND IN ROUND VALLEY INDIAN RESERVATION, CALIF.

The bill (H. R. 3900) to cancel two allotments made to Richard Bell, deceased, embracing land within the Round Valley Indian Reservation in California, was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CHOCTAW AND CHICKASAW TOWN-SITE FUND

The bill (H. R. 4462) to amend an act entitled "An act authorizing the payment of the Choctaw and Chickasaw town-site fund, and for other purposes," was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CHOCTAW AND CHICKASAW INDIAN CLAIMS

The bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Indian Affairs with amendments, on page 2, after line 23, to insert the following proviso: "*Provided, however*, That suit upon any or all claims herein authorized to be brought may, in the opinion of the Secretary of the Interior and the Commissioner of Indian Affairs, be conducted and prosecuted by the regular tribal attorney or attorneys employed under existing law, with such additional reasonable and necessary expenses for said attorneys to be approved and paid from the funds of the respective tribes under the direction of the Secretary of the Interior, as may be required for the proper conduct of such litigation"; on page 4, line 2, before the word "attorney," to strike out the word "the" and to insert in lieu thereof the word "any"; on the same line, after the word "attorneys," to strike out the word "so" and to insert the words "other than the regular tribal attorney or attorneys employed under existing law"; on line 5, after the word "incurred," to strike out the words "prior to"; on line 6, after the words "approval of," to strike out the words "this act" and to insert the words "such contract"; on line 8, after the word "for," to strike out the word "fees" and to insert the words "services and expenses"; and on line 12, after the word "States" and the comma, to insert the words "nor in any event in excess of $40,000," so as to make the bill read:

Be it enacted, etc., That jurisdiction be, and is hereby, conferred upon the Court of Claims, notwithstanding the lapse of time or statutes of limitation, to hear, examine, and adjudicate and render judgment in any and all legal and equitable claims arising under or growing out of any treaty or agreement between the United States and the Choctaw and Chickasaw Indian Nations or Tribes, or either of them, or arising under or growing out of any act of Congress in relation to Indian affairs which said Choctaw and Chickasaw Nations or Tribes may have against the United States, which claims have not heretofore been de-

termined and adjudicated on their merits by the Court of Claims or the Supreme Court of the United States.

SEC. 2. Any and all claims against the United States within the purview of this act shall be forever barred unless suit be instituted or petition filed as herein provided in the Court of Claims within five years from the date of approval of this act. The claim or claims of each of said Indian nations shall be presented separately or jointly by petition in the Court of Claims, and such action shall make the petitioner party plaintiff or plaintiffs and the United States party defendant. The petition shall be verified by the attorney or attorneys employed to prosecute such claim or claims under contract approved by the Commissioner of Indian Affairs and the Secretary of the Interior, and said contract with such Indian tribe shall be executed in behalf of the tribe by the governor or principal chief thereof, or, if there be no governor or principal chief, by a committee chosen by the tribe under the direction and approval of the Commissioner of Indian Affairs and the Secretary of the Interior: *Provided, however,* That suit upon any or all claims herein authorized to be brought may, in the opinion of the Secretary of the Interior and the Commissioner of Indian Affairs, be conducted and prosecuted by the regular tribal attorney or attorneys employed under existing law, with such additional reasonable and necessary expenses for said attorneys to be approved and paid from the funds of the respective tribes, under the direction of the Secretary of the Interior, as may be required for the proper conduct of such litigation. Official letters, papers, documents, and records, or certified copies thereof, may be used in evidence, and the departments of the Government shall give access to the attorney or attorneys of the above-named Indian nations to such treaties, papers, correspondence, or records as may be needed by the attorney or attorneys of said Indian nations.

SEC. 3. In said suit the court shall also hear, examine, consider, and adjudicate any claims which the United States may have against said Indian nations, but any payment which may have been made by the United States upon any claim against the United States shall not operate as an estoppel, but may be pleaded as an offset in such suit.

SEC. 4. That from the decision of the Court of Claims in any suit prosecuted under the authority of this act, an appeal may be taken by either party as in other cases to the Supreme Court of the United States.

SEC. 5. That upon the final determination of any suit instituted under this act the Court of Claims shall decree such amount or amounts as it may find reasonable to be paid any attorney or attorneys, other than the regular tribal attorney or attorneys employed under existing law, employed by said Indian nations for the services and expenses of said attorneys rendered or incurred subsequent to the date of approval of such contract: *Provided,* That in no case shall the aggregate amounts decreed by said Court of Claims for services and expenses be in excess of the amount or amounts stipulated in the contract of employment, or in excess of a sum equal to 10 per cent of the amount of recovery against the United States, nor in any event in excess of $40,000.

SEC. 6. The Court of Claims shall have full authority by proper orders and process to bring in and make parties to such suit any or all persons deemed by it necessary or proper to the final determination of the matters in controversy.

SEC. 7. A copy of the petition shall, in such case, be served upon the Attorney General of the United States, and he, or some attorney from the Department of Justice to be designated by him, is hereby directed to appear and defend the interests of the United States in such case.

The amendments were agreed to.

Mr. HARRISON. I ask the Senator from Oklahoma if he will not accept an amendment which I send to the desk?

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. On page 8, at the end of section 3, which would be after line 19, insert:

That the Mississippi Choctaws whose names do not appear upon the tribal rolls of the Choctaw Nation, but who would have been entitled to enrollment under the laws relating to the final enrollment of the citizens of the Choctaw-Chickasaw Nations if they had made application and otherwise complied with the provisions of the act of Congress pertaining thereto, may file their petition, or petitions, in said Court of Claims, which is hereby given power and authority to hear and adjudicate any claim of said Mississippi Choctaws against the United States, or against the Choctaw or Chickasaw Nations, provided that said claimants under this section shall proceed under all of the provisions and restrictions of the other sections of this act, but in the event they have no sufficient tribal organization they may proceed through a committee or as individuals.

Mr. HARRELD. Mr. President, I am sorry, but I can not accept that amendment.

Mr. HARRISON. These other matters in the original bill pertain to claims against the Government of the United States. If I strike out the proposition there as to the claims against the Choctaw Nation, but merely give the right to the Choctaws in Mississippi to sue the United States, will not the Senator, with that amendment, let it go in?

Mr. HARRELD. Does the Senator mean to give them the privilege of bringing a separate suit for whatever claims they may have against the Government?

Mr. HARRISON. Yes; against the Government of the United States.

Mr. CURTIS. Mr. President, rather than to authorize that, I hope the Senator will let the bill go over and let us study the amendment. I do not think the Government of the United States is indebted to the Mississippi Choctaws in any amount, and it would not be fair——

Mr. HARRISON. I do not want to jeopardize the passage of the bill, as far as that is concerned, but I would be very glad if the Senator would accept the amendment.

Mr. HARRELD. There is another objection to it. The policy of the committee——

Mr. HARRISON. I will withdraw the amendment, in the hope that the Senator will help me to get a separate bill out of the committee.

The PRESIDENT pro tempore. The amendment is withdrawn.

Mr. KING. Mr. President, I am not satisfied. I would like to know the contingent obligation against the Government of the United States, and under the statement just made by the Senator from Kansas it would seem there should not be any liability against the Government. There is no moral and no legal obligation. If that is true, then why not limit the bill so that no judgment may be rendered against the Government of the United States?

Mr. HARRELD. The remarks of the Senator from Kansas referred only to the Mississippi Choctaws.

Mr. CURTIS. That is all.

Mr. HARRELD. The amendment covering them is now out by the withdrawal of it by the Senator from Mississippi.

Mr. KING. Will the Senator state to me what contingent liability under this bill would rest upon the Government of the United States?

Mr. HARRELD. This Indian estate involving about $25,000,000, already realized and distributed, with about $12,000,000 more yet to be realized from the sale of assets, is now in its final stages. This tribe assert that they have certain claims as to which they ought to be allowed to bring suit in the Court of Claims to establish the claims against the Government itself. This is necessary in order to put these tribal affairs in a condition to be wound up and closed.

Mr. ROBINSON. A similar or identical bill has passed with reference to the other tribes?

Mr. HARRELD. Yes; with reference to the other tribes, and this is in exactly the same form.

Mr. KING. Is it not more of an action to quiet title than to recover damages?

Mr. HARRELD. No; it is more of an action to surcharge a guardian, to have a court finally pass on the report of a guardian, or something of that sort.

Mr. KING. Is there any information before the committee which indicates any possible judgment against the Government?

Mr. HARRELD. The Indians have several things they want to include in this suit. I think some of their claims are just and some are unjust; but it is necessary to authorize them to go to the court. Then it can be determined what are just and what are unjust. In other words, I think this litigation is absolutely necessary to a final winding up of the affairs of these tribes.

Mr. ROBINSON. I should think they ought to be permitted to sue.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CERTIFICATES OF CITIZENSHIP TO INDIANS

The bill (H. R. 6355) to authorize the Secretary of the Interior to issue certificates of citizenship to Indians was considered as in Committee of the Whole.

The bill had been reported from the Committee on Indian Affairs with amendments, to strike out lines 3 to 9, after the enacting clause, and to insert the words, "That all noncitizen Indians born within the territorial limits of the United States be, and they are hereby, declared to be citizens of the United States"; on line 12 to strike out the words "issuance of a cer-

tificate of" and to insert the words "granting of such," so as to make the bill read:

Be it enacted, etc., That all noncitizen Indians born within the territorial limits of the United States be, and they are hereby, declared to be citizens of the United States: *Provided*, That the granting of such citizenship shall not in any manner impair or otherwise affect the right of any Indian to tribal or other property.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "A bill granting citizenship to Indians, and for other purposes."

ORDER OF BUSINESS

Mr. CURTIS. Mr. President, I promised several Senators that at 10 minutes before 11 I would ask that we stop the calling of the calendar so that they might ask to have one or two measures taken up, and I feel like carrying out that agreement.

Mr. FLETCHER. The unanimous-consent agreement provides that we shall go on with the calendar until 11 o'clock.

The PRESIDENT pro tempore. What is the request of the Senator from Kansas?

Mr. CURTIS. It is suggested that I have no right to prefer it under the agreement, so I withdraw my request.

CALUMET RIVER BRIDGE, CHICAGO, ILL.

Mr. McKINLEY. Mr. President, earlier in the evening we passed House bill 2665, a bridge bill for the city of Chicago. The city of Chicago is straightening out the Calumet River in southwest Chicago, and extending the Roosevelt Boulevard. There is another bill, House bill 8304, granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River at or near One hundredth Street in the city of Chicago, County of Cook, State of Illinois, and I ask unanimous consent that we take up that bill for consideration.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate as in Committee of the Whole proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the city of Chicago, a corporation organized under the laws of the State of Illinois, and its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Calumet River, at a point suitable to the interests of navigation, at or near One hundredth Street, in the city of Chicago, in the county of Cook, in the State of Illinois, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CREEK INDIAN CLAIMS

The bill (H. R. 7913) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Creek Indians may have against the United States, and for other purposes, was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

REORGANIZATION OF THE FOREIGN SERVICE

Mr. LODGE. Mr. President, I ask unanimous consent to take from the calendar Order of Business No. 566, House bill 6357, for the reorganization and improvement of the foreign service of the United States, and for other purposes. I desire to say just a word about it.

The PRESIDENT pro tempore. Is there objection to the request of the Senator?

Mr. KING. Reserving the right to object, let us hear an explanation of it.

Mr. SHEPPARD. Is this the so-called Rogers bill?

Mr. LODGE. It is the so-called Rogers bill.

Mr. KING. I reserve the right to object.

Mr. LODGE. I hope the Senator will not object.

This is a very important bill, providing for the reorganizing of the foreign service of the United States. It has passed the House twice. A similar bill came to the Senate and was reported favorably by the Committee on Foreign Relations, but it was the last day or two of the session, and there was no opportunity to pass it through the Senate. It has now come before us again. It is a very important measure, and I should not venture to ask such prompt action on it were it not that the bill had been examined and framed with the utmost care. It has a unanimous report from the Committee on Foreign Relations.

Mr. ROBINSON. Mr. President, I desire to state that the Committee on Foreign Relations gave very careful consideration to the bill, and I think action should be taken on it as speedily as possible. That is the opinion of all the members of the committee.

Mr. LODGE. That is the opinion of all the committee, without any difference.

Mr. McKELLAR. May I ask the Senator if consideration was given to further consolidating the service so as to put all the agents of other departments under the control of the American ambassadors?

Mr. LODGE. This is simply a consolidation of the consular and foreign diplomatic service, all under the State Department.

Mr. McKELLAR. I agree entirely with that as a very desirable thing to do, but it seems to me it should have gone further and coordinated the other departments under the general direction of the ambassadors.

Mr. LODGE. The Senator knows that I sympathize with him in that view, but it was impossible to get it into this bill, but it is a step in that direction.

Mr. McKELLAR. I think it is a good step, and I heartily favor it. I hope we can soon take another step, and put them all under the ambassadors.

Mr. LODGE. So do I. I am entirely in favor of that. I shall not delay the Senate at this late hour, but the Senate will remember that in 1906 we put the Consular Service under a graded system. It passed out of the domain of favoritism and politics. It has improved enormously since that time. I think it is not going too far to say that we have one of the best consular services in the world, if not the best.

In 1913, under President Wilson, the same general principle was applied to the Diplomatic Service below the rank of minister and ambassador, and it has had the same admirable results there, and it has been carried out by all administrations. It is now desired to put them together. The total additional cost will be only $435,000.

I do not want to go further, because I would like to get the bill through before the time arrives to take the recess.

Mr. KING. I have no objection to the bill. The only point in my mind was, if the Senator will pardon me, that I should like to see all the departments coordinated, to bring under the jurisdiction of this organization the Department of Commerce in its foreign activities.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Foreign Relations with amendments, in section 5, on page 3, line 8, after the word "appointment," to strike out "as ambassador or minister" and to insert "to some other position in the Government service"; in section 14, on page 8, line 19, after the word "gathering," to insert a semicolon and the following additional proviso: "*Provided further*, That the Secretary of State is authorized to prescribe a per diem allowance not exceeding $6, in lieu of subsistence for foreign-service officers on special duty or foreign-service inspectors"; in section 18, on page 14, line 22, before the words "per centum," to strike out "50" and to insert "75"; on page 17, after line 16, to insert the following additional section:

SEC. 22. The titles "Second Assistant Secretary of State" and "Third Assistant Secretary of State" shall hereafter be known as "Assistant Secretary of State" without numerical distinction of rank; but the change of title shall in no way impair the commissions, salaries, and duties of the present incumbents.

There is hereby established in the Department of State an additional "Assistant Secretary of State," who shall be appointed by the President, by and with the advice and consent of the Senate, and shall be entitled to compensation at the rate of $7,500 per annum.

The position of Director of the Consular Service is abolished and the salary provided for that office is hereby made available for the salary of the additional Assistant Secretary of State herein authorized.

And on page 18, line 7, to change the section number from "22" to "23," so as to make the bill read:

Be it enacted, etc., That hereafter the Diplomatic and Consular Service of the United States shall be known as the foreign service of the United States.

SEC. 2. That the official designation "foreign service officer" as employed throughout this act shall be deemed to denote permanent officers in the foreign service below the grade of minister, all of whom

are subject to promotion on merit, and who may be assigned to duty in either the diplomatic or the consular branch of the foreign service at the discretion of the President.

SEC. 3. That the officers in the foreign service shall hereafter be graded and classified as follows, with the salaries of each class herein affixed thereto, but not exceeding in number for each class a proportion to the total number of officers in the service represented in the following percentage limitations: Ambassadors and ministers as now or hereafter provided; foreign service officers as follows: Class 1, 6 per cent, $9,000; class 2, 7 per cent, $8,000; class 3, 8 per cent, $7,000; class 4, 9 per cent, $6,000; class 5, 10 per cent, $5,000; class 6, 14 per cent, $4,500; class 7, $4,000; class 8, $3,500; class 9, $3,000; unclassified, $3,000 to $1,500: *Provided*, That as many foreign service officers above class 6 as may be required for the purpose of inspection may be detailed by the Secretary of State for that purpose.

SEC. 4. That foreign service officers may be appointed as secretaries in the Diplomatic Service or as consular officers or both: *Provided*, That all such appointments shall be made by and with the advice and consent of the Senate: *Provided further*, That all official acts of such officers while on duty in either the diplomatic or the consular branch of the foreign service shall be performed under their respective commissions as secretaries or as consular officers.

SEC. 5. That hereafter appointments to the position of foreign service officer shall be made after examination and a suitable period of probation in an unclassified grade or, after five years of continuous service in the Department of State, by transfer therefrom under such rules and regulations as the President may prescribe: *Provided*, That no candidate shall be eligible for examination for foreign service officer who is not an American citizen: *Provided further*, That reinstatement of foreign service officers separated from the classified service by reason of appointment to some other position in the Government service may be made by Executive order of the President under such rules and regulations as he may prescribe.

All appointments of foreign service officers shall be by commission to a class and not by commission to any particular post, and such officers shall be assigned to posts and may be transferred from one post to another by order of the President as the interests of the service may require: *Provided*, That the classification of secretaries in the Diplomatic Service and of consular officers is hereby abolished, without, however, in any wise impairing the validity of the present commissions of secretaries and consular officers.

SEC. 6. That section 5 of the act of February 5, 1915 (Public, 242), is hereby amended to read as follows:

"SEC. 5. That the Secretary of State is directed to report from time to time to the President, along with his recommendations, the names of those foreign service officers who by reason of efficient service have demonstrated special capacity for promotion to the grade of minister, and the names of those foreign service officers and employees and officers and employees in the Department of State who by reason of efficient service, an accurate record of which shall be kept in the Department of State, have demonstrated special efficiency, and also the names of persons found upon taking the prescribed examination to have fitness for appointment to the lower grades of the service."

SEC. 7. That on the date on which this act becomes effective the Secretary of State shall certify to the President, with his recommendation in each case, the record of efficiency of the several secretaries in the Diplomatic Service, consuls general, consuls, vice consuls of career, consular assistants, interpreters, and student interpreters then in office and shall, except in cases of persons found to merit reduction in rank or dismissal from the service, recommend to the President the recommissioning, without further examination, of those then in office as follows:

Secretaries of class 1 designated as counselors of embassy and consuls general of classes 1 and 2 as foreign service officers of class 1.

Secretaries of class 1 designated as counselors of legation and consuls general of class 3 as foreign service officers of class 2.

Secretaries of class 1 not designated as counselors, consuls general of class 4, and consuls general at large as foreign service officers of class 3.

Secretaries of class 2, consuls general of class 5, consuls of classes 1, 2, and 3, and Chinese, Japanese, and Turkish secretaries as foreign service officers of class 4.

Consuls of class 4 as foreign service officers of class 5.

Secretaries of class 3, consuls of class 5, and Chinese, Japanese, and Turkish assistant secretaries as foreign service officers of class 6.

Consuls of class 6 as foreign service officers of class 7.

Secretaries of class 4 and consuls of class 7 as foreign service officers of class 8.

Consuls of classes 8 and 9 as foreign service officers of class 9.

Vice consuls of career, consular assistants, interpreters, and student interpreters as foreign service officers, unclassified.

SEC. 8. That consuls general of class 1 and consuls of class 1 holding office at the time this act takes effect shall not, as a result of their recommissioning or reclassification, suffer a reduction in salary below that which they are then receiving: *Provided, however*, That this provision shall apply only to the incumbents of the offices mentioned at the time this act becomes effective.

That the grade of consular assistant is hereby abolished, and that all consular assistants now in the service shall be recommissioned as foreign service officers, unclassified.

SEC. 9. That sections 1697 and 1698 of the Revised Statutes are hereby amended to read as follows:

"Every secretary, consul general, consul, vice consul of career, or foreign service officer, before he receives his commission or enters upon the duties of his office, shall give to the United States a bond, in such form as the President shall prescribe, with such sureties, who shall be permanent residents of the United States, as the Secretary of State shall approve, in a penal sum not less than the annual compensation allowed to such officer, conditioned for the true and faithful accounting for, paying over, and delivering up of all fees, moneys, goods, effects, books, records, papers, and other property which shall come to his hands or to the hands of any other person to his use as such officer under any law now or hereafter enacted, and for the true and faithful performance of all other duties now or hereafter lawfully imposed upon him as such officer: *Provided*, That the operation of no existing bond shall in anywise be impaired by the provisions of this act: *Provided further*, That such bond shall cover by its stipulations all official acts of such officer, whether as foreign service officer or as secretary in the Diplomatic Service, consul general, consul, or vice consul of career. The bonds herein mentioned shall be deposited with the Secretary of the Treasury."

SEC. 10. That the provisions of section 4 of the act of April 5, 1906, relative to the powers, duties, and prerogatives of consuls general at large are hereby made applicable to foreign service officers detailed for the purpose of inspection, who shall, under the direction of the Secretary of State, inspect the work of offices in the foreign service, both in the diplomatic and consular branches.

SEC. 11. That the provisions of sections 8 and 10 of the act of April 5, 1906, relative to official fees and the method of accounting therefor shall include both branches of the foreign service.

SEC. 12. That the President is hereby authorized to grant to diplomatic missions and to consular offices at capitals of countries where there is no diplomatic mission of the United States representation allowances out of any money which may be appropriated for such purpose from time to time by Congress, the expenditure of such representation allowance to be accounted for in detail to the Department of State quarterly under such rules and regulations as the President may prescribe.

SEC. 13. Appropriations are authorized for the salary of a private secretary to each ambassador, who shall be appointed by the ambassador and hold office at his pleasure.

SEC. 14. That any foreign service officer may be assigned for duty in the Department of State without loss of class or salary, such assignment to be for a period of not more than three years, unless the public interests demand further service, when such assignment may be extended for a period not to exceed one year. Any foreign service officer of whatever class detailed for special duty not at his post or in the Department of State shall be paid his actual and necessary expenses for travel and not exceeding an average of $8 per day for subsistence during such special detail: *Provided*, That such special duty shall not continue for more than 60 days, unless in the case of trade conferences or international gatherings, congresses, or conferences, when such subsistence expenses shall run only during the period thereof and the necessary period of transit to and from the place of gathering: *Provided further*, That the Secretary of State is authorized to prescribe a per diem allowance not exceeding $6 in lieu of subsistence for foreign service officers on special duty or foreign service inspectors.

SEC. 15. That the Secretary of State is authorized, whenever he deems it to be in the public interest, to order to the United States on his statutory leave of absence any foreign service officer who has performed three years or more of continuous service abroad: *Provided*, That the expenses of transportation and subsistence of such officers and their immediate families, in traveling from their posts to their homes in the United States and return, shall be paid under the same rules and regulations applicable in the case of officers going to and returning from their posts under orders of the Secretary of State when not on leave: *Provided further*, That while in the United States the services of such officers shall be available for trade conference work or for such duties in the Department of State as the Secretary of State may prescribe.

SEC. 16. That the part of the act of July 1, 1916 (Public, No. 131), which authorizes the President to designate and assign any secretary of class 1 as counselor of embassy or legation, is hereby amended to read as follows:

"*Provided*, That the President may, whenever he considers it advisable so to do, designate and assign any foreign service officer as counselor of embassy or legation."

SEC. 17. That, within the discretion of the President, any foreign service officer may be appointed to act as commissioner, chargé d'affaires, minister resident, or diplomatic agent for such period as the

public interests may require without loss of grade, class, or salary: *Provided, however,* That no such officer shall receive more than one salary.

That section 1685 of the Revised Statutes as amended by the act entitled "An act for the improvement of the foreign service, approved February 5, 1915," is hereby amended to read as follows:

"SEC. 1685. That for such time as any foreign service officer shall be lawfully authorized to act as chargé d'affaires ad interim or to assume charge of a consulate general or consulate during the absence of the principal officer at the post to which he shall have been assigned, he shall, if his salary is less than one-half that of such principal officer, receive in addition to his salary as foreign service officer compensation equal to the difference between such salary and one-half of the salary provided by law for the ambassador, minister, or principal consular officer, as the case may be."

SEC. 18. The President is authorized to prescribe rules and regulations for the establishment of a foreign service retirement and disability system to be administered under the direction of the Secretary of State and in accordance with the following principles, to wit:

(a) The Secretary of State shall submit annually a comparative report showing all receipts and disbursements on account of refunds, allowances, and annuities, together with the total number of persons receiving annuities and the amounts paid them, and shall submit annually estimates of appropriations necessary to continue this section in full force and such appropriations are hereby authorized: *Provided,* That in no event shall the aggregate total appropriations exceed the aggregate total of the contributions of the foreign service officers theretofore made, and accumulated interest thereon.

(b) There is hereby created a special fund to be known as the foreign-service retirement and disability fund.

(c) Five per cent of the basic salary of all foreign service officers eligible to retirement shall be contributed to the foreign service retirement and disability fund, and the Secretary of the Treasury is directed on the date on which this act takes effect to cause such deductions to be made and the sums transferred on the books of the Treasury Department to the credit of the foreign service retirement and disability fund for the payment of annuities, refunds, and allowances: *Provided,* That all basic salaries in excess of $9,000 per annum shall be treated as $9,000.

(d) When any foreign-service officer has reached the age of 65 years and rendered at least 15 years of service he shall be retired: *Provided,* That the President may in his discretion retain any such officer on active duty for such period not exceeding five years as he may deem for the interest of the United States.

(e) Annuities shall be paid to retired foreign service officers under the following classification, based upon length of service and at the following percentages of the average annual basic salary for the 10 years next preceding the date of retirement: Class A, 30 years or more, 60 per cent; class B, from 27 to 30 years, 54 per cent; class C, from 24 to 27 years, 48 per cent; class D, from 21 to 24 years, 42 per cent; class E, from 18 to 21 years, 36 per cent; class F, from 15 to 18 years, 30 per cent.

(f) Those officers who retire before having contributed for each year of service shall have withheld from their annuities to the credit of the foreign service retirement and disability fund such proportion of 5 per cent as the number of years in which they did not contribute bears to the total length of service.

(g) The Secretary of the Treasury is directed to invest from time to time in interest-bearing securities of the United States such portions of the foreign service retirement and disability fund as in his judgment may not be immediately required for the payment of annuities, refunds, and allowances, and the income derived from such investments shall constitute a part of said fund.

(h) None of the moneys mentioned in this section shall be assignable, either in law or equity, or be subject to execution, levy, or attachment, garnishment, or other legal process.

(i) In case an annuitant dies without having received in annuities an amount equal to the total amount of his contributions from salary with interest thereon at 4 per cent per annum, compounded annually up to the time of his death, the excess of the said accumulated contributions over the said annuity payments shall be paid to his or her legal representatives; and in case a foreign service officer shall die without having reached the retirement age the total amount of his contributions, with accrued interest, shall be paid to his legal representatives.

(j) That any foreign service officer who before reaching the age of retirement becomes totally disabled for useful and efficient service by reason of disease or injury not due to vicious habits, intemperance, or willful misconduct on his part, shall, upon his own application or upon order of the President, be retired on an annuity under paragraph (e) of this section: *Provided, however,* That in each case such disability shall be determined by the report of a duly qualified physician or surgeon designated by the Secretary of State to conduct the examination: *Provided further,* That unless the disability be permanent, a like examination shall be made annually in order to determine the degree of disability, and the payment of annuity shall cease from the date of the medical examination showing recovery.

Fees for examinations under this provision, together with reasonable traveling and other expenses incurred in order to submit to examination, shall be paid out of the foreign service retirement and disability fund.

When the annuity is discontinued under this provision, before the annuitant has received a sum equal to the total amount of his contributions with accrued interest, the difference shall be paid to him or to his legal representatives.

(k) The President is authorized from time to time to establish, by Executive order, a list of places in tropical countries which, by reason of climatic or other extreme conditions, are to be classed as unhealthful posts, and each year of duty at such posts, while so classed, inclusive of regular leaves of absence, shall be counted as one year and a half, and so on in like proportion in reckoning the length of service for the purposes of retirement.

(l) Whenever a foreign service officer becomes separated from the service, except for disability, before reaching the age of retirement, 75 per cent of the total amount of contribution from his salary, without interest, shall be returned to him.

(m) Whenever any foreign service officer, after the date of his retirement, accepts a position of employment the emoluments of which are greater than the annuity received by him from the United States Government by virtue of his retirement under this act, the amount of the said annuity during the continuance of such employment shall be reduced by an equal amount: *Provided,* That all retired foreign service officers shall notify the Secretary of State once a year of any positions of employment accepted by them, stating the amount of compensation received therefrom, and whenever any such officer fails to so report it shall be the duty of the Secretary of State to order the payment of the annuity to be suspended until such report is received.

(n) The Secretary of State is authorized to expend from surplus money to the credit of the foreign service retirement and disability fund an amount not exceeding $5,000 for the expenses necessary in carrying out the provisions of this section, including actuarial advice.

(o) Any diplomatic secretary or consular officer who has been or any foreign service officer who may hereafter be promoted from the classified service to the grade of ambassador or minister, or appointed to a position in the Department of State, shall be entitled to all the benefits of this section in the same manner and under the same conditions as foreign service officers.

(p) For the purposes of this act the period of service shall be computed from the date of original oath of office as secretary in the Diplomatic Service, consul general, consul, vice consul, deputy consul, consular assistant, consular agent, commercial agent, interpreter, or student interpreter, and shall include periods of service at different times in either the Diplomatic or Consular Service, or while on assignment to the Department of State, or on special duty, but all periods of separation from the service and so much of any period of leave of absence as may exceed six months shall be excluded: *Provided,* That service in the Department of State prior to appointment as a foreign service officer may be included in the period of service, in which case the officer shall pay into the foreign service retirement and disability fund a special contribution equal to 5 per cent of his annual salary for each year of such employment, with interest thereon to date of payment compounded annually at 4 per cent.

SEC. 19. In the event of public emergency any retired foreign service officer may be recalled temporarily to active service by the President, and while so serving he shall be entitled, in lieu of his retirement allowance, to the full pay of the class in which he is temporarily serving.

SEC. 20. That all provisions of law heretofore enacted relating to secretaries in the Diplomatic Service and to consular officers, which are not inconsistent with the provisions of this act, are hereby made applicable to foreign service officers when they are designated for service as diplomatic or as consular officers, and that all acts or parts of acts inconsistent with this act are hereby repealed.

SEC. 21. That the appropriations contained in Title I of the act entitled "An act making appropriations for the Departments of State and Justice and for the Judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes," for such compensation and expenses as are affected by the provisions of this act are made available and may be applied toward the payment of the compensation and expenses herein provided for, except that no part of such appropriations shall be available for the payment of annuities to retired foreign-service officers.

SEC. 22. The titles "Second Assistant Secretary of State" and "Third Assistant Secretary of State" shall hereafter be known as "Assistant Secretary of State" without numerical distinction of rank; but the change of title shall in no way impair the commissions, salaries, and duties of the present incumbents.

There is hereby established in the Department of State an additional "Assistant Secretary of State," who shall be appointed by the President,

by and with the advice and consent of the Senate, and shall be entitled to compensation at the rate of $7,500 per annum.

The position of Director of the Consular Service is abolished, and the salary provided for that office is hereby made available for the salary of the additional Assistant Secretary of State herein authorized.

SEC. 23. That this act shall take effect on July 1, 1924.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SALARIES OF DISTRICT POLICEMEN AND FIREMEN

Mr. BALL. I ask unanimous consent for the immediate consideration of House bill 5855, to fix the salaries of officers and members of the Metropolitan police force and the fire department of the District of Columbia.

Mr. KING. Mr. President, automatically at 11 o'clock we will take a recess.

Mr. BALL. We have two minutes yet.

The PRESIDENT pro tempore. The Senator from Delaware asks unanimous consent for the present consideration of the bill which he has indicated.

Mr. KING. What is the bill?

Mr. BALL. Increasing the salaries of the policemen and firemen in the District of Columbia.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments, in section 2, on page 3, at the end of line 4, to strike out "$3,050" and to insert "$3,250"; in line 6, after the word "inspector," to strike out "$2,000" and to insert "$2,160"; and on page 4, after line 2, to insert the heading "United States park police" and the following additional sections:

SEC. 4. That the United States park police shall be under the exclusive charge and control of the officer in charge of public buildings and grounds, under the general direction of the Chief of Engineers, United States Army. It shall consist of an active officer of the United States Army, detailed by the War Department, 1 lieutenant with grade corresponding to that of lieutenant (Metropolitan police), 1 first sergeant, 5 sergeants with grade corresponding to that of sergeant (Metropolitan police), and 54 privates, all of whom shall have served three years to be with grade corresponding to private, class 3 (Metropolitan police); all of whom shall have served one year to be with grade corresponding to private, class 2 (Metropolitan police); and all of whom shall have served less than one year to be with grade corresponding to private, class 1 (Metropolitan police).

SEC. 5. That the annual salaries of the members of the United States park police force shall be as follows: Lieutenant, $2,700; first sergeant, $2,400; sergeants, $2,300 each; privates, class 3, $2,000 each; privates, class 2, $1,800 each; privates, class 1, $1,700 each.

SEC. 6. That the members of the United States park police force shall be furnished with uniforms, means of transportation, and such other equipment as may be necessary for the proper performance of their duties, including badges, revolvers, and ammunition; the United States Army officer detailed as superintendent of the United States park police, who shall use on official business motor transportation furnished and maintained by himself, and shall receive an extra compensation of not to exceed $480 per annum. Members detailed to motor-cycle service shall each receive an extra compensation of $120 per annum.

SEC. 7. That under and in accordance with section 12 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1917, and for other purposes," approved September 1, 1916, as amended, members of the United States park police force shall be entitled to all the benefits of relief and retirement therein authorized upon the payment by each member into the policemen and firemen's relief fund, District of Columbia, of an amount equal to 1½ per cent of the total basic salary received by him since September 1, 1916, as a member of such United States park police force, and as a watchman of the United States in any public square or reservation in the District of Columbia: *Provided*, That a member of the United States park police force, to be designated by the officer in charge of public buildings and grounds, shall be a member of the police and firemen's retirement and relief board in all cases of relief and retirement of members of the United States park police force and of the White House police force: *Provided further*, That on and after July 1, 1924, appropriations to pay relief and other allowances authorized by said section 12 of the act of September 1, 1916, shall be paid 60 per cent from the revenues of the District of Columbia and 40 per cent from the revenues of the United States: *And provided further*, That on and after July 1, 1924, the rate of deduction from the monthly salary of members of the Metropolitan police force, United States park police, and the White House police force shall be 2½ per cent: *And provided further*, That such monthly deductions and other moneys now authorized by law to be credited to the policemen and firemen's relief fund shall continue to be credited.

SEC. 8. That the refund provided for in section 11 of the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, as amended, shall be paid to all members of the United States park police force who on the date on which the provisions of this act become effective are entitled to such refund by reason of contributions previously made by them to the civil service retirement fund.

SEC. 9. That the officer in charge of public buildings and grounds, in his discretion, may appoint special policemen, without compensation, for duty in connection with the policing of the public parks and other reservations under his jurisdiction within the District of Columbia, such special policemen to have the same powers and perform the same duties as the United States park police and the Metropolitan police of said District of Columbia, and to be subject to such regulations as the Chief of Engineers may prescribe: *Provided*, That the jurisdiction and police power of such special policemen shall be restricted to the public parks and other reservations under the control of the officer in charge of public buildings and grounds.

And, on page 7, line 16, to change the section number from 4 to 10, so as to make the bill read:

Be it enacted, etc., That the annual basic salaries of the officers and members of the Metropolitan police force shall be as follows: Major and superintendent, $5,200; assistant superintendents, $3,500 each; inspectors, $3,250 each: *Provided*, That the inspector assigned to the supervision and command of the detective bureau shall, during the period of such assignment, be rated as and shall receive the pay of an assistant superintendent; captains, $3,000 each; lieutenants, $2,700 each: *Provided*, That the lieutenant assigned as assistant to the inspector commanding the detective bureau, shall during the period of such assignment, hold the rank and receive the pay of a captain; sergeants, $2,400 each; privates of class 3, $2,100 each; privates of class 2, $1,900 each; privates of class 1, $1,800 each. Driver-privates shall have the same rank and pay as privates of the above classes. Members of said police force who may be mounted on horses, furnished and maintained by themselves, shall each receive an extra compensation of $450 per annum; members of said force who may be called upon to use motor vehicles, furnished and maintained by themselves, shall each receive an extra compensation of $480 per annum; members of said force detailed to detective headquarters in the prevention and detection of crime shall each receive extra compensation of $600 per annum; members of said force who may be mounted on bicycles shall each receive an extra compensation of $70 per annum; members of said force detailed for special service in the various precincts in the prevention and detection of crime shall each receive an extra compensation of $240 per annum; and members detailed to the motor-cycle service shall each receive an extra compensation of $120 per annum.

SEC. 2. That the annual basic salaries of the officers and members of the fire department of the District of Columbia shall be as follows: Chief engineer, $5,200; deputy chief engineers, $3,500 each; battalion chief engineers, $3,250 each; fire marshal, $3,250; deputy fire marshal, $2,500; inspectors, $2,160 each; captains, $2,500 each; lieutenants, $2,350 each; sergeants, $2,200 each; superintendent of machinery, $3,250; assistant superintendent of machinery, $2,500; pilots, $2,250 each; marine engineers, $2,250 each; assistant marine engineers, $2,150 each; marine firemen, $1,800 each; privates of class 3, $2,100 each; privates of class 2, $1,900 each; privates of class 1, $1,800 each.

SEC. 3. That in lieu of Sunday there shall be granted to the Metropolitan police and to each officer and member of the fire department of the District of Columbia one day off out of each week of seven days, which shall be in addition to his annual leave and sick leave now allowed by law: *Provided, however*, That whenever the Commissioners of the District of Columbia declare that an emergency exists of such a character as to require the continuous service of all the members of the Metropolitan police force and the members of the fire department, the major and superintendent of police and the chief engineer of the fire department shall have authority, and it shall be their duty, to suspend and discontinue the granting of the said one day off in seven during the continuation of such emergency.

UNITED STATES PARK POLICE

SEC. 4. That the United States park police shall be under the exclusive charge and control of the officer in charge of public buildings and grounds, under the general direction of the Chief of Engineers, United States Army. It shall consist of an active officer of the United States Army, detailed by the War Department, one lieutenant with

grade corresponding to that of lieutenant (Metropolitan police), one first sergeant, five sergeants with grade corresponding to that of sergeant (Metropolitan police), and 54 privates, all of whom shall have served three years to be with grade corresponding to private, class 3 (Metropolitan police); all of whom shall have served one year to be with grade corresponding to private, class 2 (Metropolitan police); and all of whom shall have served less than one year to be with grade corresponding to private, class 1 (Metropolitan police).

SEC. 5. That the annual salaries of the members of the United States park police force shall be as follows: Lieutenant, $2,700; first sergeant, $2,400; sergeants, $2,300 each; privates, class 3, $2,000 each; privates, class 2, $1,800 each; privates, class 1, $1,700 each.

SEC. 6. That the members of the United States park police force shall be furnished with uniforms, means of transportation, and such other equipment as may be necessary for the proper performance of their duties, including badges, revolvers, and ammunition; the United States Army officer detailed as superintendent of the United States park police, who shall use on official business motor transportation furnished and maintained by himself, shall receive an extra compensation of not to exceed $480 per annum. Members detailed to motorcycle service shall each receive an extra compensation of $120 per annum.

SEC. 7. That under and in accordance with section 12 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1917, and for other purposes," approved September 1, 1916, as amended, members of the United States park police force shall be entitled to all the benefits of relief and retirement therein authorized upon the payment by each member into the policemen and firemen's relief fund, District of Columbia, of an amount equal to 1½ per cent of the total basic salary received by him since September 1, 1916, as a member of such United States park police force, and as a watchman of the United States in any public square or reservation in the District of Columbia: *Provided*, That a member of the United States park police force, to be designated by the officer in charge of public buildings and grounds, shall be a member of the police and firemen's retirement and relief board in all cases of relief and retirement of members of the United States park police force and of the White House police force: *Provided further*, That on and after July 1, 1924, appropriation to pay relief and other allowances authorized by said section 12 of the act of September 1, 1916, shall be paid 60 per cent from the revenues of the District of Columbia and 40 per cent from the revenues of the United States: *And provided further*, That on and after July 1, 1924, the rate of deduction from the monthly salary of members of the Metropolitan police force, United States park police, and the White House police force shall be 2½ per cent: *And provided further*, That such monthly deductions and other moneys now authorized by law to be credited to the policemen and firemen's relief fund shall continue to be so credited.

SEC. 8. That the refund provided for in section 11 of the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, as amended, shall be paid to all members of the United States park police force, who, on the date on which the provisions of this act become effective are entitled to such refund, by reason of contributions previously made by them to the civil service retirement fund.

SEC. 9. That the officer in charge of public buildings and grounds, in his discretion, may appoint special policemen, without compensation, for duty in connection with the policing of the public parks and other reservations under his jurisdiction within the District of Columbia, such special policemen to have the same powers and perform the same duties as the United States park police and the Metropolitan police of said District of Columbia, and to be subject to such regulations as the Chief of Engineers may prescribe: *Provided*, That the jurisdiction and police power of such special policemen shall be restricted to the public parks and other reservations under the control of the officer in charge of public buildings and grounds.

SEC. 10. That the salaries herein provided for shall be payable on and after July 1, 1924.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An act to fix the salaries of officers and members of the Metropolitan police force, the United States park police force, and the fire department of the District of Columbia."

RECESS

The PRESIDENT pro tempore (at 11 o'clock p. m.). Under the unanimous-consent agreement the Senate will stand in recess until to-morrow at 12 o'clock.

HOUSE OF REPRESENTATIVES

THURSDAY, *May 15, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, for Thy name's sake hear us. We ask that our hearts be fashioned for the purest music and our minds fixed for the noblest thoughts. May they chant a silent and thankful refrain in grateful memory of Thy love, so amazing and so divine. Do Thou bestow rich blessings of comfort and happiness upon every citizen of our country, and bless every effort and institution that promotes peace and good will among all men. Be with us in our memories and in our anticipations. When the shades of this evening gather and we tarry alone with our thoughts, may we thank God for the day. Amen.

The Journal of the proceedings of yesterday was read and approved.

SWEARING IN OF A MEMBER

Mr. O'CONNOR of Louisiana. Mr. Speaker, I present my colleague, Mr. J. ZACH SPEARING, elected on April 22, 1924, from the second congressional district of Louisiana, to succeed the late H. Garland Dupré. He desires to take the oath of office.

Mr. SPEARING appeared at the bar of the House and took the oath of office.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the Judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes, had further insisted upon its amendments Nos. 4, 5, 6, 7, 8, 9, 10, 11, 12, 19, 21, 22, and 23, had asked for further conference with the House on the disagreeing votes of the two Houses thereon, and had ordered that Mr. JONES of Washington, Mr. CURTIS, Mr. LODGE, Mr. OVERMAN, and Mr. HARRIS be the conferees on the part of the Senate.

IMMIGRATION OF ALIENS INTO THE UNITED STATES—CONFERENCE REPORT

Mr. JOHNSON of Washington. Mr. Speaker, I call up the conference report upon the bill H. R. 7995, to limit the immigration of aliens into the United States, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Washington calls up the conference report upon the immigration bill and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

Mr. SABATH. Mr. Speaker, reserving the right to object, can we not agree upon some time?

Mr. JOHNSON of Washington. I shall use as little time as possible, and I shall be glad to grant to others in opposition to the bill the same amount of time that I used in favor of the bill.

Mr. SABATH. And the gentleman would not care to agree upon any particular time?

Mr. JOHNSON of Washington. I want to keep the entire debate within the hour permitted by the rules.

Mr. SABATH. Will the gentleman yield me 30 minutes?

Mr. JOHNSON of Washington. I shall yield the gentleman at first 15 minutes, as soon as I have used 15 minutes. We will get along all right, I think.

Mr. SABATH. There are two gentlemen who have asked me for time, who are entitled to a little time. It is not that I desire to yield the time to them, but if the gentleman from Washington will yield them time, it will be quite satisfactory.

Mr. JOHNSON of Washington. If the gentleman would yield his right to the 15 minutes, then I shall be glad to yield such time as I can, but there can not be more than 30 minutes yielded on that side.

Mr. SABATH. Fifteen minutes to me, and then the gentleman from Washington will take care of these other two gentlemen?

Mr. JOHNSON of Washington. I shall yield the gentleman from Illinois 10 minutes and take care of each of the other gentlemen with 5 minutes.

Mr. SABATH. I fear that would not be satisfactory.

Mr. JOHNSON of Washington. Then 15 minutes.

Mr. RAKER. Mr. Speaker, reserving the right to object, will the gentleman from Washington give me 10 minutes?

Mr. JOHNSON of Washington. I am afraid that I have not the time to yield.

Mr. RAKER. I feel that the House ought to know, and I thought to take at least 10 minutes to present the seaman proposition, if there be any objection made.

Mr. JOHNSON of Washington. I thought that I would take care of that. I shall yield the gentleman about seven minutes.

The SPEAKER. Is there objection to the request of the gentleman from Washington that the statement be read in lieu of the report?

Mr. BROWNE of Wisconsin. Mr. Speaker, reserving the right to object, may I have five minutes?

Mr. JOHNSON of Washington. I shall yield the gentleman five minutes.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the statement of the conferees.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7995) to limit the immigration of aliens into the United States, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That this act may be cited as the 'immigration act of 1924.'

"IMMIGRATION VISAS

"SEC. 2. (a) A consular officer upon the application of any immigrant (as defined in section 3) may (under the conditions hereinafter prescribed and subject to the limitations prescribed in this act or regulations made thereunder as to the number of immigration visas which may be issued by such officer) issue to such immigrant an immigration visa which shall consist of one copy of the application provided for in section 7, visaed by such consular officer. Such visa shall specify (1) the nationality of the immigrant; (2) whether he is a quota immigrant (as defined in section 5) or a nonquota immigrant (as defined in section 4); (3) the date on which the validity of the immigration visa shall expire; and (4) such additional information necessary to the proper enforcement of the immigration laws and the naturalization laws as may be by regulations prescribed.

"(b) The immigrant shall furnish two copies of his photograph to the consular officer. One copy shall be permanently attached by the consular officer to the immigration visa and the other copy shall be disposed of as may be by regulations prescribed.

"(c) The validity of an immigration visa shall expire at the end of such period, specified in the immigration visa, not exceeding four months, as shall be by regulations prescribed. In the case of an immigrant arriving in the United States by water, or arriving by water in foreign contiguous territory on a continuous voyage to the United States, if the vessel, before the expiration of the validity of his immigration visa, departed from the last port outside the United States and outside foreign contiguous territory at which the immigrant embarked, and if the immigrant proceeds on a continuous voyage to the United States, then, regardless of the time of his arrival in the United States, the validity of his immigration visa shall not be considered to have expired.

"(d) If an immigrant is required by any law or regulations or orders made pursuant to law to secure the visa of his passport by a consular officer before being permitted to enter the United States, such immigrant shall not be required to secure any other visa of his passport than the immigration visa issued under this act, but a record of the number and date of his immigration visa shall be noted on his passport without charge therefor. This subdivision shall not apply to an immigrant who is relieved, under subdivision (b) of section 13, from obtaining an immigration visa.

"(e) The manifest or list of passengers required by the immigration laws shall contain a place for entering thereon the date, place of issuance, and number of the immigration visa of each immigrant. The immigrant shall surrender his immigration visa to the immigration officer at the port of inspection, who shall at the time of inspection indorse on the immigration visa the date, the port of entry, and the name of the vessel, if any, on which the immigrant arrived. The immigration visa shall be transmitted forthwith by the immigration officer in charge at the port of inspection to the Department of Labor under regulations prescribed by the Secretary of Labor.

"(f) No immigration visa shall be issued to an immigrant if it appears to the consular officer, from statements in the application or in the papers submitted therewith, that the immigrant is inadmissible to the United States under the immigration laws; nor shall such immigration visa be issued if the application fails to comply with the provisions of this act; nor shall such immigration visa be issued if the consular officer knows or has reason to believe that the immigrant is inadmissible to the United States under the immigration laws.

"(g) Nothing in this act shall be construed to entitle an immigrant to whom an immigration visa has been issued to enter the United States if upon arrival in the United States he is found to be inadmissible to the United States under the immigration laws. The substance of this subdivision shall be printed conspicuously upon every immigration visa.

"(h) A fee of $9 shall be charged for the issuance of each immigration visa, which shall be covered into the Treasury as miscellaneous receipts.

"DEFINITION OF 'IMMIGRANT.'

"SEC. 3. When used in this act the term 'immigrant' means any alien departing from any place outside the United States destined for the United States, except (1) a Government official, his family, attendants, servants, and employees; (2) an alien visiting the United States temporarily as a tourist or temporarily for business or pleasure; (3) an alien in continuous transit through the United States; (4) an alien lawfully admitted to the United States who later goes in transit from one part of the United States to another through foreign contiguous territory; (5) a bona fide alien seaman serving as such on a vessel arriving at a port of the United States and seeking to enter temporarily the United States solely in the pursuit of his calling as a seaman; and (6) an alien entitled to enter the United States solely to carry on trade under and in pursuance of the provisions of a present existing treaty of commerce and navigation.

"NONQUOTA IMMIGRANTS

"SEC. 4. When used in this act the term 'nonquota immigrant' means—

"(a) An immigrant who is the unmarried child under 18 years of age, or the wife, of a citizen of the United States who resides therein at the time of the filing of a petition under section 9;

"(b) An immigrant previously lawfully admitted to the United States who is returning from a temporary visit abroad;

"(c) An immigrant who was born in the Dominion of Canada, Newfoundland, the Republic of Mexico, the Republic of Cuba, the Republic of Haiti, the Dominican Republic, the Canal Zone, or an independent country of Central or South America, and his wife and his unmarried children under 18 years of age, if accompanying or following to join him;

"(d) An immigrant who continuously for at least two years immediately preceding the time of his application for admission to the United States has been, and who seeks to enter the United States solely for the purpose of, carrying on the vocation of minister of any religious denomination, or professor of a college, academy, seminary, or university; and his wife, and his unmarried children under 18 years of age, if accompanying or following to join him; or

"(e) An immigrant who is a bona fide student at least 15 years of age and who seeks to enter the United States solely for the purpose of study at an accredited school, college, academy, seminary, or university particularly designated by him and approved by the Secretary of Labor, which shall have agreed to report to the Secretary of Labor the termination of attendance of each immigrant student, and if any such institution of learning fails to make such reports promptly the approval shall be withdrawn.

"QUOTA IMMIGRANTS

"SEC. 5. When used in this act the term 'quota immigrant' means any immigrant who is not a nonquota immigrant. An alien who is not particularly specified in this act as a nonquota immigrant or a nonimmigrant shall not be admitted as a nonquota immigrant or a nonimmigrant by reason of relationship to any individual who is so specified or by reason of being excepted from the operation of any other law regulating or forbidding immigration.

"REFERENCES WITHIN QUOTAS

"SEC. 6. (a) In the issuance of immigration visas to quota immigrants preference shall be given—

"(1) To a quota immigrant who is the unmarried child under 21 years of age, the father, the mother, the husband, or the

wife, of a citizen of the United States who is 21 years of age or over; and

"(2) To a quota immigrant who is skilled in agriculture, and his wife, and his dependent children under the age of 16 years, if accompanying or following to join him. The preference provided in this paragraph shall not apply to immigrants of any nationality the annual quota for which is less than 300.

"(b) The preference provided in subdivision (a) shall not in the case of quota immigrants of any nationality exceed 50 per cent of the annual quota for such nationality. Nothing in this section shall be construed to grant to the class of immigrants specified in paragraph (1) of subdivision (a) a priority in preference over the class specified in paragraph (2).

"(c) The preference provided in this section shall, in the case of quota immigrants of any nationality, be given in the calendar month in which the right to preference is established, if the number of immigration visas which may be issued in such month to quota immigrants of such nationality has not already been issued; otherwise in the next calendar month.

"APPLICATION FOR IMMIGRATION VISA

"SEC. 7. (a) Every immigrant applying for an immigration visa shall make application therefor in duplicate in such form as shall be by regulations prescribed.

"(b) In the application the immigrant shall state (1) the immigrant's full and true name; age, sex, and race; the date and place of birth; places of residence for the five years immediately preceding his application; whether married or single, and the names and places of residence of wife or husband and minor children, if any; calling or occupation; personal description (including height, complexion, color of hair and eyes, and marks of identification); ability to speak, read, and write; names and addresses of parents, and, if neither parent living, then the name and address of his nearest relative in the country from which he comes; port of entry into the United States; final destination, if any, beyond the port of entry; whether he has a ticket through to such final destination; whether going to join a relative or friend, and, if so, what relative or friend and his name and complete address; the purpose for which he is going to the United States; the length of time he intends to remain in the United States; whether or not he intends to abide in the United States permanently; whether ever in prison or almshouse; whether he or either of his parents has ever been in an institution or hospital for the care and treatment of the insane; (2) if he claims to be a nonquota immigrant, the facts on which he bases such claim; and (3) such additional information necessary to the proper enforcement of the immigration laws and the naturalization laws, as may be by regulations prescribed.

"(c) The immigrant shall furnish, if available, to the consular officer, with his application, two copies of his 'dossier' and prison record and military record, two certified copies of his birth certificate, and two copies of all other available public records concerning him kept by the Government to which he owes allegiance. One copy of the documents so furnished shall be permanently attached to each copy of the application and become a part thereof. An immigrant having an unexpired permit issued under the provisions of section 10 shall not be subject to this subdivision. In the case of an application made before September 1, 1924, if it appears to the satisfaction of the consular officer that the immigrant has obtained a visa of his passport before the enactment of this act, and is unable to obtain the documents referred to in this subdivision without undue expense and delay, owing to absence from the country from which such documents should be obtained, the consular officer may relieve such immigrant from the requirements of this subdivision.

"(d) In the application the immigrant shall also state (to such extent as shall be by regulations prescribed) whether or not he is a member of each class of individuals excluded from admission to the United States under the immigration laws, and such classes shall be stated on the blank in such form as shall be by regulations prescribed, and the immigrant shall answer separately as to each class.

"(e) If the immigrant is unable to state that he does not come within any of the excluded classes, but claims to be for any legal reason exempt from exclusion, he shall state fully in the application the grounds for such alleged exemption.

"(f) Each copy of the application shall be signed by the immigrant in the presence of the consular officer and verified by the oath of the immigrant administered by the consular officer. One copy of the application, when visaed by the consular officer, shall become the immigration visa, and the other copy shall be disposed of as may be by regulations prescribed.

"(g) In the case of an immigrant under 18 years of age the application may be made and verified by such individual as shall be by regulations prescribed.

"(h) A fee of $1 shall be charged for the furnishing and verification of each application, which shall include the furnishing and verification of the duplicate, and shall be covered into the Treasury as miscellaneous receipts.

"NONQUOTA IMMIGRATION VISAS

"SEC. 8. A consular officer may, subject to the limitations provided in sections 2 and 9, issue an immigration visa to a nonquota immigrant as such upon satisfactory proof, under regulations prescribed under this act, that the applicant is entitled to be regarded as a nonquota immigrant.

"ISSUANCE OF IMMIGRATION VISAS TO RELATIVES

"SEC. 9. (a) In case of any immigrant claiming in his application for an immigration visa to be a nonquota immigrant by reason of relationship under the provisions of subdivision (a) of section 4, or to be entitled to preference by reason of relationship to a citizen of the United States under the provisions of section 6, the consular officer shall not issue such immigration visa or grant such preference until he has been authorized to do so as hereinafter in this section provided.

"(b) Any citizen of the United States claiming that any immigrant is his relative, and that such immigrant is properly admissible to the United States as a nonquota immigrant under the provisions of subdivision (a) of section 4, or is entitled to preference as a relative under section 6, may file with the Commissioner General a petition in such form as may be by regulations prescribed, stating (1) the petitioner's name and address; (2) if a citizen by birth, the date and place of his birth; (3) if a naturalized citizen, the date and place of his admission to citizenship and the number of his certificate, if any; (4) the name and address of his employer or the address of his place of business or occupation if he is not an employee; (5) the degree of the relationship of the immigrant for whom such petition is made, and the names of all the places where such immigrant has resided prior to and at the time when the petition is filed; (6) that the petitioner is able to and will support the immigrant if necessary to prevent such immigrant from becoming a public charge; and (7) such additional information necessary to the proper enforcement of the immigration laws and the naturalization laws as may be by regulations prescribed.

"(c) The petition shall be made under oath administered by any individual having power to administer oaths, if executed in the United States, but, if executed outside the United States, administered by a consular officer. The petition shall be supported by any documentary evidence required by regulations prescribed under this act. Application may be made in the same petition for admission of more than one individual.

"(d) The petition shall be accompanied by the statements of two or more responsible citizens of the United States, to whom the petitioner has been personally known for at least one year, that to the best of their knowledge and belief the statements made in the petition are true and that the petitioner is a responsible individual able to support the immigrant or immigrants for whose admission application is made. These statements shall be attested in the same way as the petition.

"(e) If the Commissioner General finds the facts stated in the petition to be true, and that the immigrant in respect of whom the petition is made is entitled to be admitted to the United States as a nonquota immigrant under subdivision (a) of section 4 or is entitled to preference as a relative under section 6, he shall, with the approval of the Secretary of Labor, inform the Secretary of State of his decision, and the Secretary of State shall then authorize the consular officer with whom the application for the immigration visa has been filed to issue the immigration visa or grant the preference.

"(f) Nothing in this section shall be construed to entitle an immigrant, in respect of whom a petition under this section is granted, to enter the United States as a nonquota immigrant, if, upon arrival in the United States, he is found not to be a nonquota immigrant.

"PERMIT TO REENTER UNITED STATES AFTER TEMPORARY ABSENCE

"SEC. 10. (a) Any alien about to depart temporarily from the United States may make application to the Commissioner General for a permit to reenter the United States, stating the length of his intended absence, and the reasons therefor. Such application shall be made under oath, and shall be in such form and contain such information as may be by regulations prescribed,

and shall be accompanied by two copies of the applicant's photograph.

"(b) If the Commissioner General finds that the alien has been legally admitted to the United States, and that the application is made in good faith, he shall, with the approval of the Secretary of Labor, issue the permit, specifying therein the length of time, not exceeding one year, during which it shall be valid. The permit shall be in such form as shall be by regulations prescribed and shall have permanently attached thereto the photograph of the alien to whom issued, together with such other matter as may be deemed necessary for the complete identification of the alien.

"(c) On good cause shown the validity of the permit may be extended for such period or periods, not exceeding six months each, and under such conditions as shall be by regulations prescribed.

"(d) For the issuance of the permit and for each extension thereof there shall be paid a fee of $3, which shall be covered into the Treasury as miscellaneous receipts.

"(e) Upon the return of the alien to the United States the permit shall be surrendered to the immigration officer at the port of inspection.

"(f) A permit issued under this section shall have no effect under the immigration laws, except to show that the alien to whom it is issued is returning from a temporary visit abroad; but nothing in this section shall be construed as making such permit the exclusive means of establishing that the alien is so returning.

"NUMERICAL LIMITATIONS

"SEC. 11. (a) The annual quota of any nationality shall be 2 per cent of the number of foreign-born individuals of such nationality resident in continental United States as determined by the United States census of 1890, but the minimum quota of any nationality shall be 100.

"(b) The annual quota of any nationality for the fiscal year beginning July 1, 1927, and for each fiscal year thereafter, shall be a number which bears the same ratio to 150,000 as the number of inhabitants in continental United States in 1920 having that national origin (ascertained as hereinafter provided in this section) bears to the number of inhabitants in continental United States in 1920, but the minimum quota of any nationality shall be 100.

"(c) For the purpose of subdivision (b) national origin shall be ascertained by determining as nearly as may be in respect of each geographical area which under section 12 is to be treated as a separate country (except the geographical areas specified in subdivision (c) of section 4) the number of inhabitants in continental United States in 1920 whose origin by birth or ancestry is attributable to such geographical area. Such determination shall not be made by tracing the ancestors or descendants of particular individuals, but shall be based upon statistics of immigration and emigration, together with rates of increase of population as shown by successive decennial United States censuses, and such other data as may be found to be reliable.

"(d) For the purpose of subdivisions (b) and (c) the term 'inhabitants in continental United States in 1920' does not include (1) immigrants from the geographical areas specified in subdivision (c) of section 4 or their descendants, (2) aliens ineligible to citizenship or their descendants, (3) the descendants of slave immigrants, or (4) the descendants of American aborigines.

"(e) The determination provided for in subdivision (c) of this section shall be made by the Secretary of State, the Secretary of Commerce, and the Secretary of Labor, jointly. In making such determination such officials may call for information and expert assistance from the Bureau of the Census. Such officials shall, jointly, report to the President the quota of each nationality, determined as provided in subdivision (b), and the President shall proclaim and make known the quotas so reported. Such proclamation shall be made on or before April 1, 1927. If the proclamation is not made on or before such date, quotas proclaimed therein shall not be in effect for any fiscal year beginning before the expiration of 90 days after the date of the proclamation. After the making of a proclamation under this subdivision the quotas proclaimed therein shall continue with the same effect as if specifically stated herein, and shall be final and conclusive for every purpose except (1) in so far as it is made to appear to the satisfaction of such officials and proclaimed by the President, that an error of fact has occurred in such determination or in such proclamation, or (2) in the case provided for in subdivision (c) of section 12. If for any reason quotas proclaimed under this subdivision are not in effect for any fiscal year, quotas for such year shall be determined under subdivision (a) of this section.

"(f) There shall be issued to quota immigrants of any nationality (1) no more immigration visas in any fiscal year than the quota for such nationality, and (2) in any calendar month of any fiscal year no more immigration visas than 10 per cent of the quota for such nationality, except that if such quota is less than 300 the number to be issued in any calendar month shall be prescribed by the Commissioner General, with the approval of the Secretary of Labor, but the total number to be issued during the fiscal year shall not be in excess of the quota for such nationality.

"(g) Nothing in this act shall prevent the issuance (without increasing the total number of immigration visas which may be issued) of an immigration visa to an immigrant as a quota immigrant even though he is a nonquota immigrant.

"NATIONALITY

"SEC. 12. (a) For the purposes of this act nationality shall be determined by country of birth, treating as separate countries the colonies, dependencies, or self-governing dominions, for which separate enumeration was made in the United States census of 1890; except that (1) the nationality of a child under 21 years of age not born in the United States, accompanied by its alien parent not born in the United States, shall be determined by the country of birth of such parent if such parent is entitled to an immigration visa, and the nationality of a child under 21 years of age not born in the United States, accompanied by both alien parents not born in the United States, shall be determined by the country of birth of the father if the father is entitled to an immigration visa; and (2) if a wife is of a different nationality from her alien husband and the entire number of immigration visas which may be issued to quota immigrants of her nationality for the calendar month has already been issued, her nationality may be determined by the country of birth of her husband if she is accompanying him and he is entitled to an immigration visa, unless the total number of immigration visas which may be issued to quota immigrants of the nationality of the husband for the calendar month has already been issued. An immigrant born in the United States who has lost his United States citizenship shall be considered as having been born in the country of which he is a citizen or subject, or if he is not a citizen or subject of any country, then in the country from which he comes.

"(b) The Secretary of State, the Secretary of Commerce, and the Secretary of Labor, jointly, shall, as soon as feasible after the enactment of this act, prepare a statement showing the number of individuals of the various nationalities resident in continental United States as determined by the United States census of 1890, which statement shall be the population basis for the purposes of subdivision (a) of section 11. In the case of a country recognized by the United States, but for which a separate enumeration was not made in the census of 1890, the number of individuals born in such country and resident in continental United States in 1890, as estimated by such officials jointly, shall be considered for the purposes of subdivision (a) of section 11 as having been determined by the United States census of 1890. In the case of a colony or dependency existing before 1890, but for which a separate enumeration was not made in the census of 1890, and which was not included in the enumeration for the country to which such colony or dependency belonged, or in the case of territory administered under a protectorate, the number of individuals born in such colony, dependency, or territory, and resident in continental United States in 1890, as estimated by such officials jointly, shall be considered for the purposes of subdivision (a) of section 11 as having been determined by the United States census of 1890 to have been born in the country to which such colony or dependency belonged or which administers such protectorate.

"(c) In case of changes in political boundaries in foreign countries occurring subsequent to 1890 and resulting in the creation of new countries, the governments of which are recognized by the United States, or in the establishment of self-governing dominions, or in the transfer of territory from one country to another, such transfer being recognized by the United States, or in the surrender by one country of territory the transfer of which to another country has not been recognized by the United States, or in the administration of territories under mandates, (1) such officials, jointly, shall estimate the number of individuals resident in continental United States in 1890 who were born within the area included in such new countries or self-governing dominions or in such territory so transferred or surrendered or administered under a mandate, and revise (for the purposes of subdivision (a) of section 11) the population basis as to each country involved in such change of political boundary, and (2) if such changes in political

boundaries occur after the determination provided for in subdivision (c) of section 11 has been proclaimed, such officials, jointly, shall revise such determinations, but only so far as necessary to allot the quotas among the countries involved in such change of political boundary. For the purpose of such revision and for the purpose of determining the nationality of an immigrant, (A) aliens born in the area included in any such new country or self-governing dominion shall be considered as having been born in such country or dominion, and aliens born in any territory so transferred shall be considered as having been born in the country to which such territory was transferred, and (B) territory so surrendered or administered under a mandate shall be treated as a separate country. Such treatment of territory administered under a mandate shall not constitute consent by the United States to the proposed mandate where the United States has not consented in a treaty to the administration of the territory by a mandatory power.

"(d) The statements, estimates, and revisions provided in this section shall be made annually, but for any fiscal year for which quotas are in effect as proclaimed under subdivision (e) of section 11 shall be made only (1) for the purpose of determining the nationality of immigrants seeking admission to the United States during such year, or (2) for the purposes of clause (2) of subdivision (c) of this section.

"(e) Such officials shall, jointly, report annually to the President the quota of each nationality under subdivision (a) of section 11, together with the statements, estimates, and revisions provided for in this section. The President shall proclaim and make known the quotas so reported, and thereafter such quotas shall continue, with the same effect as if specifically stated herein, for all fiscal years except those years for which quotas are in effect as proclaimed under subdivision (e) of section 11, and shall be final and conclusive for every purpose.

"EXCLUSION FROM UNITED STATES

"SEC. 13. (a) No immigrant shall be admitted to the United States unless he (1) has an unexpired immigration visa or was born subsequent to the issuance of the immigration visa of the accompanying parent, (2) is of the nationality specified in the visa in the immigration visa, (3) is a nonquota immigrant if specified in the visa in the immigration visa as such, and (4) is otherwise admissible under the immigration laws.

"(b) In such classes of cases and under such conditions as may be by regulations prescribed immigrants who have been legally admitted to the United States and who depart therefrom temporarily may be admitted to the United States without being required to obtain an immigration visa.

"(c) No alien ineligible to citizenship shall be admitted to the United States unless such alien (1) is admissible as a nonquota immigrant under the provisions of subdivision (b), (d), or (e) if section 4, or (2) is the wife, or the unmarried child under 18 years of age, of an immigrant admissible under such subdivision (d), and is accompanying or following to join him, or (3) is not an immigrant as defined in section 3.

"(d) The Secretary of Labor may admit to the United States any otherwise admissible immigrant not admissible under clause (2) or (3) of subdivision (a) of this section, if satisfied that such inadmissibility was not known to, and could not have been ascertained by the exercise of reasonable diligence by, such immigrant prior to the departure of the vessel from the last port outside the United States and outside foreign contiguous territory, or, in the case of an immigrant coming from foreign contiguous territory, prior to the application of the immigrant for admission.

"(e) No quota immigrant shall be admitted under subdivision (d) if the entire number of immigration visas which may be issued to quota immigrants of the same nationality for the fiscal year has already been issued. If such entire number of immigration visas has not been issued, then the Secretary of State, upon the admission of a quota immigrant under subdivision (d), shall reduce by one the number of immigration visas which may be issued to quota immigrants of the same nationality during the fiscal year in which such immigrant is admitted; but if the Secretary of State finds that it will not be practicable to make such reduction before the end of such fiscal year, then such immigrant shall not be admitted.

"(f) Nothing in this section shall authorize the remission or refunding of a fine, liability to which has accrued under section 16.

"DEPORTATION

"SEC. 14. Any alien who at any time after entering the United States is found to have been at the time of entry not entitled under this act to enter the United States, or to have remained therein for a longer time than permitted under this act or regulations made thereunder, shall be taken into custody and deported in the same manner as provided for in sections 19 and 20 of the immigration act of 1917: *Provided*, That the Secretary of Labor may, under such conditions and restrictions as to support and care as he may deem necessary, permit permanently to remain in the United States, any alien child who, when under 16 years of age was heretofore temporarily admitted to the United States and who is now within the United States and either of whose parents is a citizen of the United States.

"MAINTENANCE OF EXEMPT STATUS

"SEC. 15. The admission to the United States of an alien excepted from the class of immigrants by clause (2), (3), (4), (5), or (6) of section 3, or declared to be a nonquota immigrant by subdivision (e) of section 4, shall be for such time as may be by regulations prescribed, and under such conditions as may be by regulations prescribed (including, when deemed necessary for the classes mentioned in clauses (2), (3), (4), or (6) of section 3, the giving of bond with sufficient surety, in such sum and containing such conditions as may be by regulations prescribed) to insure that, at the expiration of such time or upon failure to maintain the status under which admitted, he will depart from the United States.

"PENALTY FOR ILLEGAL TRANSPORTATION

"SEC. 16. (a) It shall be unlawful for any person, including any transportation company, or the owner, master, agent, charterer, or consignee of any vessel, to bring to the United States by water from any place outside thereof (other than foreign contiguous territory) (1) any immigrant who does not have an unexpired immigration visa, or (2) any quota immigrant having an immigration visa the visa in which specifies him as a nonquota immigrant.

"(b) If it appears to the satisfaction of the Secretary of Labor that any immigrant has been so brought, such person, or transportation company, or the master, agent, owner, charterer, or consignee of any such vessel, shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each immigrant so brought, and in addition a sum equal to that paid by such immigrant for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival, such latter sum to be delivered by the collector of customs to the immigrant on whose account assessed. No vessel shall be granted clearance pending the determination of the liability to the payment of such sums, or while such sums remain unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of an amount sufficient to cover such sums, or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs.

"(c) Such sums shall not be remitted or refunded, unless it appears to the satisfaction of the Secretary of Labor that such person, and the owner, master, agent, charterer, and consignee of the vessel, prior to the departure of the vessel from the last port outside the United States, did not know, and could not have ascertained by the exercise of reasonable diligence, (1) that the individual transported was an immigrant, if the fine was imposed for bringing an immigrant without an unexpired immigration visa, or (2) that the individual transported was a quota immigrant, if the fine was imposed for bringing a quota immigrant the visa in whose immigration visa specified him as being a nonquota immigrant.

"ENTRY FROM FOREIGN CONTIGUOUS TERRITORY

"SEC. 17. The Commissioner General, with the approval of the Secretary of Labor, shall have power to enter into contracts with transportation lines for the entry and inspection of aliens coming to the United States from or through foreign contiguous territory. In prescribing rules and regulations and making contracts for the entry and inspection of aliens applying for admission from or through foreign contiguous territory due care shall be exercised to avoid any discriminatory action in favor of transportation companies transporting to such territory aliens destined to the United States, and all such transportation companies shall be required, as a condition precedent to the inspection or examination under such rules and contracts at the ports of such contiguous territory of aliens brought thereto by them, to submit to and comply with all the requirements of this act which would apply were they bringing such aliens directly to ports of the United States. After this section takes effect no alien applying for admission from or through foreign contiguous territory (except an alien previously lawfully admitted to the United States who is returning from a temporary visit to such territory) shall be permitted to enter the United States unless upon proving that

he was brought to such territory by a transportation company which has submitted to and complied with all the requirements of this act, or that he entered, or has resided in, such territory more than two years prior to the time of his application for admission to the United States.

"UNUSED IMMIGRATION VISAS

"SEC. 18. If a quota immigrant of any nationality having an immigration visa is excluded from admission to the United States under the immigration laws and deported, or does not apply for admission to the United States before the expiration of the validity of the immigration visa, or if an alien of any nationality having an immigration visa issued to him as a quota immigrant is found not to be a quota immigrant, no additional immigration visa shall be issued in lieu thereof to any other immigrant.

"ALIEN SEAMEN

"SEC. 19. No alien seaman excluded from admission into the United States under the immigration laws and employed on board any vessel arriving in the United States from any place outside thereof, shall be permitted to land in the United States, except temporarily for medical treatment, or pursuant to such regulations as the Secretary of Labor may prescribe for the ultimate departure, removal, or deportation of such alien from the United States.

"SEC. 20. (a) The owner, charterer, agent, consignee, or master of any vessel arriving in the United States from any place outside thereof who fails to detain on board any alien seaman employed on such vessel until the immigration officer in charge at the port of arrival has inspected such seaman (which inspection in all cases shall include a personal physical examination by the medical examiners), or who fails to detain such seaman on board after such inspection or to deport such seaman if required by such immigration officer or the Secretary of Labor to do so, shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each alien seaman in respect of whom such failure occurs. No vessel shall be granted clearance pending the determination of the liability to the payment of such fine, or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine, or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs.

"(b) Proof that an alien seaman did not appear upon the outgoing manifest of the vessel on which he arrived in the United States from any place outside thereof, or that he was reported by the master of such vessel as a deserter, shall be prima facie evidence of a failure to detain or deport after requirement by the immigration officer or the Secretary of Labor.

"(c) If the Secretary of Labor finds that deportation of the alien seaman on the vessel on which he arrived would cause undue hardship to such seaman he may cause him to be deported on another vessel at the expense of the vessel on which he arrived, and such vessel shall not be granted clearance until such expense has been paid or its payment guaranteed to the satisfaction of the Secretary of Labor.

"(d) Section 32 of the immigration act of 1917 is repealed, but shall remain in force as to all vessels, their owners, agents, consignees, and masters, and as to all seamen, arriving in the United States prior to the enactment of this act.

"PREPARATION OF DOCUMENTS

"SEC. 21. (a) Permits issued under section 10 shall be printed on distinctive safety paper and shall be prepared and issued under regulations prescribed under this act.

"(b) The Public Printer is authorized to print for sale to the public by the Superintendent of Public Documents, upon prepayment, additional copies of blank forms of manifests and crew lists to be prescribed by the Secretary of Labor pursuant to the provisions of sections 12, 13, 14, and 36 of the immigration act of 1917.

"OFFENSES IN CONNECTION WITH DOCUMENTS

"SEC. 22. (a) Any person who knowingly (1) forges, counterfeits, alters, or falsely makes any immigration visa or permit, or (2) utters, uses, attempts to use, possesses, obtains, accepts, or receives any immigration visa or permit, knowing it to be forged, counterfeited, altered, or falsely made, or to have been procured by means of any false claim or statement, or to have been otherwise procured by fraud or unlawfully obtained; or who, except under direction of the Secretary of Labor or other proper officer, knowingly (3) possesses any blank permit, (4) engraves, sells, brings into the United States, or has in his control or possession any plate in the likeness of a plate designed for the printing of permits, (5) makes any print, photograph, or impression in the likeness of any immigration visa or permit, or (6) has in his possession a distinctive paper which has been adopted by the Secretary of Labor for the printing of immigration visas or permits, shall, upon conviction thereof, be fined not more than $10,000, or imprisoned for not more than five years, or both.

"(b) Any individual who (1) when applying for an immigration visa or permit, or for admission to the United States, personates another, or falsely appears in the name of a deceased individual, or evades or attempts to evade the immigration laws by appearing under an assumed or fictitious name, or (2) sells or otherwise disposes of, or offers to sell or otherwise dispose of, or utters, an immigration visa or permit to any person not authorized by law to receive such document, shall, upon conviction thereof, be fined not more than $10,000, or imprisoned for not more than five years, or both.

"(c) Whoever knowingly makes under oath any false statement in any application, affidavit, or other document required by the immigration laws or regulations prescribed thereunder shall, upon conviction thereof, be fined not more than $10,000, or imprisoned for not more than five years, or both.

"BURDEN OF PROOF

"SEC. 23. Whenever any alien attempts to enter the United States the burden of proof shall be upon such alien to establish that he is not subject to exclusion under any provision of the immigration laws; and in any deportation proceeding against any alien the burden of proof shall be upon such alien to show that he entered the United States lawfully, and the time, place, and manner of such entry into the United States, but in presenting such proof he shall be entitled to the production of his immigration visa, if any, or of other documents concerning such entry, in the custody of the Department of Labor.

"RULES AND REGULATIONS

"SEC. 24. The Commissioner General, with the approval of the Secretary of Labor, shall prescribe rules and regulations for the enforcement of the provisions of this act; but all such rules and regulations, in so far as they relate to the administration of this act by consular officers, shall be prescribed by the Secretary of State on the recommendation of the Secretary of Labor.

"ACT TO BE IN ADDITION TO IMMIGRATION LAWS

"SEC. 25. The provisions of this act are in addition to and not in substitution for the provisions of the immigration laws, and shall be enforced as a part of such laws, and all the penal or other provisions of such laws, not inapplicable, shall apply to and be enforced in connection with the provisions of this act. An alien, although admissible under the provisions of this act, shall not be admitted to the United States if he is excluded by any provision of the immigration laws other than this act, and an alien, although admissible under the provisions of the immigration laws other than this act, shall not be admitted to the United States if he is excluded by any provision of this act.

"STEAMSHIP FINES UNDER 1917 ACT

"SEC. 26. Section 9 of the immigration act of 1917 is amended to read as follows:

"'SEC. 9. That it shall be unlawful for any person, including any transportation company other than railway lines entering the United States from foreign contiguous territory, or the owner, master, agent, or consignee of any vessel to bring to the United States either from a foreign country or any insular possession of the United States any alien afflicted with idiocy, insanity, imbecility, feeble-mindedness, epilepsy, constitutional psychopathic inferiority, chronic alcoholism, tuberculosis in any form, or a loathsome or dangerous contagious disease, and if it shall appear to the satisfaction of the Secretary of Labor that any alien so brought to the United States was afflicted with any of the said diseases or disabilities at the time of foreign embarkation, and that the existence of such disease or disability might have been detected by means of a competent medical examination at such time, such person or transportation company, or the master, agent, owner, or consignee of any such vessel shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000, and in addition a sum equal to that paid by such alien for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival for each and every violation of the provisions of this section, such latter sum to be delivered by the collector of customs to the alien on whose account assessed. It shall also be unlawful for any such person to bring to any port of the United States any alien afflicted with any mental defect other than those above specifically named, or physical defect of a nature which may affect his ability to earn a living, as contemplated in sec-

tion 3 of this act, and if it shall appear to the satisfaction of the Secretary of Labor that any alien so brought to the United States was so afflicted at the time of foreign embarkation, and that the existence of such mental or physical defect might have been detected by means of a competent medical examination at such time, such person shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $250, and in addition a sum equal to that paid by such alien for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival, for each and every violation of this provision, such latter sum to be delivered by the collector of customs to the alien for whose account assessed. It shall also be unlawful for any such person to bring to any port of the United States any alien who is excluded by the provisions of section 3 of this act because unable to read, or who is excluded by the terms of section 3 of this act as a native of that portion of the continent of Asia and the islands adjacent thereto described in said section, and if it shall appear to the satisfaction of the Secretary of Labor that these disabilities might have been detected by the exercise of reasonable precaution prior to the departure of such aliens from a foreign port, such person shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000, and in addition a sum equal to that paid by such alien for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival, for each and every violation of this provision, such latter sum to be delivered by the collector of customs to the alien on whose account assessed.

"'If a fine is imposed under this section for the bringing of an alien to the United States, and if such alien is accompanied by another alien who is excluded from admission by the last proviso of section 18 of this act, the person liable for such fine shall pay to the collector of customs, in addition to such fine but as a part thereof, a sum equal to that paid by such accompanying alien for his transportation from his initial point of departure indicated in his ticket, to the point of arrival, such sum to be delivered by the colector of customs to the accompanying alien when deported. And no vessel shall be granted clearance papers pending the determination of the question of the liability to the payment of such fines, or while the fines remain unpaid, nor shall such fines be remitted or refunded: *Provided*, That clearance may be granted prior to the determination of such questions upon the deposit of a sum sufficient to cover such fines or of a bond with sufficient surety to secure the payment thereof, approved by the collector of customs: *Provided further*, That nothing contained in this section shall be construed to subject transportation companies to a fine for bringing to ports of the United States aliens who are by any of the provisos or exceptions to section 3 of this act exempted from the excluding provisions of said section.'

"SEC. 27. Section 10 of the immigration act of 1917 is amended to read as follows:

"'SEC. 10. (a) That it shall be the duty of every person, including owners, masters, officers, and agents of vessels of transportation lines, or international bridges or toll roads, other than railway lines which may enter into a contract as provided in section 23, bringing an alien to, or providing a means for an alien to come to, the United States, to prevent the landing of such alien in the United States at any time or place other than as designated by the immigration officers. Any such person, owner, master, officer, or agent who fails to comply with the foregoing requirements shall be guilty of a misdemeanor and on conviction thereof shall be punished by a fine in each case of not less than $200 nor more than $1,000, or by imprisonment for a term not exceeding one year, or by both such fine and imprisonment; or, if in the opinion of the Secretary of Labor it is impracticable or inconvenient to prosecute the person, owner, master, officer, or agent of any such vessel, such person, owner, master, officer, or agent shall be liable to a penalty of $1,000, which shall be a lien upon the vessel whose owner, master, officer, or agent violates the provisions of this section, and such vessel shall be libeled therefor in the appropriate United States court.

"'(b) Proof that the alien failed to present himself at the time and place designated by the immigration officers shall be prima facie evidence that such alien has landed in the United States at a time or place other than as designated by the immigration officers.'

"GENERAL DEFINITIONS

"SEC. 28. As used in this act—

"(a) The term 'United States,' when used in a geographical sense, means the States, the Territories of Alaska and Hawaii, the District of Columbia, Porto Rico, and the Virgin Islands; and the term 'continental United States' means the States and the District of Columbia;

"(b) The term 'alien' includes any individual not a native-born or naturalized citizen of the United States, but this definition shall not be held to include Indians of the United States not taxed, nor citizens of the islands under the jurisdiction of the United States;

"(c) The term 'ineligible to citizenship,' when used in reference to any individual, includes an individual who is debarred from becoming a citizen of the United States under section 2169 of the Revised Statutes, or under section 14 of the act entitled 'An act to execute certain treaty stipulations relating to Chinese,' approved May 6, 1882, or under section 1996, 1997, or 1998 of the Revised Statutes, as amended, or under section 2 of the act entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,' approved May 18, 1917, as amended, or under law amendatory of, supplementary to, or in substitution for, any of such sections;

"(d) The term 'immigration visa' means an immigration visa issued by a consular officer under the provisions of this act;

"(e) The term 'consular officer' means any consular or diplomatic officer of the United States designated, under regulations prescribed under this act, for the purpose of issuing immigration visas under this act. In case of the Canal Zone and the insular possessions of the United States the term 'consular officer' (except as used in section 24) means an officer designated by the President, or by his authority, for the purpose of issuing immigration visas under this act;

"(f) The term 'immigration act of 1917' means the act of February 5, 1917, entitled 'An act to regulate the immigration of aliens to, and the residence of aliens in, the United States';

"(g) The term 'immigration laws' includes such act, this act, and all laws, conventions, and treaties of the United States relating to the immigration, exclusion, or expulsion of aliens;

"(h) The term 'person' includes individuals, partnerships, corporations, and associations;

"(i) The term 'commissioner general' means the Commissioner General of Immigration;

"(j) The term 'application for admission' has reference to the application for admission to the United States and not to the application for the issuance of the immigration visa;

"(k) The term 'permit' means a permit issued under section 10;

"(l) The term 'unmarried,' when used in reference to any individual as of any time, means an individual who at such time is not married, whether or not previously married;

"(m) The terms 'child,' 'father,' and 'mother' do not include a child or parent by adoption unless the adoption took place before January 1, 1924;

"(n) The term 'wife' and 'husband' do not include a wife or husband by reason of a proxy or picture marriage.

"AUTHORIZATION OF APPROPRIATION

"SEC. 29. The appropriation of such sums as may be necessary for the enforcement of this act is hereby authorized.

"ACT OF MAY 19, 1921

"SEC. 30. The act entitled 'An act to limit the immigration of aliens into the United States,' approved May 19, 1921, as amended and extended, shall, notwithstanding its expiration on June 30, 1924, remain in force thereafter for the imposition, collection, and enforcement of all penalties that may have accrued thereunder, and any alien who prior to July 1, 1924, may have entered the United States in violation of such act or regulations made thereunder may be deported in the same manner as if such act had not expired.

"TIME OF TAKING EFFECT

"SEC 31. (a) Sections 2, 8, 13, 14, 15, and 16, and subdivision (f) of section 11 shall take effect on July 1, 1924, except that immigration visas and permits may be issued prior to that date, which shall not be valid for admission to the United States before July 1, 1924. In the case of quota immigrants of any nationality, the number of immigration visas to be issued prior to July 1, 1924, shall not be in excess of 10 per cent of the quota for such nationality, and the number of immigration visas so issued shall be deducted from the number which may be issued during the month of July, 1924. In the case of immigration visas issued before July 1, 1924, the four-month period referred to in subdivision (c) of section 2 shall begin to run on July 1, 1924, instead of at the time of the issuance of the immigration visa.

"(b) The remainder of this act shall take effect upon its enactment.

"(c) If any alien arrives in the United States before July 1, 1924, his right to admission shall be determined without regard to the provisions of this act, except section 23.

"SAVING CLAUSE IN EVENT OF UNCONSTITUTIONALITY

"SEC. 32. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act, and the application of such provision to other persons or circumstances, shall not be affected thereby."

And the Senate agree to the same.

DAVID A. REED,
HENRY W. KEYES,
WM. J. HARRIS,
Managers on the part of the Senate.

ALBERT JOHNSON,
WILLIAM N. VAILE,
BIRD J. VINCENT,
JOHN E. RAKER,
Managers on the part of the House.

STATEMENT

The managers on the part of the House at the second conference on the disagreeing votes on the Senate amendment to H. R. 7995, a bill to limit the immigration of aliens into the United States, submit the following written statement, explaining matters agreed upon by the conference committee and recommended in the text of the conference report. Section 13 has been amended in accordance with the instructions of the House.

The managers on the part of the Senate accepted the nonquota feature of the House bill but reduced these by striking out the skilled labor nonquota classification, by changing the contiguous territory clause so that it applies only to those born in such territory, and by limiting the "relative" clause to wives and children of American citizens.

Fathers and mothers are given a preferential right within quotas, together with bona fide farmers, their wives and small children, up to 50 per cent of all quotas which are more than 300.

The minimum age for students is made 15 years, and safeguards are provided for the maintenance of the status as students at accredited and designated schools.

The definition of an "immigrant" is reduced from the Senate proposal to the original House provision.

The House conferees accepted words by which "immigration certificates" are designated as "immigration visas."

The plan in the Senate amendment for determination of quotas by national origins, was accepted by the House managers after it had been rewritten and perfected.

The quota plan of the House—2 per cent based on the 1890 census (with a minimum quota of 100)—stands for three years, after which the following quota plan goes into effect:

(b) The annual quota of any nationality for the fiscal year beginning July 1, 1927, and for each fiscal year thereafter, shall be a number which bears the same ratio to 150,000 as the number of inhabitants in continental United States in 1920 having that national origin (ascertained as hereinafter provided in this section) bears to the number of inhabitants in continental United States in 1920, but the minimum quota of any nationality shall be 100.

Provisions for working out this plan are carried in paragraphs (c), (d), and (e) of section 11, including a provision for putting this plan into operation by proclamation of the President, under certain conditons.

The effect of section 11, broadly speaking, is that for three years the quota shall be based on a percentage of the foreign born in the United States in 1890, and thereafter the quota percentage shall be based upon the whole white population of the United States, with due regard for the national origin of that population.

The charge for visaing and registering the certificate and passport of an immigrant has been reduced from $11 to $10 to make it conform to other passport fees.

The fee for a permit for an outgoing alien who expects to return is reduced from $6 to $3.

A new paragraph is added to section 21 (p. 34) as follows:

The Public Printer is authorized to print for sale to the public by the Superintendent of Public Documents, upon prepayment, additional copies of blank forms of manifests and crew lists to be prescribed by the Secretary of Labor pursuant to the provisions of sections 12, 13, 14, and 36 of the immigration act of 1917.

The alien seamen's provisions of the House bill are reduced somewhat, and the "landing card" provisions are eliminated.

Paragraph (c) of section 13, page 23 (the exclusion section), reads as follows:

(c) No alien ineligible to citizenship shall be admitted to the United States unless such alien (1) is admissible as a nonquota immigrant under the provisions of subdivision (b), (d), or (e) of section 4, or (2) is the wife, or the unmarried child under 18 years of age, of an immigrant admissible under such subdivision (d), and is accompanying or following to join him, or (3) is not an immigrant as defined in section 3.

This paragraph becomes effective July 1, 1924, under the provisions of section 31.

This is the text of the original House bill, and in accord with the instructions of the House to its conferees.

ALBERT JOHNSON,
WILLIAM N. VAILE,
BIRD J. VINCENT,
JOHN E. RAKER,
Managers on the part of the House.

Mr. JOHNSON of Washington. Mr. Speaker, after a reasonable time for debate on some of the disputed items of the immigration bill, I shall move to concur in the conference report, which represents some yielding on the part of both Senate and House, with the result that the restriction bill is more restrictive than when it went from the House.

The immigration bill, if enacted into law, will go into effect July 1. I regret that we could not agree upon a plan by which the sections affecting Japanese immigration might have been deferred a few months, inasmuch as the number of Japanese who could have come in as immigrants would have been but 10 per month. The proposal did not contemplate the making of an immigration treaty, nor did it pave the way for another agreement. I wish that I could make that clear.

Members of Congress, of course, know that the original proposition which reached the Senate and House conferees, that the so-called exclusion clause be deferred some 20 months, with a proviso that if a treaty could be negotiated the exclusion clause should not go into effect, was never at any time before either House or Senate. It was offered for recognized and necessary diplomatic reasons. It was rejected by the conferees. That ended it.

The next proposal, that the exclusion clause be deferred until March 1, 1925—eight months—during which time the President might negotiate for the end of the agreement, was rejected by the House. I believe that the mere matter of date made no difference, and the Democratic leader, the gentleman from Tennessee [Mr. GARRETT], agrees with me on that. But it was the fear that the House might by its act be opening the way for another long line of misunderstanding as to treaties and agreements, and to a degree forfeiting its right to participate in the handling of the immigration question, that led to the failure of that proposal.

All agree that we can not settle the Japanese problem by letting Japan write or defer the writing of our immigration laws.

Mr. Speaker, we have had immigration troubles with both China and Japan. Our troubles with China, beginning with our first treaty, extended for 50 years, and resulted in six treaties, two of which were broken by this country, and two or three of which were abrogated by China. Those troubles resulted in two presidential vetoes; resulted in the establishment of two commissions by Congress to investigate matters; resulted in numerous massacres and in the authorization by Congress of payments of two large sums to China for assaults upon their people here. In all, 10 acts of Congress in reference to Chinese exclusion were passed, prior to the final Chinese exclusion act, a section of which recognizes and revives a part of an immigration treaty of 1880. In the opinion of your committee the clauses of the bill now before you correct that situation, which relates to students.

Then, Mr. Speaker, we have had 17 years of misunderstanding with Japan under the gentlemen's agreement. In view of all this, I think one may readily predict that neither the present Senate nor any future Senate will ever ratify a treaty relating wholly to immigration. It is safe to assume that the public will never countenance another gentlemen's agreement with any nation in the world.

In this connection I ask unanimous consent to extend my remarks in the RECORD at a later date by inserting a résumé of the laws, treaties, and agreements relating solely to immigration with countries of the Far East.

The SPEAKER. The gentleman from Washington asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. JOHNSON of Washington. Mr. Speaker, the vote of the other day was not an assault upon Japan. It certainly was not

a reflection on the President of the United States, Mr. Coolidge, and I am sure that Congress does not desire to criticize the Secretary of State, Mr. Hughes, for his efforts to handle in the most diplomatic way the ever-increasing problems of the Far East.

Japan must be consoled with the fact that we are treating that nation much better than China was treated. We broke treaty after treaty with China, particularly through the Scott law of 1888 and the Geary law of 1902. Senator Dawes of Massachusetts said of the Scott act (Fiftieth Congress):

> The law was a rank and unblushing repudiation of every treaty obligation—a violation such as the United States would not dare to commit toward any warlike nation of Europe.

But, as I said the other day, this immigration bill is drawn with due regard to all of the treaties of the United States with the nations of the world. The only thing that has been in the way has been the gentlemen's agreement. Under this bill it is ended July 1. Several thousand Japanese will enter the United States before that date. Your conferees did not accept the proposal of the Senate that the exclusion clause should be effective on enactment of the law. That would have left these incoming Japanese helpless on the high seas.

Some Japanese statesmen are alarmed as to the future of the Japanese now here and in Hawaii. They need not be. The United States has progressed a long way since it massacred the Chinese at Rock Springs and stoned them elsewhere. Many Japanese are here, and they become simply a part of the many complex problems that the United States has brought upon itself through its carelessness and laxity with regard to immigration, both from Europe and Asia.

Many nations have protested against this particular bill, and others will protest, but we propose to greatly restrict immigration from all nevertheless. We recognize Japan as one of the great powers. I presume that Japan will go on with her desire and her effort to extend her zone of influence in the Orient. I am sure that Japan will realize our necessity for this legislation.

Mr. WEFALD. Will the gentleman yield?

Mr. JOHNSON of Washington. I am sorry, but I can not. I assume the United States will go on with its well-defined policies in the Far East—pacific and helpful policies. I am sure that trade and commerce will go on as before.

Mr. Speaker, we respect all nations, but we propose to control immigration to the United States. We propose to restrict immigration; we propose to exclude, and we propose further to deport all of those aliens who defy our laws or who endanger our Government. [Applause.]

All of these things are demanded by a majority, I think, in every congressional district except a dozen or two.

President Coolidge has spoken publicly in favor of restriction and in favor of exclusion. I think that is well understood. The recent proposal of the President, as presented by me to this House a week ago, did not propose to compromise the sovereignty of this Nation.

No nation can compromise its sovereignty. His proposal did give a slight extension of time for the ending of an agreement that many believe has arisen almost to the dignity of a treaty. It is, of course, not a treaty. A slight extension may have been—would have been—a better plan. But that incident has passed. It should not jeopardize this important bill here or elsewhere. I firmly believe now that it will not. [Applause.]

Mr. Speaker, a short time ago I had the privilege of addressing the Daughters of the American Revolution assembled in annual congress in Washington. I said then that it had been the pride of our country that on great national issues the Congress of the United States always has abandoned party lines and risen to patriotic heights. I believe that Congress will always do so. I believe that this moment is one of the great occasions that demands that Congress rise far above party. In fact, party divisions have never occurred with respect to immigration legislation. I believe your votes today, gentlemen of the House, will have greater effect and do more for the welfare of the United States now, 50 years from now, and for all time, than any of us can now see or any legislation we may conceive. Gentlemen, I thank you. [Applause.] I reserve the remainder of my time.

The SPEAKER. To whom does the gentleman yield?

Mr. JOHNSON of Washington. I yield 15 minutes to the gentleman from Illinois [Mr. SABATH].

The SPEAKER. The gentleman from Illinois is recognized for 15 minutes. The gentleman from Washington has used seven minutes.

Mr. SABATH. Mr. Speaker and gentlemen, when the time comes, which will be within one hour, I shall move to recommit the conference report with the following instruction: To strike out the national-origin scheme that has been voted down by the House and inserted by the conferees. I shall also in my motion move that we include as the nonquota immigrants the parents of American citizens over 55 years of age, the wives and children of declarants who have resided here over two years, and also the wives and children under 18 years of age of ex-service men. I will also include in that motion a proviso to strike out the alien-seamen provision and insert in lieu thereof two new sections which have the approval of all those whose sympathies are with the seamen of America and the world.

Mr. Speaker and gentlemen, many of you remember what occurred in 1921, immediately after the first quota bill was passed. Within six months thereafter numerous civic, patriotic, and communal organizations in our country appealed to Congress to amend the inhumane, barbarous, and harsh provisions contained in the bill. Within one year two resolutions had to be passed to eliminate those inhumane provisions which caused tremendous hardship to the unfortunate immigrants who were otherwise qualified in every way for admission.

Mr. Speaker and gentlemen, I am satisfied that this bill will create, if enacted, more hardships than the act of 1921 or the act of 1922 which we were obliged by the force of public opinion to amend twice within one year. I agree with the gentleman from Washington [Mr. JOHNSON] that we should restrict. I have always stood ready and willing, same as he, to deport every alien who defied our Government or deliberately violated our laws.

There is no contest on that proposition. As I stated before, I have repeatedly voted to include in the immigration laws some of the most stringent provisions as to deportation and regulation.

I approve of many of the provisions in the present law. I helped to draft them in the 1917 act, and I approve of every provision that will properly safeguard the interests of our common country. I concede that we have the absolute right and the power to legislate and to pass any restrictive measure, it matters not how harsh or discriminatory it may be. The gentleman from Washington [Mr. JOHNSON] also lays great stress that we should not permit any foreign nation to dictate to us, and I would be the last man who would be willing to yield to any foreign nation the control of our immigration policy, but notwithstanding his oft-repeated statements and proclamations and that of some of his colleagues, I can not refrain from saying that their statements in view of what is transpiring as to the controlling of our policy by other nations must be qualified and in the future they should say, "We resent interference on the part of any other nation except Great Britain." Mr. Speaker, it seems to me that we not only permit Great Britain to dictate our immigration policy, but I regret exceedingly that she has been dictating our foreign policy, our naval policy, our merchant-marine policy, and only a few days ago she made representations as to our inland-waterways policy.

I must return to my explanation of the motion to recommit. Anyone who studies this bill must come to the incontestible conclusion that we are being dictated to by Great Britain in this legislation. For weeks on the floor of this House you have been made to believe that this is only a Japanese proposition. Why, gentlemen, half a dozen European nations have made representations and objected to some of the clearly discriminatory provisions of this bill, and I have not seen or heard where the President or anyone here paid considerable attention to those objections. But though we may not pay any attention to the objection of any foreign nation, should we not pay some heed before we deliberately insult over thirty million American citizens who are declared by this bill of being of inferior stock and origin?

Let me say right here I do not wish that we should do anything which might bring about unfriendly relations with any nation.

But why does not Congress and the President take into consideration European countries outside of Great Britain?

Now, when this bill was recently on the floor the gentleman from Washington [Mr. JOHNSON], as well as all the other proponents of this legislation, stated to you that in view of the liberal exemption in the nonquota provision, the 1890 per cent basis, which I designated as discriminatory, would be adjusted, and that the newer immigration will derive a certain benefit out of the nonquota provision. At that time the husbands and the wives and the fathers and the mothers and children of American citizens were exempt from the quota provision.

Now, what did the conferees of the House do? Did they stand by the House bill? No. The first chance that they had they yielded to the Senate and eliminated the provision that

exempted the fathers and parents and husbands of American citizens.

Mr. WATKINS. Mr. Speaker, will the gentleman yield there?

Mr. SABATH. Yes; I yield to the gentleman.

Mr. WATKINS. In section 6, did they not give the preference in the nonquota to children and wives?

Mr. SABATH. I know what that will amount to. It will amount to absolutely nothing. And right here I want to say that the gentleman from Oregon himself, the gentleman from Washington [Mr. JOHNSON], and every other gentleman who introduced an immigration bill had a clause in his bill exempting from the quota the wives and children of ex-service men and of those who declared their intention to become American citizens.

Some of you, gentlemen, are laboring under the impression, I take it, that because of the exemption in the nonquota conditions will be equalized. When you take into consideration the provision of the so-called Reed scheme, the national-origin scheme, and figure it out according to the best tables which have been furnished, you will find the following results:

	Present law	2 per cent, 1890	Origin scheme
Belgium	1,563	509	260
Czechoslovakia	14,357	1,873	1,320
Denmark	5,619	2,782	1,092
France	5,729	3,878	2,763
Norway	12,205	6,453	2,433
Poland	30,979	8,872	4,509
Rumania	7,419	631	386
Spain	912	124	141
Sweden	20,042	9,561	3,707
Yugoslavia	6,426	735	602
Germany	67,607	50,129	22,018
Great Britain	77,342	62,458	91,111
Russia	24,405	1,792	4,002
Austria	7,342	990	1,840
Italy	42,057	3,889	5,878

You will note that the quota of Great Britain will be increased to 91,000, not taking into consideration the large number that may come in through and from Canada. I maintain that it is manifestly unfair, unjust, and discriminatory. I am of the opinion that within a short space of time when this bill goes into effect, you gentlemen will agree with me in the views I am expressing here. You will eventually reach the same conclusion that I am justified in my deductions, as I was right in 1921 and in 1922, something which many of you now concede.

Now, as to the wives and children of the ex-service men and the wives and children and parents of American citizens, the American Federation of Labor has recommended that we should exempt the wives and children and parents from the quota. You gentlemen who always maintain that the American Federation of Labor recommends fair legislation and say you are willing to follow it, should in all fairness follow it now. I know I have been willing, and I am now.

Mr. Quinn, the head of the American Legion, and his aid, who appeared before the committee, recommended and advocated that we should exempt the wives and children of ex-service men and that we should permit them to come outside of the quota. Notwithstanding their recommendation, and knowing how the membership has been led astray by false statements, false statistics, and false reports, I presume you are going to ignore the recommendation of that great champion of labor, Samuel Gompers, and his organization, as well as the recommendation and appeal that has been made to you by Mr. Quinn, of the American Legion. You have the votes and you can do it, but before I conclude, gentlemen, I appeal to you, to your sense of reason and conscience. You will not endanger the bill by sending it back and asking that the conferees embody these exemptions. It will not increase the number of arrivals to any very large extent. I do not think the number of wives, children, and fathers and mothers will number, in the first year, more than 15,000 or 20,000, and gradually the number will be reduced, especially in view of the fact that you have cut down the immigration to such small numbers, 160,000. I therefore feel that 10,000 mothers and fathers of American citizens and the wives and children of ex-service men will do no harm to our institutions. I am of the opinion and firmly believe that humanity and justice demand that this bill be sent back and that the conferees be instructed to embody in the bill the provision which the bill originally contained when it left the House.

Now, there is also the additional motion as to the alien-seamen provision. Sections 19 and 20, as amended in the bill, will, to my mind, nullify section 4 of the La Follette Seamen's Act. For those reasons I believe, gentlemen, if you desire to be fair and just, though you believe in restricted immigration, that you should send this bill back with the instructions I have indicated, as otherwise the seamen's rights will be restricted and subject them to the absolute control of the masters of vessels.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. JOHNSON of Washington. Mr. Speaker, I yield three minutes to the gentleman from Minnesota [Mr. WEFALD].

The SPEAKER. The gentleman from Minnesota is recognized for three minutes.

Mr. WEFALD. Mr. Speaker, I can say that I do not like to take the floor at this time, because I was one of those who whole-heartedly supported the immigration bill at the time it was before the House, and I fully realize the position that the chairman of the committee is in to-day. But I can not let this occasion go by without entering my protest. I can not support this bill in its present form, and I am going to vote for the motion made by the gentleman from Illinois [Mr. SABATH] to recommit.

To my mind, the heart of the immigration bill was the 1890 census, 2 per cent of the 1890 census, which we adopted as the quota basis. I agreed with the gentleman from Washington [Mr. JOHNSON] in his opening statement, when he said that, in making this immigration bill, we proposed to restrict immigration from all countries. If that had been carried out, I think no man in this House to-day would raise his voice against the bill at this time; but I find that is not the case.

As the bill will stand, under the national-origin scheme, which will go into effect on July 1, 1927, I find that two-thirds of all the immigrants coming into this country will come to us from Great Britain and Ireland. Under the present law Great Britain and Ireland could send to this country 77,342 immigrants. As the bill stood when it left the House they would be able to send 62,458, but when the national-origin scheme goes into effect in 1927 they will be able to send to this country 91,111 immigrants out of a total quota of 150,000. Now, I say it is not fair. I say it was breaking faith with us when the conference committee agreed to this most insidious scheme which the Senate conferees had written into the bill.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. WEFALD. Mr. Speaker, I ask unanimous consent to extend and revise my remarks in the RECORD.

The SPEAKER. The gentleman from Minnesota asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. WEFALD. Mr. Speaker, this bill is little short of a farce as it now stands. Section 6, dealing with preferences within quotas, says that, among others, preferences shall be given to quota immigrants who are skilled in agriculture; and then the bill goes right ahead and cuts off immigration from those countries where agricultural laborers could come from. I submit the table that has been used all through this discussion showing quotas as they are under the present law, as the bill that we passed in the House on April 12 left them, and as they will be if the conference report is adopted and the bill as it now stands will become a law:

Quotas

Nationality or country	Present law	2 per cent of 1890 with minimum of 100	National origins under the 150,000 limit proviso
Albania	288	100	100
Armenia	230	100	100
Austria	7,342	990	1,840
Belgium	1,563	509	260
Bulgaria	302	100	100
Czechoslovakia	14,357	1,873	1,320
Danzig	301	223	100
Denmark	5,619	2,782	1,092
Esthonia	1,348	102	221
Finland	3,921	145	498
Fiume	71	100	100
France	5,729	3,878	2,763
Germany	67,607	50,129	22,018
Great Britain and Ireland	77,342	62,458	91,111
Greece	3,063	100	536
Hungary	5,747	488	1,259
Iceland	75	100	100
Italy	42,057	3,989	5,878
Latvia	1,540	117	253
Lithuania	2,622	302	444
Luxemburg	97	100	100
Netherlands	3,002	1,637	2,669
Norway	12,205	6,453	2,433

Quotas—Continued

Nationality or country	Present law	2 per cent of 1890 with minimum of 100	National origins under the 150,000 limit proviso
Poland	30,979	8,872	4,509
Portugal	2,465	474	275
Rumania	7,419	631	386
Russia	34,405	1,792	4,002
Spain	912	124	141
Sweden	20,042	9,561	3,707
Switzerland	3,752	2,081	781
Yugoslavia	6,426	735	602
Other Europe	86	125	100
Palestine	57	100	100
Syria	882	100	102
Turkey	2,654	100	119
Other Asia	92	100	100
Africa	104	100	100
Egypt	18	100	100
Atlantic Islands	121	100	134
Australia	279	120	100
New Zealand	80	100	100
Total	357,801	161,990	150,903

I submit a table setting out in detail the nationalities whose quotas will be increased under the conference bill and the increase to each individual nationality:

Increase of quotas

Nationality	Johnson bill, 2 per cent 1890 census	Conference bill	Increase over Johnson bill
Austria	990	1,840	950
Finland	145	498	353
Greece	100	536	436
Hungary	488	1,259	771
Italy	3,889	5,878	1,989
Latvia	117	253	136
Lithuania	302	444	142
Netherlands	1,637	2,669	1,032
Russia	1,792	4,002	2,210
Spain	124	141	17
Syria	100	162	62
Turkey	100	119	19
Atlantic Islands	100	134	34
Esthonia	102	221	119
Total increase for these countries			8,270
Great Britain and Ireland	62,458	91,111	28,653
Total increases			36,923

I also submit a table showing nationalities whose quotas will be decreased under the conference bill:

Nationality	Johnson bill, 2 per cent 1890 census	Conference bill	Decrease under conference bill
Belgium	509	260	249
Czechoslovakia	1,873	1,320	553
Denmark	2,782	1,092	1,690
France	3,878	2,763	1,115
Germany	50,129	22,018	28,111
Norway	6,453	2,433	4,020
Poland	8,872	4,509	4,363
Portugal	474	275	199
Rumania	631	386	245
Sweden	9,561	3,707	5,854
Yugoslavia	735	602	133
Australia	120	100	20
Switzerland	2,081	781	1,300
Total decrease			47,852

Among the nationalities whose quotas will be increased, only Finland, Latvia, Lithuania, and The Netherlands would send us any agricultural workers, and the increase for these countries in the conference bill over the Johnson bill will only be 1,263.

The immigration from Great Britain and Ireland will bring only a very small percentage of agriculturally trained persons or persons who would be apt to take up agricultural pursuits.

Most of the countries whose quotas are cut down by the conference bill would send a great percentage of agricultural workers. Denmark, Germany, Norway, Sweden, and Switzerland have in the past sent us a preponderating percentage of farmers; yet the quotas from these countries have been reduced 40,975.

I shall proceed to prove the truth of these statements by the census records for the year 1920.

According to this census relating to foreign-born white farmers and farm acreage and value owned and operated by them, I find the following to be the fact: That farmers born in the following countries owned and operated farms to the values as follows:

England	$384,492,414
Scotland	162,473,851
Wales	37,675,623
Ireland	308,442,116
Total for Great Britain and Ireland	893,084,004
Norway	878,081,731
Sweden	978,605,102
Denmark	547,475,803
Switzerland	225,299,776
Germany	2,520,600,623

These figures will show clearly what nationalities have sent us our farmers. Norway has sent us farmers that own within $15,002,273 in farm values of what those born in England, Scotland, Wales, and Ireland own, and those born in Sweden own farm values to the extent of $85,521,098 more than those who come from Great Britain and Ireland during the same period. Yet the immigration quota from Great Britain and Ireland is increased under this bill by 28,653 and that of Norway cut down 4,020 and that of Sweden 5,854.

Farmers born in Germany own and operate farm values to the amount of about three times that of all those born in Great Britain and Ireland, yet the German quota is decreased 28,111 and that of Great Britain and Ireland increased 28,653.

I bring out these facts not because I have any but the highest regard for the people of the British Isles, nor am I actuated by any racial feelings; but the conference bill has cut the Johnson bill all to pieces for the purpose of improving it, to keep out immigrants that would drift into the cities and turn the tide of immigration onto the farm. In fact, the preference for farmer immigrants is so pronounced that one-half of our whole immigration is expected to go onto the farm.

The House managers have surrendered all along the line. They have either been weak kneed or they were not sincere when the Johnson bill was debated and passed in the House.

Every imaginable scheme for a quota basis was proposed during the discussions in the House. Two per cent of 1890, 2 per cent of 1910, 2 per cent of 1920 census, as well as 2 per cent of an average of the 1890, 1900, 1910, and 1920 censuses were proposed and all voted down except what became the heart of the Johnson bill, 2 per cent of the 1890 census. All through the debate the demand resounded that we would go back to the census that gave us the best immigration, the immigration that went onto the farm, the immigration that built our empire.

After having fought off all assaults on the 2 per cent of 1890 quota basis of the Johnson bill in the House, why did the House managers surrender and accept 1 per cent of the 1920 census as a quota basis after July 1, 1927?

What protection will there be in this immigration bill for labor?

The quota from countries with mostly nonagricultural immigration has been increased by 36,923, while the quotas from countries that would send mostly agricultural immigrants has been reduced by 47,852. This will result in the conference bill under its July 1, 1927, provision throwing about 40,000 more immigrants into our cities to compete with labor than would the Johnson bill with its 2 per cent of the 1890 census quota basis.

The Steel Trust barons, the meat packers, the mine owners, and those that act for them and speak for them will hail this bill as a good law.

Perhaps also Anglo-Saxon jingoes will hail it as a piece of patriotic legislation, but labor will find out that it is the most cunningly worked-out scheme to make it swallow a bitter dose of medicine and make it think it likes it. I supported the Johnson bill in many provisions that many men thought were too drastic. I was satisfied to have every immigrant prove that he was a good, moral person and fit to take up the duties of citizenship before we let him in. I stood for the drastic provisions in regard to deportations. But I can not sit idly by and see this nefarious scheme of big business slipped over on the people.

The seamen's provisions in this bill are so rank that they are beyond comprehension, but I shall not discuss that now. Under this bill we nearly shut out those who have proven that they make the best citizens, those with the highest percentage of literacy and the lowest percentage of crime, the strongest, the most capable, the purest Nordics.

We leave provisions in this bill that will rend families asunder, yet we take high moral ground when we do so.

The crux of the whole thing is that we give the barons of industry 40,000 more cheap laborers than the Johnson bill would have given them. It was time wasted to discuss the immigration bill in the House when it was finally written in conference and ratified without debate.

Mr. JOHNSON of Washington. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. DICKSTEIN].

The SPEAKER. The gentleman from New York is recognized for five minutes.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER. The gentleman from New York asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. DICKSTEIN. Mr. Speaker and Members of the House, I was in great hopes that when this conferees' report came before the House last Friday some effort would be made by my good friends from California to restore in the bill the provision pertaining to the nonquota proposition, consisting of fathers and mothers, but it seems to me much politics has been played before the conference committee, and it was a question of bargain; it was a question of giving up everything that this House stood for when this bill came before the House for deliberation. They voted out almost everything which made the bill humane, because they were promised that if they would take out the nonquota provision for the fathers and mothers and insert in the conference report the new origin scheme after July 1, 1927, the managers of the conference would support the Japanese question, and because California wanted to be satisfied as to the removal of the Japs they agreed to the conferees' demand, which now practically destroys the whole bill and the whole of the legislation.

Now, some of you might sneer and some of you might laugh, but I tell you, my friends, that some day you will be called upon to account for your action to-day, when you go to an American citizen who has been in this country for many years and tell that American citizen that, although he has not seen his mother for 15 years, she does not come within the nonquota class because the exemption which would unite families has been removed by the legislators of the American Congress, the greatest Congress of the world, who have written into the law a provision which makes it impossible for him to bring in his mother. Now, gentlemen, that poor woman might be all alone in the world; that poor woman might be friendless over in Europe, and the only child she might have is her boy, a loyal citizen of the United States, who seeks to bring her into this country. Yet by this legislation you are going to tell that citizen, "Your mother will have to stay over there until some time, somewhere, and in some way the quota might be opened to bring in your mother." Gentlemen, if you call that humane legislation, then I do not know what humane legislation is; and I think you ought to think it over again, from the standpoint of the very argument you have made on the floor of this House that the sentiment of the Government is to legislate for the American people; and I say to you that you are not legislating for the American people nor expressing the sentiment of your constituency nor the sentiment of the Government when you attempt to keep away the parents from the child, whose aim and ambition is to bring to this country of ours, where they can be protected in their last stages of life.

Mr. WATKINS. Will the gentleman yield?

Mr. DICKSTEIN. No; my time is limited. Gentlemen, I am not arguing with you if you want to restrict immigration. The majority of the people rule and the majority of this House has expressed its sentiment that there should be restricted immigration, and was evidenced when this bill left the House and went to conference; not that I agreed with the policy or with the manner in which you are attempting to restrict immigration or the attempt to fix quotas, but when you attempt to play around with the nonquota, which would simply unite the families which have been here for many years, the families of citizens who have been loyal, who have been faithful, who have been honorable, and who are a credit to the United States, when you tell them that they can not have their fathers and mothers come into this country, I do not think, gentlemen, you are passing proper legislation, which would meet with the general favor of the American people amongst your own constituents.

I know my friend from Oregon [Mr. WATKINS] might tell me that they are getting a preference. Well, gentlemen, that preference is nothing but camouflage, because if you will study the proposed conference report you will find it simply gives you 50 per cent of the quota allotted to the country based upon the 1890 census, so that if a nation has 1,000 of a quota she can allot 500 of that number to the preference class, and the agriculturists, their wives, and their minor children can consume that 50 per cent. Now, who is going to be the judge of the preference?

Palestine under the present law gets 57. Under the 2 per cent of 1890 census she gets only a minimum of 100. Under the origin scheme she gets 100. Only 50 would be entitled to be placed in the preference class beginning with the new July 1 quota. The consul may visé 50 agriculturists under this preference, which would practically and completely deprive a citizen who may have his father and mother, or both, in Palestine to come to join him in this country. It would discriminate against him by bringing in his own people, and this argument applies not only to Palestine but to almost every other nation except Great Britain and Germany, because their quotas are so large that there may be good chances for preferences to be recognized and allowed. Is it fair to say that preferences may be given to one part of Europe more than to another? Is it fair to say that because the father and mother of a citizen live in one part of Europe they can more easily join their children; or is it fair to say that because they happen to live in another part of Europe whose quota is almost nought, that they must be discriminated against because that particular country has so small a quota that only a handful can come in? It does not require much argument to understand the situation, and surely no argument can be presented against the statements I make, because these are facts, not inferences that I make.

We were confronted with them at the beginning of the new immigration law, which is to be a permanent policy of the United States, with no powers vested in any commission to relieve the hardships that we are confronted with at this stage of the enactment of the permanent policy of the Government.

Until this time I have not yet heard any explanation by the members of the conference or the managers as to why the origin scheme was incorporated in the conference report and have not yet heard the reason why the father and mother was removed from the nonquota class. Is it a secret? Is it something that no one is entitled to know? Are not we entitled to know something about this legislation? Is this a star-chamber proceeding and should not the committee constituting the conferees of this House at least justify their action in allowing the managers to remove from the House bill the most humane provision, as a result of which it permitted this House to support the bill along the lines indicated?

The day is not far away when some of your own constituents will call upon you to bring about the admission of their fathers and mothers, when you will have to be honorable enough and tell your constituents, American citizens who are entitled to every privilege America can afford them, that you, their Representative, were the cause of removing from the bill the nonquota relative, namely, the father and mother, thereby depriving them from bringing into this country their relatives under the preference allowed which may and may not be given.

Now that you have restored your Japanese question in the conference report, you are simply deserting all the other provisions of the House bill. Is that what you call legislating for the American people? I do not think so nor do you. Is it because you gained your point to exclude the Japanese that you are satisfied and now disregard other cries from all parts of the country which demand the uniting of families of the white races?

I therefore hope, Mr. Speaker and Members of the House, that you will practice what you preach and support the motion which will be made by the gentleman from Illinois [Mr. SABATH] to recommit the bill for further amendments so that we may restore the very thing that we hold so dear to us—our mother. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

Mr. JOHNSON of Washington. Mr. Speaker, I yield five minutes to the gentleman from Wisconsin [Mr. BROWNE].

The SPEAKER. The gentleman from Wisconsin is recognized for five minutes

Mr BROWNE of Wisconsin. Mr. Speaker, I have voted for this immigration bill and am in favor of the general provisions of it, but there are several inconsistencies in it which I think ought to be remedied and the bill recommitted back to the committee on the motion of the gentleman from Illinois [Mr. SABATH].

Section 3 of this bill defines an immigrant as meaning "any alien departing from any place outside the United States destined for the United States." Then it goes on and makes six exceptions that are excepted from the operation of this

immigration bill. The fifth exception is the one I wish to call the attention of the House to. It provides as follows:

A bona fide alien seaman serving as such on a vessel arriving at a port of the United States and seeking to enter temporarily the United States solely in the pursuit of his calling as a seaman.

Thus a bona fide alien seaman is excepted from the operation of this law. That was the intention of the framers of this bill, and they put it clearly and unmistakably in one of the first provisions, section 3 of the bill.

Section 19 of the bill is clearly in conflict with the provision of the bill I have just quoted, and according to my interpretation of it section 19 repeals quite a portion of the seamen's act which was passed by the Sixty-third Congress in 1916 and which is regarded as very wholesome legislation.

There was considerable criticism of the seamen's act. It was tested out in the court but was sustained, and yet with all the talk in the newspapers and the propaganda against the seamen's act there has not been an amendment even proposed that has ever been discussed in the House or in the Senate. So there is a pretty strong presumption that a law that has been on our statute books for eight years and has been attacked only in the newspapers must be a pretty wholesome and good law.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. BROWNE of Wisconsin. I want to finish my statement first.

Mr. JOHNSON of Washington. I will yield the gentleman an additional minute. I want to set the gentleman right on the charge that we are interfering in any way with the La Follette Act.

Mr. BROWNE of Wisconsin. One of the purposes of the seamen's act was to give the seamen some liberty. They were absolutely under servitude before that act.

I want now to show you what this bill as proposed here today does. Section 19 provides as follows:

No alien seaman excluded from admission into the United States, etc., shall be permitted to land in the United States, except for medical treatment or pursuant to such regulations as the Secretary of Labor may prescribe for ultimate departure or deportation from the United States.

Under our existing laws there is no opportunity for alien seamen to violate our immigration laws and I never have heard of any abuse or any complaint that alien seamen were getting over here in any large numbers or violating the law.

I want to call your attention to the exact wording of section 19:

No alien seaman excluded from admission in the United States under the immigration laws and employed on board any vessel arriving in the United States from any place outside thereof shall be permitted to land in the United States, except temporarily for medical treatment, or pursuant to such regulations as the Secretary of Labor may prescribe for the ultimate departure, removal, or deportation of such alien from the United States.

An alien seaman can not get off his ship except for medical treatment, and as he can get medical treatment on his ship with the ship doctor he, as a matter of fact, can not leave his ship. If he does not like his job, if his contract is violated, if he is subject to any indignity, no matter what, he can not leave the ship. He is a prisoner. The La Follette Seamen's Act was passed to remedy just such abuses to liberate the seamen. This bill in my opinion makes a slave of the seamen.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. JOHNSON of Washington. I yield the gentleman one minute more to ask a question. I want to make it just as clear as I can that the provision the gentleman has just read only applies to those who can not enter the United States, such as anarchists and others who are in the excludable classes of section 3 of the act of 1917.

Mr. BROWNE of Wisconsin. I would like to ask the gentleman whether anarchists can come in now?

Mr. JOHNSON of Washington. No.

Mr. BROWNE of Wisconsin. Then what is the purpose of this section 19? It prevents any seaman from getting off his vessel in the United States.

Mr. JOHNSON of Washington. Oh, no; only if he is excludable.

The SPEAKER. The time of the gentleman has again expired.

Mr. BROWNE of Wisconsin. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection? [After a pause]. The Chair hears none.

Mr. JOHNSON of Washington. Mr. Speaker, I yield eight minutes to the gentleman from California [Mr. RAKER].

Mr. RAKER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

Mr. SABATH. Mr. Speaker, I make the same request.

Mr. WILSON of Louisiana. Mr. Speaker, I make the same request.

Mr. BOX. I ask permission also to extend my remarks, Mr. Speaker.

The SPEAKER. Is there objection to any of these requests? [After a pause]. The Chair hears none.

Mr. RAKER. I stand for this conference report. It should be adopted. I want to state to the House that I have been advised and requested by the members of the Committee on Immigration—except the two distinguished gentlemen who originally voted against the bill—to state to the House that they and their friends shall vote down any motion to recommit and shall vote for the conference report that is now before the House. I am in full accord with my colleagues who signed the majority report on the immigration bill. Nothing has occurred to cause any of us to change our views therein expressed.

The only thing I will have time to discuss now is the question of alien seamen, and I will have to state that as briefly and as rapidly as I can.

I want to say to you, gentlemen of the House, from a study of the question and from an investigation with the men who have been assisting as expert draftsmen with the Department of Labor and with all concerned, having just discussed it with the Department of Labor this morning, there can be no question, and I say to you unhesitatingly, that the provisions of the present bill do not in the slightest way repeal or modify the seamen's act.

Mr. SABATH. Why are those two sections in there then?

Mr. RAKER. I decline to yield, if the gentleman please.

Section 3 of the bill as it now stands, subdivision 5, does not include a seaman as an immigrant, and therefore the seaman can come to the country under that provision identically as he can come under the act of 1917.

Section 19, to which the gentleman referred in regard to seamen, is the provision of section 18 of the original bill, and I say unquestionably to the Members of the House that the language of section 18—now section 19 of the bill—is the same as section 32 of the immigration act of 1917, with this exception: In the former act of 1917 the act describes the treaties and various laws. This act says "immigration laws," and "immigration laws" in the definitions are described and they are identically the same.

Under the act of 1917, section 32, a vessel entering a port of the United States could unload her seamen on board, diseased and otherwise, unless a written notice was given it, and the consequence was they unloaded them by wholesale before the immigration officer could inspect them. The district attorney of New York stated that, and on investigation we found that if we required the vessel to keep on board the seamen until examination was made, then those that were admissible would be permitted to enter and those that were not would not land or enter. So under the provisions of section 20 of the present bill it provides that no vessel shall be permitted to land any seamen until examination has been made by the Health Service and the Bureau of Immigration for the purpose of ultimately determining who shall land. If he does, if he lets them steal away, if any officer connives with them and they get off the steamship, he is fined $1,000. So every man will be on board when the examination is made, and if the seamen under the law is not diseased, he will be permitted to land. That is a wholesome provision.

Mr. SABATH. Has not the gentleman insisted heretofore that the seamen's act should be amended to include a provision making it possible for the vessel to unload 50 seamen?

Mr. RAKER. No. I want to say that I never asked to repeal the seamen's act; I never during the five months of the consideration of the bill asked or requested that the seamen's act be amended. The thing I did, and the record will show it, was to make the immigration workable as to seamen—protect the seaman—and at the same time protect the United States and make the steamship companies obey the law. I have produced letters from the Secretary of State, the Secretary of Commerce, and the Secretary of Labor, which have been printed, and they said if the provisions of sections 18, 19, and 20, as originally passed by the House, had added to them two other provisions the law would be practically perfect. It would work, and work well. It would keep out those who were not entitled to enter and make the steamship companies abide by the law. Then we have these two provisions: (e)

Vessels entering the United States can take out as many seamen, excluding the dead, if any, and those who are in the hospital, as it brought in. That is simple, just, and equitable, but the great steamship companies, with all their power, were able apparently to keep out of this legislation these provisions, notwithstanding their real value, and that the seamen and their friends wanted it in; (f) that the steamship company or a vessel flying the English flag had on board 30 sailors—40 English, 5 French, and 5 Singhalese, or Japanese, or Chinese—that that vessel would be fined $1,000 for each one it brought in; and that these five men ineligible to enter would be taken from the vessel, their expenses paid, and sent back to the port from which they came or to their own country at the expense of the vessel. Is there anybody that says that that is not fair to the seamen? Is there anybody that says their country would object?

Mr. SABATH. I never opposed that.

Mr. RAKER. Why, the gentleman in conference voted to strike out the first part of the seamen's bill, which I will call attention to now. Talk about a motion to recommit—when a man votes in conference to strike out the very crux, the very heart of the law which gives the seamen the right of consideration!

I will extend my remarks under the authority heretofore given me by the House.

The SPEAKER. The time of the gentleman from California has expired.

JAPANESE EXCLUSION

Mr. RAKER. Mr. Speaker and gentlemen, when a candidate for Congress in the fall of 1910 I prepared a statement explaining my position on the then important questions facing the voters at the election to be held in November of that year. I stated in detail my views and followed with an enumeration of important matters I was in favor of.

The statement made was:

I am therefore in favor of—

* * * * * * *

20. An exclusion law excluding from the United States and Territories all Asiatics except certified merchants, students, and travelers.

* * * * * * *

Having been elected at the November, 1910, election I came on to Washington early in 1911. In the spring of 1911, President Taft called an extra session of Congress, and at that session I introduced my first Asiatic exclusion bill on August 11, 1911, Sixty-second Congress, first session, being House bill 13500.

In the Sixty-third Congress, first session, on April 7, 1913, House bill 102 was introduced. This was a very full and comprehensive bill to exclude Asiatics, which included Japanese.

I constantly kept this legislation before the Committee on Immigration and Naturalization of the House, the Congress, and the country. Reintroducing it each Congress thereafter, the last being House bill 113, Sixty-eighth Congress, first session.

In 1917 we were able to assist in placing on the immigration bill that finally passed both Houses a provision excluding the Hindoos. We tried to have Japanese placed in the same barred zone, but in this we failed.

Have been a member of the House Committee on Immigration and Naturalization continually since 1913. Helped to write and pass the immigration act of February 5, 1917, and all immigration and naturalization laws since 1913.

On June 27, 1922—Sixty-seventh Congress, second session—I introduced H. R. 12193. The bill was the first ever introduced in Congress carrying the provision that "no alien ineligible to citizenship should be admitted to the United States."

The provisions of H. R. 12193 on this question read as follows:

That no alien ineligible to citizenship under the laws of the United States shall be admitted to the United States. (Subdivision 2 of section 2.)

Later in the Sixty-seventh Congress, fourth session, the chairman, on February 9, 1923, introduced a bill, H. R. 14273, on immigration, but it provided that—subdivision (b), section 12—

(b) An immigrant not eligible to citizenship shall not be admitted to the United States unless such immigrant (1) is admissible as a nonquota immigrant under the provisions of subdivision (c), (e), or (h) of section 4; or (2) is the wife or unmarried minor child of an immigrant admissible under such subdivision (c), and is accompanying or following to join him.

On February 15, 1923, the House Committee on Immigration reported to the House S. 4092 by striking out all after the enacting clause and inserting an entirely new immigration bill as one amendment. Subdivision (b) of section 12 of this amendment to S. 4092 carried a provision that—

An immigrant not eligible to citizenship shall not be admitted to the United States * * *.

This is the first time any bill from a committee carrying this or similar provision excluding aliens ineligible to citizenship was ever reported to either House of Congress.

While we helped to secure this subdivision (b) of section 12 on this amendment it was never entirely satisfactory to us. I always wanted it in the language of subdivision 2 of section 2 of H. R. 12193, and reading—

No alien ineligible to citizenship shall be admitted to the United States.

By reason of the rush during the closing months of the Sixty-seventh Congress S. 4092, with this House amendment, died a natural death on the calendar.

On the opening of the Sixty-eighth Congress, first session, on December 5, 1923, I introduced H. R. 5. Subdivision (b) of section 12 of that bill reads as follows:

No alien ineligible to citizenship under the laws of the United States shall be admitted to the United States unless such alien (1) is admissible as a nonquota immigrant under the provisions of subdivisions (c) or (h) of section 4; or (2) is the wife or unmarried minor child, under 16 years of age, of an immigrant admissible under such subdivision (c) and is accompanying or following to join him; or (3) is an individual specified in subdivisions (1), (2), (3), or (4) of section 3 of this act.

Subdivision (c) of section 4, specified in section 12 above, is:

(c) An immigrant who continuously for at least two years immediately preceding the time of his application for admission to the United States has been, and who seeks to enter the United States solely for the purpose of, carrying on the vocation of minister of any religious denomination, professor of a college or seminary, or member of any recognized learned profession.

Subdivisions (1), (2), (3), and (4) of section 3, specified in section 12 above, are:

(1) A Government official, his family, attendants, servants, and employees;

(2) An alien visiting the United States as a tourist or temporarily for business or pleasure;

(3) An alien in continuous transit through the United States; and

(4) An alien lawfully admitted to the United States who later goes in transit from one part of the United States to another through foreign contiguous territory.

H. R. 101, Sixty-eighth Congress, first session, on December 5, 1923, was introduced by Mr. JOHNSON, of Washington, chairman of the Committee on Immigration and Naturalization of the House.

Subdivision (b) of section 12 of this bill H. R. 101 is as follows:

(b) An immigrant not eligible to citizenship shall not be admitted to the United States unless such immigrant (1) is admissible as a nonquota immigrant under the provisions of subdivision (b), (d), or (g) of section 4, or (2) is the wife or unmarried minor child of an immigrant admissible under such subdivision (d), and is accompanying or following to join him.

Public hearings were had on H. R. 5, H. R. 101, and H. R. 561 during December, 1923, and January, 1924. Thereupon the committee took the proposed legislation up for the purpose of reporting same to the House.

H. R. 101 was taken as the basis for consideration, though H. R. 5 and H. R. 101 were in many respects practically the same, the chairman's bill always being considered in preference to other bills on the same subject. The whole subject of immigration was fully considered, and the chairman on behalf of the committee introduced H. R. 6540 on February 1, 1924, which was reported to the House on February 9, 1924. During the consideration of H. R. 101, subdivision (b) of section 12 of H. R. 5 was substituted for subdivision (b) of section 12 of H. R. 101.

Thus H. R. 6540, as introduced and as reported out by the committee, carried the provisions of subdivision (b) of section 12 of H. R. 5. After further consideration and deliberation the chairman, for and on behalf of the committee, introduced H. R. 7995 on March 17, 1924. This was done to perfect the bill and avoid consideration of many amendments while the bill would be under consideration by the House. On March 24 the committee reported H. R. 7995 to the House.

H. R. 7995, with one amendment, finally passed the House on April 12, 1924, and on April 18, 1924, passed the Senate with an amendment striking out all after the enacting clause of the House bill, H. R. 7995, and inserting the Senate bill, S. 2576, as one amendment. See CONGRESSIONAL RECORD, pages 6645 to 6649, April 18, 1924.

The Senate bill, S. 2576, never carried any provision relative to the exclusion of aliens ineligible to citizenship. This bill was reported to the Senate by the Senate Committee on Immigration on March 27, 1924. No bill had been introduced in the Senate containing any provisions like those of subdivision (b) of section 12 of H. R. 5 and the bills H. R. 6540 and H. R. 7995 at any time.

In the Senate, on April 2, 1924, a proposed amendment by the Senator from California [Mr. SHORTRIDGE] was presented to S. 2576, which proposed amendment was in the language of subdivision (b) of section 12 of H. R. 7995—H. R. 5 and H. R. 6540. This proposed Senate amendment was then ordered to lie on the table and to be printed.

But on April 15 an amendment was presented in the Senate to S. 2576, which amendment as agreed to was in the same language as that carried in the House bills. On adopting this amendment on April 15, 1924—see CONGRESSIONAL RECORD, page 6377—after the amendment had been presented by Senator REED of Pennsylvania and read by the Clerk the following occurred:

Mr. ROBINSON. Does the Senator say that this is identical with the provision in the bill passed by the House?

Mr. REED of Pennsylvania. It is identical in its effect. It avoids a duplication of words, but in effect it is exactly the same. * * *

The amendment of Senator REED was agreed to.

The House bill, H. R. 7995, with the Senate amendment, went to conference. The conferees agreed to the provision of the House bill in the language as it passed the House—subdivision (b) of section 12 of H. R. 7995—which conference report having finally been approved by the two Houses and approved by the President is now the law.

I have set out the history of this provision of the immigration act of 1924, as it relates to Japanese exclusion, to the end that the record might be kept straight and, at the same time, easy of access.

Have not gone into the many other admirable features of the immigration act of 1924, upon which I have given every aid and assistance. The Committee on Immigration of the House, to a man, gave their best efforts, and this combined labor, to my way of thinking, has produced a humane and workable piece of legislation, which was much needed to meet the serious impending situation. It is not perfect by any means, though it represented the composite judgment of the committee and thereafter received the sanction of both Houses.

When it is put in actual practice and operation, no doubt there will develop questions overlooked or some inserted that should not have been, but on the whole it is a step, and a big one, in the right direction. Corrections, if any, when, and if necessary, can be made by Congress hereafter by way of amendment.

ALIEN SEAMEN

Mr. Speaker and gentlemen of the House, it is my intention to discuss the provisions of the immigration act of 1924 as it relates to alien seamen. The discussion will go to the preparation of this legislation in relation to what should have gone into the bill, what did go in as it left the committee, and finally the elimination of certain provisions and as the report came from the conferees, which conference report was adopted by the two Houses and the bill approved by the President.

I presented to the Committee on Immigration and Naturalization of the House a communication from Mr. Andrew Furuseth of date December 29, 1923, which was printed as part of the hearings (see statement of Mr. Furuseth before the committee hearings, vol. ser. 1–A, pp. 152–179; also vol. ser. 2–A, pp. 1110–1148, of the 68th Cong., 1st. sess.), which statement is as follows:

DECEMBER 29, 1923.

Hon. JOHN E. RAKER,
House Office Building, Washington, D. C.

MY DEAR CONGRESSMAN: On December 3, 1923, the Secretary of Labor called a conference in his office for the purpose of consultation about an immigration bill which was then being prepared in the department. Invited to this conference were Mr. Gompers, Mr. Morrison, president and secretary, respectively, of the American Federation of Labor, and other representatives of other labor organizations, including myself.

The eighteenth section of that bill dealt with seamen and gave to the Secretary of Labor the power to hold seamen coming into the ports of the United States on the vessels on which they serve, unless they could furnish such bond as the Secretary of Labor may prescribe.

The twentieth section provided for the reestablishment of a landing card, which, of course, includes a registration of cards issued. Realizing that the Secretary of Labor ultimately would be compelled to demand bonds from every seaman before he was granted shore leave, I protested, because it would repeal the freedom clauses of the seamen's act, impose upon the seamen an undue and unusual hardship, and largely fail of its stated purpose.

After some discussion it became apparent that the conference, as such, could reach no agreement upon the subject, the Secretary of Labor taking one position and practically the entire conference taking the other. The Secretary then appointed a committee of three, consisting of Mr. Gompers, Mr. Wallace, and myself. This committee was to draft a substitute to be submitted to the Secretary of Labor within the next three days.

The substitute and a short statement of reasons therefor were submitted to the Secretary of Labor on the third day, were tentatively rejected by him, but referred to the attorney drafting the bill for further consideration. The reasons for the substitute submitted to the Secretary of Labor were as follows:

REASONS FOR THE SUBSTITUTE

"On behalf of the seamen we respectfully submit the following as a substitute for or amendment to section 18 of the draft dealing with seamen submitted and discussed at the meeting held in the Secretary of Labor's office in the afternoon of December 3, 1923.

"It was generally understood that the purpose of the sections submitted was to keep out of the United States, so far as possible, any persons who might come as seamen and as seamen get on shore, notwithstanding the fact that they are excluded from the United States by law, treaty, or otherwise.

"The second purpose was to prevent seamen eligible to citizenship and coming to the United States from leaving and mingling in the population in violation of the general immigration laws.

"Third. That it was not intended to repeal that part of the seamen's act which, while it was passed in the interest of seamen, was even more so enacted for the purpose of equalizing the wage cost of American and foreign vessels and thus give to the United States an equal opportunity in the ocean carrying trade.

"The section as proposed, and for which this is a substitute, deals with the seaman who does not initiate and is not the first cause of the persistent violation of law about which there is so much just complaint. The owner of the vessel may under existing law or proposed draft legally bring excluded persons into the harbors of the United States, and the real penalties are not visited upon the first cause—the owner or the vessel—which has its origin in self-interest and a desire to evade or violate the law, but the real force of the proposed law is placed upon the seaman, who, when he shipped, in many instances knew not that the vessel was coming to the United States.

"The vessel hires the cheapest and for the purposes of the owner and officers thereof the most effective men that he or they can find. If he or they be interested in smuggling Chinese or other excluded persons from Cuba or from the West India Islands into the United States, or narcotics from any ports, he or they will naturally choose those who are most expert as smugglers and who can best be depended upon to keep silent and accept the penalty without exposing either the owner of the ship or the officers of the ship, and without the knowledge of the latter no serious amount of smuggling can ever be carried on. The seamen from the Mediterranean countries are the best trained and most expert smugglers amongst European seamen and most likely to keep silent, and they are therefore preferred.

"On the Pacific the owner or the officers will for the same purposes act in the same way, and they will, so far as they can, employ Chinese, and, second, Filipinos. There is ample proof that wherever Chinese are employed on the Pacific smuggling of Chinese and narcotics is carried on, and it makes no difference whether the vessel is a private one or belongs to the Emergency Fleet Corporation. The smuggling by the Filipinos is largely narcotics or alcoholic beverages. The penalty of $1,000 imposed upon the owner for permitting a seaman to escape is of doubtful validity. As a criminal statute, it would be strictly construed and collusion would very likely have to be proven, and such collusion would be as difficult to prove as it is now to prove, that the masters or other officers of the vessel know anything about the smuggling that is now daily taking place. When it is seriously intended that the laws shall be obeyed the lawmakers, at least in the past, sought to make evasion more expensive than obedience, thus enlisting in the executions of the law the self-interest of anyone who might be tempted to evade or violate it.

"The shipowner brings the seaman into our ports. The seaman seeks an opportunity here, as elsewhere, to go on shore; and no nation, except for the purposes of quarantine, has so far passed

any law to prohibit shore leave. When it has been prevented by the master of a ship, such prevention has invariably been evaded or violated in spite of criminal statutes and treaties of arrest, detention, and return of seamen. It is, therefore, reasonable to presume that laws or rules which could not be effectively executed, even in war time, when such laws or rules were based upon national safety, will be more extensively violated when based on immigration laws. The laws must, therefore, be so drawn as to put the responsibility upon the shipowner and the ship who bring excluded persons, except on vessels of their own nationality, and to so regulate the landing of seamen not specifically excluded as will permit the seamen to come on shore unless he be brought with the purpose above indicated, in which case the vessel must be made responsible and pay for deportation.

"That the United States can adopt such laws can not be questioned, because the Supreme Court of the United States has decided that the United States may forbid foreign vessels to come into its ports for any reason and therefore may make rules under which such ships may come. The same court has decided further that at least for the purposes of immigration and the crews the ship is not a part of the soil of the nation whose flag it is flying."

The substitute is as follows:

SUBSTITUTE

"Any alien person eligible to citizenship in the United States coming to any port of the United States as a bona fide seaman employed as part of the crew of any vessel shall be permitted to land in the United States temporarily either under the act entitled 'An act to provide for the treatment in hospital of diseased alien seamen,' approved December 26, 1920, or in pursuit of his calling. Such seaman shall be examined by order of the officer in charge of immigration, and if found temporarily admissible either for hospital treatment or in pursuit of his calling, he shall be furnished with a landing certificate as provided in section 20 of this act.

"*Provided*, First, that no vessel the crew of which were engaged without the jurisdiction of the United States, and which is bound to a foreign port or place, shall be permitted to depart from any port in the United States unless such vessel has a crew at least equal in number with the crew which such vessel had on her arrival.

"Second. That it is hereby made unlawful for any vessel to come to a port of the United States, except in distress, with a crew which under the laws of the United States is not permitted to depart on the same vessel from any port of the United States, and such crew or such members thereof shall be taken into custody by the immigration officer in charge and shall be deported as passengers on some other vessel to the place of their shipment at the expense of the vessel by which brought, and such vessel shall not be given clearance until this proviso is complied with.

"Third. That the Commissioner General of Immigration shall cause each member of the crew of any vessel arriving in any port of the United States from any foreign port or place to be examined, and shall cause a report to be made to the collector of customs and to the Bureau of Immigration; if the examining officer finds that such crew fails to comply with the requirements of section 13 of the seamen's act (Stat. L. * * *), he shall instruct the master to keep the members of such crew or such members thereof on board of such vessel awaiting further instructions, and he shall at once specifically report such findings and instructions to the Bureau of Immigration and to the collector of customs, who shall refuse clearance of such vessel pending final investigation and action by order of the Commissioner General of Immigration, as provided in the foregoing proviso.

"Fourth. It is hereby made unlawful for any vessel to bring, except in distress, any person ineligible to citizenship in the United States, into any port of the United States, as a seaman unless he be a national of the country whose flag the vessel flies. Any such person so brought shall be taken into custody by the immigration officer in charge and shall be deported as a passenger on some other vessel, either to the place of his shipment or to the country of which he is a national at the expense of the vessel by which brought, and such vessel shall not be given clearance until such provisio is complied with."

The substitute, together with the short statement above given, was later submitted to the legislative conference committee of the American Federation of Labor, where the action and report of the committee was indorsed. Nearly all of the immigration bills submitted or in process of preparation were reported to the conference as containing a provision for bonding of seamen. It was realized that the shipowners would make a special point of employing excluded persons wherever such would be convenient; that the bonding would have to be made general; that no bona fide seamen could put up the bonds required; and that the bonding provision would only be complied with by those who were using the navigation laws for the purpose of violating the immigration laws. For these reasons the conference adopted the following resolution:

"It is the sense of this conference that we insist upon the inclusion of the substitute offered by the committee in any immigration bill; also that we will do everything possible to prevent adoption of any legislation that will compel the seamen to put up bonds before being permitted to land."

In accordance with your suggestion this report, the action thereon, and some further reasons for this action are hereby submitted to you.

ARE SUCH LAWS NEEDED

The answer is that the immigration and exclusion laws are systematically and persistently violated. The maritime law gives to the seaman the right to come on shore "in pursuit of his calling" and assumes that he will ship out again. Once on shore he may change his mind about going to sea again. He may change his status and then vanish in the population. Those who desire to come to this country and who would be stopped at the gate can in this way come in. Those who want to import excluded persons can in this way bring them into the country, and the smuggling of excluded persons is as remunerative as other smuggling. It is generally understood that $1,000 is paid by the Chinese for being landed in the United States in such a way that he can at once mingle with others of his kind; and when we know that vessels manned with Chinese are constantly going away with from 10 to 40 or even 50 men less in the crew than they had on arrival we must realize that we are here dealing with a temptation to shipowners and to officers of vessels that is great enough to tempt the shipowners as well as the officers. Again, vessels coming from Europe have on one trip to this country left behind them from 50 to 150 persons, a great many of whom would have been refused admission if coming as regular immigrants. It does, therefore, appear that something ought to be done if we are serious in our immigration and exclusion policy.

ARE SUCH LAWS JUSTIFIED

As against those who have no desire to gather wealth by violating our laws, this proposal certainly can not be said to be harsh. The vessel is obligated to take away as many persons in her crew as she brings. In all nations there are either laws or regulations prescribing a minimum crew for the safety of life and property. The vessel can not leave home ports without this minimum number, but they can take as many more as the master or owner may determine. If in the judgment of the master or owner it is necessary for the safety of life and property to have a certain number in the crew coming west from Europe or east from the Orient, it certainly follows that the same number is needed to go back over the same waters; and no nation can justly complain because we insist that the laws of that particular nation and the judgment of the shipowner as to the number needed is enforced by this country.

One result is increased safety at sea, the other is that our population is not increased. But it is said that such vessels may bring such men as are for one reason or another excluded and take away those that are already admitted and must, therefore, be more desirable. This objection, though much overestimated, is met by the two provisos which forbid vessels to come into our ports, except in distress, with certain crews or certain persons in their crews unless they be citizens or subjects of the country to which the vessel belongs. The penalty is that the persons so brought shall be taken in charge by immigration officers and shall be sent out of this country at the expense of the vessel by which brought. The cost will be so considerable that the shipowners will take care not to violate our laws. There will be less temptation to smuggle. The risk of loss will be too great; but why not let the vessels come with anybody whom they may select and then see to it that the seamen are kept on board?

First, because it is a cruelty which we would be the only nation to perpetrate. No nation denies "shore leave" to seamen on visiting vessels except for the purpose of quarantine or in time of war. Quarantine is of short duration and is not often violated; but we know from the late war that it is practically impossible to enforce the denial of shore leave even in times of war. Desertions were plentiful even with the precautions then taken. Second, because it would reestablish involuntary servitude within the jurisdiction of the United States. Third, because it would reestablish the differential in the wage cost of operating American and foreign vessels. Fourth, because the penalties would be visited upon the innocent to the exclusion of the guilty and at the same time be to a considerable extent ineffective. The three reasons first mentioned may, or should be, accepted as self-evident, but the fourth needs some statement of facts to make it easily seen by readers who are not seamen or acquainted with sea life.

When a seaman joins a vessel he subscribes to a contract called shipping articles, in which it is stated that he is to go in the vessel to a named port and thence to any port or place within certain boundaries north and south and to return to some port in the country to which the vessel belongs. The seaman does not know what coun-

tries he is to visit during the time of his employment. He is not particularly interested unless the vessel is going to some place that is known to be especially sickly, and such contingency is usually taken care of in the law. If he knew that he is going to the United States, where shore leave is forbidden, he would very likely refuse unless forced by starvation. The shipowner knows where he is going to send his vessel and he can, therefore, act accordingly when hiring the crew. If he sends his vessel to the United States with a forbidden crew or forbidden persons in his crew, he does so in violation of our law, and he is the guilty party against whom the law in decency ought to be directed.

Our immigration and exclusion laws are based upon the principle that to be permitted to come to the United States is a privilege which we extend to some and forbid to others. If John Doe, the shipowner, desires to come to the United States, he knows that he must obtain a passport, to be visèd by the American consul. If he desires to send his son here to study or for travel and pleasure, he knows that the son must be provided with a guaranty that the boy will not alter his status; and yet he, the shipowner, may send any or all of his vessels—1, 2, 20, or 50—here into our ports with subjects or citizens of some other nation and specifically excluded from the United States. Surely there is no logic in such legislation, nor can there be said to be sincerity in it. He or his son may not come, except upon specific permission, but he is permitted to bring within the jurisdiction of the United States hundreds or thousands—more or less of men—of excluded men whom he chooses to employ on his vessels; however, with the condition that those vessels are to be turned into prisons for his bondsmen here within our jurisdiction, so that the unfortunates who happen to be on his vessels may not come on shore to mingle with our population. Such legislation might not be held unconstitutional, because of the Supreme Court decision in Robertson against Baldwin, but surely would be indecent, both because it is direct inhumanity and because it would punish the innocent with imprisonment and let the guilty go free to pocket the proceeds arising out of the transaction.

But then it may be held to be contrary to the thirteenth amendment to the Constitution of the United States. The Supreme Court has held that the jurisdiction of the United States begins 3 miles offshore and that a foreign vessel inside of the 3-mile limit comes within the American law—that she is subject to penalties—if she has rum on board, even if the rum be under seal. A foreign vessel brings rum into the jurisdiction of the United States and seals it up, so that it may be kept on board while within the jurisdiction and again used after the vessel is again at sea, and the court says that is an offense against the sovereignty of this country; another vessel brings an excluded person into the jurisdiction, keeps him under arrest, turning the vessel into a private prison, and holds him a prisoner until the vessel is again at sea. One is tempted to ask if this be not the worst offense, since it violates not only the thirteenth amendment but also the exclusive right to imprison and punish. And the imprisonment would not be for any actual violation of law but to prevent a possible violation. Much water has gone over the dam since the Robertson against Baldwin decision was handed down and Congress has abolished the laws and treaties under which the decision was made. Are we sure that the court may not now distinguish between seamen at sea under the common hazard and seamen in port? The constitutionality could surely be questioned and the decision might be all the worse for the ship. But let us suppose that the seaman should stow away a bottle of rum in his kit or on his person. What would then be the result? Arrest, imprisonment on shore, and finally deportation at the expense of the United States.

AS TO FOREIGN NATIONS

It has already been suggested that they can not justly complain, because we would play no favorites and would only be helping them by seeing that their own laws are obeyed while in our jurisdiction; but again Great Britain takes control to see that no vessel leaves her ports undermanned. She determines the minimum crew on her own vessels and then applies that law to foreign vessels. She has boarding officers who, upon complaints, visit any vessel; and if the law is about to be violated, the vessel is held until the law is complied with.

THE SACREDNESS OF VESSEL PROPERTY

One might express some wonder about what there is about a vessel that is so sacred that the owner is to be permitted to violate the laws of this country or that the laws must be so made as to make it easy for him to violate them with impunity. Are we so eager to see foreign vessels in our ports that we must give them special privileges in order that they may come here? Or is this law that makes the vessel in an American port into a prison to apply to American vessels as well as to foreign ones? If this be the case, then the purpose is easily understood. In that case it is just an effort to man the American vessels with orientals to be hired in the Orient under the act of 1884; but this would be a death sentence of the American hope of sea power. No self-respecting American would sail under such laws.

The idea to place seamen under bonds began in the newspapers as a part of the propaganda against the seamen's act. The failure to enforce the seamen's act and to make regulations which the Department of Commerce and the Department of Labor have a right to make made it easy and safe to use one law against the other to bring both into disrepute and to prepare the public mind for such legislation as would, at least ostensibly, enforce the immigration laws. It was easy, therefore, to suggest a remedy for violation of the immigration laws which at the same time would repeal the seamen's act.

When this is brought to the attention of the promoters of the bonding idea they suggest as an alternative that the whole question of seamen be left out of the proposed immigration legislation. If that was the only reasonable and decent alternative and the only way in which the immigration laws could be made effective, the seamen would not seriously complain; but the evil so justly complained of would continue and continue to grow. Why this should be done when there is another alternative which is justifiable, human, and decent seems rather difficult to understand.

Feeling sure that these suggestions and the substitute will be given serious attention by the members of the committee and of Congress, I beg to remain,

Most respectfully,

ANDREW FURUSETH.

Proper and adequate inspection of aliens arriving as seamen at ports of the United States is required under the provisions of sections 18, 19, and 20 of the bill.

Enforcement of the sections (secs. 32, 33, and 34) of the immigration act of 1917 respecting alien seamen has been one of the most difficult tasks confronting the Immigration Service. In fact, due to a weakness in section 32, there has been no proper enforcement for several years. The flaw was that the shipmaster, although required to detain inadmissible seamen, could not be punished for failure to detain unless it was shown that he had notice in writing so to do. Notice in writing anterior to the breach of responsibility to detain was physically impossible.

Requirement of a landing card for every alien seaman is made a feature of this phase of the bill. All the rights of seamen under the La Follette Act are protected. Sections 32, 33, and 34 of the immigration act of 1917 are repealed.

Section 3 of H. R. 7995 defines an immigrant and excepts an alien seaman from such definition, namely:

DEFINITION OF "IMMIGRANT"

SEC. 3. When used in this act the term "immigrant" means any alien departing from any place outside the United States, destined for the United States, except * * * (5) a bona fide alien seaman serving as such on a vessel arriving at a port of the United States and seeking to enter temporarily the United States solely in the pursuit of his calling as a seaman.

For purposes of comparison, the new paragraphs affecting alien seamen and the paragraphs of the 1917 act to be repealed are printed in parallel columns:

ALIEN SEAMEN PROVISIONS, IMMIGRATION ACT OF 1917	ALIEN SEAMEN PROVISIONS OF H. R. 6540
SEC. 32. That no alien excluded from admission into the United States by any law, convention, or treaty of the United States, regulating the immigration of aliens, and employed on board any vessel arriving in the United States from any foreign port or place, shall be permitted to land in the United States, except temporarily for medical treatment, or pursuant to regulations prescribed by the Secretary of Labor providing for the ultimate removal or deportation of such alien from the United States, and the negligent failure of the owner, agent, consignee, or master of such vessel to detain on board any such alien after notice in writing by the immigration officer in charge at the port of arrival, and to deport such alien, if required by such immigration officer or by the Secretary of Labor, shall render such owner, agent, consignee, or master liable to a penalty not exceeding $1,000, for which sum the said vessel shall be liable, and may be seized and proceeded against by way of libel in any district court of the United States having jurisdiction of the offense.	SEC. 18. No alien seaman excluded from admission into the United States under the immigration laws and employed on board any vessel arriving in the United States from any place outside thereof, shall be permitted to land in the United States, except temporarily for medical treatment, or pursuant to such regulations as the Secretary may prescribe for the ultimate departure, removal, or deportation of such alien from the United States. SEC. 19. (a) Upon the arrival (after the expiration of four months after the enactment of this act) of any vessel in the United States, it shall be the duty of the owner, agent, charterer, consignee, or master thereof to deliver to the immigration officer in charge at the port of arrival, in respect of each alien seaman employed on such vessel, a landing card in triplicate, stating the position such alien holds in the ship's company, when and where he was shipped or engaged, and whether he is to be paid off and discharged at the port of arrival, and such other information as may be by regulations

ALIEN SEAMEN PROVISIONS, IMMIGRATION ACT OF 1917—contd.

SEC. 33. That it shall be unlawful and be deemed a violation of the preceding section to pay off or discharge any alien employed on board any vessel arriving in the United States from any foreign port or place, unless duly admitted pursuant to the laws and treaties of the United States regulating the immigration of aliens: *Provided*, That in case any such alien intends to reship on board any other vessel bound to any foreign port or place, he shall be allowed to land for the purpose of so reshipping, under such regulations as the Secretary of Labor may prescribe to prevent aliens not admissible under any law, convention, or treaty from remaining permanently in the United States, and may be paid off, discharged, and permitted to remove his effects anything in such laws or treaties or in this act to the contrary notwithstanding, provided due notice of such proposed action be given by the master or the seaman himself to the principal immigration officer in charge at the port of arrival.

SEC. 34. That any alien seaman who shall land in a port of the United States contrary to the provisions of this act shall be deemed to be unlawfully in the United States, and shall, at any time within three years thereafter, upon the warrant of the Secretary of Labor, be taken into custody and brought before a board of special inquiry for examination as to his qualifications for admission to the United States, and if not admitted said alien seaman shall be deported at the expense of the appropriation for this act as provided in section 20 of this act.

ALIEN SEAMEN PROVISIONS OF H. R. 6540—continued

prescribed, and having permanently attached thereto a photograph of such alien.

(b) If the alien seaman after examination (which examination in all cases shall include a personal physical examination by the medical examiners) is found to be temporarily admissible to the United States, he shall be permitted to land during the stay of the vessel in port, or temporarily for the purpose of reshipping on board any other vessel bound to a place outside the United States, and the immigration officer shall cause a fingerprint of the alien to be placed upon each copy of the landing card, and indorse upon each copy the date and place of arrival, the name of the vessel, and the time during which the landing card shall be valid. Thereupon one copy of the landing card shall be delivered to him by the immigration officer, one copy shall be transmitted forthwith to the Department of Labor under regulations prescribed under this act, and the third copy shall be retained in the immigration office at the port of arrival for such length of time as may be by regulations prescribed. It shall be unlawful for any alien seaman to remain in the United States after the expiration of the validity of his landing card.

(c) Any alien who has received a landing card under this section and who departs from the United States shall, prior to his departure, surrender such card to the master of the vessel, who shall, before the departure of the vessel, deliver such card to such individual as may be by regulations prescribed.

(d) An alien seaman who departs from the United States temporarily at frequent intervals in the pursuit of his calling may be admitted to the United States, under such regulations as may be prescribed, without the requirement of a landing card in respect of each entry into the United States.

Paragraph (e) describes form of landing cards.

Paragraph (f) relates to fines.

SEC. 20. (a) The owner, charterer, agent, consignee, or master of any vessel arriving in the United States from any place outside thereof who fails to detain on board any alien seaman employed on such vessel until the immigration officer in charge at the port of arrival has inspected such seaman, and delivered to him a landing card (in cases where a landing card is required), or who fails to detain such seaman on board after such inspection or to deport such seaman if required by such immigration officer or the Secretary to do so shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each alien seaman in respect of whom such failure occurs. No vessel shall be granted clearance pending the determination of the liability to the

ALIEN SEAMEN PROVISIONS, IMMIGRATION ACT OF 1917—contd.

ALIEN SEAMEN PROVISIONS OF H. R. 6540—continued

payment of such fine, or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine.

(b) Proof that an alien seaman did not appear upon the outgoing manifest of the vessel on which he arrived in the United States from any place outside thereof, or that he was reported by the master of such vessel as a deserter shall be prima facie evidence of a failure to detain or deport after requirement by the immigration officer or the Secretary.

Paragraph (c) is a repealing clause.)

AMENDMENTS PROPOSED BY ANDREW FURUSETH AFTER H. R. 7995 HAD GONE TO THE FLOOR OF THE HOUSE

On page 26 of House bill, line 9, insert the word "which" between the words "card" and "shall." Strike out the period after the word "valid" and insert "for sixty days unless extended because of sickness or litigation."

On page 28 of House bill strike out after the word "required," beginning with "or," on line 3, to and including the word "so," on line 6.

The alien seaman provision as finally reported out by the House committee, on H. R. 7995, and as it passed the House, is in the following language, namely:

ALIEN SEAMEN

SEC. 19. No alien seaman excluded from admission into the United States under the immigration laws and employed on board any vessel arriving in the United States from any place outside thereof, shall be permitted to land in the United States, except temporarily for medical treatment, or pursuant to such regulations as the Secretary of Labor may prescribe for the ultimate departure, removal, or deportation of such alien from the United States.

SEC. 20. (a) Upon the arrival (after the expiration of four months after the enactment of this act) of any vessel in the United States it shall be the duty of the owner, agent, charterer, consignee, or master thereof to deliver to the immigration officer in charge at the port of arrival, in respect of each alien seamen employed on such vessel, a landing card in triplicate, stating the position such alien holds in the ship's company, when and where he was shipped or engaged, and whether he is to be paid off and discharged at the port of arrival, and such other information as may be by regulations prescribed, and having permanently attached thereto a photograph of such alien.

(b) If the alien seaman after examination (which examination in all cases shall include a personal physical examination by the medical examiners) is found to be temporarily admissible to the United States, he shall be permitted to land during the stay of the vessel in port, or temporarily for the purpose of reshipping on board any other vessel bound to a place outside the United States, and the immigration officer shall cause the fingerprints of the alien to be placed upon each copy of the landing card, and indorse upon each copy the date and place of arrival, the name of the vessel, and the time during which the landing card shall be valid. Thereupon one copy of the landing card shall be delivered to him by the immigration officer, one copy shall be transmitted forthwith to the Department of Labor under regulations prescribed under this act, and the third copy shall be retained in the immigration office at the port of arrival for such length of time as may be by regulations prescribed. It shall be unlawful for any alien seaman to remain in the United States after the expiration of the validity of his landing card.

(c) Any alien who has received a landing card under this section and who departs from the United States shall, prior to his departure, surrender such card to the master of the vessel, who shall, before the departure of the vessel, deliver such card to such individual as may be by regulations prescribed.

(d) An alien seaman who departs from the United States temporarily at frequent intervals in the pursuit of his calling, or who is employed on a vessel touching at more than one port of the United States in the course of a continuous voyage, may be admitted to the United States, under such regulations as may be prescribed, without the requirement of a landing card in respect of each entry into the United States.

(e) Landing cards shall be printed on distinctive safety paper prepared and issued, under regulations prescribed under this act, at the expense of the owner, agent, consignee, charterer, or master of the vessel. The Secretary of Labor, with the cooperation of the Secretary

of State, shall provide a means of obtaining blank landing cards outside the United States.

(f) The owner, agent, consignee, charterer, or master of any vessel who violates any of the provisions of this section shall pay to the collector of customs for the customs district in which the port of arrival is located the sum of $1,000 for each alien in respect of whom the violation occurs; and no vessel shall be granted clearance pending the determination of the liability to the payment of such fine, or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine, or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs.

SEC. 21. (a) The owner, charterer, agent, consignee, or master of any vessel arriving in the United States from any place outside thereof who fails to detain on board any alien seaman employed on such vessel until the immigration officer in charge at the port of arrival has inspected such seaman, and delivered to him a landing card (in cases where a landing card is required), or who fails to detain such seaman on board after such inspection or to deport such seaman if required by such immigration officer or the Secretary of Labor to do so, shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each alien seaman in respect of whom such failure occurs. No vessel shall be granted clearance pending the determination of the liability to the payment of such fine, or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine, or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs.

(b) Proof that an alien seaman did not appear upon the outgoing manifest of the vessel on which he arrived in the United States from any place outside thereof, or that he was reported by the master of such vessel as a deserter, shall be prima facie evidence of a failure to detain or deport after requirement by the immigration officer or the Secretary of Labor.

(c) If the Secretary of Labor finds that deportation of the alien seaman on the vessel on which he arrived would cause undue hardship to such seaman he may cause him to be deported on another vessel at the expense of the vessel on which he arrived, and such vessel shall not be granted clearance until such expense has been paid or its payment guaranteed to the satisfaction of the Secretary of Labor.

(d) Section 32 of the immigration act of 1917 is repealed, but shall remain in force as to all vessels, their owners, agents, consignees, and masters, and as to all seamen, arriving in the United States prior to the enactment of this act. Sections 33 and 34 of such act are repealed, to take effect after the expiration of four months after the enactment of this act, but the provisions of such section 34 shall thereafter remain in force in the case of any alien seaman who has landed in a port of the United States before such repeal becomes effective.

AMENDMENT OFFERED BY SENATOR KING DURING CONSIDERATION OF THE IMMIGRATION BILL IN THE SENATE, CALENDAR DAY, APRIL 18, 1924

[CONGRESSIONAL RECORD, p. 6858, Sixty-eighth Congress, first session]

SEC. 16. (a) Every alien employed on board of any vessel arriving in the United States from any place outside thereof shall be examined by an immigrant inspector to determine whether or not (1) he is a bona fide seaman, and (2) he is an alien of the class described in subdivision (f), section 17, hereof; and by a surgeon of the United States Public Health Service to determine (3) whether or not he is suffering with any of the disabilities or diseases specified in section 35 of the immigration act of 1917.

(b) If it is found that such alien is not a bona fide seaman he shall be regarded as an immigrant, and the various provisions of this act and of the immigration laws applicable to immigrants shall be enforced in his case. From a decision holding such alien not to be a bona fide seaman the alien shall be entitled to appeal to the Secretary; and on the question of his admissibility as an immigrant he shall be entitled to appeal to the Secretary, except where exclusion is based upon grounds nonappealable under the immigration laws. If found inadmissible, such alien shall be deported, as a passenger, on a vessel other than that by which brought, at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed.

(c) If it is found that such alien is subject to exclusion under subdivision (f) of section 17 hereof, the inspector shall order the master to hold such alien on board pending the receipt of further instructions.

(d) If it is found that, although a bona fide seaman, such alien is afflicted with any of the disabilities or diseases specified in section 35 of the immigration act of 1917, disposition shall be made of his case in accordance with the provisions of the act approved December, 1920, entitled "An act to provide for the treatment in hospital of diseased alien seamen."

SEC. 17. (a) Upon the arrival—after the expiration of four months after the enactment of this act—of any vessel in the United States, it shall be the duty of the owner, agent, charterer, consignee, or master thereof to deliver to the immigration officer in charge at the port of arrival, in respect of each alien seaman employed on such vessel, a landing card in duplicate, containing such seaman's name, age, nationality, personal description, and the capacity in which employed, and having permanently attached thereto a photograph of such seaman.

(b) If such alien employee is found upon examination not to be subject to detention or exclusion under any of the provisions of section 16 hereof, he shall be permitted temporarily to land during the stay of the vessel in port or for the purpose of reshipping on board any other vessel bound to a place outside the United States, and the immigration officer shall cause a fingerprint of the alien to be placed upon each copy of the landing card. Thereupon one copy of the landing card shall be delivered to said seaman, and the other copy shall be filed in the archives of the immigration office at the port of arrival and properly indexed for future reference.

(c) If such a temporarily landed alien seaman remains in the United States without reshipping foreign for a period in excess of 60 days, such circumstance shall constitute prima facie evidence of abandonment of calling and becoming an immigrant, and such alien shall thereupon be taken into custody by immigration officials and examined as though he were an immigrant applying for admission; and unless such alien shows either that he has not abandoned his calling but is still a bona fide seaman, or that he is in all respects admissible under this act and the immigration laws, such alien shall be deported in the manner prescribed by sections 19 and 20 of the immigration act of 1917.

(d) Landing cards shall be printed on distinctive safety paper prepared and issued, under regulations prescribed under this act, at the expense of the owner, agent, consignee, charterer, or master of the vessel. The Secretary of Labor, with the cooperation of the Secretary of State, shall provide a means of obtaining blank landing cards outside the United States.

(e) All vessels entering ports of the United States manned with crews engaged and taken on at foreign ports shall when departing from the United States ports carry a crew of at least equal number, and any such vessel which fails to comply with this requirement shall be refused clearance.

(f) No vessel shall enter a port of the United States, except in distress, having on board as a member of the crew any alien who if he were applying for admission to the United States as an immigrant laborer would be subject to exclusion under the Chinese exclusion laws, or under the sixth proviso to section 3 of the immigration act of 1917 and rule 7 of the immigration rules of February 1, 1924, or under the clause of section 3 of the immigration act of 1917 excluding by territorial limitations certain natives of Asia and of islands adjacent thereto; except that any ship of the merchant marine of any one of the countries, islands, dependencies, or colonies immigrant laborers coming from which are excluded by the said provisions of law shall be permitted to enter ports of the United States having on board in their crews aliens of said description who are natives of the particular country, island, dependency, or colony to the merchant marine of which such vessel belongs. Any alien seaman brought into a port of the United States in violation of this provision shall be excluded from admission or temporary landing and shall be deported either to the place of shipment or to the country of his nativity, as a passenger, on a vessel other than that on which brought, at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed.

(g) The owner, agent, consignee, charterer, or master of the vessel who violates any of the provisions of this section shall pay to the collector of customs for the customs district in which the port of arrival is located the sum of $1,000 for each alien in respect of whom the violation occurs; and no vessel shall be granted clearance pending the determination of the liability to the payment of such fine, or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine.

COMPARATIVE PRINT, SHOWING PROVISIONS OF IMMIGRATION ACT OF 1917 AND HOUSE BILL 7995, RELATING TO ALIEN SEAMEN

ALIEN SEAMEN PROVISIONS, IMMIGRATION ACT OF 1917	ALIEN SEAMEN PROVISIONS OF H. R. 7995, AS INTRODUCED
SEC. 32. That no alien excluded from admission into the United States by any law, convention, or treaty of the United States regulating the immigration of aliens, and employed on board any vessel arriving in the United States from any foreign port or place, shall be permitted to land in the United States, except temporarily for medical treatment or pursuant to regulations prescribed by the Secretary of Labor providing for the	SEC. 18. No alien seamen excluded from admission into the United States under the immigration laws and employed on board any vessel arriving in the United States from any place outside thereof, shall be permitted to land in the United States, except temporarily for medical treatment, or pursuant to such regulations as the Secretary may prescribe for the ultimate departure, removal, or deportation of

ALIEN SEAMEN PROVISIONS, IMMIGRATION ACT OF 1917—contd.

ultimate removal or deportation of such alien from the United States; and the negligent failure of the owner, agent, consignee, or master of such vessel to detain on board any such alien after notice in writing by the immigration officer in charge at the port of arrival and to deport such alien, if required by such immigration officer or by the Secretary of Labor, shall render such owner, agent, consignee, or master liable to a penalty not exceeding $1,000, for which sum the said vessel shall be liable and may be seized and proceeded against by way of libel in any district court of the United States having jurisdiction of the offense.

SEC. 33. That it shall be unlawful and be deemed a violation of the preceding section to pay off or discharge any alien employed on board any vessel arriving in the United States from any foreign port or place unless duly admitted pursuant to the laws and treaties of the United States regulating the immigration of aliens: *Provided*, That in case any such alien intends to reship on board any other vessel bound to any foreign port or place, he shall be allowed to land for the purpose of so reshipping under such regulations as the Secretary of Labor may prescribe to prevent aliens not admissible under any law, convention, or treaty from remaining permanently in the United States, and may be paid off, discharged, and permitted to remove his effects, anything in such laws or treaties or in this act to the contrary notwithstanding, provided due notice of such proposed action be given by the master or the seaman himself to the principal immigration officer in charge at the port of arrival.

SEC. 34. That any alien seaman who shall land in a port of the United States contrary to the provisions of this act shall be deemed to be unlawfully in the United States and shall at any time within three years thereafter, upon the warrant of the Secretary of Labor, be taken into custody and brought before a board of special inquiry for examination as to his qualifications for admission to the United States; and if not admitted, said alien seaman shall be deported at the expense of the appropriation for this act as provided in section 20 of this act.

ALIEN SEAMEN PROVISIONS OF H. R. 7995, AS INTRODUCED—contd.

such alien from the United States.

SEC. 19. (a) Upon the arrival (after the expiration of four months after the enactment of this act) of any vessel in the United States, it shall be the duty of the owner, agent, charterer, consignee, or master thereof to deliver to the immigration officer in charge at the port of arrival, in respect of each alien seaman employed on such vessel, a landing card in triplicate, stating the position such alien holds in the ship's company, when and where he was shipped or engaged, and whether he is to be paid off and discharged at the port of arrival, and such other information as may be by regulations prescribed, and having permanently attached thereto a photograph of such alien.

(b) If the alien seaman, after examination (which examination in all cases shall include a personal physical examination by the medical examiners) is found to be temporarily admissible to the United States, he shall be permitted to land during the stay of the vessel in port, or temporarily for the purpose of reshipping on board any other vessel bound to a place outside the United States, and the immigration officer shall cause a fingerprint of the alien to be placed upon each copy of the landing card, and indorse upon each copy the date and place of arrival, the name of the vessel, and the time during which the landing card shall be valid. Thereupon one copy of the landing card shall be delivered to him by the immigration officer, one copy shall be transmitted forthwith to the Department of Labor under regulations prescribed under this act, and the third copy shall be retained in the immigration office at the port of arrival for such length of time as may be by regulations prescribed. It shall be unlawful for any alien seaman to remain in the United States after the expiration of the validity of his landing card.

(c) Any alien who has received a landing card under this section and who departs from the United States shall, prior to his departure, surrender such card to the master of the vessel, who shall, before the departure of the vessel, deliver such card to such individual as may be by regulations prescribed.

(d) An alien seaman who departs from the United States temporarily at frequent intervals in the pursuit of his calling may be admitted to the United States, under such regulations as may be prescribed, without the requirement of a landing card in respect of each entry into the United States.

ALIEN SEAMEN PROVISIONS, IMMIGRATION ACT OF 1917—contd.

ALIEN SEAMEN PROVISIONS OF H. R. 7995, AS INTRODUCED—contd.

Paragraph (e) describes form of landing cards.

Paragraph (f) relates to fines.

SEC. 20. (a) The owner, charterer, agent, consignee, or master of any vessel arriving in the United States from any place outside thereof who fails to detain on board any alien seaman employed on such vessels until the immigration officer in charge at the port of arrival has inspected such seaman and delivered to him a landing card (in cases where a landing card is required), or who fails to detain such seaman on board after such inspection or to deport such seaman if required by such immigration officer or the Secretary to do so shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each alien seaman in respect of whom such failure occurs. No vessel shall be granted clearance pending the determination of the liability to the payment of such fine, or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine.

(b) Proof that an alien seaman did not appear upon the outgoing manifest of the vessel on which he arrived in the United States from any place outside thereof, or that he was reported by the master of such vessel as a deserter shall be prima facie evidence of a failure to detain or deport after requirement by the immigration officer or the Secretary.

Paragraph (c) is a repealing clause.

The following letter was submitted to Hon. ALBERT JOHNSON, chairman of the Committee on Immigration and Naturalization of the House and one of the conferees on House Resolution 7995, and considered by the conference, namely:

APRIL 28, 1924.

Hon. ALBERT JOHNSON,
Chairman Committee on Immigration,
House Office Building, Washington, D. C.

DEAR MR. CHAIRMAN: In dealing with the question of immigration no one could fail to note an effort on the part of the Department of Labor to acquire a right to hold alien seamen on board of the merchant vessels in our harbors in order to prevent the vessels from being the means of violations of the immigration and exclusion laws.

The early drafts of all the bills contained provisions under which the masters of vessels were to hold the seamen on board of the vessels and be penalized if they failed.

It evidently did not occur to the draftsmen that such legislation would be either cruel or unconstitutional. Unconstitutional for two reasons. First, because those men would be held to involuntary servitude within the jurisdiction of the United States. Second, because the vessels would be private prisons, and as such incompatible with the sovereignty of the United States. As it became apparent to the membership of the committees that any legislation to hold the seamen on the vessels against their will might be declared void, it was thought that it might be accomplished in some indirect manner, as in the House bill (line 25 on page 31, and lines 19, 20, 21, and 22 on page 33, conference committee print No. 1), or that it might be better to permit the coming of aliens as seamen, as in the Senate bill.

When, during the hearings on the bill, your attention was called to the real situation, you stated that to deal with the question of seamen in the effective way suggested by me might defeat the proposed legislation.

To that suggestion I answered by stating that if such was the case it would be better to leave the seamen as they are. While the seamen question is of importance the seamen will stand aside, and I would

do nothing which might endanger the bill. I have kept that promise. The situation is now altered.

There is not now any danger to the legislation, except to its effectiveness by leaving a side door open through which excluded laborers may come in as great numbers as might be desired by either the steel corporation or the steamship companies.

The census year to be used, the percentage to be admitted legally, and the Japanese exclusion are in the same language in the House and the Senate bills. The majority with which the bills passed the separate Houses is such as to make any danger from any source practically unthinkable.

There is, however, nothing in either bill that will prevent vessels of any nation from bringing excluded aliens into our ports, where they can not be kept on board for reasons given above.

There is nothing in either bill to prevent vessels from coming here with 50 or even 100 per cent of men added to their crews, to drop the extra men here as illegal immigrants and then go away with just such men as they might retain on board.

That vessels will do this, when they can collect not only immigrant fares but in some instances $1,000 per person landed in the United States, will not be denied by any man with the ordinary amount of candor and respect for the truth.

That our supply of Chinese is kept up and added to in this manner, you will not question. That immigrants are coming from Europe in this way, you have been told in such manner that you can not doubt it. Here is a side door through which the law is to be violated, and to much greater extent than in the past. You can close this door if you so desire. There are no treaties to forbid. The Bureau of Immigration has withdrawn its objections and now has notified the conferees that it now looks upon the amendments offered by Senator KING as the one effective way proposed for the real enforcement of the law. The only known parties, that are now opposed, are the steamship companies. Are they going to be permitted to stand in the way until in some dim and distant future you can pass the separate bill, of which you spoke, but the reason for which has now passed away?

Most respectfully yours,

ANDREW FURUSETH.

The following letter by Mr. Furuseth was presented to Senator REED, a conferee on H. R. 7995 on the part of the Senate, and used by the conferees, which letter and memorandum are in words following:

WASHINGTON, D. C., *May 5, 1924.*

Hon. DAVID A. REED,
United States Senator, Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: From information which I have obtained it seems that the conferees on the immigration bill have tentatively agreed to sections 18, 19, and 20 of the House bill, which sections deal with the question of alien seamen in relation to immigration, without adding thereto subsections (e) and (f), as found in the amendment submitted by Senator KING.

I do most sincerely hope that no such agreement will be finally arrived at. It is a fact, not now disputed by anybody, that vessels are leaving our ports with a much smaller crew of seamen than they had on arrival. If subsection (e) is not made a part of the law, there will be nothing either in the maritime law or in the immigration law which would justify any protests on the part of our immigration authorities if a vessel coming here was to double her normal crew and leave one-half of that double crew behind her when she departs. That vessels will do this is as certain as the fact that men will do things that they are permitted to do if it is to their economic advantage.

About 165,000 immigrants will be admitted regularly. There is no reason anywhere in the law why that number can not be doubled and 330,000 brought here in violation of the spirit, but not of the letter, of the immigration law. Nothing can be more certain than that men will pay their passage, be placed on the articles of the ship, and do some work on the way over in order to ostensibly prove that they are seamen.

If subsection (f) is not adopted, there will be nothing in the law to prevent vessels coming from any foreign port or place bringing to the United States persons that are racially or territorially excluded from the United States and bringing them in such numbers as to make it worth while even to wealthy corporations. It is not now disputed by anybody that Chinese are paying $1,000 to be landed in the United States. That the same will henceforth apply to other orientals can not reasonably be questioned. The provisions for fines, as found in section 20, will have no force or effect, because the Government will have to prove collusion, and that can not be proved except in very rare instances, if at all.

But, bad as this is, it is not the worst. While the side door is left wide open to bring in all kinds of excluded people, the honest legitimate seaman is to be photographed and fingerprinted, like any convicted criminal, and the vessels are to be annoyed, subjected to delay, trouble, and expense by obtaining from the consul special papers for every alien on board and to cause him to be photographed. They are to be punished by fines for violating this provision. It will be the honest seaman that will be fingerprinted; the crook will refuse on the plea that he is not going ashore at all, and when night comes he will slip from the side and vanish. If the photographing and the fingerprinting were general, of course the seaman could not properly complain; but when the seaman is selected and put in the class with convicted crooks simply because he is a seaman and unfortunate enough to come within the jurisdiction of the United States, it is a dishonor put upon the seaman which will certainly not help the United States in getting efficient, self-respecting men or boys to serve at sea, whether they be of American or foreign parentage.

If the conferees could adopt (e) and (f), there would be no necessity for any landing card, because those specifically excluded would be picked up on the arrival of the vessel and deported. This would certainly be less annoyance to any vessel than to furnish photographs on special paper for every member of the crew, running from 20 to 700 men and women. If it be stated that it would be a hardship on the vessel to be prohibited from departing unless she had as many men in her crew as she had on arrival, I respectfully submit that that is the law dealing with American vessels, and you will find that in section 4463 of Revised Statutes, as finally amended in 1913.

I stated to the committee of the House and to the committee of the Senate that if proper workable immigration laws could not be placed in this bill the seamen would prefer to be left exactly as they are now. The adoption of the House sections does not leave the seamen as they are now. It makes at least the distinction of changing the seamen from being presumably as honest as everybody else to that of being in the class of convicted crooks. If it be true that the House provisions dealing with alien seamen are adopted or are to be adopted, it would be infinitely better to leave the bill on that question as it was adopted in the Senate.

On behalf of the seamen,
Most respectfully yours,

ANDREW FURUSETH.

Memorandum concerning changes which should be made in the seamen's sections of H. R. 7995 in order to make those sections fairly effective from the immigration standpoint and in order that this proposed law shall not result in repealing any provisions of the seamen's act.

[The print of the bill used in preparing this memorandum is conference committee print No. 6 of May 8, 1924]

As all provisions requiring the seamen to have landing cards and provisions relating to such landing cards have already been eliminated from the bill in conference through the deletion of each and every paragraph of section 20 thereof, these suggestions proceed upon the premise that the landing-card arrangement has been definitely abandoned.

Section 19 of the bill (lines 15–22, p. 29) should be stricken out, because the provisions thereof, treating alien seamen as though "excluded from admission into the United States under the immigration laws," are in direct conflict with the fifth clause of section 3 (lines 8–12, p. 5), excepting from the "definition of immigrant" any alien who is "a bona fide alien seaman serving as such on a vessel arriving at a port of the United States and seeking to enter temporarily the United States solely in the pursuit of his calling as a seaman." And in order that the bill may clearly show the extent to which and the purpose for which alien seamen are to be examined there should be inserted as section 19 the following:

"(a) Every alien employed on board of any vessel arriving in the United States from any place outside thereof shall be examined by an immigrant inspector to determine whether or not (1) he is a bona fide seaman and (2) he is an alien of the class described in subdivision (f), section 20, hereof, and by a surgeon of the United States Public Health Service to determine (3) whether or not he is suffering with any of the disabilities or diseases specified in section 35 of the immigration act of 1917.

"(b) If it is found that such alien is not a bona fide seaman, he shall be regarded as an immigrant, and the various provisions of this act and of the immigration laws applicable to immigrants shall be enforced in his case. From a decision holding such alien not to be a bona fide seaman the alien shall be entitled to appeal to the Secretary, and on the question of his admissibility as an immigrant he shall be entitled to appeal to the Secretary, except where exclusion is based upon grounds nonappealable under the immigration laws. If found inadmissible, such alien shall be deported as a passenger on a vessel other than that by which brought, at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed.

"(c) If it is found that such alien is subject to exclusion under subdivision (d) of section 20 hereof, the inspector shall order the master to hold such alien on board pending the receipt of further instructions.

"(d) If it is found that although a bona fide seaman such alien is afflicted with any of the disabilities or diseases specified in section 35 of the immigration act of 1917, disposition shall be

made of his case in accordance with the provisions of the act approved December 26, 1920, entitled 'An act to provide for the treatment in hospital of diseased alien seamen.'"

Strike out paragraph (a) of section 21 of the bill (line 11, p. 32, to line 4, p. 33) and insert in lieu thereof the following:

"SEC. 20. (a) The owner, charterer, agent, consignee, or master of any vessel arriving in the United States from any place outside thereof who fails to detain on board any alien seaman employed on such vessel until such alien has been inspected pursuant to paragraph (a) of section 16 hereof, or until such alien has been placed in hospital pursuant to paragraph (d) of said section, or who fails to make provision for the deportation of any alien ordered deported pursuant to paragraph (b) of said section or pursuant to paragraph (c) of said section and paragraph (d) of this section, shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each alien in respect of whom any such failure occurs. No vessel shall be granted clearance pending the determination of the liability to the payment of such fine, or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine, or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs."

Strike out paragraphs (b) and (c) of section 21 (lines 5–19, p. 33), and change the designation of what is now paragraph (d) (line 20, p. 33) to (b).

Add to section 21 of the bill (after line 5, p. 34) three paragraphs to be designated and to read as follows:

"(c) All vessels entering ports of the United States manned with crews the majority of which, exclusive of licensed officers, have been engaged and taken on at foreign ports shall when departing from the United States ports carry a crew of at least equal number, and any such vessel which fails to comply with this requirement shall be refused clearance: *Provided, however,* That such vessel shall not be required when departing to carry in the crew any person to fill the place made vacant by the death or hospitalization of any member of the incoming crew.

"(d) No vessel shall, unless such vessel is in distress, bring into a port of the United States as a member of her crew any alien who if he were applying for admission to the United States as an immigrant would be subject to exclusion under paragraph (c) of section 13 hereof; except that any ship of the merchant marine of any one of the countries, islands, dependencies, or colonies immigrants coming from which are excluded by the said provisions of law shall be permitted to enter ports of the United States having on board in their crews aliens of said description who are natives of the particular country, island, dependency, or colony to the merchant marine of which such vessel belongs. Any alien seaman brought into a port of the United States in violation of this provision shall be excluded from admission or temporary landing and shall be deported either to the place of shipment or to the country of his nativity as a passenger on a vessel other than that on which brought at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed.

"(e) If any alien seaman temporarily landed under the provisions of this act remains in the United States without shipping foreign for a period in excess of 60 days, such circumstance shall constitute prima facie evidence of abandonment of calling and becoming an immigrant, and such alien shall thereupon be taken into custody by immigration officials and examined as though he were an immigrant applying for admission; and unless such alien shows either that he has not abandoned his calling but is still a bona fide seaman, or that he is in all respects admissible under this act and the immigration laws, such alien shall be deported in the manner prescribed by sections 19 and 20 of the immigration act of 1917."

The following letter and statement by Mr. Furuseth was submitted by me to the conferees while H. R. 7995 was under consideration. It follows:

MEMORIAL ON IMMIGRATION BILL, BY ANDREW FURUSETH, ON BEHALF OF THE SEAMEN

Section 19 places the seamen under the immigration laws. Immigration laws are defined as all acts, treaties, and conventions, including this act, dealing with immigration, exclusion, and expulsion of aliens, so that the seamen will, first, have to comply with all the provisions of the former immigration statutes, and in addition to that he must be capable of becoming a citizen of the United States under this proposed statute.

Section 21 provides that the master of a vessel must hold the seaman on board, first, until examined; second, until deported either by himself in the same ship or by order of the Secretary of Commerce in some other ship, unless the seaman shall be permitted to land. Having no immigration visé, of course he can not land in the United States under the immigration laws as they will be amended if these two sections are adopted. The failure of the master to hold the seaman to the vessel carries with it a penalty of $1,000.

Section 4 of the seamen's act was passed (1) to liberate the seamen, (2) to induce Americans to go to sea, and (3) to equalize the wage cost of foreign and American merchant vessels. It gives to the seaman the right to demand one-half of the wages earned, and if that is refused, to leave the vessel and apply to the courts for the payment of all the wages earned. This section of the seamen's act has been most seriously contested by foreign and domestic shipping companies. It finally came before the Supreme Court of the United States in the case of Dillon v. Strathearn (U. S. 232, p. 358). Great Britain appeared through amicus curiae. The United States was represented through the Department of Justice; and the Supreme Court unanimously held this section to be valid law.

Sections 19 and 21 of the immigration bill and section 4 of the seamen's act can not operate together, if the immigration laws and the seamen's act are both to be obeyed. If you do not desire to repeal section 4 of the seamen's act, sections 19 and 21 of this act must be deleted. The seamen were given a definite promise by the committees of both branches of Congress that no part of the seamen's act would be repealed.

Respectfully submitted.

ANDREW FURUSETH.

WASHINGTON, D. C., *May 13, 1924.*

The following letter was sent by me to Secretary of State Hughes, and his reply thereto duly received. These were presented to the conferees and by them considered. My letter and Secretary Hughes's reply are as follows:

APRIL 23, 1924.

Hon. CHARLES E. HUGHES,
Secretary of State, Washington, D. C.

MY DEAR MR. SECRETARY: I am sending you herewith a proposed amendment to sections 18 and 19 to the present pending immigration bill, H. R. 7995.

There are two provisions in the bill that I would like your opinion on, to see whether or not they are in conflict with any treaty now existing between the United States and any foreign country. The only questions really involved upon which I particularly call your attention are the provisions of subdivision (e) and (f) of the proposed amendment to section 19.

I would appreciate your reply to this at the earliest possible date, not later than Thursday evening, if possible.

I am sending this to Mr. Andrew Furuseth, whom I have requested to go over the matter with you, so that we may have a full and complete understanding on the subject. I want to know whether or not these two sections as written are workable, so far as our treaties are concerned.

Respectfully submitting the same and anticipating your early reply, believe me, I am

Most cordially yours,

JOHN E. RAKER, M. C.

ALIEN SEAMEN PROVISIONS IN H. R. 7995 AS PASSED BY THE HOUSE, WITH SUGGESTIONS RELATING THERETO FROM THE SECRETARY OF STATE AND OTHERS—LETTER FROM THE SECRETARY OF STATE TO HON. JOHN E. RAKER, M. C.

[Received April 24, 1924]

DEPARTMENT OF STATE,
Washington, April 24, 1924.

Hon. JOHN E. RAKER,
House of Representatives.

MY DEAR MR. RAKER: I have received your letter of April 23 asking whether, in my opinion, subdivisions (e) and (f) of the proposed amendment of section 19 of the pending immigration bill, H. R. 7995, would be in conflict with any treaty now existing between the United States and a foreign country. The proposed provisions are as follows:

"(e) All vessels entering ports of the United States manned with crews the majority of which, exclusive of licensed officers, have been engaged and taken on at foreign ports shall when departing from the United States ports carry a crew of at least equal number, and any such vessel which fails to comply with this requirement shall be refused clearance.

"(f) No vessel shall, unless such vessel is in distress, bring into a port of the United States as a member of her crew any alien who if he were applying for admission to the United States as an immigrant would be subject to exclusion under paragraph (b) of section 12 hereof; except that any ship of the merchant marine of any one of the countries, islands, dependencies, or colonies immigrants coming from which are excluded by the said provisions of law shall be permitted to enter ports of the United States having on board in their crews aliens of said description who are natives of the particular country, island, dependency, or

colony to the merchant marine of which such vessel belongs. Any alien seaman brought into a port of the United States in violation of this provision shall be excluded from admission or temporary landing and shall be deported either to the place of shipment or to the country of his nativity, as a passenger, on a vessel other than that on which brought, at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed."

Probably the countries which would be affected most by the proposed measures would be Great Britain, Japan, and the Netherlands.

I do not find anything in the treaty of commerce and navigation of 1852 with the Netherlands which seems to have any direct bearing upon this question.

Article I of the convention of commerce and navigation of 1815 with Great Britain reads as follows:

"There shall be between the territories of the United States of America, and all the territories of His Britannic Majesty in Europe, a reciprocal liberty of commerce. The inhabitants of the two countries, respectively, shall have liberty freely and securely to come with their ships and cargoes to all such places, ports, and rivers, in the territories aforesaid, to which other foreigners are permitted to come, to enter into the same, and to remain and reside in any parts of the said territories, respectively; also to hire and occupy houses and warehouses for the purposes of their commerce; and, generally, the merchants and traders of each nation, respectively, shall enjoy the most complete protection and security for their commerce, but subject always to the laws and statutes of the two countries, respectively."

Article I of the treaty of commerce and navigation of 1911 with Japan reads, in part, as follows:

"The citizens or subjects of each of the high contracting parties shall have liberty to enter, travel, and reside in the territories of the other to carry on trade, wholesale and retail, to own or lease and occupy houses, manufactories, warehouses, and ships, to employ agents of their choice, to lease land for residential and commercial purposes, and generally to do anything incident to or necessary for trade upon the same terms as native citizens or subjects, submitting themselves to the laws and regulations there established."

Article IV of the same treaty reads as follows:

"There shall be between the territories of the two high contracting parties reciprocal freedom of commerce and navigation. The citizens or subjects of each of the contracting parties, equally with the citizens or subjects of the most-favored nation, shall have liberty freely to come with their ships and cargoes to all places, ports, and rivers in the territories of the other which are or may be opened to foreign commerce, subject always to the laws of the country to which they thus come."

Provisions more or less similar to those quoted may be found in treaties with other countries.

Especial attention is called to the provisions in the treaties from which I have quoted relating to "reciprocal liberty of commerce" and "reciprocal freedom of commerce and navigation." It appears to me that subdivision (e) of the proposed amendment of section 19 might operate in such a way as to interfere with reciprocal freedom or liberty of commerce and to cause serious loss to British and Japanese vessels, and perhaps vessels of other countries with which the United States has commercial treaties similar to those from which I have quoted. If, for example, a seaman on a vessel coming within the provisions of subdivision (e) should die or become ill and have to be taken to a hospital, or if one or more members of the crew should desert, immediately before the scheduled time for sailing, it is quite possible that a considerable time would be required to obtain other seamen to fill their places. It is quite conceivable that a delay of several hours or of a day or more might be required to fill the quota of the crew. In the case of a large vessel a delay of an hour or more may result in a very large loss. Therefore, if the proposed provision should be adopted, it would seem desirable to amend it in such a way as to make it less rigid. Perhaps this might be done by adding a provision to the effect that the Secretary of the Treasury should have authority to give the vessel clearance where the crew loss has occurred within a specified time before the scheduled time for sailing and where such loss has not been caused by the fault of the vessel. You may wish to consult with the Secretary of the Treasury concerning this point.

As to subdivision (f), there would seem to be no conflict with commercial treaties except, perhaps, in so far as it applies to seamen subject to exclusion under the immigration act as being ineligible to naturalization and coming from oversea dominions or colonies of the country to which the vessel belongs. This objection would not be apt to arise under the convention of commerce and navigation of 1815 between the United States and Great Britain, since that convention specifically applies to commerce between the territories of the United States of America and "all the territories of His Britannic Majesty in Europe." However, the British Government might object upon the ground that the provision, as applied to Hindoos serving on British vessels plying between the United States and India, would be so unreasonable as to amount to a violation of international comity. The Japanese Government might object upon the ground that the application of this provision to Korean seamen serving on Japanese vessels would be a violation of the provisions of Articles I to IV of the treaty of commerce and navigation of 1911, quoted above. The Japanese Government might reasonably contend that the treaty provisions just mentioned guarantee the right of Japanese subjects, whether coming from Japan proper or from overseas dominions, to come to the United States for purposes of commerce and navigation, and that these provisions cover the seamen on a vessel as well as its owners and agents.

For the reasons mentioned above, it would seem desirable to have subdivision (f) amended in such a way as to avoid its application to seamen of the class mentioned coming from outlying dominions.

I am, my dear Mr. RAKER,

Sincerely yours,

CHARLES E. HUGHES.

A letter to Secretary Davis and his reply thereto are as follows:

APRIL 30, 1924.

Hon. JAMES J. DAVIS,

Secretary of Labor, Washington, D. C.

In re: H. R. 7995.

MY DEAR MR. DAVIS: I am sending you herewith a printed copy of a letter to me from Secretary of State Hughes, of date April 24, 1924.

I wish you would take H. R. 7995, sections 18, 19, and 20 of the bill as it passed the House. Then we desire to add to section 19 two new subdivisions, which are marked in the letter from Secretary Hughes as "(e)" and "(f)." While we want to leave section 19 just as it stands, the subdivisions would be changed and "(e)" and "(f)" of the Hughes letter would be then different subdivisions, but what we want to know is whether or not you can see your way clear to add to section 19 of H. R. 7995 the provisions of "(e)" and "(f)," as found in the Hughes letter of April 24, 1924, copy of which I am submitting herewith.

I hope that I may have your favorable approval of these two subdivisions.

Respectfully submitting the same, I am

Yours most truly, JOHN E. RAKER, M. C.

DEPARTMENT OF LABOR,
OFFICE OF THE ASSISTANT SECRETARY,
Washington May 1, 1924.

Hon. JOHN E. RAKER,

House of Representatives, Washington, D. C.

MY DEAR MR. RAKER: In the absence of the Secretary, I have the honor to acknowledge receipt of your letter of April 30, inclosing printed copy of letter from the Secretary of State, in which you ask whether subdivision (e) and (f) of Secretary Hughes's letter can be added to section 19 of H. R. 7995.

We have given section 19 and the proposed amendments careful consideration, and this department is of the opinion that if this section and the proposed amendments, with corrections, as suggested by Secretary Hughes, are adopted it will go far toward solving many of the difficulties with which this department has been confronted in its efforts successfully to cope with the seamen's situation as it pertains to the enforcement of the immigration laws. This being true, the proposed amendments meet with the approval of this department and are highly desirable from an administrative standpoint.

Cordially and sincerely yours,

ROBE CARL WHITE,
Acting Secretary.

The following is a letter to Mr. Carson, Commissioner Bureau of Navigation, and his reply thereto, namely:

APRIL 22, 1924.

Hon. D. B. CARSON,

Commissioner Bureau of Navigation, Washington, D. C.

MY DEAR MR. COMMISSIONER: I am sending you herewith proposed amendment—sections 18 and 19—to the present pending immigration bill, H. R. 7995.

There are two provisions in the bill that I would like your opinion on to see whether or not they are, first, against the contravention of the La Follette seaman's act, and, second, whether or not they are contrary to any treaties existing between the United States and any foreign governments, and, third, whether or not they would be in contravention of the law of the sea.

I would like your reply to this at the earliest possible date, not later than Thursday noon. If there is anything that is not plain here, I would be pleased to get in consultation with you and your office upon it.

I am sending this by Mr. Andrew Furuseth, whom I have requested to go over the matter with you, so that we may have a full and complete

understanding on the matter. I want to know whether or not these two sections as written are workable, for the reasons suggested, or could there be any lawful or legal reasons why they would not be workable.

Respectfully submitting the same, I am

Yours most truly,

JOHN E. RAKER, M. C.

[Letter from the Department of Commerce received April 24, 1924]

DEPARTMENT OF COMMERCE,
BUREAU OF NAVIGATION,
Washington, April 23, 1924.

Hon. JOHN E. RAKER,
House of Representatives.

DEAR MR. RAKER: I have received your letter of the 22d instant inclosing proposed amendments of sections 18 and 19 of immigration bill, H. R. 7995. You inquire as to the bureau's opinion whether these amendments are in contravention of the seamen's act of March 4, 1915; whether they are contrary to any treaties existing between the United States and any foreign governments; and whether they are in contravention of the "law of the sea."

As I understand the proposed amendments, they are not in contravention of the seamen's act of March 4, 1915.

Whether these proposed amendments are in contravention of treaties of the United States appears to be for the consideration of the Department of State, and this bureau does not feel justified in going into that question.

The proposed addition at the end of line 11, page 25, to the effect that the immigration authorities may remove from vessels, foreign and American, any member of the crew found not to be a bona fide seaman in the opinion of the immigration officer, goes much further than any maritime law or practice with which this bureau is familiar.

The amendment which follows, identified as (e), does not appear to be in contravention of any of our navigation laws unless possibly it is contrary to the spirit of section 4400, Revised Statutes, which provides in effect that the United States is not to fix the number of crew which a foreign vessel shall carry inasmuch as section 4400 does not make 4463, Revised Statutes, as amended, applicable to foreign vessels. The bureau has not before it the law of any other maritime nation containing a similar requirement.

The amendment identified as (f), prohibiting any vessel bringing into a port of the United States an ineligible alien as a member of her crew with enumerated exceptions, extends much further than any legislation of any maritime country with which this bureau is familiar.

In making the above statements this bureau wishes it clearly understood that it is not in any sense approving or disapproving the amendments or endeavoring in any way to pass on the merits of such proposals.

Respectfully, D. B. CARSON,
Commissioner.

The following is a letter to Mr. Jeremiah Hurley, Department of Labor, and his reply thereto, namely:

APRIL 24, 1924.

Mr. JEREMIAH HURLEY,
Department of Labor, Washington, D. C.

MY DEAR MR. HURLEY: I am sending you herewith House bill 7995 as it passed the House. I am calling your attention especially to sections 18 and 19 of said bill. First. A suggested amendment to add at the end of section 18, line 11, page 25, of the bill. Second. A new subdivision to be known as "E–1." Third. A new subdivision to be known as "F–1." These three are the controversial matters now pending.

I would like to have you make thorough and complete investigation and study of these proposed amendments separately and then collectively, and then determine whether or not either or all of them are workable and are not contrary to the seamen's act and would not be in contravention of any treaties. Further, is there any reason why such provisions should not be placed upon the immigration bill?

Kindly give this your best personal attention, preparing a written memoranda as follows:

1. Would like to have a letter from you on the subject as to your views.

2. If you can not do this, then have the above memoranda prepared so that if the conferees call you before them you will have something concrete and definite so that the conferees will have your views on the bill and suggested amendments to consider concretely and without scattering.

I am sending this letter by special messenger.

Respectfully submitting the same, I am,

Yours most truly,

JOHN E. RAKER, M. C.

UNITED STATES DEPARTMENT OF LABOR,
BUREAU OF IMMIGRATION,
Washington, April 26, 1924.

Hon. JOHN E. RAKER, M. C.,
House of Representatives, Washington, D. C.

MY DEAR MR. RAKER: As requested in your communication of the 24th instant, I have to state that I have made a careful study of the seaman's provisions contained in bill H. R. 7995 as it passed the House, together with the proposed amendments E and F.

In this connection, I am of the opinion that the proposed amendments E and F are both practicable and feasible, and if they are added to the seaman's provisions of the bill H. R. 7995 as it passed the House and then enacted into law, can be effectively administered under regulations prescribed by the Secretary of Labor.

Very truly yours,

JEREMIAH J. HURLEY,
Special Representative (Seamen's Work).

The conferees amended the seamen's provisions of H. R. 7995—being sections 18, 19, and 20 thereof—and adopted the following amendments, which became sections 18 and 19 of the present immigration act of 1924, as follows:

ALIEN SEAMEN

SEC. 19. No alien seaman excluded from admission into the United States under the immigration laws and employed on board any vessel arriving in the United States from any place outside thereof shall be permitted to land in the United States, except temporarily for medical treatment, or pursuant to such regulations as the Secretary of Labor may prescribe for the ultimate departure, removal, or deportation of such alien from the United States.

SEC. 20. (a) The owner, charterer, agent, consignee, or master of any vessel arriving in the United States from any place outside thereof who fails to detain on board any alien seaman employed on such vessel until the immigration officer in charge at the port of arrival has inspected such seaman—which inspection in all cases shall include a personal physical examination by the medical examiners—or who fails to detain such seaman on board after such inspection or to deport such seaman if required by such immigration officer or the Secretary of Labor to do so, shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each alien seaman in respect of whom such failure occurs. No vessel shall be granted clearance pending the determination of the liability to the payment of such fine, or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine, or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs.

(b) Proof that an alien seaman did not appear upon the outgoing manifest of the vessel on which he arrived in the United States from any place outside thereof, or that he was reported by the master of such vessel as a deserter, shall be prima facie evidence of a failure to detain or deport after requirement by the immigration officer or the Secretary of Labor.

(c) If the Secretary of Labor finds that deportation of the alien seaman on the vessel on which he arrived would cause undue hardship to such seaman, he may cause him to be deported on another vessel at the expense of the vessel on which he arrived, and such vessel shall not be granted clearance until such expense has been paid or its payment guaranteed to the satisfaction of the Secretary of Labor.

(d) Section 32 of the immigration act of 1917 is repealed, but shall remain in force as to all vessels, their owners, agents, consignees, and masters, and as to all seamen, arriving in the United States prior to the enactment of this act.

It is unfortunate that the seamen sections—sections 18, 19, and 20 of H. R. 7995—were not adopted as they passed the House, with the two added subdivisions set out in Secretary Hughes's letter of date April 24, 1924, with the amendment thereto suggested by Mr. Hughes.

This would have made the immigration provisions as they relate to alien seamen workable and effective. Good for the seaman and for his protection. Most effective as to preventing vessels bringing in large numbers of seamen who are not in fact bona fide seamen, and then leaving our ports with 10 to 25 per cent less seamen than they brought in. Using this method to land those not otherwise entitled to enter and remain in the United States.

The last or second subdivision referred to in Secretary Hughes's letter, if adopted, would have effectively stopped up the leak of those inadmissible entering the United States as is now practiced. It would have worked.

We are hoping at the convening of Congress that the alien seamen features above referred to may again be taken up and a proper, workable, and effective amendment adopted.

If the present provisions of the immigration act of 1924, sections 19 and 20, relating to alien seamen are enforced, and a full report made on outgoing as well as incoming alien seamen provided for in subdivision (b) of section 20 of said act, we will have the necessary facts and information upon which to make proper amendment to the alien seamen law as it relates to immigration.

Mr. JOHNSON of Washington. Mr. Speaker, I yield four minutes to the gentleman from New York [Mr. OLIVER].

Mr. OLIVER of New York. Mr. Speaker and gentlemen of the House, last Monday we were informed by the gentleman from Washington that we would insult Japan if we passed the bill in its original form. The distinguished leader of the majority, the gentleman from Ohio, said that we would insult Japan and would not be acting gracefully if we passed the bill in that shape. The great keynoter of the Republican Party, the gentleman from Ohio [Mr. BURTON], informed us that it would be an absolute insult to the Government of Japan to pass this bill in its present shape. And yet on this day something has changed the insult into a decorous and most diplomatic manner of doing the thing. I wonder what brought the change about. I listened to the debate the other day and said to myself, the President has a right to be heard, he should be upheld, but none of these distinguished gentlemen who advocated the President's side on last Monday are standing up here to-day and advocating it now. You are running away from your President; you are betraying him; you are letting him flounder around without a single word of protest. This situation was created because the leaders of the Republican side were like men riding backwards in a hack. They did not see things until they were passed by.

Mr. TINCHER. Will the gentleman yield?

Mr. OLIVER of New York. I will.

Mr. TINCHER. Did the gentleman vote to sustain the President the other day?

Mr. OLIVER of New York. No; I did not vote to sustain the President.

Mr. TINCHER. The gentleman's concern about the President is very recent? [Laughter.]

Mr. OLIVER of New York. The loyalty of the gentleman from Kansas to the President is of short duration.

The gentleman was with the President on Monday, and he leaves the President on Thursday, and I say to the gentleman from Kansas [Mr. TINCHER] that he will carry any load the Republican Party votes upon him, whether it be Jesse James with a load of loot from a plundered train or a prohibitionist with a bottle of nice, fresh, spring water for a fishing trip. [Laughter.] The gentleman is a fine pack horse for the Republican Party. He does not choose the road and he does not choose the load. He is not responsible. He is just a pack horse, faithful in body and absent in mind. [Laughter]. But here we are dealing with an international situation to-day, and yet the great Republican Party leader, the keynoter himself [Mr. BURTON], is silent. The keynote that he sounds at Cleveland will not be a stirring bugle call which will send a thrill through both the rider and the charger. It will sound more like the dinner bell rung by a landlady in a boarding house. It will sound like the dinner bell ringing on the ears of the delinquent boarders, who will rush hastily to feed heartily at the festive board against the hour of their eviction. It will recall to the radio fans that fine ballad:

> There is a boarding house three miles away
> Where they have ham and eggs three times a day;
> And when the boarders hear the bell,
> Downstairs they rush pell-mell
> Three times a day.

[Laughter.]

Oh, I feel sorry for the President; I feel sorry for him because he has a job that is too big for him. I feel sorry for him because he is convalescing even from his exertions as Vice President of the United States. I feel sorry for the President because he has no party and no loyalty behind him. [Applause on the Democratic side.]

Mr. JOHNSON of Washington. Mr. Speaker, I yield three minutes to the gentleman from Illinois [Mr. CHINDBLOM].

Mr. CHINDBLOM. Mr. Speaker, it is quite amusing to find gentlemen who never voted to sustain the President upon this or any other proposition to-day shedding crocodile tears over the situation of the President. It is also very suggestive and pertinent to observe that the opposition to the conference report comes from those men in this House who never have supported restrictive immigration of any kind.

Mr. WEFALD. Not altogether.

Mr. CHINDBLOM. No; you have changed your mind because you got orders from the Seamen's Union. [Laughter.]

Mr. WEFALD. I got no orders and I take no orders. I take no orders from Wall Street or Chicago.

Mr. CHINDBLOM. But you take them now. I got the same thing in the mail this morning, just as the gentleman did; but it did not have the same effect upon me. I say this for myself: I voted last Monday to sustain the President, or, rather, to conform with what we understood to be his position in this matter. We do not know what the situation may be now. I am going to vote for this report because I am in favor of the restriction of immigration, and I am also in favor of the exclusion of Japanese immigration.

Mr. WEFALD. Because you have your orders.

Mr. CHINDBLOM. Oh, no, no.

The SPEAKER. The gentleman must not interrupt the speaker without first asking him to yield.

Mr. CHINDBLOM. The gentleman knows I have voted consistently on this proposition; but I say this for myself and without orders from anybody: If the President in his wisdom finds after this legislation has been passed that it is impossible for him, in the discharge of his duty to the Nation and in the proper consideration of our international relations, to conform his conduct to this conference report, then I shall vote again to support the President. [Applause.] We have no information to-day that that situation exists, however. International relations change within less time than five days frequently. They change in a few hours, in a few minutes. Conferences and other situations may have created a different condition to-day than we had last Monday, but those who are in favor of restriction of immigration generally, and those who are in favor of Japanese exclusion specifically, will vote for this conference report to-day, and then await the future to bring whatever change there may be in the situation hereafter.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. JOHNSON of Washington. Mr. Speaker, I yield three minutes to the gentleman from Oregon [Mr. WATKINS].

[By unanimous consent, Mr. WATKINS was granted leave to extend his remarks in the RECORD.]

Mr. WATKINS. Mr. Speaker, the old adage, "Beware of the Greeks bearing gifts," is just as true to-day as it was when first uttered and most apropos at this time. I want you to bear in mind that the men who will vote to recommit this bill vote with the express purpose, with malice aforethought as it were, and with the intent that that action will mean the death knell of legislation of this kind. There are but three substantial changes in this bill from that which passed the House, and I shall give you those in the hope that you will vote as you did before, because those three changes are changes in the interest of restriction and consequently improve the House bill. The gentleman from California, Judge RAKER, has explained the seaman's provision and I therefore shall not consume any time on it. This act is in addition to the regular immigration law. It is not a substitution therefor. The good of the old is retained.

The first change is the nonquota provision; this bill makes it stricter than it was before. We passed a bill putting the husband, the wife, the children, and the parents in the nonquota title. This bill has eliminated the father, the mother, and the husband. They must come in under the quota section, and so the only kinfolks that can enter under the nonquota provision are the children and the wife of an American citizen. There is not a single man in this House who voted for this bill before who can object to that change, because the Senate and the House conferees have made it better from the standpoint of America, and that is the only viewpoint I entertain.

The second change is section 6, which gives a preference to kin and to agriculturists. Heretofore the bill gave no such preference. Any man who wanted to come to America who could stand the test and pass the examination could come, if he could get a visé certificate. We now say that the kin, the father, the mother, and the husband, and agricultural people shall have the preference to the extent of 50 per cent. No man in this House who represents an American constituency can oppose that change, and every man who voted for the bill as it passed the House can with more justification vote for this conference report, but those who do not want any restrictive immigration, those who only want the present law with practically no restriction whatsoever, will vote to recommit the bill.

The third change in the national-origin section, which will not take effect until July 1, 1927. To vote to recommit this

bill is to flirt with danger—that of no restriction of immigration whatever. The bill is not perfect, but it is a step forward in the interests of the United States and because of that interest challenges the support of every one of us who thinks in terms and tone of America. I urge your favorable vote. [Applause.]

The SPEAKER. The time of the gentleman from Oregon has expired.

Mr. JOHNSON of Washington. Mr. Speaker and gentlemen, the time has about expired. In reference to the alien seamen's provision, let me give you an exact statement of its purpose. It will work fairly for the United States and fairly for the sailors of the world. Seamen can not now be held on board ship even long enough to give them the medical examination necessary for the protection of the United States. We correct that situation.

It is charged that section 19 places the alien seamen under the immigration laws, and that to come ashore these seamen will have to comply with all the provisions of the immigration laws and be eligible to citizenship.

There is nothing to that charge. The provision excluding from admission aliens ineligible to citizenship by its own terms does not apply to any alien who is not an immigrant as defined in section 3. By the terms of section 3 bona fide seamen are expressly declared not to be immigrants. Therefore seamen are not prevented from landing under the Japanese-exclusion provision.

Next it is charged in a pamphlet signed by Andrew Furuseth on behalf of the seamen, that—

> Section 21 provides that the master of a vessel must hold the seaman on board, first, until examined; second, until deported either by himself in the same ship, or by order of the Secretary of Labor in some other ship, unless the seaman shall be permitted to land. Having no immigration visé, of course, he can not land in the United States under the immigration laws, as they will be amended if these two sections are adopted. The failure of the master to hold the seaman to the vessel carries with it a penalty of $1,000.

This is absolutely without foundation. The only person required to have an immigration visé is an immigrant. Section 3 expressly declares bona fide seamen not to be immigrants.

In conclusion, Mr. Speaker and gentlemen, a vote for this conference report is not a vote against the President of the United States. In bringing the report out in this form we acted in accord with the will of the House. The President in his right offered a suggestion. But the House and the Senate control immigration through law. Both House and Senate, if I may be permitted to speak plainly, are through with immigration treaties and are through with agreements. We hope the President may find a way to give proper notice of the abrogation within the very limited time given him, otherwise the burden is on Congress.

Mr. Speaker, I move the previous question on the adoption of the conference report.

The question was taken.

The previous question was ordered.

Mr. JOHNSON of Washington. I move the adoption of the conference report.

The SPEAKER. The question is on agreeing to the conference report.

Mr. SABATH. Mr. Speaker, I move to recommit, which motion I have sent to the Clerk's desk.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. SABATH moved to recommit the bill to the committee on conference with instructions on the part of the House not to agree to the Senate amendment with amendments comprehending paragraphs (b), (c), (d), and (e) of section 11 (known as the national-origin scheme), and with further instructions not to agree to paragraph (a), section 4, and to insist in lieu thereof on the following:
>
> "SEC. 4. (a) An immigrant who is the husband, wife, father, or mother, over 55 years of age, or unmarried child under 18 years of age of a citizen of the United States.
>
> "(2) An immigrant who is the husband, wife, or unmarried child under 18 years of age of an alien who has been;
>
> "(a) Legally and permanently admitted to the United States;
>
> "(b) Who has resided continuously for at least two years within the United States;
>
> "(c) Who has at least one year prior to July 1, 1924, filed a declaration of intention in the manner provided by law to become a citizen of the United States.
>
> "(3) An immigrant who is the wife, unmarried child under 18 years of age, father or mother over 55 years of age of one who served in the military or naval forces of the United States at any time between April 5, 1917, and November 11, 1918, and who was not discharged under dishonorable conditions."
>
> And with further instructions to disagree to sections 19 and 20 (known as the alien seamen's provisions) and in lieu thereof to agree on the following:
>
> "SEC. 19. (a) Every alien employed on board of any vessel arriving in the United States from any place outside thereof shall be examined by an immigrant inspector to determine whether or not (1) he is a bona fide seaman, and (2) he is an alien of the class described in subdivision (d), section 20, hereof; and by a surgeon of the United States Public Health Service to determine (3) whether or not he is suffering with any of the disabilities or diseases specified in section 35 of the immigration act of 1917.
>
> "(b) If it is found that such alien is not a bona fide seaman, he shall be regarded as an immigrant and the various provisions of this act and of the immigration laws applicable to immigrants shall be enforced in his case. From a decision holding such alien not to be a bona fide seaman the alien shall be entitled to appeal to the Secretary; and on the question of his admissibility as an immigrant he shall be entitled to appeal to the Secretary, except where exclusion is based upon grounds nonappealable under the immigration laws. If found inadmissible, such alien shall be deported as a passenger on a vessel other than that by which brought, at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed.
>
> "(c) If it is found that such alien is subject to exclusion under subdivision (d) of section 20 hereof, the inspector shall order the master to hold such alien on board pending the receipt of further instructions.
>
> "(d) If it is found that, although a bona fide seaman, such alien is afflicted with any of the disabilities or diseases specified in section 35 of the immigration act of 1917, disposition shall be made of his case in accordance with the provisions of the act approved December 26, 1920, entitled 'An act to provide for the treatment in hospital of diseased alien seamen.'
>
> "SEC. 20. (a) The owner, charterer, agent, consignee, or master of any vessel arriving in the United States from any place outside thereof who fails to detain on board any alien seaman employed on such vessel until such alien has been inspected pursuant to paragraph (a) of section 19 hereof, or until such alien has been placed in hospital pursuant to paragraph (d) of said section, or who fails to make provision for the deportation of any alien ordered deported pursuant to paragraph (b) of said section or pursuant to paragraph (c) of said section and paragraph (d) of this section, shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each alien in respect of whom any such failure occurs. No vessel shall be granted clearance pending the determination of the liability to the payment of such fine or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs.
>
> "(b) Section 32 of the immigration act of 1917 is repealed, but shall remain in force as to all vessels, their owners, agents, consignees, and masters, and as to all seamen arriving in the United States prior to the enactment of this act. Sections 33 and 34 of such act are repealed, to take effect after the expiration of four months after the enactment of this act, but the provisions of such section 34 shall thereafter remain in force in the case of any alien seaman who has landed in a port of the United States before such repeal becomes effective.
>
> "(c) All vessels entering ports of the United States manned with crews, the majority of which, exclusive of licensed officers, have been engaged and taken on at foreign ports shall, when departing from the United States ports, carry a crew of at least equal number, and any such vessel which fails to comply with this requirement shall be refused clearance: *Provided, however*, That such vessel shall not be required when departing to carry in the crew any person to fill the place made vacant by the death or hospitalization of any member of the incoming crew.
>
> "(d) No vessel shall, unless such vessel is in distress, bring into a port of the United States as a member of her crew any alien who, if he were applying for admission to the United States as an immigrant, would be subject to exclusion under paragraph (c) of section 13 hereof, except that any ship of the merchant marine of any one of the countries, islands, dependencies, or colonies, immigrants coming from which are excluded by the said provisions of law shall be permitted to enter ports of the United States having on board in their crews aliens of said description who are natives of the particular country, island, dependency, or colony to the merchant marine of which such vessel belongs. Any alien seaman brought into a port of the United States in violation of this provision shall be excluded from admission or temporary landing and shall be deported either to

the place of shipment or to the country of his nativity as a passenger on a vessel other than that on which brought, at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed.

"(e) If any alien seaman temporarily landed under the provisions of this act remains in the United States without shipping foreign for a period in excess of 60 days, such circumstance shall constitute prima facie evidence of abandonment of calling and becoming an immigrant, and such alien shall thereupon be taken into custody by immigration officials and examined as though he were an immigrant applying for admission, and unless such alien shows either that he has not abandoned his calling but is still a bona fide seaman, or that he is in all respects admissible under this act and the immigration laws, such alien shall be deported in the manner prescribed by sections 19 and 20 of the immigration act of 1917."

Mr. JOHNSON of Washington. Mr. Speaker, I move the previous question on the motion to recommit.

Mr. BLANTON. Mr. Speaker, I make a point of order against the motion to recommit.

The SPEAKER. The gentleman will state his point of order.

Mr. BLANTON. I make the point of order, Mr. Speaker, that the motion to recommit is against the rules of the House, as it contains instructions to the conferees that are without the scope and limit of the conferees on matters which were not in conference at all; and for that reason the motion to recommit is not proper.

The SPEAKER. The Chair overrules the point of order; everything is in conference. The gentleman from Washington moves the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the motion to recommit.

The question was taken, and the Speaker announced the noes seemed to have it.

Mr. SABATH. A division, Mr. Speaker.

The SPEAKER. The gentleman from Illinois demands a division.

The House divided; and there were—ayes 33, noes 246.

Mr. SABATH. Mr. Speaker, I object to the vote on the ground that there is no quorum present.

The SPEAKER. There are far more than a quorum present.

Mr. SABATH. I ask for the yeas and nays.

The SPEAKER. The gentleman from Illinois demands the yeas and nays. Twenty-nine gentlemen have arisen, not a sufficient number, and the yeas and nays are refused.

So the motion to recommit was rejected.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. GARRETT of Tennessee. Mr. Speaker, I ask for the yeas and nays.

Mr. JOHNSON of Washington. Mr. Speaker, I join in that request.

The yeas and nays were ordered.

The question was taken; and there were—yeas 308, nays 62, not voting 63, as follows:

YEAS—308

Abernethy	Butler	Dominick	Gifford
Ackerman	Byrns, Tenn.	Doughton	Glatfelter
Allen	Cable	Dowell	Goldsborough
Allgood	Canfield	Drewry	Graham, Ill.
Andrew	Cannon	Driver	Graham, Pa.
Anthony	Carter	Dyer	Green, Iowa
Arnold	Chindblom	Elliott	Greene, Mass.
Aswell	Christopherson	Evans, Iowa	Greenwood
Ayres	Clague	Evans, Mont.	Griest
Bacon	Clarke, N. Y.	Fairchild	Hadley
Barbour	Cole, Iowa	Fairfield	Hammer
Beedy	Cole, Ohio	Faust	Hardy
Begg	Collier	Favrot	Harrison
Bell	Collins	Fish	Hastings
Bixler	Colton	Fisher	Haugen
Black, Tex.	Connally, Tex.	Fitzgerald	Hawes
Bland	Cook	Fleetwood	Hawley
Blanton	Cooper, Ohio	Foster	Hayden
Bowling	Cooper, Wis.	Frear	Hersey
Box	Crisp	Fredericks	Hickey
Boyce	Croll	Free	Hill, Ala.
Brand, Ga.	Crowther	French	Hill, Wash.
Brand, Ohio	Cummins	Frothingham	Hoch
Briggs	Dallinger	Fulbright	Holaday
Britten	Darrow	Fuller	Hooker
Browne, Wis.	Davey	Fulmer	Howard, Nebr.
Browning	Davis, Minn.	Garber	Hudson
Brumm	Davis, Tenn.	Gardner, Ind.	Hudspeth
Buchanan	Deal	Garner, Tex.	Hull, Iowa
Bulwinkle	Dempsey	Garrett, Tenn.	Hull, Morton D.
Burtness	Denison	Garrett, Tex.	Hull, Tenn.
Burton	Dickinson, Iowa	Gasque	Hull, William E.
Busby	Dickinson, Mo.	Gibson	Humphreys
Jeffers	McSweeney	Rankin	Swank
Johnson, Ky.	MacLafferty	Rathbone	Swing
Johnson, S. Dak.	Madden	Rayburn	Swoope
Johnson, Tex.	Magee, Pa.	Reece	Taber
Johnson, Wash.	Major, Ill.	Reed, Ark.	Taylor, Colo.
Johnson, W. Va.	Major, Mo.	Reed, N. Y.	Taylor, Tenn.
Jones	Manlove	Reid, Ill.	Taylor, W. Va.
Jost	Mansfield	Richards	Temple
Kearns	Mapes	Roach	Thatcher
Keller	Martin	Robinson, Iowa	Thomas, Ky.
Kelly	Michener	Robsion, Ky.	Thomas, Okla.
Kendall	Miller, Wash.	Rogers, Mass.	Thompson
Kent	Milligan	Romjue	Tillman
Kerr	Mills	Rubey	Timberlake
Ketcham	Montague	Salmon	Tincher
King	Moore, Ga.	Sanders, Ind.	Treadway
Kopp	Moore, Ill.	Sanders, N. Y.	Tucker
Kurtz	Moore, Ohio	Sanders, Tex.	Tydings
Lampert	Moore, Va.	Sandlin	Underwood
Lanham	Morehead	Schall	Vaile
Lankford	Morgan	Scott	Vestal
Larsen, Ga.	Morrow	Sears, Fla.	Vincent, Mich.
Larson, Minn.	Murphy	Shallenberger	Vinson, Ga.
Lazaro	Nelson, Me.	Sherwood	Wainwright
Lea, Calif.	Nelson, Wis.	Shreve	Watkins
Leatherwood	Newton, Minn.	Simmons	Watson
Leavitt	Newton, Mo.	Sinnott	Weaver
Lee, Ga.	Nolan	Sites	Wertz
Lilly	O'Connor, La.	Smith	White, Kans.
Linebarger	Oldfield	Smithwick	Williams, Ill.
Linthicum	Oliver, Ala.	Snell	Williams, Mich.
Little	Paige	Speaks	Williamson
Longworth	Parker	Spearing	Wilson, Ind.
Lowrey	Parks, Ark.	Sproul, Ill.	Wilson, La.
Lozier	Patterson	Sproul, Kans.	Wingo
Lyon	Peery	Stalker	Winslow
McClintic	Perkins	Steagall	Wolff
McLaughlin	Pou	Stedman	Wood
McKenzie	Purnell	Stephens	Woodruff
McKeown	Quin	Stevenson	Woodrum
McLaughlin, Mich.	Ragon	Strong, Kans.	Wright
McLaughlin, Nebr.	Rainey	Strong, Pa.	Wurzbach
McReynolds	Raker	Summers, Wash.	Wyant
McSwain	Ramseyer	Sumners, Tex.	Zihlman

NAYS—62

Aldrich	Dickstein	McFadden	Schneider
Bacharach	Hagan	McLeod	Segar
Beck	Fenn	Magee, N. Y.	Sinclair
Berger	Freeman	Mead	Sweet
Black, N. Y.	Geran	Merritt	Tague
Bloom	Griffin	Minahan	Tilson
Boylan	Hill, Md.	Mooney	Tinkham
Buckley	Jacobstein	O'Connell, R.I.	Underhill
Carew	James	O'Connor, N. Y.	Vare
Casey	Kindred	O'Sullivan	Voigt
Celler	Knutson	Oliver, N. Y.	Watres
Clancy	Kunz	Perlman	Wefald
Cleary	LaGuardia	Prall	Weller
Connery	Lindsay	Quayle	Young
Crosser	Logan	Sabath	
Cullen	Luce	Schafer	

NOT VOTING—63

Almon	Drane	Miller, Ill.	Sears, Nebr.
Anderson	Edmonds	Moores, Ind.	Snyder
Bankhead	Funk	Morin	Stengle
Barkley	Gallivan	Morris	Sullivan
Beers	Gilbert	Mudd	Upshaw
Boles	Howard, Okla.	O'Brien	Vinson, Ky.
Browne, N. J.	Huddleston	O'Connell, N. Y.	Ward, N. Y.
Burdick	Kahn	Park, Ga.	Ward, N. C.
Byrnes, S. C.	Kiess	Peavey	Wason
Campbell	Kincheloe	Phillips	Welsh
Clark, Fla.	Kvale	Porter	White, Me.
Connolly, Pa.	Langley	Ransley	Williams, Tex.
Corning	Lehlbach	Reed, W. Va.	Wilson, Miss.
Cramton	McNulty	Rogers, N. H.	Winter
Curry	MacGregor	Rosenbloom	Yates
Doyle	Michaelson	Rouse	

So the conference report was agreed to.

The Clerk announced the following pairs:

On the vote:

Mr. Curry (for) with Mr. O'Connell of New York (against).
Mr. Cramton (for) with Mr. Gallivan (against).
Mr. Rouse (for) with Mr. Corning (against).
Mr. Phillips (for) with Mr. Burdick (against).
Mr. Howard of Oklahoma (for) with Mr. McNulty (against).
Mr. Connolly of Pennsylvania (for) with Mr. Ransley (against).
Mr. Bankhead (for) with Mr. Sullivan (against).
Mr. Funk (for) with Mr. O'Brien (against).
Mr. Almon (for) with Mr. Doyle (against).
Mr. Stengle (for) with Mr. Browne of New Jersey (against).

Until further notice:

Mr. Boles with Mr. Drane.
Mr. Wason with Mr. Kincheloe.
Mr. Beers with Mr. Park of Georgia.
Mr. Kiess with Mr. Williams of Texas.
Mr. Lehlbach with Mr. Barkley.
Mr. Kahn with Mr. Clark of Florida.
Mr. White of Maine with Mr. Gilbert.
Mr. Winter with Mr. Upshaw.
Mr. MacGregor with Mr. Byrnes of South Carolina.
Mr. Campbell with Mr. Huddleston.
Mr. Morin with Mr. Kvale.
Mr. Mudd with Mr. Morris.
Mr. Michaelson with Mr. Rogers of New Hampshire.
Mr. Moores of Indiana with Mr. Peavey.
Mr. Porter with Mr. Vinson of Kentucky.
Mr. Sears of Nebraska with Mr. Ward of North Carolina.
Mr. Welsh with Mr. Wilson of Mississippi.

Mr. BEERS. Mr. Speaker, I wish to vote "aye."

The SPEAKER. Was the gentleman present in the Hall listening when his name was called?

Mr. BEERS. No; I was not. I was out.

The SPEAKER. Then the gentleman does not qualify.

The result of the vote was announced as above recorded.

On motion of Mr. JOHNSON of Washington, a motion to reconsider the vote whereby the conference report was agreed to was laid on the table.

CHARGES AGAINST TWO REPRESENTATIVES IN CONGRESS

Mr. BURTON. Mr. Speaker, I desire to present the report of the select committee appointed on March 12, 1924, to investigate the charges against two Representatives in Congress, and I ask that the same be read.

The SPEAKER. The gentleman from Ohio asks unanimous consent that the report be read. Is there objection?

There was no objection.

The SPEAKER. The Clerk will read the report.

The Clerk read as follows:

CHARGES AGAINST TWO REPRESENTATIVES IN CONGRESS

The select committee appointed March 12, 1924, pursuant to House Resolution 217, to investigate the statement contained in a report of a grand jury for the District Court for the Northern District of Illinois, southern division, relative to certain evidence presented to them involving the payment of money to two Members of Congress and to ascertain—

(a) Whether said "two Members of Congress" so charged are Members of the House of Representatives; and

(b) If so, to make such further investigation as may be essential to establish the truth or falsity of said allegation;

and, further, to "report to the House as promptly as possible the results of its inquiries, together with such recommendation as it may deem advisable," now submits its report, as follows:

Your committee upon mature deliberation determined that the hearings should be in executive session, but that all of the evidence should accompany the report. It was formally ascertained that the Members referred to were Representatives FREDERICK N. ZIHLMAN, of Maryland, and JOHN W. LANGLEY, of Kentucky.

It was agreed by the committee that in view of the indictment and probable immediate trial in the District of Columbia of Representative LANGLEY, the committee would first consider the Zihlman case. Since then Representative LANGLEY has been indicted, tried, convicted, and sentenced in the Federal court for the eastern district of Kentucky. It is understood that he has initiated appellate proceedings, and therefore it would seem proper that further action by the committee in respect to him be deferred for the present, it being assumed that until the final disposition of the case he will take no part whatever in any of the business of the House or its committees.

The committee has considered the Zihlman case. It has secured the testimony of all persons supposed to have any direct or indirect knowledge of the charge against him. It has examined 22 witnesses and a number of documents, and the printed record, containing some 828 pages, accompanies this report. The evidence is conflicting and sharply contradictory, and the question of the credibility of individual witnesses has frequently arisen. Taken as a whole, in the opinion of the committee the evidence does not establish the truth of the charge against Representative ZIHLMAN, and, accordingly, the committee recommends that, so far as he is concerned, no further action is required or should be taken by the House.

THEODORE E. BURTON.
FRED S. PURNELL.
EARL C. MICHENER.
OTIS WINGO.
R. WALTON MOORE.

Mr. BURTON. Mr. Speaker, I file at this time a copy of the testimony taken in the case.

The SPEAKER. The gentleman from Ohio files a copy of the testimony.

Mr. BURTON. As I understand it, this report takes its place on the calendar of the House, and no motion for adoption or rejection is in order unless called up as a privileged matter; and if such motion should be made, it is the feeling of the committee that the membership of the House should have time to examine the testimony if they so desire.

Mr. WOODRUFF. Mr. Speaker, will the gentleman yield to me?

Mr. BURTON. Yes.

Mr. WOODRUFF. I would like to ask if the report submitted by the committee is signed by the entire membership?

Mr. BURTON. It is.

Mr. MOORE of Virginia. Mr. Speaker, will the gentleman yield?

Mr. BURTON. Yes.

Mr. MOORE of Virginia. I would like to suggest that the gentleman inform the Members of the House of the fact that copies of the evidence will be available to all the Members of the House.

Mr. BURTON. Yes.

The SPEAKER. Referred to the House Calendar.

Mr. McKEOWN. Mr. Speaker, I would like to ask the gentleman from Ohio a question. Is it the purpose of the gentleman to call this up any more?

Mr. BURTON. That must await developments. I will say further that the precedents do not sustain the position that a motion should be made to adopt or reject. I was a member of a special committee in 1904 to investigate certain matters in the Post Office Department. A majority report and a minority report were filed, but there was no motion made to adopt or reject the reports.

RENT COMMISSION

Mr. LAMPERT. Mr. Speaker, I call up from the Speaker's table the bill (H. R. 7962) to extend for a period of two years the provisions of Title II of the food control and the District of Columbia rents act, approved October 22, 1919, as amended, with Senate amendments, and move to agree to the Senate amendments.

The SPEAKER. The Clerk will report the Senate amendments.

The Senate amendments were read.

Mr. LAMPERT. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

The SPEAKER. The gentleman from Texas is recognized for five minutes.

Mr. BLANTON. Mr. Speaker, I did everything within the scope of parliamentary rules to prevent the passage of this bill extending the Rent Commission. But it passed. In its present shape it extends the law for only one year from May 22, 1924. If it should go to conference its provisions might be changed so as to extend the Rent Commission several years longer.

The situation is this: The author of the Rent Commission law over in the Senate now has pending there a bill to make this commission permanent, with the salaries of the personnel raised, and embracing other wasteful, extravagant provisions. If this bill should go to conference he will be one of the conferees, and in fact would preside as chairman over the conference.

Our colleague from Wisconsin [Mr. LAMPERT], who introduced this measure in the House, introduced it as extending the act only for a stated number of years and increasing personnel, salaries, and expenses, but in the RECORD he has frankly expressed himself as favoring a permanent commission. And if this bill goes to conference, he will be one of the conferees.

Our fight against this bill in the House forced it to be reframed and restricted to a mere extension of the present law for one year, without any additional personnel and without any raises in salaries, and without increased expenses.

We can stop this evil where it is by accepting the minor amendments of the Senate and in thus letting it become a law without sending it back to conference. If it should go to conference, the probabilities are that there would be five conferees in favor of continuing this Rent Commission on for several years, with increased expenses; and I would be the only conferee against the measure, and I would be outvoted, and the conferees would probably be able to get the House and Senate to adopt their report. Hence through strategy I am going to let well enough alone and accept the least of possible evils and try to keep this bill from going to conference.

Therefore I proposed to the gentleman from Ohio [Mr. BROS] and to the gentleman from Wisconsin [Mr. LAMPERT] that if they would move to accept the Senate amendments and thus finally pass the bill as it now stands, I would not resort to any parliamentary prerogatives to delay it. And they accepted my proposals, and therefore I will vote with them to accept the Senate amendments. And thus we thereby limit the life of this unwarranted, unconstitutional Rent Commission to one year only.

The Supreme Court of the United States has already advised that it would hold this law unconstitutional. Based on such opinion, a member of the Supreme Court of the District of Columbia has indicated that he will grant an injunction against this Rent Commission from functioning. And this surely will be done. Thus our colleagues who have forced the passage of this unconstitutional measure through Congress will have the satisfaction of soon witnessing these five rent commissioners and all of their employees drawing their salaries from the Public Treasury for a whole year and having nothing whatever

to do and performing no service whatever for the pay they will receive, for the courts will not let them function. The President of the United States ought to retire them and save this money for the taxpayers of the United States.

Mr. LAMPERT. Mr. Speaker, I yield five minutes to the gentleman from Massachusetts [Mr. UNDERHILL].

The SPEAKER. The gentleman from Massachusetts is recognized for five minutes.

Mr. UNDERHILL. Mr. Speaker, this bill has come back from the committee on conference a little worse, if possible, than it was when it went to conference. Another branch of Congress has added legislative matter to the bill which, if a motion were made to add the same on the floor of the House, would be subject to a point of order, and the point of order would be sustained.

It seems to me that those in the House who are opposed to the general proposition that Congress shall have the power to override the decisions of the Supreme Court—those men who believe that is contrary to the traditions of our Government and to the best interests of the Nation as a whole, should, as a matter of principle, vote against this report.

It not only extends the life and the powers of the Rent Commission so far as it may govern apartment houses, but another section has been added which makes it applicable to hotels and goes even further and includes food as well as lodging. Where are you going to stop? Some of us who have to pay a high price for clothing would like to have it brought in under the provisions of this bill, in fact, every necessity of life might just as well be included, and because most luxuries nowadays are considered necessities by most of the people, we might include everything.

I did not want this report accepted without making a protest, a protest made in all sincerity, not that it affects me in any way, shape, or manner, but that the principle laid down and the policy pursued are absolutely wrong fundamentally and absolutely wrong constitutionally.

If I were a lawyer instead of a layman, I would hate to stake my reputation as a lawyer on my individual opinion in comparison with the decision practically made by the Supreme Court in this matter. You write yourselves down either as believing your opinion is supreme and superior to that of the judgment of the Supreme Court or that you approve of the proposition which will come before Congress sooner or later, backed by all the radical elements of this Nation, namely, that Congress shall have the power to supersede the Supreme Court in its decisions.

Now, that is the situation, and if you vote honestly according to your own light and your own judgment—I mean mentally honest—the responsibility is yours and not mine. As for me, a common, ordinary laymen, with more or less respect, in fact, more than less respect for the Supreme Court, I propose to vote against the proposition.

Mr. LAMPERT. Mr. Speaker, I yield five minutes to the gentleman from Kansas [Mr. TINCHER].

The SPEAKER. The gentleman from Kansas is recognized for five minutes.

Mr. TINCHER. Mr. Speaker, this proposition is a good reason and furnishes a fair example of why certain publications criticize Congress.

The first proposition contained in the conference report has been passed on by the Supreme Court of the United States, and I will not at this time discuss it. It will not be effective because the courts have enjoined the enforcement of it.

The second proposition has had no consideration whatever. However, it has been tried in a great many places, and it has brought about a raise of rates by hotels in every State where it has ever been tried. If there is any place in the world where it will not work, it is in the District of Columbia, because here the transient is more or less permanent and the hotels are constructed in a way that some of us use apartments. But every room under this will have to have the rates published, whether you use it with the bath or without the bath or whether two or three Congressmen come here in the summer time and have two rooms with a bath between. The rate will be published, and of necessity the hotel man will protect himself by publishing a high rate in the room.

I can not conceive how Congress can be disappointed when magazines criticize us if we agree to take up a proposition like this and pass it without one witness testifying before any committee, but simply because some one man in some body offered it as an amendment.

I have no interest save and except that I want to be understood as being one Member of Congress who did not vote for this kind of legislation.

Mr. BLANTON. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. BLANTON. I am sure the gentleman from Kansas would be willing to do what I am going to do, accept the lesser of two evils. If the bill goes to conference, you will have five conferees for two years and one for no year, and the two years will probably be adopted.

Mr. TINCHER. I am not going to accept any evil without a protest. I intend to vote against the acceptance of this conference report, and I shall not be mad if every publication in America condemns the act of a Congress which will take such hasty action on such important matters.

There are only two reasons advanced, and the second one has had no hearing and no one knows anything about it, and if you will investigate you will find it wrong; and the first proposition that we are adopting has been held unconstitutional by the Supreme Court and by the courts of the District.

Mr. SCHAFER. Will the gentleman yield?

Mr. TINCHER. No; I do not yield.

Mr. LAMPERT. Mr. Speaker, I yield five minutes to the gentleman from Ohio [Mr. BEGG].

Mr. BEGG. Mr. Speaker and gentlemen of the committee, the only purpose of saying anything on the question of the acceptance of the bill with the Senate amendments is, perchance, there may be somebody who does not clearly understand just what this provision does.

In the first place, the House overwhelmingly passed an extension of the rent act for two years. The Senate amended that and made it one year, and the proponents of the measure are willing to accept that amendment.

Now, why accept a one-year amendment? The Supreme Court has rendered a decision that at least puts some question of doubt on its ultimate action. This doubt hinges entirely on whether or not the actual fact of an emergency is found to exist. In the Supreme Court of the District the other day, before Justice Stafford, an injunction was sought on the ground there was no emergency. Within 48 hours the Department of Justice had an attorney before that court arguing for a little extension of time to prove that an emergency exists. Let us assume it is found that no emergency exists. We are not making a spectacle of ourselves at all in extending a law which the Congress has twice overwhelmingly passed. So there is not anything to be excited about or embarrassed about in voting for an extension for one more year on the ground that perchance the Supreme Court may find that there is not any need for the law on the ground that there is no emergency.

There will be established legally whether or not there is an emergency, through the courts; and if it is established that there is an emergency, and we, on the advice of some of the opponents of this bill, refuse to recognize the fact that there is an emergency, I submit to you that we are throwing ourselves open to greater criticism than if we go ahead and extend the time one year.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BEGG. Briefly; because I only want to take one more minute.

Mr. LAGUARDIA. The gentleman does not want to leave the impression that the court has the power to decide whether there is an emergency?

Mr. BEGG. No; not entirely. The gentleman from Ohio tried to make an argument on that when the bill was before the House, and I do not want to consume the time of the House on that matter now. The court has undertaken to ascertain that fact in an injunction suit and that question will be brought up.

As to the hotel rates, there is not a thing to be alarmed at in the provision regarding the publicity of the rates charged for the rent of rooms in commercial hotels. My distinguished colleague from Toledo, General SHERWOOD, knows—and every other Ohio man knows—that every single room in the hotels of that State, when you walk into them, has hanging on the door a little card with the laws of the State of Ohio, and the card says "the rate of this room is $3.50 per day or $5 per day or $7 or $2," or whatever the rate is. Now, there is not any hardship on the hotel management in that proposition, either. If the hotel wants to charge $5 for a $2 room, the buyer of that room for the day has a right to know the rate, and he has the right to have that rate in a public place so that he does not pay that rate and the next man the next night pay $2. Therefore there is not anything to be scared about on that proposition, and I hope the House will accept the amendments and adopt the bill.

Mr. LAMPERT. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the Senate amendments.

The question was taken, and the Speaker announced that the ayes seem to have it.

Mr. UNDERHILL. Mr. Speaker, I make the point of order that there is no quorum present and ask for a roll call on the vote.

Mr. LAGUARDIA. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LAGUARDIA. Mr. Speaker, I make the point of order that the gentleman's point of order comes too late on the vote.

The SPEAKER. The Chair thinks not. The Chair did not notice the gentleman or he would have recognized him. The Chair assumes the gentleman was ready to make the point of order although it was after the Chair had made the announcement.

Mr. UNDERHILL. I was on my feet ready to make the point of order.

The SPEAKER. The Chair will count.

Mr. GARRETT of Tennessee. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARRETT of Tennessee. Is the vote on the amendments or on adoption as amended?

The SPEAKER. On the adoption of the amendments.

Mr. GARRETT of Tennessee. Mr. Speaker, may I interrupt the count long enough to make another parliamentary inquiry?

The SPEAKER. Certainly.

Mr. GARRETT of Tennessee. Would the result of the adoption of the amendments—that would be the final vote, would it?

The SPEAKER. It would. [After counting.] One hundred and seventy-nine Members present; not a quorum. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 287, nays 52, answered "present" 1, not voting 93, as follows:

YEAS—287

Abernethy	Driver	Kindred	Purnell
Aldrich	Dupré	King	Quayle
Allen	Elliott	Knutson	Quin
Allgood	Evans, Iowa	Kopp	Ragon
Almon	Evans, Mont.	LaGuardia	Rainey
Andrew	Fairchild	Lampert	Raker
Arnold	Fairfield	Lanham	Rankin
Ayres	Faust	Lankford	Rathbone
Bacon	Favrot	Larsen, Ga.	Rayburn
Barbour	Fenn	Larson, Minn.	Reece
Beck	Fish	Lazaro	Reed, Ark.
Beedy	Fisher	Lea, Calif.	Reid, Ill.
Beers	Fitzgerald	Leatherwood	Richards
Begg	Fleetwood	Lewis	Roach
Bell	Foster	Lilly	Robinson, Iowa
Berger	Frear	Lindsay	Robsion, Ky.
Black, N. Y.	Freeman	Lineberger	Romjue
Black, Tex.	French	Linthicum	Rubey
Blanton	Frothingham	Logan	Sabath
Bloom	Fulbright	Longworth	Salmon
Bowling	Fuller	Lowrey	Sanders, N. Y.
Box	Fulmer	Luce	Sanders, Tex.
Boylan	Garber	Lyon	Sandlin
Brand, Ga.	Gardner, Ind.	McClintic	Schafer
Brand, Ohio	Garner, Tex.	McFadden	Schall
Briggs	Garrett, Tenn.	McKeown	Schneider
Britten	Garrett, Tex.	McLaughlin, Mich.	Scott
Browne, N. J.	Gasque	McLaughlin, Nebr.	Sears, Fla.
Browne, Wis.	Gibson	McLeod	Sears, Nebr.
Browning	Goldsborough	McReynolds	Shallenberger
Buchanan	Graham, Ill.	McSwain	Sherwood
Buckley	Greene, Mass.	McSweeney	Shreve
Burtness	Greenwood	Madden	Simmons
Busby	Griest	Magee, N. Y.	Sinclair
Buther	Griffin	Major, Ill.	Sinnott
Byrns, Tenn.	Hammer	Major, Mo.	Sites
Cable	Hardy	Manlove	Smith
Canfield	Harrison	Mansfield	Smithwick
Cannon	Hastings	Mapes	Snell
Carew	Haugen	Martin	Speaks
Casey	Hawes	Mead	Spearing
Cellor	Hayden	Michener	Stalker
Clague	Hickey	Miller, Wash.	Steagall
Clancy	Hill, Ala.	Milligan	Stedman
Cole, Ohio	Hill, Wash.	Mills	Stephens
Collins	Holaday	Minahan	Strong, Kans.
Colton	Hooker	Montague	Strong, Pa.
Connally, Tex.	Hudson	Mooney	Summers, Wash.
Connery	Hudspeth	Moore, Ohio	Sumners, Tex.
Cook	Hull, Iowa	Moore, Va.	Swank
Cooper, Ohio	Hull, Morton D.	Morehead	Swing
Croll	Humphreys	Murphy	Tague
Crosser	Jacobstein	Nelson, Wis.	Taylor, Colo.
Cullen	James	Newton, Minn.	Taylor, Tenn
Cummings	Jeffers	Nolan	Thatcher
Dallinger	Johnson, Ky.	O'Connell, R. I.	Thomas, Ky.
Davey	Johnson, S. Dak.	O'Connor, La.	Thomas, Okla.
Davis, Minn.	Johnson, Tex.	O'Connor, N. Y.	Thompson
Davis, Tenn.	Johnson, W. Va.	O'Sullivan	Tillman
Dealson	Jones	Oldfield	Timberlake
Dickinson, Iowa	Kearns	Oliver, Ala.	Tinkham
Dickinson, Mo.	Keller	Oliver, N. Y.	Underwood
Dickstein	Kelly	Paige	Vare
Dominick	Kendall	Parks, Ark.	Vestal
Doughton	Kent	Patterson	Vincent, Mich.
Dowell	Kerr	Perlman	Voigt
Drewry	Ketcham	Prall	Wainwright
Watkins	White, Kans.	Winslow	Wright
Watres	Williams, Ill.	Wolff	Wurzbach
Watson	Wilson, Ind.	Wood	Young
Wefald	Wilson, La.	Woodruff	Zihlman
Weller	Wingo	Woodrum	

NAYS—52

Ackerman	Deal	McDuffie	Sproul, Kans.
Aswell	Free	Magee, Pa.	Stevenson
Bixler	Geran	Merritt	Taber
Bland	Gifford	Miller, Ill.	Temple
Boyce	Hadley	Moore, Ill.	Tilson
Brumm	Hill, Md.	Morrow	Tincher
Bulwinkle	Hoch	Nelson, Me.	Tucker
Chindblom	Hull, William E.	Perkins	Tydings
Clarke, N. Y.	Johnson, Wash.	Pou	Underhill
Cleary	Jost	Rogers, Mass.	Weaver
Cole, Iowa	Kunz	Sanders, Ind.	Wertz
Crowther	Kurtz	Sezer	Williams, Mich.
Darrow	Lace	Sproul, Ill.	Wyant

ANSWERED "PRESENT"—1

Howard, Nebr.

NOT VOTING—93

Anderson	Edmonds	MacLafferty	Snyder
Anthony	Fredericks	Michaelson	Stengle
Bacharach	Funk	Moore, Ga.	Sullivan
Bankhead	Gallivan	Moores, Ind.	Sweet
Barkley	Gilbert	Morgan	Swoope
Boies	Glatfelter	Morin	Taylor, W. Va.
Burdick	Graham, Pa.	Morris	Treadway
Burton	Green, Iowa	Mudd	Upshaw
Byrnes, S. C.	Hawley	Newton, Mo.	Vaile
Campbell	Hersey	O'Brien	Vinson, Ga.
Carter	Howard, Okla.	O'Connell, N. Y.	Vinson, Ky.
Christopherson	Huddleston	Park, Ga.	Ward, N. C.
Clark, Fla.	Hull, Tenn.	Parker	Ward, N. Y.
Collier	Kahn	Peavey	Wason
Connolly, Pa.	Kiess	Peery	Welsh
Cooper, Wis.	Kincheloe	Phillips	White, Me.
Corning	Kvale	Porter	Williams, Tex.
Crampton	Langley	Ramseyer	Williamson
Crisp	Lee, Ga.	Ransley	Wilson, Miss.
Curry	Lehlbach	Reed, N. Y.	Winter
Dempsey	Little	Reed, W. Va.	Yates
Doyle	McKenzie	Rogers, N. H.	
Drane	McNulty	Rosenbloom	
Dyer	MacGregor	Rouse	

So the Senate amendments were agreed to.

The following pairs were announced:

Mr. Ransley with Mr. Crisp.
Mr. Treadway with Mr. Moore of Georgia.
Mr. Burdick with Mr. Hull of Tennessee.
Mr. Crampton with Mr. Taylor of West Virginia.
Mr. Graham of Pennsylvania with Mr. Doyle.
Mr. Burton with Mr. Glatfelter.
Mr. Sweet with Mr. Stengle.
Mr. Newton of Missouri with Mr. O'Brien.
Mr. Connolly of Pennsylvania with Mr. Lee of Georgia.
Mr. Anthony with Mr. Gallivan.
Mr. Swoope with Mr. Rouse.
Mr. Morgan with Mr. Peery.
Mr. Bacharach with Mr. Vinson of Georgia.
Mr. Funk with Mr. O'Connell of New York.
Mr. MacLafferty with Mr. Sullivan.
Mr. Curry with Mr. McNulty.
Mr. Phillips with Mr. Bankhead.
Mr. Ward of New York with Mr. Howard of Oklahoma.
Mr. Dyer with Mr. Corning.
Mr. Green of Iowa with Mr. Park of Georgia.
Mr. Christopherson with Mr. Collier.
Mr. Hawley with Mr. Ward of North Carolina.
Mr. Parker with Mr. Carter.

The result of the vote was announced as above recorded.

On motion of Mr. LAMPERT, a motion to reconsider the vote whereby the Senate amendments were agreed to, was laid on the table.

EXTENSION OF REMARKS

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD which I made on this bill.

The SPEAKER pro tempore (Mr. GRAHAM of Illinois in the chair). The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

THE CONFERENCE REPORT ON THE IMMIGRATION BILL

Mr. HILL of Maryland. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the immigration bill.

The SPEAKER pro tempore. The gentleman from Maryland asks unanimous consent to extend his remarks in the RECORD on the immigration bill. Is there objection?

There was no objection.

Mr. HILL of Maryland. Mr. Speaker, to-day by a vote of 308 to 62, with none voting "present," and 63 absent, the House finally passed the immigration act. I was one of the 62 who voted finally against the bill. I have already fully expressed my objections to this bill, which have caused me to vote consistently against the bill, and to vote with those who desired to support the President on the Japanese question.

I desire to call the attention of the House to the following editorial from the Sun, of Baltimore:

[From the Sun, May 11, 1924]

STAND TO YOUR GUNS, MR. PRESIDENT

Apparently President Coolidge has been defeated in his efforts to amend the immigration bill so that the Japanese exclusion question could be taken up diplomatically and adjusted in a spirit of mutual courtesy and forbearance.

The action of the House in rejecting the proposal to extend the effective date of Japanese exclusion to March 1, 1925, seems to be conclusive. The Senate and House conferees in charge of the bill were willing to extend the date, after conferences with the President in which the facts of the problem were treated candidly, but the significance of that fact was as nothing to the House. And in the light of the House's course support of the President in the Senate, which probably would have been reluctant at best, may feel itself futile and disappear.

If, as now seems certain, the immigration bill goes to the President with the Japanese exclusion provision as originally written, the President can do no less than veto it, although it will be recognized by all that his situation will be difficult and that, in a sense, he will be confronted by an unfair political risk.

He has worked hard to put sense into the heads of Members of Congress and has failed to find enough heads that can be filled with sense. There is some doubt whether a veto would be sustained. Consequently, in asking that he veto the bill, it is asked that he pursue a policy which may have no parliamentary effect. And at the same time it may have a far-reaching political effect, for it would be likely to injure the President on the Pacific coast in the fall campaign.

That is a tough bullet for the President to chew. But the country has the right to ask him to chew it, and it will be warranted in grave disappointment if he does not do so.

The reason is this: Should Congress maintain to the end the vicious attitude it has adopted in this Japanese exclusion question, the one way in which the American people can make plain to Japan the undoubted fact that Congress does not voice intelligent American opinion is through a presidential veto. If the veto should be sustained, so much the better. But if it should be overridden there will have been a presidential demonstration of simple decency toward a great neighbor nation that, backed as it will be by the best thought of the land, may do much to reduce the evil that Congress has wrought.

Only one word is to be used in describing the almost solid line-up of the Democrats of the House against the extension desired by the President. That word is "shameful." To introduce partisanship into the treatment of this question is a sin against the Nation and against its youth. The Democrats have been complimented on their ability in this session to act as a coherent party. In the fight on Friday they prostituted that ability. The fact of prostitution is emphasized by the refusal of WALTON MOORE of Virginia, probably the ablest and soundest man on the Democratic side, to follow his party. Mr. MOORE and the handful of other Democrats who voted with the President honored themselves.

I hope the President will veto the immigration bill. If he does so veto this bill I shall vote to support his veto.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

A message in writing from the President of the United States was communicated to the House of Representatives by Mr. Latta, one of his secretaries.

VACATING CERTAIN STREETS AND ALLEYS

Mr. ZIHLMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 114) vacating certain streets and alleys and authorizing the widening and extension of Fourteenth Street, insist on the House amendments, and agree to the conference asked for by the Senate.

The SPEAKER pro tempore. The gentleman from Maryland asks unanimous consent to take from the Speaker's table the bill S. 114, insist on the House amendments, and agree to the conference asked for by the Senate. Is there objection?

Mr. BLANTON. Reserving the right to object, the gentleman from Maryland knows that the House by an emphatic vote placed a certain amendment in this bill. I want to ask the gentleman whether or not the House may be assured that before any change is made in that action the House will have an opportunity to pass on the question.

Mr. ZIHLMAN. There are about 10 amendments to the bill.

Mr. BLANTON. I refer to the McKenzie amendment.

Mr. ZIHLMAN. There were four or five McKenzie amendments.

Mr. BLANTON. I am talking about the one that refers to the double track for street cars going through the Walter Reed Hospital.

Mr. ZIHLMAN. The gentleman from Texas will be one of the conferees.

Mr. BLANTON. I know; I have served on the conference committee, and we receded from about 60 out of 68 amendments.

Mr. ZIHLMAN. That was the gentleman's first experience; and the most of them he agreed to.

Mr. BLANTON. I agreed with those that did not conflict with what I knew the House was in favor of. But we ought to have some understanding that these matters will be brought back to the House if there is to be any change of them. It would not be treating the House right not to bring them back.

Mr. ZIHLMAN. It will, of course, come back to the House.

Mr. MURPHY. Reserving the right to object, I want to press that a little further. I would like to ask the gentleman if he will take care of that situation in conference. If they do not agree, will the gentleman bring it back and give us a chance to vote on it?

Mr. ZIHLMAN. The gentleman knows that the conferees will represent the will of the House and the conferees of the Senate will represent the will of the Senate, but before the House conferees recede we will give the House an opportunity to vote on it.

Mr. MURPHY. The gentleman says that the conferees will not recede wtihout giving the House a chance to act on it?

Mr. ZILHMAN. There is a number of amendments.

Mr. MURPHY. Oh, I refer to the one mentioned by the gentleman from Texas [Mr. BLANTON] to close the streets through Walter Reed Hospital. That is the one we are interested in. All we want is an assurance that the gentleman will give us a chance to vote on that without agreeing to it in conference.

Mr. ZILHMAN. As one of the conferees I agree that before the House recedes——

Mr. MURPHY. On that particular amendment.

Mr. ZILHMAN. That is embodied in a number of amendments.

Mr. BLANTON. It is the main car line amendment.

Mr. MURPHY. The gentleman knows exactly what we are trying to do, and we want his assurance because we know him to be an honorable gentleman.

Mr. ZILHMAN. I shall bring it back to the House for its approval.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Without objection the Chair will appoint the following conferees: Mr. ZIHLMAN, Mr. LAMPERT, and Mr. BLANTON.

There was no objection.

IMMIGRATION

Mr. BRIGGS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the immigration bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BRIGGS. Mr. Speaker, everyone giving consideration to the question has appreciated the need, particularly since the World War, for restrictive immigration legislation. Otherwise America would simply be overwhelmed with immigrants from every land desiring to escape conditions abroad. The growth of our own population and the necessity for preserving the true spirit of Americanism, as well as the traditions, institutions, and Government of our country, demand not only more care in the selection of immigrants but also require that such immigration shall be restricted to the minimum in order that the United States may not be overwhelmed and overcrowded by an unlimited number of aliens seeking to establish themselves here.

The Johnson immigration bill, for which I voted, and which I believe is the best measure obtainable at this time, provides for a 2 per cent quota based upon the census of 1890. This measure reduces the quota from 3 per cent to 2 per cent and thereby reduces the number of immigrants in any one year from 351,803 to an estimated number of 161,184, or over 50 per cent.

The Immigration Committee of the House of Representatives, which gave this question long and most serious consideration after the most extensive hearings, reported the Johnson immigration bill as a measure needed for the country and aimed not only to insure a better type of immigrant by providing as far as possible for examination and selection in the country from which the immigrant comes, but also by providing a system of certificates and consular visés of passports which will operate to prevent steamship companies bringing to America a large

number of aliens who through disease or otherwise are ineligible for admission to the United States, but who suffer great hardships and face ultimate deportation.

One of the great problems to-day facing this country is the assimilation of those who come from foreign countries to our shores—particularly is this true in the great cities and manufacturing centers of the United States—and our first duty is to provide for a proper appreciation, understanding, and adoption by them of the principles of government, history, and traditions of our country, so that they may thoroughly identify themselves with it and become true Americans in every sense of the word.

America is made up of peoples who have either emigrated themselves from various countries of the world or who are descendants of such emigrants. Out of this composite type has sprung the greatest nation in the world and a virile and strong spirit of Americanism characterized by love of country and its institutions, and a generous and considerate disposition toward all the world.

The question of the extent to which further immigration is to be sanctioned is purely a domestic question with which foreign nations have absolutely no concern whatever. It is one to be determined solely by the American people, and when that determination has been made no foreign country has just ground for complaint.

It is entirely within the right of the American people to say who shall and who shall not be admitted, and the admission of some and exclusion of others can give no just grounds for offense or constitute any basis for a claim of discrimination. Every other nation reserves to itself a similar right, and America does not challenge its existence. I am sure that the American people will never relinquish their undisputed right to determine for themselves who may or may not be admitted to the United States, for the question is too vital and rests upon rights which no foreign nation is entitled to challenge.

Mr. BOX. Mr. Speaker, those who oppose acts of Congress restricting immigration talk much about regulating this important problem by treaties or agreements. These suggestions come from several groups favoring the liberal admission of alien peoples, but I have never heard or read them from those who fear and seek to guard against the peril which arises from the migrations of all the tongues and tribes of the earth to America.

Since the Johnson bill has been pending, one writer, voicing violent opposition to the legislation, has declared that the migrations of men should be regulated by international agreements in connection with the League of Nations, or some similar agency, on the ground that immigrants are international population. It is said that the prejudices of the people of one country should not prompt them to exclude the home-seeking millions who are fleeing from the miseries of other countries. America's policy in this heretofore has been to consult the present and future interests of her own people. She has claimed and usually exercised an exclusive, unlimited right to do that. Even the moving multitudes have not been allowed to have their wishes and interests prevail over the interests of those already in America. Nor have we admitted the demand of the overcrowded countries of the Old World that they have a free hand to solve their problems of overcrowding by sending their undesirable surplus to us.

It is frequently insisted that the League of Nations should control migrating populations, helping them to secure admission into the country of their selection and protecting them from the opposition usually called prejudice which confronts them. Those who urge this proposition want a league of Europeans and Asiatic nations who are suffering from overcrowding to have power to procure the admission of migrating population to the United States, where they are trying to come. Neither President Wilson nor any other responsible American advocate of the League of Nations has favored passing to it the control of America's immigration policy. European and Asiatic nations would like to see that done. Spokesmen for their people already admitted here have urged it frequently during recent years. The suggestion will never be tolerated by the American people.

There remains, then, the question whether our immigration policy will be controlled by treaties or agreements between us and foreign countries or by Congress. Treaties regularly made by the President and ratified by the Senate are in a class apart from mere agreements made by the Executive with foreign powers without "the advice and consent of the Senate." The "gentlemen's agreement" belongs to the latter class.

Italy, in its note of September 15, 1921, to Mr. Secretary Hughes, suggested that its emigration, which, of course, is America's Italian immigration, "be made the subject of a specific agreement beforehand, as already suggested." This suggestion no doubt expresses the wish of other foreign governments. I point out two specific reasons why America's immigration policy should not be regulated by the treaty-making power.

Our experience as to the attitude of our Presidents toward this problem should warn us of the danger of passing absolute or chief control of it to him. The President's constant contact with delicate and difficult questions of our foreign relations and the necessity of maintaining cordial intercourse with foreign countries expose him and his advisers and agencies to constant pressure toward a tendency to too great liberality in immigration laws and regulations. Our people now almost unanimously agree that we have heretofore been ruinously loose in our immigration policies; but even such restrictive measures as have been adopted in the past have nearly all been enacted in the face of executive opposition. Nearly every step forward has been in spite of the President's veto.

In 1879 President Hayes vetoed the first Chinese exclusion act. In 1882 President Arthur vetoed an act suspending Chinese immigration for a period of 20 years (Immigration Commission Report, vol. 2, pp. 580–581). On March 3, 1897, President Cleveland vetoed an immigration act excluding illiterates (2 I. C. R. 573). President Taft vetoed an immigration bill in 1913 containing a restriction against the admission of illiterates (RECORD, special session 59th Cong. p. 101). In 1917 President Wilson vetoed an act excluding illiterates, but Congress passed it over his veto. The present percentage quota immigration law was first passed by the Sixty-sixth Congress, but failed because President Wilson withheld his approval. It was again passed by the Sixty-seventh Congress and later extended, both acts having been approved by President Harding, whose action on these measures was about the first approval by a President of the United States of any measure designed to reduce or strictly regulate immigration from foreign countries.

The treaty between the United States and China, called the Burlingame treaty, concluded July 28, 1868, and proclaimed February 5, 1870, volume 1, Treaties and Conventions, page 234, Article V, contains the following language:

> The United States of America and the Emperor of China cordially recognize the inherent and inalienable right of man to change his home and allegiance, and also the mutual advantage of the free migration and emigration of their citizens and subjects, respectively, from the one country to the other for purposes of curiosity, of trade, or as permanent residents.

Article VI of the same treaty contains the following provision:

> Citizens of the United States visiting or residing in China shall enjoy the same privileges, immunities, or exemptions in respect to travel or residence as may there be enjoyed by the citizens or subjects of the most-favored nation; and, reciprocally, Chinese subjects visiting or residing in the United States shall enjoy the same privileges, immunities, and exemptions in respect to travel or residence as may there be enjoyed by the citizens or subjects of the most-favored nation. * * *

Intolerable conditions soon developed in California as the result of this treaty stipulation that Chinese had an inalienable right to immigrate to the United States and permanently reside here, but the treaty-making power failed to relieve the situation. In 1879 a bill was introduced in Congress limiting to 15 the number of Chinese who could come into the United States upon any one vessel. It was argued against this bill that it would abrogate the provisions of the Burlingame treaty. After being amended by adding a provision for the abrogation of articles 5 and 6 of that treaty, which gave to the Chinaman all privileges enjoyed by "citizens or subjects of the most-favored nations," the bill passed the House January 28, 1879, by a vote of 155 to 72, and on February 15 it passed the Senate by a small majority. On March 1, 1879, President Hayes returned it with his veto, declaring that history gave no other instance where a treaty had been abrogated by Congress, and that it was not competent to modify a treaty by cutting out certain sections; and even if it were constitutional, seeing that China would probably assent willingly to such a modification, he thought it better policy to wait for the proper course of diplomatic negotiations.

Chinese immigration continued and conditions grew worse on the Pacific coast, but Congress failed to pass that bill over the President's veto. But under the threat of congressional action the Chinese Government, in 1880, agreed to another

treaty, which was proclaimed October 5, 1881, Article I of which was as follows:

Whenever in the opinion of the Government of the United States the coming of Chinese laborers to the United States, or their residence therein, affects or threatens to affect the interests of that country, or to endanger the good order of the said country or of any locality within the territory thereof, the Government of China agrees that the Government of the United States may regulate, limit, or suspend such coming or residence, but may not absolutely prohibit it. The limitation or suspension shall be reasonable and shall apply only to Chinese who may go to the United States as laborers, other classes not being included in the limitations. Legislation taken in regard to Chinese laborers will be of such a character only as is necessary to enforce the regulation, limitation, or suspension of immigration, and immigrants shall not be subject to personal maltreatment or abuse.

It will be noted that this article limits the right of the United States to deal with Chinese immigration according to its will, giving it the privilege of dealing reasonably with the immigration of laborers, but forbids it to absolutely prohibit their coming, and forbids it to deal with other classes.

After the treaty of 1880 was concluded, a bill to execute certain stipulations contained therein was passed by the Senate and House. As this bill went to the President for approval it provided that within 90 days after its passage, and until 20 years thereafter, the coming of Chinese laborers should be suspended. Exception was made to Chinese laborers who were in the United States on November 17, 1880, and those who should come before the act went into effect.

Skilled Chinese laborers were specifically among those excluded, and all State or United States courts were denied the right to admit Chinese to citizenship. On April 4, 1882, President Arthur returned the bill with his veto, his principal reason for refusing to sign it being that the passage of an act prohibiting immigration for 20 years was an unreasonable suspension of immigration and consequently a breach of the treaty. The features relating to registration he also claimed served no good purpose. Subsequently a modified bill was passed by Congress, and, although containing some of the provisions objectionable to the President, he approved it on May 6, 1882. This law provided that all immigration of Chinese laborers, skilled or unskilled, should be suspended for a period of 10 years.

Conditions in California and on the Pacific coast arising from Chinese immigration had been bad before the making of the Burlingame treaty of 1868, by which the United States bound itself to recognize the inalienable right of such people to migrate and establish permanent homes in America. So aptly did the treaty-making power deal with the problem in that instance. Conditions in California and on the Pacific coast were then and soon afterwards so bad that, in 1872, California was pleading with Congress for the exclusion of the Chinese; that is, for the termination of the "inalienable right" of Chinese to come to America in tens, or even hundreds, of millions. A congressional committee was sent to California, where it found conditions very bad.

After the making of the second immigration treaty with China in 1880-81 it was soon found that that immigration treaty was unwise and the United States asked China to agree to its abrogation; but China objected and delayed, until Congress passed a drastic exclusion law, from which the President withheld his approval until he became convinced that China would not enter into a new treaty abrogating the treaty of 1880, of which the United States was by then anxious to be rid. That was the second successive failure of the treaty-making power of our Government to handle Chinese immigration in a manner which our own people would tolerate.

Another and controlling objection to the regulation of our immigration by treaties is that it would give to foreign powers a voice in that policy, whereas under the present system it is treated as a domestic question to be regulated by Congress in the constitutional way according to our own will. Even the opponents of restriction should not favor the adoption of a policy by which we would surrender our right to deal with the subject in our own way. That right once lost would be hard to regain. The permanent loss of it would be an irreparable calamity to America. As already shown, foreign countries, under the promptings of self-interest, must consent to the provisions of treaties. Under that system our immigration policy would be shaped not by the representatives of our people but partly by our treaty-making power and partly by foreign countries. If that policy should ever be generally and permanently adopted, it would entail consequences too tragic to be stated here.

The regulation of our immigration by agreements made by our Executive with foreign countries, without the approval of Congress, or without the consent and approval of the Senate, is a still greater and more dangerous departure from the American policy of treating this as a purely domestic question.

President Roosevelt's agreement with Japan, made in 1908, commonly called "the gentlemen's agreement," has now been recognized by both countries for some 15 years. Both Japan and the United States have insisted that they were living up to its terms.

The use of the word "agreements" in the immigration acts of 1920 and 1922, both passed by the two Houses of Congress and approved by the President, was a conscious and deliberate recognition of the agreement made by President Roosevelt with Japan, regulating immigration from that country to the United States. Yet that agreement was made by the President regardless of the wishes of Congress and without the consent of the Senate. It was never submitted to the Senate for ratification.

That agreement was held up to the Legislature of the State of California as a valid treaty prevailing over the will and power of that State legislative body. In a letter which President Roosevelt wrote to Speaker Stanley, of the lower house of the California Legislature, under date of February 8, 1909, protesting against certain anti-Japanese legislation then pending in that legislature, among other things, President Roosevelt said:

But such a bill as this school bill accomplishes literally nothing whatever in the line of the object aimed at and gives just cause for irritation, while, in addition, the United States Government would be obliged immediately to take action in the Federal courts to test such legislation, as we hold it to be clearly a violation of the treaty (Theodore Roosevelt—An Autobiography, pp. 416–417).

Thus President Roosevelt called this agreement, made without submission to the Senate, a "treaty" and threatened the Legislature of California with its prevailing power as a treaty, to which the Legislature of California submitted.

In my judgment that agreement has always been without legal or binding force. However, at least two Presidents have recognized it as valid, and one of them has called it a treaty. Congress has twice recognized it, and a sovereign State has submitted to it as the supreme law of the land. In addition, it has been in operation between two great countries for some 15 years, during which it has regulated the immigration from Japan to the United States. Manifestly, then, it is possible that the President might, without consulting Congress or even the Senate, inaugurate a system of immigration regulation according to his own will. Because that has been done in a very vital immigration connection and a precedent thereby set, it is more apt to be done again. Under such a system neither Congress nor the Senate would have any voice in immigration regulation. It is now being urged that the Congress is bound by it.

A member of this committee, in his study of this question, referred to several able gentlemen the brief or statement on certain phases of this problem which the writer prepared for the use of the committee. Among the gentlemen to whom this statement was referred is Hon. George W. Wickersham, formerly Attorney General of the United States, who acts as president of the National Committee on American-Japanese Relations, which has conducted an active propaganda against the pending legislation. From Mr. Wickersham's reply I quote the following:

The matter should be dealt with, it seems to me, by negotiation with these foreign countries. The agreement which might be reached through negotiation would not necessarily be a treaty but the sort of agreement which customarily is made by the executive branch of our Government, as, for example, the international postal conventions. There is quite a range of international agreements, not rising to the dignity of a treaty, respecting which throughout our history the executive government has acted without reference to the treaty-making power.

The suggestion in this connection concerning agreements which "do not rise to the dignity of" treaties probably refers to the "gentlemen's agreement" regulating immigration from Japan, made by Mr. Roosevelt, and others like it regulating the same subject which might be made by other Presidents. Not "rising to the dignity of" treaties, these "agreements" would not have to be submitted to the Senate. The "gentlemen's agreement" was not. Such agreements, if made and accepted as valid regulations of immigration and then successfully held up as bars to congressional action, would oust Congress of all control over our domestic policy concerning a problem of greatest importance. If such "agreements," not subject to the approval of the Senate, are to be permitted to control our immigration policies. President Hayes, who made the Burlingame treaty, which guaranteed the Chinese "the inalienable right"

to migrate to America, could have merely made an agreement "not rising to the dignity of" a treaty and accomplished what he then contended for. President Arthur could have likewise worked his will in avoiding a later act in restraint of Chinese immigration to America by such an agreement much better than by a veto, as he undertook to do. Presidents Cleveland, Taft, and Wilson needed only to have made such agreements and to have Congress and the American people accept them as inviolable international obligations too sacred to be touched by congressional action. Mr. Wickersham's suggestion as to "agreements not rising to the dignity of" treaties regulating immigration to the United States is very unfortunate, unless it proves fortunate as a reminder that the handling of immigration by agreement not submitted to the Senate might be resorted to again and again until it became an established policy, and Congress thereby ousted from control over the question, leaving it wholly to those who have almost, though not quite, uniformly tried to restrain the Congress elected by the people from doing the will of the Nation in protecting it, even so far as it has been protected. Control of immigration by treaties would be dangerous. Control of it by agreements between the Executive and foreign countries "not rising to the dignity of" treaties would be even more dangerous.

In the deliberate judgment of the writer, formed after full consideration of all the objections which the opponents of this legislation have urged, an opportune time has arrived for the American Congress to say with emphasis that it proposes to retain and exercise, in the protection of American interests and in obedience to the Constitution, full control over this vitally important question without consulting any foreign potentate or power.

Neither Italy, Japan, nor any other nation has any right to ask, much less to insist, that we change our method of handling this fundamentally domestic question in our own way and place ourselves where we would have to procure their consent to our regulatory, restrictive, or prohibitory immigration measures.

There has been an apparent effort to impress the country with the idea that the only question between Congress and the Executive concerning the Japanese exclusion provisions of the recent immigration act was whether the act should go into effect July 1, 1924, March 1, 1925, or at some subsequent date. Many people who thought they were keeping informed on this issue were lead to believe that the whole controversy was over this question. That was not the question at all.

The controversy was over the question whether the Congress of the United States should control immigration as required by the Constitution of the United States, or would shirk its responsibility fixed by the Constitution and let another department usurp it in violation of the purpose of the Constitution in violence to important present public interests and the equally important interests of the future. I have explained in the foregoing remarks what was involved in the proposed continuance of the present unratified and only partially published and partially known Executive agreement with Japan, called the "gentlemen's agreement," never submitted to the Senate for approval.

In order that those who wish to know may understand how this matter assumed its final status I call attention to the fact that while the House Committee on Immigration and Naturalization was shaping this legislation in committee the executive department sent to the House committee an amendment to be inserted in the bill in the following language as an exception to section 3, "an alien entitled to enter the United States under the provisions of a treaty," in such connection as would have exempted from the excluding provision of the entire law the nationals of every country with which the United States should have a treaty regulating immigration made before or after the passage of the law. By inserting such a provision in the bill as the Executive, through its State Department, sought to have inserted, Congress would have placed itself in the attitude of seeking to renounce its constitutional duty to regulate immigration from any country except such as the President might leave within the operation of the law by his failure to control it by treaty. Of course, Congress can not legally, or without gross dereliction, throw down responsibilities which the Constitution places upon it, and the executive department can not, without blameworthiness, seek to take upon itself the performance of functions which the Constitution places upon Congress. Both of these vices were involved in the suggestion made to the committee by the Executive, through the State Department. Moreover, in view of the history of the country's dealing with this vitally important question the suggestion was fraught with grave danger in addition to the violence it offered to the Constitution.

When this first suggestion, that virtually all regulation of immigration be passed to the treaty-making power, was unanimously rejected by the committee and not tolerated by the House, another amendment was sent to the conferees in the following language, to be inserted in section 12 (c) of the present bill:

> • • • after the letter (b) and before the word "no" insert "on and after March 1, 1926."
>
> On same page at the end of the paragraph strike out the period, insert a colon and insert "*Provided, however*, That the provisions of this paragraph shall not apply to the nationals of those countries with which the United States, after the enactment of this act, shall have entered into treaties, by and with the advice and consent of the Senate, for the restriction of immigration."

By this the Executive showed that, not being permitted to control immigration with all countries by treaty, it sought to control our immigration from Asiatic and Malayan countries by treaties. This was not quite as vicious as the usurpation involved in undertaking to control it by unratified and partly secret Executive agreements, but it was nevertheless vicious and dangerous in that it involved the same principle embodied in the amendment first suggested by the executive department, except that it was limited to the clause excluding immigrants from Asiatic countries. One would be stupid indeed who could not see that after that principle and precedent were established and made to control immigration from Asiatic countries it would probably be extended to all countries. The House and Senate conferees, though evidently anxious to oblige the President, were unable to bring themselves to the acceptance of that principle.

But the Executive did not stop there. The same suggestion was obscured and sugar-coated and wrapped up in the following language, which the conferees were finally induced to accept and embody in their conference report:

> *Provided*, That this subdivision shall not take effect as to exclusion until March 1, 1925, before which time the President is requested to negotiate with the Japanese Government in relation to the abrogation of the present arrangement on this subject.

This language was so shaped that it could be distorted into three meanings, though it had but one and was intended to have but one. First, it was possible, not reasonable, for an interested political press to hold it forth as meaning only that the President desired eight additional months within which to persuade and flatter Japan into conceding graciously the right of the United States to control this domestic question in its own way, only postponing the date when the law would become effective. But it did not mean that and was not so intended. The second meaning, which, like the first, might be held forth until the general election had passed, was that this additional time should be granted; and in the meantime the President was requested to busy himself in getting rid of the "gentlemen's agreement," with the consent and approval of Japan. This version carried the idea that the gentlemen's agreement would in any event be ended and the statute now being enacted would in any event become the law on March 1, 1925; but according to this view, as stated by Chairman JOHNSON, who had been seduced into accepting it, it was meant merely to "throw a kiss at Japan," while we went ahead enacting our law in our own way, to become effective unconditionally on March 1, 1925, after we had gone through the pretense of securing Japan's consent to what, according to that view, we were determined to do regardless of her giving or withholding her consent.

But the clause did not mean that and was not intended to operate that way, though the country was to be induced to so construe it for the present. It meant something or nothing. If it meant nothing, it involved only palaver and unworthy hypocrisy on our part for the purpose of deceiving the country or temporarily deceiving and for the moment placating Japan. We must not accept the suggestion that the State Department or the President intended that. Then, thirdly, if it meant anything worthy of consideration at all, it meant to request the President to solicit Japan to agree with him on some method by which the Executive or treaty-making power and the foreign country, which is entitled to no voice in the matter, should control the question regardless of the wishes and interests of the American people as expressed in Congress. It is gratifying indeed to note that neither branch of Congress would tolerate this last suggestion any more than they would favorably consider the clause as meaning mere hypocritical palaver or "throwing a kiss at Japan." Therefore, the third effort of the Executive met the disapproval which the first two had met, and for the same good reasons.

URGENT DEFICIENCY APPROPRIATIONS, FISCAL YEAR 1924

Mr. MADDEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union, for the consideration of the bill H. R. 9192, making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes. Pending that I ask unanimous consent that general debate be confined to 30 minutes, 15 minutes to be controlled by the gentleman from Tennessee [Mr. BYRNS] and 15 minutes by myself.

The SPEAKER pro tempore. The gentleman from Illinois moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of an urgent deficiency appropriation bill, and, pending that, asks unanimous consent that general debate be limited to 30 minutes, one-half to be controlled by himself and one-half by the gentleman from Tennessee [Mr. BYRNS]. Is there objection?

Mr. HOWARD of Nebraska. Mr. Speaker, reserving the right to object, I want to know whether I will have a chance to get into that or not. Otherwise I object.

Mr. BYRNS of Tennessee. How much time does the gentleman want?

Mr. HOWARD of Nebraska. About long enough to ask a question—about five minutes.

Mr. BYRNS of Tennessee. I do not think there will be any question about that.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Will the gentleman from Illinois give way for a moment so that the Chair may lay before the House a message from the President of the United States?

Mr. MADDEN. Certainly.

ADJUSTED COMPENSATION—VETO MESSAGE

The SPEAKER laid before the House the following message from the President of the United States:

To the House of Representatives:

Herewith is returned, without approval, H. R. 7959, a bill "to provide adjusted compensation for veterans of the World War, and for other purposes."

The bill provides a bonus for the veterans of the World War and dependents of those who fell. To certain of its beneficiaries, whose maximum benefits do not exceed $50, this bonus is to be paid immediately in cash. To each of its beneficiaries who are not to receive such immediate cash payment there is to be provided free insurance under a 20-year endowment plan. The face value of each policy will be based upon the military service, the average amount being at least $962, payable at the expiration of 20 years or at death prior thereto. After the lapse of two years the holder of a policy may borrow thereon from banks at reasonable rates of interest. If amounts so borrowed are not repaid by the veteran, the Government is obligated to pay to the banks this indebtedness, which ultimately reduces the maturity value of the policy.

An appropriation of $146,000,000 for the fiscal year 1925 will be required to provide the prorated annual cost of the insurance and to meet cash payments to those not receiving such insurance. This does not include administrative costs, which will amount to approximately $6,500,000 the first year. For the fiscal year 1926 an appropriation of $155,500,000 will be required, and the annual appropriations for the 20-year period will aggregate, according to the lowest estimate, $2,280,758,542. These and the other figures herein are from the Veterans' Bureau, but the Treasury estimates are materially more.

That part of the annual appropriation not required to meet the cash bonus or to pay policies maturing on account of death will be invested in Government bonds. The face value of the bonds thus acquired plus the interest thereon reinvested will equal during the 20-year period the maturity value of the insurance policies, aggregating at the lowest estimate $3,145,000,000.

The money spent for the acquisition of these bonds manifestly can not be spent for any other purpose, no matter how urgent our other requirements may be. In other words, we will be committing this Nation for a period of 20 years to an additional average annual appropriation of $114,000,000. This of itself should require most serious reflection, but if we are to have such commitment it should be in some form which would be in harmony with recognized principles of Government finance. The provisions of this bill are not so in harmony. Under it the Government will not have in the fund in 1945 two and a half billions of dollars. All it will have will be its own obligations, and it will owe two and a half billions of dollars cash. It will then be necessary to sell to the public this two and a half billions of bonds—a major operation in finance which may be disastrous at that time and may jeopardize the value of Federal securities then outstanding.

We have no money to bestow upon a class of people that is not taken from the whole people. Our first concern must be the Nation as a whole. This outweighs in its importance the consideration of a class, and the latter must yield to the former. The one compelling desire and demand of the people to-day, irrespective of party or class, is for tax relief. The people have labored during the last six years under a heavy tax burden. This was necessary to meet the extraordinary costs of the war. This heavy assessment has been met willingly and without complaint. We have now reached a financial condition which permits us to lighten this tax burden. If this bill becomes law, we wipe out at once almost all the progress five hard years have accomplished in reducing the national debt. If we now confer upon a class a gratuity such as is contemplated by this bill, we diminish to the extent of the expenditures involved the benefits of reduced taxes which will flow not only to this class but to the entire people. When it is considered that less than $40 a year would pay for the average policy provided by this bill, there is strong ground to assume that the veterans themselves would be better off to make that small payment and be relieved of the attendant high taxes and high living costs which such legislation would impose on them. Certainly the country would. We have hardly an economic ill to-day which can not be attributed directly or indirectly to high taxes.

The prosperity of the Nation, which is the prosperity of the people, rests primarily on reducing the existing tax burden. No other action would so encourage business. No other legislative enactment would do so much to relieve agriculture. The drastic executive campaign for economy in Government expenditures has but one purpose—that its benefits may accrue to the whole people in the form of reduction in taxes. I can not recede from this purpose. I am for the interests of the whole people. The expenditures proposed in this bill are against the interests of the whole people. I do not believe they are for the benefit of the veterans.

The running expenses of the Government for services and supplies must be met. Certain other obligations in the nature of investments for improvements and buildings are necessary and often result in a saving. The debts of the Nation must be paid. The sum of all these is a tremendous amount. At the present rate it is nearly $35 for each resident of our country, or $175 for each average family every year, and must be for some time. This bill calls for a further expenditure in the aggregate of nearly $35 for each inhabitant and lays nearly $175 more on each family, to be spread over a period of 20 years. No one supposes the effort will stop here. Already suggestions are made for a cash bonus in addition, to be paid at once. Such action logically would be encouraged if this bill becomes law. Neither the rich nor the profiteers will meet this expense. All of this enormous sum has to be earned by the people of this country through their toil. It is taken from the returns of their production. They must earn it; they must pay it. The people of this country ought not to be required by their Government to bear any such additional burden. They are not deserving of any such treatment. Our business is not to impose upon them but to protect them.

If this bill be considered as insurance, the opportunity for such a provision has already been provided. Nearly $3,000,000,000 of war risk and Government life insurance is now outstanding, and over $500,000,000 has been paid on such policies. When this provision was made in 1917 it was on the explicit understanding of the Congress that such insurance was to relieve the Government of subsequent contributions. The then Secretary of the Treasury said in relation to the proposed insurance act: "It ought to check any further attempts at service pension legislation by enabling a man now to provide against impairment through old age, total disability, or death resulting from other causes, and to give all this protection to those kindred who may be dependent upon him and who do not share in the Government compensation." This opportunity was afforded all those who entered the service. It was distinctly understood that it covered every obligation on the part of the Government. The intent of this bill now to provide free insurance lacks both a legal or moral requirement and falls into the position of a plain gratuity.

Considering this bill from the standpoint of its intrinsic merit, I see no justification for its enactment into law. We owe no bonus to able-bodied veterans of the World War. The first duty of every citizen is to the Nation. The veterans of the World War performed this first duty. To confer upon them a cash consideration or its equivalent for performing this first duty is unjustified. It is not justified when considered in the

interests of the whole people; it is not justified when considered alone on its own merits. The gratitude of the Nation to these veterans can not be expressed in dollars and cents. No way exists by which we can either equalize the burdens or give adequate financial reward to those who served the Nation in both civil and military capacities in time of war. The respect and honor of their country will rightfully be theirs forever more. But patriotism can neither be bought nor sold. It is not hire and salary. It is not material, but spiritual. It is one of the finest and highest of human virtues. To attempt to pay money for it is to offer it an unworthy indignity which cheapens, debases, and destroys it. Those who would really honor patriotism should strive to match it with an equal courage, with an equal fidelity to the welfare of their country, and an equal faith in the cause of righteousness.

I am not unmindful that this bill also embraces within its provisions the disabled of our veterans and the dependents of those who fell. To state that the disabled veterans and these dependents are entitled to this additional gratuity is to state that the Nation is not meeting its obligation to them. Such a statement can not truthfully be made. The Nation has spent more than $2,000,000,000 in behalf of disabled veterans and dependents of those who died. It is now spending for compensation, training, insurance, and hospitalization more than $400,000,000 annually. Solicitude for the disabled veterans and the dependents of those who lost their lives is the Nation's solicitude. To minister to their every need is a sacred obligation, which will be generously and gratefully met. The Nation stands ready to expend any amount needed for their proper care. But that is not the object of this bill.

America entered the World War with a higher purpose than to secure material gain. Not greed but duty was the impelling motive. Our veterans as a whole responded to that motive. They are not asking as a whole, they do not want as a whole, any money recompense. Those who do seek a money recompense for the most part, of course, prefer an immediate cash payment. We must either abandon our theory of patriotism or abandon this bill. Patriotism which is bought and paid for is not patriotism. Our country has maintained the principle that our Government is established for something higher and finer than to permit those who are charged with the responsibility of office, or any class whose favor they might seek, to get what they can out of it. Service to our country in time of war means sacrifice. It is for that reason alone that we honor and revere it. To attempt to make a money payment out of the earnings of the people to those who are physically well and financially able is to abandon one of our most cherished American ideals. The property of the people belongs to the people. To take it from them by taxation can not be justified except by urgent public necessity. Unless this principle be recognized our country is no longer secure, our people no longer free. This bill would condemn those who are weak to turn over a part of their earnings to those who are strong. Our country can not afford it. The veterans as a whole do not want it. All our American principles are opposed to it. There is no moral justification for it.

CALVIN COOLIDGE.

THE WHITE HOUSE, *May 15, 1924.*

The SPEAKER. The message is ordered printed. The question is, Shall the bill pass, the objections of the President to the contrary notwithstanding?

Mr. LONGWORTH. Mr. Speaker, of course every Member of the House will want an opportunity to vote on this most important matter, and in making the request I am about to make I am mindful of requests that have been made to me by gentlemen who are unable to be here before the last part of next week. I shall not press this, if there be any real objection to it. I ask unanimous consent that after the reading of the Journal on Thursday next this question be taken up and disposed of.

The SPEAKER. Is there objection?

Mr. FISH. Mr. Speaker, reserving the right to object, I think it is perfectly fair to request that there should be a postponement for a few days so that everyone might have an opportunity to vote on this important measure, but I do not think it is fair or wise to postpone the consideration of the bill beyond next Tuesday. Therefore, I ask the majority leader if he will agree to Tuesday?

Mr. LONGWORTH. I agreed with certain gentlemen that I would make the request. Of course I shall not press it if there be objection.

The SPEAKER. The gentleman from Ohio asks unanimous consent that action upon the President's veto message be taken immediately after the reading of the Journal on Thursday next. Is there objection?

Mr. HOWARD of Nebraska. Mr. Speaker, reserving the right to object, I did not clearly understand the majority leader when he gave his reasons for desiring the delay and I will thank him if he will make them plainer to me.

Mr. LONGWORTH. I simply stated that a number of gentlemen had informed me that it would be impossible for them to be here before next Thursday. I said to them that I would attempt to accommodate them by asking unanimous consent that this matter be taken up next Thursday. I further stated that I should not press that matter if there was real objection to it.

Mr. RANKIN. Mr. Speaker——

The SPEAKER. The gentleman from Mississippi.

Mr. HOWARD of Nebraska. But I have not finished yet.

Mr. RANKIN. I thought the gentleman had finished his question.

The SPEAKER. The Chair supposed that the gentleman from Nebraska had asked his question, and that it had been answered. If he has not, then the Chair thinks the gentleman is entitled to put the question.

Mr. HOWARD of Nebraska. I yield to the gentleman from Mississippi.

Mr. RANKIN. Mr. Speaker, reserving the right to object, I wish to ask the gentleman from Ohio [Mr. LONGWORTH] if Members will have any opportunity to speak on this proposition in the House? I will give my reason for that question: In the first place the bill was brought in here under a suspension of the rules, shutting off all amendments and practically all debate. Then the President comes out here to-day with a great long document which, to be perfectly frank, goes out of its way to offer a gratuitous insult to the ex-service men who have been demanding this adjusted compensation. [Applause.] He virtually denounces them as unpartiotic.

Unless we have an opportunity to speak for the ex-soldiers while the press carries the President's message representing the views of the predatory interests who continue to fight this measure in an insidious and unfair manner I shall object. [Cries of "Regular order!"] Then, Mr. Speaker, I object.

The SPEAKER. The gentleman from Mississippi objects.

Mr. LONGWORTH. Then, Mr. Speaker, I ask unanimous consent that on Monday next, immediately after the reading of the Journal, the matter be disposed of.

Mr. RANKIN. Mr. Speaker, I object. [Cries of "Vote!"]

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent that on Monday next, immediately after the reading of the Journal, this matter be taken up and disposed of.

The SPEAKER. The Chair understands the gentleman from Mississippi to object to that request also?

Mr. RANKIN. Mr. Speaker, if we object to any extension of time, when will this proposition come to a vote?

The SPEAKER. The Chair thinks a motion would be in order to fix a date.

Mr. WATKINS. Would a motion be in order to consider the matter now?

The SPEAKER. The Chair thinks so.

Mr. WATKINS. Then I move to consider it at the present time.

The SPEAKER. The Chair has not recognized the gentleman for that purpose.

Mr. RANKIN. Mr. Speaker, I object to the request of the gentleman from Ohio.

Mr. LONGWORTH. Then, Mr. Speaker, I move that on Monday next, immediately after the reading of the Journal, this matter shall be disposed of. On that motion I move the previous question.

Mr. BLANTON. Mr. Speaker, I make the point of order against that, that the motion of the gentleman from Ohio is not in order. The only motion that would be in order would be a motion to refer it to a committee, and that has not been made.

Mr. WATKINS. Mr. Speaker, I want to offer a preferential motion.

The SPEAKER. The Chair will hear the gentleman from Texas. Has the gentleman any authority?

Mr. BLANTON. Yes; there was such a motion made to refer it in the last Congress.

The SPEAKER. But what authority?

Mr. BLANTON. To postpone it to a day certain can be done only by unanimous consent, and I cite the Chair to the precedents for the last 10 years.

The SPEAKER. Has the gentleman the authority there?

Mr. BLANTON. I have not got it in my hip pocket.

Mr. WATKINS. Mr. Speaker, I desire to offer a preferential motion.

The SPEAKER. The gentleman can not do that while a point of order is pending.

Mr. RANKIN. I want to offer an amendment to the motion.

Mr. BLANTON. You can not do that.

Mr. LONGWORTH. Before the Chair rules, I desire to modify my motion by substituting Saturday for Monday.

Mr. BLANTON. I renew my point of order.

Mr. LONGWORTH. Next Saturday, day after to-morrow——

Mr. BLANTON. I make the point of order it is not in order.

Mr. LONGWORTH. And upon that I move the previous question.

The SPEAKER. The Chair understands the gentleman from Missouri [Mr. CANNON] desires to be heard.

Mr. CANNON. Mr. Speaker, the admissibility of the motion to postpone consideration of a veto message received from the President is well established. The motion to postpone indefinitely is not admitted, but the motion to postpone to a day certain is in order and has been offered under similar circumstances at least once in every recent Congress.

If the Speaker desires citations to that effect they may be found in Volume IV of Hinds' Precedents, sections 3542 to 3547. In fact, this question was decided by the present occupant of the chair on August 18, 1919, when the gentleman from Texas, who raises the point of order, made the same point of order against this same motion under identical circumstances.

The SPEAKER. Yes; and also in September, 1919.

Mr. CANNON. That is true; and again in the Sixty-sixth Congress, when the veto of the Volstead bill was received.

The House has just listened to a presentation of one side of this question and is entitled to hear the other side. The advocates of this bill are entitled to their day in court.

The SPEAKER. There is a precedent of September 19, 1922, when Mr. Mondell moved the further consideration of the President's message be had to-morrow immediately after the reading of the Journal.

Mr. RANKIN. But there there was no point of order against that——

The SPEAKER. No.

Mr. RANKIN. As I understand it.

The SPEAKER. The Chair will hear the gentleman from Mississippi.

Mr. RANKIN. Now, Mr. Speaker, I think the Chair will find that in the case referred to, the Mondell case, there was no point of order made. This proposition is not governed altogether by the rules of the House, but it is governed largely by the Constitution, and my understanding—I have not the Constitution at my hand here and unfortunately the copy has been removed from the desk——

The SPEAKER. The Chair will read.

If he approve he shall sign it, but if not he shall return it, with his objections, to that House in which it shall have originated, who shall enter the objections at large on their Journal and proceed to reconsider it.

Mr. RANKIN. Now, if the Chair pleases, that means to proceed immediately to its consideration, as I understand it.

Mr. LONGWORTH. Oh, Mr. Speaker, if the gentleman had been here long enough he would not make that statement.

Mr. RANKIN. Mr. Speaker, I realize I am on the opposite side of this controversy from the gentleman from Ohio [Mr. LONGWORTH], but I insist that the gentleman from Ohio has no right to interrupt me without my permission.

The SPEAKER. The gentleman from Mississippi is correct.

Mr. RANKIN. Now, suppose the Chair should hold that the gentleman from Ohio, or anyone else, should have the right to postpone this matter from day to day or from week to week and could carry it over 30 days or six months or beyond the adjournment of this Congress, because all we need to adjourn the Congress to-morrow is a concurrent resolution of both Houses. I submit, Mr. Speaker, the very letter and spirit of the Constitution provides that when a bill having the President's veto is returned to the House we should proceed immediately to its consideration, and that the gentleman's motion is entirely out of order.

Mr. BEGG. Will the gentleman yield? Does the gentleman——

Mr. RANKIN. Further, Mr. Speaker, it has been the practice ever since the beginning of the Government when veto messages were brought to the House to proceed immediately to their consideration, unless unanimous consent was given to carry them over until a day certain.

Mr. FITZGERALD. Mr. Speaker, I want to ask the gentleman from Mississippi if there is any better speech to be made or an argument on this bill than instant action by this House?

The SPEAKER. The gentleman must confine himself to the point of order.

Mr. BEGG. I desire to ask the gentleman from Mississippi in reference to his parliamentary argument, and the question I want to ask the gentleman is, Does the gentleman contend in his argument that if we had a concurrent resolution adjourning this House at 3.30, we could not act upon it, even though there was a veto message pending?

Mr. RANKIN. Oh, that question is all out of order——

Mr. BEGG. That is all the gentleman's argument.

Mr. RANKIN. The gentleman evidently did not hear what I said.

Mr. FISH. Mr. Speaker, a parliamentary inquiry. [Cries of "Vote!"]

The SPEAKER. The gentleman from Mississippi is propounding a question as to procedure which ought to be settled.

Mr. FISH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman from New York wishes to make a parliamentary inquiry?

Mr. LAGUARDIA. I do, too.

Mr. CLEARY. I do, too.

Mr. FISH. Will it be in order to move to amend the motion of the gentleman from Ohio to bring this matter to a vote immediately?

The SPEAKER. Why, certainly——

Mr. FISH. I wish to make that motion.

The SPEAKER. If the previous question is not ordered. Is any further debate desired?

Mr. LAGUARDIA. I desire to be heard on the point of order.

The SPEAKER. The Chair will hear the gentleman from Iowa [Mr. GREEN].

Mr. GREEN of Iowa. I call the attention of the gentleman from Mississippi [Mr. RANKIN] to the fact that what he asks for is often impossible. The Senate in such a case as this has to act first, so that in a great many cases it has been absolutely impossible for the House to act immediately after the receipt of a veto message, so that that can not be the meaning of the Constitution.

The SPEAKER. The Chair will hear the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Speaker, the gentleman from Ohio [Mr. LONGWORTH] moved to consider the President's veto on a day certain, whereupon the point of order was made that such a motion was not in order.

Now, then, I respectfully submit to the Speaker that the same situation arose at the time that the presidential veto was delivered to this House on the so-called Volstead Act, and the House was in a similar tangle as to the parliamentary situation and as to the propriety of the motion to fix a day certain. Whereupon the gentleman from Minnesota, Mr. Volstead, or the gentleman from Massachusetts, Mr. Walsh, withdrew his motion, and the House proceeded to vote on the question then and there. [Applause.]

Now, as was pointed out by the gentleman from Mississippi [Mr. RANKIN], it is first in order to consider a vote on the message at this time, but as I understand the situation the gentleman from Ohio [Mr. LONGWORTH] wants time to get his breath after listening to such a message.

But to get back to the point of order. If the motion now pending is in order, then it is possible for a majority to keep the House from considering a veto at any time. I submit that we should follow the precedent established at the time the Volstead Act was sent back to the House and we should proceed to a vote immediately.

The SPEAKER: The Chair will hear the gentleman from New York [Mr. CLEARY].

Mr. CLEARY. Mr. Speaker, I was going to tell the story that the gentleman from New York [Mr. LAGUARDIA] related. But it was this way: Mr. Volstead got up and asked permission to put this off to Wednesday, and it was granted by Speaker Clark. Two hours after that the prohibition men got around Volstead and said "Vote now," and then Volstead got up and asked permission of the Speaker to get up the question now. That was two hours after it was put on. That is what happened then.

Mr. CONNALLY of Texas. Mr. Speaker, I want to propound an interrogatory to the Speaker: If it is in order to postpone to a day certain, and that motion is voted down, would not, under the Constitution, the vote then revert to an immediate consideration?

The SPEAKER. The Chair thinks so if there is no other privileged motion.

Mr. CONNALLY of Texas. So that if those who want consideration voted down the motion to postpone, it would result in immediate consideration automatically?

The SPEAKER. Yes.

Mr. GARRETT of Tennessee rose.

The SPEAKER. The Chair will hear the gentleman from Tennessee.

Mr. GARRETT of Tennessee. Mr. Speaker, it is entirely immaterial to me, of course, whether the vote is taken immediately or later, and it is for the House to determine. But in good faith to colleagues on this side of the Chamber, some of whom are absent, I think this statement should be made.

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield there?

Mr. GARRETT of Tennessee. Yes.

Mr. LONGWORTH. I will say to the gentleman that I made the request largely influenced by the request made to me by the gentleman from Arkansas [Mr. OLDFIELD], the whip on that side of the House, that opportunity be given to gentlemen to be present and he suggested three days' notice. That is one of the reasons why I asked postponement.

Mr. GARRETT of Tennessee. I was about to state that the gentleman from Ohio advised me several days ago—I do not recall that I made any request concerning it—but I asked him as to the procedure.

Mr. LONGWORTH. The gentleman from Arkansas [Mr. OLDFIELD] made the request.

Mr. GARRETT of Tennessee. And the gentleman advised me that there would be three days' notice, and I so advised gentlemen on this side; I advised them to that effect.

Mr. GREEN of Iowa. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. GREEN of Iowa. I will also say that a number of gentlemen on that side spoke to me about postponing action, so that their colleagues could be advised.

Mr. FISH rose.

The SPEAKER. For what purpose does the gentleman from New York rise?

Mr. FISH. I desire to make a motion.

The SPEAKER. No motion would now be in order. The Chair thinks that the question of order is very clear.

Mr. BLANTON. Mr. Speaker, may I be heard on the point of order?

The SPEAKER. Yes; the Chair will hear the gentleman.

Mr. BLANTON. I want to call the Speaker's attention to what happened in the Sixty-sixth Congress when the Volstead Act was passed.

The SPEAKER. That has been cited twice.

Mr. BLANTON. I know; but the Speaker will not find a single instance where a point of order has been made to a motion to postpone to a day certain and it has been overruled.

The SPEAKER. Can the gentleman cite a case?

Mr. BLANTON. There was a similar request made to postpone to a day certain on the Volstead Act.

The SPEAKER. That was not a unanimous-consent request.

Mr. BLANTON. I know. But it was stated then that an agreement had been made with New York Members to the effect that the vote would not be taken at that time.

The SPEAKER. The Chair is ready to rule.

Mr. LONGWORTH. Mr. Speaker, would any further argument be in order?

Mr. FISH. Mr. Speaker, I desire to offer an amendment.

The SPEAKER. That would not be in order.

Mr. LONGWORTH. Does the Chair desire any further argument as to the legitimacy of this motion?.

The SPEAKER. The situation seems clear to the Chair. The gentleman from Ohio [Mr. LONGWORTH] has made a motion to postpone to a day certain action on the President's veto. Now, the Constitution, as the Chair has already read, provides that "the House shall proceed to consider it." If that meant that the House should proceed immediately to vote upon it, then the action of the House for a great many years has been entirely wrong, because the House has repeatedly entertained and voted on motions to refer it to a committee and to postpone. It seems to the Chair that the language "the House shall proceed to consider it" means that the House shall immediately proceed to consider it under the rules of the House, and that the ordinary motions under the rules of the House—to refer, to commit, or to postpone to a day certain—are in order. One gentleman suggested that such a construction put it in the hands of one gentleman to determine what the House shall do; but, on the contrary, it leaves it entirely in the hands of the House. If the House does not like the motion that is made, it can vote it down and the House can have its will. It seems to the Chair that is an exact compliance with the Constitution and is also the action which allows the House entire freedom of action. So the Chair overrules the point of order.

Mr. LAGUARDIA. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LAGUARDIA. If the gentleman's motion is voted down, does that bring up the matter automatically?

The SPEAKER. If no other motion which is in order is made, then it would come immediately to a vote.

Mr. FISH. Mr. Speaker, I want to offer an amendment——

The SPEAKER. The gentleman can not do that at present. The gentleman from Ohio [Mr. LONGWORTH] has made a motion that it be postponed until Saturday, and on that he moved the previous question. Of course, the House has to act first upon that. The question is on the motion of the gentleman from Ohio for the previous question.

The question was taken; and on a division (demanded by Mr. LONGWORTH) there were—yeas 128, noes 54.

So the previous question was ordered.

The SPEAKER. The question is now on the motion of the gentleman from Ohio that action on the veto be postponed until immediately after the reading of the Journal on Saturday next.

Mr. RANKIN. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. The gentleman from Mississippi demands the yeas and nays.

Mr. RANKIN. Mr. Speaker, I withdraw that request.

The question was taken; and on a division (demanded by Mr. LONGWORTH) there were—ayes 109, noes 112.

Mr. LONGWORTH. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 179, nays 171, not voting 83, as follows:

YEAS—179

Ackerman	Dickstein	Kopp	Reed, N. Y.
Andrew	Dominick	Kurtz	Robinson, Iowa
Bacon	Doughton	Larsen, Ga.	Sanders, Ind.
Beers	Eagan	Leatherwood	Sanders, N. Y.
Begg	Elliott	Lindsay	Scott
Bixler	Evans, Iowa	Longworth	Seger
Black, N. Y.	Fairfield	Lowrey	Sinnott
Bland	Faust	Luce	Smith
Bloom	Fleetwood	McDuffie	Snell
Boyce	Foster	McFadden	Speaks
Boylan	Fredericks	McKenzie	Sproul, Ill.
Brand, Ohio	Freeman	McLaughlin, Mich.	Sproul, Kans.
Britten	French	McLeod	Stephens
Browne, N. J.	Garner, Tex.	McReynolds	Strong, Kans.
Brumm	Garrett, Tenn.	Madden	Summers, Wash.
Bulwinkle	Geran	Magee, N. Y.	Swoope
Burtness	Gibson	Magee, Pa.	Taber
Burton	Gifford	Manlove	Tague
Butler	Graham, Ill.	Mapes	Temple
Byrns, Tenn.	Green, Iowa	Mead	Thatcher
Cable	Greene, Mass.	Michener	Tilson
Cannon	Griest	Miller, Wash.	Timberlake
Carew	Griffin	Mills	Tincher
Celler	Hadley	Minahan	Tinkham
Chindblom	Hardy	Montague	Treadway
Christopherson	Haugen	Mooney	Underhill
Clancy	Hawes	Moore, Ill.	Valle
Clarke, N. Y.	Hawley	Moore, Ohio	Vare
Cleary	Hickey	Nelson, Me.	Vestal
Cole, Iowa	Hill, Md.	Newton, Minn.	Vincent, Mich.
Cole, Ohio	Hoch	Newton, Mo.	Wainwright
Collier	Holaday	O'Connor, N. Y.	Watres
Colton	Hudson	Oldfield	Watson
Connery	Hull, Iowa	Oliver, Ala.	Weller
Cooper, Ohio	Hull, Morton D.	Oliver, N. Y.	Wertz
Crisp	Hull, William E.	Paige	White, Kans.
Crowther	Humphreys	Peery	Williams, Ill
Cullen	James	Perkins	Williams, Mich.
Dallinger	Johnson, Ky.	Porter	Williamson
Darrow	Johnson, S. Dak.	Prall	Winslow
Davey	Johnson, Wash.	Purnell	Wood
Davis, Tenn.	Jost	Quayle	Woodruff
Denison	Kearns	Ramseyer	Wyant
Dickinson, Iowa	Kendall	Ransley	Young
Dickinson, Mo.	Kindred	Reece	

NAYS—171

Abernethy	Canfield	Frear	Johnson, Tex.
Allen	Carter	Frothingham	Johnson, W. Va.
Allgood	Casey	Fulbright	Jones
Almon	Clague	Fuller	Keller
Arnold	Connally, Tex.	Fulmer	Kelly
Aswell	Cook	Gardner, Ind.	Kent
Ayres	Cooper, Wis.	Garrett, Tex.	Ketcham
Barbour	Croll	Gasque	King
Beck	Crosser	Goldsborough	Knutson
Bell	Cummings	Greenwood	Kunz
Berger	Davis, Minn.	Hammer	LaGuardia
Black, Tex.	Dempsey	Harrison	Lampert
Blanton	Dowell	Hastings	Lanham
Bowling	Drewry	Hayden	Lankford
Box	Driver	Hill, Ala.	Lazaro
Brand, Ga.	Dyer	Hill, Wash.	Lea, Calif.
Briggs	Evans, Mont.	Hooker	Leavitt
Browne, Wis.	Fairchild	Howard, Nebr.	Lee, Ga.
Browning	Favrot	Hudspeth	Lilly
Buchanan	Fish	Hull, Tenn.	Lineberger
Buckley	Fisher	Jacobstein	Logan
Busby	Fitzgerald	Jeffers	Lozier

McClintic	Patterson	Schafer	Taylor, Tenn.
McKeown	Perlman	Schall	Taylor, W. Va.
McLaughlin, Nebr.	Pou	Schneider	Thomas, Ky.
McSwain	Quin	Sears, Fla.	Thomas, Okla.
McSweeney	Ragon	Sears, Nebr.	Thompson
Major, Ill.	Rainey	Shallenberger	Tilman
Mansfield	Raker	Sherwood	Tydings
Martin	Rankin	Shreve	Underwood
Michaelson	Rathbone	Simmons	Vinson, Ga.
Milligan	Rayburn	Sinclair	Voigt
Moore, Ga.	Reed, Ark.	Sites	Watkins
Moore, Va.	Reid, Ill.	Smithwick	Weaver
Morehead	Richards	Spearing	Wefald
Morgan	Roach	Steagall	Wilson, Ind.
Morrow	Robsion, Ky.	Stedman	Wilson, La.
Murphy	Romjue	Stevenson	Wingo
Nelson, Wis.	Rubey	Strong, Pa.	Wolff
Nolan	Sabath	Sumners, Tex.	Woodrum
O'Connell, R. I.	Salmon	Swank	Wright
O'Connor, La.	Sanders, Tex.	Sweet	Zihlman
Parks, Ark.	Sandlin	Swing	

NOT VOTING—83

Aldrich	Fenn	Lyon	Rosenbloom
Anderson	Free	McNulty	Rouse
Anthony	Funk	MacGregor	Snyder
Bacharach	Gallivan	MacLafferty	Stalker
Bankhead	Garber	Major, Mo.	Stengle
Barkley	Gilbert	Merritt	Sullivan
Beedy	Glatfelter	Miller, Ill.	Taylor, Colo.
Boies	Graham, Pa.	Moores, Ind.	Tucker
Burdick	Hersey	Morin	Upshaw
Byrnes, S. C.	Howard, Okla.	Morris	Vinson, Ky.
Campbell	Huddleston	Mudd	Ward, N. Y.
Clark, Fla.	Kahn	O'Brien	Ward, N. C.
Collins	Kerr	O'Connell, N. Y.	Wason
Connolly, Pa.	Kiess	O'Sullivan	Welsh
Corning	Kincheloe	Park, Ga.	White, Me.
Cramton	Kvale	Parker	Williams, Tex.
Curry	Langley	Peavey	Wilson, Miss.
Deal	Larson, Minn.	Phillips	Winter
Doyle	Lehlbach	Reed, W. Va.	Wurzbach
Drane	Linthicum	Rogers, Mass.	Yates
Edmonds	Little	Rogers, N. H.	

So the motion was agreed to.

The Clerk announced the following additional pairs:

Until further notice:

Mr. Curry with Mr. McNulty.
Mr. MacLafferty with Mr. Sullivan.
Mr. Bacharach with Mr. Rouse.
Mr. Miller of Illinois with Mr. Corning.
Mr. Phillips with Mr. Bankhead.
Mr. Graham of Pennsylvania with Mr. Doyle.
Mr. Stalker with Mr. Gilbert.
Mr. Campbell with Mr. Huddleston.
Mr. Beedy with Mr. Kerr.
Mr. Morin with Mr. Kvale.
Mr. Garber with Mr. Major of Missouri.
Mr. Parker with Mr. Lyon.
Mr. Moores of Indiana with Mr. Stengle.
Mr. Larson of Minnesota with Mr. Taylor of Colorado.
Mr. Winter with Mr. Upshaw.
Mr. Mudd with Mr. Morris.
Mr. Welsh with Mr. Wilson of Mississippi.
Mr. Aldrich with Mr. Deal.
Mr. Burdick with Mr. Barkley.
Mr. Peavey with Mr. Park of Georgia.
Mr. Funk with Mr. O'Connell of New York.
Mr. Wason with Mr. Rogers of New Hampshire.
Mr. Boies with Mr. Collins.
Mr. Kiess with Mr. O'Sullivan.
Mr. Fenn with Mr. Glatfelter.
Mr. Wurzbach with Mr. Vinson of Kentucky.
Mr. Anthony with Mr. Gallivan.
Mr. White of Maine with Mr. O'Brien.
Mr. MacGregor with Mr. Byrnes of South Carolina.
Mr. Rogers of Massachusetts with Mr. Kincheloe.
Mr. Free with Mr. Linthicum.
Mr. Lehlbach with Mr. Tucker.
Mr. Cramton with Mr. Williams of Texas.
Mr. Merritt with Mr. Ward of North Carolina.
Mr. Kahn with Mr. Clark of Florida.
Mr. Connolly of Pennsylvania with Mr. Drane.
Mr. Ward of New York with Mr. Howard of Oklahoma.

Mr. BACHARACH. Mr. Speaker, I am not sure whether I can qualify or not. I came in the door here, but I could not hear whether my name was called or not.

The SPEAKER. The gentleman must take upon himself the responsibility of saying whether or not he was present when his name was called.

Mr. BACHARACH. I would not want to say because there was so much confusion.

Mr. ANTHONY. Mr. Speaker, I would like to be recorded as present. I was not here when my name was called but would have voted "aye" if I had been present.

The SPEAKER. The gentleman could not do that.

The result of the vote was announced as above recorded.

Mr. RANKIN. Mr. Speaker, I ask for a recapitulation.

The SPEAKER. The Chair does not think the vote is close enough for that—8 votes.

URGENT DEFICIENCY BILL

Mr. MADDEN. Mr. Speaker, I renew my motion to go into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 9192, with Mr. TILSON in the chair.

The Clerk read the title of the bill.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

Mr. HOWARD of Nebraska. I object.

The CHAIRMAN. The gentleman from Nebraska objects. The Clerk will report the bill.

The Clerk read the bill as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes, namely:

SENATE

CONTINGENT EXPENSES

For expenses of inquiries and investigations ordered by the Senate, including compensation of stenographers to committees at such rate as may be fixed by the Committee to Audit and Control the Contingent Expenses of the Senate but not exceeding 25 cents per hundred words, $100,000.

DEPARTMENT OF STATE

INTER-AMERICAN COMMITTEE ON ELECTRICAL COMMUNICATIONS

To defray the cost of representation of the United States at the meeting of the Inter-American Committee on Electrical Communications to be held in Mexico City, Mexico, in 1924, as authorized by the joint resolution approved April 28, 1924, including payment of salaries of a secretary and other employees, travel and subsistence expenses (notwithstanding the provisions of any other act), and such other expenses as the President may deem necessary to the accomplishment of the purposes expressed in the aforesaid resolution, to be disbursed under the direction and subject to the approval of the Secretary of State, $30,000, to remain available during the fiscal year 1925.

DEPARTMENT OF JUSTICE

MISCELLANEOUS OBJECTS

Investigation and prosecution of war frauds: For the investigation and prosecution of alleged frauds, either civil or criminal, or other crimes or offenses against the United States, growing out of or arising in connection with the preparation for or prosecution of the late war, including the institution and prosecution of suits for the recovery of moneys which contain no element of fraud but arose incident to the investigation of alleged frauds, including the same objects specified under this head in the act making appropriations for the Departments of State and Justice and the judiciary for the fiscal year 1924, $200,000, to remain available until June 30, 1925.

UNITED STATES COURTS

Salaries, fees, and expenses, United States marshals: For salaries, fees, and expenses of United States marshals and their deputies, including the same objects specified under this head in the act making appropriations for the Departments of State and Justice and the judiciary for the fiscal year 1924, $530,000.

Salaries and expenses of United States district attorneys: For salaries and expenses of United States district attorneys, including the same objects specified under this head in the act making appropriations for the Departments of State and Justice and the judiciary for the fiscal year 1924, $210,000.

Salaries and expenses of clerks, United States courts: For salaries of clerks of United States circuit courts of appeals and of United States district courts, including the same objects specified under this head in the act making appropriations for the Departments of State and justice and for the judiciary for the fiscal year 1924, $35,000.

Fees of United States commissioners: For fees of United States commissioners and justices of the peace acting under section 1014, Revised Statutes of the United States, $125,000.

Fees of jurors: For fees of jurors, $250,000.

Fees of witnesses: For fees of witnesses and for payment of the actual expenses of witnesses, as provided by section 850, Revised Statutes of the United States, $200,000.

Miscellaneous expenses, United States courts: For such miscellaneous expenses as may be authorized or approved by the Attorney General, for the United States courts and their officers, including so much as may be necessary in the discretion of the Attorney General for such expenses in the District of Alaska and in courts other than Federal courts, $35,000.

PENAL INSTITUTIONS

Support of United States prisoners: For support of United States prisoners, including the same objects specified under this head in the act making appropriations for the Departments of State and Justice and the judiciary for the fiscal year 1924, $602,000.

Mr. MADDEN. Mr. Chairman and gentlemen, this bill is to provide urgently needed funds for the immediate needs mainly of the courts of the country. The total amount carried in the bill is $2,317,000.

One hundred thousand dollars of the total is requested by the Senate to pay the expenses of the committees which it has appointed and which have been at work investigating. The Senate has had during this session $225,000 so far for the purpose indicated. It has already spent $214,000 of the $225,000. This left $11,000 on hand unexpended at the time the testimony was taken in connection with this bill. It is, of course, impossible for the House to tell just why all the money is required by the Senate for the purpose indicated, but I assume the Senate itself should be given a rather free hand to decide questions in which it alone is involved. It may be that we do not approve of all the expenditures made by the Senate or the purposes for which they are made, but nevertheless the Senate is a responsible part of Congress. It has independent functions to perform, and it has a right, I think, beyond any question to say whether or not it shall perform them and how much it shall cost. It is true that the money can not be expended by the Senate without confirmation of the House, but there ought to be a spirit of comity between the House and the Senate which will enable the membership of each House on matters pertaining to that House to decide in a large degree what activities it shall engage in and how the money may be expended that is placed within its jurisdiction.

The next item in this bill is for $30,000 and is provided for the purpose of paying the expenses of three delegates, some interpreters, some stenographers, and some expert electrical men to the City of Mexico, where there is to be held on the 27th of May, and continuing from that date for three months, a convention in connection with the development of electrical communication—wireless, telegraphy, and cable.

When the Versailles treaty was under consideration it was agreed by all the parties to the treaty that sometime in the future there would be held an international—I may say a world—convention in respect of what should be done to regulate electrical communication between the nations of the world. Later on a conference was held by the European nations and the United States here in Washington relative to the subject in connection with which this world convention was to be held later. No agreement was reached as to policy; but it is of the most—I was going to say vital, but I will not—it is of the utmost importance that some world agreement shall be had in connection with the use of wave lengths in radio, in wireless telegraphy, in cable matters, in telegraphy matters, and about a year ago there was a convention held in Santiago, Chile, at which several delegates from the United States were present. This convention agreed that there should be a convention held in the City of Mexico, beginning on the 27th of next May, and in conformity with the agreement entered into there Congress passed a resolution authorizing the appointment of delegates to the convention for which the appropriation in this bill is proposed.

There is very valuable, confidential information in the possession of the Committee on Appropriations in connection with this proposed appropriation, and I should be very happy to give that information to the membership of the House if they were the only ones to whom it would be given while it was being communicated by me to them; but the press is here, and there are international reasons why we should not disclose America's interest, and there are good reasons why they should not be disclosed, and we ask you to take us on faith that the appropriation of this $30,000 is of more than great importance.

Mr. MOORE of Virginia. If the gentleman will yield, I wish to say to the gentleman that the investigation made by the Committee on Foreign Affairs is exactly in line with what the gentleman has been saying, and that committee was convinced that the United States can not properly forego participation in this conference.

Mr. MADDEN. No; we can not, if we want to protect our own interests.

Mr. KING. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. KING. Will there be any effort made in this convention to so organize and make arrangements that eventually control of world intercommunication may be secured by certain classes of people?

Mr. MADDEN. The law under which this appropriation was made distinctly provides that no one interested finanically in electrical communications shall represent the United States on the delegation. All of our experts are to be taken from the departments. No one will be under pay except the clerks, stenographers, and interpreters. The delegates will be men of knowledge, without financial interest in the outcome.

Mr. KING. Will there be any politics in it, any league of nations?

Mr. MADDEN. None. Further, we provide for $2,187,000 for the Department of Justice, $200,000 of which is to supplement an appropriation of $500,000 for the prosecution of the so-called war-fraud cases. Four hundred and twenty thousand dollars of the $500,000 was expended at the date of the hearings on this bill. The department had so many cases so well in hand, so far advanced, that if we failed to give them this additional sum of money we would retard the work. There has been expended by the Department of Justice for this purpose since the work began about two years ago a little over $900,000. There has been collected by the department as the result of their work $6,000,000 and over in cash. There has been supplemental work which will result in the payment of enough money right off to make the collection $8,900,000.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. MADDEN. Certainly.

Mr. MOORE of Virginia. Has the War Department been doing similar work?

Mr. MADDEN. About as much as the Department of Justice, but not similar work. The War Department audits the claims; they do the accounting, it is purely a matter of accounting.

Mr. MOORE of Virginia. It is the same claims.

Mr. MADDEN. The same claims; they are certified by the War Department to the Department of Justice and the work of the War Department is all accounting.

Mr. MOORE of Virginia. Is the gentleman able to make any forecast as to how much in addition to the $200,000 will be required to complete the work?

Mr. MADDEN. I can not; because there are $69,000,000 of claims involved in the work already under way. Nobody knows what the outcome will be, but they are making good progress.

Mr. WOODRUFF. Will the gentleman yield?

Mr. MADDEN. Certainly.

Mr. WOODRUFF. In addition to the $69,000,000 of claims now before the department there will be many millions more.

Mr. MADDEN. Yes; they are coming every day. It has been said that the work done by the War Department and the Department of Justice is duplication. Well, to some extent that is true, but only to this extent. In the first place the War Department takes the claims and accounts, enters upon a mathematical calculation of what the situation is and what claims the Government has against any person that can be submitted for trial or prosecution to the Department of Justice, and the Department of Justice handles the claims; it has perhaps some accounting work to do on the cases but only such accounting work as is necessary in the preparation of the case for the trial in court.

Mr. GARNER of Texas. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. GARNER of Texas. It looks like this: The Appropriation Committee gave them $500,000. The Department of Justice said that is not all we need, we are going to need more. We will use the $500,000 and then go to the Appropriation Committee and say the work has progressed to such a point that it will break down if you do not give us more. So they force the House to give them the additional sum. Congress has no control over the amount of money that we pay the attorneys——

Mr. MADDEN. Yes; we have. We provide that they shall not exceed $10,000, and they go from that down.

Mr. GARNER of Texas. Ten thousand dollars a year?

Mr. MADDEN. Yes.

Mr. GARNER of Texas. No man can draw more than $10,000 if he does not work but three months?

Mr. MADDEN. If he only works three months he only gets his proportion of that.

Mr. GARNER of Texas. And he can hire 50 or 100 as the case may be?

Mr. MADDEN. Yes.

Mr. HARRISON. The gentleman says that $6,000,000 has been collected.

Mr. MADDEN. Six million one hundred and twenty-eight thousand dollars.

Mr. HARRISON. Of that $6,000,000 over $2,000,000 were collected through the War Department, through the auditors, and in no wise ought to be credited to this appropriation.

Mr. MADDEN. That was in the Lincoln Motor case?

Mr. HARRISON. No; I refer to the audit and accounting office, before it got to the Department of Justice.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MADDEN. Will the gentleman yield me two or three minutes.

Mr. BYRNS of Tennessee. I yield three minutes to the gentleman.

Mr. MADDEN. Mr. Chairman, the remaining items in the bill consist of salaries and expenses of the United States marshals and their deputies, salaries and expenses of district attorneys and their officers, salaries and expenses of the clerks of courts, fees of United States commissioners, fees of jurors, fees of witnesses, miscellaneous expenses, United States courts, and support of United States prisoners in jails and penitentiaries throughout the United States. I wish to say that the investigation by the committee discloses the fact that unless this money is appropriated at once many of the courts will have to close, and this committee did not want to assume the responsibility of refusing to report a bill of this sort if by doing so there was any chance of closing the courts.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield half a minute to the gentleman from Tennessee [Mr. GARRETT].

Mr. GARRETT of Tennessee. Mr. Chairman, I ask the attention of the gentleman from Illinois [Mr. MADDEN]. I ask unanimous consent to insert in the RECORD a statement by Miss Ina C. Emery, who is the author of a Monument guide book which has been on sale at the Monument for many years, made before the Subcommittee on Appropriations. It was not printed in the hearings, and it presents her side of a controversy which I think ought to be presented to the public.

Mr. MADDEN. I supplied her with that copy.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. GARRETT of Tennessee. Mr. Speaker, on March 28 last I called the attention of the House to the fact that a statement made by Miss Ina C. Emery before the House appropriations subcommittee on the War Department bill on February 14, preceding, relating to the sale of the Washington Monument Guide Book, had not been printed in the hearings, though a statement on the same subject by Lieut. Col. C. O. Sherrill was printed in those hearings. Remarks on the subject appeared in the CONGRESSIONAL RECORD of March 28, pages 5184 to 5185. The only reference to Miss Emery in the printed record of the hearings was on pages 1252 and 1253, wherein Colonel Sherrill made certain references to Miss Emery and her guidebook and what she had to say was dismissed with this parenthetical statement:

> Miss Emery appeared before the committee. Her statement was transcribed and left in possession of the clerk, but is not printed, as the matter to which it relates is one beyond the jurisdiction of the committee.

With the permission of the gentleman from Illinois, Mr. MADDEN, as chairman of the Committee on Appropriations, who sees no reason why the statement should not be printed, I ask the consent of the House to have printed in the RECORD the statement as made before that subcommittee by Miss Emery as furnished to her by the committee by Mr. MADDEN'S direction.

The statement follows:

Mr. ANTHONY. Miss Emery, the committee would be glad to have a short statement from you with regard to the sale of the guidebook at the Washington Monument. It is understood that you formerly had the concession for the sale of your guidebook at that place and that that concession was taken away from you. The guidebook now being sold there is one sold by the welfare association.

STATEMENT OF MISS INA CAPITOLA EMERY, OF WASHINGTON, D. C.

Miss EMERY. In 1909, after my book had been sold at the Monument for a number of years, a clause was put in the bill forbidding anything to be sold at the Washington Monument.

I went to the Secretary of War at that time—I have forgotten which one it was—and he said there was not any intention whatever to displace my book, that it was an oversight in not mentioning that, and he advised me to go to Congress.

I went before the Appropriations Committee, and the sale of my book has been continued there without interruption and with the commendation of every Secretary of War since 1901—including Senator Redfield Proctor, who became Secretary of War—and including the present one. It has had the personal indorsements of President McKinley, President Roosevelt, President Taft, Vice President Sherman; and Vice President Sherman went among the Senators and interested himself in my behalf in connection with my book.

Then, in addition to the various Secretaries of War, I have had the support of Senators CURTIS, Dillingham, HARRISON, MCKELLAR, and John Sharp Williams, and of Representatives KAHN, MADDEN, RAINEY, TAYLOR, Champ Clark, GARRETT of Tennessee, BYRNS of Tennessee, Rodenberg, of Illinois, Nolan, of California, ASWELL, of Louisiana, and a host of other Members of Congress, past and present, all of whom have indorsed my book.

I want to say as to Colonel Sherrill, that the first time I ever met him was with Senator HARRISON. He met me very pleasantly then. Later, I went to see him and asked him if I might pay in advance the $75 which I pay the Government. My book costs the Government nothing, and I pay the Government $75 a year. I supervise my book and prepare it and it is no cost or trouble to the Government. In that respect it is different from the book of Colonel Sherrill. As to his book, I have absolute proof by whom it is copyrighted and by whom it is sold.

I had learned that Fred Harvey, who was living at that time, but who has since died, had tried year after year to get the influence of the Superintendent of Public Buildings and Grounds to put his manuscript in place of my book, and that year after year he had been stopped; that they could see no reason for it. I understood that he induced Colonel Sherrill to be interested in the matter, and I heard it from Mr. C. C. Glover, who is responsible for Colonel Sherrill's being a member of the Monument Association.

I then went and asked Mr. Sherrill, as I said, the second time I had ever seen him, if I might pay the $75 in advance, as I was going away for the summer. This was in May, I believe. He did not even ask me to be seated, but he met me in an entirely different way from the way in which he met me when I went with Senator HARRISON. This was his comment: "Miss Emery, I think you have had that book too long. I think I will take it away from you." I said, "Oh, no, Colonel Sherrill."

And may I read what happened?

In May, 1922, I heard of rumors at the Monument. They were saying that my book was to be displaced. I wondered how it was that the watchmen at the Monument knew so much more about it than I did.

Finally, on repeated hearing of this matter, I went to Colonel Sherrill's office, accompanied by Senator HARRISON. As a result of that interview the Senator and I both gathered that there would be no trouble. I went to Colonel Sherrill's office the second time to ask if I might pay the license fee of $75 a year in advance at that time. Colonel Sherrill was hardly courteous——

Mr. DICKINSON. Mr. Chairman, I do not think we should go into these personal matters between Colonel Sherrill and Miss Emery.

Mr. ANTHONY. Miss Emery, just confine yourself to the facts.

Miss EMERY. He told me then he could take the permit away from me and he said that I had had it too long. I said, "Colonel Sherrill, you have been in office for some time. You do not expect to be relieved from office, do you, because you have been here so long?" He said I ought to be patriotic enough to give the book away. I replied, "You are wearing the United States uniform; are you giving your services free?" That seemed to anger him, and he then told me that he would take the book away from me. This is the only reason my book is not there now.

Mr. ANTHONY. Now, Miss Emery——

Mr. FRED EMERY. May I interrupt a moment to say that that is the basis of this entire persecution of my sister—the conversation that she mentions?

Miss EMERY. I said, "I am a woman; you would not take it away from me. It was put there by special act of Congress." And Colonel Sherrill snapped his fingers three times and said, "I care that, that, that for Congress." I said, "Then there is nothing more I can do."

Colonel SHERRILL. I object to this testimony, Mr. Chairman, because there is absolutely no truth in it whatever.

Mr. FRED EMERY. I was present at the time, Mr. Chairman, and I heard that statement made.

Miss EMERY. He made that statement.

Mr. ANTHONY. Miss Emery, let me call your attention to the fact that the law which governs this matter was approved on March 4, 1909.

Miss EMERY. Yes.

Mr. ANTHONY. And that law states:

> "That hereafter no advertisement of any kind shall be displayed and no articles of any kind shall be sold in or around the Monument, except upon the written authority of the Secretary of War."

Miss EMERY. Yes, but there is a previous law.

Mr. ANTHONY. Now, has the Secretary of War given his authority for the chan[illegible]?

Miss EMERY. Yes. May I explain about that?

Mr. ANTHONY. He has?

Miss EMERY. Colonel Sherrill put his initials on this letter—"C. O. S." I assure you that that all comes from Colonel Sherrill's office.

Mr. ANTHONY. If the Secretary of War has ordered this change, that seems to be the final authority under the law.

Miss EMERY. May I say this: I went to Secretary Weeks with Mr. Rodenberg in 1922 (immediately after the interview with Colonel Sherrill). Secretary Weeks said, "Miss Emery, so far as I am concerned, you may have your book there for 20 years to come, if you want it. I have heard no complaint about your book or the management." And I did have it then, as usual. But last year, when Congress was not in session, on the 1st day of July, 1923, my book was stopped.

These things are all pertinent to my not having it; they are the absolute reasons why I haven't it. I have letters saying that I ought to use a slot machine. Colonel Sherrill said that, but he is not using one for his own book. Secretary Weeks said that was ridiculous, "And, so far as I am concerned," he said, "Miss Emery, I see no reason why you should not have the book for 20 years to come." And Mr. Rodenberg, if here to-day, would corroborate that statement. So it is not Secretary Weeks; it is the influence back of it, and the letters were prepared in Colonel Sherrill's office——

Mr. ANTHONY. How long a notice did you receive that the change was contemplated?

Miss EMERY. I saw Secretary Weeks about the last of May or the first of June, and he said that for 20 years I could have it, "so far as I am concerned."

On the 8th of June, 1922, I had a letter from Secretary Weeks, saying steps were under way to renew my permit under the same conditions as heretofore, and that it would not be renewed after July 1, 1923, except under certain conditions—use of a slot machine and a reduction in the price of the book. The 35 cents charged for the book was authorized by the department. When I went to see Secretary Weeks with Representative Rodenberg, the Secretary said he did not regard 35 cents as too much and he agreed that the slot machine was impractical.

On June 23, 1922, I had a letter from the Secretary of War, evidently prepared for his signature, saying the permit would not be renewed after the fiscal year 1922–23, and that it is contemplated that the Washington Monument Association, in cooperation with the Office of Public Buildings and Grounds, prepare an abstract of the official report of the Washington Monument and its dedication for issue at nominal cost or gratis to those who make the ascent of the Monument. That was the work of the man I referred to, Mr. Harvey.

Mr. ANTHONY. What do you expect this committee to do? The law gives the authority to the Secretary of War.

Miss EMERY. I beg pardon. The law was that it could not be sold except by his authority, I think, but it could be sold there. May I read Mr. MADDEN'S letter? I feel in justice to myself you must let me show you that I do not believe Secretary Weeks would contradict himself. I think, in the mass of correspondence, that that letter was simply signed by Secretary Weeks.

Before I had time to go into the slot-machine matter—in fact, I had called up a man and he was making inquiries about the slot machine—an arbitrary letter came saying that the book would not be continued.

Mr. ANTHONY. Signed by the Secretary of War?

Miss EMERY. But it was prepared in Mr. Sherrill's office. We understand, of course, that those things are signed in a mass of correspondence. The point is that it is Colonel Sherrill. He contended that I should not make anything on my book, yet he was receiving money from outside sources, supplementing his salary.

Mr. ANTHONY. Who wrote the letter there that you wanted to call attention to?

Miss EMERY. Chairman MADDEN (of the House Appropriations Committee), on July 2, 1923.

May I preface this? After I received this letter of June 23, 1922, when Secretary Weeks signed the letter, and which does not sound like him, and which I do not believe he ever composed—I know he didn't, and it comes from Colonel Sherrill's office, and in the mass it was signed. At least, that is the inference back of it. After that, in February following, Colonel Sherrill wrote to Representative BYRNES: "We will take this under consideration, and we will want to meet your wishes," etc. He also wrote a letter to Mr. KAHN along the same line, indicating that everything would be all right.

Colonel Sherrill told Mr. Lloyd, a former Member here, over the telephone, on June 29, 1923, to "tell Miss Emery not to worry and not to disturb her salesman. She will hear from me Monday." Mr. Lloyd repeated this statement to me, as I was present at that time. On July 1 my book was stopped by Colonel Sherrill's order. This is Mr. MADDEN'S letter on July 2. "Mr. Secretary"—this was to Secretary Weeks—[reads letter]:

COMMITTEE ON APPROPRIATIONS,
SIXTY-SEVENTH CONGRESS,
Washington, D. C., July 2, 1923.

MY DEAR MR. SECRETARY: In Statutes at Large, volume 35, page 615, will be found the following:

"That hereafter no advertisement of any kind shall be displayed and no articles of any kind, except a guidebook to the Monument, shall be sold in or around the Washington Monument."

Then, later, in Statutes at Large, volume 35, page 997, there appears the following:

"That hereafter no advertising of any kind shall be displayed and no articles of any kind shall be sold in or around the Monument, except upon the written authority of the Secretary of War."

In pursuance of this authority, Miss Emery has been selling a guidebook to the Monument, which she has prepared at her own expense. The sale of this book involves no expenditure of public money and she has paid the Government $75 per annum for the privilege. Recently you have ordered the sale of the book discontinued. It seems to me that in view of the expense incurred by Miss Emery in the preparation of the book and the satisfaction which its sale has given in all these years to the visiting public, she should be permitted to continue its sale.

I shall consider it a personal favor if you can find it consistent to withdraw the order recently issued by you and reinstate Miss Emery's right to the sale of the book at the Monument.

Very sincerely yours,

MARTIN B. MADDEN.

Mr. DICKINSON. What is your annual profit on the sale of this book at the Monument?

Miss EMERY. About a thousand dollars a year.

Mr. DICKINSON. And you have sold how many copies?

Miss EMERY. I can not tell you exactly, I could by referring to the books. I sell about 8,000 annually.

Mr. DICKINSON. What does this book cost you?

Miss EMERY. Colonel Sherrill asked me for that information.

Mr. DICKINSON. Do not involve Colonel Sherrill.

Miss EMERY. The last copies cost me 10 cents a copy, and I pay my salesmen 10 cents.

Mr. ANTHONY. Under the law the sale of this book is peculiarly an executive matter and one over which this committee, in my opinion, would have no authority. I do not see what good it is to come before this committee and prolong our hearings on a matter of this kind.

Miss EMERY. May I say this: Colonel Sherrill stated that he would take my book away. Secretary Weeks overruled him. Now, that was in 1922. In 1923 Colonel Sherrill did take the book away. There was no book to take its place then, because Mr. Harvey died. It took six weeks before they had a book there. Then, if you will remember, President Coolidge overruled the appointment that Colonel Sherrill made of Major Wearts, his assistant, to the White House. You will remember the criticism, public and private, when that same man who prepared the book that did take the place of mine, when Mr. Sherrill appointed him in the place of Major Baldinger. He prepared this new book under Colonel Sherrill and it is copyrighted by a private organization of which Colonel Sherrill is a member. It is sold at Government expense.

Mr. DICKINSON. Do you mean to imply that Colonel Sherrill is getting any money out of the sale of this book?

Miss EMERY. I know nothing about that. I am stating the facts. That book was prepared by Colonel Sherrill, and the returns are made to Colonel Sherrill's office.

Mr. DICKINSON. For what purpose?

Miss EMERY. Wait a minute.

Mr. DICKINSON. No; I do not want to wait a minute. I am asking you a question, and I want you to answer it.

Miss EMERY. I can't say for what purpose. I couldn't say.

Mr. DICKINSON. Do you know where the profit goes?

Miss EMERY. Wait a minute. No.

Mr. DICKINSON. Then you do not think the profits from the sale of that book go to the welfare association?

Miss EMERY. I do not know what the welfare association is. I can't find out much, except that it is for Government employees, and if it is, the Government is paying every salesman that is there except one man, who is not in uniform. They are all salaried by the Government.

Mr. DICKINSON. They are members of the welfare association, are they?

Miss EMERY. Why should they be salaried by the Government as watchmen and then work as book salesmen?

Mr. DICKINSON. Do you think they are neglecting their duties as watchmen?

Miss EMERY. Yes, sir; I can bring a lady here to tell you that she tripped, and the watchman paid no attention to her, but said, "Madam, have one of our beautiful books?" I can produce the witness. This is what I was going to say, that the book was prepared by Major Wearts, the assistant of Colonel Sherrill, so the editor stated to me.

Mr. ANTHONY. Miss Emery, what do you want this committee to do?

Miss EMERY. This is all I ask—and may I read you Senator Dillingham's last letter?

Mr. ANTHONY. I do not think it is necessary to do that, Miss Emery.

Miss EMERY. Just one second. You asked me what I wanted—that the Washington Monument Guide Book authorized by Congress in 1909 shall be continued at the Monument, and Mr. MADDEN, I know, concurs with this idea.

Mr. ANTHONY. You are asking that?

Miss EMERY. I am asking that.

Mr. ANTHONY. That would be legislation over which this committee would have no authority.

Miss EMERY. Well, I had legislation before.

Mr. ANTHONY. Well, we would have no authority to insert that legislation.

Mr. DICKINSON. It would be subject to a point of order.

Mr. ANTHONY. It would be subject to a point of order, and would have to come through a legislative committee.

Miss EMERY. May I say this: While Colonel Sherrill was objecting to my making some money, he said: "I ought not to make a cent, because I had made enough." I turned to him and said: "You are wearing a uniform," and he had one on at that time——

Mr. ANTHONY. Let us leave that out, Miss Emery.

Miss EMERY. But may I just say this: He said that I ought not to make anything out of the 35-cent book that I prepared, produced, and sold, yet he was drawing a private income from the Congressional Country Club, and at the same time he was drawing a salary from the Government for the same working hours.

Mr. ANTHONY. We will have to discontinue the hearing now, Miss Emery, because the committee has not the time to spare to go into further details.

Miss EMERY. May I ask you people to read the statement? May I read Senator Dillingham's last letter?

Mr. ANTHONY. I think not, because the committee is without power to act in the matter.

Miss EMERY. The committee is without power to act in the matter?

Mr. ANTHONY. It is without power to act in the matter, because it is an executive matter.

Miss EMERY. You mean to say that I can not come here, yet if a man is asking for an increase in salary——

Mr. ANTHONY. Wait. You should take this matter up with the Secretary of War, who under the law has absolute power to regulate it.

Miss EMERY. Will you tell me, then, where is justice to be found, if not here, when a man who is drawing a salary under the Government would deprive me of my income for spite work absolutely? He said he would take the book away, and did take it away.

Mr. ANTHONY. We will talk it over, Miss Emery, but I am afraid we have no power to act on it.

Miss EMERY. May I ask you to read the statements, and I can prove every one of them? And if you do not believe that Colonel Sherrill said—and he said it absolutely—"I care that and that and that for Congress," and my brother said he heard it. I have a witness to it; my brother was present. I wish you would let me read Senator CURTIS'S letter in reference to this matter. Will you permit me to do that?

Mr. ANTHONY. We could not put any more in the record.

Miss EMERY. Senator Dillingham, Representative KAHN, and Mr. MADDEN are all of the same opinion, that it is a grave injustice that is being done me, and each one has said that I had recourse to Congress, as I had before.

Mr. ANTHONY. We are glad to give you the opportunity to make these statements.

Mr. FRED EMERY. Mr. Chairman, I want to thank you on behalf of my sister, and to thank the whole committee.

Mr. ANTHONY. All right.

Colonel SHERRILL. I would like to submit the record. I request that this matter be cut out of the record, because she has brought in absolutely extraneous matter in the nature of an attack. If you want me to, I could give you all of the record, and to show you that all of her statements are really false, because I recommended—and I have the record here to show that I recommended the continuance of her contract over that whole year.

Mr. ANTHONY. The stenographer will note that Miss Emery's statement be transcribed, the same to be left in the possession of the clerk, without being printed, as the matter appears to be one beyond the jurisdiction of the committee.

Mr. BYRNS of Tennessee. I yield four minutes to the gentleman from Nebraska [Mr. HOWARD].

Mr. HOWARD of Nebraska. Mr. Chairman and gentlemen of the committee, I asked permission several times for the propounding of a question. I have propounded that question before. I introduced a resolution here some four months ago specifically requesting information as to the number of these graft-prosecuting attorneys appointed by the Attorney General, the salaries paid or agreed to be paid them, the result of their prosecutions; specifically directing that I be furnished with the name of any war grafter now in the penitentiary as a result of those war-graft prosecutions; specifically asking, further, what portion of the time of these war-graft prosecutors had been expended in promoting the candidacy of any particular candidate for President of the United States. I have been unable to get any such answer. It is true the present Attorney General is not the same Attorney General we had when those questions were first asked. Another certain resolution was introduced about that time in this House affecting the late Attorney General, and it rather frightened him, I guess; at any rate, he oozed, and he is no longer in the old place where we knew him, and nobody has given me an answer to my question.

Mr. BYRNS of Tennessee. Does not the gentleman think that it would be rather a little embarrassing to the administration to ask?

Mr. HOWARD of Nebraska. I dare say it would, and I make allowance for that and so, right now exercising that gentle way which is always mine, instead of propounding the question anew to this new Attorney General—of whom I think I am going to be fond—not desiring to embarrass him, I would like to propound the question directly to the distinguished Chairman of the Committee on Appropriations, who never permits himself to be embarrassed under any circumstances. He is always a very busy man, and he is particularly busy right now. [Laughter.]

Mr. MADDEN. I did not hear the gentleman. [Laughter.]

Mr. HOWARD of Nebraska. The gentleman says he did not hear me. Indeed, I thought his ears might be tingling, as mine always do when somebody is saying something pretty about me. [Laughter.]

Mr. MADDEN. I was engaged by these gentlemen on my right.

Mr. HOWARD of Nebraska. I will say to the gentleman that I have been trying in vain, seeking every possible source of information, to discover the name of any one war grafter who is now in the penitentiary as the result of the expenditure of these millions of dollars for war-graft prosecutions. Now, the Department of the Attorney General has declined to give me the name of that fellow who is in the penitentiary, and so now I am coming to the seat of wisdom and asking for that name.

Mr. MADDEN. I will say to the gentleman this, from the information I have on the subject, that most of the conspiracy cases where proof was definite and conclusive were completed before the armistice was signed, and the statute of limitations has run, and therefore the prosecutions would not lie. I think there have not been any convictions where men have been sent to the penitentiary, but a great many civil cases have been tried and a good deal of money recovered.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. WOODRUFF. Will the gentleman yield to me for a moment?

Mr. HOWARD of Nebraska. I yield to everybody, but I want to finish my statement.

Mr. BYRNS of Tennessee. The statute of limitation was extended three years.

Mr. WOODRUFF. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended one minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOWARD of Nebraska. I yield to the gentleman.

Mr. WOODRUFF. The chairman of the Committee on Appropriations has stated that the statute of limitations has run, and that, therefore, prosecutions would not lie in conspiracy cases. Yet if the gentleman has read the newspapers of the city of Washington he will understand and know that in the courts of this city at the present time men are being criminally prosecuted for war profiteering.

Mr. HOWARD of Nebraska. What I want to know is, has anyone been sent to the penitentiary? The statute of limitations has run, and Fall has run, and Denby has run, and Daugherty has run, and Burns has run, and now the gentleman from Illinois [Mr. MADDEN], the chairman of the Committee on Appropriations, has run away from telling me the name of one who is in the penitentiary for war grafting.

Mr. WOODRUFF. I will say that it is possible that the fact that we have a new Attorney General is responsible for the present criminal prosecutions which are now going on in the courts of Washington.

Mr. HOWARD of Nebraska. Then I think we should be congratulated on the fact that we have a new Attorney General. But I retire again in darkness with reference to an answer to the question that has been so often repeated here. [Laughter.]

The CHAIRMAN. The time of the gentleman from Nebraska has expired. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

CONTINGENT EXPENSES

For expenses of inquiries and investigations ordered by the Senate, including compensation of stenographers to committees at such rate as may be fixed by the Committee to Audit and Control the Contingent Expenses of the Senate but not exceeding 25 cents per hundred words, $100,000.

Mr. BLANTON. Mr. Speaker, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. BLANTON. Would the chairman of the committee have any objection to an amendment providing for a detailed statement of expenses?

Mr. MADDEN. Of course the gentleman is at perfect liberty to offer any amendment he chooses. We can not govern the Senate, however. They are not under our orders, and we would not obtain any information.

Mr. BLANTON. When we vote this $100,000 we could attach a proviso to the effect that there should be filed a detailed statement of expenditures. I follow the gentleman from Illinois on economic matters.

Mr. MADDEN. I hope the gentleman will not press that.

Mr. BLANTON. If the gentleman will not offer it I will withdraw my pro forma amendment.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

DEPARTMENT OF JUSTICE

MISCELLANEOUS OBJECTS

Investigation and prosecution of war frauds: For the investigation and prosecution of alleged frauds, either civil or criminal, or other crimes or offenses against the United States, growing out of or arising in connection with the preparation for or prosecution of the late war, including the institution and prosecution of suits for the recovery of moneys which contain no element of fraud but arose incident to the investigation of alleged frauds, including the same objects specified under this head in the act making appropriations for the Departments of State and Justice and the judiciary for the fiscal year 1924, $200,000, to remain available until June 30, 1925.

Mr. MADDEN. Mr. Chairman, I offer an amendment. On line 21 of page 2, following the word "war," the word should be "frauds."

The CHAIRMAN. Without objection, the Clerk will correct the spelling. Is there objection?

There was no objection.

Mr. HARRISON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Virginia moves to strike out the last word.

Mr. HARRISON. Mr. Chairman, of course this $200,000 for the prosecution of war fraud claims having been obligated, it is out of the question for this House to deny the appropriation. These high priced attorneys know their business thoroughly, when they come after pay. But this makes $700,000 that has been appropriated for the prosecution of war frauds in the past year, in addition to which $500,000 was appropriated through the War Department, making $1,200,000 that has been expended in the prosecution of war frauds during the last year. This is the third million dollar appropriation for this purpose. To bolster up such extravagance it has been stated that some $6,000,000 has been collected. As a matter of fact, the testimony before the subcommittee on war appropriations shows that over $2,000,000 of that $6,000,000 was collected through the War Department on a simple audit of the claims. Another $1,500,000 represents the settlement with the Lincoln Motor Co. When this appropriation was first made—about two years ago—Mr. Daugherty came before the House of Representatives in a letter and said he was about to collect $9,000,000 from the Lincoln Motor Co. He was then being criticized for not prosecuting that claim, and he informed the House in his letter that he had already brought the matter to such a situation that $9,000,000 was about in sight, but all that seems to have been done in the way of the settlement of the Lincoln Motor Co. case by this $2,000,000 appropriation has been to reduce the $9,000,000 to $1,500,000 in a settlement. That seems to be what this appropriation has brought about, a $9,000,000 claim, which Mr. Daugherty said was in sight, being reduced to $1,500,000. Investigation of other items claimed to have been collected will probably show a similar state of facts as to them.

I therefore desire to call the attention of the House to the fact that these moneys are being appropriated without any result worthy of the name.

Mr. HOWARD of Nebraska. Will the gentleman yield?

Mr. HARRISON. Yes.

Mr. HOWARD of Nebraska. Would the gentleman from Virginia, out of the abundance of his knowledge, after having investigated this matter, be kind enough to tell me the name of the grafter who was brought to trial through the expenditure of this money and who is now in any Federal penitentiary?

Mr. HARRISON. I am not able to throw any light on that subject.

Mr. HOWARD of Nebraska. Darkness again.

Mr. WOODRUFF. Mr. Chairman, as every Member of the House knows, I have taken a more active interest in furthering the prosecution of the war-fraud cases than has any Member of this body. On the 11th of April, two years ago, I took the floor and in an extended speech pointed out to the House the flagrant inactivity of the Department of Justice relative to these cases. I called attention to the fact that audits of certain aircraft contracts had disclosed overpayments to the contractors by the Government running into many millions of dollars. I showed that while many of these cases had been referred to the Department of Justice, nothing whatsoever had been done to return these overpayments to the Treasury and to prosecute the guilty.

We had been regaled for many months through the columns of the newspapers in interviews with the then head of the Department of Justice, Attorney General Daugherty, with what he proposed to do to these profiteers and grafters. Promises had been long and loud, but nothing had been done. Three appropriation bills carrying appropriations for the Department of Justice had been submitted to the House, and no request for funds had been made by the Attorney General for the purpose of carrying on this work.

On April 7, 1922, when the third appropriation bill of that Congress, carrying appropriations for the Department of Justice, was before the House for consideration, an amendment was offered by the gentleman from South Dakota [Mr. JOHNSON] providing an appropriation of $500,000 for the purpose of investigating and prosecuting the war grafters. The chairman of the committee in charge of the bill in the House, Mr. Husted, stated:

Mr. Chairman, I think I can say to the gentleman from South Dakota that he is out on the estimate just the amount carried in his amendment. The Department of Justice has not asked for this item, but the Department of Justice is engaged in this work and has ample funds to carry it on at the present time. It does not need an additional dollar for this purpose.

It seems clear from this that the Department of Justice had made no demand upon Congress for money for this purpose. Events proved that no attempt had been made to prosecute these cases. It was clear, in the minds of some of us at least, that no attempt was intended to be made to properly prosecute these claims.

On numerous occasions thereafter I secured time and continued to call the attention of the House to the conditions existing in the Department of Justice.

On the 15th of May, 1922, there was presented to the House a request by the Attorney General for an appropriation for $500,000 for the purpose of instituting investigations and prosecutions of frauds developing from the audits of war contracts. At that time I said:

I believe the Congress and the people will be, and should be, rather critical as to just how this $500,000 is expended. If results are shown, we will all applaud, if not, even greater condemnation will be heaped upon the Department of Justice.

It is significant that the Attorney General, after being in office more than a year, discovered in the short space of time from April 11 to May 15 the desirability and necessity of securing necessary funds to carry on this work. Those of us who criticized him, while recognizing his past delinquencies, were willing to give him a further opportunity to do something. I, as one of the men who had criticized him severely, felt that he had grossly neglected his plain duty in regard to these cases, but notwithstanding that fact, I wanted him to have a further opportunity to do his duty. Congress very promptly appropriated $500,000 for this purpose. I think it is true that much of the information and much of the evidence that had been

available in the Department of Justice had disappeared from the files of the department, and naturally it has taken much time to replace these documents. This is responsible for some of the delay in the prosecution of these cases. It has not been responsible for all the delay, however.

After securing this appropriation the Attorney General promptly organized what is known as the war frauds section of the Department of Justice and placed in charge of its activities men of unquestioned integrity. I believe much work has been done by this war frauds section within the Department of Justice. I do not believe, however, that everything has been done that should or could have been done. I have in mind particularly the Wright-Martin case. An audit of the Wright-Martin contract disclosed an overpayment of five and a quarter million dollars. That case was reported to the Department of Justice by the War Department in October of 1921 and was the first case sent to the Department of Justice by the War Department. When the case reached the Department of Justice it fell into the hands of John W. H. Crim, an Assistant Attorney General of the United States, who promptly forwarded it to the district attorney in New York for prosecution.

I much regret a statement made on the floor of the House by a Member and a very dear friend of mine, the gentleman from Illinois [Mr. KING] relative to Mr. Crim. He challenged the integrity of Mr. Crim, and I want to say, Mr. Chairman, that, to my knowledge, there has been no man connected with the Department of Justice who is more entitled to the confidence of the Congress and the country than John W. Crim. As a matter of fact, up until the time I assailed the Attorney General and the Department of Justice, the only war-fraud cases that had been sent to the courts were sent there by John W. Crim.

Mr. BEGG. Will the gentleman yield?

Mr. WOODRUFF. Surely.

Mr. BEGG. Does not the gentleman think, in order to be absolutely fair, he should state that there was an advisory committee with very great power, consisting of ex-Senator Hardwick, Judge Bigger, of Columbus, Ohio, a man by the name of Kerr, about whom I do not know anything, and I believe Senator Thomas, of Colorado, was on this committee at one time. Their authority was unlimited, as I understand it. Does not the gentleman believe that if everything was not done that could be done these three men of unimpeachable character might have discovered it?

Mr. WOODRUFF. I do not believe anything of the kind. If the gentleman has been listening carefully he will understand I have given full credit to those gentlemen. I am not criticizing that particular bureau because the affairs about which I am now speaking are matters which existed in the department before the attack was made upon the Department of Justice. The men of whom the gentleman speaks all became connected with this work on July 1, 1922, or thereafter, and the conditions to which I refer existed prior to that date.

I will say further to the gentleman from Ohio regarding the situation that has existed in this department since the organization of the war fraud section that, notwithstanding the unimpeachable character of the men who handle these cases and their undoubted willingness to bring each and every grafter to account, they have, in the last analysis, been more or less helpless, for the reason that they are, after all, subordinates, and as such must take their orders from superior authority. This is true especially in affairs connected with the more important cases referred to their bureau.

In the hearings before the subcommittee of the House Committee on Appropriations on Thursday, May 8, 1924, the following colloquy took place between the chairman and other members of the committee and Judge Kerr, the present head of the war frauds section in the Department of Justice.

The CHAIRMAN. The next item on the list is for the investigation and prosecution of war frauds. We asked the Attorney General when he was here to state the form of the organization in charge of the so-called war-fraud cases. Of course, he was not familiar with the details of it, and we would like very much, Judge Kerr, to have you state them. First state how long the organization has been in existence and how many people are employed in it.

Mr. KERR. Mr. Chairman, I was appointed myself and began my duties with this organization some time about the 1st of July, 1922. The bill which created this section, I think, passed in May, 1922, or that is my recollection. The activities of the organization itself did not begin until about July 1, 1922. As originally contemplated and organized, the Attorney General was the head of the entire organization.

The CHAIRMAN. That is to say, all of the cases were required to be presented to him for decision before action was taken?

Mr. KERR. Yes, sir; and that has been carried out through the entire organization except in minor cases where we assumed authority.

And further.

Mr. DAVIS. And finally, before any suit or action is really begun, it has to go to the Attorney General and he orders the suit?

Mr. KERR. All suits have to be ordered by the Attorney General.

So it would seem, Mr. Chairman, that the gentleman from Ohio is in error; that the war-frauds section does not have the unlimited authority he speaks of. Undoubtedly the authority is sufficient to enable that section to secure all necessary evidence and prepare the cases for court; but when it comes to actually starting legal procedure, to taking the cases into court, then the permission of the Attorney General must be secured; and in the Wright-Martin case this seems to have been impossible.

Mr. MOORE of Virginia. May I interrupt the gentleman?

Mr. WOODRUFF. Certainly.

Mr. MOORE of Virginia. I would like to add my word to what the gentleman has said about Mr. Crim. I have known him since his boyhood, and I believe he is an able and honest man and official.

Mr. WOODRUFF. I am glad to have my opinion of Mr. Crim confirmed by my friend from Virginia, whose opinion is always given great weight by the House. To follow the Wright-Martin case a little further, I will say that in December, 1922, I was assured by men high in authority in the Department of Justice that the Wright-Martin case would be sent to the courts within three weeks. The Wright-Martin case is not yet in the courts, although I have reason to believe it will be within the near future. If the sworn testimony of the auditor who recently made a trip into Ohio to examine tax-return records of Mr. Daugherty and the books of a certain bank is to be relied upon, it is found that the ex-Attorney General of the United States was the possessor of something like 2,500 shares of the Wright-Martin Co.'s stock. Whether that had anything to do with the inactivity of the Department of Justice relative to this particular case, of course, I do not know. I do know, however, that this case was ready for the courts in December, 1921, and that the Assistant Attorney General, after repeated hearings given the Wright-Martin Co., declined to postpone action. Later the case was taken out of the hands of the district attorney in New York, and a reasonable assumption is that the Attorney General directed such action.

It is to the everlasting credit of President Coolidge that he has demanded the resignation of the man who was responsible for this situation and has placed at the head of the Department of Justice a man whose ability and integrity are unquestioned, and in whom the people of the country have confidence. I have every reason to believe that the present Attorney General of the United States is going to see to it that these war-fraud cases are taken into the courts and settled. I think that is all any Member of the House or any good citizen could ask. I have an infinite confidence in our courts, and I believe that if these cases are taken before the courts they will be decied equitably, and if this is done there will be many, many millions recovered to the Treasury.

Mr. DENISON. Will the gentleman tell us how many cases are pending, if he knows?

Mr. WOODRUFF. There are now 118 claims for the recovery of money pending in the courts. These claims aggregate $69,342,741.23. There are also 18 claims pending with receivers and trustees in bankruptcy. These aggregate $2,686,418.43. Just how much is involved in the more than 400 other cases now in the hands of the war-frauds section, and which have not as yet been presented to the courts, I can not say, but it must run into an enormous amount.

It will be interesting to the Members, also, to know what has been done by the different departments of the Government in securing the return of money to the Treasury. The following are the figures up to date:

Audit section of Air Service (collected)	$280,423.93
Department of Justice (collected)	6,189,607.24
Department of Justice (settlements not yet paid)	3,000,000.00
General Accounting Office (collected)	434,431.10
Contract audit section, War Department (collected)	4,230,128.35
Total	14,134,590.62

This amount, Mr. Chairman, is sufficient to pay the salaries of every Member of this House for four and a third years, and enough to pay the salary of a single Member for nearly 2,000 years.

Comparatively few of the war contracts have received the attention of the contract audit section and the Department of Justice. If the entire 350,000 war contracts are carefully

audited and the necessary legal action taken in those which show overpayments it is reasonable to suppose that enough money can be recovered to pay the salaries of the House membership for many years to come.

The gentleman from Nebraska [Mr. HOWARD] seems much interested to know the name of any man who has been sent to jail for conspiracy to defraud the Government during the war. He seems to doubt that any one of them are to receive this proper punishment for their misdeeds. Certainly his inquiries are proper ones and do credit to the gentleman propounding them. But, Mr. Chairman, he does not carry the inquiries far enough. Inasmuch as no one seems able to enlighten him, he should inquire why there has been no one convicted of conspiracy. For the information of the gentleman, I will quote a further colloquy between the chairman of the Committee on Appropriations and Judge KERR reminding the gentleman that it was the neglect of the gentleman's party—which was in control of the Government during the war—to extend the statute of limitations that has made it practically impossible to secure criminal indictments in all but a few cases:

Mr. KERR. There is one thing that perhaps I ought to call attention to in connection with criminal prosecutions. It is not generally understood that the statute of limitations was three years, but you extended it to six years.

The CHAIRMAN. That means that the cases in which the statute of limitations had expired at the time we extended it were out of your jurisdiction?

Mr. KERR. Yes, sir; and most of the cases of actual fraud or cases of an indictable character occurred prior to the armistice. I speak of the armistice as a general point of division. The act of November 7, 1921, as I recall, only related back to the 17th of November, 1918, and any act that had been committed prior to November 17, 1918, is therefore barred by the statute of limitations, unless there was some act committed after that time which would connect it up. Therefore in that way a great proportion of the actually indictable offenses during the war were barred by the statute of limitations long before this division was organized. I do not think that is generally understood.

I know the entire House will share the regret of the gentleman from Nebraska to learn that but 35 criminal indictments have been secured. One of these, the infamous J. L. Phillips case, is now being tried in the courts of Washington, and it is to be hoped that within the very near future it will be possible to give to the gentleman from Nebraska the information he has so long and so earnestly sought.

I can verify the things which the chairman of the committee has stated relative to the necessity for this appropriation. I know that many of these cases now pending in court will be lost by default if this appropriation is not made. Cases are pending in court in which all of the information and evidence has not been gotten together, and the court is not going to postpone cases from time to time at the request of the Government without some very good reason therefor. I hope the House will approve the appropriation as submitted in this bill. I believe if this is done you will find that the Department of Justice, under the direction of Attorney General Stone, will go ahead with these cases and prosecute them, and prosecute them properly. [Applause.]

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. O'SULLIVAN. Mr. Chairman, I rise in opposition to the pro forma amendment. I am going to beg the indulgence of the House to use just a moment to explain the lack of my vote on the recent roll call.

Mr. MADDEN. I will say to the gentleman that that should be done in the House.

Mr. O'SULLIVAN. I am going to use less than half a minute.

Mr. MADDEN. I have no objection; but I think it would be better if it were done in the House instead of in committee.

Mr. O'SULLIVAN. In view of the fact that I am obliged to leave right away, I ask your indulgence. This is merely to get it in the RECORD. The House Committee on the Judiciary had a meeting in Senator CUMMINS's office this afternoon and we left word with the cloakroom to call us. Through an oversight they did not call us, which accounts for the fact that several of us were unable to be present, which is a source of regret.

Mr. MADDEN. I will say for the information of the gentleman that the gentleman from Illinois [Mr. YATES] is going to make a general statement in respect of that matter when we go back into the House.

Mr. KING. Does the gentleman desire to state in the RECORD how he would have voted if he had been present?

Mr. O'SULLIVAN. I would have voted "no."

Mr. KING. The gentleman would have been correct in his vote.

The Clerk read as follows:

PENAL INSTITUTIONS

Support of United States prisoners: For support of United States prisoners, including the same objects specified under this head in the act making appropriations for the Departments of State and Justice and the judiciary for the fiscal year 1924, $602,000.

Mr. HOWARD of Nebraska. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Nebraska offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HOWARD of Nebraska: On page 4, after line 23, insert a new paragraph, to read as follows:

"For investigation of the rolls of the inmates of the several United States penitentiaries in an effort to discover the name of any prisoner convicted on the charge of war graft as a result of prosecution by any special war-graft attorney appointed by the Attorney General of the United States, $1,000."

Mr. MADDEN. Mr. Chairman, I make the point of order against the amendment that it is not germane to the bill, is legislation on an appropriation bill, and in violation of the rules of the House.

Mr. HOWARD of Nebraska. In support of my position and in opposition to the point of order, I will say that I think the point of order is well taken forbidding me to legislate, but I can not consent, Mr. Chairman, that it is not germane. Indeed, we are dealing with penal institutions, and we have appropriated some millions of dollars for the purpose of sending somebody there; I can not find the names of the persons, and so I think it is entirely germane. [Laughter.]

The CHAIRMAN. The Chair sustains the point of order.

Mr. MADDEN. Mr. Chairman, I move that the committee do now rise and report the bill to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. HOWARD of Nebraska. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. HOWARD of Nebraska. For the purpose of suggesting that there does not seem to be enough Members here, and I make the point of no quorum.

Mr. MADDEN. I hope the gentleman will not do that.

Mr. HOWARD of Nebraska. Well, I will withdraw it, Mr. Chairman.

The motion was agreed to.

Accordingly, the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes, and had directed him to report the same back with an amendment, with a recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. MADDEN. Mr. Speaker, I move the previous question on the bill and amendment to final passage.

Mr. HOWARD of Nebraska. Mr. Speaker, in view of the fact that we did not have time to deal with the soldier compensation legislation, I think we ought not to deal with this important matter without a quorum.

Mr. MADDEN. I hope the gentleman will not do that. This is a very urgent matter. The courts may be compelled to close any day if they do not get this relief.

Mr. HOWARD of Nebraska. Mr. Speaker, I will yield to the pleading of the distinguished chairman of the Committee on Appropriations and withdraw my suggestion if he will promise me that he will put forth his best effort to discover and tell me the names of any war grafter now in the penitentiary as a result of prosecutions conducted by special war-graft attorneys. [Laughter.]

Mr. MADDEN. I would be delighted to do so if I could.

The SPEAKER. The question is on the motion of the gentleman from Illinois for the previous question.

The previous question was ordered.

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. MADDEN, a motion to reconsider the vote whereby the bill was passed was laid on the table.

THE SOLDIERS' BONUS

Mr. YATES. Mr. Speaker, I ask unanimous consent to address the House for one minute.

The SPEAKER. The gentleman from Illinois asks unanimous consent to address the House for one minute. Is there objection?

There was no objection.

Mr. YATES. Mr. Speaker, five Members of the House—the gentleman from Maine [Mr. HERSEY], the gentleman from Minnesota [Mr. LARSON], the gentleman from Missouri [Mr. MAJOR], the gentleman from Connecticut [Mr. O'SULLIVAN], and myself—were detained at a joint meeting of the Judiciary Committees of the House and Senate at the other end of the Capitol in the office of the Vice President, and so were unable to be present at the roll call on the postponement of the consideration of the veto on the soldiers' bonus bill. We would like to have the RECORD show that we were absent on public business.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, I desire to make an announcement in regard to the program of business. It is expected that tomorrow we will call up rules in the following order:

H. R. 8209, incorporating the Mississippi River Barge Line. H. R. 3316, two additional judges for the southern district of New York. H. R. 646, enforcement of agreement of arbitration in contracts. H. R. 5209, completion of Veterans' Bureau hospital program.

And, further, the Rules Committee has agreed to grant the following rules and expects to call them up in their order:

The McNary-Haugen bill, the postal employees' bill, and the amendment to the national banking act. As far as possible those rules will be called up in their order.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. MOORE of Virginia. In accordance with the promise of last January, has the committee taken up for consideration the proposition that there shall be an official announcement in advance of the business to be transacted by the House?

Mr. SNELL. We have considered it a good many times in committee, but we have not come to an agreement yet.

Mr. MOORE of Virginia. Is there any prospect that an agreement will be reached?

Mr. SNELL. I think there will be some time.

Mr. McDUFFIE. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. McDUFFIE. Will the gentleman state whether his committee has come to any conclusion as to a rule for the legislative program on river and harbor legislation?

Mr. SNELL. That has not been considered by the committee.

Mr. McDUFFIE. Is it going to be considered by the committee?

Mr. SNELL. The committee will consider all of the business as fast as possible, but it is not policy to vote out rules which there is no reasonable expectation can be considered.

CONDITION OF THE FARMER

Mr. MILLIGAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. The gentleman from Missouri asks unanimous consent to extend his remarks in the RECORD. Is there objection?

Mr. DENISON. Reserving the right to object, on what subject?

Mr. MILLIGAN. The condition of the farmer.

The SPEAKER. Is there objection?

There was no objection.

Mr. MILLIGAN. Mr. Speaker, I take this opportunity to bring to the attention of the House the conditions that are now confronting the farmer of this Nation. I believe I am in a position to know some of the problems of the farmer, as I represent an agricultural district. Having lived on a farm all my life, my home now being on a farm, I am directly interested in farming and in sympathy with the interests of agriculture.

The farmer is the only one who has taken a deep cut in his wages and stuck to his job; he is the only business man who has written off all his losses and gone down to bottom rock; he is the only one who has reached the depths of readjustment; and is the only one who has gone back to normalcy, which has meant for him financial ruin. Normalcy, the goal toward which America is striving, can not be reached until the farmer can return to the market as a buyer, and the farmer can not buy until there has been a readjustment of the prices of farm products on a fair level with the prices of other commodities that the farmer must buy. In other words, the dollar the farmer receives for his products must be worth 100 cents in a city market where he must buy his supplies.

The farmer buys one-third of the Nation's supplies. In his position to-day he can not buy in the Nation's market on an equal footing with others, because the dollar that he received for his produce will only buy 70 cents worth of supplies in that market, while his neighbor from the city goes into the country with his dollar and buys $1.30 worth of farm products. The result is that not only is the farmer affected but there has been a slump in all business in the cities. There will not be prosperity in other lines until the farmer's dollar has regained its fair purchasing power in the city market. The truth of this statement is proven by comparing the number of business failures for the last 30 years with the purchasing power of the farmer's dollar, which will show that the number of business failures increase whenever the purchasing power of the farmer's dollar drops below average.

The United States is a producing nation. We only consume about 60 per cent of our products, and we must have a foreign market for our surplus.

This administration has done nothing to aid in settling conditions in Europe that are a result of the war. This administration has no foreign policy; we have merely drifted since the signing of the armistice and have failed to take advantage of our position in the world's affairs and prosecute to a victorious conclusion the winning of the war by successful peace terms that the nations of Europe might now be at peace with each other and their people be engaged in peaceful and gainful occupations. The United States can not isolate itself from the rest of the world and still maintain its foreign markets, which we must have in order to dispose of our surplus farm products. If the United States can by some plan, I care not what, so long as it protects Americans' rights and aids in settling the conditions in Europe so that we can sell them our products, we will have done a great deal to solve the problems of the farmer of the United States.

This statement is borne out in the following extract from a report of observations made by a group of farm-bureau officials while visiting Europe:

> We have no hesitancy in saying, therefore, that unless the countries of Europe are enabled to put their political and economic life on a more normal and stable basis the American farmer must be adversely affected for a long time to come. The first and indispensable step toward stabilization is the settlement of the vexed problems of war reparations.

The farmer is suffering from the high freight rates that he must pay to ship his farm products to market. When he ships a car of hogs or cattle to a city market a great deal of his profit goes into the pockets of the railroads in the form of high freight rates.

In 1920 the Congress passed a law giving the Interstate Commerce Commission the right to fix or set the minimum freight rate that the railroad could charge for the transportation of any commodity. Since the passage of this law freight rates have been higher than ever before in the history of the railroads. A railroad at this time can not lower its freight rates without the consent of the Interstate Commerce Commission. The railroad wishing to lower its freight charges must file the tariff carrying the proposed reductions with the Interstate Commerce Commission. The other railroads can within 30 days file objections, and the commission may suspend it. A hearing is then held with the usual result that the railroad wishing to lower its rates is informed that the other railroads can not compete with it if the rates are lowered. Therefore, they can not make the reduction in freight rates as requested. The result is that the high rates must remain in order to protect the weaker railroad lines. I have introduced in this House a bill that will cure this evil and reduce freight rates. This bill provides that the Interstate Commerce Commission shall not have the authority to set a minimum freight rate. This will give the railroads the right to lower freight rates whenever they please, and in this way you will revive competition between the railroads. If you will pass this bill, you will see an immediate reduction of freight rates by the railroads, which will mean a great saving, not only to the farmers but also to the consumers of the United States who are now paying these high freight rates ordered by the Interstate Commerce Commission to protect some weak railroad. I would mention that there is no law on the statute books to protect and guarantee a profit to the farmers, all of whom are now financial wrecks as the result of such class legislation.

The farmer is to-day paying the high tariff rates that are placed upon the necessities of life and supplies for the farm that he must have to sustain his family and carry on his farm work. He does not pay these high tariff rates in order to raise

revenue to maintain the Government; he pays them as a tribute to the manufacturers of the United States. Under the present tariff schedule there has been a vain attempt to fool the farmer by placing certain farm commodities on the protected list. It was an attempt to camouflage the vicious schedules of the Fordney-McCumber tariff law and make the farmer believe he was being benefited by this legislation. This is impossible. The farmers are not fools; as a class they are the best informed people of our Nation.

The Fordney-McCumber law places a tariff duty of 30 cents a bushel on wheat. That can not raise the price of wheat, as the price of wheat is fixed in the world market; we compete with the world in raising wheat and ship our surplus wheat to a foreign market, so what effect can a duty on wheat have in raising the price, creating a world demand, or reducing the world's supply of wheat?

A duty of 1 cent a pound is placed on rice; this is of no benefit to the rice farmer of the Nation, as we export rice, and the price, as in the case of wheat, is fixed by the market of the world. We export rice to China and Japan, and the price depends on the world's supply and demand. This is the case of many other grains and cereals produced by the American farmer that bear a tariff which neither does the farmer any good or any harm.

There is a duty of 2.03 cents per pound on sugar. Only 3 per cent of all sugar consumed in the United States is produced by the American sugar farmer, 97 per cent of the sugar consumed by our Nation is imported, and the consumer must pay a duty of 2.03 cents per pound on every pound of sugar consumed in order to protect the sugar farmer who only produces 3 per cent of that sugar. The cost of this to the consumer is $192,400,000 each year, of which the farmers of our Nation pay $48,100,000. This duty is not put on sugar to protect the cane growers or the beet growers, but for the benefit of the great interests engaged in the manufacture and refining of sugar.

There is a duty placed on wool which amounts to 12.5 cents per pound in the condition it comes from the sheep. We do not produce enough wool for our own use and must import wool from other countries. The price is fixed after the tariff is paid in our own market inside the tariff wall. Only one farmer in a hundred are sheep raisers in commercial numbers. Giving the sheep-raising farmer the benefit of this tariff in raising the price of his wool would mean an increase in price of about $37,500,000 to the woolgrowing farmer, while, on the other hand, the tariff duty is shifted onto the consumer; the cost to the consumer would be around $91,000,000. All farmers of the Nation pay this tariff in the increased price of clothing that he must buy to clothe himself and family.

Also a tariff is placed on cattle; this is not a benefit to the farmers but a loss to them. The farmers of the corn-growing States feed cattle and do not raise enough cattle for feeding purposes. "Feeders," as these cattle are called, are grown where grass land is cheap, and shipped to corn-growing States to be fed for market. This tariff cuts off our supply of feeders from Canada. The effect has been to increase the price of the feeders to the farmers of the corn States.

We have seen that the tariff on farm products is merely a case of playing both ends against the middle in the case of the farmer. Let us now look at the other side of the picture.

This law places a duty on everything the farmer must buy and thereby increases the cost to the farmer. The Fordney-McCumber tariff schedules now in effect cost the American consumer from three to four billions of dollars yearly, and cost the farmers of the United States, as stated by the American Farm Bureau Federation, $426,000,000 each year. It not only increases the high cost of living but hurts agriculture, labor, and business. The nations of Europe can not trade with us with the tariff wall built by this law.

In the report of the farm bureau officials, a majority of whom are Republicans, the following statement is made relative to the effect of the tariff on foreign trade:

> But whether for barter or for money there are serious obstacles to the full and necessary development of international trade that are of gratuitous American making. Our tariff laws are in many instances prohibitive rather than protective.
>
> They make it impossible for foreign countries to sell to us and therefore impossible for them to buy from us. International trade is literally a trade and exchange. If there is nothing that we can take in exchange for what we offer there is no trade. Nations can not buy without selling.
>
> These nations must be able to trade their goods for our goods, including our surplus farm products. The long standing argument of the Republicans has been that we must have a protective tariff in order to protect our manufacturers against competition with the foreign manufacturer, yet under the present law duties are placed upon many articles manufactured in the United States which are shipped to foreign markets and sold in competition with all the world without the protection of a tariff. This being an undeniable fact, then the American manufacturer does not need a tariff duty to protect him against competition. It is class legislation for the benefit of the big interests of the United States that allows them to rob the American people of billions of dollars each year.

Farming is the largest business we have in the United States to-day, and has received the least consideration at the hands of Congress.

The total value of all farm property as shown by the census of 1920 was $77,924,100,338. Of this farms and buildings on the farms were valued at $66,316,002,602; implements and machinery, $3,594,772,928; and livestock, $8,013,324,808. The mortgaged indebtedness on the farms of the Nation was $4,003,767,192. This was an increase of 131.9 per cent over the mortgaged indebtedness of 1910. This amount does not include the indebtedness carried in chattel mortgages or the unsecured indebtedness of the farmer, which, if taken into account, would greatly increase this amount. The average rate of interest on the mortgage debts is 6.1 per cent, while the rates of interest on the chattel mortgages and unsecured debts are, in some cases, as high as 12 per cent. You will see by this the great burden the farmer is carrying in paying the interest upon this enormous debt.

Congress, by the farm loan bank act, has made it possible for the farmer to obtain long-time loans at a low rate of interest, which has been a great benefit. But, as I see the situation, Congress should do something now to aid the farmer to get out of debt.

Taxes on farm lands have increased so rapidly that they threaten to absorb farm-land values. If this continues, the net return of our farm lands will be absorbed in tax payments. Dr. Richard Ely, director of the institution for research in land economics and public utilities at the University of Wisconsin, states that taxes in 1920 were absorbing 66 per cent of the net rent of all farms rented for cash. He also shows, while taxes show no tendency to decrease but, on the contrary, a tendency to increase, land values as compared with their greatest height about 1920 have fallen over 20 per cent according to estimates of the United States Bureau of Agricultural Economics. Doctor Ely concedes that the underlying cause of increased and increasing public expenditures is found in the development of State and Nation as cooperative institutions for promoting public welfare. The State governments, as well as our National Government, are constantly creating new boards and bureaus to interfere in the private affairs of our citizens and at great expense to the taxpayers.

In my State the present State administration has very materially increased the taxes on farm land by assessing it at its full value of farm land when it was at its highest. Many farms in my district are now selling at public sale at a price much less than their assessed value as shown by the tax books. Taxes can be reduced by reducing the cost of National, State, county, and municipal governments. This must be done if the farmer is to recover.

Congress has been in session for five months and as yet no act of legislation has been passed that will tend to cure these maladies from which the farmer is suffering. This House long ago passed a bill relieving the man with an income but no relief was carried in this legislation for the farmer; he has had no income for the last four years on which to pay an income tax. His relief must come by reducing the high taxes, high tariff rates, high freight rates, and by the United States aiding in settling conditions in Europe so that those nations may buy our surplus farm products, and by so readjusting conditions that the purchasing power of the dollar the farmer receives for his products will be worth 100 cents in the city market.

DEPARTMENT OF STATE APPROPRIATION BILL—CONFERENCE REPORT

Mr. SHREVE. Mr. Speaker, I present a conference report upon the bill (H. R. 8350) making appropriations for the Departments of State and Justice, for the judiciary, and for the Departments of Commerce and Labor.

LEAVES OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Messrs. MORIN, HULL of Iowa, SPEAKS, WAINWRIGHT, FISHER, McSWAIN, and HILL of Alabama, at the request of Mr.

JAMES, of the Military Affairs Committee, for two days, May 16 and 17, on account of official visit to United States Military Academy at West Point, as members of the Board of Visitors of the Academy.

To Mr. COLLINS, for three days, at the request of Mr. RANKIN, on account of important business.

To Mr. LEAVITT, for two days, Saturday, May 17, and Monday, May 19, on account of invitation to speak at dedication of veterans' monument, at Portland, Me.

CRITICISM OF CONGRESS

Mr. CONNALLY of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD which I made yesterday.

The SPEAKER. Is there objection?

There was no objection.

ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following title, when the Speaker signed the same:

H. R. 3684. An act for the enrollment and allotment of members of the Lac du Flambeau Band of Lake Superior Chippewas, in the State of Wisconsin, and for other purposes;

PRINT OF PRESIDENT'S VETO MESSAGE

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent that 5,000 copies of the President's veto message of the bonus bill be printed.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, what is the necessity for this when we are going to vote upon it on Saturday next?

Mr. LONGWORTH. We are not going to vote upon it until next Saturday, and I think probably there will be a great demand for them.

Mr. BLANTON. I shall not object.

The SPEAKER. Is there objection?

Mr. HOWARD of Nebraska. Mr. Speaker, what is it?

The SPEAKER. The gentleman from Ohio asks unanimous consent that 5,000 copies of the President's veto message be printed. Is there objection?

Mr. HOWARD of Nebraska. Mr. Speaker, I am almost impelled to be disrespectful, but I shall not.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to address the House on Wednesday next for 10 minutes, immediately after the reading of the Journal and the disposition of business on the Speaker's table.

The SPEAKER. Is there objection?

Mr. LONGWORTH. I dislike intensely to object, but I do not think general leave ought to be given at this time. For instance, next week we are to have up the Haugen-McNary bill, with perhaps three days of general debate, and it will be very easy for the gentleman to get in under that; but I shall not object.

The SPEAKER. Is there objection?

There was no objection.

PROHIBITION

Mr. HILL of Maryland. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein an address by the Hon. Nicholas Murray Butler.

The SPEAKER. Is there objection?

Mr. HOWARD of Nebraska. I object.

ADJOURNMENT

Mr. MADDEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 10 minutes p. m.) the House adjourned until to-morrow, Friday, May 16, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

479. A letter from the Director of the United States Veterans' Bureau, transmitting a statement showing by location, salary range, and bureau designation employees receiving an aggregate annual salary of $2,000 and over as of May 1, 1924, for central office, and as of April 1, 1924, for the field (H. Doc. No. 281); to the Committee on Appropriations.

480. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, a report on preliminary examination of the Illinois River and tributaries, Lake Depue to Goose Lake, Ill.; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. PURNELL: Committee on Agriculture. H. R. 157. A bill to authorize the more complete endowment of agricultural experiment stations, and for other purposes; with amendments (Rept. No. 758). Referred to the Committee of the Whole House on the state of the Union.

Mr. BURTON: Committee to Investigate Alleged Charges Against Two Members. A report on alleged charges against two Representatives in Congress (Rept. No. 759). Referred to the House Calendar.

Mr. RAMSEYER: Committee on Post Offices and Post Roads. H. R. 9093. A bill declaring pistols, revolvers, and other firearms capable of being concealed on the person nonmailable and providing penalty; with amendments (Rept. No. 762). Referred to the House Calendar.

Mr. JOHNSON of South Dakota: Committee on World War Veterans' Legislation. S. 2257. An act to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act, as amended, and the vocational rehabilitation act, as amended; with an amendment (Rept. No. 763). Referred to the Committee of the Whole House on the state of the Union.

Mr. McSWAIN: Committee on Military Affairs. H. J. Res. 128. A joint resolution to promote peace and to equalize the burdens and to minify the profits of war; without amendment (Rept. No. 764). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. FULLER: Committee on Invalid Pensions. H. R. 9246. A bill granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war; without amendment (Rept. No. 760). Referred to the Committee of the Whole House.

Mr. WILLIAMS of Michigan: Committee on War Claims. S. 1014. An act for the relief of F. J. Belcher, jr., trustee for Ed Fletcher; without amendment (Rept. No. 765). Referred to the committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 2756. A bill for the relief of Thomas H. Burgess; with amendments (Rept. No. 766). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. JOHNSON of Washington: A bill (H. R. 9241) to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the founding of Fort Vancouver, State of Washington; to the Committee on Coinage, Weights, and Measures.

By Mr. KING: A bill (H. R. 9242) to provide for the continuance of records which will be needed to carry out the intentions of Congress; to the Committee on Banking and Currency.

By Mr. LOGAN: A bill (H. R. 9243) to authorize the War Department to repair damages to the roadway between stations 18 and 28½, on Sullivans Island, S. C.; to the Committee on Military Affairs.

By Mr. BERGER: A bill (H. R. 9244) to condemn and acquire for Government ownership and operation railroad, telegraph, telephone, and express properties engaged in interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. KENDALL: A bill (H. R. 9245) granting the consent of Congress to the commissioners of Fayette and Greene Counties, Pa., to construct a bridge across the Monongahela River near Masontown, Fayette County, Pa.; to the Committee on Interstate and Foreign Commerce.

By Mr. FULLER: A bill (H. R. 9246) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of sol-

diers and sailors of said war; to the Committee of the Whole House.

By Mr. ZIHLMAN: A bill (H. R. 9247) to amend an act regulating the height of buildings in the District of Columbia, approved June 1, 1910; to the Committee on the District of Columbia.

By Mr. BUCKLEY: A bill (H. R. 9248) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. AYRES: A bill (H. R. 9249) to protect the commerce of the United States and to punish the crime of piracy; to the Committee on the Judiciary.

By Mr. LEAVITT: A bill (H. R. 9250) to authorize the leasing of lands withdrawn under the reclamation law; to the Committee on Irrigation and Reclamation.

By Mr. HOWARD of Nebraska: Concurrent resolution (H. Con. Res. 23) for the appointment of a joint committee composed of Members of the House and Senate to investigate credit to farmers and a remedy for depression in agriculture, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BULWINKLE: A bill (H. R. 9251) granting a pension to Sallie Garland; to the Committee on Invalid Pensions.

By Mr. FITZGERALD: A bill (H. R. 9252) granting a pension to Charles Meyer; to the Committee on Invalid Pensions.

By Mr. FREEMAN: A bill (H. R. 9253) granting a pension to Pauline G. Harris; to the Committee on Pensions.

By Mr. GLATFELTER: A bill (H. R. 9254) granting an increase of pension to Mary Ann Finfrock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9255) granting an increase of pension to Mary Shewell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9256) granting an increase of pension to Louisa C. Swartzbaugh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9257) granting an increase of pension to Sarah Zimmerman; to the Committee on Invalid Pensions.

By Mr. MOORE of Ohio: A bill (H. R. 9258) granting a pension to Grace E. Moore; to the Committee on Invalid Pensions.

By Mr. NEWTON of Minnesota: A bill (H. R. 9259) to extend the benefits of the employees' compensation act of September 7, 1916, to Carol E. Reeves; to the Committee on Claims.

By Mr. STALKER: A bill (H. R. 9260) granting a pension to Alice May; to the Committee on Invalid Pension.

Also, a bill (H. R. 9261) granting a pension to Anna Pruden; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 9262) granting an increase of pension to William H. Gray; to the Committee on Pensions.

By Mr. THOMPSON: A bill (H. R. 9263) granting an increase of pension to Mary E. Allen; to the Commitee on Invalid Pensions.

By Mr. WILLIAMS of Illinois: A bill (H. R. 9264) granting a pension to Charlie Simmons; to the Committee on Invalid Pensions.

By Mr. WYANT: A bill (H. R. 9265) granting an increase of pension to Charles H. Black; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2763. By Mr. BARBOUR: Petition of citizens of Livingston, Calif., protesting against any amendment of the Federal prohibition act; to the Committee on the Judiciary.

2764. By Mr. BOYCE: Petition of Anna Marie Fullerton and others, of Holly Oak, Del., in relation to proposed equal rights amendment; to the Committee on the Judiciary.

2765. By Mr. GALLIVAN: Petition of Bernard J. Rothwell, Boston, Mass., protesting vigorously against passage of the McNary-Haugen bill; to the Committee on Agriculture.

2766. Also, petition of Grain Board of the Boston Chamber of Commerce, Boston, Mass., protesting against passage of Senate bill 2012 and House bill 5563, known as the McNary-Haugen bill; to the Committee on Agriculture.

2767. By Mr. HUDSON: Petition of citizens of Lansing, Mich., indorsing the peace proposal setting forth the prevention and real cause of international wars as contained herein and drafted by Homer L. Boyle; to the Committee on Foreign Affairs.

2768. Also, petition of the International Arbitration Association, indorsing a plan as outlined by Homer L. Boyle, of Lansing, Mich., to prevent wars and the racing in armament of the nations of the world, and recommending and requesting Congress to pass an act authorizing the President to call an international peace conference of all nations of thte world; to the Committee on Foreign Affairs.

2769. By Mr. PARKER: Papers to accompany House bill 9090, granting an increase of pension to Eliza A. O'Connor; to the Committee on Invalid Pensions.

2770. By Mr. RAINEY: Petition of William Mumford and 18 other citizens of Pittsfield, Ill., protesting against the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2771. Also, petition of Case County (Ill.) Farm Bureau, favoring McNary-Haugen bill; to the Committee on Agriculture.

2772. Also, petition of Sweetwater (Ill.) Friday Afternoon Club, favoring hospitals for mentally afflicted soldiers; to the Committee on World War Veterans' Legislation.

2773. Also, petition of Menard County (Ill.) Farm Bureau, favoring farm relief; to the Committee on Agriculture.

SENATE

FRIDAY, *May 16, 1924*

(Legislative day of Wednesday, May 14, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker of the House had signed the enrolled bill (H. R. 3684) for the enrollment and allotment of members of the Lac du Flambeau Band of Lake Superior Chippewas, in the State of Wisconsin, and for other purposes, and it was thereupon signed by the President pro tempore.

CALL OF THE ROLL

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Clerk will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fess	McKinley	Shortridge
Ashurst	Frazier	McLean	Simmons
Ball	George	McNary	Smith
Bayard	Glass	Mayfield	Smoot
Borah	Gooding	Neely	Spencer
Brandegee	Hale	Norris	Stanfield
Bruce	Harreld	Oddie	Stephens
Bursum	Harris	Overman	Sterling
Cameron	Harrison	Owen	Swanson
Capper	Heflin	Pepper	Trammell
Caraway	Johnson, Calif.	Phipps	Wadsworth
Colt	Johnson, Minn.	Pittman	Walsh, Mass.
Copeland	Jones, N. Mex.	Ralston	Walsh, Mont.
Cummins	Kendrick	Ransdell	Warren
Curtis	Keyes	Reed, Pa.	Watson
Dale	King	Robinson	Weller
Dill	Ladd	Sheppard	Willis
Edge	Lodge	Shields	
Fernald	McKellar	Shipstead	

Mr. CURTIS. I wish to announce that the junior Senator from Wisconsin [Mr. LENROOT] is necessarily absent owing to illness. I ask that this announcement may stand for the day.

I was requested to announce that the Senator from Washington [Mr. JONES], the Senator from New Hampshire [Mr. MOSES], and the Senator from Montana [Mr. WHEELER] are engaged in a hearing before a special investigating committee of the Senate.

Mr. SMITH. I desire to announce that my colleague [Mr. DIAL] is absent on account of illness.

The PRESIDENT pro tempore. Seventy-four Senators have answered to their names. There is a quorum present.

HOUSE BILL REFERRED

The bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

INVESTIGATION OF COMMERCIAL WHEAT-FLOUR MILLING

The PRESIDENT pro tempore laid before the Senate a communication from the chairman of the Federal Trade Commission, transmitting, pursuant to Senate Resolution 212 (agreed

to January 18, 1922, 67th Cong., 2d sess.), the report of the commission relative to the wheat-flour milling industry, which was ordered to lie on the table.

SALARIES IN THE VETERANS' BUREAU

The PRESIDENT pro tempore laid before the Senate a communication from the Director of the United States Veterans' Bureau, transmitting, pursuant to law, a statement showing by location, salary range, and bureau designation employees receiving an aggregate annual salary of $2,000 and over as of May 1, 1924, for the central office, and as of April 1, 1924, for the field, which was referred to the Committee on Appropriations.

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate the petition of the constituent bodies of the Federal Council of the Churches of Christ in America and other bodies, praying for the participation of the United States in the Permanent Court of International Justice, which was referred to the Committee on Foreign Relations.

He also laid before the Senate resolutions adopted by the Council of the New York Commandery, Military Order of Foreign Wars, at New York, N. Y., protesting against the passage of House Joint Resolution 180, for the relief of the distressed and starving women and children of Germany, which were referred to the Committee on Foreign Relations.

He also laid before the Senate a telegram in the nature of a petition from Samuel Gompers, president of the American Federation of Labor, on behalf of the executive council of the federation meeting at Montreal, Quebec, praying for the passage of the Howell-Barkley railway labor bill, which was referred to the Committee on Interstate Commerce.

He also laid before the Senate a telegram from Local No. 89, Italian Dressmakers' Union, of New York, N. Y., which was ordered to lie on the table and to be printed in the RECORD, as follows:

[Western Union telegram]

NEW YORK, N. Y., *May 15, 1924.*

United States Senators, Washington, D. C., greetings:

HONORABLE SIRS: This organization, the Italian Dressmakers' Union, Local No. 89, I. L. G. W. U., respectfully urges the voting of the joint resolution to amend the Constitution of the United States for the protection of children of our Republic, limiting, prohibiting, and regulating the employment of said children under 18 years of age.

ITALIAN DRESSMAKERS' UNION, LOCAL NO. 89,
I. L. G. W. U. EXECUTIVE BOARD,
LUIGI ANTONINI, *General Secretary.*

Mr. KING. Mr. President, I have received a large number of telegrams relating to the Howell-Barkley bill. One which I have in my hand explains the view of the persons from whom the telegrams have come. I ask that it be printed in the RECORD and referred to the Committee on Interstate Commerce.

There being no objection, the telegram was referred to the Committee on Interstate Commerce and was ordered to be printed in the RECORD, as follows:

[Western Union telegram]

SALT LAKE CITY, *May 13, 1924.*

Hon. WILLIAM H. KING,
United States Senate, Washington, D. C.:

As representative of Foundrymen Craft, am instructed strenuously oppose and enlist your assistance in opposition Howell-Barkley bill, which we have read. Will work uncalled-for injustice on 153,000 railroad workers and deny more than 106,000,000 public due consideration.

JAMES L. KARREN,
Chairman for Foundrymen.

REPORTS OF COMMITTEES

Mr. WARREN, from the Committee on Appropriations, to which was referred the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes, reported it with an amendment and submitted a report (No. 550) thereon.

Mr. REED of Pennsylvania, from the Committee on Military Affairs, to which was referred the bill (S. 1535) granting relief to persons who served in the Military Telegraph Corps of the Army during the Civil War, reported it with an amendment and submitted a report (No. 551) thereon.

Mr. BRUCE, from the committee on Military Affairs, to which was referred the bill (H. R. 7296)) for the relief of John W. Dilks, reported it without amendment and submitted a report (No. 552) thereon.

Mr. STEPHENS, from the Committee on Commerce, to which was referred the bill (S. 3272) declaring a part of the Tallahatchie River, in the State of Mississippi, to be a nonnavigable stream, reported it with amendments and submitted a report (No. 553) thereon.

Mr. WADSWORTH, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 3263) to provide for the inspection of the battle fields in and around Fredericksburg and Spotsylvania Court House, Va. (Rept. No. 555); and

A bill (S. 3285) to provide retirement for the Nurse Corps of the Army and Navy (Rept. No. 556).

Mr. WADSWORTH also, from the Committee on Military Affairs, to which was referred the following bill and joint resolution, reported them each with an amendment and submitted reports thereon:

A bill (S. 3276) authorizing the sale of real property no longer required for military purposes (Rept. No. 557); and

A joint resolution (S. J. Res. 124) to provide for the posthumous appointment to commissioned grades of certain enlisted men and the posthumous promotion of certain commissioned officers (Rept. No. 558) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HARRELD:

A bill (S. 3320) to provide for the purchase of a site and building at Sapulpa, in the State of Oklahoma, and providing an appropriation therefor; to the Committee on Public Buildings and Grounds.

By Mr. SWANSON:

A bill (S. 3321) to provide for the inspection of the battle fields of the siege of Petersburg, Va.; to the Committee on Military Affairs.

By Mr. BURSUM:

A bill (S. 3322) extending in certain cases the time for commencing training under the vocational rehabilitation act; to the Committee on Education and Labor.

A bill (S. 3323) for the relief of Ferdinand M. Brown; to the Committee on Claims.

By Mr. GLASS:

A bill (S. 3324) to amend section 5 of the trade-mark act of 1905, as amended, relative to the unauthorized use of portraits; to the Committee on Patents.

By Mr. McKINLEY:

A joint resolution (S. J. Res. 125) granting permission to Fred F. Rogers, commander, United States Navy, to accept certain decorations bestowed upon him by the Venezuelan Government; to the Committee on Naval Affairs.

AMENDMENT TO RIVERS AND HARBORS BILL

Mr. HALE submitted an amendment providing for an examination and survey of Portland Harbor, Me., intended to be proposed by him to House bill 8914, the rivers and harbors authorization bill, which was referred to the Committee on Commerce and ordered to be printed.

AMENDMENT TO INLAND WATERWAYS CORPORATION BILL

Mr. McKELLAR submitted an amendment intended to be proposed by him to the bill (S. 3161) to create the inland waterways corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes, which was ordered to lie on the table and to be printed.

ORIGIN OF THE WORLD WAR

Mr. OWEN submitted the following resolution (S. Res. 225), which was referred to the Committee on Foreign Relations:

Resolved, That the Committee on Foreign Relations shall cause to be prepared for the Senate an authoritative and impartial analysis and abstract of all authentic important evidence heretofore made available in printed form, or otherwise readily accessible, bearing on the origin of the World War, together with the conclusions of the committee of inquiry as to the relative responsibility therefor.

2. The Committee on Foreign Relations is authorized and directed to appoint a "committee of inquiry" of seven impartial citizens of the United States, trained in historical research, to assemble and analyse this evidence, applying to it reasonable and scientific rules of legal and historical criticism, and summarising the conclusions to which it points. This committee shall not be composed of persons in the Government service. They shall serve without compensation, but shall be reimbursed for their actual and necessary traveling expenses, and for their maintenance while actually engaged in the work of the committee shall receive an allowance not exceeding $9 per diem. The Committee on Foreign Relations shall have authority to employ such additional clerical service as the committee of inquiry may require at a cost not

to exceed $5,000. The office of the committee of inquiry shall be in the Committee on Foreign Relations, or elsewhere as determined by the Committee on Foreign Relations. All expenditures incidental to the formation and operation of the committee of inquiry and the printing of its reports shall be paid from the contingent fund of the Senate.

3. The committee of inquiry shall submit its abstracts and conclusions to the Committee on Foreign Relations not later than February 1, 1925, which shall be printed for the information of the Senate.

REPORT OF NEAR EAST RELIEF

On motion of Mr. LODGE, it was

Ordered, That the report of the Near East Relief for the year ended December 31, 1923, transmitted to the Senate on April 24, 1924, be printed as a Senate document.

SPECULATIONS IN WHEAT (S. DOC. NO. 110)

On motion of Mr. LADD, it was

Ordered, That the communication of the Secretary of Agriculture, with the accompanying report of the Grain Futures Administration under the grain futures act of September 21, 1922, with respect to trading in grain futures on the Chicago Board of Trade, transmitted to the Senate on May 3, 1924, in response to Senate Resolution 9, agreed to January 8, 1924, be printed as a Senate document.

ADDRESS BY SENATOR STANFIELD

Mr. McNARY. Mr. President, I ask unanimous consent to have printed in the RECORD a very interesting and thoughtful address made a few nights ago by my colleague, the junior Senator from Oregon [Mr. STANFIELD], entitled "Have faith in our Republic."

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The address is as follows:

ADDRESS BY HON. ROBERT N. STANFIELD, OF OREGON, OVER STATION WRC AT WASHINGTON, D. C., SATURDAY EVENING, MAY 10, 1924

HAVE FAITH IN OUR REPUBLIC

The history of our Republic is the marvel of the world.

Our agricultural development; our industrial development; our transportation systems; our standard of living; our inventive genius; our peace-loving spirit; our ability to fight in defense of right, but never for conquest, are the pride of Americans everywhere and the envy and hope of all other peoples.

Though an infant in years as nations go, yet we are the bankers of the world.

But all these things, alone, do not justify a continued faith in our Republic.

During the recent war years we so often did that which seemed impossible; we raised fabulous sums of money; and though not a military nation, we raised, equipped, trained, and transported a magnificent army in record time and with this added strength of American manhood to the war-worn armies of our allies the victory for civilization and democracy was won.

By these victories we have come to feel that nothing is impossible to us; but through these accomplishments, and this faith in ourselves they have inspired, we have formed habits of waste, indifference, overconfidence, and even arrogance, that without extreme care on our part will lead to the sowing of the seed of our own destruction, for the Divine injunction:

"When ye think ye stand, take heed lest ye fall," applies to nations as well as to individuals.

No country involved in the great World War has weathered the financial and industrial storms of the years since the armistice was signed—the years of readjustment and reconstruction—as safely and successfully as has our own United States.

Our tax burdens, it is true, have been heavy, but even so they are not to be compared with the tax burdens of our allies.

Our people have been employed at good wages; our National Budget has been balanced, and the national income has been sufficient to pay all current expenses of the Government. The interest on the public debt has been paid, and enough on the principal to insure its payment in full at an early date.

During all this time our financial system, the American dollar, has not suffered in its value or reputation, and indeed has become the standard of value everywhere. The value of the pound, the franc, the kronin, and the mark is now measured by the American dollar, ofttimes to their discredit.

But this is not enough to justify faith in the endurance of our Republic.

That firm and abiding faith in our Republic must be founded on the individual character of our people.

If the individual citizen is honest, industrious, and thrifty, if the public official is reliable, faithful, and incorruptible, then our Republic is founded upon a rock, and our faith in its endurance is justified.

That the individual citizen is honest, industrious, and thrifty is proven by our record of readjustment and reconstruction since the war by our production, our exports, our imports, and our increasing bank deposits.

During the period of the war we gathered money by the billions from the people and spent it like irresponsible sons of multimillionaires.

Since the war we have been engrossed in problems of readjustment, and now that we feel we are safely back to the ways of peace the spirit of calling our public officials to account prevails.

All this is as it should be, but as we call these officials to book we must remember that it takes a lifetime to build a reputation for honesty, integrity, and morality, and such a precious thing should not be held lightly or destroyed in a day unless worthy evidence, calmly considered, justifies it.

Honorable men—executive, investigators, committeemen, and prosecutors—charged with the responsibility of conducting investigations have a solemn duty to perform toward the individual as well as to the Government and the public.

We must remember that fairy tales do not always come from fairies, but sometimes "wolves in sheep's clothing, seeking whom they may devour," prompted by desire for revenge or love of publicity, find spinning fairy tales a pleasant diversion from the night life of big cities and the criminal atmosphere of the underworld, particularly so when Uncle Sam pays their expenses and witness fees, and there is no danger of contradiction from the dead and slight risk of punishment from the living.

The voluntary statements of the criminal and unworthy sometimes lead to corroborating evidence, and because of that must be received, but should never be received with open doors or given publicity until worthy evidence of guilt has been secured; otherwise the name and reputation of no man is safe.

An investigation should not be closed or discontinued until the last bit of evidence that will either exonerate or convict the accused official has been taken, but I have no sympathy with methods that will destroy the lives and usefulness of worthy men and women by publicity given the mouthings of criminals, adventurers, and dope fiends.

We should either listen to the statements of such unworthy and unreliable witnesses behind closed doors, and treat their statements in confidence, observing the rules of grand-jury investigations, or we should observe the rules of evidence adopted by trial courts, and thus deny this flock of character wolves their chance to destroy those against whom they hold grudge, or their chance to satisfy a craving for publicity at the expense and sacrifice of worthy men and women.

It is true that occasional cases of corruption are disclosed among public officials, but these cases are rare and far between.

It is true that our press carries news stories of crimes committed daily, but we must remember that through our modern method of gathering and disseminating news through the press service associations all the papers publish the same story of the same crime, usually in all its sordid colors.

It is also true that only the unusual and extraordinary have any news value. The brilliant and the criminal, and ofttimes the brilliant criminal, furnish the news for our press and writers. This is because there are but few either brilliant or criminal, and therefore their doings and sayings are unusual and extraordinary, have news value, and find their way into the press.

If the brilliant and the criminal were many, their doings and sayings would be commonplace and have no news value. The doings and sayings of the good are many and common and therefore excite no comment.

The great mass of our American citizenship are good, honest, industrious, faithful, home-loving, God-fearing men and women, and it is upon this safe, sound, solid foundation the security of our Republic rests.

A little fringe, some possibly at the top and a little fringe at the bottom of our great social fabric is weak, corrupt, and unsound, but the fabric in between these fringes is woven of warp and woof the best this world affords, and because of this our faith in this Republic is justified.

Have faith in our Republic!

SALARIES OF POSTAL EMPLOYEES

Mr. EDGE. Mr. President, I notice that the Senate last evening in one minute's time passed a very meritorious bill, in my judgment, raising the salaries of the policemen and firemen of the District of Columbia some two hundred-odd dollars per year. I am very anxious, as I have indicated several times, to bring before the Senate for consideration Senate bill 1898, which provides for the readjustment of the salaries of 300,000 postal employees throughout the country. However, I believe in regularity so far as it is possible to adhere to it. I had intended to ask unanimous consent this morning that the Senate proceed to the consideration of the bill and endeavor

to get it through to-day. I recognize, however, that the Senate is in recess, and we shall have no morning hour. As the unfinished business, the War Department appropriation bill, is before the Senate, I shall not attempt to displace that measure. I am simply taking this occasion to give the Senate notice that in the first morning hour we have I shall ask unanimous consent to consider the postal employees' salary bill and, failing in my effort to get unanimous consent, I shall move that the bill be taken up for consideration.

Mr. SHIELDS. Mr. President, the Senator from New Jersey has given notice that the first time we have a morning hour following an adjournment of the Senate he will ask for the consideration of the bill which is now upon the calendar for the relief of postal employees of the United States. I hope he will do so, and that the bill will be advanced, if necessary, and certainly considered and passed during the present session of the Congress, for it is a bill which proposes to give relief which has long been needed.

Mr. President, I have here an editorial from the Gazette-Times, of Pittsburgh, Pa., which states some good reasons for the advancement of the consideration and passage of the bill at the present session of Congress. I ask unanimous consent that the editorial may be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Pittsburgh (Pa.) Gazette-Times, Friday, April 9, 1924]

PASS THE POSTAL PAY BILL

The bill providing increased compensation for postal employees has reached that stage in Congress where, unless favorable action on it be prompt, it will be lost. But a few weeks of the present session remain. Business is piling up. In the closing days there is to be expected a degree of congestion in which, this being a presidential election year, legislation that can be turned to political advantage will receive an undue share of attention from many Representatives and Senators.

The postal employees' pay bill is in no sense political. It is a measure that might aptly be entitled a bill to do justice to upwards of 300,000 indispensable and always faithful employees of this great and rich country. In a circular describing the United States Postal System, Postmaster General Harry S. New describes the department under his direction as "the biggest single business in the world." It is that. But it is far more than a business. It is a public utility without whose uninterrupted and efficient functioning every other business in the country would be incalculably hampered.

A primary interest of the American people is the Postal Service. It is an interest to be fostered. It ought not to be necessary for the men and women in it who are devoting their lives to the service of the people to ask for adequate compensation. This should be volunteered. It is not, unfortunately. Whether or not the Postal Service sustains itself is not a question for consideration when the subject of remunerating its employees is up. It does the people's work and the people are not entitled to unremunerated service.

The postal employees' pay bill should be taken up immediately and passed, the rates allowed being commensurate with the services rendered and in keeping with the requirements of the men and women affected for maintaining the American standard of living. Unless this is done the country will be disgraced.

WASHINGTON MONUMENT GUIDE BOOK

Mr. ROBINSON. Mr. President, for the information of the Senate in connection with the pending conference report on the independent offices appropriation bill I ask to have printed in the RECORD a statement of Miss Ina C. Emery before the House subcommittee on the urgent deficiency appropriation bill on January 14, 1909, and a letter of the chairman of the House Committee on Appropriations dated July 2, 1923, to the Secretary of War relating to the same subject matter, namely, the Washington Monument Guide Book. The text of Miss Emery's hearing before the committee in 1909 shows very clearly that the intent of the legislation subsequently enacted was to authorize the sale of her Monument Guide Book at the Monument. The purport of the letter of Chairman MADDEN, of the Appropriations Committee, in 1923 cites the law governing the matter, shows her book, which has been at the Monument since 1901, is in pursuance of that law and involves no expenditure of public money, and urges the restoration of her right to have the book sold at the Monument, a right which the War Department discontinued, effective July 1, 1923. I merely submit this matter so that Senators may be informed of the situation.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Arkansas? The Chair hears none, and the matter will be printed as requested.

The letter and statement referred to are as follows:

COMMITTEE ON APPROPRIATIONS,
SIXTY-SEVENTH CONGRESS,
Washington, D. C., July 2, 1923.

MY DEAR MR. SECRETARY: In Statutes at Large, volume 35, page 615, will be found the following:

> "That hereafter no advertisement of any kind shall be displayed and no articles of any kind, except a guidebook to the Monument, shall be sold in or around the Washington Monument."

Then later, in Statutes at Large, volume 35, page 997, there appears the following:

> "That hereafter no advertising of any kind shall be displayed and no articles of any kind shall be sold in or around the Monument except upon the written authority of the Secretary of War."

In pursuance of this authority, Miss Emery has been selling a guidebook to the Monument, which she has prepared at her own expense. The sale of this book involves no expenditure of public money, and she has paid the Government $75 per annum for the privilege. Recently you have ordered the sale of the book discontinued.

It seems to me that in view of the expense incurred by Miss Emery in the preparation of the book and the satisfaction which its sale has given all these years to the visiting public she should be permitted to continue its sale.

I shall consider it a personal favor if you can find it consistent to withdraw the order recently issued by you and reinstate Miss Emery's right to the sale of the book at the Monument.

[From hearing before House Appropriations Committee, January 14, 1909]

STATEMENT OF MISS INA C. EMERY

The CHAIRMAN. Miss Emery, you have called our attention to a provision in the sundry civil law for the current fiscal year in connection with the Washington Monument, asking that it may be abrogated. It reads as follows:

> "*Provided*, That no advertisement of any kind shall be displayed and no articles of any kind shall be sold in or around the Monument."

That is the Washington Monument, here in the city?

Miss EMERY. Yes.

The CHAIRMAN. What reason have you for asking that this provision be abrogated, for wanting this law changed?

Miss EMERY. It is because I have a book, the only book that has ever been published, containing all the inscriptions, the history, and a description of the construction of the Washington Monument. It is the only one that has ever been prepared, and it has cost me over $1,600 to prepare the book, and it has been there for nearly six years, without a single adverse criticism from anywhere. On the contrary, I have had letters from all over the country, and even from Europe, telling me what a pleasure it has been to the writers to read an inscription on a tablet that an aunt or an uncle or some one had placed there, and it is the only book of the kind ever published.

The CHAIRMAN. Were you selling this book at the time that the Superintendent of Public Buildings and Grounds recommended to the committee the adoption of this paragraph?

Miss EMERY. Yes, sir.

The CHAIRMAN. Did you know about the paragraph at the time of its adoption?

Miss EMERY. No, sir; I had no intimation of it.

Mr. KEIFER. When was that passed?

The CHAIRMAN. At the last session of Congress.

Mr. LIVINGSTON. What objection have you to advertisements that do not affect your book?

Miss EMERY. I have no objection. I only want my book placed back there.

Mr. VREELAND. She wants the right to sell her book there. The right has been taken away.

Mr. RODENBERG. They construed that provision in such a way as to exclude her book.

Mr. LIVINGSTON. Suppose the law is changed so that it will not exclude the selling of your book?

Miss EMERY. That is all I ask.

Mr. VREELAND. She is not seeking to exclude anybody else.

Miss EMERY. No. I only ask that my book may be sold there, as it is a benefit to the public, and I think that Mr. Tawney knows of the various persons who have interested themselves in it who know the book and know what it has done.

Mr. LIVINGSTON. Can anyone tell why that law was passed?

The CHAIRMAN. Yes. It was enacted at the last session of Congress on the recommendation of the Superintendent of Public Buildings and Grounds. It was placed as a provision on the sundry civil bill.

Mr. LIVINGSTON. I was not here at the time and did not get a chance to hear a thing about it. What reason did he give?

The CHAIRMAN. He wanted to shut out the vending of anything at that place, because, as he said, if you will allow one you would have to license others.

Mr. GRAFF. There is no book vended there except this book, is there, Mr. Chairman?

The CHAIRMAN. I do not recall the testimony now. My recollection, however, is that there were applications for permission for the vending of all sorts of articles—postal cards, souvenir postal cards, and souvenirs of all kinds.

Mr. GRAFF. But there is no history of the Monument except this one?

The CHAIRMAN. Not that I know anything about.

Mr. VREELAND. We could amend the provision by excepting books describing the Monument, or views of the Monument.

The CHAIRMAN. This is a guide to the Monument?

Miss EMERY. It is a guide to the Monument. There is nothing in it except a guide to the Monument.

The CHAIRMAN. Then if we were to amend this provision so as to read that no advertisement of any kind should be displayed, or any articles should be sold except this book, that would be satisfactory to you?

Miss EMERY. Yes, sir; that is all I ask.

Mr. LIVINGSTON. I do not see why they should prohibit anybody.

The CHAIRMAN. There was reason for this legislation. Of course, the committee did not know anything about this book at the time, but if you allow these people to go there indiscriminately you would have a crowd of people selling things there, especially during the week of inauguration and perhaps weeks afterwards.

Mr. VREELAND. It is a great convenience for the people to go there and buy it. I want to look at it myself.

The CHAIRMAN. This is of benefit to visitors, in that it will enable them to understand the history of the Monument and the history of the inscriptions inside of it?

Miss EMERY. Yes, sir.

Mr. KEIFER. I think we can amend that in a way to be satisfactory to you.

Mr. VREELAND. I wish you would send up two or three copies of that book. When it comes up in the House we would like to show just what it is.

Miss EMERY. I have already sent a copy to each member of the committee. I thank you, gentlemen, very much.

WAR DEPARTMENT APPROPRIATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes.

Mr. SMITH. Mr. President, I am not going to consume very much time in the discussion of the amendment proposed to the pending bill looking toward a modification of what is known as the fourth section of the transportation act. I have been somewhat disappointed in the tenor of the arguments of certain Senators in reference to this matter. There has never been before the Senate or before the American people a subject of more vital importance, one more far-reaching in its effect, than the proper solution of the problem involved in what is known as the fourth section of the transportation act. It is not a question between the partisans of the railroads and the partisans of water transportation; it is a question of how a rapidly developing country may meet the needs of its people in transporting the rapidly increasing products of the Nation.

There has been discussed here on the floor the question as to what section of the country may or may not be benefited by a modification in the wording of the fourth section. The relations of the railroads to themselves, in my opinion, do not enter into the proper discussion of the question. The real question is, How we may utilize to the best advantage of the American people the available facilities for transportation.

What are those facilities? There are only two—the natural and the artificial. The domain of the one in a certain respect does not enter the domain of the other. They are both here and are available. The question involved is, What relation shall the two facilities bear to each other for the good of the American people and not primarily for the good of those who may furnish the facilities in the one case or the other? The late Senator Newlands, of Nevada, who was the chairman of the Committee on Interstate Commerce, spent his senatorial life in trying to impress Congress with the fact that we had those two facilities, and that the part of statesmanship in this body was so to correlate the two that they would perform the maximum service for the American people.

Before going specifically into the relation of the two facilities, I will say that a glance at the map on the wall of the Senate Chamber showing certain already accomplished facilities and indicating those which may hereafter be furnished will convince every man on the floor that nature and art have furnished us as they have furnished no other nation on earth with the potential facilities of moving adequately and freely with the least possible delay and cost all the possible production of America.

Starting at our extreme northern boundary we find that there a friendly nation is now collaborating with us in determining the feasibility of opening the St. Lawrence Canal and making a gateway from the Great Lakes out to the ocean that will give to the people of the North and Northeast water facilities by means of a great highway which will be there eternally, which will not involve the building of switches and pass tracks, and which will be available for all the possible tonnage that may be committed to it.

Then our coast line from the extreme northeast down around the peninsula of Florida, in conjunction with that magnificent piece of engineering, cutting the link that binds the North and South America, the Panama Canal, affords a highway around to the western coast and to the extreme border of the northwest, and renders possible with expedition and efficiency to transport our tremendously increasing tonnage by water from the eastern shore to the western shore and vice versa.

Outside of the less than one-fourth of our continental boundary, there is nature's great highway, with natural facilities for transmitting the products of all the people within a reasonable distance of that coast line by means of the intercoastal trade.

Then, in the center of our continent we have a highway, a natural transportation facility. The Mississippi River and its tributaries are in effect a great transportation system running from the Gulf of Mexico practically to our extreme northern border.

The question, therefore, with us to-day is not one of the selfish interests of the railroads or those who have invested in securities that make them possible, but the question with us is, What are we going to do in reference to maintaining both of these systems in their full efficiency?

Now, I desire to call attention to some facts upon which I wish to predicate what I have to say. I have before me a very enlightening table furnished by the Interstate Commerce Commission. I believe they have agreed that in about every 10 years, not to exceed 12 years, the tonnage of the country doubles. Therefore, transportation facilities should likewise increase. All of us know that we have a vast territory which yet needs pioneering. I want to read from this table as to the mileage of the railroads in America from 1910 to 1923, inclusive.

In 1910 we had 240,831 miles of railway.

Mr. KING. Do those figures include the short as well as the long railroads.

Mr. SMITH. Yes; the figures represent the total mileage.

In 1911 there were 246,238 miles of railway; in 1912, 249,852 miles.

I am reading these figures, instead of asking to have the table printed in the RECORD, in order that Senators may follow them and notice the per cent of increase in railroad mileage in nearly a decade and a half, during which time our tonnage has more than doubled.

In 1913 there were 253,470 miles of railway in the United States; in 1914, 256,547 miles; in 1915, 257,569 miles; in 1916, 259,705 miles; in 1917, 259,705 miles. You will notice that in those two years not a mile of track was added. In 1918 there were 258,507 miles of railway, an actual decrease; in 1919, 258,525 miles; in 1920, 259,941 miles; in 1921, 258,362 miles; in 1922, 257,834 miles. We were beginning at that time to enter a period of railroad activity, so far as volume of business was concerned, that culminated in the peak in 1923. In 1923 there were 258,183 miles of railway; so that in 1923 we had less miles than we had in 1916.

As a companion to that, let us see what has been done on a stationary construction of mileage facilities. Here is a very interesting and enlightening table to apply immediately to the one I have just read.

In 1910, on the mileage that I have just given the Senate—240,831 miles—there was an investment in road and equipment of $14,558,000,000. I am just giving the sums in round numbers. In 1911 there was an investment of $15,612,000,000; in 1912, $16,005,000,000; in 1913, $16,589,000,000; in 1914, $17,164,000,000; in 1915, $17,441,000,000; in 1916, $17,843,000,000; in 1917, $18,574,000,000; in 1918, $18,985,000,000; in 1919, $19,300,000,000; in 1920, $19,849,000,000; in 1921, $20,329,000,000; in 1922, $20,580,000,000; in 1923, $21,480,000,000.

So that this curious fact occurs: By reference to these tables it will be found that in 1916 we had 259,705 miles of road, with an investment value of $17,843,000,000, while in 1923 we had 258,183 miles of road, and an investment value of $21,480,000,000; showing that our roads, though static as to the matter of additional mileage and increased territory covered,

had increased their investment in the roads already operating from $17,843,000,000 to $21,480,000,000.

In conjunction with that table, in order that the Senators may as nearly as possible get a grasp of just what is being done and what the increased burden may be on the people who pay for these facilities, I take a table showing the investment in road and equipment in excess of retirements from 1912. I did not get the figures for 1910 and 1911. That is the amount, as claimed by the roads, that was necessary for their upkeep in road and equipment in excess of retirements:

Expenditures for road and equipment, 1912–1923 (roads of Class I and II and their nonoperating subsidiaries)

Investment in road and equipment in excess of retirements for year ended:	
June 30:	
1912	$477,191,155
1913	600,589,302
1914	550,513,731
1915	263,729,096
1916	281,135,100
December 31:	
1916	354,025,570
1917	571,746,523
1918	488,117,653
1919	335,219,123
1920	544,463,696
1921	458,103,187
1922	342,137,181
1923 (estimate from advance figures compiled by Bureau of Railway Economics for Class I roads only)	900,000,000

In the hearings before the committee, Mr. President, as you personally are aware, and all members of the committee, the statement has been made over and over again that in order for the railroads to meet the necessary expansion of traffic they must be put in a position where they can invite vast volumes of new money. That has been the basis of the contention for the present transportation act. The question before us is, Is that justifiable, not upon the question of a reasonable return to the roads, but are we justified under our present system in pouring in this vast volume of taxes collected through transportation to expand our railroad trackage and facilities, to the total neglect of an auxiliary that nature has given us, and that could relieve to a large extent the so-called congestion and necessity for transportation by allowing through proper legislation an opportunity to determine whether or not our rivers and our coast traffic can be filled with carrier vessels?

Mr. KING. Mr. President, will the Senator permit a question?

Mr. SMITH. I yield.

Mr. KING. It may not be in line with the argument the Senator is making, and I apologize if I divert him. I am interested in the statement made by the Senator that the investment in road and equipment and the upkeep of the roads in 1923 was substantially $900,000,000, a considerable increase over the investment for like purposes during the five or six or seven preceding years. May I inquire of the Senator whether any part of that $900,000,000 was obtained from the Government in payment of amounts due the railroads, or was any part of it obtained from the sale of bonds or stocks, or was it all obtained from what might be denominated net earnings; and then, finally, may I inquire whether dividends were paid upon any of those roads which expended that $900,000,000, in addition, of course, to the expenditure?

Mr. SMITH. The expenditure of the $900,000,000 during 1923 was out of the earnings of the roads. It consisted—and I have tables here which I may insert in the RECORD—of making up the deficit or the lack of motive power and freight cars. I have those items here. That was one of the principal items—that the roads were lacking in equipment of traction power and lacking in equipment of carrier facilities, box cars, and so forth.

Mr. KING. Mr. President, if the Senator will permit another inquiry, do the figures which the Senator has before him show, or is there any information before his committee showing, whether any part of that $900,000,000 included what might be called expenditures for ordinary wear and repairs, or was it all what might be called capital investment?

Mr. SMITH. That $900,000,000, in so far as it pertained to their equipment of cars and engines, of course, was chargeable to capital account, because it was a permanent improvement on the road. The Interstate Commerce Commission have a system by which they keep an account of the deterioration of the different parts of the equipment of the road.

I want to call attention, right along with these tables, starting with 1910, showing the increased mileage and the investment in that mileage, to the revenue derived from the mileage, so that we might have an intelligent comprehension of what facilities we have and what they are costing to keep up what is practically a static institution. These are the figures furnished me by the commission as to the return upon this property.

Let us take the question of freight revenue. In 1913 the railroads collected freight revenue of $2,140,000,000. If Senators will bear in mind that the tonnage about doubles, to be conservative, every 12 years, they can follow intelligently this table of the revenue receipts:

1913	$2,140,000,000
1914	2,060,000,000
1915	1,978,000,000
1916	2,561,000,000
1917	2,820,000,000
1918	3,441,000,000
1919	3,543,000,000
1920	4,317,000
1921	3,911,000,000
1922	4,007,000,000
1923	4,649,000,000

That shows an increase for 1923 over 1913 of more than 100 per cent.

Mr. KING. Was that for freight alone, or for freight and passengers?

Mr. SMITH. That is freight alone. I intend to have these tables incorporated; but the revenue from the passenger receipts is possibly more striking than the other. For the years I have enumerated the passenger returns were as follows:

1913	$679,000,000
1914	684,000,000
1915	629,000,000
1916	674,000,000
1917	825,000,000
1918	1,032,000,000
1919	1,178,000,000
1920	1,287,000,000
1921	1,152,000,000
1922	1,076,000,000
1923	1,148,000,000

I have given these tables and the increases to show that without any additional trackage our tonnage has more than doubled, and the revenues have more than doubled; yet the cry from the roads and from the people is for additional facilities for transportation.

Mr. KING. Will the Senator permit an interruption right there?

Mr. SMITH. I will.

Mr. KING. I am very much interested in what the Senator is saying. The Senator has given in dollars and cents the increases in the rates by the railroads, both in the matter of freight and passengers, for the years stated. What will the increase in tonnage be? It is apparent with the increases in the passenger and freight rates, and there might be a very large increase in the aggregate, and yet not be a very great increase in the tonnage.

Mr. SMITH. I gave the figures for the tonnage a moment ago.

Mr. KING. I beg the Senators' pardon; I did not know that.

Mr. SMITH. I made a statement to the effect that in every 10 years the tonnage about doubles, so that the increase in the revenue was about indicated in the increase in the amount of traffic carried; but the point I am making is that we have gotten our transportation facilities now to the point where they can not and do not meet the necessities of expanding commerce, and can not meet them without additional trackage, with the enormous cost incident to the purchase of material and the construction of new roads.

As I called to the attention of the Senate a moment ago, we have a potential water system in America, running from the Gulf of Mexico practically to our northern boundary. We have the Panama Canal. We have now in course of investigation the feasibility of building the St. Lawrence Canal. Do we know, or have we been in a position to test, whether transportation on our waterways is feasible, economical, and practical? It is upon the fourth section that the answer to that question depends, and has depended from the very beginning of railroading in this country as a means of transportation.

I submit this to the Senate: If we allow the railroads to meet water competition, and put their rates a point below the figure at which the water carrier can live and carry the freight—and that is admitted to be lower than the railroad can carry freight for without a loss—how do we know and how can we tell what would be the condition of freight rates in this country with boats on our rivers and with intercoastal shipments if we had a policy in this country which made it impossible for the railroads to destroy this water competition? Have we gotten value received for the things we lost?

It is an elementary proposition that if the railroads are to make a reasonable return upon the property invested for the public account—and where there is water competition the railroads lose money—the interior must make up the deficit.

The next question is, Can the railroads meet the requirements of rail transportation and be denied the privilege of destroying water competition?

There has been no relief from the provisions of the fourth section since March, 1918. The roads are prospering as they have not prospered in the last decade. The question is, what tonnage could be taken from the roads by these water facilities, and to what extent would the taking of such tonnage render them less capable of carrying the interior tonnage?

My answer to that question is included in the first question. If they are carrying that tonnage to meet water competition at a loss, does it not follow that if they were to lose that tonnage, and it were carried by water, necessarily they would not sustain that loss, and, adjusting their business to the territory over which they have a monopoly, the amount released to the boats would react in an equitable adjustment of the interior rates to where the full amount they now receive could be received, for the reason that every ton of freight originating in America and exported abroad, and every ton originating abroad and imported into America, has to be handled by the railroads in the last analysis. Therefore it is a question as to whether we are going to allow the great transcontinental lines to carry the tonnage across the continent at water rates and recoup themselves on the local intermediate shipments, or whether we are going to confine them to the carriage by land and leave the question of adequate transportation to the dual system of land and water.

There is one other phase of this question. The argument has been made here that we have no boats on the rivers, that we have no intercoastal shipping. The reason we have no boats on the rivers is apparent to every intelligent man on this floor. Under the very first interpretation of section 4 of the act of 1877, the roads were given the power, under what perhaps was a loosely constructed verbiage in that act, but whose intent was clear, to meet water competition, and rail transportation being more expeditious and being safer than water transportation, necessarily, at the same rate, a shipper would prefer the railroad.

The Senator from Maryland [Mr. BRUCE] yesterday called attention to that fact. He said the roads were more expeditious, they were safer, and therefore the shipper preferred to ship by them. I contend that if railroad transportation is the more expeditious and is safer, costing more, the shipper should pay more for that kind of freight transportation than for transportation by the means with the greater risk. In other words, if the railroads cost more and are more expeditious and give a better advantage to the shipper, by the same token he should be willing to pay more for the transportation that gives him an advantage over the less expeditious and less safe route. He should at least have the choice between the two. He has not that choice now.

My position in reference to this fourth section is this, that we should so word the act that there could be no mistake, and we could do that by providing that no rail carrier should be allowed to charge less for the long haul than for the shorter haul, if that smaller charge was for the purpose of meeting or destroying water competition.

I think the time has arrived when, without complicating our railroad problem, but trying to amend the fourth section of the act so that it might affect this delicate thing called the rate structure, we should go on record with the statement that we intend to try by an equitable adjustment to see whether or not we can build up our water facilities. The only way that can be done, Mr. President, is by declaring by statutory enactment that it is the policy of this country that we do not intend that the rail facilities of the country shall crowd out the water facilities and recoup the losses sustained in that crowding out by an extra charge on the interior points.

Mr. OVERMAN. What does the Senator say about discrimination in favor of one town against another in order to build up the one town to the detriment of the other town in the interior?

Mr. SMITH. That is a very serious matter, but there are in this rate structure conditions that must be met that render it perhaps one of the most delicate and scientific things that meet organized society. We have to meet conditions in the interior by what is popularly known as zoning if we are going to give the people of a given community an equal chance to a market which has been built up by virtue of fortunate position and circumstance. The great Middle West wants and should have access to the eastern, western, and northern markets on as even terms as it is possible to grant, without detriment to them or to other communities. That is the reason why I made the general statement that I do not believe that we have the right as representatives of the people to so frame legislation that the roads of the country can destroy water competition and not give the American people the opportunity of knowing whether we can not utilize both of them to their fullest efficiency.

It goes without saying that under the present form of the amended fourth section, where the wording is such as it is, that the railroads are now clamoring for relief from the fourth section, not for the purpose of regulating their interior freights but for the purpose of meeting and holding and maintaining tonnage that is rapidly drifting through the Panama Canal. I state that if the people of America can be served efficiently by the operation of that canal and by the operation of our intercoastal shipping they are entitled to have a chance at it. I state it as a sound fundamental principle that the railroads of the country should be denied the power to meet water competition at a lower rate than the Interstate Commerce Commission has fixed as a reasonable rate in order to meet that competition, upon the untenable position that if denied that tonnage they would be unable to meet the out-of-pocket cost and therefore would be unable to serve the interior as efficiently as they are now serving it.

I wish to address myself particularly to the object that I individually have toward the law, that we should allow no railroad to charge less at a water-competing point than the maximum charge to any intermediate point and restrict it to where it meets water competition, and establish that as our policy. Then we might invite investment in river and coastwise and intercanal shipping. We can not have it now for the reason that bitter experience since the passage of the interstate commerce act has demonstrated that in spite of three amendments to the fourth section, the decisions of the commission and the courts have been such that they were enabled to meet the competition and destroy the traffic on our rivers and on our coastal waters. Therefore, what I am pleading for is not with any particular reference to the construction of the rate structure in reference to the relation of the roads each to each other.

Considering the figures I have submitted and the startling fact that within the last 13 years we have not added practically a mile of road and have doubled the investment in the railroads that we already have, and remembering the cry coming from every quarter of the country that our transportation system has broken down, and that we have a great water system bisecting our country from north to south and our whole continent encircled with magnificent harbors and facilities for export trade, I claim that now, while this amendment is pending, we should so word it as to make available the millions of dollars that were put into our river and harbor improvements, and invite capital to invest in our water carriers and pledge to them that we will not allow the railroads of the country to destroy water competition, discriminate against interior places in favor of coastal places, and upset the balance and destroy the hopes of those who have a right to enjoy not only our water facilities, but our railroad facilities. They should be so correlated that each should serve in its sphere to its fullest capacity without relation to the welfare of the earnings of the other in so far as they serve within their sphere.

I know it is a hard matter to eliminate the feeling of section, and the feeling that perhaps, under certain conditions, my neighborhood may be benefited more under an unjust system than under a just one. But it is my duty to stand here and declare what is my conviction as to the problem that confronts us. I believe that by denying the railroads the right to destroy water competition, by encouraging the utilization of our water facilities, we will, with a minimum of cost, furnish adequate transportation for the needs of America and meet at every step its advancement and expansion and its progress in the development of its facilities.

Mr. President, I do not think that it is a question before us as to whether or not our railroads have a right to demand so and so. It is simply a question of what the development of the country and the needs of the country demand. They demand adequate transportation facilities at the lowest reasonable cost. Transportation is as essential to the development and welfare of America as is the financial system. We lay our hands upon our banking and currency and regulate it under certain rules, and we are attempting to do it to meet the needs of all those who produce and all those who transform that production. It is therefore essential for us to meet the problem not in the sense of favoring the railroads or favoring water transportation but to solve the problem as to whether or not

they both are engaged in the transportation problem, and adjust our laws so as to see that each shall develop in its own sphere for the benefit of the people.

Mr. BRUCE. Mr. President, may I ask the Senator a question?

The PRESIDENT pro tempore. Does the Senator from South Carolina yield to the Senator from Maryland?

Mr. SMITH. I yield.

Mr. BRUCE. It is not possible, is it, for the railroads to destroy water competition unless they are allowed to do so by the Interstate Commerce Commission?

Mr. SMITH. No; that is true.

Mr. BRUCE. Does the Senator think the Interstate Commerce Commission is deliberately exercising its discretion in such a way as to permit the railroads to destroy water competition?

Mr. SMITH. No. I answer the Senator frankly. I agree with him that these gentlemen are trying as best they may to carry out the intent of Congress, but when a case is taken to the courts and the Supreme Court of the country decide that the language of a certain statute is such as to grant the privilege asked by the complainant their hands are tied, like the Senator's and mine would be.

Mr. BRUCE. But is not the thing to do under those circumstances to take another case to the Supreme Court of the United States and have the Supreme Court say that the construction placed on the amendment by the Interstate Commerce Commission is erroneous?

Mr. SMITH. Oh, no. I am talking about the carrier ultimately taking the case to the Supreme Court, as they have done under practically every amendment that has been passed to the fourth section and the position of the commission denied or reversed by virtue of the decision of the court. I do not believe under the language of the present law that the railroads in a test case under certain conditions could be denied relief by the Supreme Court.

Mr. BRUCE. Let me ask the Senator another question. I am seeking light. It is only for that reason that I ask the question. Suppose Congress were to provide that the railroads were never to charge rates to the Pacific coast that were below a level of, say, 6 per cent higher than the existing water rate. Would that meet the situation?

Mr. SMITH. No. Let me put my case clearly.

Mr. BRUCE. I ask the question of the Senator, who is an old, experienced member of the Interstate Commerce Committee, and I would like to know the Senator's view.

Mr. SMITH. My position is that the railroads shall not charge for the longer distance any less than the average remunerative price received from the highest charge on the intermediate haul, or, to put it in another way, that they shall not charge less than the aggregate charges on the intermediate freight on that line to meet water competition.

Mr. BRUCE. Then the Senator would make it impossible, as I see it, for the railroads to obtain any share of the business at San Francisco or Portland at all. It is only by allowing them to have lower rates at those points that they can participate in the business of those ports in competition with the water lines at all. The effect of the Senator's suggestion would be to cut off the communities in the eastern portions of the United States from doing any business with the Pacific coast at all by rail. The only thing they could do, of course, would be to resort to the water line between the eastern seaboard of the United States and the western seaboard of the United States; and, of course, that might be a very unfortunate necessity to them where the communities were situated in the northern portion, we will say, of the central and eastern part of the United States. The effect of the Senator's suggestion is to cut off shippers in the eastern part of the United States from shipping goods to the Pacific coast, as they would do under different conditions.

Mr. SMITH. Mr. President, I have not the table before me, but it has been suggested that less than 2 per cent is handled by the railroads. That, however, if the Senator from Nevada will allow me, does not concern me, for this reason: If an adequate transportation system can be built up from the East to the West by the water route, it is our duty to ascertain that fact and to establish such a system.

Mr. BRUCE. But I was asking the Senator particularly whether he does not think—and I am asking the question from curiosity—the situation might be met by having a sliding differential scale that would always preserve a certain ratio between the rates of water lines on the Pacific Ocean and the rates of the railroad lines leading to the Pacific coast?

Mr. SMITH. The situation might be so met after we should have built up our boat facilities.

Mr. BRUCE. I should like to know what the Senator from Nevada thinks about it.

Mr. PITTMAN. If the sliding scale accomplishes what the railroads want—that is, if it gives them what they call their proportionate share of the traffic now carried by water—then the sliding scale will be just as destructive as the Senator from South Carolina is complaining that it would be; and if the sliding scale does not give the railroads that, they do not want the sliding scale.

Mr. BRUCE. I do not see that. Their professed object, of course, is simply to get their fair share of the Pacific coast traffic.

Mr. PITTMAN. Then, I say, if they do not get their fair share with the rate that is allowed, they do not get anything. If they do get what they call their fair share, they get half; and if they get half, the same rate that would allow them to get half would not stop them at getting half.

Mr. BRUCE. No matter what they would get, however, the profit would be a contribution, of course, toward the general administration expenses of the railroads and for that reason would inure to the benefit of intermediate points on transcontinental lines.

Mr. PITTMAN. Mr. President, just on that point, will the Senator from South Carolina pardon a further interruption?

Mr. SMITH. Certainly.

Mr. PITTMAN. There is not any doubt but what there would be freight shipped by transcontinental railroads if this amendment should go into effect, because the able Senator from Maryland [Mr. BRUCE] yesterday disclosed the fact that the railroad is the more expeditious and safe means of shipment. There is not any doubt but what all freight which is required to be expedited would go by rail. We have had railroad men testifying before the committee, and they all know that is the fact. As a matter of fact, if they should be given half of the transportation going through the Panama Canal which they seek and which would put half of the boats off, it would mean only 2 per cent, mind you, of the business that the western railroads are doing. It would mean that they would be doing that 2 per cent without profit, so far as earning above out-of-pocket costs is concerned. For the benefit of carrying 2 per cent more freight at an out-of-pocket cost they are willing to destroy at least half of the coastwise shipping going through the Panama Canal. That is all there is to that.

Mr. BRUCE. I do not admit that, of course.

Mr. SMITH. Mr. President, I wish the Senator from Maryland to understand my position thoroughly. We know that we now have no water transportation, and we know that so long as the railroads are allowed to meet the water competition we are not going to have any. We know that the level of freight rates to interior points will always be kept up so as to absorb the loss which is sustained by virtue of meeting the water competition. In the inception of the railroad business of this country we gave millions upon millions of acres of land in the development and building up of the great transcontinental lines. By the same token now we should address ourselves to a policy that would for a sufficient number of years give the water carriers an opportunity at least to test whether or not with their equipment they can aid in meeting the needs of transportation.

Mr. President, I do not think that this subject is one of local or sectional interest. It is a problem that affects all the American people; it is one that has invited the thought of the best students of economics in the world. I do not believe, however, that there is another civilized country in the world that has paid so little attention to or has derived so little advantage from the magnificent water facilities and the capacity for service that the water routes and our coast offer to the American people.

I am not an advocate of Government ownership. I do not believe that after we have arrived at the present stage of tremendous investment in the railroads we shall probably have in the next generation or so any serious attempt for the Government to take over the railroads; but I do believe that the Government should so adjust and correlate these rates and the relation of water transportation to the railroads that we may have the benefit of both.

It is not a question on whom the burden falls, as has been discussed on this floor; it is a question of relieving the burden. Let us here adjudicate and distribute that burden as in our judgment is right. I hope this amendment shall be so amended as to apply to competition with water and deny beyond any peradventure the right of court or commission to say that the rail carriers of this country can, for the purpose

of destroying competition, fix a rate that does destroy that competition.

Mr. President, just a glance at the map on the wall and then I am through. From the mouth of the Mississippi River up to the Great Lakes we have had provided by nature and by providence a transportation system which, if developed, would meet the needs of a vast area of our inland territory. By the development of the St. Lawrence Canal we would open a gateway for this great section of the country [indicating on the map] to the ocean, and from our eastern seaboard, with its ports and facilities, clear around the Gulf of Mexico and through the Panama Canal we have the whole continent encircled with the possibility of transportation to relieve any congestion on the rails and give them the added opportunity to develop normally and naturally to meet the normal and natural requirements of their territory, without invading the province of nature's gift to the American people in the possibilities of water transportation.

Mr. GOODING. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FESS in the chair). The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Fess	Ladd	Sheppard
Ashurst	Fletcher	Lodge	Shipstead
Ball	Frazier	McKellar	Shortridge
Bayard	George	McKinley	Simmons
Borah	Gerry	McLean	Smith
Brandegee	Glass	McNary	Smoot
Brookhart	Gooding	Mayfield	Spencer
Broussard	Hale	Moses	Stanfield
Bruce	Harris	Neely	Stephens
Bursum	Harrison	Norris	Swanson
Cameron	Heflin	Oddie	Trammell
Capper	Johnson, Calif.	Overman	Underwood
Caraway	Johnson, Minn.	Owen	Wadsworth
Copeland	Jones, N. Mex.	Pepper	Walsh, Mont.
Cummins	Jones, Wash.	Pittman	Warren
Curtis	Kendrick	Ransdell	Watson
Dale	Keyes	Reed, Pa.	Wheeler
Dill	King	Robinson	Willis

The PRESIDING OFFICER. Seventy-two Senators having answered to their names, a quorum is present.

Mr. GOODING. Mr. President, I feel that I should state at this time the reason why the long and short haul amendment will be offered to the Army appropriation bill. It is for this reason:

The Interstate Commerce Committee of the Senate has been having hearings now for something over four months. For something like 30 days the Senate was delayed in electing a chairman of that committee. I understand that it is the first time in the history of Congress that a member of a minority party has been elected chairman of a great committee of the Senate. We have reported out at least one measure of very great importance to agriculture, and the long and short haul measure is important to the whole country. Other measures of great importance are under consideration, and some of them have been reported to the Senate.

I think we are all aware that for some time there has been in this country a propaganda that no railroad legislation should be passed at this session. Large sums have been spent by the railroads in this propaganda work. From the fact that two long and short haul bills were introduced in the House on the 10th of December, soon after Congress convened, and many other railroad measures, and no hearing has been had on any of them that can be considered as important legislation, it is generally admitted that there is no opportunity for this legislation to come out of the House, although I hope I am mistaken in this.

The time seems to have arrived in this country when the people can not have a hearing on a petition or important proposed legislation because the great railroad corporations of this country, through a propaganda, seem at this time to wield what I believe is a dangerous influence from the standpoint of legislation and good government.

It was for that reason that the friends of this measure took an unusual course. I agree very thoroughly that legislation of this kind should not be placed on a great appropriation bill. I am quite sure that under normal conditions that policy is right; but to-day there are unusual conditions. When the people are denied the right of a hearing, which everybody admits is un-American, then the friends of the measure who want legislation must proceed along unusual lines, too. That is the reason why the amendment carrying the long and short haul bill will be offered to the Army bill; and I want to say to the Republican Party, to my party, that if it is going to be its policy to the end, until Congress adjourns, that no thought or consideration or hearing shall be given to legislation along railroad lines before the House Committee on Interstate Commerce, those who are directing the affairs of the Republican Party had better get the wrecking crew ready to gather up the fragments of the Republican Party after the November elections.

If there comes a time when the American people can not have measures in which they are interested presented to a committee that is organized for that purpose, we shall have about reached the end of a government of the people. That is the reason why we are appealing to those who think the people should have relief from discrimination in freight rates, that we may attach it to this important measure with the hope that when it comes back from the House it will come back approved.

Mr. President, I am going to take up a little more time now in discussing these discriminations. It is possible that I have not made myself altogether clear. Freight rates are hard to understand, so I have worked them out a little more fully.

Take the case of a 40,000-pound carload of dry goods going from Chicago to Scranton, Iowa, a distance of 376 miles. The rate is $1.11. The car earns for the railroad $444. It earns for each mile from Chicago to Scranton $1.18. If the proposed rate is put in to Seattle—the distance from Chicago to Seattle is 2,445 miles, and the proposed rate is $1.10 a hundred, a cent less than it is at Scranton—the car will earn $440 for a haul of 2,445 miles, but it will be hauled each mile from Chicago to Seattle for 18 cents a mile, as compared with $1.18 for the people of Scranton.

I am sorry the Senators from Arkansas are not in the Chamber. Here is a very interesting violation.

On a 40,000-pound carload of dry goods going from Chicago to Pine Bluff, Ark., a distance of 677 miles, the rate is $1.99½ a hundred. The car earns for the railroad $789. The car-mile rate is $1.18 a mile. From New Orleans the distance to Chicago is 912 miles, 235 miles longer than to Pine Bluff, Ark. The rate is $1.53½ a hundred. The car earns for the railroad $614. The car-mile rate is 67 cents a hundred, as compared to $1.18 that the people of Pine Bluff, Ark., must pay.

If the proposed rate of $1.10 from Chicago to San Francisco were put in, the car passing through Pine Bluff, Ark., would pay only 12 cents per car mile, as against $1.18 that the people of Pine Bluff would pay for their dry goods.

Mr. President, I have here a resolution passed by the State railroad commissions of the United States. I send it to the desk and ask that it be read. This resolution was passed unanimously on two occasions.

The PRESIDING OFFICER. Without objection, the resolution will be read.

The reading clerk read as follows:

Resolution adopted by National Associaton of Railway Commissioners in convention at Atlanta, Ga., in 1921, and readopted in convention at Miami, Fla., in 1923

Resolved, That Congress is hereby respectfully urged to amend section 4 of the interstate commerce act as amended by striking out all of the first proviso therein, which reads as follows:

"*Provided*, That upon application to the commission such common carrier may in special cases, after investigation, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property; and the commission may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section; but in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed; and if a circuitous line or route is, because of such circuity, granted authority to meet the charges of a more direct line or route to or from competitive points and to maintain higher charges to or from intermediate points on its line, the authority shall not include intermediate points as to which the haul of the petitioning line or route is not longer than that of the direct line or route between the competitive points; and no such authorization shall be granted on account of merely potential water competition not actually in existence."

At Miami, Fla., the 1923 convention adopted the following resolution:

"*Resolved*, That we affirm the resolution passed by this association at the Atlanta convention, October 11 to 14, 1921, as to amendment of the fourth section of the interstate commerce act relating to long and short haul rates."

Mr. GOODING. Mr. President, I want to refer again, on the map on the wall, to the Monongahela River. I find that the statement I made in my remarks a day or two ago, that the river carried something like 18,000,000 tons last year, was somewhat in error. I find that the river carried 23,000,000 tons, and that passing up and down that river were 15 different commodities,

of which 18,709,000 tons were coal, 2,100,000 tons were cement, and there were 700,000 tons of iron and steel products.

To handle this 23,000,000 tons carried on the Monongahela River it would require 589,000 cars of 80,000 pounds each, which if placed in trains three-quarters of a mile long, containing 75 cars each, would require 7,852 trains, or 21 trains of 75 cars each for every day in the year.

On the Allegheny River there were carried 4,612,640 tons of freight, which would require 115,316 cars of 80,000 pounds each, and would require 1,537 trains of 75 cars each, or 4 trains a day, for each day in the year, including Sundays, to haul this freight.

Passing up and down the Ohio there were 7,286,005 tons of freight, equivalent to 182,150 cars of 80,000 pounds each, and 2,428 trains of 75 cars each, requiring nearly 7 trains a day for each day in the year.

Altogether, on these three rivers, there were 35,458,669 tons of freight, equal to 886,466 cars of 80,000 pounds each, and equal to 11,819 trains of 75 cars each, and it would require 32 trains, with at least two locomotives, each day, including Sundays, to handle this enormous tonnage.

The Government is paying for the operation of the locks on those rivers. The Government paid for all the construction. No toll is paid for the use of those rivers. The larger part of the coal is carried direct to the steel mills in Pittsburgh. I am discussing this because I want the Senate to understand what river improvement means. Fortunately, of course, for this improvement and this development, there is no violation of the fourth section. With violations of the fourth section we can not have any improvements on our rivers and we can not develop the electric power on our rivers. So for that reason, Mr. President, if this country is to continue to develop, is to continue its onward march of progress—and we have just made a beginning—then we must make use of our great inland waterways.

It is strange, it seems to me, that the people of Pittsburgh should have the Government operating their locks and building all the improvements necessary, while the people of the West are forced, through a Government agency, to pay an increased price in freight rates in order that the Government itself may destroy water transportation in some other part of the country. It is not strange, after all, when we realize the tremendous influence the Steel Corporation has in this country. We have a "Pittsburgh plus" in freight in this country, under which every farmer and every man who buys steel, even if he buys it as far west as Pueblo, must pay the freight rate on steel from Pittsburgh to the place where he uses it. He may go to the steel mills at Pueblo, Colo., and buy a thousand pounds of steel of any kind, but he pays the freight on it from Pittsburgh. It is said that the farmers of this country are paying $50,000,000 a year of an increase in freight rates on manufactures of iron and steel brought about by the "Pittsburgh plus" policy, yet when you get down into the agricultural country, where we might develop manufacturing institutions and our natural resources, we find a freight rate that is discriminatory and under which we pay in many cases as high as 900 per cent more than others pay on a mileage basis and a higher rate than others pay for a haul a thousand miles longer.

Mr. President, this discrimination in freight rates is un-American. We thought we settled that policy in the Revolutionary War. We did not go to war with England over the tea party in Boston Harbor alone. For more than a hundred years the English Government had denied the people of the Colonies an opportunity to develop their natural resources. They were not permitted to mold a plowshare; they were not permitted to manufacture a horseshoe nail.

They were only permitted to produce the raw material which the British Government forced them to ship to England to be manufactured into the finished product. The Colonies knew and understood that a country that could not manufacture its raw materials into the finished product must always remain agricultural and pastoral. It was for those great principles that we fought the Revolutionary War—that we might develop industries in this country, produce the finished product, and be a factor with all other nations in the markets of the world.

The development of the mighty resources of this country into the finished product has built up the greatest industries in America the world has ever known, and yet in the development of our mighty resources we have only made a beginning in this country if we make it possible to develop adequate transportation upon our inland waterways and coastwise shipping.

The West is making a fight against the discriminatory freight rates that have been forced upon us for many years, and unless we can eliminate this discrimination the interior States of the West must always remain agricultural and pastoral, for capital will never invest in any industry or in any part of the country where there is discrimination in freight rates. It is so unjust and un-American that it should be settled for all time, and this Government should adopt a policy that will permit every section of this great country to take part in the growth and development that will come to us with a spirit of fairness in transportation for the whole country.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House insisted upon its amendments to the bill (S. 2169) to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes, disagreed to by the Senate; agreed to the conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. McKENZIE, Mr. HULL of Iowa, and Mr. QUIN were appointed managers on the part of the House at the conference.

The message also announced that the House had further insisted upon its disagreement to the amendment of the Senate to the amendment of the House to the amendment of the Senate No. 47 to the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes.

RESTRICTION OF IMMIGRATION

Mr. REED of Pennsylvania. Mr. President, in this morning's issue of the Washington Post I notice a statement that there is a loophole in the immigration bill, or, as it is called in another part of the same article, a "joker," which will allow the admission of an indefinite number of Asiatics regardless of the exclusion clause.

I only rise to say that the clause in question was in the bill as it passed the House and was in the bill as it passed the Senate, in exactly the same words. It was not in conference and is not some artifice of the conferees, but is a clause upon which both Houses were in agreement.

What it does is to permit the entry as nonimmigrants of persons who under treaties of trade and navigation are permitted to enter the United States. The same privilege has been extended for a hundred years past. There is nothing new whatever in this provision of the bill. The same exception existed under the quota law of 1921. The same exception has always been recognized in the Chinese exclusion law and the Chinese exclusion treaty, and it never occurred to anybody, except the Washington Post of this morning, to consider it a joker.

It is a mere recognition of the trade privileges which they give us and we give them, and we actually went so far in this new immigration law as to require for the first time that those persons might be compelled to give bond to insure their departure when their treaty business was finished, something that has never been done before in the history of this country.

Mr. DILL. I take it the Senator does not think that the interpretation placed on the treaty in the Washington Post story this morning is correct?

Mr. REED of Pennsylvania. I am perfectly certain it is not.

Mr. DILL. And there is nothing in that treaty which gives them any such rights as are suggested?

Mr. REED of Pennsylvania. We have treaties of trade with practically every civilized nation in the world. Our treaties provide that their ships may come to our ports, and of course they have to bring human beings with them when they come. They give us the same privileges in their ports. Then we have treaties with every nation that their nationals may come here or their merchants may come here for the purpose of trade.

Mr. DILL. Japan has never relied upon that as a means of getting her people into this country?

Mr. REED of Pennsylvania. Never; nor has China; nor has Great Britain used it for bringing Asiatics here from her Asiatic possessions. I am perfectly sure there is nothing whatever in the suggestion, and I am making this statement only to allay, if I can, any possible doubt that may have been raised by the article.

INTERIOR DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT

Mr. SMOOT submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the amendment of the House to the amendment of the Senate numbered 47 to the bill (H. R. 5078) making appropriations for the De-

partment of the Interior for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have been unable to agree.

REED SMOOT,
CHARLES CURTIS,
WM. J. HARRIS,
Managers on the part of the Senate.
LOUIS C. CRAMTON,
FRANK MURPHY,
C. D. CARTER,
Managers on the part of the House.

The report was agreed to.

Mr. SMOOT. I move that the Senate still further insist on its amendment to the amendment of the House to Senate amendment numbered 47 to House bill 5078, and ask for a further conference with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. SMOOT, Mr. CURTIS, and Mr. HARRIS conferees on the part of the Senate at the further conference.

THE NARCOTIC PROBLEM

Mr. COPELAND. Mr. President, I ask unanimous consent to submit for the RECORD and have printed a "Survey of the narcotic problem," by Commissioner Simon, of New York, in connection with which I desire to make some remarks later, especially as to the use of heroin in the United States.

There being no objection, the survey was ordered to be printed in the RECORD, as follows:

SURVEY OF THE NARCOTIC PROBLEM

[By Carleton Simon, M. D., special deputy police commissioner in charge narcotic division of the New York City police department, before the Medical Society of the County of New York, January 28, 1924, at New York Academy of Medicine]

Of late years there has been considerable controversy as to whether narcotic drug addiction should be viewed as a medical question or as a police problem. We may go on forever debating the question academically, but why not have the facts?

This latter is exactly what I have undertaken to get. Instead of relying on estimates based upon hearsay and exaggeration I have gathered exact statistics.

In June, 1923, questionnaires were sent to all the physicians and dentists in the State of New York.

The one to the physicians asked:

Amount of morphine prescribed in 1922.

Amount of heroin prescribed in 1922.

Amount of cocaine prescribed in 1922.

Number of narcotic addicts treated in 1922.

Do you believe heroin necessary in your practice?

Do you believe cocaine can be advantageously replaced by nonhabit-forming synthetic drugs, such as novocain or similar preparations?

The one to the dentists contained the following inquiries:

Amount of cocaine used in 1922.

Do you believe cocaine can be advantageously replaced by nonhabit-forming synthetic drugs, such as novocain or similar preparations?

The animating purpose in making these inquiries of physicians and dentists as to the practical experience acquired in their professional use of habit-forming drugs were:

1. To determine whether narcotic drug addiction is a medical issue or a police problem, or both.

2. To gain statistical knowledge as to the number of medical drug addicts treated in this State during a given period of time, from which reasonable approximations or conclusions may be drawn.

3. To ascertain the quantity of narcotics prescribed by the physicians and dentists in the State of New York.

No attempt was made to ascertain the amount of narcotics consumed by the public and furnished to the market legitimately through druggists in the form of paregoric, proprietary medicines, etc., nor were hospitals taken into consideration. It was my opinion that addicts treated in hospitals had previously been under treatement in the private practice of physicians. Therefore, in order to avoid duplication, no hospital statistics were gathered.

4. To obtain general information as to the desirability and possibility of the practitioner substituting nonhabit-forming drugs, without lessened efficacy of his service to his patients.

5. To secure information as to the necessity of heroin in the practice of medicine.

There was no intention to suggest any restrictions to the constitutional right of the physician to prescribe whatever he deemed necessary to his practice. In the light of the investigations here reported and which may hereafter be made, the profession itself should determine whether the physicians themselves should not unite in declaring heroin an outlawed drug.

6. To ascertain the quantity of cocaine used by dentists and physicians; to determine the percentage of practitioners who, in part or wholly, employ synthetic preparations having no habit-forming qualities, and to learn from those competent to judge, the efficacy of these substitutes.

It was my intention to find out what narcotics are necessary and the extent of their use and in general to show, through the census, the general trend.

Far from attempting to minimize the work of the practitioner, my aim has been to gather information so that the various viewpoints of the physicians and dentists may be available for mitigating and eradicating evils in connection with the use of habit-forming drugs.

The responses to this appeal from the medical and dental profession have been most hearty, and again furnish exhaustive evidence that the professional man is an altruist in lending his aid in the solution of great public issues. It is to be hoped that the data secured will be helpful in solving some of the vexatious problems that obtrude. A review of the returns received from the questionnaire shows as follows:

IS DRUG ADDICTION A MEDICAL ISSUE OR A POLICE PROBLEM?

Some medical men have been of the opinion that all that pertains to this subject should be under the jurisdiction of the medical profession; that drug addiction is a sickness or a disease, and the addict should be regarded and treated as a sick man.

On the other hand, most of those administering the criminal laws, supported by the great majority of social workers, contend that because such a large percentage of criminals have acquired the narcotic habit, the issue has become one that is inseparably connected with the regulation of crime.

The returns show that there is a medical narcotic addict who requires narcotics because of physical ailments. This type is obviously one to be handled by physicians, and every barrier should be removed so as not to embarrass the physician in according relief to such sufferers.

The far greater number, however, are the criminal drug addicts, whose addiction in its inception and in its continuance is due to vice, vicious environment, and criminal associations. The consideration of this class, the figures prove, constitutes a distinct police problem. The so-called medical addict, who will not consult the physician but purchases his narcotics from street vendors, and thus supports the illicit traffic in drugs, obviously places himself in the same class with the criminal addict. In about 10,000 arrests and hospital commitments for cure by the narcotic division of the police department during the past three years, 98 per cent and a fraction frankly admitted that their addiction was due to bad associations; that there was never any medical reason for their using narcotics. The remaining 2 per cent gave various excuses for first using narcotics, principally some surgical operation or illness. At the time of their arrest there was in this minute percentage almost invariably no reason for their continuing to use narcotics; surely there was no excuse for the use of heroin and cocaine. They buy these on the street, knowing that no reputable doctor will prescribe for them. The medical addict usually confines himself to morphine, but the menu of the criminal addict is heroin and cocaine. Approximately 95 per cent of those arrested by the police in New York City are heroin and cocaine users. In other parts of the country morphine is the chief narcotic.

Heroin addiction is, however, rapidly replacing morphine addiction throughout the United States, this spread being more noticeable in the seaport cities and from them.

To those addicted to the use of an opium derivative, morphine or heroin is considered a daily necessity. Cocaine does not entail suffering if withdrawn. Heroin is preferred because of its greater potency, and because of its smaller bulk per weight it is more easily smuggled.

NUMBER OF ADDICTS UNDER TREATMENT

It has been asserted that the arrests of the police department represent but 10 per cent of the narcotic addicts in this State; that the greater number of addicts are being treated by the physicians as private patients. I have always taken the opposite position, and controverted the criticism directed at the medical profession.

This census of the physicians of this State shows that the percentage of medical addicts is almost negligible.

Those who dispute the police point of view, that narcotic drug addiction is an underworld problem, maintain that there is a very large number of addicts with whom the police never come in contact. They contend that the larger number and better class of addicts are treated by physicians. The replies to this questionnaire definitely settle this point.

TABLE 1.—*Treatment of addicts*

Number of physicians questioned	14,715
Number of replies received	7,559
Percentage of replies—per cent	51.37
Number of addicts treated during 1922 (as reported by 7,559 physicians)	776

Further analysis of the answers received to the questionnaire shows as in Table 2:

TABLE 2.—*Treatment of addicts*

Two hundred and fifty-six physicians treated 1 addict	256
Sixty-nine physicians treated 2 addicts	138
Thirty physicians treated 3 addicts	90
Fourteen physicians treated 4 addicts	56
Four physicians treated 5 addicts	20
Three physicians treated 6 addicts	18
Two physicians treated 7 addicts	14
Two physicians treated 8 addicts	16
Three physicians treated 10 addicts	30
Two physicians treated 12 addicts	24
One physician treated 16 addicts	16
One physician treated 22 addicts	22
One physician treated 25 addicts	25
One physician treated 50 addicts	50
A total of 389 physicians treated a grand total of addicts	775

NINETY-FOUR AND EIGHT-TENTHS PER CENT OR 7,179 PHYSICIANS DID NOT TREAT ANY ADDICTS

It was my desire to make an accurate survey of the medical situation, as I felt that the physician had been stigmatized by the popular idea that he was the cause of the growth of narcotic drug addiction in this country.

Some of the addicts included in the above total of 775 treated by physicians were not what might strictly be called "medical" addicts; that is, their addiction was traceable in its acquirement to some ailment, or they were suffering from some diseased condition that required narcotics. Furthermore, most of the cases reported were of patients under treatment for cancer or other painful disease or of very old people. No question was asked as to the ages of addicts, but some physicians furnished additional information, as the following examples show:

One physician treated 7 addicts, all old people.

One physician treated 8 addicts, all over 60 years.

One physician treated 8 addicts, ages of 63 to 76.

One physician treated 11 addicts, all over 50, most past 70, one 87.

One physician treated 16 addicts, all suffering from some chronic disease, one under 40, 3 under 30, others between 50 and 75.

The haunting specter of narcotism has been exaggerated to propaganda, no doubt well meaning but nevertheless misleading. It is my desire to clear away the mist that enshrouds this subject and not to overestimate nor belittle its import.

When we look for figures as to the number of narcotic users in the country or in any section or spot therein we are given the choice of a wide variety of guesses from many official sources. For New York City these estimates run as high as 250,000.

The United States Public Health Service in a bulletin issued in 1915 gave 140,000 as its highest estimate of the number of drug addicts in this country. Four years later, 1919, the congressional committee appointed to investigate this problem stated that the number of drug addicts in the United States exceeded 1,000,000, or 2 per cent of the population, 4 per cent of the adults. These are Government figures. In addition the committee viewed the situation with alarm and reported that drug addiction was increasing; that there was a nation-wide use of narcotics and that it was being used by all classes.

I believe that these figures are inexact but am convinced that the prevalence of narcotic drug addiction in the underworld is nevertheless appalling.

To even more definitely show the criminality associated with drug addiction and the extent to which it has grown in the ranks of the criminal I have selected, from the arrest statistics of the narcotic division of the police department of the city of New York for 1923, a group of 741 individuals whose records showed more than five previous convictions, which are summarized in Table 3:

TABLE 3.—*Criminality and narcotic addiction*

	Previous arrests for various crimes	Total
1 individual's record showed	25	25
1 individual's record showed	24	24
1 individual's record showed	23	23
1 individual's record showed	19	19
1 individual's record showed	18	18
1 individual's record showed	17	17
3 individuals' record showed	16	48
4 individuals' record showed	15	60
5 individuals' record showed	14	70
4 individuals' record showed	13	52
8 individuals' record showed	12	96
12 individuals' record showed	11	132
44 individuals' record showed	10	440
48 individuals' record showed	9	432
73 individuals' record showed	8	584
105 individuals' record showed	7	735
136 individuals' record showed	6	816
293 individuals' record showed	5	1,465
741 individuals, previously arrested (times)		5,056

On carefully checking up our statistics of arrests and commitments to hospitals of narcotic users for the years 1921, 1922, and 1923, totaling 9,637 in number, I found that they represent 8,174 individual narcotic users. I then checked up the criminal records of these 8,174 persons, and, so far as shown by records on file in the international identification bureau of narcotic criminals, of the New York police department, representing 700 cities and 27 nations, these 8,174 individuals had been previously arrested 32,696 times in all sections of the country for every crime on the calendar.

The 8,174 narcotic users were tabulated as follows:

Eight hundred and seventy-six opium smokers (mostly Chinese).

Twenty-seven hasheesh users (marahuanne smokers).

Three hundred and seventy-nine use morphine only.

Six thousand eight hundred and ninety-two use heroin separately or combined with cocaine.

It will be noted that eliminating the smokers of opium and hasheesh, 95 per cent of the narcotic addicts use heroin. Only 2 per cent trace their addiction to medical reasons.

These figures are exact as far as criminal records were available, and are extremely illuminating on the great problems confronting the police. They permit us also to arrive at the definite conclusion that the number of drug addicts in the State of New York—estimates running to half a million individuals—has been grossly exaggerated.

We know there are drug addicts among the wealthy, in society, on the stage, and in the professional ranks, but their number has also been greatly overestimated. Some of these have also been arrested by the police. The source of supply of the drugs in these instances is the same—the smuggler and the street vendor.

PRESCRIBING OF NARCOTICS

As to the quantity of narcotics used and prescribed by physicians and dentists in the State of New York as an index to the legitimate demand per capita, replies to the questionnaires give the following:

AMOUNT OF MORPHINE AND HEROIN PRESCRIBED IN 1922 BY 7,559, OR 51.37 PER CENT, OF THE PHYSICIANS OF THIS STATE

Morphine: 1,392 ounces, or 43,291 grams.

Heroin: 30 ounces, or 922 grams.

The basis of 1,392 ounces, or 43,291.2 grams, of morphine used by 7,559 physicians establishes an average of 5.727 grams of morphine per physician, which, when applied to 14,715 physicians in the entire State, gives a total of 2,709.7 ounces, or 84,272 grams, of morphine prescribed by the physicians of this State during the year 1922.

On this basis also, of 30 ounces, or 933 grams of heroin prescribed by 7,559 physicians, would give an average of 0.1234 gram per physician, which, when applied to 14,715 physicians in the entire State, gives a total of 58.38 ounces, or 1,815.83 grams, of heroin prescribed by the physicians of this State during the year 1922.

Of the physicians who answered the question, 5,362 stated they did not prescribe any heroin in 1922.

IS HEROIN NECESSARY

To the question, "Do you believe heroin necessary in your practice?" the replies were divided as follows:

No, 5,715. Yes, 1,201. Occasional, 404. Unanswered, 239.

Under occasional use we have grouped a variety of replies which may be best expressed by that word. Most of those prescribing heroin believed it to possess special qualities useful in the treatment of bronchial conditions. Of the large percentage of practitioners answering this inquiry approximately 80 per cent deemed heroin a needless addition to their therapeutic armamentarium.

While so small a quantity of heroin was legitimately used by physicians in this State, more heroin is used by the criminal narcotic addicts in New York City than all other narcotic drugs combined. Ninety-five per cent of the criminal drug addicts arrested in New York City use heroin regularly, adding cocaine occasionally or whenever they can get it, and resorting to morphine only when they can not get heroin. Placing the customers of the illicit narcotic street vendors in New York City at a minimum of 10,000, based upon arrest statistics, using at the average of 10 grains per day, we have 100,000 grains daily or 36,500,000 grains or 76,041 ounces as the yearly quantity of heroin used by the criminal drug addict in New York City alone, against 58 ounces computed as being legitimately prescribed by the entire medical profession of the State. That is why I am seeking light on the subject, trying to find a way to shut off this flow, at the same time respecting the rights of the physician to prescribe.

These replies show that the majority of the addiction cases treated by the physicians are purely medical cases; that these patients require narcotics and are exempt under the Harrison Drug Act or are being treated by the physicians in good faith for their cure and not addicts being supplied for their comfort.

As previously noted, this State census shows that these answers represent 51.37 per cent of the physicians of the entire State of New York who have treated 775 medical addicts in one year.

From these replies I arrive at the conclusion that at this ratio the number of medical addicts in the State of New York is 1,509.

Thus it is definitely shown that the medical narcotic addicts whose number can be estimated and who require narcotics because of physi-

cal ailments is far in the minority in comparison with those whose numbers are ascertainable through arrest and whose activity is absolutely a police problem.

The questionnaire was sent out last June. Coincidentally, the Portuguese delegate to the advisory committee on traffic in opium of the League of Nations on June 5, 1923, proposed "that in view of the existing medical evidence, tending to show the possibility of completely doing away with the use of heroin in medical and surgical practice, that the committee recommended to request our Government to appoint a committee of inquiry with a view of ascertaining the possibility of completely abolishing the manufacturing of heroin and its use, and in the event of the committee of inquiry deciding that manufacturing of heroin could not be done away with entirely to inquire into its use being limited to certain types of cases, or in particular type of cases."

In the United States Army the use of heroin has been interdicted by order of the Surgeon General.

In the United States Public Health Service the use of heroin has been interdicted by the order of the Surgeon General.

In a large number of public hospitals the use of heroin has been interdicted by order of medical boards and superintendents.

The health commissioners of Chicago and of New York City simultaneously expressed themselves:

> "Stop the use of heroin in all hospitals. It serves no purpose that other agents can not accomplish as effectively and without the attendant possibility of disaster."

COCAINE AND ITS SUBSTITUTES

Many physicians and dentists in a desire to offset the dangers of cocaine to their patients and to avoid the entanglement and the annoyance connected with complying to the Harrison Drug Act have gradually substituted in their practice nonhabit-forming synthetic compounds having otherwise similar attributes to cocaine. Chief among these have been novocaine, also known in this country as procaine.

Another question was: "Do you believe cocaine can be advantageously replaced by nonhabit-forming drugs, such as novocaine or similar preparation?" The replies were as indicated in Table 4:

TABLE 4.—*"Is cocaine replaceable?"*

	Yes	No	Occasional	Unanswered
Physicians	5,158	1,280	534	587
Dentists	3,770	253	277	35

Another question which was asked of physicians and dentists was: "Amount of cocaine used in 1922?"

The cards returned by 7,559, or 51.37 per cent, of the physicians and 4,335, or 50.89 per cent, of the dentists showed the following:

Physicians: 610 ounces, or 18,971 grams.

Dentists: 1,716 ounces, or 53,368 grams.

An analysis of the replies received from physicians as to the need for cocaine and the possibility of substituting some nonhabit-forming synthetic product, such as novocain, shows that only approximately 17 per cent of those answering this question considered cocaine indispensable. The majority of this 17 per cent deemed cocaine necessary in the treatment of nose and throat lesions, and there were also some ophthalmologists and genito-urinary specialists who preferred cocaine where anesthesia of the eye membranes and of the urethrel tract is an essential to examination and treatment. Most of the practitioners of these three groups use cocaine topically only, rarely, if ever, prescribing it. Thus it will be noted that from these angles of medical practice the danger of cocaine habit forming is negligible. It will be further noted that about 83 per cent of the physicians answering the inquiry of this point expressed the belief that cocaine can be advantageously replaced by nonhabit-forming drugs, such as novocain or similar preparations.

Members of the dental profession were even more favorably inclined to substitute novocain and like products for cocaine, there being only 6 per cent of those answering who believed cocaine indispensible.

CONCLUSIONS

(1) The narcotic addict exists.

(2) His addiction is the result of physical or medical causes in only 2 per cent of all cases among the thousands observed by the police.

(3) In those few instances of true medical addiction treated by the medical profession in the State of New York for the year 1922 the great preponderance show that they were treated for disease and not for drug addiction.

(4) Because of the fact that addiction has its origin or is coupled with crime or with criminal environment in 98 per cent of the police cases, the problem is in the category of criminology and therefore comes within the province of the police.

(5) The quantity of the various habit-forming drugs purchased by physicians and by dentists is well within the needs of their patients. These legitimate amounts represent but an infinitesimal proportion of what is trafficked in through underground channels.

(6) Heroin has no specific uses in medicine in the opinion of approximately 80 per cent of the practitioners consulted.

(7) Cocaine is useful in medical practice as a topical anesthetic in various conditions of the eye, the nose, the throat, and the genito-urinary parts. Eighty-three per cent of the physicians and 94 per cent of the dentists, whose answers are to hand, are of the opinion that cocaine can be dispensed with in practice through the use of novocain or other nonhabit-forming synthetic compounds.

(8) Underworld addicts have a decided preference for heroin and cocaine.

(9) The international phase of this question is largely dependent upon what the laboratory is likely to accomplish in the near future in the preparation of habit-forming drugs synthetically and the education of the professions in the use and selection of nonhabit-forming substitutes. Sooner or later heroin, cocaine, and morphine will be possible of manufacture universally at a far less cost than that which now obtains through growth and treatment of the plants from which they are derived. When that time comes supply and demand can be regulated in conformity with economic conditions, plus international agreement as to traffic in these drugs.

(10) The sharp distinction between the medical addict and the underworld addict will clear up many of the problems confronting the medical profession and the law-enforcing agencies. This will also destroy many ramifications of the leakage from legitimate sources to the underground criminal strata. There is a whole-hearted cooperation on the part of every State and local governmental department, executive, legislative, and judicial, to safeguard the interests of the public.

In the city of New York narcotism has decidedly decreased during the past three years. This is evidenced by the fact that a beginner is now rarely found among the addicts recently apprehended. Constant vigilance is necessary, for relaxation on the part of the police would result in the immediate influx into this city of thousands of addicts from all over the country and addiction would claim many new victims.

Only about 10 per cent of the addicts arrested by the police are women. The percentage of female to male addicts is, however, much greater. They are not so liable to arrest, as comparatively few of them personally make their purchases on the street. It is delivered to them or bought usually through some male addict.

Evidence of the control of the situation is shown by the statistics of the ages of addicts. In 1921, when we were several months without a suitable narcotic law in New York City, a large number of individuals became addicts, mostly in the ages of 18, 19, and 20, and the peak age then was around 25 years; that is to say, there were more addicts giving the age of 25 years than any other age. In 1922 this peak age was 27 years, while this year the ages 27 and 28 are almost equal.

SUMMARY

Figures received from 7,559 physicians, or 51.37 per cent of the total physicians in the State of New York (14,715), and figures received from 4,335 dentists, or 60.89 per cent of the total in the State of New York (7,119):

Morphine prescribed in 1922 (physicians), 1,392 ounces, or 43,296 grams.

Heroin prescribed in 1922 (physicians), 30 ounces, or 933 grams.

Cocaine prescribed in 1922 (physicians), 610 ounces, or 18,971 grams.

Cocaine prescribed in 1922 (dentists), 1,716 ounces, or 53,368 grams.

Number of narcotic addicts treated in 1923 was 775.

Do you believe heroin necessary in your practice?

Physicians:	
Yes	1,201
No	5,711
Occasionally	404
Unanswered	239

Do you believe cocaine can be advantageously replaced by nonhabit-forming synthetic drugs, such as novocaine or similar preparations?

	Yes	No	Occasionally	Unanswered
Physicians	5,158	1,280	534	587
Dentists	3,770	253	277	35

Applied pro rata for all physicians and dentists in New York State (population 10,384,144).

Morphine prescribed in 1922 (physicians), 2,709 ounces or 84,272 grams.

Heroin prescribed in 1922 (physicians), 58 ounces or 1,816 grams.

Cocaine prescribed in 1922 (physicians), 1,187 ounces or 36,931 grams.

Cocaine used in 1922 (dentists), 2,818 ounces or 87,639 grams.

Number of narcotic addicts treated in 1922, 1,509.

The questionnaire to which reference is made in this paper has added to our available knowledge of this subject. The medical and dental professions have given splendid cooperation, for which I am

deeply appreciative. Their aid in securing the data, comprising expressions of opinion based upon professional experience, utilizable for lay purposes, will be employed for the purpose of solving some of the questions of the narcotic menace.

We may hope, then, that future generations may be free of a curse which has been interlinked with criminality throughout the ages.

WAR DEPARTMENT APPROPRIATIONS

The Senate as in Committee of the Whole resumed the consideration of the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes.

Mr. NORRIS. Mr. President, the amendment that has been discussed for several days in the Senate is one which, as I said on a former occasion, has attracted the attention of Congress for a great many years. To my mind, the evil that it seeks to remedy is so apparent that it is surprising how, in a civilized country, the people would submit to the injustice that it does seek to remedy. If we permit railroad companies, by means of the power that they now have, apparently, without this amendment being enacted into law, to continue to use that power, we simply say that a favored community shall grow and prosper and that a community not thus favored shall pay additional taxes and bear additional burdens.

When it is claimed, for instance, that we can ship freight from Chicago to Spokane, Wash., and that in the same car or in the same train we may have another shipment of the same kind, of the same weight, going on to Seattle, and that we will compel the merchant or the purchaser in Spokane to pay a higher rate of freight than the merchant or the purchaser in Seattle, we are laying down a principle that can not be defended and never has been defended and for which no man can give any reasonable excuse.

That is a sample of what is going on everywhere. I heard a Senator the other day say that on shipments coming from the West, going through Topeka, Kans., the freight charge to Topeka, Kans., was the freight from the shipping point on to the Missouri River and the local rate back to Topeka added. By what principle of justice can a practice of that kind be defended? I can see how the proposition might be defended that the freight should be the same, although that may have two sides to it; but conceding for the sake of the argument that it should be the same, I have never yet heard what, to my mind, was an argument based upon reason or justice that would justify the charging of a higher rate for a short haul than a long haul when the short haul was included in the long haul. That is a system in our transportation more or less in vogue all over the United States, and always has been. Congress has been trying for many, many years to remedy the situation and in one way or another they always fail, even though they have enacted a statute which, it was thought at the time of its passage, would remedy the evil. Why it is that a proposition of that kind is not accepted unanimously is more than I am able to explain.

The Senator from Idaho [Mr. GOODING] was giving some illustrations of the benefits that come to the railroads in the development of some of our rivers in some instances where corporations and individuals somewhat equal to railroads in power were able to continue boats and barges upon our rivers, developed and built up by the taxpayers' money. But when that comes out into the general traffic in general transportation where the people generally are to get the benefit, then no such condition exists.

In the case I cited, for instance, in regard to Topeka, Kans., or some other point farther west, let us say Hutchinson, Dodge City, or some place the railroad runs right through, it means that the people in the interior points are either paying the losses of the railroad at the terminal point, or that the charges for freight at those interior points are away beyond what they ought to be. If the railroad company is making a profit, which it has a right to make, of course, upon shipments to the terminal point, then if it charges a higher rate for less labor and a shorter haul at an interior point, it logically follows that the rate at the interior point ought to be reduced. If they are carrying the freight to the terminal point at a loss, then they are recouping the loss from the less favored communities in the interior. No defense can be made for the practice in either case.

But the Senator from Idaho, when speaking of the influence that the railroads seem to have to prevent legislation sometimes, called to my attention the wonderful propaganda that has been going on against any change in the so-called Esch-Cummins Act. I suppose every Senator and every Member of the House has had the experience that I have had. Thousands upon thousands of letters come from various kinds of business men in all the localities of the country asking us not to change the Esch-Cummins law and particularly not to change section 15a. I had the experience of having received 8 or 10 letters from a little town in my State, all to the same effect, all written in different language, but all asking the same thing. The next day I would get 8 or 10 letters from another town, 15 or 20 miles away, and so on all the time. That has been going on for months, and is still going on. I took occasion one day to take up the letters that came from one town at the same time, and wrote a letter to each one of those persons and asked them how it was that they came to write the letter. Some of them never answered me, although I inclosed a stamped addressed envelope for reply in every case. Some of them were kind enough to say that on the day when they wrote the letter the attorney for the railroad company had been to see them. One man said, "In fact, he wrote my letter on my typewriter and I signed it. I do not know anything about it. I have not given it any study."

One of the peculiar things is that the people do not know, they do not seem to realize, that they are paying the expense of this propaganda. This attorney who was traveling around was traveling ostensibly on a salary from the railroad company paid by the railroad company, with his expenses paid by the railroad company; but as a matter of fact the people of those towns who purchased anything that had been shipped on the railroad were the people who paid that fellow's salary, and paid for the writing of that letter. It makes very little difference to the company how much the expense of this propaganda is. It is very little concern of theirs how many million dollars it costs, because it is all in the freight bill, and the people who wear clothes, who eat food, wherever they are, are paying their proportionate share of that expense.

I have here a copy of a telegram sent out by the Great Northern Railway Co., and it is only a sample. All the companies are, of course, engaged in the same propaganda work, and we are paying the expense of all of it—every cent of it. It does not cost them anything. This telegram is sent in cipher, in part, and I want to read it to the Senate. I have omitted the name of the person to whom it is sent and his address, because I do not want to identify him and possibly get him into some trouble. The telegram, which is in part in cipher, reads as follows:

St. Paul, April 23, 1924.

GREAT NORTHERN RAILWAY CO.,

House bill introduced by BARKLEY abolishes Labor Board and puts national labor unions in very powerful position as against railroads. Under new rules, bill has been called out of committee for consideration by House and comes up on or about May 5; please confer with other railroad counsel in your State and see whether through cooly plaster and mattings in your stroll abide of leech craft cars drunk time rebuke chide. At conference of railroad counsel to-day all agreed if any useful results are possible, they will be obtained through remit stoles thinly by sex filch.

M. L. COUNTRYMAN.

I will now read that telegram as it is translated, so it will appear in the RECORD decoded. It reads as follows:

House bill introduced by BARKLEY abolishes Labor Board and puts national labor unions in very powerful positions as against railroads. Under the new rules, bill has been called out of committee for consideration by House and comes up on or about May 5. Please confer with other railroad counsel in your State and see whether, through business men and interests in your State, the House can be convinced to oppose bill. At conference of railroad counsel to-day all agreed if any useful results possible they will be obtained through other sources than railroads direct.

M. L. COUNTRYMAN.

I have here a general letter that went out from the law department of the Missouri Pacific Railroad. It is directed "To all local surgeons," and reads as follows:

MISSOURI PACIFIC RAILROAD CO.,
LAW DEPARTMENT,
Atchison, Kans., March 7, 1924.

To all local surgeons:

A meeting was held in the office of the general solicitor of the Atchison, Topeka & Santa Fe, at Topeka, with reference to the situation at Washington.

The situation at Washington indicates that there is danger of legislation in the Senate and House striking at the transportation act of 1920, and there is so much activity in the direction mentioned as to make it necessary to intensify our efforts to defeat the same without delay.

It was decided at the meeting to call on all local surgeons to proceed at once and secure letters from business men, farmers, and others, directed to the congressmen of their district, setting forth,

briefly, why the transportation act should not be repealed or amended, but given a fair trial.

I am sending you herewith the following documents:

(1) Memorandum dated Chicago, January 21, prepared by S. T. Bledsoe, Santa Fe general solicitor.

(2) Letter from Earl H. Ellis, Santa Fe solicitor for Colorado, to Mr. Gardiner Lathrop, dated January 19, 1924.

(3) Points to be used in the letters above referred to.

I am also inclosing a copy of an editorial article entitled, "The transportation act," from the Kansas City Star, December, 1923, which argues against the amendment of the transportation act.

It is of supreme importance that we get as many letters as possible forwarded promptly to our Congressmen and Senators. We do not expect them all to be in the same form. This should be avoided. I am asking you, therefore, to give preferred attention to the subject matter of this letter and lose no time in getting as many letters as possible and having them sent to our Senators and Congressmen.

If you are put to any expense in this matter, such as automobile hire in going to other towns to secure these letters, let me know amounts thereof, and I will make voucher to cover.

Since the expense would be incurred by surgeons, I suppose, there would be something in the vouchers to show that some person was sick or was hurt. The letter continues:

I shall thank you, within the next 10 days, to send me a list of persons who have written letters at your request. You can assist the writers of these letters in preparing the form, having them as different as possible, and not of a rubber stamp, stereotyped character. Immediate attention to this matter is especially requested.

If you can get a few prominent farmers to send in such letters, it would be of much benefit.

Please regard this communication as confidential and not for publication.

I beg pardon; perhaps I ought not to have read it; but that suggestion comes so late in the letter that it had gotten out before I really had time to stop myself. The letter is signed—

Yours truly,

W. P. WAGGENER, *General Attorney.*

That letter was sent to all the surgeons of the system. The people of the community do not know that the surgeons of the railroad companies are doing anything except that which pertains to their professional duties. They do not realize that a great propaganda is on and that surgeons as well as attorneys and other agents are all engaged in the same kind of work if they obey the directions given to them from the top.

Mr. President, in that letter it will be remembered the writer said he included "points" which he wanted to be emphasized in the letter. I have the inclosure, and find that he has stated 11 points. The first point which he wishes them to emphasize in the letter—and Senators who have read the letters which have come to them will recognize these points—is that the railroad is giving the best service ever in the history of the United States. The second point is that they are enabled to give this service under the transportation act. The third point is that under section 15a it is the duty of the Interstate Commerce Commission to prescribe rates which shall yield a fair return, and so forth.

I will print the entire inclosure with my remarks.

The PRESIDING OFFICER (Mr. FLETCHER in the chair). Without objection, permission to do so is granted.

The matter referred to is as follows:

POINTS

I. Best service in 1923 in railroad history.

II. Result of operation under transportation act.

III. Most valuable provisions of act are:

1. Section 15a, making it duty of Interstate Commerce Commission to prescribe rates which will yield a fair return.

Paragraphs 3 and 4 of section 13 relative to the supervisory control of the Interstate Commerce Commission over intrastate rates.

IV. While less than a fair return, as fixed by the Interstate Commerce Commission, has been realized under the prescribed rates, yet the income has been sufficient to enable the railroads to pay expenses of operation and small dividends, and their credit has been stabilized so as to enable them to raise and borrow money for pressing capital expenditures.

V. A repeal of section 15a would undoubtedly lead to reduction in rates, which is the real object of the repeal, with consequent reduction of railway revenue and inevitable impairment of service.

VI. Railway credit would also be seriously crippled.

VII. A restoration of the power of the State commissions over intrastate rates, with a limitation upon the supervisory control of the Interstate Commerce Commission thereover, would seriously affect the orderly administration of the transportation act as to rates and bring back the chaos and costly litigation of former years.

VIII. The business and shipping public by a great majority are well satisfied with the present law and the performance of the railroads under it and are opposed to its amendment.

IX. Reductions in rates would bring but little relief to the individual farmer who is complaining, but would shrink the revenues of the railroads to the danger point.

X. Efficient transportation is essential to business prosperity.

XI. Good service is of far greater importance than a reduction of rates.

Mr. NORRIS. I have here a letter which is directed "To all local attorneys in Colorado." It is dated January 18, 1924, and is signed by Earl H. Ellis, general solicitor of the State of Colorado. I am not going to take the time of the Senate, Mr. President, to read the letter, but I will state that it is along the same lines, except it is more in detail than is the letter which I have read which directed the surgeons of the railroads to go out and get letters from business men and farmers addressed to Senators and Members of the House of Representatives asking them not to make any changes in the Esch-Cummins law. I ask unanimous consent that the letter may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter referred to is as follows:

FOSTER BUILDING,
Denver, Colo., January 18, 1924.

To all local attorneys in Colorado:

I have stopped the practice of sending out marked copies of the Traffic World, because I found that they did not make the rounds very promptly. I have looked through the last few numbers, having in mind the thought of what might interest you in connection with our publicity program, and think it proper to comment upon the following matters:

Recently the directors of the National Lumber Manufacturers' Association adopted a resolution which pointed out that the lumber industry can not be served except by regular and dependable car supply; that the Government operation of the railroads failed to give the country efficient service; and that restrictive railroad legislation has resulted not in better service or in lower rates but in financial and physical impoverishment of railway transportation; that during the past three years the railroads, operating under the present law, have furnished the lumber industry with the most satisfactory transportation service in its history, so that:

> "The lumber industry is opposed to further legislative experimentation with the railroad service; to any action that will unnecessarily impair the credit of the railroads or that will hinder or discourage the efforts of the railroads to develop for all American commerce prompt and reliable transportation service at reasonable rates."

Perhaps some of you know lumber people well enough in your community to call their attention to this resolution and to request that they write a letter to any Congressman known to them, placing the stamp of their personal approval upon this argument of the lumber industry generally.

On January 5 to 8 the sixth annual business meeting of the American Fruit & Vegetable Shippers' Association was held at Chicago. At the meeting there was approved a report of the traffic committee, in which a further trial without change of the present transportation act was recommended, and it was ordered that copies be forwarded to all legislative representatives. At the meeting W. A. Schumacher, general freight manager of the Fruit Dispatch Co., gave an address and drew applause, it is reported, when he declared that the carriers needed to be let alone and that efficient service was of greater value to the fruit and vegetable shipper than a rock-bottom rate. In discussing the transportation act he declared that the so-called "guaranty of earnings" clause was in reality a limitation-of-earnings provision.

Perhaps some one of the fruit and vegetable shippers in your community would feel inclined to echo this sentiment in a personal letter, if they happen to know any Congressman well enough, and if you should make the suggestion to them.

A recent bulletin of the Guaranty Trust Co. of New York stresses that continued trial of the transportation act of 1920, maintenance of the existing railroad rate structure as satisfactory to all interests for the present are the cardinal features of a sound railroad policy. The company points out that a reduction in rates on agricultural products would fall on the carriers least able to stand the loss (meaning, among others, the western railroads). Also, it is axiomatic that any savings to the farmers would necessarily result in heavier costs to other classes, with no general benefit to all. The bulletin asserts that a lowering of rail earnings would not constitute a tax on the wealthy people of the country, but would fall upon 2,000,000 owners

of rail securities, many of them persons of small means. From the pamphlet I take the following quotation:

> "To nullify, directly or indirectly, at this time, the principle of a fair return on a reasonable valuation, as expressed in the 1920 law, in the face of the generous response of the railroads to its own provisions, and before its full effects can be known, would be not only an act of bad faith but a misdirected effort to remedy conditions whose real causes lie quite outside the field of railway legislation."

I have recently sent you a copy of the Santa Fe bulletin, in which Mr. Storey so clearly proves the fact referred to above that the reasons for high rates lie outside of the railroad legislative field and are purely economic.

Secretary Mellon of the Treasury Department, in his annual report, first points out that the benefit the country has received during the past year was on account of the liberal expenditures by the railroads. He says, however, one unsatisfactory feature, and that is that the funds for this purpose have been almost wholly provided by borrowing under bond issues. Of course this can not be a permanent financial scheme, so unless a proportion of the new capital is provided in the form of proprietary investment the credit of the country would suffer, interest rates upon their offers will have to be advanced, and soon a limit will be reached to such borrowing power. So he concludes:

> "The public is interested in maintaining the credit and the service of the railroads, and especially interested now that their expenditures shall be in 1924, as in 1923, a strong supporting element in the general employment business situation."

As you know, rail executives are planning to keep up the remarkable improvement program for the coming year, believing that Congress is not going to change the present law. Any change of any serious nature whatsoever would undoubtedly, in my opinion, result in an immediate curtailment of the railway companies of these expenditures, which are so beneficial to the general situation throughout the country.

Walker D. Hines, former Director General of Railroads, recently made a very able talk in connection with section 15a of the interstate commerce act, the basis of the present structure of freight rates. He referred favorably to the decision of the Supreme Court which has denied the validity of the contention made by a few railroads relative to the recapture clause and has upheld the excess-earnings provisions of the transportation act. He sees in this a reason for insisting with greater emphasis and confidence than ever before that section 15a be not repealed. His suggestion to the business men of the country is so important that I feel that I should give it to you, as you may find the opportunity to use it in discussing this general question with any business man or Congressman.

> "If your public Representatives say they are favorable to this repeal, ask them to search their conscience and tell you why. Do they wish to break down the railroads so as to bring about eventual Government ownership and operation; do they wish to aid in bringing about a practical situation where rates will be lower than are necessary to meet the legitimate cost of railroad operation? If not, why do they wish to repeal section 15a? They certainly will not admit that they do so for the purpose of leading the public to believe that the repeal will bring about rate reductions which they believe would not be brought about. Nor are they likely to admit that they simply want to shift the entire burden of responsibility to the commission and be wholly free from any such burden themselves, and yet that is one of the most obvious things that would be involved in a repeal of the section. Congress would be washing its hands of a great responsibility in connection with an essential affirmative policy for protecting the transportation which the people need. Nor are our public Representatives who seem favorable to a repeal of this section likely to admit that they wish to abandon an affirmative and comprehensive policy toward the railroads and go back to the old-time piecemeal policy of negation. But if none of these things do account for their position, then why do they wish to repeal section 15a? I urge you to press that question home and to insist upon an answer. If they come forward with an adequate substitute, some other and better expression of the comprehensive and affirmative policy which is indispensable to give the people the transportation they need, a different situation would be presented. But no such substitute is proposed. It is a bare proposal to undo what has been done, to return to a negative policy instead of an affirmative policy, and I urge you to continue to ask why this should be done and to insist that it shall not be done."

If you find such a letter as this of any value or assistance to you I shall be very glad.

Very truly yours,

EARL H. ELLIS,
Solicitor for Colorado.

Mr. NORRIS. Mr. President, if all citizens of the United States realized that the propaganda such as has been going on for the last several months and which is still going on is conducted at the expense of the people at large and not of the railroads, they would appreciate the importance of it. The great efficiency that is claimed by the present management lies in part in the fact—and of that I do not complain—that they are able to pass on all charges to the consumers of the country. They ought, however, to be prevented from carrying on a propaganda as expensive and great as that which is going on now; they ought to be compelled to pay it out of their own earnings and not be allowed to charge it up as freight and passenger rates to the people of the United States, who must contribute the entire expense.

Mr. WALSH of Montana. Mr. President, let me inquire of the Senator whether the auditing system imposed upon the railroads by the Interstate Commerce Commission requires them to itemize expenditures of that kind? It has been represented to me that an enormous amount of money has been expended by the various railroads of the country for the purpose of carrying on a propaganda against the Government ownership of railroads and for the purpose of discrediting the administration of the railroads by the Government during the war. Does the auditing system descend so much into detail as to afford us any information concerning the total amount of money expended for such purposes?

Mr. NORRIS. I am unable definitely to answer the Senator's question. I may be wrong about it, but, in my judgment, the auditing system does not do that.

Mr. WALSH of Montana. How is it in the case, for instance, which the Senator has mentioned?

Mr. NORRIS. The letter which I read was directed to the surgeons of the railroad. I emphasized as I went along that portion of the letter which advised the surgeons that if they incurred any expense, if they hired automobiles to go to other towns, for instance, to send in a statement and it would be covered with a voucher. The man who wrote that letter was not a surgeon. He was one of the attorneys, and I presume he would cover the expense in a voucher that would show the expenditure of the money in the line of duty of the surgeon.

Mr. WALSH of Montana. But when I go to the monthly report of the railroad company showing its receipts and expenditures, under what head would such expenditures as that be found?

Mr. NORRIS. I presume they would be found under the heading of expenses of surgeons. The expenses incurred under the other letter which I read here would come under a different department; probably they would come strictly under the legal department, and I presume, if the local attorneys went to any expense, that a voucher would provide for their expenses and, perhaps, would include payment for their time, although I do not know as to that, and would be covered up somewhere in the books as expenses of the legal department, and so on.

Mr. WALSH of Montana. I am reminded that when I was a youth in Wisconsin lumbering was extensively carried on, and the manager of the winter camp used to send in a bill which included the item of "incidentals." That item was generally regarded as covering drinks.

Mr. NORRIS. Yes; and I presume there would be some of the same kind of "incidentals" in the work of the surgeons and attorneys to which I have referred. Probably if it were necessary to get a good letter from a farmer he would like to partake of those "incidentals."

Mr. KING. Perhaps they would include cider or homemade beer.

Mr. NORRIS. Possibly.

Mr. President, it seems to me important that we should bring home to the people of the United States the fact that they are paying the bill for these expenditures. As the Senator from Montana has said, the propaganda of the railroads against Government ownership, their propaganda against a change in the law, and their propaganda when the time comes—and it does come every little while—in regard to the appointment of some man on the Interstate Commerce Commission or perhaps on the Federal bench, carried on all over the United States, involve the expenditure of millions and millions of dollars. The expense of postage alone on letters that come to Members of the House of Representatives and the Senate is something enormous. They are coming to my office, and have been coming for months, at the rate of from 10 to 15 every day. Somebody writes them. In many cases men are on the road traveling around doing the work. They all get good salaries; they all stop at good hotels; and the entire bill is paid for by the farmers and business men of this country. In other words, the people of the country are being bled and made to pay for their own deception.

Mr. JOHNSON of Minnesota. The Senator might add also that Mr. Countryman himself, the vice president and counsel of the Great Northern Railroad, is out every week making

speeches telling that the Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from Nebraska [Mr. NORRIS], myself, and others are out with threshing machines for the railways. I imagine that expense is also charged up, and we have to pay the bill.

Mr. RANSDELL. Mr. President, I wish to discuss—briefly I hope—the proposed amendment of the Senator from Nevada [Mr. PITTMAN]. In my judgment, this amendment, which provides for enforcement of the long-and-short-haul clause of the interstate commerce act, is one of the most important measures that have been presented to Congress in the present session, indeed that have been before us in a great many years. I know of nothing that enters more closely into the daily relations of life than transportation. It affects everything we eat, everything we wear, the houses that shelter us, and our means of getting from place to place. It really and truly enters into our daily life as closely as anything can possibly do.

The question before the Senate to-day was stated very tersely at a meeting of the rivers and harbors congress in this city about two years ago, when a joint debate was held on the subject: "Should water competition be considered a justification for relief from the long-and-short-haul clause?" The negative of that proposition was taken by Mr. Frank Lyon, an attorney of this city. He stated the question so much better than I can that I will read it:

> The concrete proposition which is now before this association is to have Congress enact a law depriving the Interstate Commerce Commission of the power to permit a railroad to reduce its rates to and from water-competitive points below a reasonable basis when such reduction is solely for the purpose of depriving the water lines of business they would secure if the railroad were forced to charge the water-competitive points the same reasonable rate that it must charge interior points.

That is the whole case—to pass a law that will prevent the railroads of the country from charging such low rates at water-competitive points as will deprive boats, whether ocean carriers or steamboats on our interior waters, from getting and doing the business they are entitled to receive by the natural advantages which their cheaper method of water transportation naturally gives to them.

Mr. President, I have always been in favor of the idea presented by this amendment. During my entire 25 years in Congress I have taken an interest in the development of the waterways of this country. The Senator from Nevada [Mr. PITTMAN], in discussing this question two days ago, rather criticized the attitude of myself and others in so strongly advocating large appropriations for the improvement of waterways which are not used. That criticism was not an unnatural one on the part of the Senator, and I am sure he did not intend it in any improper sense.

We have spent very large sums for improving rivers which at this day are not being used at all, or used only very slightly; but, Mr. President and Senators, we have also spent large sums for improving rivers and connecting waters that are used, and used with tremendous benefit to the American people. Let me cite you the giant locks on the Sault Ste. Marie River, connecting Lake Superior and Lake Huron, the improvements on the Detroit River, the great improvements on the harbors of the Lakes. Vast sums have been spent for those connecting channels and lake harbors, with what result? A truly colossal commerce is carried annually from the upper end to the lower end of the Lakes and back again—from the upper end largely composed of iron ore to be converted into steel for the use and benefit of all the citizens of the land, and from the lower end mainly of coal for the use of the citizens of the great Northwest.

There is a vast commerce also in machinery, autos, lumber, furniture, and in package goods of various kinds and sorts. I have not the figures before me, but the last time I examined them that commerce ran into something like eighty to ninety million tons per annum, and it was carried at a rate averaging about one-ninth of the railroad rate of the country. For one-ninth of the railroad rate of the country this colossal commerce was carried on the Great Lakes because of the expenditure of several million dollars to construct big locks at the Sault Ste. Marie and to dredge the channel of the Detroit River and to deepen the harbors on the Great Lakes so that mighty steamers, truly ships, drawing 20 to 21 feet of water, could ply those Lakes—inland seas, as they are justly called. Mr. President, all America has received wonderful benefits from those waterway improvements.

Mr. KING. Mr. President, will the Senator yield?

Mr. RANSDELL. I yield to the Senator.

Mr. KING. I should like to ask the Senator whether or not the costs to which he now refers upon the Great Lakes would be substantially the same or would they not be very much less than the costs upon what might be called inland streams, rivers, and waterways; and, secondly—if I may ask two questions at the same time—whether the cost of handling bulky material, such as were carried upon the ships, would not be less relatively than the cost of handling manufactured and more valuable articles and commodities, because in carrying the latter it seemed to me that both ships and railroads would be compelled to employ instrumentalities and agencies of a higher character and to bestow upon them greater care than would have to be bestowed upon the bulky and less valuable articles?

Mr. RANSDELL. That is a very pertinent question. To answer the latter part of it first, there is no doubt but that it costs more to handle ordinary merchandise, manufactured articles of iron and steel and wood, package goods of every kind and sort, than it does to handle such commodities as iron ore and coal, to which I have just alluded.

There are wonderful appliances for handling ore and coal on the Great Lakes. I had the pleasure of visiting the Mesabi Range, at the western end of Lake Superior, several years ago. I went out into the country about 80 miles from Duluth-Superior and saw this very rich iron ore, 65 to 70 per cent iron, being scooped up from the ground in steam shovels—not mined in the ordinary sense, but dug up in steam shovels—and loaded onto cars. The cars then traveled for 80 miles to the city of Duluth, and went out over the docks on their rails. They had automatic openings underneath and these openings dropped the ore into the great docks, which were built, as I recall, for a long distance out over the lake and high above the water. The boats then ran alongside these ore docks. There were large steel chutes running from the lower portion of the ore docks into the hatches of the ship—one chute for each hatch—and it was entirely feasible to load one of those big steamers, carrying nine or ten thousand tons of ore, in 60 to 90 minutes.

I do not know any place in the world where commerce is handled more expeditiously than there. That ore ship would then go through the entire length of Lakes Superior, Huron, and Erie to the ports in the State of Ohio, such as Cleveland, Ashtabula, Conneaut, and others, or to Buffalo, N. Y. There it would dock alongside of railroad tracks, and with a perfectly marvelous machine, known as the Hewlett automatic unloading machine, this ore would be picked up in a big scooping shovel handling 6 or 7 tons at each load, would be whisked up from the ship, carried on an overhead trolley, and dropped in the car without being ever touched by human hands. That car would carry it to local furnaces or to Pittsburgh or wherever it was to be handled.

That was a wonderfully cheap method of handling the ore at both ends. Coal was handled very much in the same way. I saw great cars loaded with many tons of coal picked up, swung out by a great crane over the ship, and tilted so that the entire load of coal was dumped down into the ship. Of course, it is impossible to handle ordinary commerce by any such method as that; but a great advance has been made, let me say to the Senator, in the handling of many kinds of commerce. Truly marvelous water terminals have been constructed on the Mississippi River within the last few years. Many devices, the product of the best engineering skill, have been placed along these waterways, and it is possible to load and unload freight from the boats at a very small charge. A great deal of the commerce on the interior rivers—to make some kind of comparison between the freights there, as I understood the Senator's question, and the freights on the Great Lakes—a great deal of the commerce on these interior rivers, certainly in the past, was coal, the fuel which is essential to human civilization. That coal was carried down the Ohio and the Mississippi Rivers in great fleets of barges. There is an instance on record where a steamboat carried in one tow 56,000 tons of coal in a fleet of 72 barges. That coal was loaded at the extreme upper end of the Ohio River, either in Pennsylvania or West Virginia. It was carried down the river on freshets. It could not be conveyed during the greater portion of the year, but when the water was high in the spring, for several months when there was good boating on the river, that coal was carried down in small tows, was picked up after it reached the Mississippi River, bunched together in this one immense tow, and carried all the way down to Louisiana.

That kind of commerce was as cheap as the commerce on the Great Lakes. Gen. William L. Sibert, one of the most remarkable engineers this country ever produced, the builder of the Gatun Locks and Dams at Panama, a colaborer in the wonderful task of constructing the Panama Canal with General Goethals and General Gilliard, made a most elaborate study of transpor-

tation on the Ohio and Mississippi Rivers, and according to him the cost to carry coal down the Ohio, when canalized to 9 feet, and the Mississippi would be about one-eleventh to one-tenth of the average railroad charges in the country.

Beyond question, Senators, water transportation is much cheaper than rail transportation where you have good channels available all the year round. The frictional resistance of water itself, a fluid, is infinitely less than that of steel rails. A given amount of energy applied to a vessel loaded with a thousand tons or ten thousand tons of freight will carry that freight a great deal farther and easier and at infinitely less expense than if carried over a railroad. Your own common sense will tell you how much easier it is to move a load on the water than over a dirt road or a steel railroad.

There is no question, Senators, but that the god of nature intended the waterways to be used by man as transportation agencies. We have had the railroads for only a little over a hundred years. We have had real beneficial development of railroads for less than a hundred years; but during all the ages of time prior to the last hundred years man was dependent upon the waterways. The great cities of the ancient world were always found on navigable waters. There were comparatively very few highways of any consequence anywhere on earth. We read of the famous Appian Way and some good roads in the old Roman Empire, but the roads were very few and very far between. People could travel by water with comparative ease, but it was extremely difficult to travel by land.

In the early days of our Republic, the days of the immortal Washington, great interest was taken in waterways. Some historians say of Washington that not only was he the Father of his Country but, in a particular degree, the father of waterway transportation in this country. As I understand it, when he was notified of his nomination for President of the United States he resigned his position as president of a canal company to become President of the United States.

The initial cause, the main cause, for the convention which resulted in our great Constitution was the necessity of the various States getting together on transportation problems. In many instances rivers were the dividing lines between the States. Interstate commerce was a problem of extreme difficulty. It was absolutely necessary to provide for close interstate relations; and because of the troubles between Maryland and Virginia on the Potomac, and Pennsylvania and Delaware and New Jersey on the Delaware, the first interstate convention was called, which resulted later in the convention that created our Federal Constitution. It was necessary to settle this very problem of water transportation.

George Washington predicted, in the early portion of his career, following the Revolution, that if the Atlantic States did not connect with the Ohio Valley by a good, sufficient waterway, the people of the Ohio Valley would separate and form a government entirely distinct from that along the Atlantic. From the earliest days of this Republic until very recent times we used the waterways and derived great benefits from them.

As the Senator from Nevada [Mr. PITTMAN] said in his able speech two days ago, when he and I were boys—I believe I was a little bigger boy than he—living on the banks of the Mississippi River in northeast Louisiana, there were a great many steamboats, and magnificent boats they were, plying the Mississippi River. But at that time there were no railroads to serve the large population on each bank of the river. The only means of transportation from New Orleans up to St. Louis, from St. Louis on to Kansas City, from Kansas City on and on and on, up to Fort Benton on the Missouri, was by boats. The only way to reach most of the river points up to Pittsburgh, a thousand miles up the Ohio, was by boat. The only way to get up to St. Paul and Minneapolis in those early days, perhaps a little earlier than the time to which I have alluded, was by boat.

In spite of the fact that there were many shallows in the river which interfered with navigation during extreme low-water seasons, and in spite of the fact that ice interfered materially during several months of the winter in the upper stretches of the river, those boats gave the people reasonably good and cheap transportation for several months out of each year, and the only transportation they had. Certainly, Senators, there were no highways in those days; there were no railways, and it was either use such waterways as the god of nature had given us, unimproved as they were, or not travel. That was the situation.

When the railroads came they found it advisable from their narrow and unwise viewpoints to destroy water competition. All up and down the Mississippi River, at such points as Baton Rouge, Plaquemines, Vidalia, St. Joseph, and Lake Providence, in my State; Natchez, Vicksburg, Greenville, Friars Point, and other places in Mississippi; Helena and other points in Arkansas; Memphis and other points in Tennessee, and so on up the line, the railroads said, in substance, "We do not propose to have boats competing with us and carrying freight a great deal cheaper than we can possibly carry it."

I will not attempt to go into details on that; it has been done already; but, as a matter of history, the boats were gradually driven off the river by the railroads making such low rates at river points that the boats were unable to compete with them, and in that instance these railroads charged very much higher rates at interior points sufficiently far from the waterway so that it would cost more to haul by wagon from the point to the river than the extra freight would amount to. In other words, at interior points they placed on the commerce all the charges that it would bear. If a town was 10 or 15 miles in the interior and there was an impassable forest or swamp between that point and the river, they charged just as much from that point as from an interior town 100 or 200 miles from the river-competitive point. They succeeded thoroughly in driving the boats off the river.

Now comes the question, Why did we go on improving the rivers, seeing there were no boats on them and no commerce? Why did Congress undertake, at a cost of what I believe will ultimately be more than $100,000,000, to canalize the Ohio River from Pittsburgh to Cairo?

That is 1,000 miles of river. It runs through the most marvelous freight-developing region in America. There is no place on this globe—and I say it advisedly—which generates anything like as much commerce in tons—I do not say in value, but in tons—as Pittsburgh and the district 50 miles around it. Students of the subject say that the commerce of that region is greater than the combined commerce of London, Liverpool, Hongkong, and New York, greater than all four combined, not more valuable than all four, for it is commerce composed very largely of steel and iron and coal and the products of those three minerals.

However, Senators, it costs practically as much to convey from Pittsburgh to the seaboard a ton of coal as it would cost to convey a ton of the most valuable manufactured products that can be conceived. To a great extent a ton is a ton when it comes to conveying it from place to place. After the railroads had driven away the boats they began to put up the rates and to make things extremely unpleasant for people along the rivers. So throughout the land waterway associations were formed for the purpose of assisting in and urging Congress to improve the rivers in order that they might become the same effective carriers of freight in the future as in the past. The engineers were required to survey the Ohio River to see if it could not be made navigable every day throughout the year when the ice permitted boats to travel. The engineers found that it was feasible and practicable to do so.

Congress undertook the improvement of the Ohio River by a law enacted in 1876 and we have been enacting laws ever since to improve it. The original law provided for a 6-foot channel. In 1910 the law was changed so as to provide for a continuous depth of 9 feet all the way down the Ohio River from Pittsburgh to Cairo, by the construction of 53 locks and dams at an estimated cost, to complete the improvement in 1910, of $83,000,000, if my memory is correct. That act provided that the work was to be completed within 10 years. Fourteen years have elapsed since 1910, and according to the latest information from the Engineer Corps of the Army it will require at least five or six years longer to finish the Ohio River work. So we are going to be 10 years behind time in completing that work which was begun in 1876. In this connection let us not forget that the Panama Canal—by odds the most difficult and expensive waterway improvement ever undertaken—was completed and in operation within 10 years from its inception.

Surely no one can expect boats to compete reasonably with railroads along the banks of the Ohio—and I use that as an illustration for other waterways—unless the river is so improved that they have a continuous certain period of navigation when free from ice. I have just told of the colossal commerce on the Great Lakes amounting to 90,000,000 tons carried at one-ninth of the average railroad rate. On the Great Lakes there are between four and four and a half months of ice. Boats can only run about seven and a half to eight months at the outside. Yet commerce knows definitely and positively that for the other seven and a half to eight months great fleets of boats are going to run, and carry that commerce at very low rates.

If we could have the Ohio improved so as to have a dependable channel of 9 feet for every month of the year except when stopped by ice—say eight dependable months from the high water of the spring until the ice accumulates in December—there would be large fleets of boats on the Ohio. They would carry very large volumes of commerce from that great freight-producing region, the Pittsburgh district and throughout the entire length of the river. They would carry the products of steel and iron and porcelain and everything made of minerals for 2,000 miles down the Ohio and the Mississippi to the ocean at New Orleans to be transshipped thence to the marts of the world. They would carry a vast commerce on the Ohio, if the other rivers were properly improved, down to Cairo and up to St. Paul, out to Kansas City and Omaha, and up through an improved Illinois River to the city of Chicago and the Great Lakes. They would carry it, Senators, through the 16,000 miles of navigable waters of the Mississippi River system if all those rivers were properly improved as some of them are now being improved. We can not use them effectively now, because of innumerable shallows and obstructions, but we would use them to great advantage if properly improved, and that is the answer to the query, "Why are you improving the rivers and not using them?"

One little river up near Pittsburgh was improved a few years ago, the Monongahela. On the Monongahela, a little river which many of us probably have never heard of, there were 30,000,000 tons of commerce carried last year—think of it—30,000,000 tons, at an average of one-third the average rail rates of the country. Who gets the benefit of that cheap commerce on the Monongahela River? Every one of us, for that commerce is iron ore and coal and the products of ore and coal, and every citizen of the Union is a beneficiary of the resultant low priced steel and its countless products.

It is needless for me to remind the Senate that the very large portion of our expenditures for rivers and harbors has been for the harbors of the country. The harbors, as we all know, are railroad terminals. What is the great harbor of New York, that of Boston, that of Philadelphia, that of Baltimore, that of Norfolk, of New Orleans, of Los Angeles, of San Francisco, Seatle, and Portland—what are all of those great harbors but railroad terminals? The railroads run into those ports, run up alongside the ships, unload their cargo into the ships, and receive a return cargo from the ships.

After 25 years of experience in Congress, 23 of which have been spent as a member of either the Rivers and Harbors Committee of the House or the Commerce Committee of the Senate, I can say that I have never known any opposition on the part of the railroads or from any other source to the improvement of harbors. I have shrewdly suspected very serious opposition to the improvement of the rivers from our railway competitors. I hope I make myself clear. The harbors on which immense sums have been spent are cooperators, parts and parcels, of the railway systems, and wisely so. I am not criticizing it. They have been improved, with everybody willing to make the improvements, but when it came to improving a great river like the Ohio, with its wonderful potentialities as a competitor with railroads, somebody worked his rabbit's foot in such a way that although we began to improve the river in 1876—48 years ago—we are still six years away from completion.

Now, Senators, suppose anyone with plenty of money in hand—for no one can say the United States did not have sufficient money to improve the Ohio River, and no one can say we did not have as able engineers as there are on earth—should handle his private business in that way? What would be thought of him? That is not any more extreme than other cases I might mention. I use it as an illustration.

Again I say it is for such reasons as that that the waterway organizations throughout the land have insisted that we must make the rivers navigable all the year around. Right now before the Committee on Agriculture and Forestry there is an extremely interesting hearing going on that has taken weeks and weeks of time in connection with the Muscle Shoals development. At Muscle Shoals we are building a great dam for the joint purpose of creating electric power and giving good navigation on the Tennessee River. In connection with it we have to construct another dam up the stream known as Dam No. 8. Then other dams will have to be constructed on the Tennessee. Work is going on upon many of the rivers of the country. Well do I recall that when elected to Congress in September, 1899, the first movement in which I took a live interest was the improvement of the Ouachita River in Louisiana and Arkansas. That was practically 25 years ago. We began active work on the river after a very desperate fight in Congress in 1902, 22 years ago, under the leadership of Senator Berry, of Arkansas, and of myself in the House. Just 10 days ago the first steamboat went up the Ouachita from New Orleans to Camden, the head of that navigation.

It took us 22 years to finish the locks and dams on that great river—and I use the term "great" advisedly—so that boats could load at New Orleans, go up to the junction of Black River with the Red, and up the Ouachita 400 miles to the city of Camden. We are going to use that river now. It is navigable for the entire year. It will be used, and great will be the benefit to the people along its banks. With that discussion as to rivers, I wish to say just a few words about the coastwise trade.

I have not looked into that subject very carefully lately. I listened to what the Senator from Nevada [Mr. PITTMAN] said, and I have no doubt he stated the facts correctly, that if we do not watch closely and do not enact this amendment which he has proposed or legislation similar to that the vast coastwise commerce of this country will be destroyed.

I had a conference several days ago with several members of the board of directors of the National Merchant Marine Association, and one of the ablest shipping men in America made the statement that the coastwise business of this country is in very great distress and it is necessary to do something for it. Senators, all of us recall that when the World War broke out in 1914 all but 9 per cent of the foreign commerce of this country was carried in ships flying foreign flags. Only 9 per cent of our gigantic foreign commerce was carried under the folds of Old Glory; 91 per cent was carried in foreign ships, exactly reversing the conditions which prevailed 100 years before, when 90 per cent of our commerce and a great deal of the commerce of other countries was carried under the American flag and only 10 per cent was carried under foreign flags.

Our overseas merchant marine was in a very unfortunate position at the outbreak of the World War; but, thanks to the law prohibiting foreign vessels from engaging in the coastwise business of the United States, we had a very respectable fleet of vessels under our flag engaged in the coastwise business, a fleet consisting, if I recall correctly, of nearly 5,000,000 tons of good ships. When the cry went up for ships, more ships, and still more ships to carry food and supplies to our allies abroad, and to carry our men across the sea to save democratic institutions, we had at least the nucleus of a fleet in those coastwise vessels. They performed wonderful service to this Nation and for mankind, and we can not afford to do anything that will jeopardize the coastwise business of our country. If the railroads are to be permitted so to reduce their freight rates to seaport as to make it unprofitable for vessels to engage in the coastwise commerce, and so to drive those vessels from the sea, I should consider it such a serious national calamity that it must be prevented at any cost; and such a calamity, beyond question, would be prevented should the pending amendment on the long-and-short-haul clause be adopted. That consideration alone, in my judgment, warrants us in adopting the amendment.

Senators, I have never knowingly given my consent to anything that was palpably unjust and unfair to any portion of our Republic, and no man with any real sense of fair play in his make-up can say that the interior sections of our country, away from the waterways, away from navigable streams, and especially those sections which are located in what are known as the intermountain region, have been treated fairly in regard to their freight rates.

Their treatment has been unjust in the extreme, and I for one am willing now, as I have always been willing, to vote for any law that will bring about reasonable and proper treatment of all sections. In this category I include not alone the intermountain section, for there are plenty of other towns and cities in this land, situated 25, 100, or 150 miles away from navigable waters and a thousand miles or more from the intermountain section, which need relief. So do not imagine that that section alone is interested in this question; a great many others are likewise interested, and common decency requires that all of them should be properly and fairly treated.

Mr. President and Senators, beyond any question it is our duty, especially in this period when freight rates are high, when the cost of living is high, when the cost of everything is high, so to act, if we possibly can, that we may have a reduction in the cost of transportation.

Do not understand me as being inimical in any sense to railroads. I consider that the railroads of this country have been the most marvelous developers of civilization the world has ever known. Our great country could not have gone forward by leaps and bounds as it has, could not have risen to the highest place in the world, but for our great railroad systems. I give them proper credit; but, while I accord them all the credit to which they are entitled, I deem it the part of wisdom, I deem it essential for us to develop and use the

highways and to develop and use the waterways to the very fullest possible extent.

There is a trinity of transportation—highways, railways, and waterways. There should be no rivalry between them, no competition between them; they should be friendly; they should cooperate in every way. As Schley said to Sampson after the Battle of Santiago, "There is glory enough for all," so we may say of the highways, railways, and waterways, "There is business enough for all three systems of transportation in this country." Let us develop them and use them. Certainly if the Maker of the universe so planned His work that waterways can carry freight for very much less than railways can carry it, we are not cooperating with the Creator unless we use those waterways. He intended them for use.

I have shown that the colossal commerce of the Great Lakes is carried at one-ninth of the rail rates; I have shown, according to Colonel Siebert, that a great portion of the commerce of the fully improved Ohio and Mississippi can be carried at from one-tenth to one-eleventh of the rail rates. Then, if that be true, it is our duty beyond any question, Senators—it is our bounden duty as patriots and lawmakers—so to legislate that these waterways will be used. And I say to you that I know of nothing that will tend more to bring them into use than the adoption of the amendment offered by the Senator from Nevada.

Mr. President, I have very little more to say. I should like to read as part of my remarks two telegrams addressed to Mr. William Allen, Munsey Building, this city, by Mr. Theodore Brent, of New Orleans. Mr. Brent is one of the best traffic men in America, and for many years was connected with the railroads.

For the past few years he has been in charge of the barge line on the Mississippi River, the line of boats running from New Orleans to St. Louis, which we have every reason to believe is going to prove quite successful in carrying large quantities of freight and greatly reducing the rates thereof, although at the present time the reduction is only 20 per cent. That is, this barge line, in its incomplete condition, with unfinished terminals, with boats not equipped as they should be, and with a shortage of plant in many things, is carrying a large amount of freight at 80 per cent of the rail rates; and the railroads are carrying freight adjacent to that river, as the Senator from Nevada pointed out, at considerably less than their average rates—58 per cent of their average rates, the Senator reminds me. Let me say that it is not only the freight actually carried by the barge lines for which the shippers pay 80 per cent of the average rail rates, but there is a very large commerce carried by the railroads adjacent to the river for which the charge is only 58 per cent of their average rates; so it will be seen that that barge line is beginning to be of immense benefit to the people.

This telegram is dated May 14, from New Orleans, and reads as follows:

WILLIAM ALLEN,

830 Munsey Building, Washington, D. C.:

I have already wired you giving my own opinion as to the Gooding bill. As to paragraph 2 of section 4, as administered by commission, there is no health in it for a water line. The commission has allowed the railroads to do what they please, and they have always been able to make a plea of changed conditions, other than elimination of water competition, which suited the immediate emergencies of the railroad. If the Gooding bill passes, we don't need the second paragraph of the fourth section. No person who hopes to see inland and coastwise water transportation, whether publicly or privately administered, become as permanent a part of the Nation's transportation system as the railroad should oppose the present effort to secure a more rigid fourth section. The 14 years of discretionary administration of this section by the commission offers little hope of stabilizing investment in water-transportation property under the existing law. Under a more rigid law requiring the railroads to consult the actual aggregate cost of rail transportation in fixing railroad rates, instead of their eagerness to absorb traffic which can be more cheaply carried by water, it will, in my judgment, result in a gradual and logical separation between rail rates and water rates commensurate with the relative cost of the service performed by each, and with the savings of water transportation easily reflected to the people of the interior through logical expansion of the system of joint rail, water, and rail rates.

BRENT.

In this connection I desire also to read the following telegram:

MAY 15, 1924.

WILLIAM ALLEN,

830 Munsey Building, Washington, D. C.:

Your letter 13th. I have read CONGRESSIONAL RECORD as suggested. Senator PITTMAN is absolutely correct. I think it would be very foolish for friends of waterways not to join these intermountain people in their efforts to pass the Gooding amendment. At the very least we should not jeopardize river appropriations and barge-line legislation by any opposition to this law. I can not personally think of anything which will so tend to clean up the uncertainty as to the future of water transportation as to remove from the field of commission's discretion the administration of the fourth section except in matter of export and import rates which are essentially divisions of through rates to points beyond our country, and in allowing one railroad to meet the shorter haul of another railroad. Experience has proven that this is all the latitude that ever was necessary in order to give the proper measure of railroad competition; and now we should go a step further, and see that the railroads under the law are not privileged to prey upon the water lines. * * * Railroads put the steamboats on the Mississippi River out of business by just the same methods the transcontinental lines are using to put the coastwise ships out of business; and there is also pending before the Interstate Commerce Commission at present time a similar application on the part of the Mississippi Valley lines to do just the same thing with rates between Chicago and New Orleans.

BRENT.

Before concluding, Mr. President, I wish to say that in my judgment we are rapidly approaching the time when waterways are going to be used again. On a few of the rivers of the country the improvement is in such a state that it is feasible to use these waterways; and though the boats were driven off years ago, and though it is very hard to get men started again to using the rivers, it is being done gradually. If Congress will carry on for a few years longer the policy of improving a few of our great rivers, and of completing work already begun, such as the completion of the Ohio, to which I have alluded, of the upper Mississippi, of the Missouri to Kansas City, and of the Illinois to the city of Chicago, there will grow up within the next 10 years a very great commerce by water through all that interior section.

Mr. BRUCE. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Louisiana yield to the Senator from Maryland?

Mr. RANSDELL. I do.

Mr. BRUCE. I should like to ask the Senator just why it is, in his opinion, that general use is not made at the present time of the inland waters of this country for commercial purposes? To what does the Senator ascribe that fact?

Mr. RANSDELL. If the Senator had listened to me he would not have been obliged to ask that question, because I tried to cover it.

Mr. BRUCE. I listened, I can truly say, to every word the Senator uttered, and certainly his thoughts were very clearly expressed; but it seemed to me he never came just to that question.

Mr. RANSDELL. I tried to show that in the early days, when there were no highways and no railways, the boats were so much better than for people to haul their goods in mule wagons or ox wagons or something of that kind, that, although the rivers were frozen for several months in the year in the wintertime and were very shallow for several months of the year in the summer time, there was a period of a few months of each year when the boats could run on them, and they had a very large commerce. When, however, the railroads were built on either bank of the stream, and when the boats were completely driven away by the very low charges at river points, recouped by the high charges at interior points, the boats went out of business, and people have not been willing to put their money in them since.

Mr. BRUCE. What I want to ask the Senator is this: Are those boats being driven away at the present time by rate discriminations in favor of the railways?

Mr. RANSDELL. No, Mr. President; they were driven away years ago, and they have never come back.

Mr. BRUCE. But there must be some reason, then, for their never having come back, aside from railway discrimination. Why have they not come back?

Mr. RANSDELL. Let me ask the Senator, if he had a lot of money that he wanted to conserve for the use of his family, his wife and children, does he think he would invest it in steamboats on the Mississippi River, let us say, when there was a rival railroad on either bank of the river, and the moment he got started carrying freight on that river the railroads would make such low rates at Baton Rouge, and Natchez, and Vicksburg, and Lake Providence, and Greenville, and Helena, and Memphis, and all the points up the river that he could not afford to carry the freight?

Mr. BRUCE. Yes; I would, provided there was an Interstate Commerce Commission sitting at Washington pledged by the statute under which it was discharging its duties to foster and preserve both railway and water transportation.

Mr. RANSDELL. I am glad to see the faith the Senator from Maryland has in waterways, for I have been a waterway crank for 25 years, and I have done everything I possibly could to encourage the use of these waterways. I have some good friends who have gone down in the slough of despond and in poverty in their old age as a result of trying to fight railroads by running boats. They can not do it. There is something wrong in the laws, and I believe this amendment will correct that wrong.

Mr. BRUCE. The Senator will not be affronted, I am sure, if I ask him, then, whether he believes with the Senator from Idaho [Mr. GOODING] that the Interstate Commerce Commission is the tool of the railway companies of the United States?

Mr. RANSDELL. I do not want to say anything of that kind. I would not go so far as that.

Mr. GOODING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Idaho?

Mr. RANSDELL. Pardon me for a moment; then I will yield to the Senator.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. RANSDELL. Let me say to the Senator from Maryland that what a man drinks in with his mother's milk influences him during all of his life; and the Interstate Commerce Commission was created for the purpose of regulating railroad rates. If the Senator will examine the law, he will not find that it mentions waterways. There is not anything about waterways in it. The commission has not any right to regulate rates by water, either on the ocean or in the interior. It is a railroad organization, so intended by law, to regulate rates. It is natural that its members should lean that way. I do not believe that a single one of these gentlemen means to be corrupt or bad; but I believe that all the trend of their thoughts is to build up and maintain and strengthen the great railroad systems of the country, which they were created to assist and regulate. That is my view of the matter.

Mr. BRUCE. Why have they that bias, if I may ask the Senator from Louisiana?

Mr. RANSDELL. Why, they were created that way.

Mr. BRUCE. The Senator means the Interstate Commerce Commission?

Mr. RANSDELL. The act itself creates a railroad commission. It does not create a waterways commission.

Mr. BRUCE. The Senator is aware that the transportation act expressly declares it to be the policy of the United States Government to foster and preserve both rail and water transportation?

Mr. RANSDELL. I remember that well. I had the honor of being the author of those words, and for years and years and years we fought to get those words put in. I think they were put in in the act of 1920, were they not, just three or four years ago?

Mr. BRUCE. Yes.

Mr. RANSDELL. Up to that time we could not get even an expression that Congress wanted to have the waterways treated fairly, and I presume that since 1920 the commission is a little more friendly to waterways; but when you have grown up with a system, when you do absolutely nothing else but that all your life, you can not help leaning to it, and these gentlemen naturally lean toward the railroads. I would if I were one of them.

Mr. BRUCE. But the Senator is aware that the commission has jurisdiction over lines that are partly rail and partly water, under the same common management and control, is he not?

Mr. RANSDELL. Yes; but we have no lines now that are partly rail and partly water.

Mr. BRUCE. Oh, the Senator is mistaken.

Mr. RANSDELL. In substance that is true. I am going to reach that in a minute. In substance we now have no lines that are partly rail and partly water except the barge line on the Mississippi, and, perhaps, some of the lines on the Great Lakes. The boats were so completely driven out that they do not exist. We have a few lines that are not common carriers. Take the situation on the Ohio: The United States Steel Corporation has built some wonderful barges there.

Mr. GOODING. Mr. President——

Mr. RANSDELL. I will yield to the Senator from Idaho in a moment. Jones & Laughlin, a tremendously big corporation at Pittsburgh, have built some extra good barges, and they go down the Ohio River on the freshets in the spring loaded with thousands and thousands of tons of steel products for my section of the Union and for other sections. They are not common carriers, however, and they are not subject to this law. They are private carriers.

Mr. BRUCE. Is it not the real fact that inland water transportation is subject to certain transportation shortcomings, as compared with rail transportation, that the Interstate Commerce Commission, as a body of sensible, judicious men, are bound to recognize?

Mr. GOODING. Mr. President——

Mr. RANSDELL. I yield to the Senator from Idaho.

Mr. BRUCE. I object to the Senator from Idaho taking me off the floor.

Mr. GOODING. I merely want to correct the Senator.

Mr. BRUCE. The Senator from Louisiana can take me off the floor, but not the Senator from Idaho.

Mr. RANSDELL. I do not want to yield to the Senator from Idaho until the Senator from Maryland has finished his query.

Mr. BRUCE. Exactly; I knew the Senator would not.

Mr. RANSDELL. I do not want to do that, but really I do not want to yield for a speech. I am glad to yield for a question.

Mr. BRUCE. Of course. I do not want to make a speech. The Senator has answered all my questions. I am very much obliged to him for answering them. I will put no more.

Mr. RANSDELL. I yield now to the Senator from Idaho.

Mr. GOODING. Mr. President, I wanted to correct the Senator from Maryland in regard to a statement. I did not make the statement that all the members of the commission were tools of the railroads. I did say that some of them were, and I am glad to have a chance to repeat that. I have come to that conclusion as the result of things that I know, telegrams that I have put into the RECORD, where the chief executives of the railroads were going to the commission in a body, not to present facts and evidence in regard to why there should be a violation of the fourth section, but merely because they were the chief executives of great railroads. Those were matters of record that are part of the record of the Senate, and I put them in, taken from the files of the railroads and railroad organizations.

Mr. RANSDELL. I yield further to the Senator from Maryland.

Mr. BRUCE. I have nothing further to say.

Mr. GOODING. Judge Prouty has been spoken of. I have a very high regard for him. I have a very high regard for men who are now on the commission. I do not think we ever had a greater man in the service of the country than Judge Prouty, of the Interstate Commerce Commission, as far as that is concerned. There have been many other great men who have served their country on this commission. Judge Prouty is a big, broad, true American, and I have respect for such men; but when I know, after I have made a study of these questions, how they get violations of the fourth section, that there have been practically 6,000 violations made without much or any investigation and without a hearing, and that out of all that have been made in only some three hundred and odd has there been any hearings at all, I make up my mind that there is some influence besides evidence.

Mr. RANSDELL. I yield to the Senator from Maryland, if he cares to say anything.

Mr. BRUCE. I have nothing more. I have elicited from the Senator from Idaho just what I wanted to elicit, that if he does not think that all the members of the commission are the tools of the railways he at least thinks a majority of them are.

Mr. RANSDELL. Mr. President, I hope I will not be considered as taking part in this criticism of the Interstate Commerce Commission. I have never found I could get anywhere in this life by criticizing people, and I never indulge in criticism; so I trust that part of this debate will not be misunderstood, as far as I am concerned.

I ask to have attached to and made a part of my remarks a brief address, only four or five pages long, delivered by Mr. Frank Lyon, of this city, before the eighteenth annual convention of the National Rivers and Harbors Congress held in this city on December 6, 1922. The convention on that date held a joint debate on the subject, "Should water competition be considered a justification for relief from the long-and-short-haul clause?" The negative was taken by Mr. Lyon.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

ADDRESS OF FRANK LYON, WASHINGTON, D. C.

Ladies and gentlemen and members of the association, I hope I will be able to so state my case as to require no reply on my part. [Laughter.] I shall do my best to make it so that I will not have to make a reply. I am a lawyer. I am an advocate. I believe in a thing or I do not believe in it. I imagine I have before me a much easier task than had my opponent, because I have a partial and sympathetic audience.

If I understand the purpose of your association, it is to develop water commerce. You are not particularly solicitous about the railroads of the country, except as they serve your needs, just as other inventions serve them, but I assume you are here to serve the interests of the water lines, and I am here to join you, and to tell you from the experience I have had how it may be done. The method that has been pursued by my honorable opponent, against whom I have appeared for the last 10 years in many controversies before the Interstate Commerce Commission, is the best way to wipe out transportation by water that could be devised. I point to history in support of that statement. This country now has the greatest natural system of waterways in the world. The possibilities of its development are beyond the imagination of the present generation, and it lies with such organizations as this to initiate the steps required for its development. We have the greatest rivers in the world. We have the greatest harbors. We have probably the longest coast line. With these wonderful natural facilities placed at our disposal by nature, what has been the history of water transportation during the past 60 years—since the advent of railroads in the equation of transportation? You gentlemen know that as well as I do. Water as a means of transportation has been in use since the earliest times. The aborigines had their canoes, and then came the application of the sail as applied to the canoe. This transportation goes back thousands of years. It has been the means of transporting commodities from the earliest time.

About the beginning of the last century came the invention of the steam engine by Watt, and a little later its application to the railroad. Prior to the Civil War the development of the railroad was in its infancy. After that war there was a great impetus to the building of railroads, and coincident therewith was the disappearance of the ship. Prior to the Civil War the American flag was in all the harbors of the world. Since the Civil War the American flag gradually disappeared from the high seas. It was in part restored by the building of a great fleet during the recent war. Now it is proposed to subsidize those ships in order that the flag may continue upon the sea.

The coastwise traffic of this country has always been protected by laws which prohibit the engaging therein by foreign ships, but there never has been any law which forbade the railroads from depriving such ships of business by the railroads charging less at the water competitive points than they do to points in the interior where there is no competition. I am here to advocate a line of policy on your part that will lead to the enactment of a law which will not permit the railroads to deprive the steamships of business by charging less than reasonable rates at the ports of call of the ships. Under the present law the Interstate Commerce Commission may authorize lower rates at the water competitive point. This authority should be withdrawn.

It is a question of governmental policy as to whether there shall be transportation by water. The Government might adopt a policy, or rather continue the present policy, of throwing all of its energies to the development of the railroad, leaving the ships to take only that business which the railroad does not want. I heard a prominent attorney of one of the transcontinental lines make an interesting argument upon the proposition that it is vastly more important to develop the railroad than the ship. While I do not agree with that contention, it is understandable from the point of view of those who have money invested in railroads. But what I have never been able to understand is how an advocate from Seattle, an important port on the Pacific, the residence of my opponent, could advocate any policy that would deprive Seattle of one pound of transportation by water. The only advantage a seaport has over an interior point is the fact that it is accessible to transportation by water, and here my opponent advocates a policy which has the effect of transferring from the bottoms of the ships to the railroads traffic that would naturally go by water if it were not for the policy advocated by him. It is a natural argument for the representative of a railroad. It is an unnatural argument for the representative of a port.

The concrete proposition which is now before this association is to have Congress enact a law depriving the Interstate Commerce Commission of the power to permit a railroad to reduce its rates to and from water competitive points below a reasonable basis when such reduction is solely for the purpose of depriving the water lines of business they would secure if the railroads were forced to charge the water competitive point the same reasonable rate that it must charge interior points.

If the authority granted by the commission to the railroads to charge less than reasonable rates to the water competitive points does not have the effect of either diverting to the railroads a portion of the business then being handled by the water lines or preventing new business from coming to the water lines, the action of the commission is of no avail whatever to the railroad. It is important to get this thought clearly in your minds. The purpose of a departure from the rigid provision of the fourth section, that the railroads shall not charge less for the longer distance, is to divert natural water-borne business to the railroads. This fourth section of the act to regulate commerce has been amended two or three times, but the fundamental purpose has been written into all the amendments. Long before 1887, when the act to regulate commerce was enacted, railroads were charging less at water competitive points, and that policy has continued down to the present time. The Interstate Commerce Commission is a regulating body, created for the purpose of looking after the interests of railroads and shippers over railroads. It has no official duty with reference to water lines. The commission has no authority over ships and the steamships have no rights before the commission, unless it be in the case of joint rates. The commission has always been most courteous in permitting the representatives of the water lines to appear before it when fourth section applications were being considered which would have the effect of diverting business to the railroads if authority were granted. In the transportation act of 1920 Congress has said that railroads may earn 5½ or 6 per cent, and it is the duty of the commission to see that they do earn this if reasonably possible and the interests of the water carriers are not to be considered by the commission in its attempt to have the railroads make these earnings.

Do not understand me to imply that the commission is without sympathy for the water lines. What I mean to say is that Congress has so framed the fourth section, and the exceptions to be authorized thereunder, that it is entirely within the limits of propriety for the commission to lean toward serving the railroads at the expense of the water lines. In other words, your remedy is before Congress and not before the commission. So long as Congress leaves the law in the form it now is, that the commission may allow less rates at water competitive points than at intermediate points, it is inevitable that the commission will lean to the granting of such authority when the railroads show that the water lines are getting the business. The commission may not be justly criticized for this attitude.

During the war there was no transportation by water between the Atlantic and Pacific coasts and the railroads secured 100 per cent of the business. That was the ideal condition from the railroads' point of view. After the war the steamships again reappeared in the coast-to-coast business. In the nature of things they could not have reappeared had they not made rates lower than the reasonable rates that had been heretofore charged by the railroads. They could only secure business by reducing rates, as their service is less attractive. As soon as the steamships commenced to secure this transcontinental business in such volume as to justify their continuance in the business the railroads applied to the Interstate Commerce Commission for leave to depart from the rule of the fourth section by charging less between the coasts than to intermediate points. There were several of these applications before the commission, some on westbound business and some on eastbound. The commission granted some and denied others. The denial was not based upon the fact that if granted the business would be diverted from the water to the rail line.

The basis of these applications by the railroads was that the ships were taking business between the coasts which they had not theretofore handled, and that in order to prevent this it was necessary that the railroads should be authorized by the commission to charge less for the haul between the coasts than to intermediate points. This means that less than reasonable rates would be charged by the railroads between the coasts while reasonable rates would be charged to the intermediate destinations. It is well recognized that the additional cost of handling additional business is less than the average cost of handling all business. In other words, with the railroads operating between the coasts, if business now carried by the ships could be transferred to the railroad, the additional cost of handling this new business would be relatively small. It was upon this theory that the case was presented to the commission and the railroads showed that they would not lose money by taking on the additional business at less than just and reasonable rates as that phrase is understood in the first section of the interstate commerce law.

The commission has heretofore recognized this as justifying an exception to the fourth section, if other provisions of the law were not violated. These low rates could not be authorized if their application unduly prejudiced the interior. Some of the applications made by the railroads were granted and some were denied. It would be tedious for the audience for me to here enter into a detailed discussion of the technical grounds upon which the applications were granted and denied. Suffice it to say that the denials were not based upon consideration for the water lines. The westbound applications were in such form that the commission held some sections would be unduly prejudiced if they were granted. These denials have worked to the advantage of the water lines to as great an extent as though there were a rigid fourth section applicable to this particular business. However, these decisions favorable to the water lines may be reversed at any time the commission

should change its mind or whenever there should be a change in membership. It must be remembered that substantially the same law has been in effect since 1887, and this is among the few decisions rendered that have curtailed the activity of the railroads in depriving ships of business where actual water competition was shown. Owing to this uncertainty as to what will be the attitude of the commission from time to time, it is vitally important that it should have no discretion and that the railroads should be forced to adhere to the strict provision of the fourth section where water competition alone is involved.

Members of the association will remember that in these recent transcontinental applications some were granted and some were denied. It may be that upon a second application some of those now denied may be granted. It may interest the association to know that there is set for hearing at Salt Lake City on January 30, 1923, a number of applications of these same transcontinental carriers for permission to depart from the rigid provisions of the fourth section in the making of rates on hides from the Pacific coast to the Atlantic coast. This involves identically the same question that was in the application for leave to depart from the fourth section in the case of wool, which was denied by the commission.

The shipping industry can not be built up successfully so long as the Interstate Commerce Commission is left discretion to allow departures from the fourth section which have for their purpose the limiting of business to be transported by water. To do away with uncertainty the law should be either that the railroads may take all the business or that the boat lines should be allowed to engage in the transportation without having hanging over them the continuing threat that at any moment this business will be taken from them because of authority granted by the commission to the railroads to charge less than reasonable rates at the water competitive points.

The issue is clearly drawn and is simple. There may be no denial of the fact that if the water lines transport the business the railroads will lose it. The converse is equally true. If the railroads transport it, the boat lines will lose it. It is for this association to take a definite and positive position in support of its own interests, and that position should be that the Interstate Commerce Commission shall not have authority to allow the railroads to charge less than reasonable rates at water competitive points.

In these applications the railroads in making them and the commission in rendering its decision often speaks of dividing the business between the water lines and the rail lines. In fact, that is what meeting competition means—that both means of transportation shall do part of the transporting. However, you can never get the railroads to say what proportion of the business they hope to take from the water lines. The reason for this is that they intend to get it all, if they can do so under rates that will be allowed by the commission. It is only a pretense on their part to say that they want only a portion of the business. If they are entitled to take 1 per cent of the water business, they are entitled to take 99 per cent of it so long as they do not place a burden on other railroad traffic, and that is what they intend to do under their application. The history of railroading shows that that is what they have substantially done upon all the inland waterways of this country.

Due to the war, the high railroad rates charged during and since the war, and to the fact that the attitude of the Interstate Commerce Commission as at present constituted is more favorable to water lines, there has been a substantial increase both in coastwise and inland water-borne traffic. If this attitude could not be changed, the water business would continue to grow, but so long as that attitude is subject to change, as it is under the present law, the ventures in water lines will be restricted, as no one will know when his investment will be made unprofitable by the granting of applications.

That the granting of applications in the past has gone further than the law contemplated is evidenced by the fact that the water competitive points have always been represented before the commission by counsel and traffic men, urging the commission to grant the application. Of course if these applications went no further than to give to the water competitive points only the advantage which they enjoyed by water, there would be no occasion for representatives of the water points to be insisting before the commission that the applications be granted. The moment you see one of these attorneys or traffic men appear before the commission on behalf of the application of the railroad you may rest assured that granting the application will give the water competitive point something more than it has been able to secure by the water line. During the past 10 years, in which I have represented the water lines in the transcontinental cases, our strongest opponents have been not the railroads but the terminal cities. The representatives of those cities have insisted that the applications be granted, although they represented the ports from which the ships sailed. It is a strikingly inconsistent attitude for the ports to insist that the Interstate Commerce Commission pursue such a course of action as will deprive the ships serving the ports of the only business they are able to secure. Yet this has been their position in all these cases, as it is that of my opponent here.

Not only have the railroads insisted that they had a right to meet the water competition at the places where that competition actually existed but, under the principle of "market competition," they have insisted that they have a right to deprive the water lines of business not only by making less than reasonable rates between the ports but by making less than reasonable rates from an interior point of manufacture to the port reached by the steamship.

As matters now stand the commission has no obligation to the steamships, while it has a definite obligation to the railroads, and it is but natural that it should decide fourth-section applications with that duty ever before it. It is for the commission to say how far the railroads may go in reducing rates to meet water competition. The only limitation is that the rates shall not be so low as to cast a burden upon other commerce. It must at least pay the extra cost of handling the additional traffic. This additional cost is so low that if allowed to be applied by the railroads there will be little water transportation. It will be remembered that this "out-of-profit cost" is not the "out-of-profit" cost from port to port, but from some interior point to the port of destination. Under such conditions no water line could meet the situation. Under that practice the railroads have in the past been allowed an exception under the fourth section in making rates from Colorado to San Francisco to meet the competition of boats from New York to San Francisco. In this case the "out-of-profit" cost is only that cost from Colorado to San Francisco. The recent decision of the commission in the transcontinental cases leans away from this method of making rates. But up to that decision the commission has authorized the meeting of water competition under the conditions named.

Compared with the twelve thousand million tons of freight orginated by railroads each year in this country, the amount handled by the water lines is comparatively trifling. In the transcontinental cases it appeared that in 1921 the total tonnage, both eastbound and westbound, through the Panama Canal from coast to coast was about 1,500,000 tons, and that the earnings were not over $15 a ton, making the gross revenue $22,500,000. The gross revenue of the rail carriers in 1921 was over six billions. The purpose of the fourth-section applications was to transfer part of this $22,500,000 to the railroads. If they had secured all of it they would hardly have known that it had been received.

In closing I can only repeat that if you are to serve the interest which brings you together in the Rivers and Harbors Congress it is necessary for you to urge an amendment to the Interstate commerce law to the effect that water competition shall not constitute an exception under the fourth section authorizing the charging of less for the long than for the short haul. [Applause.]

Mr. ASHURST. Mr. President, the amendment intended to be proposed by the Senator from Nevada [Mr. PITTMAN] has been ably discussed. If Senators still are in doubt, I would ask them to send for a copy of the hearings held by the Committee on Interstate Commerce of the Senate in this session of Congress. It is a voluminous document, containing 887 pages.

I will not take the time to read even extracts from the hearings, nor would I ask a Senator to read all the hearings, but whoever reads a considerable part of these hearings will be convinced, as, indeed, any fair mind would be convinced, of the gross injustices and the discriminations of the long and short haul. I hope that when the amendment intended to be proposed by the Senator from Nevada [Mr. PITTMAN] is called to a vote, as I understand it will be very soon, it will prevail.

I have said nothing up to this time on this subject, because what I had intended to say has been said in a better way by other Senators than I could have said it. Upon this subject I will ask Senators to recall that when the conference report on the railroad control bill, which was House bill 10453, was pending before the Senate in February, 1920, a number of speeches were made on the conference report, which was adopted by the Senate on that day.

At that time the then Senator from Mississippi, Mr. John Sharp Williams, spoke upon this subject of the long and short haul. Not only was that Senator a philosopher, not only do we remember him for his flashes of Gallic wit, but we recall that when he applied his faculties to a question he usually produced a result that could be defended. It so happens that he gave the long-and-short-haul question his attention, and I am going to read a part of the remarks he delivered upon that subject when the conference report on what we now call the Esch-Cummins bill was before the Senate. That was on February 23, 1920. Pretermitting other matters not pertinent to the issue, I read as follows from Senator Williams's remarks:

Mr. President, I am in favor of the adoption of the conference report, although there are several provisions in the bill and several provisions in the existing law of which I do not approve. However, when you are brought face to face with a situation you are not called upon to say what is the best thing possible, but what is the best thing presently attainable. I think that this conference report is the best thing pres-

ently attainable. I do not, however, want my position in favor of the adoption of the conference report misunderstood, and therefore I want to say that in a part of what has been said by the Senator from Nevada [Mr. PITTMAN] I sympathize very much. As to that, I like to go back to history for an argument.

When the original railroad commission bill, as it was called, which afterwards became the interstate commerce law, passed the House of Representatives under the championship and leadership of Mr. Reagan, of Texas, afterwards a Member of this body, and prior to that time postmaster general of the Confederacy, and a man of very great ability, it contained a proviso to the effect that there should never be a freight rate for a short haul exceeding a freight rate for a long haul upon the same road in the same direction. When that bill got here the Hon. John Sherman, then a Senator from the State of Ohio—I believe it was he, but if not he, he advocated it, at any rate—proposed an amendment which the Senate adopted, putting in three little words—

We recall with what remarkable emphasis, and even with what grimaces, the learned Senator from Mississippi spoke of those three little words.

Mr. KING. Weasel words.

Mr. ASHURST. Weasel words, he might have said, as I am reminded by the able Senator from Utah. I quote further from the remarks of Senator Williams:

"under similar conditions," I believe were the words, or, perhaps, "under similar circumstances" (under similar circumstances and conditions).

When the law went to the courts and to the Interstate Commerce Commission they decided that when freight was being carried from New York to San Francisco or from Boston to New Orleans on a railroad the railroad had a right to compete with water rates on the ground that water rates and land rates were not similar but dissimilar, and that, therefore, the three little apparently innocent words "under similar conditions" changed the entire construction of the law. They therefore ruled that a bale of cotton could be carried down the Yazoo River from my town, which was on the Yazoo River, to New Orleans on the railroad for $1.25, whereas from Vaughan Station, 25 miles due east from me, and the same distance on the same railroad, but not on a navigable river, they could charge $2.25 a bale. The decision was based upon the ground that Yazoo City was on a waterway and Vaughan not, although Yazoo was out of the direct way from Memphis to New Orleans. What has been the consequence? The entire actual commerce upon the Mississippi River has been killed as dead as a door nail. When I was a boy I could go down to the wharf at Memphis, Tenn., and find any day from 15 to 25 boats at the levee. You could have gone down to New Orleans and found still more; to Vicksburg, and found as many; but the minute the railroads were allowed to reduce their freight rates in competition with water rates just low enough to put the steamboats out of operation, the steamboats went out of operation.

Then a great many people in these towns on the rivers but in favor of river and harbor bills began to talke about "potential competition." What is needed is not "potential" competition but actual competition.

What was the further consequence? The further consequence was that the railroads on each side of the Mississippi River—and there is a continuous line on each side—were congested with freight, so that it frequently took absolutely a longer time to send a given commodity by freight on the railroad from Memphis, Tenn., to New Orleans, La., by rail than it did downstream by river, because the railways were congested. The reasons for that Senators who understand insurance and understand the remainder of the situation will appreciate.

Mr. President, what happened in Germany in connection with a similar condition? Under old Bismarck's wise statesmanship the German Reichstag absolutely forbade any railroad ever charging more for a short haul than for a long haul. There were railroads on each side of the River Rhine, and when I was a boy, before Bismarck's policy went into operation, the Rhine had no great cargo-carrying business at all. Tourists made use of it and it carried a few commodities from river landing to river landing, just as the Arkansas or the White River steamboats do; but after that policy was put into operation two things occurred. The first thing that occurred was that all the lumber and the iron ore and the coal, where expedition of delivery was not essential to the business, went by water down and up the Rhine, and other business requiring expedition went by rail, there being two continuous railroads, one on each side of the Rhine. The consequence was that the railroads were never congested and that the Rhine increased its business twentyfold.

The consequence of the other policy, which was pursued here, was that the great Mississippi River, the central artery of this country, carrying freight from St. Paul to New Orleans and from above St. Louis on the Missouri to New Orleans and from above Cincinnati on the Ohio to New Orleans, was absolutely crippled and put out of business except for a little coal delivered on barges downstream and some grain delivered in the same way.

So I am just as much opposed to the system which is criticized by the Senator from Nevada [Mr. PITTMAN] as he is; but, as the Senator from Washington [Mr. Poindexter] says, the fault is in the present law and not in this conference report. That is not all. That particular point about long and short hauls is not in conference at all. If the conferees had attempted to deal with it a point of order could have been made.

The Senator in another part of his able speech made a further statement that I desire to read. I recall that speech with particularity. I think I was sitting then in the seat I now occupy. The speech struck me so forcefully that when my attention was called to it yesterday I concluded that it ought to be delivered again to the Senate. He said:

Water carriage alone—a gift of God and of nature—makes a sufficient discrimination, and if a railroad were forbidden ever to charge more for a short haul than for a long haul, whenever they reduced the long-haul charge they would have to reduce the short-haul charge proportionately, and intermediate points would get the benefit, and this would avoid the very inequity of which the Senator from Nevada complains and would bring about that equality of opportunity which, whether for individuals or communities, spells equality.

I know in my own section how the scheme has been worked. Freight can be carried from Memphis to New Orleans upon the Mississippi River, by the Illinois Central, or the Mississippi Valley road, or on the road on the western side of the river. The rail rates are put just a little bit above the water rates, because they need not go quite down to the water rate. Shippers having the same rate both by water and rail will prefer to send by rail, with the idea that the shipment will reach its destination quicker. So the railroads put the boats out of commission; they were tied up, no new boats were built to take their places, and the great, magnificent interior waterway system that God gave this country has been deprived of almost all of its efficacy.

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I do not so much reprobate the question of discrimination against intermediate points, although that is unequal, inequitable, unjust, and bad, as I do the destruction of the God-given navigability of the waterways of interior America. This is the very opposite of conservation of resources. It is destruction of natural resources by the artificial operation of statute law. Here is this great arterial system from above St. Paul to New Orleans, from the Blue Ridge down to the Gulf, from the Rocky Mountains nearly down to the Gulf; and by just three apparently innocent little words in a law this whole magnificent opportunity of the American people was destroyed. You may say whatever you please about old Bismarck and the Germans—and I have no good word to say of Bismarck's way of running his country—but Bismarck had better sense than that; he never destroyed the commerce on the Rhine; he built it up. He never destroyed the railroads, because while the water carried the heavy commodities, the railroads carried the light commodities, and wherever expedition of delivery was the chief thing to be considered the railroads carried the freight, and where cheapness of delivery was the chief thing the water carried it.

It seemed to me that the debate on the proposed amendment ought not to close until this contribution had been put into the RECORD. Paying my tribute of respect and admiration to all that has been said, and well said, this speech made on the 23d of February, 1920, by the then Senator from Mississippi, Mr. Williams, is to this hour unanswered. In my judgment it is unanswerable.

In conclusion, respecting the long and short haul, nearly everyone admits that it is a discrimination as it operates at this time. I repeat, nearly every person admits that it is a discrimination. A large majority of our citizens admit that it works an injustice. But there never has been a person in America who has replied to the charge that it was dishonest. No man can defend its honesty, because it is a dishonest provision. It attempts to do by indirection that which it has not the courage to do directly. It attempts to discriminate, and it does grossly and furiously discriminate, against intermediate points in favor of points, which, as the able Senator from Mississippi well said, have already by nature and by Providence been very sufficiently provided for.

Mr. KING. Mr. President, the subject under consideration is of transcendant interest to the people of the United States, and particularly to various interior sections. The question of transportation now, as always, is one of supreme importance. The fertility of the soil, the increase in agricultural products, the thrift and industry of the people; all these things count for naught if transportation facilities are denied or are accompanied by obstacles so great as to deprive producers of profit upon their investments or reward for their labor.

In ancient times, when land transportation was limited to most primitive methods, the prosperous and progressive communities and States were found upon the shores and banks of

oceans, seas, lakes, and rivers. The wind and the sail and the boats propelled by human hands carried the products of the people to waiting markets. The shores of the Mediterranean Sea were dotted for hundreds, if not thousands of years, with mighty cities made great and populous by their maritime trade.

Wealth results from barter and trade, from the sale and exchange of commodities and the products of labor. The Greeks and Phœnicians were trading peoples and gained eminence centuries ago as a result of the intrepid spirit of their traders and seamen, who carried from port to port and country to country not only the products of Hellenic States and Phœnician cities but also those of many races.

Venice wore the crown of commercial primacy because upon the seas were thousands of craft carrying under the Venician flag the products of all climes. Great Britain's marvelous development is attributed to her maritime activity. Before the days of Drake England's place in the world was not conspicuous; but when British ships traversed the seven seas and sought the ports of all lands the day of her greatness dawned and the foundations of her commercial and political power were laid.

In the early days of this Republic and, indeed, until the time of the Civil War, this Nation was a strong competitor of Great Britain in ocean commerce. From the shipyards upon the Atlantic coast came the swiftest and best cargo-carrying vessels. The harbors of the world were familiar with the Stars and Stripes which fluttered from the mast-heads of innumerable American ships which brought to our shores, and carried from our ports to many lands, products essential to the people of the world. A trading people will become a prosperous people. It is important that there should be great production, but it is essential that proper and adequate transportation systems, both rail and water, shall be developed if industrial progress shall be enjoyed by the people of this age.

Following the Revolutionary War, the adventuresome sons of American fathers turned their faces toward the West. They crossed the Alleghenies and settled Kentucky and Tennessee and other sections out of which great Commonwealths have been carved. Still others pushed beyond the Ohio and into the Northwest Territory, where great States were founded. And as the years went by, their children looked beyond the Mississippi and toward the plains and mountains of the West and to the far-off Pacific coast. By their heroism, thrift, and industry they established towns and cities and States, and added to the wealth and glory of this Republic.

The numerous waterways threading our vast domain were utilized by the people, and proved of value in the development of the country. They cheapened transportation and enabled the people to convey their surplus products, not only to interior points, but to ocean ports from which they were carried to the markets of the world.

The genius of America was never more conspicuous than in the application of scientific principles and new discoveries and inventions in aid of the industrial and economic development of our country. Steamboats were placed upon our rivers and lakes, and railroad lines crossed the land, binding together not only oceans which washed our shores, but all sections of our country. We often speak of the Seven Wonders of ancient times—of the Colossus of Rhodes, of the Hanging Gardens of Babylon—how little and insignificant they appear compared with the remarkable, not to say miraculous, development of railroads in the United States and the vast transportation system which was created.

At the beginning of the World War we had more than 280,000 miles of railroads within the continental limits of the United States; and these great railroad systems, notwithstanding their defects and the mistakes which the officials of some systems had committed, were serving in a fairly satisfactory way the needs of the people in many sections of our country. I do not mean to state that the conduct of all railroad companies was free from criticism or can be wholly indorsed. As a matter of fact, many injustices were perpetrated and oftentimes discrimination was practiced which not only proved injurious to some parts of our country but destructive of the prosperity of the people residing therein.

The American people for a hundred years following the Revolution were like a young giant. They burst their bonds and with a militant and buoyant spirit pressed forward into unknown projects and almost undiscovered territory, and oftentimes with heedlessness they pushed forward enterprises and projects without proper provision for their development or any recognized objective. The blood of youth was in their veins, and they were often carried forward upon the strong wings of a consuming ambition to accomplish big things in a big way. The material achievements during the period to which I have referred, utilitarian though they were, constitute an epic, and future ages will point to that time as one of the dynamic and heroic periods of the world's history. The business of the world was revolutionized, and the inventions and discoveries of men of genius were directed along practical lines and harnessed to the car of progress which carried the people of our country forward.

We do not forget Vanderbilt and the projectors of the New York and New England railroad systems, and those who developed the great railroad organizations in such States as Michigan, Ohio, Indiana, Illinois, Wisconsin, as well as in many of the Southern States; and when American railroad systems are discussed, we think of those who projected and built the railroads west of the Mississippi and to the Pacific coast. Stanford and Huntington and Hill, and a multitude of other great builders bulk large on the horizon when we speak of the railroad and empire builders of this Republic. Eulogies have been paid during this debate to those who have built our railroads and terminals; I join with Senators in paying tribute to those who have carried out vital transportation projects, who have planned great bridges and pierced mountains and performed difficult engineering feats required in the execution of the mighty tasks which they undertook. They were architects in the building of our Republic.

America has produced not only political architects who have builded a great political and governmental system and founded democratic institutions—which we pray may be preserved for all time—but she has given to the world architects and builders and engineers whose works have been the marvel of the age and whose labors have materially contributed to the happiness and welfare of the American people. These men have applied the scientific discoveries and inventions of the age, and have brought within the reach of the people not only the necessities of life, but commodities and products and countless other things which have ministered to the comfort and happiness of the people.

I should not omit to pay tribute to the moral and spiritual and intellectual leaders produced by our country, whose contributions to America's development and the progress of the world can not be estimated or fully appraised.

Mr. President, as I have indicated, while recognizing the merits, advantages, and benefits of our railroad transportation system, it must be confessed that there are defects in its framework, and there have been serious mistakes which have imposed burdens upon the people in its administration. Unfortunately at times men have seized control of railroads for selfish ends and have used them for personal aggrandizement. There have been crooked schemes devised and frauds perpetrated by manipulators and capitalists and promoters who exhibited but slight regard for the laws of morality and common honesty. These outstanding transactions and in some instances fraudulent and corrupt practices, however, provoked resentment upon the part of the people, and lead oftentimes to wholesale criticisms and indiscriminate condemnation of our entire transportation system. Undoubtedly in the early days of railroad building not only the promoters and builders but most of the people regarded these enterprises as belonging exclusively to the corporations controlling them or to the interests behind such corporations. The idea had not been developed that corporations existed not as a matter of right but by reason of the will of the people, and that transportation companies were common carriers and subject to State and governmental control.

Many railroad corporations and their managers resolutely opposed Federal or State regulation or any curb upon rates, either passenger or freight. The prevalent idea for many years was that railroads, being privately owned, were not subject to any regulation, either municipal, State, or National. This view led some railroad managers and some operating systems to pursue a high-handed and arbitrary course in their dealings with the public.

Senators are familiar with the system of rebates and the discriminatory and unfair practices which prevailed for many years. Finally legislation, State and National, corrected these evils, and the railroads accepted the view that they were common carriers, that they were public-service corporations, and subject to reasonable rules and regulations promulgated and enforced by National and State authorities. That rather dark and wholly unsatisfactory chapter in the history of our railroad development, I think, is closed. Generally speaking, I believe that those who own and control our railroads recognize that the welfare of the public is paramount and that railroads must be operated in the interest of the public and be subject to such reasonable regulations as may be prescribed by law.

It is to be expected that occasionally there will be found rebellious persons who can not accommodate their views to

the changed conditions and to the true and proper concepts as to the functions of railroads and their relation to the public generally.

I have felt at times that some railroad officials have been indifferent to the needs of the people and were too strongly influenced by the traditions that have come down from the past.

Upon the other hand, we frequently find persons in official as well as in private life who regard the railroads as the exclusive property of the public or of the Government. They seem incapable of understanding that private persons have built the railroads, and that the billions of dollars employed in their construction and equipment have been furnished by hundreds of thousands of people whose holdings therein are represented by stocks and bonds. It should not be forgotten that many estates and insurance companies own railroad stocks and bonds, and hundreds of thousands of people of moderate means have invested a portion of their savings in railroad securities.

For years the railroad question has been the subject of controversy; it has aroused bitter discussion and has been the basis of political disputation. Among the farmers, the wage earners, the business men, the capitalists—indeed everywhere throughout the land, the question "What shall be done with the railroads?" has been the subject of discussion, often partisan and frequently in ignorance of facts. Intemperate remarks and unfair criticisms have been directed against the railroads and their management. Many who have discussed the question have been unwilling to consider all factors involved or all elements entering into the subject. They have been dogmatic, oftentimes selfish, and frequently ignorant. They have not always appreciated that the railroad problem is one of great intricacy and may not be solved by tyros or comprehended by superficial investigators. It is a problem calling for intensive study and sound judgment. It is not a subject which should be treated in a partisan manner, nor should it become the football of politicians. Unfortunately, efforts have been made from time to time to make it a political question, and upon many occasions it has been used for the elevation of unworthy persons to official position. And the railroads themselves and their officials have too often been arrogant in their dealings with the people and have sought to control States and their political subdivisions.

But I believe a new day has dawned and the railroad corporations and their stockholders and the majority of the people have a truer conception of the duties and responsibilities of transportation companies and their proper relation to the Government—State and National.

Speaking broadly, I think it may be said that railroad officials as well as the Interstate Commerce Commission and the various railroad commissions of the States are seeking the adoption of plans and policies which will best serve the people and at the same time protect the rights of those who have invested in the securities of transportation companies.

I am compelled, however, to modify this statement in view of the situation which was brought to the attention of Congress and which the amendment now under consideration seeks to correct. The action of the transcontinental railroads, which are seeking permission to modify, if not abrogate, the long-and-short-haul provision of the transportation act, seems to me to be a recrudescence of the policy of discrimination which has so marred the record of the railroad companies of the United States. I regret exceedingly such action upon the part of the railroads. It will provoke resentment and arouse prejudices which have been allayed, if not extinguished. It will tend to develop old feuds and controversies, the injurious effects of which will be felt sooner or later by the railroad companies.

Mr. President, while conceding that the transportation problem is a complicated one, nevertheless it would be childish to declare it to be insoluble, and therefore the public and railroad officials must deal with it in a capricious, haphazard, and experimental way. Much light has been thrown upon the subject of transportation during the past two decades, and certain rational—indeed some might say scientific principles—have been evolved. However, the railroad question has not yet been settled. It has not been determined what form of organization will finally be adopted. The extent to which the unification of all transportation systems shall be effected does not bring a concurrence of views.

Many of the States evince great dissatisfaction with the authority exercised by the Interstate Commerce Commission over intrastate railroads, as well as over the segments of interstate railroads found within the boundaries of such States. Many believe that the Federal Government has exercised too much control over railroads, while others insist that there has been too little Federal supervision. We find still others contending that the Government shall take over the railroads and own and operate them.

While admitting that the railroad question is still in the lap of the gods, I believe that sufficient data are available to enable the railroads to formulate just and rational transportation policies. Undoubtedly the questions involved in rate making are difficult. I have thought at times, however, that some railroad companies have surrounded the rate-making structure, or the machinery which rate-making experts created, with an air of mystery, largely for the purpose of bewildering the people, particularly the shippers. Rate-making experts have accompanied their explanations with so many technicalities and dubious phrases and clouded utterances that State utility commissions as well as courts have sometimes been befogged and misled.

Mr. President, Washington is the Mecca to which come caravans, not all of whom are composed of wise men, who seek to impose their views upon Congress and to secure legislation and the adoption of executive and administrative policies which they believe, or affect to believe, are indispensable for the welfare of the people. Many foolish and fantastic schemes are suggested with reference to our transportation system, as well as activities which it is urged the Government must undertake. Some persons desire the States submerged and the assumption by the Federal Government of all powers now exercised by sovereign States and their political subdivisions. There are some individuals who profess their devotion to democratic principles and to what they call "progressive policies," whose only idea of progressivism is embodied in the doctrine that the Federal Government shall create a multitude of agencies and bureaus to whom shall be committed the power to rule the country. There are some who profess great interest in social questions, in education, in economic and industrial problems, but the solution offered by many of these individuals for the evils—real or imaginary—supposed to exist in our country, is found in the formula that Congress must enact more laws and extend the jurisdiction and authority of the General Government over States and individuals.

The idea of many of the people seems to be that bureaucracy and paternalism constitute the unfailing panacea for all social, economic, and political ills. It is sometimes discouraging to behold the lack of understanding upon the part of so many people as to our form of government and the checks and balances which have been provided for the preservation of the liberty of the people. It is amazing to find so many American citizens who are unaware of the rights of the States and the limitations placed upon the Federal Government; and it is depressing to discover the large number of unthinking people who are seriously engaged in the task of destroying local self-government and converting the people to the view that they are incapable of governing themselves or working out their own destiny, and therefore a powerful Federal and paternalistic Government must be created where authority will be exercised through hundreds of bureaus and departments and commissions and Federal agencies.

There are too many Americans who are constructing crutches to put under the arms of individuals and too few who are expounding those enduring principles which guided our fathers when they established this Republic.

Some of the class of people to whom I have referred are constantly importuning Congress to have the Government acquire and operate the railroads. They seem indifferent as to whether the owners of the railroads shall be paid for their property or not. Many such persons regard the Government as possessed of all power, seeming to be oblivious to the fact that such view would make a despotism of this Republic. The examples which we have before us, of the failures of governments to successfully and economically and efficiently carry on enterprises which belong to the realm of private endeavor, are lost upon these apostles of paternalism and bureaucracy, whose cries resound throughout the land and whose shadows haunt the Capitol. However, I shall not pursue this thought further.

Mr. President, I confess that I approach the discussion of the measure before us with some misgivings. I have given some study to our transportation problems and have endeavored to familiarize myself with the legislation of Congress, as well as that of most of the States; and I have followed with interest the decisions rendered by the Interstate Commerce Commission and by our courts—State and Federal—upon transportation questions which have been brought to their attention; and I have given some little attention to the theory upon which freight rates are based and have sought to understand the effect

of changes in the rate structure and the modification of what, in the absence of a better term, I shall call the "mechanism of rate making."

Of course, it would be presumptuous upon my part to say that I can throw any light upon a question which I have conceded is intricate and complicated. However, the point which I desire to discuss can not be dissociated from certain concrete and practical matters, nor from effects with which many people are familiar. Oftentimes, even without technical or expert knowledge, pertinent observations may be submitted where injustices are being suffered and policies executed which discriminate against sections or classes. The proposition before us is not new. Many sections of our country have suffered from what the people regard as discriminatory and unfair practices of railroads in charging lower rates for the longer than for the shorter distances between two points, the shorter being included within the longer distance. In many sections of our country it is believed that the railroads and the Interstate Commerce Commission have nullified congressional legislation which was enacted to protect interior points against a system of freight rates which, as applied, gave advantages to other sections, and particularly to terminal points.

The long-and-short-haul provision of various acts of Congress has been provocative of controversy, and the efforts which have been made, by those sections of the country which have suffered from the discriminatory rates imposed, to secure what they believed to be a proper interpretation of these acts, and the failures attending such efforts, have produced a feeling of exasperation and resentment which could only arise from a sincere belief that a gross injustice had been done.

The Senator from Maryland [Mr. BRUCE] has presented in an admirable and able manner the position of some railroad officials upon this perplexing question. He attempted to demonstrate that the charging of less rates from coast to coast, or from one section of our country to another, than were charged to intermediate points upon the same line, would result in benefit to the people, taken as a whole, including, of course, those residing at such intermediate points. I am not able, Mr. President, to subscribe to the conclusions reached by the able Senator. The Senator from Arizona has just read from a speech delivered by former Senator John Sharp Williams on February 23, 1920, during a discussion upon the long-and-short-haul provision of the transportation act. This speech presents in a convincing way the arguments in opposition to the policy of permitting lower rates for a long haul upon the same road in the same direction than upon a short haul. He pointed out the disastrous effects of such a policy upon water transportation and the injurious effects resulting to intermediate points. He denounced the "discrimination" against the intermediate points as being unequal, inequitable, and unjust.

The pending amendment deprives the Interstate Commerce Commission of the power to grant departures from the fourth section of the transportation act to meet water competition. In other words, it gives full effect to the long-and-short-haul clause in so far as railroad rates may be affected by water competition. It does not forbid rail and water competition, but it does forbid the right to reduce rail rates to and from water competitive points, the result of which would be to charge less for longer than for shorter distances for the transportation of passengers or property. It compels, in effect, a rate structure which would compel the Interstate Commerce Commission to require that rates charged to competitive water points shall be compensatory and shall not only pay the actual cost of moving freight but contribute its fair share toward a fair return on the property.

The Senator from Maryland confessed, as I understood his position, that there should be some limitation upon the authority of transportation companies to impose higher rates upon the freight hauled to intermediate points. His position, as I understood it, was that it would be unfair if freight should be carried at a loss from one terminal point to another, so that freight rates to intermediate points would have to be maintained or adjusted to meet the deficit. However, he contended that to meet water competition railroads should be permitted to modify the long-and-short-haul clause of the existing law. It is difficult to determine just where the position of the Senator would lead us to, or where he would draw the line below which rates might not be reduced. I shall discuss this question later in connection with the 1920 act, providing that rates must be "reasonably compensatory."

Mr. President, it is possible that under some circumstances and for a limited period a policy may be justified which gives advantage to the long haul over the short haul, but no conditions now exist justifying further departures from the fourth section. Indeed, broadly speaking, I doubt whether a policy which permits discrimination resulting in higher rates for the short than for the long haul will prove beneficial either to the railroads or to the country. The injustices of such a course are manifest. It is unfair to charge the same rates from Chicago to Denver as from Chicago to San Francisco.

The intermountain States have been the victims of railroad rate discrimination, and this policy has prevented the development of the intermountain regions. It is apparent that a rate structure which discriminates against sections will arrest the development of that part of the country to which such discrimination is applied, regardless of its natural resources or the thrift and energy of its people. No part of our country can be prosperous without adequate transportation facilities, and such facilities are not adequate if discriminatory rates are laid upon it. For years it has appeared to the residents of the intermountain region that the railroad companies were more interested in developing cities upon the Pacific coast than they were in doing justice to the intermountain region and to territory west of the Missouri River.

It was felt that after some of these discriminations had been removed by the Government when it was operating the railroads there would be no further attempt to return to the old conditions; but certain transcontinental lines are now seeking permission, under the pretext of meeting water competition, to lay the heavy hand of destruction, through discriminatory freight rates, upon a large section of our country. The Senator from Maryland stated that there was no certainty that the Interstate Commerce Commission would grant the application, and therefore no legislation should be enacted to restrain it from exercising its discretion in the matter.

I concede that we do not know what action will be taken by the commission. However, if its former interpretations of the long-and-short-haul provisions of the law are prophetic of its action upon these applications, then there is real ground for concern upon the part of those residing within the intermountain region. The granting of the applications would prove so disastrous to this section that even the thought of it fills the people with dismay.

It has been said by persons familiar with conditions in the West that economic and industrial ruin would sweep over the intermountain States and severely affect other portions of our country. In view of this impending peril, the people of the intermountain States have been aroused to the imperative necessity of obtaining legislation such as is contemplated in the bill now before us.

Mr. President, I shall not indulge in harsh criticism of the Interstate Commerce Commission, although I feel constrained to say that some of its decisions in interpreting and applying the long-and-short-clause of the transportation acts have seemed to me to be illogical and at variance with the spirit if not the letter of the law. I appreciate the fact that the questions presented for their determination are intricate and complicated, and that the mutations in our economic and industrial life aggravate the problems presented for their consideration. It is also true that these changing conditions add to the problems of transportation companies. The construction of the Panama Canal introduced a new factor into the equation and perhaps called for a reexamination of the issues which theretofore have been raised. I know the practice is quite general throughout the country to denounce our courts and the Interstate Commerce Commission. Their decisions are often the subject of coarse and brutal criticism, and the officials themselves sometimes are not free from vituperative abuse.

Mr. President, in my opinion the judges of our country are men of probity and integrity. I think the same is true of members of the Interstate Commerce Commission; and, generally speaking, it may be said that our public officials measure up to the high standards of honor and integrity which should obtain among an enlightened people. As a lawyer I have met many judges and State and Federal officials. I have never seen a judge who I thought was corrupt or who betrayed his trust.

During this debate the Interstate Commerce Commission has been severely criticized, and I have felt that some of the criticisms have reflected upon the fairness and integrity of at least some of the members of the commission. I repeat that while I have not agreed with all decisions of this important Federal agency I have never felt that the members of the commission were actuated other than by a desire to be just and to administer the law as they understood it.

We must recognize the fact that individuals are influenced unconsciously by their training. Coming as I do from a section in which the people universally believe they have suffered from the failure of the Government to enforce the pro-

visions of section 4 of the transportation act, it is quite natural that I should be influenced by that view. Those who are called to the bench or to fill positions with the Interstate Commerce Commission carry with them their former views and ideas. They do not change overnight, nor can they throw off the thoughts and habits of a lifetime. It is not expected that they should. But the history of our political institutions and of our courts confirm the statement that those who have been called to responsible positions in the Republic, or in the State, or in the executive, legislative, or judicial branches of our Government, have sought with fidelity to discharge the duties devolving upon them and to meet the responsibilities of their various callings in a patriotic and honorable way.

Recurring to the applications filed with the Interstate Commerce Commission by the transcontinental lines, I desire to repeat that the people of the West are filled with apprehension. They know what the consequences will be if favorable action is taken upon these applications by the commission. Prior to 1918, as Senators know, the departures from the fourth section of the transportation act, departures authorized or acquiesced in by the commission, brought disaster to the intermountain States.

Nature has endowed that part of our country with great wealth. The fields are fertile and the mountain streams carry vitalizing waters which, when applied to the soil, result in abundant harvests. The coal mines there found can not be equaled in any part of the world. Petroleum deposits are found in great stretches of oil sands hundreds of miles in extent. The mountains hold within their embrace gold, silver, lead, copper, and other precious metals the value of which can not be computed. The mountains and the plains and the deserts furnish food for cattle and sheep. The raw materials are there for great manufacturing enterprises and for industries of the most varied character. But with all these resources industrial and commercial advancement has been retarded, if not prevented, because of the discriminatory freight rates imposed. High freight rates have prevented the development of our coal mines and the establishment of important iron and steel industries. Agricultural products which can be produced in such great abundance are deprived of value because markets are closed against them through prohibitive railroad tariffs. And so it is both with respect to commodities and products produced in the region referred to as well as with respect to commodities imported into such district.

In 1918 some relief was obtained by the people of the region to which I am particularly referring. Freight rates became more equitable and uniform. It must be stated, however, that the rates imposed were so high as to prohibit the shipment from intermountain States of surplus products of the value of hundreds of millions of dollars, and these surplus products were needed in the United States and in foreign lands; but their value was destroyed and the industries to which the West was entitled languished and many of them died. Notwithstanding the great coal deposits from which the world could be supplied for thousands of years, Utah has been permitted to ship annually but a few million tons.

The same may be said of Wyoming, as well as other Western States, whose coal measures are inexhaustible. I repeat that the freight rates which have been and are in force make it impossible to ship from the West the mineral wealth, the agricultural products, and other commodities which are found there in such rich abundance. Without lower freight rates this section and other parts of our country will be prevented from developing and reaching that high standard of industrial and economic development which their resources demand.

A number of small industries, however, have been developed in Utah and surrounding States since some of the discriminatory practices to which I have referred were abandoned; but if the petitions referred to are granted then the industrial progress which is being witnessed will be arrested and industrial paralysis will follow.

Mr. President, it is a great mistake to have our manufacturing plants and factories in a few restricted districts. There is too much congestion in the "neck of the bottle." There should be more of a diffusion of the manufacturing business of our country. It would be far better for the Nation—and certainly for the people—if many of the great manufacturing plants, factories, and industries now crowding New York, Philadelphia, Boston, and Chicago, as well as other points which might be mentioned, had been erected in the interior of the United States and in some of the Western States and upon the Pacific coast. The housing problem in the great cities would not have been so serious. We have witnessed the advantages of this decentralization of industry in some of the Southern States. There factories have been erected in country towns and in rural districts, and the people who work in manufacturing plants have all the advantages incident to suburban life.

President Harding, in his message to Congress in December, 1921, in effect, condemns the rate-making policy which has brought unhealthy concentration of wealth and industry in limited sections. His words are as follows:

> The existing scheme of adjusting freight rates has been favoring the basing points until industries are attracted to some centers and repelled from others. A great volume of uneconomic and wasteful transportation has attended, and the cost increased accordingly. The grain-milling and meat-packing industries afford ample illustration and the attending concentration is readily apparent. The menaces in concentration are not limited to the retarding influences on agriculture.
>
> Manifestly the conditions and terms of railway transportation ought not to be permitted to increase this undesirable tendency. We have a just pride in our great cities, but we shall find a greater pride in the Nation which has a larger distribution of its population in the country where comparatively self-sufficient smaller communities may blend agricultural and manufacturing interests in harmonious helpfulness and enhance good fortune. Such a movement contemplates no destruction of things wrought, of investments made, or wealth involved. It only looks to a general policy of transportation of distributed industry and of highway construction to encourage the spread of our population and restore the proper balances between city and country. The problem may well have your earnest consideration.

President Harding argued for a transportation policy which would tend to decentralize population and develop in various parts of our country manufacturing industries and markets, in order that there might be a symmetrical and proper development in our economic and industrial life. The discriminatory rates and the inequities found in rate structures of the past and, in part, of the present, are largely responsible for the unhealthy congestion and spotted industrial development of our country.

I am glad to know that some leaders in manufacturing industries are taking a different view from that which has obtained in the past and are erecting factories in small towns and in rural districts. Some of the problems of transportation would be solved if the factories and manufacturing plants were taken to the farms. If there were in Iowa and Nebraska and Kansas and in other agricultural sections large manufacturing plants, furnishing employment to hundreds of thousands of people, the farmers would have better markets for their products and would be free from the crushing burdens imposed by transportation charges, and the profits for their toil and labor would be very much greater.

In the Intermountain States the mineral and other resources are so great that hundreds of industries could be developed if reasonable rates could be obtained. The coal-tar products of Pennsylvania have aided in developing a great chemical industry. The bituminous coal fields of Utah, Colorado, and Wyoming are the basis for a multitude of chemical plants. The West needs steel and iron. It has iron deposits and coal from which a superior quality of coke can be produced, but the transportation problem stands as a threatening specter before every movement for industrial and commercial development.

Mr. President, it is not a satisfactory condition which develops prosperity in spots. We must have universal prosperity in our country. Our industrial system is faulty if it reduces the farmers to poverty and adds to the tremendous fortunes of the manufacturers and the great industrialists of the land. If for a protracted period agriculture languishes, its effect will be felt in the cities and in all sections of the country. Agriculture is the basis of our Nation's prosperity. The United States can produce agricultural products sufficient to feed the world, and our resources are so great that we can supply annually manufactured products of the value of billions of dollars for the people beyond our shores. If the West does not prosper and agriculture languishes, within a short time manufacturing plants will close and thousands of unemployed will walk the streets of our cities crying aloud for opportunities for work and bread for their families.

With our great resources, there should be no atrophy or hypertrophy. There must be no dilation of the heart or atrophy of the limbs. The blood of prosperity must course freely through all parts of the land, giving life and vigor to the people and producing a well-balanced and symmetrical development.

It is a mistake for railroads to dry up the fountains of wealth in some sections for the purpose of increasing production in other sections. A transportation policy which prevents the development of one portion of our country in order to overdevelop some other part can not be defended in morals or

be justified upon any rational ground. Railroads are public agencies, and they must not use their powers to destroy communities or sections. The laws under which their charters are obtained should prevent discriminations and should require of them the adoption of just and fair measures and the execution of policies which will have the interests of all the people of our country at heart. Much of the prejudice against railroads, and I regret that there should be any prejudice, has resulted from the feeling that some railroad officials have been indifferent to the needs of the people and to the just demands which they have made. There is a feeling that there have been too many conflicts between rival groups of capitalists to obtain control of railroad companies, whether competing or not; and many people feel that they have been mere pawns upon the chessboard to be used in promoting organizations which have played with railroads as if the people had no interest in the same.

Let me repeat what I stated a few moments ago, that the time has come when the transportation question must be settled along the lines of justice and equity. The owners of the railroads are entitled to a reasonable return, and a railroad policy must be adopted which will encourage capital investments in railroad development. With the growth of our country, the expansion of business is sure to come. We must add annually to our railroad trackage thousands of miles. There must be no confiscation of property, no governmental or bureaucratic oppression which will paralyze the initiative and the genius of railroad managers and operators. The railroads must be so operated as to command the confidence and support of the people, and a spirit of mutual good will and fellowship must be cultivated.

The growth of our country is such that the freight carried by our railroads doubles every 10 or 12 years. If time permitted, I could show, covering various decades during the past four or five decades, the remarkable increase in the freight carried by the railroads of our country. It is likewise true that the gross earnings have increased in a most astonishing manner during the last 15 years. During the next 10 years the population of the United States will increase many millions. The production of the country will likewise increase. Unless our railroad facilities are multiplied the transportation problem will become more serious than it has been in the past. I repeat, a policy must be pursued that will encourage capital investment in our transportation systems. There are now needed not hundreds of millions of dollars but several billions for betterments and improvements and for construction of additional railroad trackage. Hundreds of locomotives and thousands of cars are required. Better terminal facilities must be obtained.

Cooperation and integration among the railroad companies are imperatively required. The situation will become serious within a very short time unless capital is available for railroad development. Every reasonable effort should be made by railroad managers to satisfy the just demands of the people and to acquaint them with the obstacles which the railroads encounter and the difficulties which they have to meet, and the reasons, if reasons exist, why more favorable policies and lower rates may not be adopted and put into effect.

If the people can be convinced that the railroads are being operated efficiently and economically and that the interests of the people are being protected, then many of the attacks made upon the railroads will cease and the demand for governmental control and operation of the railroads will grow feebler. When the people believe that their interests are being ignored or betrayed and that they are the victims of wrongs at the hands of individuals or corporations or groups they will make demands which may be radical and perhaps unjust.

The way to prevent bad legislation and the enactment of measures which are socialistic and paternalistic is for those who are engaged in enterprises and activities of a quasi-public character to appreciate their true relation to the people and to adopt policies which are just and fair and can be defended in the forum of morals.

I venture to suggest that if those who own and operate our railroads want additional capital they must secure the confidence of the people. And I submit that with the growing demands for further transportation facilities it becomes a serious question where and how the needed capital is to be obtained. It is obvious that the applications made by the transcontinental lines to obtain permission to modify section 4 of the transportation act will arouse indignation throughout the intermountain region, as well as in other parts of our country. The people in the regions referred to will regard the railroads as enemies and feel that they are seeking to injure and to oppress them. I believe that the filing of these applications is not only imprudent and unwise but is unsound from an economic and business standpoint.

The granting of the applications would arouse a feeling of bitterness against the railroad companies among millions of people. It would result in decreasing the freight hauled to and from large sections of our country, and the losses thereby sustained could not possibly be compensated by any gains derived from the hauling of a larger tonnage from ocean to ocean or from the Chicago zone to the Pacific coast.

It is proper to remark that the Chicago district has been active in pushing these applications for the abrogation of some of the provisions of the fourth section of the transportation act. It is regrettable that there are sections of the country in which business interests urge the adoption of a selfish policy which must result in harm, if not disaster, to other parts of the land. There is no water competition, or, at least, it is unimportant, between the Chicago territory and the Pacific coast. Apparently the purpose is to meet competition of shippers on the eastern coast who send their products to the Pacific coast, and the plan, of course, is to compel the interior, and particularly the intermountain section, to supply funds from which the railroad companies may recoup their losses incurred in carrying out the plan of the Chicago district. It has been said that this is market competition and not carrier competition, and that when the railroads make market competition instead of carrier competition then the evil of a policy of this character becomes more apparent.

Railroads have no right to aid in market competition when it will result in discriminatory rates. The applications pending before the Interstate Commerce Commission are in aid of market competition rather than in aid of carrier competition. It is frequently said in reply to the appeals of the intermountain section for justice and relief that nature has given to coastal cities geographical advantages denied to the intermountain States, as well as to various interior points, and therefore no complaint should be made if lower rates are granted from coast to coast than from the coast to interior points, or from the latter to the coast.

It may be remarked that the Chicago territory is not as favorably situated geographically, in order to obtain the benefit of water rates, as are cities upon the Atlantic and Pacific Oceans, but it is sought by an adjustment of rates which will give Chicago the same opportunity to ship to the Pacific coast as if it were located upon the Atlantic coast, and thus to remove the geographical disadvantage from which it suffers. The fact is that "Chicago seeks to sell upon the Pacific coast upon an equality with cities upon the Atlantic Coast, which ship by water; but it denies the intermountain region, which is situated 900 miles nearer Chicago than the Pacific coast, the right to rates by rail which will enable the intermountain jobbers to buy in Chicago upon an equality with San Francisco and Seattle."

At the expense of the intermountain region, it is designed to aid the Chicago district to obtain the same rates to the Pacific coast as to any intervening point. The scheme is to repeal, or at least to suspend, the provisions of the long-and-short-haul clause, and to force from the interior points millions of dollars in excess freight rates with which to recoup the losses which the railroads will undoubtedly sustain in carrying out this discriminating policy in favor of Chicago. As stated, it is demanded that the rates by rail to the coast shall be reduced notwithstanding the statutory long-and-short-haul rule, so that in selling upon the coast the adverse effects which might arise from the existence of the Panama Canal may be averted. This plan would permit the Pacific coast to buy upon the Atlantic coast with advantage of the longer haul, and then purchase in Chicago with discrimination against intermountain points along the railroad.

It is quite likely that it would be beneficial to the markets in Chicago territory, but it would be disastrous to the intermountain districts. It is sought, under these applications, to use the power of the Interstate Commerce Commission to suspend the law, thus increasing the disadvantages due to geographical location of all intermountain territory in order that the disadvantages, geographically, which Chicago has may be removed.

The injustice of such a plan is so patent as to need no argument. It seems to me to be shocking, and I can not believe that the Interstate Commerce Commission will give an affirmative reply to the request made.

Much may be said in support of the proposition that such a plan is illegal. As I read the statute, it requires that rates shall be "compensatory." I submit that the statute is not complied with by fixing rates for a long haul so low that re-

coupment must be made by increasing rates, or maintaining inordinately high rates, to and between intermediate points. A compensatory rate is not one which meets the costs of transportation. It was said in the case of Coleman Commercial Club v. Louisville & Nashville Railroad Co. (33 I. C. C. Reports, p. 634) that—

> Competition between distributing markets does not constitute a justification for the maintenance of lower rates to a more distant than to an intermediate point.

Applying this decision to case made by the petitions now being considered by the Interstate Commerce Commission for further departures from the fourth section of the transportation act, it seems manifest to me that they should be promptly denied. To grant them, I submit, would be gross discrimination against shippers to intermediate points and manifestly unfair to the intermountain section of our country. In passing may I refer to the statement made by the Senator from Maryland [Mr. BRUCE]? As I understood him, his position was that there are no discriminations now with respect to the long-and-short-haul clause of section 4, that shipments from the East are required to pay the same rates to the coast as are shipments to intermediate points, and that shipments from the western coast, or from intermediate points to the East, are governed by the same rule. The Senator, I feel sure, is in error. The rates from the Pacific coast, for instance, to Chicago or New York are lower than are the rates from Salt Lake City or Denver or Reno to Chicago.

Mr. PITTMAN. Mr. President——

Mr. KING. I yield to the Senator from Nevada.

Mr. PITTMAN. The only change that has been made in the pre-war discriminations which existed under that section were those discriminations that were removed during the war on the ground that there were no ships left on the Pacific Ocean and therefore there was no excuse of competition. The same discriminations that were practiced before the war, moving east and moving throughout the rest of the country, are there now. That is the situation.

Mr. KING. That is as I understand it. The broad statement, therefore, of the Senator from Maryland needs qualification. The intermountain region is now discriminated against, and this injuriously affects this region in its efforts to find markets for its surplus products. It can not successfully compete in the Mississippi Valley and intermediate points with the Pacific coast and, of course, with the Chicago territory. Steel products manufactured in California or Oregon from pig iron produced in Utah may be shipped to Chicago or eastern markets at lower rates than are imposed upon similar products manufactured in Utah. Though 800 miles nearer Chicago than is San Francisco, Utah products are compelled to pay a much heavier rate than like products shipped from California. The Interstate Commerce Commission supports this policy, though it is ruinous to Utah and surrounding States.

Such a policy is economically unsound and it needs no argument to demonstrate its injustice and inequity. I submit that a transportation policy which permits such discrimination will disastrously affect many sections of our country, and the reactions upon our national, economic, and industrial life must, in the end, be exceedingly harmful. Moreover, I affirm that it is wrong to employ the power of the Government, through the Interstate Commerce Commission, to permit railroad companies to paralyze business in one section to improve industry in another, and to dry up the fountains of production and wealth at one point to open up springs of production in some other part of our country. Such a course is an abuse, indeed a perversion of the power committed to the Federal Government. That power has been used in the past, and it is against the continuation of this unfair practice that the legislation now before us is sought.

It is desired that section 4 of the transportation act shall be so amended as to make it impossible to continue abuses which have been so ruinous to the West and to other parts of our country. It is not sufficient argument to say that the railroads are compelled to meet competition between coast and coast because of the Panama Canal. I repeat the words of the decision just referred to that:

> Competition between distributing markets does not constitute a justification for the maintenance of lower rates to a more distant than to an intermediate point.

Notwithstanding this statement by the commission, the railroads are now asking for permission to give lower rates between terminal points than are fixed for intermediate points, though in so doing they would receive no compensation in many instances for carrying freight from coast to coast or from the Chicago district to the Pacific coast.

Mr. President, if the Panama Canal is to be used as a pretext to destroy interior sections of the United States, there will be some individuals who may feel that the more than $400,000,000 expended in its construction was not wisely spent.

In passing may I add that the Government has expended more than $174,000,000 upon the Mississippi River and its tributaries; more than a billion dollars have been expended by the Government upon its rivers and waterways. These vast sums were expended to aid commerce and to develop the industries of our country. Unfortunately much of these stupendous sums, in my opinion, have been wasted. A few years ago I made a careful examination of the items constituting these vast sums expended by the Government upon its rivers and inland waterways. I examined thousands of pages of reports and testimony, involving substantially every project, big and little, upon which money had been expended for the Government. I discovered that tens of millions of dollars had been wasted upon little streams and creeks and bayous and swamps. There had been a most profligate expenditure of the public funds. It is not to be wondered that there were criticisms of the "pork barrel" bills which were forced through Congress by "logrolling" and other unworthy methods.

Of course, such appropriations by Congress were illegal. They can not be defended from any standpoint. The reports revealed the strategy employed by various districts to obtain appropriations and the methods by which favorable consideration was given to unworthy projects.

Mr. President, the record of many of these appropriations is an ugly one. It is a reflection upon Congress, as well as upon the people in many parts of the country. There are many streams upon which millions were spent which never carried a pound of freight and never will. I recall that approximately eight millions of dollars were expended upon the Hennepin Canal in Illinois and I recall that a former Senator from Illinois, Mr. Sherman, admitted that the appropriation was improper and that the canal was of no advantage to commerce.

I have in mind scores of streams and districts which obtained many millions of dollars; the money was absolutely wasted and no freight is carried upon the stream. I am not opposed to a rational plan for the improvement of our harbors and inland waterways. I have heretofore condemned the wasteful, unscientific, and reprehensible policy which the Government has pursued in the past in dealing with its harbors and waterways. All attempts made to introduce a scientific and rational plan for the improvement of harbors and rivers failed.

Several years ago I offered a bill creating a suitable commission which should be charged with the duty of improving our harbors and waterways. This commission was to determine what expenditures were needed in order to provide for our commercial development and expend whatever Congress appropriated for rivers and harbors. I believe that a commission composed of technical, scientific, and business men should be charged with the responsibility of expending such sums as Congress might appropriate and allocating the sums to such harbors and rivers as they deemed for the best interests of the country.

The control of our harbors and waterways at present is some little improvement over the past, but we are still pursuing a wasteful and unscientific policy. Congress is still passing laws for the improvement of unworthy projects, and we are still appropriating for streams and rivulets which by the wildest stretch of imagination can not be brought within the principle which empowers Congress to regulate interstate commerce.

The fact is that the interstate commerce clause of the Constitution is being perverted and laws are passed based upon said clause, which I submit can not, in all fairness, be brought within the words and spirit of the Constitution. I recall that in the reports which I examined I learned that upon many streams work had been in progress for a great number of years. It seemed as if there was no purpose to complete the work but merely to furnish jobs for a large number of persons.

The Senator from Louisiana [Mr. RANSDELL] referred a few moments ago to the appropriations which had been made for the improvement of the Ohio River. These appropriations have extended over a period, as I recall, of more than 30 years. A number of dams have been constructed, and three or four additional ones are required. The work has been carried on in a halting, hesitating, and wasteful manner. No advantages have thus far been derived, and millions of dollars have been taken from the Public Treasury. If the project was worthy of Federal consideration it ought to have been completed promptly.

It is a fact, however, Mr. President, that the railroads have, by their better service, made some of our inland streams of but little if any value as carriers of freight. Railroads have paralleled some rivers, and where this has been done, river traffic has ceased. The rates on railroad lines paralleling the Mississippi

River are approximately 60 per cent of the average rates in the interior sections of our country. The railroads have, in some instances, in order to destroy water competition upon streams where the Government has expended millions for their development, established rates so low as to drive the boats from such waterways.

However, the rates fixed upon these lines were not applied in other sections. Doubtless in some instances the railroad companies derived no profit whatever from the operation of lines paralleling waterways. Freight rates in other parts of the country had to be maintained at higher levels in order to meet the losses resulting from the efforts to destroy water competition.

Much might be said upon the frightful waste, as well as the absurdity of a policy which takes millions out of the Treasury of the United States for the improvement of waterways and then permits the destruction of water transportation by permitting railroads paralleling the waterways to fix rates for that purpose.

Congress has done much to encourage the building up of our coastwise trade. Following the war, many American boats were put into this important service. The rates established by them, between intercoastal or from coast-to-coast points, were, generally speaking, reasonable, but the proposition is now presented of injuring, if not ruining, a portion of our coastwise trade, or at least that engaged in coast-to-coast traffic.

In the transcontinental cases of 1922, the Interstate Commerce Commission announced, as a criterion to be applied as construing the fourth section of the transportation act, that rate reductions proposing a departure from the fourth section must not threaten the elimination of legitimate water competition. It seems to me that this view is the correct one and that it should be adhered to by the Interstate Commerce Commission. Undoubtedly it expressed the will of Congress as that will was manifested in various legislative enactments.

I have heretofore referred to the importance of developing the internal trade and commerce of our country and adopting a sound policy which would call for the maintenance of our railroads at the highest point of efficiency. I also referred to the importance of encouraging the investment of capital in railroad enterprises, because of the imperative needs of railroad extensions and railroad development in many parts of the United States. The field of commerce is broad enough for two systems of transportation. Our railroads can not now adequately care for the demands of the people. Water transportation is needed, and a policy should be pursued which will make possible its development to meet the growing needs of the people. A destructive competitive policy, which would drive all boats engaged in coastwise trade from the seas and all boats and barges from our inland streams, must not be permitted; indeed, there must be encouragement for the development of our railroads and the expansion of our water-transportation systems.

On the 28th of February, this year, the Shipping Board, which is presumed to have some interest in the development of our merchant marine—although I confess its record is one of failure—protested, by resolution, against these applications of the railroads to set aside the provisions of section 4 and affirmed its belief that the plan contemplated in the applications would seriously injure our coastwise trade. I recall that an exhibit, which was offered by Mr. Garrow in the hearings before the Committee on Interstate Commerce upon the applications to which I have referred, showed the total westbound tonnage through the Panama Canal in 1923 to be 3,277,225 tons. This was only 1.2 per cent of the westbound tonnage of the 13 transcontinental railroads. In other words, there were carried by boats from coast to coast through the Panama Canal 3,277,225 tons as against the enormous tonnage carried by the railroads, represented by 98.8, the base of calculation being 100.

The tonnage passing through the canal from coast to coast in the same year, exclusive of oil, amounted to 5,586,724 tons. The tonnage of the 13 roads increased from 226,800,000 tons to 271,600,000 tons, and for the year 1922 there was an increase in the tonnage of freight carried by these roads of 32,400,000 tons. These figures show the absurdity of claiming that there is any necessity for a modification of section 4 in order to meet water competition through the canal.

The railroads are scarcely able now to handle the vast tonnage which will be offered to them to be carried from ocean to ocean as well as from interior to various coastal points, and the rapidly increasing commerce of the United States will soon impose upon the railroads demands for additional facilities that they will be unable to meet. I repeat that a wise transportation policy calls for a general reduction in freight rates throughout the United States, not only from coastal points to interior points but from interior points to other interior points as well as to the coasts.

This is no time for the inauguration of further discriminatory policies. The farmers now are in distress, particularly because of the high freight rates and their inability to ship their surplus products to markets. I repeat that it would be most unwise, and certainly unjust, to abrogate the provisions of section 4 and permit the railroads to enter into a ruinous rate war with the boats which carry such a small fraction of our tonnage from coast to coast.

Mr. President, I ask the indulgence of the Senate while I briefly refer to legislation of Congress which was aimed at discriminatory rates. The railroads, by their rebates, discriminations, and evil practices, aroused the country to such an extent that Congress in 1887 was compelled to act. Some of the evils which the act of 1887 sought to correct were set forth in an article written by Judge McChord, of the Interstate Commerce Commission, in 1918, a part of which I ask may be inserted in the RECORD without reading.

The PRESIDING OFFICER. Without objection, the request will be granted.

The article is as follows:

MONUMENTS EVIDENCING RUINOUS EFFECTS OF LONG-AND-SHORT-HAUL RATES

Many of these factories proved to be failures, and a ride over the country to-day discloses crumbling buildings and smokestacks in many towns and villages as grim monuments to the dead hopes of their projectors. Not all of these were properly located; many of them were the result of the dreams of some inventor of a short cut to wealth, but most of them should have survived and would have done so except that influences were at work that made success impossible. Among the chief of these was the fact that the railroads favored certain manufacturing centers in the way of facilities and rates.

The freight-traffic manager's business was to secure tonnage for the particular railway by which he was employed. Long hauls in large lots afforded attractive business that added to the aggregate of the returns to the carrier from his efforts and led to his preferment by those higher up in the control and management of the road. Competition for business at points reached by several railroads was keen and incessant. The more railroads that served a particular point, the keener the struggle between rival traffic officials for business. For many years previous to 1910, and by many roads until 1906, rebates were paid to secure business to such an extent that officials have frankly admitted in evidence in proceedings before the Interstate Commerce Commission that few carriers pretended to collect more than 80 per cent of the advertised rates on shipments from competitive points. Railroads were built from business centers to business centers. Some reached the objective points by short direct routes and others by long indirect routes. The latter, in order to do business at the competitive point, met the rates named by the short line, meanwhile maintaining higher rates at shorter distance points on their own lines. In the same way competition by boats on our inland and coastwise waterways was met by all-rail carriers until transportation by water, so far as our inland rivers are concerned, has been nearly abandoned.

The inducement to give the large shipper and all shippers for manufacturing centers an adequate supply of cars, transit privileges, switching arrangements, etc., was ever present, and the force of competition operated in favor of such shippers.

These considerations rendered it impossible for the factory at the small town to compete in the sale of its products with a factory producing the same product at the larger and more favored city. The result was that the factory in the small town ceased to operate, and its employees were compelled to seek employment in the centers of production. * * *

Relatively the same facilities should be furnished the factory that ships 1 carload a day as the one that ships 10 or more carloads. The opportunity to do a manufacturing business at a profit should be afforded at any point in the country. The supply of raw material and the possible field of consumption will dictate the location. * * *

Mr. KING. The Interstate Commerce Commission in its second annual report commented upon the injustices resulting from the rate systen then in force. Its statement is as follows:

The sense of justice received a shock when one was told that the small dealer in the country town was made to pay three times as much for the carriage of his goods as the city merchant paid upon a like quantity for even a greater distance; and a well-founded feeling of discontent arises among many people when it can see things done under the protection of its law which seem to be plainly and unmistakably unjust. The advantages growing out of freight rates and discriminatory charges were referred to in the Sacramento-Santa Rosa case (29 I. C. C. 65)). The commission there said: "There can

be no question about the great commercial advantages which accrue to the towns having these rates. In the contest for new factories, to the industries looking for locations on the Pacific coast, the town with these rates has an advantage which can not be overcome by its rivals not blessed with such rates. New factories mean more workers, more money, more houses, and more people in general. * * * The record of these cases shows that, although the fact that the railroads have published tariffs, eliminating San Jose, Santa Clara, and Marysville from the coast or terminal points has been known only a few months; already these three points have felt the disadvantage of the possibility of ultimately losing such rates. San Jose, for example, has been unable to secure new industries because of the absurdity of its terminal-rate position."

The situation became so intolerable that Congress determined to prevent the evils resulting from the discriminatory rates adopted by the railroads. The purpose was to prevent the charging of lower rates for longer hauls than for shorter hauls. Congress wrote into section 4 provisions which it was believed would terminate this great evil. Section 4, in part, is as follows:

That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers or of like kind of property under substantially similar circumstances and conditions for a shorter than for a longer distance over the same line in the same direction; the shorter being included in the longer distance. But this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive as great a compensation for a shorter as for a longer distance: *Provided, however,* That upon application to the commission appointed under the provisions of this act, such common carrier may in special cases, after investigation by the commission, be authorized to charge less for longer than for shorter distances for the transportation of passengers or property, and the commission may, from time to time, prescribe the extent to which such designated common carrier may be relieved from the operation of this section of this act.

This section, of course, must be construed in connection with other provisions of the act. Sections 1 and 3 of the act of 1887 sought to secure reasonable and nondiscriminatory rates. It was the contention of able lawyers and many shippers that a proper construction of sections 1, 3, and 4, and, of course, all must be construed together, prohibited such discriminations as would arise from granting lower rates for a long haul than for a short haul. Moreover, it is a principle of statutory construction that the evils sought to be remedied are to be taken into account in the construction of the remedial statute. Accordingly, as stated, it was believed by many that the act of 1887 prohibited, once and for all, the evils which resulted from granting lower rates over the same road and in the same direction, for a long than a short haul.

However, the commission and the courts took the view that the words—

under substantially similar circumstances and conditions—

permitted the railroads to depart from the provisions of section 4 which made it unlawful for a common carrier to charge or receive greater compensation for a shorter than for a longer distance over the same lines in the same direction, the shorter being included in the longer distance, and to continue the evil practices which had aroused such universal opposition throughout the country. And they also made the railroads the judges for the purpose of determining, when departures from the fourth section were made, whether the conditions and circumstances were "substantially similar" to those which fixed the rates for other commodities to intermediate points.

Under the construction placed upon the act the discriminations resulting from charging lower rates for the long haul than for the short haul continued. The act was practically nullified by the construction placed upon it, and the people continued to be subject to the inequitable and discriminatory practices which they had revolted against and which they believed the act of 1887 would terminate. The provisions of the statute which provided that upon application to the commission it might—

in special cases, after investigation, be authorized to charge less for longer than for shorter distances for the transportation of passengers or property—

were entirely disregarded, and without authorization the condemned practices against which the statute was leveled were continued.

The purpose of Congress in enacting the legislation referred to was to secure just and reasonable rates and to make unlawful every unjust and unreasonable charge; to prevent preferences between persons, localities, and commodities; to make undue or unreasonable prejudices or discriminations unlawful; to prevent discrimination in rates and charges and to make them unlawful; to make it unlawful to charge more for a short haul than for a long haul of persons or property; and to prevent pooling of freight of different railroads or dividing earnings of railroads. The purpose of Congress was manifest, but the construction placed upon the act left the people in many instances empty handed.

Under the construction placed upon the act the carriers applied indiscriminately higher rates for a short than for a long haul whenever it was of advantage to them. The shippers continued to charge to interior points in the intermountain States the maximum rate from the point of origin to the Pacific coast plus the rate from the Pacific coast to the point of destination. To illustrate, a merchant in Salt Lake City purchasing his goods in New York was compelled to pay the rate from New York to San Francisco with the added charge from San Francisco to Salt Lake City. And it should be stated that the rate from the coast to Utah and the intermountain region was exceedingly high. The merchants in Idaho who purchased goods in the same market were not charged the same rates, though the goods were shipped in the same car. And the merchandise destined for Idaho was unloaded in that State and the rest of the merchandise went on to Portland, 800 miles or more distant. The Idaho merchant was compelled to pay the rate to the Pacific coast plus the rate from Portland back to Idaho. This system, of course, imposed higher freight rates upon the interior sections. This policy was in violation of sections 1 and 3 of the act of 1887, and, as I contend, was not in harmony with the provisions of section 4.

It is obvious to the most superficial observer that this policy gave the Pacific coast an advantage and prevented the development of the intermountain region. The oppressive policy of the railroads became so intolerable that in 1910 Congress was compelled to respond to the demands of the people. The words of section 4—

under substantially the same circumstances and conditions—

were eliminated from the section, and the section was further amended so as to make it impossible for the carriers to charge—

any greater compensation as a through route than the aggregate of the intermediate rates subject to the provisions of this act.

A further proviso was added to the section reading as follows:

Provided further, That no rates or charges lawfully existing at the time of the passage of this amendatory act shall be required to be changed by reason of the provisions of this section prior to the expiration of six months after the passage of this act, nor in any case where application shall have been filed before the commission in accordance with the provisions of this section, until a determination of such application by the commission.

Whenever a carrier by railroad shall, in competition with a water route or routes, reduce the rates on the carriage of any species of freight to or from competitive points, it shall not be permitted to increase such rates unless after hearing by the Interstate Commerce Commission it shall be found that such proposed increase rests upon changed conditions other than the elimination of water competition.

Undoubtedly it was felt by those who had suffered so long from the injustices and discriminatory practices of the railroads that these amendments to section 4 would bring relief, and it was believed that no modification of the long and short haul clause would be permitted by the commission, except upon proper showing and after a full and complete hearing.

The Interstate Commerce Commission on November 9, 1911, revoked former orders and restored the old system of rate making on combination rates to the coast with the back-haul rate to the point of destination. The Interstate Commerce Commission refused permission to the carriers to continue lower commodity rates from the Missouri River district and west to the Pacific coast than to intermediate points, but did authorize higher rates to intermediate points than to the coast on traffic originating in Chicago, Pittsburgh, and New York territories.

The rate from the Missouri River to the interior was fixed at not to exceed the rate to the coast. The rate from Chicago was fixed at 5 per cent, Pittsburgh 15 per cent, and New York 25 per cent higher to the interior than to the coast. This order was set aside by the Commerce Court, but in 1914 the Supreme Court of the United States reversed the action of the Commerce Court and affirmed the decision of the Interstate Commerce Commission. Thereupon the carriers sought relief from the effect of the decision and the commission extended the time when the decree was to be made effective as to approximately 80 per cent of the westbound traffic until January 1,

1915. This action resulted in imposing millions of dollars of additional freight charges upon the people of this section.

Later, the commission, by decision, authorized the carriers to establish commodity rates from the Missouri River territory to the Pacific coast lower than to intermediate points—

provided the rates from the Missouri River territory to the intermediate points were not exceeded by more than 15, 25, and 35 cents per hundred pounds from the points in Chicago, Pittsburgh, and New York territories, respectively. That is, the carriers might establish a rate to the Pacific coast from the Missouri River, the Chicago district, and New York; and a rate to the interior points at $1 from the Missouri River, $1.15 from Chicago, $1.25 from Pittsburgh, and $1.35 from New York.

Under this tariff the rates from New York to the Pacific coast on certain goods amounted to 85 cents, and to the interior, 1,000 miles shorter haul, $1.10. And in substantially all commodities this same inequality in tariff rates existe... This enabled the jobbers and merchants upon the coast to reship their products into the intermountain region and to compete with merchants and jobbers resident in that section.

The freight-rate situation continued unsatisfactory with constant applications for increase in rates and for discriminatory charges. It would tax the patience of the Senate if I should detail the devious ways of the carriers in evading the provisions of section 4, and in perpetuating the unjust and inequitable system of discriminatory rates which, with but slight modification, had prevailed for many years. It is sufficient to say that the law was practically nullified and the elimination of the words—

in substantially similar circumstances and conditions—

brought no benefits to the people or relieved them from the injustices to which they have long been subjected.

The situation was still unsatisfactory, and when the transportation act of 1920 was enacted demands came from various parts of the United States for relief from the oppressive and discriminatory rates which were still being enforced by many of the carriers.

Section 4, as amended by the act of February 28, 1920, makes it unlawful for any common carrier to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of a like kind of property, for a shorter haul than for a longer distance over the line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through route than the aggregate of the intermediate points subject to the provisions of this act. It also provides that upon application to the commission a common carrier—

may in special cases, after investigation, be authorized by the commission to charge less for the longer than for the shorter distances for the transportation of passengers or property * * * but in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from any more distant point if it is not reasonably compensatory for the service performed.

The provision is also made for a modification of section 4 where a circuitous rail line or route—thus increasing its mileage—is compelled to meet rail competition between and at the same terminal points. It was the intention of Congress, by this amendment to section 4, to terminate once and for all the evasions and injustices practiced by common carriers in exacting higher rates to intermediate points. It was felt that the railroads had treated contemptuously the long-and-short-haul provisions of the law and by tricks and devices wholly unworthy of them had imposed upon the people unconscionable rates to their great injury.

But events transpiring since the passage of the act indicate that Congress again failed in its purpose and that the railroad companies considered that they could still impose higher rates upon intermediate points and charge lower rates for the long haul.

The railroads are demanding the right, upon the pretext of meeting water competition, to nullify the long-and-short-haul provisions of section 4. They place a construction upon the words "reasonably compensatory for the service performed" at variance with the accepted meaning of the words and contrary to the interpretation placed upon them by the legislative branch of the Government. Because of the interpretation placed by the railroads upon section 4 as amended in 1920, and because of the uncertain attitude of the Interstate Commerce Commission with respect to the construction of section 4, as amended, and particularly in view of the applications filed by 17 or 18 transcontinental railroads for permission to establish lower rates for longer hauls over rates applied to intermediate points, the intermountain section and other parts of the United States are demanding legislation which will make it impossible for the applications referred to to be granted.

The Senator from Nevada has offered as an amendment to H. R. 7877, known as the War Department appropriations bill, an amendment which deprives the Interstate Commerce Commission of the power to modify the long-and-short-haul features of section 4 in order that common carriers may meet water competition. Undoubtedly it would be more regular and more in conformity with the rules of the Senate to consider this question separate and apart from the appropriation bill now before us and solely upon its merits. But the lateness of the session and the numerous bills which have a privileged status make it impossible to secure consideration of this matter except as it shall be presented in the form of an amendment to an appropriation bill.

If the Interstate Commerce Commission had interpreted section 4 as Congress intended that it should be interpreted, then I have no doubt that the Senator from Nevada would not have offered his amendment. But when he sees the West and other sections of the country threatened with the revival of the discriminatory rates which have been so ruinous to the people, he feels, and other Senators feel, that the situation is so critical as to justify this rather unusual procedure.

Mr. President, there are those who believe that neither water competition nor any other form of competition warrants a policy permitting lower rates for a long than for a short haul. Hon. Johnston B. Campbell, one of the members of the Interstate Commerce Commission, has stated that—

the fourth section fosters waste in transportation service, tends to reduce the revenue of carriers, and creates the very worst kind of discrimination ever devised by the mind of man. It takes away from the intermediate localities the benefit of their location with respect to the farther distant points. It favors the large centers and the large shippers as against the small centers and small shippers. It tends to make the large center larger and the small community smaller. It casts an additional burden on our economic questions. It tends toward congestion in the large communities, impoverishes the small community, and creates economic problems not only for this generation but for future generations to solve.

It seems clear that under the amendment of 1910, and certainly under the amendment of 1920, Congress intended to give vitality to section 4 and to prevent the evils which, Commissioner Campbell points out, arise from the construction which has been placed upon it.

The Supreme Court in the Intermountain Rate cases (234 U. S. 487) declared that—

power in the carrier primarily to meet competitive conditions in any point of view by charging a less rate for a longer than for a shorter haul has ceased to exist, because to do so, in the absence of some authority, would not only be inimical to the provisions of the fourth section but would be in conflict with the preference and discrimination clauses of the second and third sections.

In other words, to meet competition is not sufficient ground to modify section 4 and thus impose discriminatory rates upon certain individuals or sections of the country. The 1910 amendment strengthened the act of 1887 and forbade any departures from the long-and-short-haul provisions, except that in "special cases and after investigation by the commission" modification might be made. But it is clear that competition was not a reason nor a "special case." Conceding that to meet water competition presents a "special case," the amendment of 1920 imposed a condition which must be met by the carrier before any modification of section 4 may be obtained.

The carrier must show, in order to obtain permission to charge less for a long than a short haul, that the charge made is "reasonably compensatory" for the service performed, and an investigation must be made by the commission and they must afterwards find that the charge made is "reasonably compensatory." The commission in determining this question must always keep in mind that whatever discretion they have must be a sound legal discretion—

as to whether the request should be granted compatibly with a due consideration of the private and public interests concerned and in view of the preference and discrimination clauses of the second and third sections.

The public interest manifestly would not be served by adopting a policy which destroys water competition and ruins large centers of our country. Even without the amendment to section 4 in the transportation act of 1920, I am at a loss to understand the attitude of the Interstate Commerce Commission. It permitted violations of the fourth section by continuing the discriminations which were in force when the act of 1910 amending section 4 was enacted. Commissioner Campbell expressed

his views upon this matter in the case of Palmine Co. v. I. C. R. R. Co. (87 I. C. C. 279), where he said:

By the 1910 amendment, therefore, the right and power to depart from the long-and-short-haul provision of the fourth section was taken from the carrier and lodged in the commission; and that amendment, so far as the carriers are concerned, made this provision of the fourth section absolute and unqualified, except in so far as it gives to the carrier the right to apply to the commission for authority to depart from that provision. This latter right to make application for such authority is specifically limited to "special cases," and such an application must embody facts which purport to present a "special case," or under the law it should not be considered as an appropriate application for authority to depart from this provision of the fourth section. The fourth-section violations brought about by the rates assailed in this case were not protected by such an application and should be held to be unlawful; and, following the reasoning in my dissenting expression in Anaconda Copper Mining Co. v. Director General (64 I. C. C. 136), since complainant paid freight charges on basis of such unlawful rates to the intermediate points, it is entitled to restitution in the amount of the difference between charges so paid and those which have been approved under the lower rate to the more distant point.

But conceding, for the sake of the argument, that under the provisions of section 4 as amended in 1910 departures from the fourth section were within the power of the commission to grant, a different question is presented in the light of the 1920 amendment.

It seems to me that much casuistry has been employed in explaining away the meaning of the words "reasonably compensatory." It must be borne in mind that Congress intended to prevent discrimination and to give vitality to the long-and-short-haul provisions of section 4. The special cases which might possibly warrant an exception to the rigid application of the rule must be brought within the rule that the rates charged must be "reasonably compensatory." In other words, Congress did not intend by the amendment of 1920 to permit a repetition of the wrongs resulting from violation of the long-and-short-haul clause.

The discussions in the Senate at that time indicate that it was the intention of Congress to prohibit the inequities and injustices visited upon certain sections or parts of our country in charging a less rate for a longer haul, and it was clear that the possibility of water competition was not a reason or a "special case" calling for modification of section 4. Indeed, it is declared in section 500 of the transportation act of 1920—

To be the policy of Congress to promote, encourage, and develop water transportation, service, and facilities in connection with the commerce of the United States and to foster and preserve in full vigor both rail and water transportation.

Congress has shown its sincerity in promoting and fostering water transportation by appropriating more than a billion dollars to construct and repair harbors and to develop our inland waterways. Congress has appropriated more than $400,000,000 to construct the Panama Canal. Are these stupendous sums to be wasted and our water transportation to be destroyed? Manifestly Congress believed there was a broad field both for rail and water transportation.

Commissions had studied the transportation systems of Germany and reported that great benefits had been derived by the German people from the development of her rivers and harbors. The prosperity of Germany in part was due to the harmonious development of her dual transportation systems and to a proper coordination of the same.

At the last session of Congress approximately $40,000,000 were appropriated, as I now recall, to be expended upon our rivers and harbors. It is inconceivable that a policy should now be adopted that would drive boats and barges from our rivers and streams and paralyze the activities of our ships engaged in intercoastal or coastwise trade. And yet it is conceded that if the plans of certain railroads are carried into execution a large part of our coast-to-coast water traffic will be destroyed and all boats and barges driven from our inland streams. Even the Interstate Commerce Commission, in the transcontinental cases decided in October, 1922 (74 I. C. C. 48), stated:

It clearly would defeat the intent of Congress to foster transportation by rail and water in full vigor if the rail carriers were permitted at practically little or no profit to themselves to operate so as to deprive water carriers of traffic which the water carriers would naturally handle. Moreover, it must be borne in mind that where "out-of-pocket" theory is used as a rate basis there is inevitably thrown upon the rest of the traffic the task of providing the bulk of the net return contemplated in section 15 (a). Too wide an extension of the out-of-pocket theory would transpose the entire burden of meeting other fixed charges upon only a part of the traffic carried.

And in the case of a shipment of coffee from Galveston and other Gulf ports (64 I. C. C. 26) the commission stated, in granting relief from the fourth section, that it was necessary to consider not only the letter but the spirit of the law and the interests of the destination. However, these views can not quite be reconciled with the decision of the commission in the case above referred to (74 I. C. C. 71) where it is held that—

In the administration of the fourth section the words "reasonably compensatory" imply that a rate properly so described must (1) cover and more than cover the extra or additional expenses incurred in handling the traffic to which it applies; (2) be no lower than necessary to meet existing competition; (3) not be so low as to threaten the extinction of legitimate competition by water carriers; and (4) not impose an undue burden on other traffic or jeopardize the appropriate return on the value of carrier property generally, as contemplated in section 15 (a) of the act.

Commissioner Campbell concurred in the conclusions of the commission in denying certain of the applications but dissented from the construction placed upon section 4 as amended by the act of 1920, and stated:

To my mind "reasonably compensatory" as used in the amendment means a rate equal in amount to a "nonconfiscatory rate."

He then quotes from the opinion of Mr. Justice Brewer in the case of C. & N. W. Ry. Co. v. Dey, 35 Fed. 879, as follows:

Compensation implies three things: Payment of cost of service, interest on bonds, and then some dividend. Cost of service implies skilled labor, the best of appliances, keeping of the roadbed and the cars and machinery and other appliances in perfect order and repair. * * * The same rule obtains as to engines, machinery, roadbed, etc., and it may be doubted whether even the legislature, with all its power, is competent to relieve railroad companies whose means of transportation are attended with so much danger from the full performance of this obligation to the public. The fixed charges are the interest on the bonds. This must be paid, for otherwise foreclosure would follow and the interest of the mortgagor swept out of existence. The property of the stockholders can not be destroyed any more than the property of the bondholders. Each has a fixed and vested interest which can not be taken away.

When the act of 1920 was under discussion the words "reasonably compensatory" were considered. Senator CUMMINS in discussing the matter stated:

A compensatory rate, I assume, means a rate which will enable the railway company charging it to defray the cost of maintenance and operation and that will also bear its just share of the return upon capital. I take it that the word "compensatory" is used in that sense. Therefore, in the case put by the Senator from North Carolina, if the charge for the longer distance was not a compensatory charge the Interstate Commerce Commission would have no authority to grant the right to charge more for transporting the sugar, or whatever it may have been, over the shorter distance than it charged for transporting it over the longer distance. I think this amendment will go very far toward correcting the manifest abuses which have crept into the law. I think that the Interstate Commerce Commission could have prevented very many of those abuses by proper and correct rulings upon the law as it is, although I do not criticize it in that respect, for its work has been very difficult.

But, as I understand the decision of the commission in the Transcontinental cases, their definition of the words "reasonably compensatory" is much more restricted. A rate which would bring a return sufficient to more than meet the extra or additional expenses incurred in handling the traffic to which it applies would be "reasonably compensatory." How much more, they do not state; 1 cent or $1 might be more than sufficient to cover the extra additional expenses incurred in handling the traffic to which it applies. And yet it is obvious that that would not be "compensatory." How long would a business last if its returns were measured by the definition of the commission?

The statement of Senator CUMMINS contemplates that a rate which is "reasonably compensatory" must be such as will defray the cost of maintenance and operation of the railroad and will bear its just share of the return upon capital. One of the essentials of the compensatory rate is that there should be a reasonable return upon the capital invested. It is not a compensatory rate if the bare expenses of operation are met. If no returns were made upon investments, our industrial development would halt.

In the case of the Northern Pacific Railroad v. North Dakota (236 U. S. 585), the Supreme Court stated that—

in determining the cost of the transportation of a particular commodity all the outlays which pertain to it must be considered. We find no

basis for distinguishing in this respect between so-called "out-of-pocket" costs or "actual" expenses and other outlays which are none the less actually made because they are applicable to all traffic instead of being exclusively incurred in the traffic in question. Illustrations are found in outlays for maintenance of ways and structures, general expenses, and taxes. It is not a sufficient reason for excluding such or other expenses to say that they would still have been incurred had the particular commodity not been transported. That commodity has been transported, the common carrier is under a duty to carry, and the expenses of its business at a particular time are applicable to what it does carry.

Commissioner Campbell, in testifying before the Senate Committee on Interstate Commerce, refers to the time when rail carriers violated the fourth section without check and in so doing destroyed water competition. He referred to the fact that they had driven water transportation from the ocean around the Horn, and by rail across the Isthmus of Panama. He further stated that, in his opinion, if the railroads were permitted to violate the fourth section to meet water competition, all boats would immediately reduce their rates and their decline would continue until destruction overtook them.

It would seem obvious that if a rate were "reasonably compensatory" for the services performed, any higher rate must be excessive, and if a given rate between Chicago or New York and San Francisco is "reasonably compensatory," then a higher relative rate, based upon mileage, to any intermediate point is excessive. I submit that any rate for a long haul, which is determined to be "reasonably compensatory," must be no greater than the aggregate of the intermediate rates.

If the provisions of the fourth section are broken down by the subtle casuistry which is employed in defense of the proposition that a rate is "reasonably compensatory" if it meets the out-of-pocket-plus standard, then there will be a recrudescence of the evils which obtained for so many years and brought such injury and distress to many parts of our country.

If water competition may be met by abrogating the fourth section, then the intermountain region and other States will be brought to economic and financial ruin. I am advised that the railroads proposed, if their applications are granted, to submit rates from the Chicago territory and other western points to the coast very much less than the present rates, and rates which manifestly will not be reasonably compensatory. But they will not change the rates to intermediate points, which means that those residing at such points must bear the additional burden resulting from the reduced rates upon the long haul. As an illustration, out of hundreds which might be given, I call attention to the proposed rates upon structural iron and steel from Chicago to Los Angeles.

As I understand, if the applications filed with the Interstate Commerce Commission are granted the rates upon these products from Chicago to Los Angeles will be $1 per hundredweight on a minimum carload lot of 100,000 pounds and $0.80 per hundredweight on a minimum carload lot of 80,000 pounds. This will be a reduction of 25 cents and 20 cents, respectively, over existing rates. But the rates between Chicago and New Mexico upon the same products will not be reduced, notwithstanding the fact that New Mexico is approximately 700 miles nearer Chicago than is Los Angeles. A 40,000-pound shipment of iron and steel from Chicago to New Mexico will cost $500, but if the same shipment is carried 735 miles farther the cost will be but $400.

It is apparent that such discrimination will injuriously affect New Mexico, and the same policy, of course, will be followed by all other transcontinental roads which are seeking the same ends, and the same serious consequences will visit the entire intermountain region.

Mr. President, the reason is apparent for the waging of this contest to secure the adoption of the amendment offered by the Senator from Nevada. Under the more equitable rate policy following the control of the railroads by the Government there has been some development in manufacturing and other industrial enterprises in Utah and in the entire intermountain region. The inhabitants of this section perceive, in the applications filed by the transcontinental railroads and in the attitude of the Interstate Commerce Commission, a danger and menace which brings to them terror and dismay. For more than a quarter of a century they contended against powerful odds. When the act of 1887 was passed they believed relief was at hand, but the evils from which they suffered were continued. The amendment to the fourth section enacted in 1910 it was confidently believed would terminate the evil practices which had brought them such harm. They regarded the provisions of the amendment to section 4 of the act of 1900 as a complete protection against discriminations and inequitable freight rates. And now after these years of battle and conflict they discover a new danger. It would be surprising if they did not avail themselves of every opportunity to secure protection against the enemy which is at their gates.

Mr. WADSWORTH. Mr. President, before temporarily laying aside the bill, which I understand the Senator from Wyoming [Mr. WARREN] is going to request, and also before we take a recess or go into executive session, I desire on behalf of the committee to offer an amendment.

On page 79, line 14, under the title "Citizens' military training camps," I move to strike out in line 14 the figures "$2,100,000" and to insert "$2,330,000."

The PRESIDING OFFICER (Mr. FESS in the chair). The Senator from New York offers an amendment, which will be stated.

The READING CLERK. On page 79, line 14, it is proposed to strike out "$2,100,000" and insert "$2,330,000."

The amendment was agreed to.

Mr. PITTMAN. Mr. President, I want to say with reference to the proposed amendment to the appropriation bill, I have discussed the matter with the chairman of the committee and with the Senator from New York, and I have agreed to present the amendment to-morrow at 1 o'clock. At that time there will undoubtedly be a point of order made, and the question then will be on the point of order. I hope between 12 and 1, if I get an opportunity and the Senate will permit me to do so, to present my views with regard to the parliamentary situation affecting the presentation of this matter.

Mr. WADSWORTH. Mr. President, may I say to the Senator, for one, that I am entirely willing that the procedure outlined by him shall be followed; and, for that matter, I am willing that the amendment be officially and formally offered now, and no point of order will be raised against it before 1 o'clock to-morrow.

Mr. PITTMAN. That course is probably better. Then it can be printed in the RECORD.

For that purpose, Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Senator from Nevada offers an amendment, which will be stated by the Secretary.

The READING CLERK. On page 96, after line 6, insert:

That paragraph (1) of section 4 of the interstate commerce act, as amended, is amended to read as follows:

"(1) That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through rate than the aggregate of the intermediate rates subject to the provisions of this act, but this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive as great compensation for a shorter as for a longer distance: *Provided*, That upon application to the commission a common carrier may, after public hearing, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property only in a case where the route via the applicant carrier or carriers is longer than via the route of some rail carrier or rail carriers between the same points; but in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed; and if a circuitous rail line or route is granted authority to meet the charges of a more direct rail line or rail route to or from competitive points and to maintain higher charges to or from intermediate points on its line, the authority shall not include intermediate points as to which the haul of the petitioning line or route is not longer than that of the direct line or route between competitive points: *Provided further*, That the commission may, with or without hearing, upon its own motion or upon application of carrier or shippers, in cases of emergency, such as drought or disaster, authorize during the continuance of said emergency any common carrier or carriers to charge or receive a greater compensation for a shorter than for a longer distance.

"Where any common carrier has, or common carrier have, in effect any rate, fare, or charge which is less for the longer than for the shorter distance between two points (the shorter being included within the longer distance), and which has been authorized by the commission or as to which application was filed with the commission on or before February 17, 1911, and not yet acted upon by it, such rate, fare, or charge shall not become unlawful (except by order of the commission) until after 12 months following the passage of this amendatory act; nor shall such rate, fare, or charge in effect via circuitous rail carrier or rail carriers become unlawful if it shall have been authorized by order of the commission, after public hearings, based on no less a

showing than that upon which the commission is herein authorized to grant relief: *Provided*, That nothing in this section contained shall prevent the commission from authorizing or approving departures from the provisions of this section in so far as applicable to import or export rates, including rates applicable to traffic coming from or destined to a possession or dependency of the United States, or to a block system of express rates established by order or with the approval of the commission, or permitted by it to be filed."

Paragraph 2 of section 4 of the interstate commerce act, as amended, is hereby repealed.

Mr. WADSWORTH. Mr. President, so that we may all understand it, I will state the intention is that at the conclusion of business this afternoon the Senate will stand in recess until 12 o'clock to-morrow, and that at 12 o'clock general debate will cease, and that at 1 o'clock, if the Senator from New York may obtain recognition—which I hope he will be permitted to do, in the spirit of this agreement—the point of order will be raised.

The PRESIDING OFFICER. Does the Senator submit that request?

Mr. PITTMAN. As far as the Senator from Nevada is concerned, if he has the floor, he will yield for that purpose; and, as I stated before, I hope to present my views of the parliamentary situation in justification of my offering this amendment. Of course there may be other Senators who will want to speak.

Mr. WADSWORTH. I think we all understand each other, and there probably will be no serious difficulty about it.

Mr. GOODING. That is my understanding, Mr. President.

Mr. WADSWORTH. I am very grateful to both Senators.

The PRESIDING OFFICER. Does the Senator submit that as a request?

Mr. PITTMAN. I do not think it is necessary for a unanimous-consent agreement to be entered into. The amendment is here, subject to a point of order. If the point of order should be made, I am perfectly willing to trust the matter to the Senator from New York.

Mr. WADSWORTH. Perhaps it can be done in this way: I may give notice that at 1 o'clock to-morrow, or as near that time as may be, I shall make the point of order.

Mr. PITTMAN. As I said, when I presented the amendment I did so with entire confidence in the Senator from New York. I do not require any agreement.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes.

The message also announced that the House receded from its disagreement to the amendments of the Senate numbered 4, 5, 6, 7, 8, 9, 10, 11, and 12 to the bill H. R. 8350; receded from its disagreement to the amendment of the Senate numbered 19, and concurred therein with an amendment, in which it requested the concurrence of the Senate; that the House insisted upon its disagreement to the amendments of the Senate numbered 21, 22, and 23; agreed to a further conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SHREVE, Mr. TINKHAM, and Mr. OLIVER of Alabama were appointed managers on the part of the House at the further conference.

LEASING OF UNALLOTTED INDIAN LANDS

Mr. HARRELD. Mr. President, last evening the Senate passed Senate bill 2314. It has reference to giving power to the Secretary of the Interior to make leases of unallotted Indian lands, instead of for 10 years, as under the present law, for 10 years and as long thereafter as oil or gas is found in paying quantities. Inadvertently we overlooked the fact that there is before the Senate a similar bill which has already been passed by the House and has already been reported favorably by the Senate Committee on Indian Affairs.

Under the circumstances, I ask unanimous consent that the unfinished business be temporarily laid aside and that the House bill, which is on the calendar as Order of Business 580, with a favorable report from the Indian Affairs Committee, be considered at this time; and if it is passed, I shall move to reconsider the action of the Senate by which Senate bill 2314 was passed yesterday.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma for the temporary laying aside of the unfinished business and the present consideration of this House bill?

Mr. PITTMAN. Mr. President, just one question, please. Was there any opposition to this bill in the committee?

Mr. HARRELD. No. This proceeding is merely to correct an error that was made last night. We should have substituted the House bill for the Senate bill and passed the House bill; but the fact that the House bill was on the calendar and was before the Senate with a favorable report was overlooked at the time. I make the request simply to remove the necessity of having to pass the Senate bill in the House. We have met half way between the two places. It is just to correct a parliamentary tangle.

Mr. PITTMAN. The Senator's request carries with it a request that the bill now pending shall be only temporarily laid aside for this purpose?

Mr. HARRELD. Yes.

Mr. PITTMAN. I have no objection.

The PRESIDING OFFICER. Without objection, then, the unfinished business will be temporarily laid aside. Is there objection to the present consideration of the bill indicated by the Senator from Oklahoma?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 6298) to authorize the leasing for oil and gas mining purposes of unallotted lands on Indian reservations affected by the proviso to section 3 of the act of February 28, 1891.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. HARRELD. Now, Mr. President, I ask unanimous consent to reconsider the votes by which Senate bill 2314 was ordered to a third reading and passed, and that it be indefinitely postponed.

The PRESIDING OFFICER. The Senator from Oklahoma asks unanimous consent to reconsider the votes by which Senate bill 2314 was passed and that it be indefinitely postponed. Is there objection? The Chair hears none, and that order will be made.

EMPLOYEES OF THE LEGISLATIVE BRANCH

Mr. WARREN. Mr. President, I ask unanimous consent that the unfinished business may be temporarily laid aside and that the Senate may take up House bill 8262, to fix the compensation of officers and employees of the legislative branch of the Government.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 8262) to fix the compensation of officers and employees of the legislative branch of the Government.

Mr. WARREN. Mr. President, as there is hardly time to consider the measure to its end to-night I ask unanimous consent to lay it aside for the purpose of taking up some executive business which will follow.

Mr. WADSWORTH. Mr. President, I think under the form of the request this particular bill would be the unfinished business to-morrow at 12 o'clock.

Mr. WARREN. I hardly think so after the agreement is made to take up the appropriation bill at a special hour. However, I am perfectly willing to submit to the chairman in charge of the bill to-morrow if he will lay aside his bill that I may call up this bill. As I understand the arrangement made, the appropriation bill will be taken up at 1 o'clock.

Mr. WADSWORTH. At 12 o'clock. The Senator from Nevada desires to discuss the War Department appropriation bill at 12 o'clock, and at 1 o'clock I am to raise the point of order on his amendment. I had hoped that we could pass this bill to-night.

Mr. WARREN. Unfortunately, in the absence of one or two who want to be heard on House bill 8262, it is likely to take a longer time than we have to-night. I am perfectly willing to have it considered now and passed.

Mr. PITTMAN. Of course, if some time is to be taken up in the consideration of the bill called up by the Senator from Wyoming, we would have to alter the arrangement about the War Department appropriation bill.

Mr. HARRISON. May I make an inquiry of the Senator from Wyoming? Is the bill which he seeks now to have passed the one that eliminates the bonus and gives the employees a 5 per cent increase?

Mr. WARREN. It gives various increases. It gives the senior clerks to Senators a minimum of something more than 20 per cent over the bonus and their old salaries. It gives House Members $4,000 each for two clerks, which is an increase of only 10 per cent over their present allowances. It gives the other employees the bonus and somewhere from 8 to 10 per cent over the salaries and bonuses they were receiving.

The PRESIDING OFFICER. What request does the Senator make?

Mr. WARREN. The Senator from New York has a right to ask that, having taken this bill up now, we put it on its passage.

Mr. WILLIS. I trust that will not be done. The Senator from New Hampshire [Mr. MOSES], who has taken a great deal of interest in this matter, is not present. I will say that there would be at least some discussion. If it is desired to run on for a time, I do not object to that, but I should have to call for a quorum, because I would not like to have the bill disposed of unless the Senator from New Hampshire were present.

Mr. WARREN. I do not wish to tangle up matters at all, and I am willing to withdraw my request.

Mr. WADSWORTH. I desire to have the Senator from Wyoming thoroughly understand my own predicament.

Mr. WARREN. I understand it perfectly.

Mr. WADSWORTH. We have just reached an arrangement under which at 1 o'clock to-morrow a certain point of order will be raised on an amendment which has already been offered to the War Department appropriation bill. So, of course, the War Department bill must be before the Senate when that point of order is raised.

The PRESIDING OFFICER. The Senator from Wyoming withdraws the request he made.

Mr. WARREN. I withdraw it altogether. I acted only with a desire to push the matter along.

Mr. WILLIS. Mr. President, I want to make a brief statement about this matter. So far as I am concerned, I have not the slightest objection to the consideration of the bill now.

Mr. WARREN. Before the Senator starts, permit me to say that the Senator from New Hampshire [Mr. MOSES] asked me two days ago not to call the bill up and finish it on Thursday, but that he would be here on Friday, and he wished to offer an amendment, which I told him I would certainly oppose, and he made no further request. It is a question whether he should be present when we call the bill up or whether he should not be. He knew I would call it up at the first opportunity. That is the situation.

Mr. WILLIS. No one, of course, questions in the slightest degree the good faith of the Senator——

Mr. WARREN. I simply withdraw my request altogether.

The PRESIDING OFFICER. The request is withdrawn.

Mr. WILLIS. I want, if I may, to finish my statement. Of course, no one questions the good faith of the distinguished Senator from Wyoming. I simply know that there are a number of Senators who are interested in this measure and who have expressed a desire to be present, and I know that one or two desire to offer amendments to the bill. I therefore think it proper to call attention to that situation and to say that if the bill is to be taken up at this time, in fairness to those Senators I shall have to call for a quorum.

LA PLATA RIVER COMPACT

Mr. BURSUM. Mr. President, I ask unanimous consent to submit a report from the Committee on Irrigation and Reclamation.

The PRESIDING OFFICER. Without objection, the report will be received.

Mr. BURSUM. From that committee I report back favorably without amendment the bill (S. 1656) granting the consent and approval of Congress to the La Plata River compact, and I submit a report (No. 554) thereon.

This is a bill ratifying a compact between New Mexico and Colorado relating to the apportionment of the waters of the La Plata. No other State has any interest whatever in the bill. The Senator from Colorado is here, and I ask that the bill be now considered.

Mr. OVERMAN. I do not think we ought to put any bill on its passage this afternoon; it is too late.

The PRESIDING OFFICER. The Senator from New Mexico asks unanimous consent for the present consideration of the bill.

Mr. OVERMAN. I shall object to any bill going through this afternoon.

The PRESIDING OFFICER. Objection is heard, and the bill goes to the calendar.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the President pro tempore:

H. R. 7962. An act to extend for the period of one year the provisions of Title II of the food control and District of Columbia rents act, approved October 22, 1919, as amended; and

H. R. 7895. An act to limit the immigration of aliens into the United States, and for other purposes.

RECESS

Mr. HARRISON. Mr. President, what is before the Senate?

The PRESIDING OFFICER (Mr. FESS in the chair). There is nothing before the Senate.

Mr. HARRISON. I understood there was to be a motion for an executive session.

Mr. LODGE. I promised one or two Senators that I would not call for an executive session to-day.

Mr. WADSWORTH. I move that the Senate stand in recess until to-morrow at 12 o'clock.

The motion was agreed to; and the Senate (at 5 o'clock and 50 minutes p. m.) took a recess until to-morrow, Saturday, May 17, 1924, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

FRIDAY, *May 16, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, Thou art merciful and gracious and slow to anger, and Thy truth endureth from generation to generation. Do Thou, gracious Lord, incline our hearts to seek Thy face and to own Thee as Father and Savior. Into the secret places of every breast, let Thy whisper come and bless us with Thy peace. Let Thy blessing rest upon our homes. The loved ones of our firesides, wherever they may be, O may they ever be kept dear and near to the heart of our heavenly Father. May we have the faith that gives hope in the darkness, strength in weakness, courage in perplexity. Bear with our infirmities and fortify us against error. Deliver us from the anxiety of the future and make us strong, urgent men of to-day, through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed with amendments the bill of the following title, in which the concurrence of the House of Representatives was requested:

H. R. 4445. An act to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary."

The message also announced that the Senate had disagreed to the amendments of the House of Representatives to the bill (S. 2169) to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes, had asked a conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. WADSWORTH, Mr. CAMERON, and Mr. FLETCHER as the conferees on the part of the Senate.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7995) to limit the immigration of aliens into the United States, and for other purposes.

The message also announced that the Senate had passed without amendments bills of the following titles:

H. R. 8229. An act granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River;

H. R. 8304. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River at or near One hundredth Street in the city of Chicago, county of Cook, State of Illinois;

H. R. 7913. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Creek Indians may have against the United States, and for other purposes;

H. R. 604. An act to amend an act entitled "An act for the relief of the Saginaw, Swan Creek, and Black River Band of Chippewa Indians in the State of Michigan, and for other purposes," approved June 25, 1910;

H. R. 2881. An act to compensate three Comanche Indians of the Kiowa Reservation;

H. R. 2887. An act to authorize the extension of the period of restriction against alienation on the homestead allotments made to members of the Kansas or Kaw Tribe of Indians in Oklahoma;

H. R. 3800. An act to cancel an allotment of land made to Mary Crane or Ho-tah-kah-win-kaw, a deceased Indian, embracing land within the Winnebago Indian Reservation in Nebraska;

H. R. 3900. An act to cancel two allotments made to Richard Bell, deceased, embracing land within the Round Valley Indian Reservation in California;

H. R. 4462. An act to amend an act entitled "An act authorizing the payment of the Choctaw and Chickasaw town-site fund and for other purposes";

H. R. 4647. An act for the relief of the Underwood Typewriter Co. and Frank P. Trott;

H. R. 6012. An act to confer jurisdiction upon the Court of Claims to ascertain the cost to the Southern Pacific Co., a corporation, and the amounts expended by it from December 1, 1906, to November 30, 1907, in closing and controlling the break in the Colorado River, and to render judgment therefor, as herein provided;

H. R. 2498. An act for the relief of the East LaHave Transportation Co. (Ltd.), owner, A. Picard & Co., owner of cargo, and George H. Corkum, Leopold S. Conrad, Wilson Zinck, Freeman Beck, Sidney Knickle, and Norman E. LeGay, crew, of the schooner *Con Rein*, sunk by U. S. submarine *K–4*;

H. R. 2665. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River in the vicinity of One hundred and thirty-fourth Street, in the city of Chicago, county of Cook, State of Illinois;

H. R. 6810. An act granting the consent of Congress to the Millersburg & Liverpool Bridge Corporation, and its successors, to construct a bridge across the Susquehanna River, at Millersburg, Pa.;

H. R. 7063. An act granting the consent of Congress to the State of Illinois and the State of Iowa, or either of them, to construct a bridge across the Mississippi River, connecting the county of Carroll, Ill., and the county of Jackson, Iowa;

H. R. 7846. An act to extend the time for the construction of a bridge across the North Branch of the Susquehanna River from the city of Wilkes-Barre to the borough of Dorrancetown, Pa.;

H. R. 1629. An act authorizing the removal of the restrictions from 40 acres of the allotment of Isaac Jack, a Seneca Indian, and for other purposes;

H. R. 4122. An act to amend an act entitled "An act to revive, with amendments, an act to incorporate the Medical Society of the District of Columbia," approved July 7, 1838, as amended;

H. R. 5808. An act for the relief of Edward T. Williams;

H. R. 4200. An act to provide for the cleaning of the exterior of the post-office building at Cincinnati, Ohio;

H. R. 6059. An act authorizing the conveyance to the city of Washington, Mo., of 10 feet of the Federal building site in said city for the extension of the existing public alley through the entire block from Oak to Lafayette Streets;

H. R. 4494. An act authorizing extensions of time for the payment of purchase money due under certain homestead entries and Government land purchases within the Fort Berthold Indian Reservation, N. Dak.;

H. R. 837. An act to exempt from taxation certain property of the Daughters of the American Revolution in Washington, D. C.; and

H. R. 3183. An act for the relief of Rush O. Fellows.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 1834. An act for the relief of the legal representative of Robert Dillon, deceased;

S. 1013. An act for the relief of Gordon G. MacDonald.

S. 1699. An act authorizing Dominic I. Murphy, consul general of the United States of America, to accept a silver fruit bowl presented to him by the British Government;

S. 953. An act for the relief of William Kaup;

S. 1976. An act for the relief of the Commercial Union Assurance Co. (Ltd.), Federal Insurance Co., American & Foreign Marine Insurance Co., Queen Insurance Co. of America, Fireman's Fund Insurance Co., St. Paul Fire & Marine Insurance Co., and the United States Lloyds;

S. 830. An act for the relief of Elizabeth Wooten;

S. 819. An act prescribing certain qualifications of postmasters of offices of the first, second, and third class;

S. 2922. An act to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army;

S. 588. An act for the relief of Daniel A. Spaight and others;

S. 116. An act to amend section 196 of the Code of Laws for the District of Columbia;

S. J. Res. 95. To authorize the American National Red Cross to continue the use of temporary buildings now erected on square No. 172, Washington, D. C.;

S. J. Res. 90. Providing an extension of time for payment by entrymen of lands on the Fort Assiniboine abandoned military reservation in the State of Montana; and

S. 933. An act to provide for the examination and registration of architects and to regulate the practice of architecture in the District of Columbia.

AMENDING NATIONAL DEFENSE ACT

Mr. McKENZIE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2169), to insist on the House amendments and agree to the conference asked by the Senate.

The SPEAKER. The gentleman calls up the conference report on a bill which the Clerk will report by title.

The Clerk read as follows:

S. 2169. An act to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the conferees.

The Clerk read as follows:

Mr. McKENZIE, Mr. HULL of Iowa, and Mr. QUIN.

INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. CRAMTON. Mr. Speaker, I wish to call up the conference report on the bill H. R. 5078, the Interior Department appropriation bill.

The SPEAKER. The gentleman from Michigan calls up a conference report, which the Clerk will report.

The Clerk read the conference report, as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the amendment of the House to the amendment of the Senate numbered 47 to the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have been unable to agree.

REED SMOOT,
CHARLES CURTIS,
WM. J. HARRIS,
Managers on the part of the Senate.
LOUIS C. CRAMTON,
FRANK MURPHY,
CHARLES D. CARTER,
Managers on the part of the House.

Mr. CRAMTON. Mr. Speaker, I move that the House further insist on its disagreement to the Senate amendment to the amendment of the House to the amendment of the Senate No. 47. Mr. Speaker, in support of my motion I desire to make this statement of the situation with reference to the Interior Department appropriation bill: That bill, as you know, covers the appropriations for all activities of the Interior Department. It is a bill of very great importance. It carries a number of items which are immediately available. That bill passed the Senate on February 28. Since then it has been in conference. It is now in May and the delay very largely has been caused by inability of the two bodies to agree with reference to the item providing for purchase of the Bright Angel Trail in the Grand Canyon. I received a telegram the other day that the *Boxer*, a ship used by the board of education for its work in Alaskan waters, has been laid up. The captain and engineer are laid off because there is no money with which to pay them, although this bill carries money for that purpose.

There are other activities that are suffering likewise by reason of this delay of this bill to become a law. It is strange indeed that the bill should be delayed because of this one item, which at first blush might appear to be of small consequence. It involves an appropriation proposed by the House for the purchase of the trail leading from the rim down to the floor of the canyon in the Grand Canyon National Park from the county of Coconino. The opposition to that is led in another body by a gentleman who has a very close personal interest in that matter. In the CONGRESSIONAL RECORD on page 4001, March 11, 1924, will be found a letter from one Ralph H. Cameron to the Senate conferees on this bill under date of March 5, which says:

It has been stated that I have an interest in certain mining claims within the Grand Canyon National Park, which have been the subject of litigation. I reiterate that I have not at the present time, and have not had for many years prior to the date of the creation of the Grand Canyon National Park in 1919, any interest in claims title to which is being litigated by the Government of the United States. It has also

been stated that the water from two springs on the Bright Angel Trail have been polluted with typhoid germs. Title to one of these springs is in the county of Coconino, Ariz.; the other in a mining location in which I have had no interest for many years.

I can not say who is the Ralph H. Cameron who signed that letter. I have a letter from the Attorney General of the United States in response to a recent inquiry on my part. I will say that the mineral claims that are cluttering up the development of the Grand Canyon and make possible the continuance of serious nuisances in the park, the question of validity of those claims of Ralph H. Cameron was passed on by the Supreme Court of the United States in 1920, which held them to be invalid. It is apparent, if you had no knowledge of the facts, you would understand that nothing but high influence of some description could hold possession of United States property in a great national park for four years in the face of a decision of the United States Supreme Court.

Ralph Cameron writes the Senate conferees he has no interests in claims in litigation. Under date of May 6, 1924, Attorney General Stone wrote me as follows:

DEPARTMENT OF JUSTICE,
OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., May 6, 1924.

Hon. LOUIS C. CRAMTON,
House of Representatives, Washington, D. C.

DEAR MR. CRAMTON: I am in receipt of your letter of the 2d instant regarding the pending cases involving Ralph H. Cameron, which affect lands within the Grand Canyon National Park.

Upon receipt of the letter dated February 28, 1924, from the Secretary of the Interior, to which you make reference, I instructed the United States attorney at Tucson, Ariz., to take appropriate action to enforce full and complete compliance by Mr. Cameron with the decrees which had been entered in the suits brought to enjoin occupancy of these lands by him and others. In my letter, which was dated March 5, 1924, I referred to the fact that the controversy regarding occupancy of lands under mining claims in that area was of long standing and should be terminated as speedily as possible, and that I desired him to give the matter immediate attention.

I may say that the letter of the Secretary brought to my attention not only the failure of Mr. Cameron and his associates to fully comply with the decrees in the cases referred to, but also the claims asserted by eight individuals said to be associates of Mr. Cameron under about 55 placer mining locations of 160 acres each on the floor of the Grand Canyon. As to these, the United States attorney was directed to institute appropriate suit or suits.

Prompt acknowledgment of my letter of instructions was made by the United States attorney. The institution of proceedings has been somewhat delayed by reason of the fact that he was engaged in important court work and for the further reason that some investigation was necessary, as was also the procuring of certain data from the local land office in Arizona. I have, however, received a report dated the 5th instant, in which the United States attorney states that motion and affidavit in contempt proceedings for violation of the injunction were that day forwarded to Phoenix for filing, and that a bill for injunction against locators of the claims on the floor of the canyon will be completed and forwarded to the superintendent of the Grand Canyon National Park for verification not later than to-day.

I have had close supervision kept of this matter, and assure you that no unnecessary delay will be tolerated.

Respectfully,

HARLAN F. STONE, *Attorney General.*

So that this letter makes it apparent that one Ralph Cameron is to-day and has been for years in litigation with the United States concerning mineral claims in the Grand Canyon National Park. Whether this Ralph Cameron who wrote the conferees is the one or not, some Ralph Cameron is party to a litigation now being carried on by the Attorney General of the United States. At the same time I have a report from the superintendent of this national park dated May 1, 1924, referring to a Mr. Steel who is in charge of Indian Gardens in the park, and who takes his orders from some Ralph H. Cameron, which says in part:

Warm weather will be here soon, and I sincerely trust that during the heated period visitors to Grand Canyon National Park may be permitted to rest and eat lunch in the splendid grove of cottonwood trees, where pure water is abundant.

Mr. Steel, the hard-boiled caretaker, is not at Indian Gardens at present, but I understand he is away on a short vacation. In his place there is a rather likeable young man, who yesterday, at least, appeared to be very courteous. It is obvious, however, that he is carrying out the instructions of Mr. Steel, for when we arrived at Indian Gardens from Phantom Ranch two hikers were resting on the benches at the lunch station, where the water has been found to be dangerous, and where we posted the signs that have been torn down.

I might say that the water at the place where tourists stop for lunch has been found to contain thousands of colonies of typhoid bacilli. The gentleman from Oklahoma [Mr. CARTER] and the gentleman from Arizona [Mr. HAYDEN] and myself drank quantities of that water, and I do not know how we got by the typhoid germs, but we did.

Mr. HOWARD of Nebraska. Mr. Speaker, will the gentleman yield there?

Mr. CRAMTON. Yes.

Mr. HOWARD of Nebraska. Would the gentleman be kind enough to locate this person Steel and this person Cameron, of whom he speaks, and tell us with just what department of the Government he is still connected officially?

Mr. CRAMTON. Steel is an employee of one Ralph Cameron and has charge of this ideal camping spot in the national park that is withheld from public use by Ralph Cameron, who holds possession without legal right. Ralph H. Cameron I am not able to identify. There seems to be difficulty, for the reason that one Ralph H. Cameron wrote a letter to the conferees in which he said that he had no interest in the control of these springs or any mineral claims, but the Ralph H. Cameron that is the employer of Mr. Steel exercises to-day that control, and under his authority the signs which the administration of the park put up to warn the public against drinking that typhoid water were torn down, probably by Mr. Steel.

Mr. WATKINS. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. WATKINS. You say you can not identify Mr. Cameron. What you mean to say is that you will not identify him? Is not that it?

Mr. CRAMTON. I am seriously handicapped by the parliamentary rules in the presentation of the matter, reference to Members of another body being forbidden.

Mr. HOWARD of Nebraska. That is entirely sufficient.

Mr. CRAMTON. Mr. Eakin in his letter states further, referring to the two hikers who were sitting there:

I asked them if they had drunk any of that water, and they replied that the man above had told them that the water at the house was unsafe, but that the water at the lunch station was safe—

That is, where it contained the typhoid bacilli. Then he proceeds:

In other words, they were deliberately misled and deliberately directed to water that is impure. This, I believe, shows you the necessity of obviating any delay possible in securing Government control at Indian Gardens.

I have a few pictures here that you can not very well see at a distance, but anyone interested in them can look at them more closely and see the disgraceful sort of shacks and wrecks that strew this most beautiful part of the trail leading down into the canyon. Visitors to the park wonder how the Government of the United States permits those things to be there. But they are on the land held by Ralph Cameron in defiance of law. I myself wonder why, after four years, with the decision of the Supreme Court of the United States declaring the invalidity of his claims, Cameron still holds possession, but he does. The present Secretary of the Interior and Attorney General now have proceedings under way to put him out.

The gentleman from Oklahoma [Mr. CARTER] and myself visited the place a year ago and we came to the conclusion that we would stop this thing, and that the Government should maintain its control over the property, no matter how high the official position or connection of the squatters might be. To fully clear up the situation it is essential the Government acquire title to this privately owned trail in the park, which is a toll trail.

Mr. BLANTON. Mr. Speaker, will the gentleman yield for a question?

Mr. CRAMTON. I will yield.

Mr. BLANTON. The House, by an overwhelming vote, backed up the gentleman in his position. I do not know anything that has transpired since that would warrant the House in receding from that position.

Mr. CRAMTON. I hope the House will not recede, but will make its position more apparent. We have again been in conference, and we can not agree.

Mr. BLANTON. There was not a single dissenting vote before.

Mr. CRAMTON. It is amazing to me that any private individual, whether in office or not, should maintain the attitude that some Ralph Cameron does maintain toward this wonderful park—a national playground. It is so contrary to the attitude of others.

The announcement of a gift of $250,000 for the purpose of constructing and maintaining museums in the national parks was made this week by the American Association of Museums which has been holding its annual conference here in Washington. The Congress has made possible the acceptance of such public-spirited benefactions by giving the Secretary of the Interior the necessary legislative authority to accept donations for national-park purposes.

With this splendid contribution park museums which will tell the story only of the parks are to be built in Yellowstone and Yosemite National Parks, and adequate funds are to be provided for their maintenance over a period of several years. In Mesa Verde Park, in southwestern Colorado, which I visited last summer, I saw the walls of a building, harmonious with its surroundings, rising under the almost loving touch of the superintendent, which is to house the relics of a prehistoric civilization which built the wonderful ruins that are preserved in this park. The funds for this building were subscribed by a park visitor, who felt the small inadequate timber structure which the Government of the United States had given funds to build was a disgrace, and out of her own means she has supplied funds for the proper housing of these invaluable relics.

These museums are supplying the demand of thousands of visitors who pour into these parks for information on the natural sciences. Specimens of the beautiful but unknown flowers growing by the wayside are to be placed in these museums, properly labeled so that the visitor may identify them in the field. The rocks and trees, and in fact all the living and growing things can thus be made known by the museums and the early historical records kept there. These museums are fountains of education, and by giving a better knowledge of our land create a stronger love for it. These invaluable adjuncts to the wonderful service that is being rendered in these national parks are being given by public-spirited citizens without a cent of cost to the Federal Government.

That is the spirit that is aroused in the normal American who comes in contact with these great playgrounds and scenic reservations. That spirit is commendable, the desire to serve the common good by private means and private effort.

In comparison, how pitiable is the exhibition of the desire to hinder the public use or to monopolize and exploit for private gain these wonder spots of the earth.

I am not going to take longer time. I am going to ask a roll call on this, because I want another body to understand that this House has determined that this intolerable situation in a great national park shall not continue, and that no amount of personal influence shall be permitted to stand in the way of the public good.

Mr. Speaker, I move the previous question.

Mr. HOWARD of Nebraska. Mr. Speaker, will the gentleman yield there for a moment first?

Mr. CRAMTON. I yield.

Mr. HOWARD of Nebraska. Will the gentleman be good enough to tell the House if this bill is being held up on any other items than this Bright Angel Trail item?

Mr. CRAMTON. The bill has been completed for two months as to everything else in the bill except this one item.

The SPEAKER. The gentleman from Michigan moves the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Michigan [Mr. CRAMTON] that the House further insist on its disagreement to the Senate amendment.

Mr. CRAMTON. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Michigan makes the point of order that there is no quorum present. It is clear there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 353, nays 1, not voting 79, as follows:

YEAS—353

Abernethy	Bacharach	Black, Tex.	Britten
Ackerman	Bacon	Bland	Browne, N. J.
Aldrich	Barbour	Blanton	Browne, Wis.
Allen	Beck	Bloom	Browning
Allgood	Beedy	Bowling	Brumm
Almon	Beers	Box	Buchanan
Andrew	Begg	Boyce	Buckley
Anthony	Bell	Boylan	Bulwinkle
Arnold	Berger	Brand, Ga.	Burton
Aswell	Bixler	Brand, Ohio	Busby
Ayres	Black, N. Y.	Briggs	Butler
Byrns, Tenn.	Greene, Mass.	McSwain	Sears, Nebr.
Cable	Greenwood	McSweeney	Seger
Canfield	Griest	MacLafferty	Shallenberger
Cannon	Griffin	Magee, N. Y.	Shreve
Carew	Hadley	Magee, Pa.	Simmons
Carter	Hammer	Major, Ill.	Sinclair
Casey	Hardy	Major, Mo.	Sinnott
Celler	Harrison	Manlove	Sites
Chindblom	Hastings	Mansfield	Smithwick
Christopherson	Haugen	Mapes	Snell
Clague	Hawes	Martin	Speaks
Clancy	Hawley	Mead	Spearing
Cleary	Hayden	Merritt	Sproul, Ill.
Cole, Iowa	Hersey	Michaelson	Sproul, Kans.
Collier	Hickey	Michener	Stalker
Collins	Hill, Ala.	Miller, Wash.	Steagall
Colton	Hill, Wash.	Milligan	Stedman
Connally, Tex.	Hoch	Mills	Stephens
Connery	Holaday	Minahan	Stevenson
Cook	Hooker	Montague	Strong, Kans.
Cooper, Ohio	Howard, Nebr.	Mooney	Strong, Pa.
Cooper, Wis.	Hudson	Moore, Ga.	Summers, Wash.
Cramton	Hudspeth	Moore, Ohio	Sumners, Tex.
Crisp	Hull, Morton D.	Moore, Va.	Swank
Croll	Hull, William E.	Morgan	Sweet
Crosser	Hull, Iowa	Morrow	Swing
Crowther	Humphreys	Murphy	Swoope
Cullen	Jacobstein	Nelson, Me.	Taber
Cummings	James	Newton, Minn.	Tague
Darrow	Jeffers	Newton, Mo.	Taylor, Tenn.
Davey	Johnson, Ky.	Nolan	Taylor, W. Va.
Davis, Minn.	Johnson, S. Dak.	O'Connell, R. I.	Temple
Davis, Tenn.	Johnson, Tex.	O'Connor, La.	Thatcher
Deal	Johnson, Wash.	O'Sullivan	Thomas, Ky.
Dempsey	Johnson, W. Va.	Oldfield	Thomas, Okla.
Denison	Jones	Oliver, Ala.	Thompson
Dickinson, Iowa	Jost	Oliver, N. Y.	Tillman
Dickinson, Mo.	Kearns	Paige	Tilson
Doughton	Keller	Parker	Timberlake
Dowell	Kelly	Parks, Ark.	Tincher
Drewry	Kendall	Patterson	Tinkham
Driver	Kent	Peery	Treadway
Dyer	Kerr	Perkins	Tucker
Eagan	Ketcham	Perlman	Tydings
Elliott	Kincheloe	Phillips	Underhill
Evans, Iowa	Kindred	Porter	Underwood
Evans, Mont.	King	Pou	Vaile
Fairchild	Knutson	Purnell	Vestal
Fairfield	Kopp	Quayle	Vincent, Mich.
Faust	Kunz	Quin	Vinson, Ga.
Favrot	Kurtz	Ragon	Voigt
Fenn	LaGuardia	Rainey	Wainwright
Fish	Lampert	Raker	Watkins
Fisher	Lanham	Ramseyer	Watres
Fitzgerald	Lankford	Rankin	Watson
Fleetwood	Larsen, Ga.	Rathbone	Weaver
Foster	Larson, Minn.	Rayburn	Wefald
Frear	Lazaro	Reece	Weller
Fredericks	Lea, Calif.	Reed, Ark.	Wertz
Free	Leatherwood	Reed, N. Y.	White, Kans.
Freeman	Leavitt	Reid, Ill.	Williams, Ill.
French	Lee, Ga.	Richards	Williams, Mich.
Frothingham	Lehlbach	Roach	Williamson
Fulbright	Lindsay	Robinson, Iowa	Wilson, Ind.
Fuller	Lineberger	Robsion, Ky.	Wilson, La.
Fulmer	Linthicum	Romjue	Wingo
Garber	Logan	Rouse	Wolff
Gardner, Ind.	Longworth	Rubey	Wood
Garner, Tex.	Lowrey	Sabath	Woodruff
Garrett, Tenn.	Lozier	Salmon	Woodrum
Garrett, Tex.	Lyon	Sanders, Ind.	Wright
Gasque	McClintic	Sanders, N. Y.	Wurzbach
Geran	McDuffie	Sanders, Tex.	Wyant
Gibson	McFadden	Sandlin	Yates
Gifford	McKenzie	Schafer	Young
Goldsborough	McLaughlin, Mich.	Schneider	
Graham, Ill.	McLeod	Scott	
Green, Iowa	McReynolds	Sears, Fla.	

NAYS—1

O'Connor, N. Y.

NOT VOTING—79

Anderson	Funk	Madden	Sherwood
Bankhead	Gallivan	Miller, Ill.	Smith
Barkley	Gilbert	Moore, Ill.	Snyder
Boies	Glatfelter	Moores, Ind.	Stengle
Burdick	Graham, Pa.	Morehead	Sullivan
Burtness	Hill, Md.	Morin	Taylor, Colo.
Byrnes, S. C.	Howard, Okla.	Morris	Upshaw
Campbell	Huddleston	Mudd	Vare
Clark, Fla.	Hull, Tenn.	Nelson, Wis.	Vinson, Ky.
Clarke, N. Y.	Kahn	O'Brien	Ward, N. Y.
Cole, Ohio	Kiess	O'Connell, N. Y.	Ward, N. C.
Connolly, Pa.	Kvale	Park, Ga.	Wason
Corning	Langley	Peavey	Welsh
Curry	Lilly	Pratt	White, Me.
Dallinger	Little	Ransley	Williams, Tex.
Dickstein	Luce	Reed, W. Va.	Wilson, Miss.
Dominick	McKeown	Rogers, Mass.	Winslow
Doyle	McLaughlin, Nebr.	Rogers, N. H.	Winter
Drane	McNulty	Rosenbloom	Zihlman
Edmonds	MacGregor	Schall	

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. Dallinger with Mr. Hull of Tennessee.

Mr. Burdick with Mr. Croll.

Mr. Kahn with Mr. Clark of Florida.

Mr. Rogers of Massachusetts with Mr. Dominick.

Mr. Ward of New York with Mr. Ward of North Carolina.
Mr. Cole of Ohio with Mr. Stengle.
Mr. Luce with Mr. Barkley.
Mr. Curry with Mr. Byrnes of South Carolina.
Mr. Clarke of New York with Mr. Upshaw.
Mr. Funk with Mr. Kvale.
Mr. Rosenbloom with Mr. Taylor of Colorado.
Mr. Vare with Mr. Doyle.
Mr. Hill of Maryland with Mr. Vinson of Kentucky.
Mr. Boies with Mr. Sherwood.
Mr. Connolly of Pennsylvania with Mr. Bankhead.
Mr. MacGregor with Mr. Park of Georgia.
Mr. Madden with Mr. Wilson of Mississippi.
Mr. Burtness with Mr. Sullivan.
Mr. Miller of Illinois with Mr. Gallivan.
Mr. Graham of Pennsylvania with Mr. Howard of Oklahoma.
Mr. Kiess with Mr. Gilbert.
Mr. Moore of Illinois with Mr. Huddleston.
Mr. White of Maine with Mr. Drane.
Mr. Ransley with Mr. McNulty.
Mr. Winslow with Mr. O'Connell of New York.
Mr. Mudd with Mr. Glatfelter.
Mr. Wason with Mr. Rogers of New Hampshire.
Mr. Winter with Mr. Morehead.
Mr. Zihlman with Mr. O'Brien.
Mr. Welsh with Mr. Dickstein.
Mr. Schall with Mr. Morris.
Mr. Morin with Mr. Williams of Texas.
Mr. Smith with Mr. Corning.
Mr. Campbell with Mr. Lilly.
Mr. Moores of Indiana with Mr. McKeown.

The result of the vote was announced as above recorded.

PERMISSION TO ADDRESS THE HOUSE

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to address the House for two minutes. Is there objection?

Mr. SNELL. Mr. Speaker, reserving the right to object, I do not like to object to any man addressing the House; but if Members could realize the pressure that is brought upon the Rules Committee to get legislation before the House, they would appreciate the position I am in at this time. The Rules Committee is willing to bring out rules as fast as the House can absorb them, and that is the best we can do. If we are going to get this legislation through, we can not yield for speeches outside of the regular order of business. I will not object now, but I do feel that in the future I shall be obliged to object.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. CONNERY. Mr. Speaker and gentlemen of the House, while listening to the President's veto message yesterday I had some very strange and ironic thoughts. I was wondering whether the President fully realized what the service men of the Nation did in the war not only to keep safe our beloved country from foreign aggression but to protect the property of the taxpayers in whose welfare the President seemed so intensely interested.

Now, knowing from past experience that this veto was what to expect, I saved a little clipping which was written by "Old Timer" in the Chicago Tribune after the late lamented President Harding had sent his veto message to Congress. I saved this clipping, knowing that the day would come when this adjusted compensation bill would be again vetoed, and I am going to offer it for the deep consideration of this House:

I remember the dawn of that cold rainy day
Our first time over the top,
How for hours we crouched in the mud of the trench
With our hearts going flippity-flop.
And at last the word came—and over we went,
Where the bullets whistled and spat;
And shrapnel screamed 'round like devils from hell,
But—nobody vetoed that.

I remember a night in a thick marshy wood,
When the boche gave a chlorine-gas ball;
We couldn't fight back, we were held in reserve,
Had to stay there and take it—that's all.
And thicker and thicker the stinking fumes grew
While we lay there sprawling out flat,
Choking and cursing—but—holding our ground;
And nobody vetoed that.

I remember the nights, when with pick and spade,
We scooped shallow graves for our dead;
No songs could be sung—there were snipers around,
Not even a prayer could be said.
We had to work fast for with coming of day
The guns would start in to chat;
Without coffins or blankets we laid them away—
And nobody vetoed that.

Now, my colleagues, I confidently hope that the membership of the House of Representatives when we vote to-morrow will rebuke the President for the gratuitous insult which he gave, in his message yesterday, to the men who bore arms for this Republic, and by an overwhelming vote will pass this adjusted compensation bill, and thus render belated justice to the service men of the United States. [Applause.]

EXTENSION OF REMARKS.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in connection with the conference report on the Interior Department appropriation bill.

The SPEAKER. The gentleman from Michigan asks unanimous consent to extend his remarks in connection with the conference report on the Interior Department appropriation bill. Is there objection? [After a pause.] The Chair hears none.

DEPARTMENT OF STATE APPROPRIATION BILL

Mr. SHREVE. Mr. Speaker, I call up the conference report on H. R. 8350, making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes, and I ask unanimous consent that the statement be read instead of the report.

The SPEAKER. The gentleman from Pennsylvania calls up the conference report on H. R. 8350 and asks unanimous consent that the statement be read instead of the report. Is there objection? [After a pause.] The Chair hears none.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1 and 2.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 13, 14, 15, 16, 17, 18, 20, 24, 25, 26, 27, 29, 30, 33, 34, 35, 36, 37, and 38, and agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$261,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$233,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "597,550"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 4, 5, 6, 7, 8, 9, 10, 11, 12, 19, 21, 22, and 23.

MILTON W. SHREVE,
GEORGE HOLDEN TINKHAM,
W. B. OLIVER,
Managers on the part of the House.

W. L. JONES,
CHARLES CURTIS,
H. C. LODGE,
LEE S. OVERMAN,
WM. J. HARRIS,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes, submit the following statement explaining the effect of the action agreed on by the conference committee and submitted in the accompanying conference report:

On Nos. 1 and 2: Strikes out the Senate language providing for the appointment of the Undersecretary of State by the President, by and with the advice and consent of the Senate, and fixing his salary at $10,000, and appropriates $1,069,600, as proposed by the House, instead of $1,072,100, as proposed by the Senate, for salaries in the office of the Secretary of State.

On No. 3: Authorizes $2,500, as proposed by the Senate, instead of $1,800, as proposed by the House, for the operation and maintenance of the launch for the embassy at Constantinople.

On No. 13: Makes available for the fiscal year 1925, as proposed by the Senate, the unexpended balance of the appropriation of $47,750 heretofore appropriated for the revision of Chinese customs tariff.

On No. 14: Makes available for the fiscal year 1925, as proposed by the Senate, the unexpended balance of the appropriation of $21,000 heretofore appropriated for inquiry into extraterritoriality in China.

On No. 15: Places in the discretion of the President the use of $6,000 of the appropriation for the International Boundary Commission between the United States and Mexico for taking over the water gauging now being done by the State of Texas, as proposed by the Senate, instead of making mandatory such use of the money, as proposed by the House.

On No. 16: Makes available for the fiscal year 1925, as proposed by the Senate, the appropriation of $15,000 heretofore made for the International Commission on Public and Private International Law.

On No. 17: Strikes out the House language making the quota of the United States for the support of the International Office of Public Health payable in gold francs.

On No. 18: Makes available for the fiscal year 1925, as proposed by the Senate, the unexpended balance of the appropriation of $20,000 heretofore appropriated for the Third Pan American Scientific Congress.

On No. 20: Appropriates $58,287, as proposed by the Senate, instead of $51,750, as proposed by the House, for contingent expenses of the Department of Justice.

On No. 24: Provides for printing and binding the official reports of the Supreme Court of the United States, and advance pamphlet installments thereof, during the fiscal year 1925, as proposed by the Senate, instead of 1924, as proposed by the House. It is merely the correction of an error.

On No. 25: Places a limitation of $150,000, as proposed by the Senate, on the amount of the appropriation of $840,00 for special assistants to district attorneys which may be expended for special counsel to enforce the national prohibition act.

On Nos. 26 and 27: Corrects the language of the paragraph making appropriations for contingent expenses of the Department of Commerce.

On No. 28: Appropriates $261,000, instead of $241,000, as proposed by the House, and $291,000, as proposed by the Senate, for commercial attachés.

On No. 29: Appropriates $400,000, as proposed by the Senate, instead of $385,000, as proposed by the House, for promoting commerce in Europe and other areas.

On No. 30: appropriates $181,000, as proposed by the Senate, instead of $166,000, as proposed by the House, for district and cooperative offices, Bureau of Foreign and Domestic Cemmerce.

On No. 31: Appropriates $233,000, instead of $213,000, as proposed by the House, and $253,000, as proposed by the Senate, for promoting commerce in the Far East.

On No. 32: Appropriates $597,550, instead of $582,500, as proposed by the House, and $625,000, as proposed by the Senate, for export industries, Bureau of Foreign and Domestic Commerce.

On No. 33: Corrects the punctuation by inserting a semicolon, as proposed by the Senate, instead of a comma, as proposed by the House.

On No. 34: Appropriates $180,278, as proposed by the Senate, instead of $158,778, as proposed by the House, for the enforcement of wireless communication laws.

On Nos. 35 and 36: Appropriates $314,300, as proposed by the Senate, instead of $250,000, as proposed by the House, for Pacific coast surveys under the Coast and Geodetic Survey, and corrects the total.

On No. 37: Makes available for the fiscal year 1925, as proposed by the Senate, the appropriation of $40,000 heretofore made for the establishment of a fish-rescue station on the Mississippi River.

On No. 38: Makes immediately available, as proposed by the Senate, $100,000 of the appropriation for additional land-border patrol under regulating immigration.

The committee of conference have not agreed upon the following amendments of the Senate:

On Nos. 4 to 12, inclusive: Making appropriations for the surviving next of kin of consular officers dying in the service.

On No. 19: Relating to subsistence expenses of employees of the Mixed Claims Commission, United States and Germany, while in a travel status.

On Nos. 21, 22, and 23: Relating to salaries of employees in the war transaction section, Department of Justice.

MILTON W. SHREVE,
GEORGE HOLDEN TINKHAM,
W. B. OLIVER,
Managers on the part of the House.

Mr. SHREVE. Mr. Speaker, H. R. 8350, making appropriations for the Departments of State, Justice, Commerce, and Labor, as it passed the House carried for items in dispute, on which the conferees have agreed, $3,117,678, and as it passed the Senate it carried $3,374,965. The conference figures now are $3,295,015. The real increase made by the Senate and agreed to by the conferees over the House bill is $177,337. There are three items that are not in agreement, and I move the previous question on the adoption of the conference report.

Mr. HUDSPETH. Will the gentleman yield for a question?

Mr. SHREVE. Yes.

Mr. HUDSPETH. I call the attention of the gentleman to page 16 of the report regarding the $6,000 which I offered as an amendment to provide for the gauging of the water of the Rio Grande. That is left discretionary with the President, and I notice the House has receded. I would like to ask the gentleman if he does not think that if this money is not expended in properly gauging the water by the Federal Government it may cost this Government $50,000,000 or $60,000,000. Why should it be left to the discretion of the President when it is really a duty upon the Federal Government?

Mr. SHREVE. I will say to the gentleman that that was an amendment put in by the Senate at the suggestion of Senator SHEPPARD, and we all know that Senator SHEPPARD is deeply interested in the gauging of this water. The Senators in conference felt that the President, having charge of the matter, would see that the gauging was done. We explained that the reason the amendment was put on the bill was for the very purpose of compelling the commission to do the gauging.

Mr. HUDSPETH. I usually agree with the Senator over there, but I think in this case he is mistaken, because I will state to the gentleman that it is not in accord with the request of the boundary commissioner, Mr. Curry, which I submitted, through a letter, to the Senator.

Mr. SHREVE. They understood fully the attitude of the House on the question. The only object we had was to enforce the gauging of the river.

Mr. HUDSPETH. That is the idea.

Mr. SHREVE. But they said under their amendment the President would see that the work was done.

Mr. HUDSPETH. I trust he will.

Mr. SHREVE. And we accepted that statement.

Mr. HUDSPETH. It is a duty upon the Federal Government and I think the Senator is mistaken in his view. I think it should be mandatory upon every President, because, I will state to my friend who suggested a similar amendment to me that I placed upon the bill and who had that much interest in the matter, that other Presidents have not seen to it that the gauging was done; and the State of Texas has had to do the gauging for several years in order to protect the Government. I would suggest to my friend that he adhere to the original amendment that I placed in the bill, making it mandatory on the Federal Government, and for once override the Senator from Texas on the proposition.

Mr. SHREVE. I am inclined to think that the Senators will live up religiously to the agreement and see that the work is done as they say.

Mr. HUDSPETH. I sincerely trust they will, but I would rather have it the other way, as the House placed it. I think it is safer for this Government, because, I will state to my friend, that the Mexican Government at all times has gauged this water and is now preparing to levy a claim, so I am informed, against this Government for excess water that they claim we have used, and therefore it is very essential that this work be done.

Mr. McKEOWN. Will the gentleman yield?

Mr. SHREVE. Yes.

Mr. McKEOWN. I desire to ask the gentleman with reference to Nos. 1 and 2, which strike out the Senate language providing for the appointment of the Undersecretary of State by the President, by and with the advice and consent of the Senate, and fixing his salary at $10,000.

Mr. SHREVE. I may say that the Senate attempted to raise the salary of this Undersecretary from $7,500 to $10,000 and the House disagreed. This is simply bringing it back to $7,500.

Mr. McKEOWN. I wish to compliment the gentleman very much on that proposition. I am absolutely opposed to paying more than Members of Congress receive for work of a similar nature.

Mr. SHREVE. Thank you.

Mr. McKEOWN. There is another question I would like to ask the gentleman: What is the necessity for reenacting and making available the balances that have not been expended out of various appropriations? For instance, unexpended balances for Pan American Scientific Congress and $15,000 for eastern trade, and I call the gentleman's attention to the unexpended balance of $21,000 for the extraterritorial inquiry in China.

Mr. SHREVE. In reply to the gentleman permit me to say that item was authorized some time ago, but due to the effects of the war that work was never accomplished, and this is simply carrying out work started a long time ago in our legal relations with China.

Mr. McKEOWN. It is not the purpose of these men to simply use up the money that has been made available?

Mr. SHREVE. Absolutely not; it was work that was delayed by reason of the war. They are treaty obligations—and there are several of them—and it was necessary to reenact them and place the department in position to carry on the regular, orderly course of business with such foreign countries.

Mr. McKEOWN. I again compliment the gentleman, because I do not like this idea of these men having money they can not expend and then wanting a little more time in which to spend it. I want them to try to save it.

Mr. SHREVE. I quite agree with the gentleman.

The SPEAKER. The gentleman from Pennsylvania moves the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. SHREVE. Mr. Speaker, I wish to call up and have read the amendments that are in disagreement.

The SPEAKER. Does the gentleman wish to take action on them?

Mr. SHREVE. I would like to have action taken on amendments 4 to 12.

The SPEAKER. The Clerk will read the first amendment in disagreement.

The Clerk read as follows:

For Carrie Kitchin Hazeltine, widow of Ross Hazeltine, late consul at Lourenco Marques, Portuguese East Africa, one year's salary of her deceased husband, who died while at his post of duty, of illness incurred in the Consular Service, $4,500.

Mr. SHREVE. Mr. Speaker, I will say that the reason we brought back these items is because they are legislation and we did not desire to establish the practice of legislating on an appropriation bill. I think the committee realizes that these are claims against the Government, and we are prepared to submit the matter to the House so it may take action upon it. It is establishing a precedent. If we are to pass items in this way on appropriation bills, it will soon become a precedent that we can not get away from. We are all anxious to keep the appropriation bills as clean from legislation as possible. So we place the responsibility squarely upon the House.

Mr. BRITTEN. Will the gentleman yield?

Mr. SHREVE. Certainly.

Mr. BRITTEN. Senate amendments 4 to 12 apply to consular officers who have died at their post of duty in the service of the Government. For 30 years this character of amendment has come to the House on various appropriation bills. I sincerely hope the managers on the part of the House will recede and concur in these nine Senate amendments. They are not out of the ordinary, but are brought back to the House only because they are legislation on an appropriation bill. Gentlemen in the House know that legislation on appropriation bills has become the custom rather than being unusual since the new rules of the House have divided the authority of the various committees. I recall that the naval appropriation bill now in conference comes to the House with much added legislation, which the conferees will probably agree to, because the legislation is not objectionable to the Committee on Naval Affairs.

Mr. SHREVE. But that legislation is to be brought back to the House.

Mr. BRITTEN. Yes; it may come back, but it is not unusual for appropriation bills nowadays to have legislation added to them, and I hope the House managers will recede and concur.

Mr. Speaker, for more than 30 years past Congress has appropriated money for the relief of the widows of deceased diplomatic and consular officers, and I now have in mind the payment to the heirs of Alexander Clark, late minister and consul general to Liberia, being one year's salary, $4,000, authorized in act of July 28, 1892. Then again on March 3, 1893, Congress authorized a payment to Mrs. Sarah O. Hanna, widow of Bayless W. Hanna, late minister resident and consul general to Buenos Aires, of $5,375. There are dozens of precedents in the succeeding years, but I will not take up the time of the House to recite them. Suffice it to say that Congress has continued to promote this form of relief for the widows of many American consular officers, and I am sure that every Member of the House will agree with me that it is the least that could be done under the circumstances. Everybody knows that our diplomatic and consular representatives are underpaid and that their sudden death very often leaves a family in destitute circumstances. I am glad to call to the attention of the House the further fact that each of the nine Senate amendments apply to cases where the consular officer actually died at his post of duty from illness contracted in the service, with the single exception of an officer who was returning home in a sick and weakened condition who died aboard ship.

Mr. Speaker, I move that the House recede from its disagreement to the Senate amendments 4 to 12, inclusive, and that it concur in the same.

Mr. SHREVE. Mr. Speaker, I move that the House recede and concur in the Senate amendments from 4 to 12, inclusive, and upon that motion I ask that all amendments be considered en bloc.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that the amendments from 4 to 12, inclusive, be considered en bloc. Is there objection?

There was no objection.

The Clerk read the amendments, as follows:

(4) For Carrie Kitchin Hazeltine, widow of Ross Hazeltine, late consul at Lourenco Marques, Portuguese East Africa, one year's salary of her deceased husband, who died while at his post of duty, of illness incurred in the Consular Service, $4,500.

(5) For Pauline M. Robinson, widow of Fred R. Robinson, late consul to Saltillo, Mexico, one year's salary of her deceased husband, who died while returning to the United States from his post of duty of illness incurred in the Consular Service, $3,500.

(6) For May Adelaide Sharp, widow of Hunter Sharp, late consul at Edinburgh, Scotland, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service, $5,000.

(7) For Ethel Roberts Loop, widow of Carl R. Loop, late consul at Catania, Italy, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service, $4,000.

(8) For William B. Kirjassoff and David M. Kirjassoff, minor children of Max D. Kirjassoff, late consul at Yokohama, Japan, one year's salary of their deceased father, who died in the earthquake and fire while at his post of duty, $3,500.

(9) For Eliza R. Scidmore, sister of George H. Scidmore, late consul general at Yokohama, Japan, one year's salary of her deceased brother, who died of illness incurred in the Consular Service, $8,000.

(10) For Frances R. Jewett, widow of Milo A. Jewett, late consul of the United States at Trondhjem, Norway, $3,500, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service.

(11) For Teresa B. Handley, widow of William W. Handley, late consul general at Callao-Lima, Peru, $5,500, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service.

(12) For Irene Gracie Pontius, widow of Albert W. Pontius, late consul general at Mukden, China, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service, $5,500.

The SPEAKER. The gentleman from Pennsylvania moves that the House recede and concur in the Senate amendments.

The question was taken, and the motion was agreed to.

Mr. SHREVE. Now, Mr. Speaker, I call up the amendment No. 19, at the bottom of page 4.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Page 25, line 21, strike out "and subsistence expenses" and insert "expenses and per diem in lieu of subsistence at not exceeding $8."

Mr. SHREVE. Mr. Speaker, I move to recede and concur in this amendment with an amendment, which I send to the desk.

The Clerk read as follows:

Mr. SHREVE moves that the House recede from its disagreement to amendment of the Senate No. 19, and agree to the same with an amendment as follows: "expense and per diem in lieu of subsistence, and the Secretary of State may allow per diem in lieu of subsistence for foreign travel at not to exceed $8."

The SPEAKER. The gentleman moves to recede, and concur with an amendment.

The question was taken, and the motion was agreed to.

Mr. SHREVE. Mr. Speaker, I desire to further insist on the disagreement to Nos. 21, 22, and 23, on page 4 of the conference report.

The SPEAKER. The Clerk will report the amendment.

The Clerk reads as follows:

Amendment 21: Page 33, line 5, strike out "one person" and insert "two persons."

Amendment 22: Page 33, line 7, after the word "annum," insert the word "each."

Amendment 23: Page 33, lines 7 to 9, inclusive, strike out the following language: *Provided further*, That the compensation agreed to be paid to any person by the Department of Justice shall be definitely fixed at the time of employment," and insert in lieu thereof the following: "but the Attorney General may fix the compensation of not to exceed eight persons at not to exceed $10,000 each."

Mr. SHREVE. I move that the House agree to the request of the Senate for a further conference.

Mr. OLIVER of Alabama. Before that is done, did the gentleman include Senate amendment 23? I was under the impression that we had reached an agreement on amendment 23.

Mr. SHREVE. I thought so myself. I thought the matter was disposed of when the gentleman from Alabama and I departed, but it seems—and I get my information from the Clerk—that they were not disposed of.

Mr. OLIVER of Alabama. In other words, they felt that all three amendments should be considered together?

Mr. SHREVE. Yes; that is my understanding.

Mr. OLIVER of Alabama. I think the gentleman will agree that it is the sentiment of the House that we should adhere strictly to insistence on the provision of the House that not more than one person in the Department of Justice be employed at a cost exceeding $10,000. That seems to be the crux of all these amendments.

Mr. SHREVE. I am glad to have the support of the gentleman from Alabama in our contention that there should be but one person employed at a rate exceeding $10,000.

The SPEAKER. The gentleman from Pennsylvania moves that the House further insist on its disagreement to the Senate amendments 21, 22, and 23.

Mr. SHREVE. Mr. Speaker, I move to concur in the request of the Senate for a further conference.

The motion was agreed to.

The SPEAKER appointed the following conferees: Mr. SHREVE, Mr. TINKHAM, and Mr. OLIVER of Alabama.

CRITICISMS OF CONGRESS

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD concerning recent criticisms of Congress.

The SPEAKER. Is there objection?

There was no objection.

Mr. McSWAIN. Mr. Speaker, several recent issues of the Literary Digest, a weekly magazine with very large circulation, have conspicuously displayed many bitter criticisms of Congress; and this was true notably of the issue of May 10, 1924. Please note carefully that this criticism is not directed at the majority—Republican—in control and responsible for the conduct of congressional business. The attack is a broad, general, and unconditional condemnation of Congress as an institution, as a governmental agency, as one of the chief creatures of our Federal Constitution.

Danger lurks in the mental attitude back of these complaints. The suggestion is unmistakable that such a useless, constantly irritating, business-disturbing agency as Congress be abolished or permanently prorogued. In a pretense of fairness the Literary Digest prints a few contrary views buried so deep in the text as not to attract attention. But the sensational, wholesale, passionate denunciations are played up far to the front to startle the eye and mind.

What can be the motive? Do such men as Judge Gary still, as Alexander Hamilton did, prefer a monarchy? Do they wish to transform the President into a dictator, an autocrat, a despot? Would they have such despotism slowly changed to a hereditary imperialism? Do they contemplate violent revolution, or a slow, silent, secret, sapping of liberty, till the people's power be enchained and militarism be enthroned? Let them either withdraw their words, confess their mistake, or stand convicted of treason to the sacred institutions our fathers set up to bless all humanity.

Congress is the most essential part of the constitutional machine. It not only must enact all laws, levy all taxes, appropriate all money, but when the Electoral College fails to function must elect the President, may remove the President or any other officer, including judges, by impeachment. Without Congress, neither the executive nor judicial department could ever function a single day.

Corruption in government does not creep in through congressional action or judicial decisions. History shows that in all countries and ages, as in our own, corruption springs up through the executive or administrative department. There is a reason. In Congress everything said is public for all to hear and printed for all to read. A jealous and ambitious minority is always watching every move of the majority, anxious to expose a fault. So in the courts the hearings are public and decisions written and printed in book form. There are two adversaries mutually and usually bitterly opposed in every court proceeding. There is simply no opportunity for corruption.

Generally wherever corruption in Members of Congress has been established it has been in conjunction with corruption of some executive or administrative officer. It has been due to some corrupt conspiracy between one executive and a Congressman relating to such matters as pardons, public lands, or public property, such as surplus war material, or permits, privileges, or franchises under executive control, or the division of the salary of some executive office. Corruption between Members of Congress regarding legislative business is entirely unknown, not even suspected or charged by the enemies of Congress.

The reason that corruption in government nearly always is found to exist in the executive branch is manifest. Executive acts, decisions, and orders are made in secret. Both sides are not publicly represented. There are no galleries "listening in." There is no stenographer taking down every word to be printed and scattered abroad. Here is the opportunity for corruption, and history, both past and present, shows that where the opportunity exists it is employed to the great financial benefit of the executive office holder. Such opportunity exists par excellence in the income tax bureau and prohibition enforcement unit. Does corruption exist there? If not, then only fear of exposure by a congressional investigation prevents it.

Consequently, the great duty of preserving the full limit of congressional power to investigate every thing and everybody connected with the Government, at any time. Most of this present tirade against Congress arises from the proper, necessary, and effectual investigations of executive corruptions that Congress has conducted.

The Literary Digest, having virtually challenged us to defend Congress created by the Constitution, I felt impelled to send a letter to its editor, and I herewith print same for the information of the public:

The EDITOR OF THE LITERARY DIGEST:

I feel a duty to answer your request for a statement—very brief it must be—fearing lest silence may be misconstrued to the prejudice of the liberties of America. I do not defend, nor would it be becoming to me, the personnel of the present Congress. I, too, would change the Republican majority to a Democratic majority. But the sentiments to which you are giving such wide circulation go deeper; they strike at Congress as an institution; they condemn parliamentary government. When you link together Bolshevism and Congress as joint destructive agencies, when you disseminate sentiments that "the worst thing we have is our American Congress," you necessarily argue the destruction of Congress. Indeed, one writer in The Chronicle of April 26, 1924, following the implications of Elbert H. Gary's statements, suggests that "Congress and all State legislatures take a five-year recess." He goes on to say: "We will never have a stable business situation until we have a stable government." Again: "Can business ever prosper in the true and complete sense with this vulture gnawing at its vitals?"

Did Judge Gary and his disciple writing in the Chronicle think "Congress the worst thing in America," "Congress a vulture," when in 1921 Congress enacted the high protective tariff law now in force? Do they regard the tariff as class legislation promoted by a selfish tariff bloc? I respectfully suggest that the trouble with Judge Gary and the other tariff beneficiaries is that they do not agree with the present majority in Congress regarding surtax rates on incomes, adjusted compensation for ex-soldiers, and restrictive immigration. They failed to suggest in April, 1921, that Congress should then take a five-year recess before it reduced the surtax rates and raised the tariff rates.

Judge Gary and those who think as he does are evidently entirely out of sympathy with popular government, with a parliamentary system, and therefore do not like our American institutions. They manifestly prefer an autocracy either of one man or a few, either Italian, Spanish, or Russian. Their great teacher and leader, Alexander Hamilton, in his day preferred the English Government for its "autocratic stability." But doubtless Judge Gary and his sympathizers regard the present English Parliament, which is the entire English Government—legislative, executive, and judicial—as worse even than the American Congress.

Judge Gary and his school forget that the essence of parliamentary government, of congressional government, of American Government, is majority rule by compromise. No one man nor set of men less than a majority can have their own sweet way. By compromise independence was finally declared and achieved. By compromise the Constitution was finally formulated and adopted and the National Capital located. By compromise the Nation has developed swiftly and mightily.

But some seem to think that suddenly American institutions have become all wrong. While there is restrictive immigration, there is not restriction on emigration; expatriation is an American doctrine. We should bless, not curse, the hand that feeds us.

Judge Gary and his school are following a dangerous course—"Worst things" ought to be changed. Thus they imply that Congress ought to be abolished, not merely recess five years. What would they have in its stead? "Aye, there's the rub." Does Judge Gary wish a "big business soviet"? Does he seek an American Mussolini? Is he organizing the American fascisti? Or does he prefer General Rivera and the methods of Spanish militarism? To dissolve and dismember the American Congress would be revolution. When a revolution starts where will it stop? But Judge Gary must remember that all revolutions start with words, thoughts, ideas, followed finally by deeds—violent deeds. Judge Gary is using the words and suggesting the ideas.

Let me respectfully but earnestly suggest an idea to Judge Gary and others who hastily and thoughtlessly repeat his words: Revolutions are decided by numerical, physical man power; not by money power, as elections are sometimes decided. As Senator Tillman used to say, "When skull cracking commences all men's skulls look alike." Judge Gary must remember that a hundred thousand Regular Army soldiers can not overwhelm a hundred million American people and hold them in restraint. He can not count on the National Guard and the organized reserves to help the Regular Army subjugate the American people.

Then, most earnestly do I plead for patience, tolerance, and the spirit of "give and take," the spirit of Washington, Jefferson, and Lincoln. The only hope for invested capital and the vested interest is in the American constitutional system, including both Federal and State Governments. Of this system, the legislative branch, to wit, Congress and all State legislatures, is the bedrock. The preservation of the American legislative system, including the fullest power to investigate everything and everybody at any time, is essential and indispensable to the preservation of American liberty, and liberty is more precious than life.

Let Judge Gary and his disciples reread and remember the American history, English history, French history, German history, Italian history, Russian history, Roman history, Biblical history, and rejoice that we still have an American Congress.

Let not Judge Gary and other "big business men" give any just cause for others to say of them as was said of the "big business men" of France long ago—"the Bourbons never learn anything and never forget anything."

Finally, let me suggest that the remedy is not to destroy the Congress, but to clean it out—not burn the barn to be rid of the rats. Let all men, including even Judge Gary, give their personal time and attention, not merely their money, to their civic and political duties. Let our ablest and cleanest men run for Congress, and, if necessary, let some of them forego the huge financial returns from industrial leadership, and, if elected, go into Congress to exemplify before the country their ideal of how a Congressman should function. Congress is not an abstract institution—it is composed of 531 human beings; so we are dealing with an individual and personal problem.

My personal experience and testimony is that Members of Congress, with rare exceptions, are able, honest, and patriotic men, but hoping to be reelected by a majority of the men and women in their respective districts; they will not take orders from any one man, though as rich as Judge Gary, or as able and learned as Dr. Nicholas Murray Butler.

J. J. McSWAIN.

The majority of all who love free institutions, and who therefore feel a deep protest against an attack upon the only direct representation the people have in the Federal Government, are voiceless. They have no great newspapers and magazines; but here is a letter from one of them:

A TIMELY PROTEST

GRAND FORKS, N. DAK., *May 12, 1924.*

Hon. JOHN J. McSWAIN, M. C.,
Washington, D. C.

DEAR SIR: It was with deep concern and regret that I read a recent statement made by Judge Gary that "the worst thing we have in this country is Congress"—the Congress that was founded on the principles of true democracy, conceived in the faith that all men are created equal and therefore entitled to a voice in the making of those laws with which we are governed; a Congress that had its genesis in the cradle of liberty, that shone as a beacon light throughout the world in those dark days when life and liberty and the pursuit of happiness were purchased with the blood of our forefathers, and which since then has withstood the vicissitudes of civil war, governmental corruption, invasion of the doctrine of hate and anarchy, and that has made America the greatest nation on earth.

Shall we now tolerate utterances from men who regard themselves greater than Congress, that destroy the faith and confidence in that branch of our Government that we have learned from childhood to revere and respect? Shall they be permitted to malign and libel the men ordained as Representatives of the people, who are conscientiously endeavoring to serve all the people for the good of all, and, above all, restore the confidence of the people by stamping out dishonesty or any semblance of dishonesty among those who retain the stewardship of public office?

Is it possible that these "supermen"—and we do not refer particularly to Judge Gary—feel chagrined at their inability to control the destiny of the people through control of Congress, that they may either guide the lawmakers to do their bidding for the protection and gain of their own private interests, or prevent them from passing legislation demanded by the big majority that might somewhat impair these private interests? At least these men give vent to their spleen in such a manner as to foster and encourage that growing tendency in this country to disregard law and order and those institutions founded by the fathers of this Nation.

Can it be that we have a "supergovernment" ruled by such men as Judge Gary and Julius Barnes, who regard the Constitution as a "scrap of paper"? Woe be unto this Nation if the people become convinced of this! There is no doubt that these men, by virtue of their positions and influence, wield a big power in the Government, and I want to protest most vigorously against the position they take toward a measure that is the crying need of America to-day, for it involves the very life and existence of the most important industry in this country, agriculture.

* * * * * * *

Yours very truly,

GEO. E. DUIS,
President North Dakota Wheat Growers' Association.

INLAND WATERWAYS CORPORATION

Mr. SNELL. Mr. Speaker, I call up House Resolution 279, a privileged report from the Committee on Rules, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 279

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 8209, to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by those favoring and opposing the bill, the bill shall be read for amendment under the five-minute rule. At the conclusion of the reading of the bill for amendment the committee shall arise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SNELL. Mr. Speaker, this resolution simply provides for the consideration of H. R. 8209, to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes. Under authority granted by Congress during the war the President took over a majority of the railroads and a good many of the steamboat transportation lines of the country. Under the special authority of that act he was granted power to take over these boats, barges, and steamboats and also to build additional ones to meet the demands of the Government. Because of the shortage of transportation facilities, he was obliged to buy a considerable number at war costs. When we passed the

1920 transportation act turning back the railroads to the individual owners, it was provided in sections 201 and 500 of that act that the Secretary of War should conduct, for the present at least, such transportation facilities as the Government then owned on the Lake Erie Canal, the Black Warrior River, and the Mississippi River. It has been found by actual working that it is practically impossible for the Secretary of War to carry out in an efficient way the provisions of that law, and it seems to be absolutely necessary, if we are going to get as good results as possible from the operation of these various lines, that there should be an independent corporation formed, of which the Government should own all the stock, to take over and operate these lines in accordance with the direction of Congress. The Government at the present time owns all of the barges, and so forth, and this act provides for a corporation with a capital of $5,000,000, and the Government shall own all of the stock. As a matter of fact, it simply puts the Government in a position to operate these various lines in an efficient, businesslike way, and under same conditions as any other private organization. As far as I know, there is no opposition to this general proposition. It comes as a unanimous report from the Committee on Interstate and Foreign Commerce.

Mr. NEWTON of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. NEWTON of Minnesota. There has been a rule reported out from the Committee on Rules in respect to increased hospitalization. Can the gentleman advise the House when we may expect that to be called up?

Mr. SNELL. Either late this afternoon or to-morrow morning. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. DENISON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 8209) to create the Inland Waterways Corporation, for the purpose of carrying out the mandates and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8209, with Mr. TILSON in the chair.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read the title of the bill.

Mr. DENISON. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois to control one-half of the time in favor of the bill.

Mr. RAINEY. Mr. Chairman, may I have the other half of that time? I am not opposed to the bill, but there are some features of it that I would like to discuss.

Mr. DENISON. Mr. Chairman, I understand there is no one on the committee who is opposed to the bill. I do not know that I could yield him half of the time, because I think there are some gentlemen on that side who want to discuss the bill.

Mr. GARRETT of Tennessee. Mr. Chairman, no time was taken in the debate on the rule, practically, and it seems to me it might easily be agreed here to extend the time a little in the Committee of the Whole by unanimous consent, so that the gentleman from Illinois [Mr. RAINEY] might have some time. If I had known the gentleman from Illinois desired time, I should have asked for it on the rule and arranged to give him some.

Mr. RUBEY. Mr. Chairman, I would like to have 5 or 10 minutes' time, but I do not want it on this bill.

Mr. GARRETT of Tennessee. Of course, debate is confined to the bill under the rule.

The CHAIRMAN. If no member of the committee claims the right as opposing the bill, the Chair will recognize the gentleman from Tennessee to control half the time.

Mr. GARRETT of Tennessee. I am not opposed to the bill.

The CHAIRMAN. The Chair understands that.

Mr. RAINEY. I am not opposed to the bill, but there are some features of it I want to discuss that I am not in favor of.

Mr. DENISON. It is satisfactory to me if the gentleman from Tennessee controls one-half of the time, and then he can yield such time as he desires to the gentleman from Illinois.

The CHAIRMAN. Without objection, the gentleman from Tennessee will control the time in opposition to the bill.

There was no objection.

Mr. DENISON. Mr. Chairman, I desire to proceed until I complete my statement without interruption, because I do not want to take up all of the time. Some of the other members of the committee desire an opportunity to express their views.

This is a question of transportation, and preliminary to an explanation of the bill I shall say just a few words upon the question of transportation. There is no question more important to the American people than that of transportation. The welfare of the entire country depends upon it, and the question of transportation is a question that is going to be before Congress for its attention for some time to come. About $20,000,000,000 is invested in the railroads, it is claimed, and freight rates are very high. That fact comes home to every family in the country. I have serious doubts whether there is any chance or any hope to get a material reduction in railroad freight rates in the country in the near future.

Mr. Markham, president of the Illinois Central Railroad, has stated that the railroads are going to require $10,000,000,000 for improved facilities in the next 10 years, or at the rate of a billion dollars a year. I do not see how they are going to get the money. I think it is impossible, because that will make the railroad investment at least $20,000,000,000, and rates will have to be fixed so as to give a reasonable return on the investment, if they ever expect to get the money. So I think it is impossible. Mr. Rhea, one of the great railroad men of the country, stated that the transportation necessities of the country double every 10 years, which is in harmony with the statement of Mr. Markham. If these facts are true, the railroads are going to be unable absolutely to take care of the country's transportation of the future. So the problem will be up to Congress to provide some sort of transportation facilities to accommodate the commerce, the industry, and the economic development of this country in the future.

How are we going to do it? Transportation has become more and more specialized, and it is going to become more so. We are developing highways, building hard roads, building feeders for the railroads, and motor haulage has to take care of a certain class of transportation; it is bound to do so. If we had not the hard roads and motor haulage in this country, the railroads could not now take care of the transportation of the country. We have to improve the roads and use motor haulage and furnish feeders for the railroads. Now, then, the railroads have to handle a certain class of transportation that can not be handled either by motor haulage or water haulage. But there is a class of freight that the railroads ought not to be expected to handle and will not in the future handle, and that class must be handled by the rivers and canals of the country. Transportation is going to become more and more specialized as the country develops and industries increase, and those who have studied the subject carefully, I think, will agree that the future needs of the country absolutely make it imperative that the Government improve the rivers and inland waterways and take some appropriate action to rehabilitate water transportation.

The older countries have found this to be so. Germany has 8,500 miles of improved waterways; France has 8,600 miles of improved waterways, and 25 per cent of all the freight of the Republic of France is transported on its waterways. Forty-one per cent of all the freight that goes into the great city of Paris goes on the Seine River. There is also the little country of Belgium, which has about 1,500 miles of improved waterways. Those countries have found their industrial development depended absolutely upon the development of their waterways, and they are honeycombed with canals and improved rivers. As we increase in population and as our business and industries increase we ought to develop our great system of waterways in this country. The railroads alone can not meet the situation. And so that problem is our problem, and it is up to us to provide for a system of water transportation.

Now, let me give you a few figures which perhaps some of you may know, but may have forgotten. We have expended in this country, I find on making some investigation recently, $1,058,453,343 in the development of rivers and harbors already. We have expended something over $600,000,000 in the development and improvement of rivers alone. Let me give you these illustrations: We have expended on the improvement of the Warrior River, which runs from above Birmingham down to Mobile, about 419 miles—we have expended on that river and its 17 locks $10,271,295, and that project has been completed.

That is a completed project. We have expended on the Mississippi River from the head of the Passes up to the mouth of the Ohio River $137,920,738, and from the mouth of the Ohio to the mouth of the Missouri about $21,681,600, and from the mouth of the Missouri to Minneapolis $34,402,000, so that upon the Mississippi River system we have expended about $194,004,338, according to the best figures I could get from the engineers. On the Ohio River we have expended about $89,542,389, and on the Missouri River $19,027,500. Now, we have expended all this money on the theory that we are going to make these rivers navigable and put commerce back on them. There still remains a great deal of work to be done. The Mississippi River is practically completed from the mouth of the Ohio to the head of the Passes.

Mr. LINTHICUM. Will the gentleman yield?

Mr. DENISON. I will.

Mr. LINTHICUM. The gentleman mentioned the amount of money spent on river and harbor improvement. I want to state that we have spent considerable money at Miami, and constituents of mine established a steamship line to Miami; and just as soon as they began to make it a success the railroads got in and asked the Interstate Commerce Commission to allow them to reduce their rate so they could compete with the boats, and how can you ever establish water transportation so long as that exists?

Mr. DENISON. That is one of the problems Congress is going to have to take hold of, and I hope we may find a solution to it very soon.

Mr. LAZARO. Will the gentleman yield?

Mr. DENISON. I will.

Mr. LAZARO. I know the gentleman is quite a student of waterways. Now, in view of what the gentleman has stated here, does not the gentleman think it is the duty of Congress to pass a river and harbor bill before we adjourn?

Mr. DENISON. I do; I think the river and harbor bill ought to be passed before Congress adjourns. Now, the problem which the gentleman from Maryland mentions is one that ought to be solved, and I think it will require additional legislation; but that is not entirely pertinent to the bill we are now considering.

I mentioned these expenditures for the improvement of rivers for the purpose of showing that Congress has expended a great deal of money for the development of water transportation. The Mississippi River has about 6,520 miles that can be improved into a navigable waterway—that is, the Mississippi River system, that runs right through the heart of the country, can be easily made into a navigable waterway system of that length.

Now, we are spending money each year to complete these projects. What is the purpose of it? What has all this been for? It is for the purpose of restoring commerce to our waterways, to relieve the railroads of their strain, and to cheapen transportation. And it will cheapen transportation. I will tell you why: The cost of transportation by railroad on the average is about 10¼ mills per ton-mile; on the rivers the Government is now hauling freight at an average of 3¼ mills per ton-mile, so that you can carry freight on the rivers at about one-third of what you can carry it for on the railroad.

Mr. MORTON D. HULL. Mr. Chairman, will the gentleman yield?

Mr. DENISON. Yes.

Mr. MORTON D. HULL. When you figure the cost of hauling freight on the waterways do you figure it on the cost of opening up the waterway and the improvements, or just the actual transportation?

Mr. DENISON. The actual transportation costs.

Mr. MORTON D. HULL. Well, the cost of transportation as figured on the railways includes the interest on the bonded indebtedness and all the construction costs.

Mr. DENISON. Yes; that is true, but we have always improved our rivers and harbors from the Federal Treasury as a national policy.

Mr. KINDRED. Mr. Chairman, may I suggest to the gentleman the value of fully verifying the statements through the verification of the United States Board of Engineers and other most reliable sources as to the great amount saved?

Mr. DENISON. Yes. All countries have found it so, and we are going to find it so, that if you expect to get cheap transportation in this country—and you must have it—you have got to get it by water.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. DENISON. Yes.

Mr. WILLIAMSON. I understand that on the Warrior River as well as on the Mississippi River the Government is transporting freight at 3¼ mills per ton-mile, but that the business on the Warrior River has been running at a loss ever since they began. Have they reached the point where they can pay the expense and make a profit?

Mr. DENISON. The reason why the barge line on the Warrior River has not been operated at a profit is on account of certain conditions that exist there, and it is the purpose of this legislation to enable the Government to remove those conditions. If we can enact this legislation and give the Government a chance to carry out its program, freight can be carried on the Warrior River at a profit to the Government and at a great saving in transportation charges to the people.

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield?

Mr. DENISON. Yes.

Mr. LINTHICUM. Does not this put the Government in competition with private owners?

Mr. DENISON. No. There are no private owners that are now operating on these rivers.

Mr. COLE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. DENISON. Yes; I yield to the gentleman from Iowa.

Mr. COLE of Iowa. When you speak of the cost of water transportation, have you counted in the expense of improving the waterways and the maintenance and depreciation, or do you approximate that?

Mr. DENISON. Those items are not considered as part of the costs. The navigable rivers belong to the Government and are under the direct supervision of the Government, and we have to develop them for national defense purposes if for no other.

Now, I want to proceed with the discussion of the bill after these preliminary statements. This vast investment that we have made in the development of our waterways and the additional amount that will be required to complete them will not accomplish anything unless it succeeds in putting transportation back on the rivers. In the old days we had transportation on the Mississippi River and other rivers. There were packet steamers that went along and used such channels as they could find. But the days of such transportation have passed. The transportation that we are going to have on our waterways in the future is through an entirely different class of transportation facilities. We are using now the barge system, where we can haul bulky and heavy freight that does not require much speed, and where you can haul immense quantities with a small amount of power.

During the war the Government came into possession of various facilities for transportation on the Mississippi River and other rivers. The Government took them because the railroads had fallen down and were unable to carry the commerce of the country; and we resorted to every possible means of transportation. Among other things, we took over tugs and barges on the rivers, and anything that we could get, at any price we could get them for. Of course, we had to take them at high prices during the war. The Government then began to increase its facilities for water transportation, but it was done at war prices; and when the war ended and we began to settle up our accounts we found quite a large number of barges and towboats and other water craft in the possession of the Railway Administration which had been taken over during the war. Something had to be done with them. We handled that question in the transportation act—section 201 of the act of 1920. That act provided that all such facilities that the Government had come into possession of should be turned over to the Secretary of War, and he was given a mandate to operate them on the Mississippi River and the Warrior River as a transportation system.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. DENISON. In a moment. He was told in that act to operate them as a private transportation company, and he has been doing so the very best he could since the passage of the transportation act.

Now I yield to the gentleman.

Mr. ABERNETHY. Does the act apply only to the Mississippi River?

Mr. DENISON. No; it applies also to the Warrior River.

Mr. ABERNETHY. We had a very substantial boat line operated by the Government from Baltimore to Newbern, N. C. That was gobbled up by somebody and taken off. Colonel Ashburn had charge of it. I notice here that he has given you certain information. I want to support the gentleman's bill, but if we have the same bad luck as we had on our waterway over here between Baltimore and Newbern it does not look very encouraging to me.

Mr. DENISON. That was a separate transportation company taken over by the Government as we did the railroads.

Mr. ABERNETHY. They got about half a million dollars' worth of property and sold it to a lot of irresponsible people. I had the matter from Colonel Ashburn, and I never have had a satisfactory explanation of what became of it.

Mr. DENISON. I am unable to give the gentleman from North Carolina any definite information about it, except that the Government turned back all these transportation facilities to the owners, and I presume they have been trying to operate them. Since then the Secretary of War has been operating these barges on the lower Mississippi from St. Louis to New Orleans, and on the Warrior from Birmingham to New Orleans. He has been operating them with some considerable success and now and then some considerable loss due to special conditions; but he has found that in the management of this immense business he is surrounded with so many limitations that surround all management by a Government bureau or a Government department that he can not operate them with any considerable success, and he feels that additional legislation should be enacted to enable him to carry out the mandate of Congress in a businesslike way and with a fair chance of success.

Mr. McKEOWN. Will the gentleman yield?

Mr. DENISON. Yes.

Mr. McKEOWN. Does the gentleman have any information that the Secretary of War has changed his opinion with reference to privately operated affairs of the Government since he made the statement that he was in favor of selling the Panama Railroad and the Warrior River barges?

Mr. DENISON. I think I am in a position to advise the gentleman from Oklahoma that the Secretary of War, after further and mature consideration, has somewhat modified his views on that subject, and he is very anxious to have this legislation enacted.

The Secretary of War, in the operation of this barge system, has been carrying freight from St. Louis to New Orleans, and, through railroads connecting with the barge line, we have been carrying freight from 35 different States. Only about 20 per cent of the amount of freight that is being carried on the barge lines originates at points on the rivers. The freight is being sent from Kansas, Nebraska, Colorado, and other States, even from Ohio, Indiana, Michigan, and Wisconsin. That freight is sent to St. Louis and Cairo, Ill., and there loaded onto the barge line and transported down the river to New Orleans and to other parts of the world. They have been doing an immense business, but with increased facilities and improved business methods, which it is intended to give them by this legislation, the business of the barge lines can be wonderfully increased and the savings to the shippers of the country can be greatly increased.

Mr. McKEOWN. Will the gentleman yield for a further question?

Mr. DENISON. I yield.

Mr. McKEOWN. What difference will there be as to the losses? Who will have to pay the losses under this incorporation?

Mr. DENISON. What losses does the gentleman mean?

Mr. McKEOWN. The losses in operating the barges.

Mr. DENISON. Well, if they sustain any losses the Government will have to pay them just the same as it is paying them now.

Mr. McKEOWN. The Government does sustain losses now in the operation of these barges, does it not?

Mr. DENISON. No. Sometimes it sustains losses and at other times it has large earnings.

Mr. SHALLENBERGER. The reports and the testimony before the committee show that for the entire year there has been a profit to the Government in this operation.

Mr. DENISON. Yes; even under all these difficulties we have been making a fair profit.

Mr. McKEOWN. Then what is the necessity for a change?

Mr. DENISON. I am going to explain that. If the gentleman will allow me to proceed without interruption I will try to explain it to his entire satisfaction.

Mr. SHALLENBERGER. If the gentleman will permit, I would like to ask this question. I wonder whether the gentleman has stated to the House that the Committee on Interstate and Foreign Commerce has unanimously reported this bill?

Mr. DENISON. Yes. The committee gave very careful consideration to this bill; the hearings are contained in a fairly good-sized volume, and it has been favorably reported by the unanimous vote of the committee. The bill is wholly nonpartisan. It is a businesslike bill; it is trying to put some business methods into this business the Secretary of War is trying to conduct under the mandate of Congress.

In the last 30 months, gentlemen, this little barge line, with its poor facilities and under all the difficulties with which it has been surrounded, has saved to the shippers of the country the sum of $2,123,770 in freight rates. You understand, I suppose, that the barge lines carry freight at 80 per cent of the parallel rail rate, and the parallel rail rate along the Mississippi River is only about 60 per cent of the average freight rate of the country. So you can see what a saving it means to the shippers of the country to be able to use these facilities of water transportation.

Mr. MANSFIELD. Will the gentleman yield?

Mr. DENISON. Yes.

Mr. MANSFIELD. Is it not a fact that people away from the river get the benefit of those reduced rates on freight that goes over the river?

Mr. DENISON. That is true. There is an immense amount of wheat that comes in from Kansas, Nebraska, and Iowa. It is shipped to St. Louis, and is there transhipped to the barges, and then it goes down the river for shipment to other parts of the world. The McCormick Harvester Co. is using the barge line very extensively now to ship their products to all parts of the world. As I said a moment ago, freight is being carried from practically every congressional district between the western border of Pennsylvania and the Rocky Mountains. They are all using this barge line in order to get the advantage of the cheap freight rates.

Now, the value of this matter is this: The Government is carrying on a pioneering enterprise in water transportation. We are carrying on an experiment. We are trying to demonstrate to the people of the country the efficiency, the value, the practicability, and the economy of water transportation. However, there are certain problems connected with water transportation which must be solved before private capital will invest in water transportation facilities. Those problems are so difficult and so great that it is the judgment of those who have made a study of this subject that the Government itself must solve them before private capital will again become interested.

Now, that is what we are trying to do. We have expert men handling these barge systems; they are working on the problems that are preventing the rehabilitation of water transportation; and just as soon as we can work those things out and solve those problems there is no doubt at all but that the private capital of the country will seek this investment and put transportation back on the rivers of the country just as fast as we can go ahead and complete the navigable channels.

Let me tell you what some of those problems are, if I have the time to do so: In the first place, before we can get transportation back on the rivers of the country we have to complete the navigable channels.

We have to have navigable channels, and the Government is carrying on that work from time to time; what we ought to do is to see that it is done as systematically and as rapidly as possible, because we can never restore transportation to the rivers until we complete the navigable channels. That is the first thing.

The next problem to work out is appropriate equipment. You have to have one sort of facility for the Mississippi River, for instance, and it takes an entirely different facility for the Warrior River, and it will take a different kind of a boat or barge for the Missouri River, and perhaps a different kind for the Ohio River. The Warrior River has 17 locks and only barges of a certain type can go through the locks. The upper Mississippi River has a certain depth of channel. The barges that are suitable for the lower Mississippi will not be suitable for the upper Mississippi. All these problems have to be worked out by engineers and require experimentation, and that is what we are doing.

Private capital can not afford to take the chances of loss in the working out of these problems, and our engineers are working on them. We have lost some money in the process of developing these things. We have built barges and found out after they were built they were not properly adapted to the place where they were to be used and could not be used there. There are immense engineering problems that must be worked out and that is one of the things the Government is undertaking to do in the operation of this barge system on the Mississippi and Warrior Rivers. That is the second problem.

Mr. LINTHICUM. Will the gentleman yield for one other question?

Mr. DENISON. Yes.

Mr. LINTHICUM. Did I understand the gentleman to say that the parallel railroad rates along the Mississippi are only 60 per cent of the regular rates?

Mr. DENISON. Of the average rail rates of the interior.
Mr. LINTHICUM. Only 60 per cent of them?
Mr. DENISON. Yes.
Mr. LINTHICUM. Then the balance of it has to be made up from the interior parts of the country?
Mr. DENISON. That is exactly true. That suggests another one of our problems, and that is the difficult one. That is the thing, gentlemen of the committee, that really stands in the way of rehabilitating water transportation.
Transportation was driven off of the river by the railroads years ago.
Mr. LINTHICUM. Will it not be driven off again if that situation continues?
Mr. DENISON. We are hoping not. That is one of the problems that is up to Congress to solve. Years ago the Government permitted the railroads to reduce the rates along the rivers so that gradually transportation was driven off of the rivers. Of course, the interior of the country pays the loss back to the railroads. That is the system that has become entrenched, and private individuals can not dislodge it. It is a problem for the Government to solve and that is one of the things this barge service is now undertaking to do.
In the first place, you have got to have interchange rates between the railroads and the rivers, and the railroads are reluctant to give up any part of their business to a water transportation system; generally they will not do it unless they are made to do it. Some of them are voluntarily doing it now, but only a very few, and therefore it is up to the Government, I think, to take such proceedings before the Interstate Commerce Commission as will compel proper interchange arrangements with the railroads.
Then there is the further question of a proper division of the joint rates between rail and water transportation facilities. That is a problem that requires proceedings before the Interstate Commerce Commission. It will take several years to work it out, but until all these problems are solved, private capital will not invest in expensive transportation facilities on the rivers. [Applause].
The CHAIRMAN (Mr. MICHENER). The time of the gentleman from Illinois has expired. By consent of the committee, the opposition time is to be controlled by the gentleman from Tennessee [Mr. GARRETT]. Mr. GARRETT has requested that the gentleman from Kentucky [Mr. BARKLEY], a member of the committee, be recognized to control the time, and the Chair will recognize the gentleman from Kentucky [Mr. BARKLEY].
Mr. RAINEY. I may say, Mr. Chairman, that the gentleman from Kentucky [Mr. BARKLEY] yielded the time to me.
The CHAIRMAN. By consent of the House, then, the Chair recognizes the gentleman from Illinois [Mr. RAINEY] for 30 minutes.
Mr. RAINEY. Mr. Chairman and gentlemen of the committee, I have listened with great interest to the explanation of this bill and the necessity for it given by my colleague from Illinois [Mr. DENISON]. I am an enthusiastic advocate of river transportation. I have for 20 years voted for every river and harbor bill presented to the Congress and for every proposition remotely connected with transportation by water in this country, and I am going to vote for this measure. But I conceive that I can render the best service in this matter at this time by calling attention to the failures of this service and to the reasons for the failures.
I know I can not amend this bill. I know it can not be defeated in this House, and I do not want to defeat it, but I want to put in the RECORD some facts that may lead to a material reformation of the bill when it reaches the Senate.
I agree with everything my colleague has said as to the necessity for developing the rivers and as to the approaching possibilities of river transportation, but this bill in its present form and under the present method of controlling these barges will, I think, result in injury rather than benefit to this service. I want now to call attention to some of the losses which have been sustained through the operation of these barge lines. It is true, as has been stated by my colleague, that nearly every congressional district in the Mississippi River Valley has contributed freight to this barge line.
It is true that a substantial saving has been made, just as he has stated, to the shippers of freight, but I want to tell you how much it has cost the Government to do it. According to the evidence submitted and the report of the committee, the loss of operating these barges on the lower Mississippi River, counting the loss during the war, is $1,320,000. The loss of operating these barges on the Warrior River, including the loss during the war, is $1,783,000, making a total loss of operating the barge lines on these two rivers up to date, according to the testimony of the Secretary of War, $3,103,000. This does not include interest on the amount that the Government has invested in barges, nor on the losses it has sustained. We can add to this total a million dollars, if we compute the interest at the rate of 4½ per cent.
In addition to that the Government has loaned to cities along the route of these barges $887,000 for the purpose of assisting these cities in erecting river terminals. Of course, if the barge service is not a success, the Government will not get any of that money back, although it goes as a loan. That makes $887,000 additional. In other words, estimating now the losses from operating these barge lines, the total loss will be $4,990,000, or, in round numbers, $5,000,000. This does not account for all of it, because they have been buying other equipment as it has been offered them. I do not know how much they own now and the hearings do not disclose, but a careful audit as to the method of conducting these barge lines will disclose that probably the Government's loss up to this time is $7,000,000 or $8,000,000.
Now, this bill authorizes an appropriation of $5,000,000. Unless this amount is appropriated this transportation service must stop, because it has failed. In other words, we will be asked to appropriate in order to continue the lines in service as much as I have shown we have already lost, and this will be necessary in order to continue the barge lines for a certain period in the future—and I do not believe under the present management they will run for five years. If the bill is passed, we are to promote a colonel of the Coast Artillery, who is now in charge of the operations of the barge line, over all other officers and give him the rank of a major general of the Army and his salary.
Mr. SHALLENBERGER. A brigadier general.
Mr. RAINEY. A brigadier general, with a salary of $10,000, ignoring the engineers of the service who have usually been connected with the operation of rivers. I know that we could take an engineer if we wanted to.
Mr. WINSLOW. Will the gentleman yield?
Mr. RAINEY. I will.
Mr. WINSLOW. I am not offering anything in opposition to what the gentleman is saying, but I want to find out if he really had in mind that the bill contemplated the appropriation of $5,000,000 in real money.
Mr. RAINEY. Yes; it does.
Mr. WINSLOW. Hardly.
Mr. RAINEY. What kind of money is it going to be?
Mr. WINSLOW. The proposition is to take the property that is floating around in the assets of the War Department, bring them together and transfer as a matter of bookkeeping to the corporation which will have the keeping of the $5,000,000. Nobody ever expected $5,000,000 new money would be appropriated. It will be an accounting matter, and only a small part of the $5,000,000 will be needed in cash, and then not all at one time. It authorizes the use of that money, the purpose being to make the corporation an institution that can borrow money in time of a shortage and relieve the situation, and not to come to Congress to get money when it needs it, as it might take three months' time.
Mr. RAINEY. It will probably result in a Government appropriation very soon, because no private party is going to loan on a losing proposition any amount of money.
Mr. WINSLOW. I am not going to argue the matter with the gentleman. I am telling him what the bill means.
Mr. RAINEY. I am obliged to the gentleman for his contribution to my speech, and he always makes a valuable contribution whenever he interrupts.
Mr. DENISON. Will the gentleman yield?
Mr. RAINEY. I will.
Mr. DENISON. In reference to what the gentleman said about appointing a colonel of the Coast Artillery.
Mr. RAINEY. I said you could appoint an engineer if you wanted to do it.
Mr. DENISON. The promotion of the engineer during the management of this concern only means a nominal increase. It is an increase in quarters, because he has reached the point where his salary would be about the same.
Mr. RAINEY. That is immaterial, I do not care anything about that. It is not important, but there are other matters exceedingly important.
Mr. WILLIAMSON. Will the gentleman yield?
Mr. RAINEY. I yield.
Mr. WILLIAMSON. The gentleman has mentioned certain leases, including leases during the period of the war. Do I understand from the gentleman that he contends these barge lines on the Mississippi have been running at a loss since the war?

Mr. RAINEY. I think they have; yes—oh, yes.

Mr. WILLIAMSON. I thought it was stated that they have been running at a loss on the Warrior River, but that they were making money on the Mississippi.

Mr. RAINEY. The report makes that statement, but it does not comply with what the Secretary in his testimony has said. Of course, the greatest losses were during the war, and occasionally for a month or two when the river is high they run at a profit when they have made prior arrangements for freight.

Mr. DENISON. Oh, the gentleman is entirely wrong. The only time when they lost money was when the river got so low that a barge was hung up and they sustained a loss, but nearly always when no accident of that kind happened they made a handsome profit for the Government.

Mr. RAINEY. Part of the time they made a profit and part of the time they sustained a loss, and the losses exceeded the profits; and the losses I have stated correctly, according to the testimony of the Secretary of War. This is the reason why they have not succeeded better; we constructed these barges as they construct barges on the slack-water canals and rivers, and lake systems of New York. We had that kind of an engineer. He constructed that kind of barges. These barges were intended to operate and carry full loads in a channel 8 feet deep between St. Louis and Cairo. According to the testimony of Colonel Ashburn, the boats when loaded drew 8 feet 3 inches. In other words, they deliberately designed boats for use on the lower Mississippi between St. Louis and Cairo which could not operate on the lower Mississippi between those cities because they drew too much water. In order to meet this situation—and this was a serious mistake—it has become necessary for this service to run shuttle boats between St. Louis and Cairo during a large portion of the time, according to the testimony of the Secretary, and then transfer the barge to the deeper-draft Government propelling boats, and this involves much additional expense. In addition, these barges are built with what we call a bluff bow or slack-water bow, and when you try to propel a barge of that kind upstream it meets with a tremendous pressure from the current of the river as it flows on down toward the sea. As a result, the operation is slower and it costs more money. The Government steamers which were built—and there are 40 of these barges and 6 of these steamers—the steamers were all built with screw propeller of the tunnel type. On the Mississippi River, as any Mississippi River pilot will tell you, they must follow the channel, either in going up or down the river. That channel winds back and forth. The driftwood on the river also follows the channel, and the driftwood becomes entangled in these propellers, which are on each side and on the end of the boat, and that causes trouble. So these boats were improperly designed and constructed in about every other particular, in addition to the fact that they were constructed so that they drew more water than there was in the river.

The Secretary of War has been endeavoring to make a demonstration as to the possible success of barge service on the Mississippi River with the result I have indcated so far in my remarks.

I call attention to another feature of this problem. In the report submitted with this bill I find the following language:

> During the war the Government entered into a contract with a private individual in St. Louis for the operation of a system of barges on the upper Mississippi above St. Louis. Under the terms of the contract, the Government was to construct the barges and towboats and turn them over to this individual to be operated between St. Louis and St. Paul. It was thought advisable at that time that this service be inaugurated for the purpose of bringing ore from the North to St. Louis and transporting coal from St. Louis to the North.

I do not know where my colleague obtained that information. I can not find it in the hearings, and I ask him now where he obtained the facts on which he bases that statement?

Mr. DENISON. Does the gentleman mean with reference to what it was used for?

Mr. RAINEY. No; in reference to the contract under which the barges were seized, being entered into during the war.

Mr. DENISON. Does my colleague have reference to the date of the contract?

Mr. RAINEY. Yes; in the report it is simply said that during the war the Government entered into a contract with a private individual in St. Louis.

Mr. DENISON. I do not know that I could put my finger on where I got the information, but I understood that he entered into that contract during the war.

Mr. SHALLENBERGER. It was made with Mr. Goltra during the war. Mr. Goltra appeared before the committee and made his statement.

Mr. RAINEY. But you did not get it from him.

Mr. DENISON. I have the information from other sources; I could not state where.

Mr. McKEOWN. Was that the controversy out of which they were trying to put a man in jail for contempt of court?

Mr. RAINEY. No; I do not think anybody was put in jail. I have here a photostat copy of the contract, and it was made on the 28th of May, 1919, after the war was over. This is the contract under which these boats were being operated at that time, and it was not made during the war. I have a photostat copy of that contract here.

Mr. SHALLENBERGER. It was made under the war administration by the Secretary of War.

Mr. RAINEY. It was made after the war was over.

Mr. SHALLENBERGER. Under the war powers given the Director of Railroads.

Mr. RAINEY. It was made on the 28th of May, 1919, and the war ended on the 11th of November, 1918. I want to tell now how this happened and something about the seizure of these boats and something about the boats themselves. During the war the War Department found itself short of 4,000,000 tons of pig iron. We were preparing for a war of long duration. At first we expected it to last 11 years, and they were short 4,000,000 tons of pig iron, and the existing facilities were not sufficient to manufacture 4,000,000 tons additional of pig iron. Therefore they commenced to look about to see how it could be done. They found that the Mississippi Valley Iron Co., operated in St. Louis, was the only company with which they could enter into a contract, and so they called Mr. Goltra, who was at the head of that company, to come here to Washington and talk the matter over. He agreed to produce that amount of pig iron by assembling at St. Louis iron ore from the Mesaba Range and coking coal from West Virginia, using the rivers.

And the Government agreed to build four blast furnaces in St. Louis in addition to the blast-furnace equipment the Mississippi Valley Co. already had. So that this contract the Government entered into required the building of 19 barges and 4 propelling steamers. Then the war ended abruptly, and the Government never built the blast furnaces, but the Government was committed to contracts which involved the completion of these barges and these propelling steamers at an expense of $3,860,000. Mr. Goltra was entirely relieved from his contract; there was nothing else for the Government to do; and so the officials of this Government sent for him. He came and finally, as a result of their solicitation, he agreed to take off their hands these 19 barges and 4 propelling steamers at the time of their completion. That was the occasion of this contract. I have it here. Under this contract he agreed to give bond for $300,000 and to take these barges and operate them as a common carrier on the rivers. Then he agreed to take all the profits from the operation of these barges and deposit them in such banks as the Government might indicate, these banks to be bonded. He was not to get a dollar out of this contract; he took the chances of loss. He was compelled to keep the boats insured against destruction from fire and all kinds of accidents, including collisions, and he was required to keep up this equipment as the Government might dictate and to operate the boats as a common carrier, and to put every dollar of the net profits in such bonded banks as the Government might indicate, to remain there for a period of five years, and at the expiration of that five years, if he earned a profit equal to $3,860,000 and the interest on it—he was to be charged 4 per cent interest during all of that time—that amount would be applied to the payment of the barges, and the barges were to be his if he wanted them. If that much money was not deposited out of the profits at the end of the five years, there was to be an appraisal of these barges to determine their value at the time, and he was to have the option of taking the barges at the appraised value. He entered into a bond of $800,000 to carry out this contract. Now, that looked fair enough. It was not going to cost the Government a dollar.

Mr. Goltra is a successful business man. He has had to do with large enterprises, and he could make this a success if anybody could. If he does not make it any more of a success than the Government in operating these barges, he stands to lose three or four million dollars in the next four or five years. I want to tell you what happened after this contract was made. After this contract was entered into and the barges were completed and delivered to him he went to the Secretary of War and told him he was ready to operate as a common carrier and asked the Secretary of War what rate he could have as a common carrier—and I will print in the RECORD this original contract to show what the terms are—and the Secretary said to him, "I want you to operate these boats on the upper Mississippi

River alone." This contract provides he can operate on the Mississippi River or any of its tributaries. He started in to operate on the upper Mississippi River and did operate successfully there. While the Government barges could not be operated successfully on the deeper depths of the lower river he was making a success on the upper river. He was making a success of it because these barges, when they are loaded to carry 1,300 tons, draw 5 feet of water, and when the Government barges are loaded with 1,300 tons they carry 7 feet of water; and, as my colleague has stated, the Government must have different kinds of barges to use on different rivers. These barges will operate on any of the inland rivers. Finally he got the Secretary to agree to let him operate as a common carrier on the lower river at 20 per cent below the rail rate, provided he carries only coal, sand, oil, and one or two other commodities of that kind. The Secretary agreed that he could operate there as a common carrier and carry package freight or anything he wanted to carry, but not at 20 per cent less than the rail rate. He must carry those things at the rail rate; and there is plenty of evidence I can find for this statement—he must operate at the rail rate. The reason for it, of course, is apparent; there can not be any question about what the reason for it was; these Government barges had failed.

They had tried to make it a success by operating the Government barges with a shuttle boat connecting with the barges at the greater depths of the lower river at Cairo. The Goltra boats could run through from Minneapolis or from St. Louis and then on down the lower stretch of the river to New Orleans at all seasons of the year and carry 1,300 tons on each barge each trip. The Goltra barges were built as he wanted them built. He knew something about operating boats on rivers. He had made a demonstration in 1917 for the Government by taking the old barges and running them up to Minneapolis and back again. This was an expensive process. It cost him over $12,000 to do it. So he knew something about building barges for use on the Mississippi River. During the war he suggested these barges be built not with the blunt, bluff bows, but with what is known as spoon-shaped bows. The current strikes that oval part of a barge of this type and then slips off on either side. They built the propelling towboats with stern wheels to keep them from being injured by driftwood. If a successful demonstration were to be made at all with barges on the Mississippi River, it must be made with the Goltra barges. But in spite of all these difficulties placed in his way by the War Department, and this is one objection to operating a utility of this kind by the Government, in spite of all this, he was quite ready to operate these barges, even though he was not permitted to carry at 20 per cent less than the rail rate, but was required to carry the valuable package freight at the rail rate, and the Secretary has testified that is where the profit is. That is part of the record. Now, bear in mind this contract which permitted him to operate as a common carrier on the Mississippi River and its tributaries, gave the Secretary of War the right to fix rates, and the Secretary of War said to him:

> You can not operate as a common carrier unless you operate with these more valuable freights at exactly the rail rates.

I want to read to you an extract from a notice served on Mr. Goltra on the 3d day of March, 1923:

> You are hereby notified that in my judgment you have not complied with the terms and conditions of said contracts in that you have failed to operate the said towboats and barges as a common carrier and in other particulars.

Now, the Secretary states in his testimony that "he was advised that this was the case." Mr. Goltra replied at once to the notice and refused to return the barges. Then they waited, Colonel Ashburn, of the Coast Survey, until the 25th day of March, and that was Sunday. On that day, with revolvers strapped about him, Colonel Ashburn, at the head of 42 armed men, boarded the Goltra barges, drove his captains and men off, and captured the barges, and moved them to the other side of the river, where, he was advised, they would be out of the jurisdiction of the court in St. Louis and where writs could not be served on him. A writ was served on him, however. He refused to accept it, and they threw it down at his feet. The court ordered the barges returned, but he did not bring them back to the jurisdiction of the court until April 20 following. Then he brought them back. He applied for a writ of prohibition, and the case was argued here before the Supreme Court of the United States, and I have here the opinion of the Supreme Court of the United States. The opinion was rendered on the 10th day of December last, refusing a writ of prohibition and confirming the jurisdiction of the courts in St. Louis.

These barges and towboats are still held by the Government. We are operating these Government barges for the purpose of making a demonstration that barge service on rivers can be successful—for the purpose of inviting private capital to enter into this service on the rivers and to finally take over these barges. But with armed men the War Department drove from the Goltra barges the captains and the crews employed by Mr. Goltra. Is this the way to get private capital to invest in boats for our rivers?

EXTRACT

1. This lease, made this 28th day of May, 1919, between the United States of America, represented by Major General William M. Black, Chief of Engineers, United States Army, directed by the Secretary of War so to represent the United States, hereinafter designated as the lessor, party of the first part, and Edward F. Goltra, of the city of St. Louis, State of Missouri, hereinafter designated as the lessee, his heirs, executors, and administrators, party of the second part, witnesseth that—

Whereas the party of the second part at the request of certain Government officials as an emergency of war, in order to increase the output of pig iron, made certain arrangements for iron ore and coal properties with a view to producing pig iron at St. Louis, Missouri; and

Whereas the United States Shipping Board Emergency Fleet Corporation allotted to the Chief of Engineers the sum of $3,860,000 for the construction of a fleet of towboats and barges for the primary purpose of transporting the said iron and coal to and from St. Louis, Missouri; and

Whereas on the 1st day of August, 1918, the United States of America entered into contracts for the construction of nineteen barges suitable to use for the transportation of said iron ore and coal; and

Whereas the United States of America is about to construct by contract or otherwise a fleet of towboats for the purpose of towing the said barges, the construction of which in the opinion of the Secretary of War is necessary to enable the Government to dispose of the said barges more advantageously; and

Whereas the said fleet of towboats and barges is especially designed for and adapted to the transportation of iron ore and coal; and

Whereas the said lessee has entered into various engagements and undertakings to increase the pig iron supply as a war measure, which may have created, and according to the contention of the lessee did create, obligations on the part of the United States to the said lessee, but which he entirely releases and discharges in part consideration of this lease, which engagements, undertakings, and lease are in furtherance of the original design for the assembling of coal and iron ore at St. Louis, Missouri, and for the increase of pig iron facilities.

Now, therefore, the said lessor doth hereby charter and lease unto the said lessee for a term of five (5) years, beginning with the date of delivery to the lessee of the first barge or towboat and terminating five (5) years after the delivery of the first barge or towboat the following-described property, viz:

Nineteen barges which are being constructed under contracts dated August 1, 1918, with the Marietta Manufacturing Company, of Point Pleasant, W. Va., the Dravo Contracting Company, of Pittsburgh, Pa., and the Dubuque Boat & Boiler Works, of Dubuque, Iowa, and three or four towboats about to be constructed and described in accordance with specifications prepared or to be prepared therefor.

It is thereupon covenanted and agreed between the said parties as follows:

2. (a) That the said lessee shall operate as a common carrier the said fleet of three or four towboats and nineteen barges upon the Mississippi River and its tributaries for the period of the lease and of any renewals thereof, transporting iron ore, coal, and other commodities at rates not in excess of the prevailing rail tariffs, and not less than the prevailing rail tariffs without the consent of the Secretary of War; but nothing herein shall be deemed to prevent the most profitable and most advantageous use of said vessels being made provided the Secretary of War consents to such use other than as a common carrier.

(b) That the lessee shall pay all operating expenses of the fleet and maintain, during the continuance of the lease, each towboat and barge of the fleet in good operating condition to the satisfaction of the lessor, and shall hold the United States entirely free from all liabilities and indebtedness of every kind in connection with the operation, care, and maintenance of the entire fleet and all its engines, boilers, outfit, tackle, apparel, furniture, and appurtenances; and the lessee shall, without unnecessary delay, as soon as he acquires any knowledge thereof, discharge any and all maritime liens that may at any time during the continuance of this lease from any cause arise against or become impressed upon any one, any or all of the fleet of nineteen barges and three or four towboats. The lessee shall procure and take out for the benefit of the United States insurance, both fire and marine, in such an amount as in the judgment of the Secretary of War each of the vessels may require and with such underwriters or in such companies as are approved by the lessor, insuring each and every one of the barges and towboats against physical injury to them, or any of

them, and against the loss of any or all of the barges and towboats hereby leased. The lessee shall likewise procure and take out fire, marine, and towers liability insurance in such an amount as in the judgment of the Secretary of War each of the vessels may require with such underwriters or in such companies as shall be approved by the lessor, and for the benefit of the United States, insuring each of the vessels against such injury as may be inflicted by such vessel upon other property, such as might result in maritime liens, or in liability or obligation by the lessor and, if the lessor shall require, execute and deliver to the lessor a bond in the penal sum of three hundred thousand ($300,000.00) dollars, conditioned to protect the United States against such liability or obligation and against any and all maritime or other liens against the fleet or any of the vessels of the fleet and against any and all depreciation in value of all or any of said vessels, by reason of maritime or other liens arising or becoming impressed upon them or any of them. Such bonds as in any part of this contract are required to be given by the lessee for the benefit of the United States shall always and at all times during the continuance of this lease be kept good and shall be replaced at any time by other good and sufficient bonds at the request of the lessor, and they shall be kept good not only against the impaired credit or financial responsibility of the obligor or surety, but also against partial depletion or entire exhaustion thereof brought about by the payment of losses or indemnities thereunder.

(b-1) All salvage earned, to which any of the said fleet shall become entitled, shall be for the benefit of the United States, after deducting all expenses incident thereto and the proportion due to the master, officers, and crew.

(c) For the protection of persons furnishing materials, services, and labor in connection with the operation, furnishing, repair, care, and maintenance of the said towboats and barges the lessee shall furnish to the lessor and continue in effect during the period of the lease, and in case of sale until title passes to the purchaser, a good and sufficient bond, approved by the lessor, in the penal sum of two hundred thousand ($200,000) dollars.

3. The net earnings above operating expenses and maintenance for each and every ton of cargo moved and all other net earnings shall be turned over by the lessee to the Secretary of War as soon as practicable after each proper determination of the amount thereof, but at least every ninety days, for deposit with the Treasurer of the United States to the credit of the Secretary of War in a special deposit account and shall continue so to be turned over to him and so deposited by him until such time as said net earnings shall equal the full amount of the cost of the several vessels of the fleet plus interest on said cost at 4 per cent per annum computed from the respective dates of delivery of the several vessels of the fleet and that thereafter all net earnings over and above the full amount of the said cost of the several vessels of the fleet, plus interest on said cost at 4 per cent per annum, shall be deposited to the credit of the Secretary of War at least every 90 days by the lessee in one or more national banks in St. Louis, Missouri, to be designated by the lessor, to be held for the fulfillment of the terms of this lease, provided that earnings derived from the transportation of commodities in barges hereby leased, moved by towboats not furnished by the United States, shall until all vessels of the Government fleet are delivered to the lessee be subject to deduction of cost of the hire of the necessary towboats to move said barges, in addition to any other operating expenses and maintenance in connection therewith.

The lessee shall keep accurate detailed accounts of all tonnage moved and of all moneys received and due and of all items of operating costs, and his accounts shall at all times be subject to inspection by the lessor or his representatives. The overhead expenses included in operating costs shall be subject to the approval of the lessor, and any items not approved by him and to which the lessee may object and take exception shall be referred to the Secretary of War, whose decision shall be final.

4. The approved national banks shall be required to furnish good and sufficient bonds, approved by the lessor, in penal sum in amounts at least equal to the sum deposited, conditioned for the safety of the funds held on deposit, as provided in this lease, said bonds to be delivered to the custody of the lessor and to be maintained during the period of deposit. The said banks shall credit to the account interest at the local prevailing rates of nonchecking accounts.

5. Within three months prior to the expiration of the lease, or of any period of renewal, or sooner if so desired by the lessee, a board of three persons shall be appointed, one to be designated by the lessor, one by the lessee, and one by the said two members, unless they shall fail to agree, in which case the third member shall be appointed by the Secretary of War, all of whom shall be familiar with the construction and cost of river vessels of steel and with the current market values thereof, to appraise the value of the said fleet at that time, and the said lessee shall be given the option of purchasing the fleet upon the following terms:

(a) If the funds turned over to the Secretary of War and deposited by him with the Treasurer of the United States, under section 3 of this lease, shall aggregate a sum equal to the full amount of the cost of the several vessels of the fleet, plus interest on said cost at 4 per cent per annum as aforesaid, then in case of the exercise of said option by the lessee said funds shall be applied to payment in full for the fleet, and any net earnings over and above the amount required for such payment on deposit in said bank or banks, provided in section 3 of the lease, or otherwise held on deposit, shall be paid to the lessee.

(b) If the funds turned over to the Secretary of War and by him deposited with the Treasurer of the United States, under section 3 of this lease, shall be less than the full amount of the cost, plus accrued interest at the rate of 4 per cent per annum on such cost, but greater than the appraised value, the funds shall in said event be applied to payment of the fleet at the appraised value, and any amount in excess of the appraised value shall be retained by the Secretary of War for the use and benefit of the United States; and the fleet shall thereupon become the property of the lessee.

(c) If the funds turned over to the Secretary of War and by him deposited with the Treasurer of the United States, as provided by section 3 of this lease, shall be less than the appraised value, then in the event aforesaid such funds shall be applied to the payment of the fleet so far as they shall reach, and the lessee shall pay in addition thereto, in the manner specified in section 6 hereof, the amount whereby the aggregate funds so turned over to the Secretary of War fall short of the said appraised value.

6. It is further covenanted and agreed that the method of payment of any amount which the purchaser shall be required to pay, and not provided for out of the sums deposited to the credit of the Secretary of War, shall be as follows:

There shall be sixteen (16) payments. The first shall consist of all moneys on deposit to the credit of the Secretary of War, as indicated above, and shall be so applied at the date of the sale. The lessee shall execute for the balance fifteen (15) promissory notes, in equal amount, payable at the expiration of one year, two years, three years, etc., from date of sale, with interest at 4 per cent per annum. Title to the property shall remain in the United States until the payment of the whole of the purchase price of said property.

7. It is understood and agreed that the lessee assumes full responsibility for the safety of his employees, plant, and materials, and the said nineteen barges and three or four towboats, and for any damage or injury done by or to them and from any source or cause in the operation of the fleet.

8. The lessor reserves the right to inspect the plant, fleet, and work at any time to see that all the said terms and conditions of this lease are fulfilled, and that the crews and other employees are promptly paid, monthly or oftener; and noncompliance, in his judgment, with any of the terms or conditions will justify his terminating the lease and returning the plant and said barges and towboats to the lessor, and all moneys in the Treasury or in bank to the credit of the Secretary of War shall be deemed rentals earned by and due to the lessor for the use of said vessels.

9. In the performance of the conditions of this lease, the employment of persons undergoing sentences of imprisonment at hard labor which have been imposed by courts of the several States, Territories, or municipalities having criminal jurisdiction is prohibited.

10. No Member or Delegate to Congress or Resident Commissioner, nor any person belonging to or employed in the military service of the United States, is or shall be admitted to any share or part of this contract, or to any benefit which may arise herefrom; but under the provisions of section 116 of the act of Congress approved March 4, 1909 (35 Stats. 1109), this stipulation, so far as it relates to Members of or Delegates to Congress or Resident Commissioners, shall not extend or be construed to extend to any contract made with an incorporated company for its general benefit.

In witness whereof the parties aforesaid have hereunto placed their signatures the date first hereinbefore written.

WILLIAM M. BLACK, [SEAL.]
Major General, Chief of Engineers, U. S. Army.
(First party.)

Witness:
JOHN STEWART,
Lt. Col. of Engineers.

EDWARD F. GOLTRA, [SEAL.]
(Second party.)

Witness:
THOS. J. JENNSEN,
Lieut. Col. of Engineers.

The insertion of the words "three or" in the thirteenth and nineteenth lines of page 2, the seventh line of page 3, and the fifteenth line of page 7 are correct and were made before the contract was completed.

WILLIAM M. BLACK,
Maj. Gen., Chief of Engr.
(First party.)
EDWARD F. GOLTRA,
(Second party.)

It is further understood and agreed between the said William M. Black, Chief of Engineers, United States Army, and Edward F. Goltra, parties of the first part and of the second part, respectively, of the above contract, that the number of towboats to be supplied under the above contract, denominated "three or four" therein, shall be at least three, and that a fourth shall be supplied only in the event that four suitable towboats of the general type and power described in the request for proposals now being canvassed for four towboats for the upper Mississippi River can be obtained with the funds available as specified in the second whereas of the above contract, and not otherwise.

WILLIAM M. BLACK.

Witness:
JOHN STEWART,
Lt. Col. of Engineers.

EDWARD F. GOLTRA.

Witness:
JAMES M. HOFFMAN,
Capt., Engrs., U. S. A.

(War Department, engineers. Form 19b)

Whereas on the twenty-eighth day of May, 1919, a contract was entered into between Major General W. M. Black, Chief of Engineers, U. S. Army, who, as well as his legally appointed successor, is hereinafter designated as the lessor, representing the United States of America, of the first part, and Edward F. Goltra, of the city of St. Louis, State of Missouri, his heirs, executors, administrators, or assigns, hereinafter designated as the lessee, of the second part, for chartering and leasing unto the lessee for a term of five years, subject to renewals, nineteen (19) barges and four (4) towboats, belonging to the United States.

And whereas it is found advantageous and in the best interest of the United States to modify the said contract as hereinafter specified, for the following reasons:

To more fully provide for the operation of the said barges and towboats as a common carrier by providing unloading facilities at St. Louis, Mo., by the use of funds remaining from the allotment of $3,860,000.00 from the United States Shipping Board Emergency Fleet Corporation, and to provide for the sale of the said unloading facilities to the lessee under certain conditions.

Now, therefore, the said contract is, by this supplemental agreement between Maj. Gen. Lansing H. Beach, Chief of Engineers, United States Army, and the said contractor, on this 26th day of May, 1921, hereby modified in the following particulars, but in no others:

The lessee will, at his own expense, within eight months from the date hereof provide the necessary tract of land and runway on which the said unloading facilities are to be erected, stand, and operate, said tract to be selected by the lessor, subject to approval by the lessee, and said runway to be built according to plans submitted by lessee and approved by the lessor.

The lessor will erect on the said tract of land an unloading apparatus or facilities of a kind and character mutually agreed to by lessor and lessee as sufficient and adequate to handle the cargoes to be transported by the said barges and towboats.

The said lessee shall, at his expense, maintain and operate the said unloading facilities in connection with the barges and towboats as a common carrier, subject to such charges for services of loading and unloading as may be approved by the Secretary of War.

The said lessee shall take out and maintain for the benefit of the United States insurance in such amount and with such companies as may be approved by the lessor.

The terms of the original lease as to net earnings (par. 3), appraisement and option to purchase, and conditions of purchase (par. 5), method of payment in the event of purchase (par. 6), inspection (par. 8), shall govern so far as applicable and pertinent to the said unloading facilities.

In case the said lessee, his heirs, administrators, executors, or assigns does not take over and pay for the said unloading facilities according to the aforesaid terms, then and in that case the lessor may, without let or hindrance by the said lessee, his heirs, administrators, executors, or assigns, take said unloading facilities in the same manner as is provided in the original lease as to the barges and towboats; or

In case the lessor does not desire to remove the said unloading facilities under the preceding paragraph the lessor shall have the right to lease the land and runways on which the unloading facilities stand for five years with the privilege of renewals, the terms of such lease, if not mutually agreed to by the lessor and lessee, to be fixed by a board of three persons, one member to be selected by the lessor, one member by the lessee, and one member by agreement between the two aforesaid members.

This supplemental agreement shall be subject to the approval of the Secretary of War.

In witness whereof the parties aforesaid have hereunto placed their signatures at the time of execution of this agreement.

LANSING H. BEACH,
Major General, Chief of Engineers.

Witness:
P. J. DEMPSEY.

EDWARD F. GOLTRA.

Witness:
THOMAS M. ROBINS,
Major, Corps of Engineers.

[Executed in triplicate]

Aproved May 27, 1921.

J. M. WAINWRIGHT.

Approved: ——— ———, 192—.

———— ————,
Assistant Secretary of War.

CONSENT OF SURETY

We, ——— ———, bondsmen for the due performance of a contract dated ———, 192—, between the United States, represented by ——— ———, Corps of Engineers, U. S. Army, and ——— ——— for ———, hereby give our full consent to the attached supplementary articles of agreement, dated ———, 192—, providing for ———.

Supreme Court of the United States

(No. 23, original—October term, 1923)

In the matter of the petition of the United States of America, as owner of 19 barges and 4 towboats. (December 10, 1923.)

Mr. Justice McKenna delivered the opinion of the court.

Motion on part of the United States, as asserted owner of 19 barges and 4 towboats, praying a writ of prohibition to be directed to the Hon. C. B. Faris, a judge of the district court, eastern division of the eastern judicial district of Missouri, and the other judges thereof, to prohibit him and them from asserting and exercising jurisdiction in a certain suit brought March 25, 1923, by Edward F. Goltra against John W. Weeks, Secretary of War, and other officers of the United States, in which it was averred that a contract was made between the United States, represented by Maj. Gen. William M. Black, Chief of Engineers of the United States Army, as lessor, and Goltra, as lessee, whereby the boats and barges (then under construction by the United States) were leased and chartered to Goltra for the period of five years from the date of delivery of the boats and barges to him, Goltra, upon the payment of certain periodical rentals and a compliance by Goltra with other terms and conditions.

The suit by Goltra, the pleadings in which are detailed in the petition, was brought to determine his rights under the contract and a supplement to it.

The contract was preceded by negotiations between Goltra and representatives of the Government, particularly with the War Department and the then Secretary of War, which included, among other things, the construction of a fleet of towboats and barges in the then emergency of war. But after the signing of the armistice and the emergency of war had ceased, other negotiations were had between Goltra and the War Department and the Secretary of War, and a lease was made—the contract above—whereby the boats and barges were leased to Goltra, by him to be operated on the Mississippi River and its tributaries as a common carrier, he to pay all operating expenses, to take out fire and marine insurance, and incur and discharge other obligations.

On May 28, 1919, the supplement to the contract was entered into between Major General Beach, then Chief of Engineers of the United States Army, the successor of Black.

On March 3, 1923, Weeks, as Secretary of War, undertook to cancel the contract for the noncompliance by Goltra, as lessee, with its terms and conditions, and demanded the return of the boats and barges to the United States; and the defendants, on March 25, 1923, unlawfully took possession of some and were about to take possession of the remainder of them.

There was a prayer by Goltra for a temporary restraining order against such action or against any action interfering with his possession. There was also a prayer for a temporary injunction against any act whatsoever looking to the cancellation and termination of the lease or the retaking of the boats and barges taken before the attempted cancellation of the contract. The prayer was that upon final hearing a decree be entered in favor of Goltra to determine his rights under the contract and to perpetually enjoin the defendants from interfering in any way with his rights thereunder.

A mandatory order was issued as prayed, and an order to show cause why a temporary injunction should not be issued.

In response to the order to show cause, the Attorney General filed suggestions against the jurisdiction of the court, and subsequently the other defendants made returns to the order averring that the suit was in purpose and effect one against the United States and its property.

A motion was made in accordance with the representations. It was overruled and the defendants granted time to plead.

It is alleged in the petition that, unless restrained, the district court judge will proceed with the cause and issue an injunction as prayed by Goltra, and that such order will deprive the United States of the possession and use of boats and barges of the value, approximately, of $3,800,000.

Prohibition was prayed as above stated.

The return of Judge Faris to the petition concedes some of its allegations and denies others. It denies the character described to Goltra's suit. It alleges that there is a right of possession of the boats and barges in Goltra, and that while his bill was in course of preparation the defendants in the suit were proceeding with a large force of men to take from him and remove from St. Louis the boats and barges that remained in his possession. And that the suit was not one against the United States, but against individual defendants who were proceeding in violation of law. And it is averred that there is an adequate remedy by appeal.

The answer of Goltra to the petition is presented with elaborate detail of fact and argument. In foundation and essence it is the same as that of the district court. The opinion of the court, which was oral, is attached to it. The opinion cites that of Judge Baker in United States Harness Co. v. Graham et al., in the District Court for the Northern District of Virginia.

The merits of the case present interesting questions. The question of the remedy is, however, the more insistent. Does the case justify it? Prohibition is a remedy of exigency and in exclusion of other process of relief. It is directed against unwarranted assumptions of jurisdiction or excesses of it. In some cases there may be instant judgment that such is the situation and the writ granted. In other cases there may be doubt and the writ denied. (Ex parte Muir, 254 U. S. 522, 534.) And doubt in the instant case would seem to be justified, for two district courts have decided that under the circumstances such as presented in this case it does not involve or constitute a suit against the United States. And also the writ is to be denied if there be remedy against the action complained of by appeal.

Ex parte Oklahoma (220 U. S. 191) and cases cited is a complete exposition of the writ and its uses. The opinion in that case observed the distinctions of prior cases; that is, that the writ is a remedy against unwarranted assumptions of jurisdiction and that, besides, the condition of its issue is that the party attacking the jurisdiction has no other remedy. In other words, the writ can not be made to perform the office of an appeal or writ of error. Are the decisions applicable here?

There was submitted to the court the contracts and their construction and effect—whether under them the United States or its officers retained property in the boats and barges or whether that property was transferred with the right of possession to Goltra. The court so construed them, adjudging Goltra's right to the property and, necessarily, his right to the possession of it, and that he was entitled to an injunction to protect that possession pending the suit. From that decision there was right of review by appeal, and it would be timely and adequate for relief if the decision were erroneous. (Judicial Code, sec. 129; United States Fidelity & Guaranty Co. v. Bray (225 U. S. 205, 214); Denver v. New York Trust Co. (229 U. S. 123, 136); Ex parte in the Matter of Chicago, Rock Island & Pacific Railway Co. (255 U. S. 273).)

Writ denied.

A true copy.

Test:

_____,

Clerk, Supreme Court United States.

The CHAIRMAN. The time of the gentleman from Illinois has expired. All time has expired.

Mr. RAINEY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That for the purpose of carrying on the operations of the Government-owned inland, canal, and coastwise waterways system to the point where the system can be transferred to private operation to the best advantage of the Government, of carrying out the mandates of Congress prescribed in section 201 of the transportation act, 1920, as amended, and of carrying out the policy enunciated by Congress in the first paragraph of section 500 of such act, there is hereby created a corporation, in the District of Columbia, to be known as the inland waterways corporation (hereinafter referred to as the "corporation"). The Secretary of War shall be deemed to be the incorporator, and the incorporation shall be held effected upon the enactment of this act. The Secretary of War shall govern and direct the corporation in the exercise of the functions vested in it by this act.

Mr. SHALLENBERGER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Nebraska moves to strike out the last word.

Mr. SHALLENBERGER. Mr. Chairman and gentlemen of the committee, I wish to confine my remarks principally to the objections that the gentleman from Illinois [Mr. RAINEY] made to this bill. In the first place, he referred to the fact that Colonel Ashburn, who is to be in charge of this corporation, if the bill passes, is to be made a brigadier general with a salary of $10,000. The salary of $10,000 mentioned in the bill is a civilian's salary; it is the salary paid to the director of traffic that manages and controls the traffic of the corporation. That you undersand, is a technical position and requires men who are thoroughly informed on the matter of securing contracts for traffic and the directing of it. It has no reference to Colonel Ashburn.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. SHALLENBERGER. Yes.

Mr. McDUFFIE. The present traffic manager is receiving that salary at the present time.

Mr. SHALLENBERGER. Yes. The present traffic manager is receiving that salary. Colonel Ashburn has been in the service of the United States for 30 years as a commissioned officer. He is entitled under the law to retire at any time he asks for retirement. If he continues in the service, as he will under this act, he will be entitled to all the allowances of a colonel because of his 30 years' service. If he is promoted to the rank of brigadier general during his term of service as chairman of the board, the only thing he will get out of this law is promotion to the rank of brigadier general and $400 increase in pay. He has now been practically four years in charge of this work and has acquired, of course, a great amount of valuable information and experience, which the Government would lose if he is permitted to go back to service with troops. Therefore the committee felt they were warranted in recommending his appointment to this position and his advancement to the rank of brigadier general, because it will add very little to the expense of the Government and will reward an officer who has rendered a great service to the Government.

Mr. McKEOWN. Mr. Chairman, will the gentleman yield?

Mr. SHALLENBERGER. Yes.

Mr. McKEOWN. What salary is it proposed to pay under this bill?

Mr. SHALLENBERGER. To whom?

Mr. McKEOWN. To the chief operator.

Mr. SHALLENBERGER. To the director, $10,000.

Mr. McKEOWN. Is the gentleman from Nebraska in favor of creating positions that pay salaries higher than that of a Member of Congress?

Mr. SHALLENBERGER. I will say to the gentleman that this is a position to manage the business affairs of a corporation of $5,000,000 capital and to direct a traffic that affects the welfare of the people of half the States of the Union; and we thought, and I think, that $10,000 as the salary at this time is not too much to pay to the man in that position.

Mr. WINGO. Mr. Chairman, will the gentleman yield?

Mr. SHALLENBERGER. Yes.

Mr. WINGO. Does the gentleman know of any private business of this magnitude that could get a man of the requisite business experience and responsibility for as low a salary?

Mr. SHALLENBERGER. Well, there are men who are receiving twice as much as this in private employment in positions similar to the one provided for in this bill.

Mr. McKEOWN. I can find 20 who will accept $7,500.

Mr. KING. Mr. Chairman, will the gentleman yield?

Mr. SHALLENBERGER. Yes.

Mr. KING. The gentleman is a Democrat in every sense of the word. I wonder if he does not deprecate this new idea of detailing Army officers to fill civilian positions. Right now one is detailed to be the Chief of the Bureau of Engraving and Printing. Every day we are hearing of these officers being detailed to occupy civilian positions. That has been against the policy of this Government for 50 years.

Mr. SHALLENBERGER. In answer to that I will say to the gentleman that I am a Democrat, as he says, but in this particular position Colonel Ashburn is a man who has been trained by this Government at our military school; he has been given the highest character of education, both as to engineering and to general education, that the Government can

give him, and now we are to get the benefit of that man's ability and the benefit of the training the Government has given him at a salary one-half the salary at which we could expect to get the same character of man from civil life. The Army develops men with the single ambition to serve their country, and that is the spirit that Colonel Ashburn has been showing in this matter.

Mr. KING. And if anything should happen to him another military officer would be appointed in his place.

Mr. SHALLENBERGER. I would be apt to agree with the gentleman if we were simply taking a military officer and placing him untried in this position, but that is not the case in this particular instance. Colonel Ashburn has acquired experience and shown ability that are now invaluable to success of this enterprise.

The CHAIRMAN (Mr. TILSON in the chair). The time of the gentleman from Nebraska has expired.

Mr. SHALLENBERGER. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to proceed for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. SHALLENBERGER. Yes.

Mr. MOORE of Virginia. Did the committee consider the expediency of placing the services which are mentioned in this bill in charge of the Department of Commerce, transferring them from the War Department?

Mr. SHALLENBERGER. Well, we did consider that, but the situation with which we are confronted now is that it is in the hands of the War Department and in the hands of men who have been managing it for four years. They therefore are well equipped to go on with it.

Now, I want to say to the committee that instead of the management proving a failure it has proven a success. It is true that during the war and before Colonel Ashburn came into the management of it we did lose the millions of money to which the gentleman from Illinois [Mr. RAINEY] has referred. But if you will refer to the report, page 13, you will find that Colonel Ashburn took charge of this corporation, or the operation of this Government activity, in 1920. From January 1, 1921, to June 30, 1921, the barge-line service on the lower Mississippi was operated at a net profit to the Government of $67,170 and a saving to the public in freight rates of $280,700; during the period from July 1 to December 31, 1921, it was operated at a net profit to the Government of $85,262 and a saving to the public in freight rates of $363,300; during the period from January 1 to June 30, 1922, it was operated at a net profit to the Government of $31,924 and a saving to the public in freight rates of $486,700; during the period from January 1 to June 30, 1923, it was operated at a net profit to the Government of $159,499 and a saving to the public in freight rates of $482,000; and even during the period ffom July 1 to December 31, 1923, when the Government lost in operating expenses on account of extreme low water the sum of $200,589, the public saved in reduced freight rates during the same period the sum of $441,000.

Mr. BLACK of Texas. Will the gentleman yield for one question?

Mr. SHALLENBERGER. Yes.

Mr. BLACK of Texas. Does the gentleman know whether in counting up the question of profit they made any allowance for capital investment or for depreciation?

Mr. SHALLENBERGER. No.

Mr. BLACK of Texas. But a private business would have to make those allowances.

Mr. SHALLENBERGER. The fact is that the Government at that time took it over as a war measure; they have it on their hands and they can not sell it for anything like what it cost the Government. The purpose now is to demonstrate to the country the practicability of water-borne freight service. We are operating with the kind of boats the gentleman from Illinois [Mr. RAINEY] stated; they are not the best suited for river traffic, but these and other problems connected with it are being worked out.

Mr. BLACK of Texas. Then the gentleman's statement would hardly be accurate that the Government has realized a profit when it has not made any depreciation charge or any charge for capital investment.

Mr. SHALLENBERGER. Perhaps not. I realize that if we were to go into the matter of making charge for interest and depreciation, probably we would not be able to show so much profit, but I have made this statement to show that we have not lost the millions of money stated by the gentleman from Illinois [Mr. RAINEY].

I want to say another thing to the committee. It was demonstrated before the committee in its hearings by representatives of the great steel interests and coal interests of Pittsburgh, for instance, that water transportation on the Monongahela River was costing one-sixth of the rate that would have to be paid to the railroads, and representatives of one of the great steel companies of Pittsburgh came before our committee and showed that they were moving freight on the Ohio River at one-third the rate charged by the railroads. But, gentlemen, that cheap freight is all moved upon barges owned by these great corporations; they are not open to the general public, and they are not public carriers. This is an attempt to give the public a chance to enjoy the benefits of reduced rates because of water transportation. This is to demonstrate the value and practicability of inland-water transportation.

I want to call the committee's attention to this fact: That railroad freight-rate reduction is a thing which the public attention is fixed upon now. Water competition is going to have a tremendous effect upon the transportation question and is one of the means whereby we hope to secure that reduction.

The CHAIRMAN. The time of the gentleman from Nebraska has again expired.

Mr. SHALLENBERGER. Mr. Chairman, I ask unanimous consent to proceed for five minutes more, because gentlemen, by their questions, do not give me a chance to explain some matters that I believe the House wants information upon.

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to proceed for five additional minutes. Is there objection?

Mr. ABERNETHY. Mr. Chairman, reserving the right to object, I would like to follow the gentleman for a few minutes.

The CHAIRMAN. The Chair can not make any promises as to recognition.

Mr. ABERNETHY. I do not object.

The CHAIRMAN. Is there objection? [After a pause. The Chair hears none.

Mr. SHALLENBERGER. I think the effect of water transportation on railroad transportation has already been demonstrated by the requests of the railroads of the Nation to the Interstate Commerce Commission.

Requests were made to the Interstate Commerce Commission to reduce freight rates upon commodities essential to life—on coal, foodstuffs, and other essentials. Even the President of the United States asked the railroads to reduce the freight rates upon coal, being a necessity, but the railroad managers refused to grant it. But when water competition, through the Panama Canal, came in direct conflict with coast-to-coast rates upon the railroads, then the railroad corporations of this country came to the Interstate Commerce Commission and asked, upon bended knees, to be allowed to cut freight rates 25 per cent from coast to coast because of water competition. It is to develop the practicability of public carrier service upon the rivers and lakes of the country that we are asking to have this proposition tried out.

Now, as to the conflict with Mr. Goltra. I do not care to discuss that more than to say that it was brought before the committee. As you can see from the remarks of the gentleman from Illinois [Mr. RAINEY] it is evident that the Government entered into a contract during the war with Mr. Goltra because they thought he could help them out of a certain situation, as the gentleman from Illinois has explained to you. It was to assist the movement of ore and other things necessary for war purposes; but it was demonstrated that Mr. Goltra could not successfully operate boats upon the upper Mississippi River. He said in his testimony that one of the reasons the Government vitiated his contract and seized his boats was because he did not operate them upon the upper Mississippi, that he was five months trying to bring one of those barges, which the gentleman from Illinois referred to, from St. Paul down to St. Louis, and he could not return because it drew too much water. His answer to the complaint of the Government was that he could not move the boats over the upper Mississippi because the Government did not provide him a water channel that would enable him to operate them. There is a conflict between the Government and Mr. Goltra as to his contract. It is in the courts, and the courts must settle it.

Now, the only reason for bringing Colonel Ashburn into this and attacking him is because as the agent of the Government authorized by the Secretary of War he was empowered and

directed to seize those boats, and he did seize them, and that is the quarrel between Mr. Goltra and Colonel Ashburn.

Now, Mr. Chairman and gentlemen, this bill provides for a capitalization of $5,000,000. The chairman of the committee called your attention to the fact that it does not require that the Government shall invest $5,000,000 in cash. That is not contemplated. But this barge property was turned over to Colonel Ashburn without any capital with which to operate. The barges were turned over to him and he is not responsible for the character of those barges. The barges were built by engineers and by Government officials before they were turned over to Colonel Ashburn. The War Department and the Railroad Administration lost money until Ashburn got hold of them.

Since he has had control of this system he has been making money, but the corporation must have capital, as any corporation does transacting the amount of business they handle, and in order to get it he had to go to the banks and borrow it. Therefore we hope now if you will pass this bill to give the corporation sufficient capital so that it will not be put to the point of having to go to borrow money every time the corporation falls short of cash, as any corporation may do in certain periods of its operation.

The $5,000,000 includes the value of all the property it now has in its hands. It may be $2,500,000, or it may be $3,000,000. I do not know what the valuation is, but the entire amount of capital stock that may be issued, taking into consideration all the property we have now, is to be $5,000,000. We do not expect the Government will have to advance more than perhaps $1,000,000 of actual cash at any time to carry on the operation of this corporation, and it is only for five years in order that we may try this matter out. Personally I would like to see the corporation made permanent, but a majority of the committee determined otherwise.

Mr. LINTHICUM. Will the gentleman yield for a question?

Mr. SHALLENBERGER. I yield now.

Mr. LINTHICUM. I want to ask the gentleman whether in figuring the amount of money which the gentleman says has been earned as a profit they have figured anything for depreciation or interest on investment?

Mr. SHALLENBERGER. I answered that question before. That was figured in, as I recall. I do not know certainly.

The CHAIRMAN. The time of the gentleman from Nebraska has again expired.

Mr. DENISON. Mr. Chairman and gentlemen, I want to take five minutes to explain one or two matters. The Secretary of War in the accounting system of the barge line is carrying this equipment on the books at just what it cost the Government. My friend, the gentleman from Nebraska [Mr. SHALLENBERGER], I think, inadvertently made a misstatement, unless he was thinking of a different thing from that which is in my mind now. We are carrying this equipment under the regulations of the Interstate Commerce Commission at just what it cost the Government during the war, and it cost about three times what you could replace it for now. In other words, we are carrying it at war prices because the Government acquired it then by either taking it over or building the equipment during the war. Since the time that Colonel Ashburn has had charge of it the Government, with the exception of one period of six months, has made a substantial profit over and above the actual cost of operation, including interest on the investment at war prices and depreciation.

Mr. SHALLENBERGER. If the gentleman will permit, I stand corrected. I was not aware of that.

Mr. DENISON. I thought the gentleman was mistaken. They have had to figure out depreciation and have had to figure interest on war prices and, notwithstanding all that, during the first half of 1921 the Government made a net profit of $67,000 and saved to the shippers in reduced freight rates $280,000. During the next half of the year the Government made a net profit of $85,000 and saved to the shippers in reduced freight rates $363,000 plus, and during the next half year they made for the Government, net, over $300,000 profit and saved to the shippers $486,700 in reduced freight rates. I will not repeat further the figures that the gentleman from Nebraska [Mr. SHALLENBERGER] gave you. These are net profits over and above operating costs, interest on investment of something over $13,000,000, and depreciation.

Now, during one-half of one year the Government sustained a heavy loss due to the fact that on one of these trips the barges got hung up on a sand bar south of St. Louis and the Government had no equipment there to take it off. The barge-line service has no "trouble boat" to go to a place where they have trouble and take the barges off a sand bar. The result was they had to unload and thereby sustained a heavy loss.

Now, what we want to do is to secure a boat for that purpose. Let this service secure a boat that will be available to help when a barge is hung up on a sand bar, or for some other reason.

Mr. HUDSPETH. Will the gentleman yield?

Mr. DENISON. I yield.

Mr. HUDSPETH. Does the gentleman believe that the operation of this barge line will tend to decrease freight rates throughout the country?

Mr. DENISON. Absolutely; freight is being shipped over this barge line to different points of Texas, and it will tend to reduce the freight rates in Texas.

Mr. HUDSPETH. I want to state that the Senator from Missouri [Mr. REED], who lives on the river, made a statement in the Senate the other day that water transportation tended to decrease freight rates adjacent to that territory; but for railroad points that were not reached by water transportation, in order to make a reasonable return upon the investment, they had to raise the rate for those points.

Mr. DENISON. I was speaking of the territory reached by water transportation. If the Interstate Commerce Commission permits the railroads to do that, the charges will be higher.

Mr. HUDSPETH. I know that I am talking against the interests of my own State.

Mr. SHALLENBERGER. I want to say to the gentleman that that was under the operation of the section 15a, and after we get that repealed it will not be possible.

Mr. BARKLEY. Will the gentleman yield?

Mr. DENISON. I will.

Mr. BARKLEY. That would not happen unless it was a competitor that was not competing with river traffic, because the road that reduces the rate would get all the business, and the road that did not would not get any.

Mr. DENISON. That is right.

Mr. WHITE of Kansas. Will the gentleman yield?

Mr. DENISON. I yield.

Mr. WHITE of Kansas. I was interested in the statement of the gentleman from Nebraska when he stated that the Coastal Transcontinental Line had asked for 25 per cent reduction. Is it the practice, if the gentleman can give us the information, for the Interstate Commerce Commission to permit a line paralleling in successful operation to make a lower rate—does the gentleman know what the practice is?

Mr. DENISON. In former years they did, and that is what drove transportation off the rivers. But we are hoping that the Interstate Commerce Commission will not allow that to be done in the future.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. DENISON. Mr. Chairman, I ask for two minutes more, and then I will quit. I do not want to take up any more time, but I want to make this statement for the information of the committee: One of these barges on the Mississippi River carries as much freight as you could put into 100 freight cars, and one towboat will take eight of these barges to New Orleans in six days. In other words, one trip from St. Louis to New Orleans will take 800 carloads of freight. Think what that will do for the country, how it will relieve the railroads in time of car shortage and supply the shippers of the country with cheaper transportation.

Now, if a barge in a time of long drought, when sand bars may appear, should be hung up suddenly and the Government has no equipment near to pull it off, they sustain a loss. What we want to do is to give some additional equipment to the barge service in order to prevent this loss until the War Department can complete the improvement of the channel.

Mr. MANSFIELD. Will the gentleman yield?

Mr. DENISON. I will.

Mr. MANSFIELD. I want to suggest that General Beach a few weeks ago stated before the Rivers and Harbors Committee that one of these boats on the Mississippi carried the largest cargo ever carried by any vessel in water transportation—56,000 tons of coal.

Mr. DENISON. That is true. Now, gentlemen, the Secretary of War says he would not know how to run a barge service unless he had Colonel Ashburn, who is an expert in transportation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ABERNETHY. Mr. Chairman and gentleman of the committee, I started out to oppose this bill, but when I found so many of my friends with whom it is necessary for me to stay, and whose sections it will aid, I am going to support it. [Laughter.]

Mr. McKEOWN. Is not this a sequel to the Cape Cod proposition?

Mr. ABERNETHY. It is in a large measure. I desire seriously to call the attention of this committee to the situation that has operated along the inland coastal waterway under Colonel Ashburn's supervision, and the reason I am calling the attention of the House to it now is because there is pending before the committee that has charge of this bill a resolution that passed the Senate yesterday by Senator WADSWORTH, of New York, in reference to it. There was a boat line operating from Baltimore to Newbern, N. C., Government owned and operated, and it was working well. That boat line was allowed to be sold without any notice to the local people. It was sold for $400,000 on time, with a payment of $25,000, sold to the people who operated a barge line on the State canal in New York. Now, these people to whom these boats were sold have not paid for them, and they can not pay for them. I have been trying to prevail with Colonel Ashburn to put some of these boats back on the inland waterway between Baltimore and the South, which is a part of the link that we voted on the other day when we voted for the Cape Cod Canal, but by the resolution which passed the Senate yesterday it is solemnly proposed to allow the people who bought these boats and others from the War Department to be relieved of half a million dollars of the amount they agreed to pay, and still we have no boats on the inland waterways from whence these boats were taken and sold to irresponsible people, as I contend.

Gentlemen, I am going to vote for this bill, because I think it is a step in the right direction and will aid the great Mississippi Valley section of the country. I am a very small cog in this situation. However, all up and down the Atlantic coast we need waterway transportation right now. In the State of North Carolina now the railroads are undertaking to raise freight rates at this time to a point where it is going to run our business men out of existence. We need boats, and I appeal to this powerful Committee on Interstate and Foreign Commerce to hold up this Wadsworth resolution, and I appeal to you men who are favorable to this proposition to help me hold it up until we can see if it is not possible to have returned the boats which were taken from us and have them placed back into the service on the inland waterways. That is all I want to say, and I am going to vote for this bill.

Mr. BLACK of Texas rose.

Mr. DENISON. Can not the gentleman discuss this matter on the next section?

Mr. BLACK of Texas. I want to state some objections I have to the bill. I see no reason why I should not discuss it right now.

Mr. DENISON. Mr. Chairman, I ask unanimous consent that debate upon this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection?

Mr. RAKER. Mr. Chairman, reserving the right to object, I would like to have five minutes.

Mr. DENISON. Does the gentleman want it on this particular section of the bill? Would he not be just as well satisfied on another section of the bill?

Mr. RAKER. The trouble is that if we pass to the next section, and one of the committee rises, not being on the committee, I would get left.

Mr. DENISON. If the gentleman feels he is liable to be left, I will amend my request to make it 15 minutes.

The CHAIRMAN. Is there objection to 15 minutes?

Mr. RAINEY. Mr. Chairman, reserving the right to object, may I have five minutes of that?

Mr. DENISON. Can not the gentleman speak on the next section?

Mr. RAINEY. I would like to reply to something said by the gentleman from Nebraska [Mr. SHALLENBERGER].

Mr. DENISON. The gentleman from Texas wants five minutes?

Mr. BLACK of Texas. Yes.

Mr. DENISON. The gentleman from California wants five minutes?

Mr. RAKER. I would like to have 10 minutes.

Mr. DENISON. I can not agree to that just now. Is the gentleman from Oklahoma [Mr. McKEOWN] insisting on some time?

Mr. McKEOWN. If the gentleman do not take too much time, I am going to wait.

Mr. DENISON. Mr. Chairman, I amend my request and make it 15 minutes.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that all debate upon this section and all amendments thereto close in 15 minutes. Is there objection?

There was no objection.

Mr. BLACK of Texas. Mr. Chairman, if a man gets up in the morning and puts his pants on with the seat in front and the front behind, we would say that he was either asleep or crazy. It seems to me that we are undertaking to do that very thing in legislation of the sort we now have before us. There is no man on the floor of this House who has studied the question of river transportation who does not know that the real trouble is the railroad long and short haul practice. There is the trouble. Until Congress forces a correction of that situation you can operate a barge line for 40 years by the Government and pay the cost of it out the taxpayers' pockets, but you are not going to get private individuals to go very much into river transportation.

Mr. MOORE of Virginia. And may I suggest one other thing, and that is the inadequacy of amounts allowed to the boat lines when the division of rates is made?

Mr. BLACK of Texas. Of course. They can not possibly survive under competition of that sort. We must first get this basic trouble corrected before we can expect to get very far with development of river transportation.

Mr. CLEARY. Is the gentleman familiar with the fact that there are millions of dollars invested by private individuals now in running up Long Island Sound and up the Hudson River, and that they can beat the railroads so much that they get the business and that the railroads do not? And that is being done right now all of the time.

Mr. BLACK of Texas. Yes; I have no doubt that in a congested center such as the gentleman mentions you can do that, but I am talking about transportation on rivers like the Mississippi and the Ohio and streams of that sort. You can not possibly have a successfully operated river transportation when you permit the railroads to come in and cut their rates in such localities below the costs of producing the service. In the face of conditions of that kind to try to establish permanent barge service by a law of this kind is like the man who tries to put his breeches on wrong side in front.

Mr. CLEARY. Will the gentleman allow me to say just a word? Take the water rates from Lake Superior clean on along down to Long Island Sound and through there, and there is no more danger of the railroads taking that freight away than there is of its being taken by the man in the moon, because the water can carry it for less than half of what the railroads can.

Mr. BLACK of Texas. My friend surely heard me admit that in these congested centers and waters like the Great Lakes that can be done.

Mr. CLEARY. It is not only in the congested centers.

Mr. BLACK of Texas. It is somewhat different from conditions on the Mississippi or the Ohio.

Mr. CLEARY. Through the Great Lakes it is the same way. There is not as cheap transportation anywhere in the world. Give us lots of water and never mind your boats and individuals will all go into the business.

Mr. BLACK of Texas. I hope the gentleman will understand that I am not talking about transportation on the Great Lakes. I am talking about the Mississippi and the Ohio Rivers and other rivers, and why it is that we do not have successful water transportation there. From Portland, Me., to New Orleans is a distance of 1,686 miles, and the freight rate on first-class freight is $2.51. From Dallas, Tex., to New Orleans is 515 miles, which is a third of the distance from Portland to New Orleans, and yet the rate from Dallas to New Orleans on the same class freight is $2.31, nearly as much as it is from Portland to New Orleans. From Seattle to Boston is 3,258 miles, and the rate on 100 pounds of paint is $1.83, while the rate on 100 pounds of paint from St. Louis to Denver, an inland point without water transportation, over a level prairie haul and only a distance of 916 miles, is $1.06. There are many instances of that kind, and the United States Government will never demonstrate to private industry that it can successfully operate river transportation as long as these long-and-short-haul discriminations are permitted to be made.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. RAKER. Mr. Chairman, in answering the gentleman from Illinois [Mr. DENISON], I stated that I wanted to proceed for five minutes. I now ask unanimous consent that I may speak out of order for those five minutes.

The CHAIRMAN. The gentleman from California asks unanimous consent to proceed out of order for five minutes. Is there objection?

Mr. DENISON. Upon what subject?

Mr. RAKER. On the subject of an article that appeared in the Washington Post this morning.

Mr. DENISON. Mr. Chairman——

Mr. RAKER. The five minutes that I would ramble along on this river navigation, which I understand perfectly well, might not do the gentleman very much good but surely no harm to his bill. I think my vote would do more good than my talk, and I would like to use the five minutes on a really important subject.

The CHAIRMAN. Is there objection?

Mr. SCOTT. Mr. Chairman, I object.

Mr. RAKER. Is there not somebody that wants my five minutes?

Mr. CLEARY. I will take it.

Mr. RAKER. I will be glad——

Mr. RAINEY. I will take the five minutes.

Mr. RAKER. I will yield the gentleman from New York my five minutes.

Mr. BEGG. I make the point of order the gentleman can not yield time.

The CHAIRMAN. The gentleman can not yield time, but the Chair can recognize the gentleman.

Mr. RAKER. I ask unanimous consent that the five minutes allowed me be given the gentleman from New York [Mr. CLEARY].

Mr. BEGG. I object to that; that is not in accordance with the rule.

Mr. NEWTON of Minnesota. But the Chairman certainly can recognize the gentleman from New York.

The CHAIRMAN. The Chair said that it was not subject to unanimous consent.

Mr. RAKER. On this water bill it seems strange that other men can take practically all the morning on a subject not directly connected with the bill, and in regard to a statement made this morning relative to legislation that is absolutely untrue a man is unable to explain it to the House that the House Members might know that they have been treated fairly and properly and the matter properly explained to them.

Mr. BEGG. I make the point of order the gentleman is speaking out of order.

Mr. RAKER. I shall get down to the bill.

Mr. BEGG. The gentleman is entitled to speak if he gets recognition for that purpose, but he ought to speak to the bill.

Mr. RAKER. I do not understand I need any criticism or castigation from the gentleman from Ohio especially, many times he has been in a position that we could have said a good many things, but I do not want to take up any of the time of the committee. However, I will get down to a discussion of this bill in proper shape and proper form. It is a very important bill in regard to waterway transportation. The same committee has under discussion railroad legislation which is coordinate with water transportation and railroad transportation.

Mr. DENISON. If the gentleman will yield, let me explain to the gentleman from California that several Members on this side have come to me and asked if I would not let them talk on this same subject, and I have said that I should have to object. We desire to hurry through with this bill as there is another bill coming up and——

Mr. RAKER. The gentleman has made a statement, let me answer it. When I have presented a matter to the House after giving great consideration to it and a paper comes back in the morning and says the matter was not fairly represented, and at least 24 men have asked me in regard to it here this morning, I felt it to be my duty to present the matter to the membership of this House so that they might understand the situation and know that they were not deceived.

Mr. DENISON. I would be glad to help the gentleman as soon as we get through with this bill. I would be glad to ask unanimous consent——

Mr. RAKER. I know the gentleman has been exceptionally kind, and I appreciate it, and I asked for time in order that I might discuss this important bill in five minutes. I told him I wanted the five minutes. I can see plainly my five minutes are going so fast I am not going to get down to a discussion of this bill. Now, in regard to this legislation, the long and short haul, which means so much to our people. For 30 years we have paid freight from the East to Reno and San Francisco and back. For over 40 years we paid the freight from San Francisco to Reno, 200 miles and more, notwithstanding the railroad people left the cars at Reno and did not haul the freight over the mountain. We have had that situation for over 40 years, and the time has come when the people ought to have an opportunity to pay a fair rate of freight and not be compelled to pay a rate for hauling over a mountain grade, the highest in the United States, and then haul it back when the cars are left 250 miles east of the point of termination. We have had so much talk about the equalization of railroad and water rates.

Mr. CHINDBLOM. If you had had an inland waterway, of course, it would not have been so expensive.

Mr. RAKER. But what we ought to have is an equalization of the rates on water and rail, and when there is railroad transportation, freight or passenger, it ought to have a fair, honest compensation for the work it performs, but ought not to be permitted to charge a rate 500 miles from the coast line and make the public pay that extra freight, although I have not gotten very far for what I arose to tell the House. Will do that in due time. I thank you, gentlemen.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAINEY. Mr. Chairman, I want to call the attention of my friend the gentleman from Nebraska [Mr. SHALLENBERGER] to the fact that these Goltra barges were operated—and operated successfully—on the upper Mississippi River under the direction of the Secretary of War, and did operate there when they could not operate the Government barges on the lower river; and the statement in the testimony of Mr. Goltra that the gentleman from Nebraska called attention to, on page 132 of the hearings, has reference entirely to equipment which Mr. Goltra got from the War Department in 1917 to make an experimental trip to St. Paul and back again.

I read from the hearings:

Mr. HUDDLESTON. Did you not in 1917 get some equipment from the War Department with a view to making experimental trips on the upper Mississippi?

Mr. GOLTRA. I did.

Mr. HUDDLESTON. Did you make those trips?

Mr. GOLTRA. I did.

Mr. HUDDLESTON. Did they pay your expenses?

Mr. GOLTRA. No, sir; I paid my own expenses.

Mr. HUDDLESTON. Has any organization asked you to come?

Mr. GOLTRA. No organization, sir. I have not attempted any propaganda whatsoever, Mr. HUDDLESTON.

Mr. HUDDLESTON. But you appear here voluntarily?

Mr. GOLTRA. As a citizen.

Mr. HUDDLESTON. At your own expense?

Mr. GOLTRA. At my own expense.

That is on pages 133 and 134. Again, on page 135, Mr. Goltra says:

I paid for the trip north to St. Paul, which was done at the urgent request of the Government, all of the expenses and, if my memory serves me correctly, lost some twelve or fifteen thousand dollars in that movement, because of the fact that the steamer furnished—when we tried to return, the water having fallen in the river—was of too deep draft to navigate the river. It was the low season of navigation.

Therefore it was not these steamers at all; and the gentleman from Nebraska [Mr. SHALLENBERGER] will find out his mistake if he examines the hearings.

Now, as to the operation of these Government barges at a loss, I simply want to read from the testimony of Secretary Weeks on page 27 of the hearings. He says:

The financial returns up to this time have not been encouraging on the lower Mississippi and have been very discouraging on the Warrior River. The service seems to go pretty well for a month or two or three months and then something happens. I do not know whether or not this will always be the case; but, for example, a year ago last summer we had the lowest water on the Mississippi I believe has ever been known, and the result was such shallow water that our boats could not navigate. They were on bars a good deal of the time.

Again, on page 28:

Up to this time the net result of the operations have been that we have lost on the lower Mississippi—and this includes the war period when, as I have stated, there was insufficient equipment—we have lost $1,320,000; and we have lost on the Warrior River, which has been almost continuously losing, $1,783,000.

Now, with reference to the Goltra barges, which can operate on all these rivers at all times except perhaps on the Warrior River, I want to read again what the Secretary of War said. Referring to these Goltra barges, he says:

In January, 1919, an authorization was made for the construction of towboats and barges for the purpose of bringing—presumably for the purpose, and the preamble stated "for war reasons"—ores from the Mesaba Range to the iron furnaces at St. Louis, and that equipment was leased to Mr. Goltra, of St. Louis. The construction, I should think, was about two-thirds completed when I went into the War Department in 1921. It was certainly completed to a degree which made it financially advisable to complete its construction, although it seemed to me a very doubtful proposition in view of the purposes for which it was to be leased. When it was completed it was turned over to Mr. Goltra. He did not comply with what I was advised were the terms of the lease,

and after a good deal of delay we seized the equipment. He got an injunction in the courts, and the matter is still in the courts, but we have the equipment and are using it. That supplements what we had before and is of real advantage to us now, because it is being used to its full capacity. Before that was done we had to run, because of the depth of the water, a shuttle boat from Cairo to St. Louis, which involved very much additional expense and was not, from a financial standpoint, satisfactory. The Goltra boats can run to St. Louis without any breaking of cargo, which is an advantage.

Then, again, I want to read from his testimony as to the statement that he wants to keep Colonel Ashburn in this service:

The War Department is not equipped to conduct a transportation service. We can do it, and we are doing it to the best of our ability, but my judgment is that this service should have been turned over to the Department of Commerce or to the Shipping Board for operation instead of the War Department.

This is the opinion of the Secretary of War, in spite of what all these gentlemen say as to the qualifications of Colonel Ashburn. The Secretary of War thinks this entire equipment ought to be turned over to the Department of Commerce or to the Shipping Board.

Now, I want to tell you why these Goltra barges operate successfully over all these rivers; and whenever these bills come up I am going to keep on denouncing the seizure of these Goltra barges. It was an act of piracy without a precedent in the history of this country. Operating barges and propelling boats by a private individual does not appeal much to candidates for Congress who are making their campaigns on the strength of the Government service. There is no opportunity to junket up and down the rivers in that service in splendidly appointed Government boats. There are no receptions in cities—no speeches—and therefore a private and a successful operation of boats does not compel much attention and receives no public recommendation.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. RAINEY. I ask unanimous consent, Mr. Chairman, to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

The CHAIRMAN. All time has expired.

Mr. RAKER. Mr. Chairman, I ask unanimous consent to correct and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from California asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. The capital stock of the corporation shall be $5,000,000, all of which is hereby subscribed for by the United States. Such subscription shall be paid by the Secretary of the Treasury, within the appropriations therefor, upon call from time to time by the Secretary of War. Upon any such payment a receipt therefor shall be issued by the corporation to the United States and delivered to the Secretary of the Treasury, and shall be evidence of the stock ownership of the United States. There is hereby authorized to be appropriated the sum of $5,000,000 for the purpose of paying such subscription.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Oklahoma moves to strike out the last word.

Mr. McKEOWN. Mr. Chairman and gentlemen of the committee, the gentleman from North Carolina [Mr. ABERNETHY] was very frank when he admitted that this bill was the sequel to the Cape Cod Canal. This bill is designed to put the Government in business all right.

We had a statement from the Secretary of War a few days ago in which he said that he was in favor of disposing of the Panama Railroad and disposing of all the property that is owned as the private property of the United States; and now we find here a bill putting in his department a privately owned and operated barge system. The trouble with the whole matter of water transportation is not only what the gentleman from Texas said as to rates, but it is with the American people, who are not willing to wait upon freight by water. They are in too big a hurry to get the freight; and they will not wait until it comes by water, but insist on its coming by rail.

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. DEMPSEY. The transportation manager of the General Electric Co. stated that they had assembled a chance fleet, not adapted to the business, and found they could deliver freight from Schenectady to New York more quickly and more reliably and dependably than by rail.

Mr. McKEOWN. I take it, with a short distance like that, that would be true. But where you have transportation coming in from western points, on through freight, it would be different.

Mr. CLEARY. May I make a point that will help you?

Mr. McKEOWN. Yes.

Mr. CLEARY. Take the business over the Great Lakes, down through New York. It is a matter of warehouses. This is the reason they are not in a hurry. The goods are stored in great warehouses in the city of New York.

It is the same way with coal transportation. Coal is accumulated in large stocks. It is not true that the boats can not deliver fast enough. I was in the business 40 years, and I carried coal from New York to Buffalo at 50 cents a ton, and from New York to Chicago at $1.50 a ton.

Mr. McKEOWN. I regret I can not yield further. The gentleman evidently thinks I am criticizing water transportation. I am not criticizing water transportation. But the source of the trouble is the fact that our people have not learned to be patient enough to let the freight come by water transportation, as they ought to do.

Now, there is no question but what we are 100 years behind where we ought to be in the matter of water transportation. We have the finest streams in the world and yet we are not making use of them. But that is far afield from the question before us. The question before us is: Why has the Government of the United States embarked in this business of organizing a corporation to run these barges? The distinguished gentleman from Illinois [Mr. DENISON] has changed front since the passage of the transportation act, because the RECORD shows that when the transportation act was under consideration the gentleman from Illinois [Mr. DENISON] said he hoped the Government would dispose of these boats as soon as possible, and that he would only vote for the transportation act because it was a necessary emergency at that time.

Mr. MANSFIELD. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. MANSFIELD. Does the gentleman know that freight cars are conveyed on ferryboats from the State of Michigan across Lake Michigan to Wisconsin and that in that way the shippers save two weeks' time rather than to allow them to go through the car yards at Chicago?

Mr. McKEOWN. I have been informed that works a miracle, as far as that is concerned, but I want to say to the gentleman that if it comes to transporting freight down the Mississippi River to St. Louis and then that freight has to be reshipped into Oklahoma, our fellows will pay a higher rate.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. McKEOWN. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to proceed for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. DENISON. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that all debate on this section and all amendments thereto close in 10 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. ABERNETHY. Has the gentleman any water transportation in his section?

Mr. McKEOWN. I will say to the gentleman from North Carolina that when we have water in our streams we have too much and when it it dry we hardly have enough water for fish to swim in. That is the condition in Oklahoma. But that is not the question here. I am talking about the policy of organizing a corporation and embarking in this business. On every hand we hear the statement made that the Government should stay out of business, but we are now asked to have the Government embark in this business.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. SHALLENBERGER. The proposition is, I will say to the gentleman, that the Government is already in this business, and we only hope to give them sufficient capital to carry it on for five years and try it out.

Mr. McKEOWN. I am in favor of letting it go along like it is, because when you get the corporation organized you will never be able to bring it to an end.

Mr. SHALLENBERGER. I hope it will never be brought to an end.

Mr. McKEOWN. I am in favor of the Government going along as it is at present; I am in favor of the Government operating these barges and carrying on this industry, with the hope that in a few months or a few years we will be able to develop a great business down there, a great business that will be of real benefit.

Now, when you get these special rates on your waterways, all well and good; but the rest of the country has got to pay the freight. When you have a country like mine, which has no water transportation, and you get specially favored rates from the railroads in competition with the water rates, my people in Oklahoma and in the great State of Kansas have to pay that additional rate, because they have to make good the loss which they stand when they go into competition with the water rates.

Mr. SHALLENBERGER. Will the gentleman yield further?

Mr. McKEOWN. Yes.

Mr. SHALLENBERGER. The question of long and short hauls comes into the problem and affects you in Oklahoma in the same way as was stated by the gentleman from Texas. But the gentleman must know that is entirely a matter of interpretation on the part of the Interstate Commerce Commission. The law prohibits that now, and unless the Interstate Commerce Commission sees fit to hold hearings and decide that for some special reason in a special case they can do it. The correction of the entire evil is with the Interstate Commerce Commission.

Mr. McKEOWN. I do not want you to misunderstand me. I am not opposed to the development of water transportation in this country, because, as I say, I think we are 100 years behind where we ought to be in water transportation. But what I do say is this. The country is going broke over the proposition of the high rates we have to pay and we must do something immediately, but that does not mean that we shall go to work and incorporate this company, because I think the Government can pay the money just as well one way as another way. I think this Government should go along like it is until we see what we are doing.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. LaGUARDIA. The gentleman is anxious about the waterways and he says he does not want the Government to do it. Does he want the railroads to do it?

Mr. McKEOWN. No. But what is the difference between the Government owning a corporation such as this and the Government doing it itself? And we will pay for it no matter whether you have a corporation do it or whether you have the Government to do it as it is now doing it.

Mr. LaGUARDIA. And I will state to the gentleman that my State will pay for it and not his.

Mr. McKEOWN. I will say to the gentleman that they have plenty of waterways up there and plenty of money.

Mr. LaGUARDIA. And the State developed them.

Mr. McKEOWN. Yes; that is true.

The rate problem before the people of the United States is one of the greatest problems that confronts them at this time, and I say to you now that the proper way to adjust this is to fix rates so that farm products throughout the country may have special rates to certain groups of places in the far-distant parts of the Nation. Here, on the one hand, you have the cabbage raised down in the district of my friend from Texas [Mr. HUDSPETH] that is rotting because they can not pay the freight to Chicago, and the people in Chicago are getting hungry because they can not get the cabbage from the district of my friend in Texas. Gentlemen, it is like the situation in the Indian Territory in the old days when we had such high freight rates out there. A fellow shipped four carloads of horses to East St. Louis and got a bill back for $136 additional after they had sold the horses to pay the freight. He was a fellow who could not read and write very well and had not much education, and he wrote them a letter like this: "Dear Frisco: I ain't got no money, but I can ship you some more horses."

Mr. BLACK of Texas. Mr. Chairman, I move to strike out the section.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. BLACK of Texas: Page 2, line 8, strike out all of section 2.

Mr. BLACK of Texas. Mr. Chairman, the concluding language of section 2 is: "There is hereby authorized to be appropriated the sum of $5,000,000 for the purpose of paying such subscription."

A few days ago the Committee on Interstate and Foreign Commerce reported the Cape Cod bill with an authorized appropriation, I believe, of $11,500,000, and to-day we have from the same committee an authorization of $5,000,000 more, and I think this committee will, if it does much more along this line, earn the title of the economy committee of the House. To use a slang expression, this is saving money "over the left." I agree with my good friend, the gentleman from Nebraska [Mr. SHALLENBERGER], that the real fault of this river transportation system—in a sense, the real fault—lies with the Interstate Commerce Commission; but after all, let me call my friend's attention to the fact that the Interstate Commerce Commission gets all of its power from the Congress of the United Sates, and we are cognizant of the fact that the commission is not enforcing that section of the interstate commerce act or the Esch-Cummins bill, to be more explicit, which prohibits the long and short haul discriminations which we are talking about, hnd the view I have in mind is that if we want relief from this situation, if we really want to bring about some relief in our freight rate structure, the thing to do is to absolutely prohibit the carriers from indulging in such practices as carrying 100 pounds of first-class freight from Portland, Me., to New Orleans, La., a distance of 1,686 miles, for virtually the same rate as the railroad carries it to Kansas City, practically one-half the distance.

We will never get any relief from that situation by coming in here and trying to set up a little $5,000,000 corporation to demonstrate that the Government can operate a barge sysem so successfully that private enterprise will take hold. Gentlemen will find out they will get no relief from that. The basic difficulty must first be corrected.

I received a letter sometime ago from the Intermediate Rate Association of Spokane, Wash. I think it suggests the only thing that will give us any relief. This letter says:

The only relief we see in sight is the passage of the bill introduced by Senator GOODING, which will amend the fourth section of the interstate commerce act to prohibit fourth section violations for the purpose of meeting water transportation.

First, it will protect the interior West from the continued assaults upon us and permit us to grow and develop as we should. Second, it will put a stop to the cutthroat rate competition on the part of the railroads that has put so many of our boats and steamship lines out of business.

I understand that bill is pending in the Senate and I hope that legislative body will pass it and send it over to the House, and it will certainly receive my unqualified support.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired. The question is on agreeing to the amendment offered by the gentleman from Texas.

The amendment was rejected.

The Clerk read as follows:

SEC. 3. (a) Until otherwise directed by Congress, the corporation shall continue the operation of the transportation and terminal facilities now being operated by or under the direction of the Secretary of War, under section 201 of the transportation act, 1920, as amended, and shall, as soon as there is an improved channel sufficient to permit the same, initiate the water carriage heretofore authorized by law upon the Mississippi River above St. Louis.

(b) If the Secretary of War deems it advisable to discontinue the operation of any part of the transportation or terminal facilities or to develop and operate new lines in order to give the public the proper service, he shall report thereon to Congress. The operation of any of such facilities shall not be discontinued and new lines shall not be developed or operated until authorized by Congress.

(c) The operation of the transportation and terminal facilities under this act shall be subject to the provisions of the interstate commerce act as amended and to the provisions of the shipping act, 1916, as amended, in the same manner and to the some extent as if such facilities were privately owned and operated; and all vessels of the corporation operated and employed solely as merchant vessels shall be subject to all other laws, regulations, and liabilities governing merchant vessels.

Mr. DENISON. Mr. Chairman, I ask unanimous consent to correct an error in line 14. The word "some" should be "same."

The CHAIRMAN. Without objection, the correction will be made by the Clerk.

There was no objection.

Mr. BLACK of Texas. Mr. Chairman, I have an amendment.

In line 7, page 3, after the word "Congress," strike out the balance of line 7 and all of lines 8 and 9.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Page 3, line 7, after the word "Congress," strike out the remainder of the paragraph.

Mr. BLACK of Texas. Mr. Chairman, the language I seek to strike out reads as follows:

The operation of any of such facilities shall not be discontinued and new lines shall not be developed or operated until authorized by Congress.

I understand the purpose of the creation of this corporation is to relieve the present United States Government operation of the barge lines from unbusinesslike methods and from bureaucratic control and to allow the corporatioon to operate somewhat in the same manner as a private enterprise would operate, and yet, by this language we would say to this corporation, "Even if you find a line you are operating is unprofitable and losing you money every day, you have got to come here to Congress and get Congress to pass a law permitting you to discontinue its operation, before you can cease your service on that line."

Mr. DENISON. Will the gentleman yield?

Mr. BLACK of Texas. I will.

Mr. DENISON. We are conducting an important experiment down there, and we do not want to authorize the Secretary of War to stop it unless he puts it up to Congress. On the other hand, we do not want to allow him to extend this to some other river unless Congress gives him the permission. There is a great deal of political influence used one way and another, and the Secretary of War does not want to be subjected to it, but let Congress control it.

Mr. BLACK of Texas. Yes; it is because I know the inefficiency produced by this political influence that I do not want the Government to continue in this business. Let me call attention to this fact: Suppose we should say to the Emergency Fleet Corporation, which is charged with the responsibility of operating our Government-owned fleet, "You shall not discontinue a line or put another line into operation until you come to Congress and get authority."

Mr. ABERNETHY. Will the gentleman yield?

Mr. BLACK of Texas. Yes.

Mr. ABERNETHY. I think this is necessary language to remain in the bill. If we had had that language in there, the Secretary of War, through his agent, would not have been allowed to have taken off the inland-waterway boats and sold them to a State barge line.

Mr. BLACK of Texas. Oh, no. What the gentleman has stated emphasizes the reason why I expect to vote against this bill. You want to tie, and you will tie, the hands of this corporation so that it can not operate this in a business way. The only way the corporation can operate it is to come to a committee of Congress and let that committee tell its operating officials upon what route you shall operate your boats, and it does not make any difference how much money you are losing, you must not discontinue a single line until Congress allows you to do it. Committees of Congress have their useful functions to perform, but operating steamboats is not one of them.

Mr. WINSLOW. Will the gentleman yield?

Mr. BLACK of Texas. Yes.

Mr. WINSLOW. I sympathize with the gentleman in his argument based on his point of view, but I fear he has not comprehended the spirit of the bill and its purposes. The central idea in this bill is to try out an inland-waterway service.

Mr. BLACK of Texas. In a businesslike method?

Mr. WINSLOW. That is what I would have said in less elegant language [laughter] if the gentleman had not made his inquiry. We differ as to the essence of the proposition, but that is the central idea. The purpose is to try it without the Government going permanently into the business of inland waterways.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. WINSLOW. Mr. Chairman, I will ask the floor for myself. Mr. Chairman, the purpose of this bill is to demonstrate whether inland-water transportation is worth encouraging in this country for private enterprise. As the industry stands now it is discredited and no capital is going into it. We have, through the exigencies of war, a considerable amount of money invested in barge lines on the Black Warrior and Mississippi Rivers. They have gone through the preliminary stage of trial, and those who have most to do with them believe there is ample warrant to go on and try it a little further.

The $5,000,000 is a matter of bookkeeping. The waterway property now in the War Department is to be transferred to this proposed corporation so as to make the business efficiently transacted. If we were to go in as does the Emergency Fleet and build up a shipping industry without much regard to time or where it would land, that would be one thing. If the corporation created by this bill does not demonstrate permanently the wisdom of waterway develpoment and operation, building barges and clearing channels of the rivers all over the country, then there is nothing to it. I feel that we ought to look at the problem simply as a trial. Those of us in sympathy with the purpose of this bill believe that the trial will show what value is in the proposition. They feel further that if it proves that inland waterway business can be well done the Government should stop, and that the demonstration of the successful operation will result in the investment of private capital and there will be no need for the Government to go further in such direction. We feel that we should give Congress the opportunity to pass on the principle involved and make all future operations depend on the will of Congress rather than to put the Secretary of War or his agents in a position to reach out and favor this plan or that plan and perhaps one day to be severely criticized by Congress itself.

Mr. BLACK of Texas. Will the gentleman yield?

Mr. WINSLOW. I will.

Mr. BLACK of Texas. I have no objection to the provision not allowing the Secretary of War to establish new lines without the consent of Congress, but does the gentleman think that the Secretary's hands should be tied so far as a losing proposition is concerned so that he can not discontinue a line that is losing without the consent of Congress?

Mr. WINSLOW. I think if we are going to give it a trial we should give it a fair trial, and we ought to operate it long enough so that Congress may be satisfied in the interest of the whole people.

Mr. MORTON D. HULL. Will the gentleman yield?

Mr. WINSLOW. Certainly.

Mr. MORTON D. HULL. How long does the gentleman think will be required to demonstrate whether it is wise or unwise?

Mr. WINSLOW. The testimony before the committee was that five years would be a reasonable time, beyond which we ought not to go, and further, we do not advise tying their hands by any shorter trial period.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. OLIVER of Alabama. We were also advised, as I am informed, that it should continue until we felt there was some stability about the service so that the people would be willing to patronize it.

Mr. WINSLOW. Quite so.

Mr. OLIVER of Alabama. And as soon as you create a corporation and give it some life and some hope of continuation then we will take a step in the right direction.

Mr. WINSLOW. That is quite in accordance with the testimony as affecting the development of business.

Mr. NEWTON of Minnesota. And is it not true, in order to operate a barge line, that it is necessary for the owner to some extent to build his connection, and if he has a five-year period he can afford to take the risk of building the connection, but if he has no assurance as to how long it will go he is not willing to take the risk of building a connection without that guaranty?

Mr. WINSLOW. Yes. And, further, no business man will cut himself from present facilities until he is satisfied that this new corporation, and so forth, are sufficiently well established to warrant his patronage.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. RAINEY. Mr. Chairman, I understand from the statement just made, and it was an exceedingly clear statement, that the object of continuing the operation of these barges for another five years is to enable the Government to make a demonstration that barge service can be made successful on the rivers. This section authorizes an appropriation of $5,000,000. I know this committee can not appropriate any money, but it is authorized here in this section just as positively as any committee ever authorized an appropriation. Of course, they will have to go to the Budget Committee before they get it, but they will get the entire $5,000,000 before the five years are out. If the object of this demonstration is to show private citizens that they can operate barge lines successfully, why in the name of God did they take away from a private citizen 19 barges

and 4 steamers, barges so constructed as to properly operate on the rivers, upon the alleged charges that he was not operating as a common carrier, when they had refused him permission to operate as a common carrier at the same rate charged by the Government barges? These boats, according to the testimony of the Secretary of War, could go without breaking cargo the entire length of the Mississippi River, all the way from St. Louis clear down to New Orleans, and the Government boats can not do that. Mr. Goltra, who is financially able to make good all of his contracts, and who stood to lose if he could not operate any better than the Government operates barges, two or three million dollars on this contract, was starting to operate under his contract when the Government seized his barges. The Government is operating them now, according to the testimony before the committee. If the object is to encourage private citizens to engage in an enterprise of this kind, are you encouraging private citizens when you seize barges that private citizens want to operate at their own expense without the possibility of a dollar loss to this Government, when they have given a $300,000 bond for the opportunity of operating these barges?

Mr. Chairman, there is politics in this, and I want to tell you what it is. At the time these barges of Mr. Goltra were seized, and we might as well know it, he was the Democratic national committeeman of the State of Missouri, and they did not want a Democratic national committeeman who got his original commission from a Democraic administration to make a success of barge traffic on the river and they seized these barges, although the Government did not stand to lose a dollar and Mr. Goltra stood to lose all of it, if any was lost. They seized them at the moment when he was preparing to operate and make them a success. There is politics in this, and that is the reason why it was done. They can not do anything with the Government barges on that river. They draw too much water, and you can not successfully operate shuttle boats. I propose every time one of these bills comes up to keep exposing that outrage; that act of piracy on the part of the Secretary of War.

Mr. DENISON. Mr. Chairman, will the gentleman yield?

Mr. RAINEY. Yes.

Mr. DENISON. I would be glad to have the gentleman advise the House that all of this controversy between Mr. Goltra and the War Department is a matter now in the courts and which will be there disposed of in accordance with law. It is not a matter for us to dispose of here on the floor of the House in connection with this bill. It is not relevant to this bill.

Mr. RAINEY. It is a matter of which this Congress, which makes these appropriations and authorizes their services, ought to be advised, and the country ought to know about it, and I am going to see that the country is advised about it.

Mr. DENISON. My friend has now spent about 40 minutes upon this subject, and I think the House is fairly well advised about it. I would like to proceed with this bill.

Mr. RAINEY. I am only occupying the five minutes allowed to me under the rules, and I have said as much as I want to say now. I may want to say more before we get through with this bill.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas [Mr. BLACK].

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 4. (a) The Secretary of War shall appoint an advisory board of six members (hereinafter referred to as the "board") from individuals prominently identified with commercial or business interests in territory adjacent to the operations of the corporation. No member of the board shall be an officer, director, or employee of, or substantially interested in, any railroad. Two of such members shall continue in office for terms of one year, and the remaining four for terms of two, three, four, and five years, respectively, from the date of appointment, the term of each to be designated by the Secretary of War. Each successor shall be appointed by the Secretary of War for a term of five years from the date of the expiration of the term of the member whom he succeeds, except that any successor appointed to fill a vacancy occurring prior to the expiration of a term shall be appointed only for the unexpired term of the member whom he succeeds. A vacancy in the board shall not impair the powers of the remaining members to execute the functions of the board.

(b) The members shall receive no salary for their services on the board but, under regulations and in amounts prescribed by the Secretary of War, may be paid by the corporation a reasonable per diem compensation for attending meetings of the board and for time spent on special service of the corporation, and their traveling expenses to and from such meetings, or when assigned to such special service.

(c) In addition to the six members, the Secretary of War shall appoint an individual from civil life, or (notwithstanding section 1222 of the Revised Statutes or any other provision of law, or any rules or regulations issued thereunder) detail an officer from the Military Establishment of the United States as chairman of the board. Any officer so detailed shall, during his term of office as chairman, have the rank, pay, and allowances of a brigadier general, United States Army, and shall be exempt from the operation of any provision of law, or any rules or regulations issued thereunder, which limits the length of such detail or compels him to perform duty with troops. Any individual appointed from civil life shall, during his term of office as chairman, receive a salary not to exceed $10,000 a year, to be fixed by the Secretary of War. The Secretary of War may delegate to the chairman any of the functions vested in the Secretary by this act.

(d) The board shall meet for organization purposes when and where called by the Secretary of War, and thereafter at such times and places as the Secretary deems necessary. The board shall consider matters submitted to it by the Secretary of War and make recommendations thereon, and from time to time advise him and make recommendations in respect of the management and operation of existing facilities or the development and operation of new lines.

Mr. GRAHAM of Illinois. Mr. Chairman, there is a typographical error in line 21, page 4. The word "addition" ought to be correctly spelled.

The CHAIRMAN. Without objection, the word "addition" will be correctly spelled.

There was no objection.

Mr. DENISON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. DENISON: Page 3, line 25, after the word "railroad," insert the word "corporation."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. FISHER. Mr. Chairman, I move to strike out the last word. The people of the section of the South in which I live are strong believers in the development of water transportation. Every encouragement and support has been given to the Federal barge line by our city administration and our business men. We have a commission on water terminals composed of strong, enthusiastic business men who have, together with an active and interested mayor and efficient engineer, cooperated to the fullest extent with the representatives of the Government.

About the time there was such a great congestion of freight, due to the war needs, and the Director General of the Railroads for the Government began activities for an increase in the development of the water lines, our city, cooperating with the Government, invested large sums of money in a warehouse near the bank of the great Mississippi River, thus increasing its terminal facilities and at an expense of $450,000. Great improvements were made to facilitate the handling of the river freight. The equipment was inadequate, but the demand for the release of freight held for want of a means of transportation caused great efforts to be made by the few barges of the Railroad Administration and river fleet which were available. This development brought some relief. It aroused our people to the great need for an efficient and dependable line of boats or barges.

The declaration by the Congress in 1920 in the transportation act stating the future policy of the Government with reference to the transportation on our inland waterways was welcome news. Under the terms of section 500 Army engineers and our engineer and commission had many conferences, and as a result a modern water terminal to cost much over a million dollars was planned. It is now completed and furnishes the most modern machinery for the landing of water freight. It was stated by Colonel Ashburn in the hearings before the House Committee on Interstate and Foreign Commerce that this new terminal built by the citizens of Memphis is perhaps the best of its kind in the world to-day. The results have been gratifying. Many of the industries of our city which have in recent years been built with the thought of convenience of railroad trackage can now utilize the new terminals, for there is every convenience for the switching of cars.

With this heavy expenditure of money and with so bright an outlook for a big business, it is expected that under the policy of the Government, stated in the act of 1920, there should be some assurance that the barge line will be continued till the business is established and conditions of rates and other uncertainties done away with; then it may be private interests may come in to buy and take over the business. It is out of the

question to expect private interests to take it over at this time.

In so far as the Federal barge line's operation on the Mississippi River is concerned, even under various handicaps it has proven that the service can make a success, saving the shippers of freight large sums of money. It has already greatly reduced freight rates and has proven that it can render service acceptable to the people. [Applause.]

There are, however, great handicaps to the present management, and it has been recommended that there be created the inland waterways corporation to carry out the policy of the Government as to the development of the waterways system.

The bill provides that the Secretary of War shall be the incorporator and shall govern and direct the corporation in the exercise of the functions vested in it by the law. The capital stock shall be $5,000,000, all of which is subscribed for by the United States. The Secretary of War is authorized to appoint an advisory board of six members from prominent business interests in territory adjacent to the operations of the barge line. It is provided that none of them nor any officer, director, or employee shall be interested in any railroad. The members of the board are to receive no salary and only a reasonable per diem compensation for attendance at meetings of the board and for time spent on special service of the corporation and their traveling expenses to and from the meetings. Provision is made for a chairman of the board at a salary fixed by the Secretary of War, but not to exceed $10,000 a year. There are many provisions in the bill which will make it possible to operate the barge lines efficiently. The bill has had careful study, and has the recommendation of those who have had much experience in the operation of the Federal barge line. The Secretary of War has indorsed it. It is believed that such a corporation is necessary under the present circumstances. If the Federal barge line should not be continued, it would mean the danger of water transportation being given a handicap which would greatly hinder its progress.

The South has great natural waterways upon which the Government has spent millions of dollars. It has great resources in coal fields, iron mines, and a cotton yield which is the greatest in the world. It needs an efficient water transportation to aid in distributing these resources to the markets of the world. [Applause.]

Mr. McKEOWN. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

Mr. DENISON. One moment. I ask unanimous consent that all debate on this section and all amendments thereto close in five minutes.

Mr. BLANTON. Mr. Chairman, I have not had an opportunity to speak on this bill; I ask for five minutes on the bill.

Mr. DENISON. I will amend my request and make it 7 minutes; the gentleman from Oklahoma wants 2 minutes and the gentleman from Texas 5.

Mr. BLANTON. I thank the gentleman.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that all debate on this section and all amendments thereto close in 7 minutes, the gentleman from Oklahoma to have 2 minutes and the gentleman from Texas 5. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the amendment.

The Clerk read as follows:

On page 2, line 20, after the word "service," insert "provided no member of the board will receive in excess of $1,500 in any one year in excess of his expenses."

Mr. DENISON. Please read that again; I did not hear it.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The amendment was again reported.

Mr. DENISON. The gentleman must understand that they do not get anything in excess of their expenses. The gentleman is allowing $1,500.

Mr. McKEOWN. They have a per diem allowance for meetings of the board, which is right, which is fair, and for special services a per diem allowance, but I want to limit the amount of the per diem altogether to $1,500. We have experience in some places with officers who get a per diem, and the per diem runs up sometimes to very large sums. I want to limit it not to exceed $1,500, which is in addition to their actual expenses. I think the gentleman ought to accept that amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Oklahoma.

The question was taken, and the amendment was rejected.

Mr. McKEOWN. I offer another amendment while I am on my feet.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 5, line 10, after the word "exceed," strike out "$10,000" and insert "$7,500."

Mr. McKEOWN. I am just going to say to the gentleman——

Mr. BLANTON. Mr. Chairman, I ask for recognition.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired. The question is on agreeing to the amendment offered by the gentleman from Oklahoma.

The question was taken, and the Chair announced the noes seemed to have it.

Mr. McKEOWN. I ask for a division. I want to see if gentlemen here want to pay this man more than they get themselves.

The committee again divided; and there were—ayes 13, noes 46.

So the amendment was rejected.

Mr. BLANTON. Mr. Chairman, I move to strike out the paragraph. Mr. Chairman, I have voted for my last Government corporation. The Shipping Board and the Emergency Fleet Corporation has convinced me that they are unwise; that they cost too much money before we get through with them and before we can get rid of them. You are by this paragraph creating a new position of $10,000 a year, and I want to say to you that you carry with it——

Mr. SHALLENBERGER. I know the gentleman wants to be correct. The fact is that the man already receives that salary without it being declared that he is being paid that money and——

Mr. BLANTON. You are now providing this $10,000 position by law, and as the distinguished gentleman from Nebraska knows, when you once create an office of $10,000 you never can get rid of it.

Mr. McDUFFIE. But we could not run this without this man.

Mr. BLANTON. Oh, yes; but here is what you are doing: This board may appoint, fix the compensation of, and remove such officers and employees, attorneys, and agents as are necessary for the transaction of the business of the corporation.

Mr. DENISON. Will the gentleman yield right there?

Mr. BLANTON. I regret to say I only have five minutes, and I want to state my position on this proposition if the gentleman will kindly excuse me. The bill places no limitation on that. It has no restriction on the salaries or the number of employees. They can appoint just as many as they want, and under the provisions of this bill they can fix their salaries just as high as they want and you could without violating the law have another wasteful, extravagant Shipping Board and an Emergency Fleet Corporation in this bill.

Why do we have to create a new Government corporation, anyhow? Have we not enough already. Surely among all the Government institutions that we have now we could find one of them that could attend to this business without creating another.

I just received this morning a telegram from the West Texas Chamber of Commerce. You will imagine that that was a chamber composed only of bankers and business men. It is not. My colleague from El Paso, Senator HUDSPETH, knows that that is one of the biggest institutions of my State and his State.

Mr. HUDSPETH. It is one of the biggest chambers of commerce in the United States, so far as membership is concerned.

Mr. BLANTON. Yes; it is one of the biggest chambers of commerce in the United States. This telegram came from a convention of 20,000 of them assembled there. They sent a telegram up here demanding that action be taken to stop that Barkley bill from being passed next Monday. They are against it. That chamber of commerce, with 20,000 members assembled there on yesterday, is composed of farmers, if you please; stockmen from all over the country there, and laboring men, if you please; merchants, bankers, preachers, doctors, lawyers, teachers, dentists; men from every avocation and walk in life. If you draw a line north and south through Fort Worth, the district of my colleague, Mr. LANHAM, everything west of that line is the territory of the West Texas Chamber of Commerce; and without equivocation those men sent that direction up here and asked in the name of these people that there be not five boards of 45 members drawing salaries ranging from $7,000 to

$10,000 a year, with all the incidental employees that go into that bill, placed as a burden upon the people.

Mr. LOZIER. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. I wish I had the time, but I have not.

The CHAIRMAN. The Clerk will read.

The Clerk resumed and concluded the reading of the bill.

Mr. DENISON. Mr. Chairman, I move that the committee rise and report the bill back to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The question was agreed to.

Accordingly the committee rose; and Mr. GRAHAM of Illinois having resumed the chair as Speaker pro tempore, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 8209) to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER pro tempore. Under the rule the previous question is ordered. Is a separate vote demanded on any of the amendments? If not, the Chair will put them in gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. BLANTON. Mr. Speaker, I ask for a division.

The SPEAKER. The gentleman from Texas demands a division.

The House divided; and there were—ayes 78, noes 4.

So the bill was passed.

On motion of Mr. DENISON a motion to reconsider the vote whereby the bill was passed was laid on the table.

Mr. CAREW. Mr. Speaker, I make the point of no quorum.

Mr. SNELL. Will the gentleman withhold that for a minute, while I present a rule for printing in the RECORD?

Mr. CAREW. Yes.

WAGES OF GOVERNMENT PRINTING OFFICE EMPLOYEES

Mr. SNELL. Mr. Speaker, I present a report (Rept. No. 773) from the Committee on Rules on the resolution (H. Res. 315) for the consideration of the bill (H. R. 7996) to regulate and fix rates of wages for employees of the Government Printing Office.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

Report from the Committee on Rules on the resolution (H. Res. 315) for the consideration of the bill (H. R. 7996) to regulate and fix rates of wages for employees of the Government Printing Office.

The SPEAKER. Referred to the House Calendar and ordered to be printed.

NO QUORUM—CALL OF THE HOUSE

The SPEAKER. The gentleman from New York [Mr. CAREW] makes the point of order that there is no quorum present. Evidently there is no quorum present.

Mr. SNELL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Davey	Hull, Tenn.	Mooney
Andrew	Dickstein	Johnson, Wash.	Moore, Ill.
Anthony	Dominick	Jost	Morin
Bankhead	Dowell	Kahn	Morris
Boies	Doyle	Keller	Mudd
Britten	Drane	Kelly	Nelson, Wis.
Browne, N. J.	Edmonds	Kiess	Nolan
Burdick	Fenn	Kvale	O'Brien
Byrnes, S. C.	Freeman	Langley	Park, Ga.
Campbell	Frothingham	Larson, Minn.	Patterson
Casey	Funk	Leatherwood	Peavey
Clark, Fla.	Gallivan	Lehlbach	Prall
Clarke, N. Y.	Garber	Little	Ramsey
Cole, Ohio	Gilbert	McKenzie	Reed, Ark.
Connolly, Pa.	Graham, Pa.	McLaughlin, Nebr.	Reed, W. Va.
Corning	Green, Iowa	McNulty	Rogers, Mass.
Curry	Howard, Okla.	MacGregor	Rogers, N. H.
Dallinger	Huddleston	Madden	Rosenbloom
Schneider	Swoope	Vinson, Ky.	Welsh
Snyder	Tague	Voigt	White, Me.
Stengle	Taylor, Colo.	Ward, N. Y.	Williams, Tex.
Sullivan	Thomas, Ky.	Ward, N. C.	Wilson, Miss.
Sweet	Upshaw	Wason	Winter

The SPEAKER. Three hundred and forty-one Members have answered to their names; a quorum is present.

Mr. SNELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The doors were reopened.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on *Enrolled* Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills and joint resolution:

H. R. 1823. An act for the relief of the Long Island Railroad Co.;

H. R. 4161. An act authorizing the Commissioner of Indian Affairs to acquire necessary rights of way across private lands, by purchase or condemnation proceedings, needed in constructing a spillway and drainage ditch to lower and maintain the level of Lake Andes, in South Dakota;

H. R. 2878. An act to authorize the sale of lands allotted to Indians under the Moses agreement of July 7, 1883;

H. R. 5799. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Seminole Indians may have against the United States, and for other purposes; and

H. J. Res. 248. Joint resolution to provide for the remission of further payments of the annual installments of the Chinese indemnity.

ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 7995. An act to limit the immigration of aliens into the United States, and for other purposes; and

H. R. 7962. An act to extend for the period of one year the provisions of Title II of the food control and the District of Columbia rents act, approved October 22, 1919, as amended.

ADDITIONAL JUDGES, SOUTHERN DISTRICT OF NEW YORK

Mr. SCOTT. Mr. Speaker, I offer a privileged resolution from the Committee on Rules.

The SPEAKER. The gentleman from Michigan offers a privileged resolution from the Committee on Rules, which the Clerk will report.

The Clerk read as follows:

House Resolution 298

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 3318) entitled "A bill to provide for the appointment of two additional judges of the District Court of the United States for the Southern District of New York." That after general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by those favoring and opposing the bill, the bill shall be read for amendment under the five-minute rule. At the conclusion of the reading of the bill for amendment the committee shall arise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SCOTT. Mr. Speaker and gentlemen of the House, this rule allows the House to consider House bill 3318. That bill provides for the appointment of two district judges in the southern district of New York. The bill is reported to the House by the unanimous report of the Committee on the Judiciary. It is recommended unanimously by the judiciary, and it is urged by such notable individuals as Chief Justice Taft, of the Supreme Court. In view of the fact that the bill has the unanimous support of your Committee on the Judiciary, I have no desire to discuss before the House the provisions of the rule, which are in accord with the usual rules for the consideration of a bill, and unless some one desires to discuss the matter, I will move the previous question.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. SCOTT. Yes.

Mr. SUMNERS of Texas. The gentleman states correctly, as I understand, that there is no minority report?

Mr. SCOTT. That is true.

Mr. SUMNERS of Texas. But as one member of the Judiciary Committee, I voted against agreeing to the bill and served notice within the committee that I would oppose it when it came up for consideration.

Mr. SCOTT. Then I should modify my statement, because I had not the information given me by the gentleman from Texas.

Mr. SEARS of Florida. Will the gentleman yield?

Mr. SCOTT. Yes.

Mr. SEARS of Florida. Does the gentleman say that Chief Justice Taft has indorsed this bill?

Mr. SCOTT. Yes; he has indorsed the bill.

Mr. SEARS of Florida. Is it not true that less than two years ago, or about two years ago, the Chief Justice recommended 18 judges and opposed any additional judges?

Mr. SCOTT. It seems to me I have a recollection of something of the kind. The situation in the southern district of New York is this: It has been necessary for some time to have judges from other sections of the country come to the State of New York in order to assist in the trial of their cases. If these two new judges are appointed, the expense to the United States Government will be less than it has actually cost the Government to import foreign judges for the trial of the cases.

Mr. GARRETT of Tennessee. Will the gentleman yield me some time?

Mr. SCOTT. Certainly.

Mr. GARRETT of Tennessee. Say, 15 minutes?

Mr. SCOTT. Yes; I yield the gentleman 15 minutes.

Mr. GARRETT of Tennessee. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. CELLER]. [Applause.]

Mr. CELLER. Mr. Speaker and gentlemen of the House, I am from the very district or, rather, the adjoining district in New York which is supposed to be benefited by the creation of two new judges; that is, two judges for the United States District Court for the Southern District of New York.

I am opposed to the adoption of this rule and I am opposed to the bill, first, because we do not need the two judges in New York; and second—and I will endeavor to show you if I have time—that if we pass this bill we will be putting the seal of approval upon a most pernicious practice with reference to equity receiverships which we have ever seen in the history of the judiciary of the United States, and when this is known generally I am sure the gentlemen of this House will not want to vote for this bill.

I have taken the trouble to see whether or not it was necessary for the proper procedure in the court there to have these two additional judges. I have read much in the hearings with reference to the large dockets in the southern district of New York. We hear of thousands of cases of a criminal nature; we hear of hundreds of cases of an equitable nature, so many hundreds in admiralty, that there is tremendous delay and that justice delayed is justice denied. But let us examine into the situation and see whether or not those facts square with the truth. I have before me the hearings held by the Judiciary Committee when they had this very bill under consideration. There was inserted in the record some figures with reference to the number of equity cases, the number of law cases, and the number of admiralty cases which remained pending on the docket in that court June 30, 1923. I have tried to get figures with reference to these cases that remained on the docket six months after December 31, 1923. I have those figures and let me compare them with you.

There remained pending June 30, 1923, in the southern district court, where there are now six judges, 1,151 cases in equity, and there remained six months after—and this is after you had already given New York two additional judges—561 cases in equity, so that there had been disposed of in those six months 50 per cent of the entire equity docket in that court. Why do you want two more judges? I say, verily, if you give a little more time and there is a real willingness to work on the part of some of the judges in that court, you will clear the equity docket in that court very quickly. What is the situation with reference to the legal end of it, the law side of that court? On June 30, 1923, I found that there were 2,184 cases left undisposed of on the docket. Six months afterwards there were only 1,647, a reduction of 25 per cent.

With reference to admiralty cases, there were 3,518 cases on the docket June 30, 1923, and six months thereafter, with the work of these two new judges, there were 1,830 cases, a reduction of 45 per cent.

Now, I say, my good friends, if there have been such reductions all along the line in equity, in law, and in admiralty cases, what is the necessity for the additional judges in the district courts for the southern district of New York?

Mr. PERLMAN. Will the gentleman yield for a question?

Mr. CELLER. I yield.

Mr. PERLMAN. The gentleman has said that with the two additional judges we got they disposed of so many cases. Do you know that within the last year 34 judges from outside of New York were sent to the southern district of New York to help the 6 judges?

Mr. CELLER. I will come to that matter in just a moment, and I will say this, that if you get 2 more judges in New York you will still have 34 judges coming in, because you will get into the situation where the more judges you get the more judges will be desired, and you can never get away from that situation.

Mr. PERLMAN. Will the gentleman yield further?

Mr. CELLER. I have only 15 minutes, and I want to develop my thought.

Now, what is the situation with reference to the criminal side of the court? We find on that particular day in question, June 30, 1923, there were something like 8,836 cases on the docket, and at the end of the six months' period there were just 269 more cases on the criminal side of the court. The figures that I cite are to be found on pages 6 and 8 of the hearings.

To recapitulate:

Cases pending June 30, 1923:	
Equity	1,151
Law	2,184
Admiralty	3,518
Cases pending six months later, December 31, 1923:	
Equity	561
Law	1,647
Admiralty	1,830

We read in the records given by some of the proponents of the bill that the criminal cases have flooded the court and that they have so many criminal cases as a result of prohibition violations that it is utterly impossible to get any cases disposed of; but I will tell you something, my good friends, about that. The judges in the southern district have only themselves to blame for this condition; and why? They have passed a resolution, the six of them, in concert with one, I believe, of the judges of the circuit court of appeals, that they will not fine first offenders for violation of the prohibition law. What has been the result of that particular position which they have assumed?

Mr. PERLMAN. Will the gentleman yield for a question?

Mr. CELLER. In just a moment. We find that none of the attorneys who represent these offenders in the prohibition cases will file pleas of guilty when assured of jail sentences only for their clients, and the result is you have the calendar so congested with prohibition cases that you can not get any of the prohibition cases tried, or only a few of them, and then when they find that condition as a result of their own resolution, which is most improvident, they bring in outside judges who are more lenient in such cases. These outside judges come in, and they only fine first offenders, and then they clear the entire docket.

I say, my good friends, they have no right in New York, considering the public opinion of New York's population, to impose imprisonment in cases of first offenders, when in most parts of the country the Federal judges refuse to imprison and only fine, and I say that if they would be more lenient in their attitude concerning prohibition cases perhaps they would not have so many of these prohibition cases congesting the docket.

Mr. KING. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. KING. What I am interested in is when the gentleman is going to bring out his bill to raise the salary of Members of this House.

Mr. CELLER. I will bring out that bill just as soon as the Judiciary Committee will permit me to do it. [Applause.]

There has been another reason for this congesting of the docket in the southern district of New York. About 20 months ago you gave to the country some 22 new and additional judges and two of them were assigned to New York. It took the Republican Party almost a year and a half to agree upon who should be the designees and who should receive this judicial preferment, and this delay caused considerable trouble. Do not, therefore, say that because Congress gave you the two additional judges and there was this Republican fumbling and delay in the appointing of the judges with the consequent piling up of untried cases, you want two more judges to remove the very court's congestion caused by the said fumbling and delay. I wonder whether the other side, in the event of this bill's passage, will again show its lack of strength of party by being unable to agree upon the recipients of these judicial prizes.

Mr. MOORE of Virginia. Who were the two judges appointed that were authorized by the act approved in 1922?

Mr. CELLER. I think they were Judges Winslow and Goddard.

Mr. MOORE of Virginia. When were they appointed?

Mr. CELLER. They were appointed, I think, January 4, 1923.

I have before me a rather interesting letter written to one of my colleagues, Congressman JACOBSTEIN, of the Rochester district of New York. The gentleman from New York [Mr. JACOBSTEIN] has a bill in the House to establish an additional judicial district in the upper regions of New York State, and at the end of a letter written by Attorney General Stone we have this very significant language, after he had indicated disapproval of the bill:

> This report is not in conflict with the financial program of the President of the United States.

Although this language is vague, I presume that the President in strictest economy does not want any more judges in northern New York. At the risk of being accused of using one Republican President's argument of economy, I nevertheless desire to caution the other side to heed the President. He opposes additional judges in northern New York. To be consistent he must oppose additional judges for southern New York.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. The gentleman from New York asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. GARRETT of Tennessee. Mr. Speaker, I yield the gentleman three minutes more.

Mr. CELLER. Gentlemen, we get nowhere whatsoever if we every once in a while answer the plea of certain sections of the country for additional judges. It is a hit-and-miss policy, a mere palliative. It gets us nowhere. We must develop some sort of permanent policy with reference to taking care of the judicial procedure in the United States, a policy along the lines laid down by Chief Justice Taft of the Supreme Court. We must establish something in the nature of a system of rotating judges. We have plenty of judges in this country, and if there is need in New York for additional judges we have enough of them in the North, enough of them in the West, enough of them in the South, and there should be a policy established whereby New York could draft, as it were, those judges who have not as much to do as other judges in New York and let them come to New York and take care of the congested dockets, if any such dockets exist.

And in that way, my friends, we will do away with this calling upon Congress to give us additional and unnecessary—I say unnecessary advisedly—judges. That is the policy that ought to be adopted, a policy that will prevent the ever-recurring plea for additional judges. When the additional 22 judges were given recently it was thought that the two judges for the southern district of New York would be amply sufficient. Why was not the plea made for four judges? That was only 20 months ago. Has the situation so suddenly changed as to require two more judges for New York? The facts are identical in the equity and law sides of the calendar. There is no necessity for additional judges. In New York also we have a remedy—we can refuse to allow the courts to entertain jurisdiction in a great many cases. The testimony before the committee showed by one who represented the Patent Law Association that it is always the desire and avidity of lawyers to bring their litigation in the New York courts.

In patent cases they can go wherever there is a violation of the patent or the patent license. Despite the permission to try the case elsewhere they always bring their cases in the courts of New York. If we adopted suitable legislation we could deny the right of certain litigants to come into the New York courts to flood those courts with their cases. We can also have an additional remedy in the matter of admiralty cases. Many admiralty cases are brought in the New York courts that have no right to be there.

In this connection there is an interesting letter, on page 13 of the hearings, from I. Maurice Wormser, editor of the Law Journal of New York, part of which permit me to quote:

> The amount of business in this district warrants, in my opinion, the addition of two judges, though, in general, I would oppose this creation because of my regard for the pockets of the already overburdened taxpayers. However, in this particular instance there can be no doubt of the necessity, *particularly as much litigation is brought in New York which ought to be brought elsewhere.*

Much is made of the fact that the judicial council approved this bill, the judicial council being presided over by Chief Justice Taft. That same council recommended an additional judge for a Virginia district not so long ago, and here is what our esteemed friend, Governor MONTAGUE, of the Judiciary Committee, said:

> In my own State you recommended a judge and nobody wanted a judge; even the district judges did not want a judge. You just submitted it to us on a mere mathematical calculation.
>
> I am not criticizing the merits of the bill. I am just wondering how we are wandering into these judges, and *it seems to be the more you appoint the more you need.*

One would imagine if there was so much truth in the statement made of the tremendous business in the court that the administration would endeavor to decrease, rather than increase, the burdens of the court. Yet recently all naturalization cases were withdrawn from the New York State courts and forced into the Federal courts. At each final hearing day, I am informed, there are at least 400 naturalization cases. These final hearing days are not infrequent. I presume that the administration realizes that the Federal judges in the southern district court can take on more work, otherwise why would the administration give them these additional naturalization cases.

There probably will be reported out of the Judiciary Committee the arbitration bill. If this bill passes, and there is every indication that it will, it will have the result of relieving the Federal judges of a great deal of civil work. It will be the means of settling many cases out of court. In the face of this innovation we should indeed hesitate to appoint two Federal permanent judges for life.

Furthermore, in the hearings before the Committee on the Judiciary, United States Senate, Sixty-seventh Congress, first session, on the original bill to provide for 18 new judges—increased later to 22—Chief Justice Taft testified—page 11—" that the Volstead Act only adds 8 per cent to the business of the court." This has been the first authoritative statement I have seen on the question of increase of Federal cases caused by prohibition. The general opinion is that the increase is far more than 8 per cent.

Senator CUMMINS—page 13, those same hearings—quoted Attorney General Daugherty to the effect that—

> in the course of a few years the procedure and rules in connection with the Volstead Act will be so simplified or crystallized that it will not take so many judges to enforce it a few years hence as it takes now.

Attorney General Daugherty himself—page 21, Senate hearings—states:

> The Volstead Act—the prohibition act—is much dwelt upon in connection with the reason for this request for increase. * * * I think it is at its peak now, so far as prohibition laws are concerned. * * * My judgment is that it is at its peak. * *, * The prohibition law increases this business not to the percentage that the general public is led to believe or that an effort is made to lead the general public to believe that it has increased.

That being so, I repeat that we must not unduly and hastily increase our number of judges.

Then there is the possibility, or rather the probability, that the Volstead Act might be liberalized to permit light wines and beer, in which event the proportion of Volstead violations will be materially decreased.

We would also do well, in order to decrease the amount of business, particularly in the southern district of New York, to repeal the Overman Act, which permits public utility corporations to test, for example, any State taxing statute or any State transit commission's increase of rates or fare, in the Federal court by having three judges pass upon the facts, the two judges being district judges, and the third a circuit court judge. New York City has suffered immeasurably because of this Overman law. The corporation counsel of the city of New York has pointed out, for instance, that without the permission of a Federal court the city can not bring suit to revoke a franchise with the terms of which the receiver of the bankrupt transit company fails to comply. The hearing of these cases by the three Federal judges usually consumes weeks. This practice is most pernicious and makes for the very congestion that we hear tell of.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. SCOTT. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. MILLS].

Mr. MILLS. Mr. Speaker and gentlemen of the House, this is not a matter as to which you gentlemen are interested in the personal opinion of individual Members. The question

as to whether you should provide for two additional judges in the district of New York is one that can best be determined by the judges and by the lawyers who practice in New York. And their testimony, if you please, is unanimous on that point. I have a letter from the secretary of the New York County Bar Association in which he says that the Hon. James O'Gorman, president, directed him to advise that the board of directors, at a meeting held on February 4, approved of the bill providing for the appointment of two additional judges.

Mr. PURNELL. Will the gentleman yield?

Mr. MILLS. I will yield.

Mr. PURNELL. Mr. O'Gorman was formerly a United States Senator and is a Democrat?

Mr. MILLS. That is quite correct. Mr. O'Gorman is a former Democratic United States Senator. I have also a letter from De Lancey Nicoll, a prominent Democrat.

Mr. CELLER. Has the gentleman a letter from Lindley Garrison, who received half a million dollars in fees, who is also a Democrat?

Mr. MILLS. I have not heard from him. The fact that gentlemen are Democrats or Republicans has nothing to do with this matter. The most unfortunate aspect in the discussion of this bill is apparently that it is going to assume a partisan aspect for reasons which I may find opportunity to cover. Gentlemen, what you want to know is: Do the people of New York need these judges; do the litigants need them; are the calendars crowded? What is the opinion of the bench; what is the opinion of the bar? I say to you that the opinion of the bench and the bar is unanimous to the effect that these two judges are needed.

De Lancey Nicoll, speaking for the Association of the Bar of the City of New York, says, "Our judiciary committee feels very strongly that the bill providing for two additional judges should become a law." He says, "The situation is growing daily worse," and he says that it takes two years for a case to be reached for trial.

That is the opinion of the lawyers as to the necessity for these judges. You will also find in the report of the Judiciary Committee the statement that Chief Justice Taft after careful review of the situation is satisfied that these additional judges are needed.

Mr. O'CONNOR of New York. Will the gentleman yield?

Mr. MILLS. I yield.

Mr. O'CONNOR of New York. In the county of New York is it not a fact that we have over 40 judges and it still takes two years to get consideration of a case?

Mr. MILLS. Yes; and I will say that in the State of New York when it was sought to create four additional supreme court judges to be elected last year in the county of New York, in an off year, when the gentleman's party was sure to elect them, the bill was passed in Albany and signed by a Democratic governor providing for the additional supreme court judges. But when the question now comes up to create two new judges, who are to be appointed by a Republican President, we find a united Democratic opposition, irrespective of the opinion of the judges, irrespective of the opinion of the bar, irrespective of the rights of litigants who for all you care will have to wait until by accident you may elect a Democratic President and appoint Democratic judges. [Applause on the Republican side.]

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield further?

Mr. MILLS. I can not yield further. What does the chief judge of the circuit court say?

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. MILLS. Yes; I yield to the gentleman from Tennessee.

Mr. GARRETT of Tennessee. What was the attitude of the gentleman as to the creation of those new State judgeships?

Mr. MILLS. I was not a member of the State legislature, and never had an opportunity to express any opinion.

Mr. PERLMAN. And is it not a fact that in the State legislature which passed this bill the assembly was Republican and the bill was passed by a Republican assembly?

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I can not yield further. That has nothing to do with this matter. What I want to do is to get the facts before this House. What does the chief judge of the Circuit Court of Appeals say? He says:

> The situation in the southern district was one of the matters which came before the judicial conference at its meeting in September. The judicial conference, as you know, is composed of the Chief Justice of the Supreme Court and the senior circuit court judge in each of the nine circuits of the United States. After full consideration the conference voted in favor of the appointment of two additional judges for the southern district of New York.

And this action was taken by unanimous vote, if you please. In other words, the judges decided that the situation demanded the appointment of these extra judges.

Mr. HOWARD of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I am sorry I can not yield.

Mr. HOWARD of Nebraska. So am I.

Mr. MILLS. If I have time, I shall later. The chief judge then goes on to point out that there are over 25,000 cases pending on the calendars; that it takes two and a half years for a case to be reached for trial, and that far from doing what the gentleman from New York [Mr. CELLER] said a few moments ago, catching up during the last six months of 1923, every calendar saw further congestion—the criminal calendar, the equity calendar, the law calendar, each saw a net increase of cases over cases actually disposed of, and the chief judge of the circuit court then proceeds to say:

> That being the condition, it is evident that in many cases a situation exists which amounts to a denial of justice.

That, Mr. Speaker, is not the expression of the opinion of a politician interested in partisanship. That is not the opinion of a politician who under some conceivable circumstances may be interested in whether a judge shall be a Democrat or a Republican—and I plead guilty to being in that class of politicians—that, Mr. Speaker, is the solemn affirmation of the chief judge of our Circuit Court of Appeals, stating that in our city of New York the calendars are so congested that it amounts to a denial of justice.

I sincerely hope, gentlemen of the Democratic side of the House, that upon further consideration you will decide whether it is wise for you as a party, simply on the partisan suggestion of my Democratic colleagues from New York, to vote for what the chief judge of the circuit court of appeals affirms would be a denial of justice to the people of the State of New York.

Mr. HOWARD of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. MILLS. Yes.

Mr. HOWARD of Nebraska. I am quite aware that oftentimes in the heat of debate we let slip inadvertently some sentences——

Mr. MILLS. Oh, I yielded to my friend from Nebraska for a question, not for a speech.

Mr. HOWARD of Nebraska. I was wanting to ask the gentleman, by way of a preliminary, whether he spoke inadvertently or advisedly when he said that the people of New York City were interested in this matter. As far as I have seen, he has not presented to me anybody from New York under the head of "people" other than judges and the bar. Has the gentleman any other recommendations?

Mr. MILLS. Yes; I will say to the gentleman that I speak for the 25,000 litigants whose cases wait 24 months before they are reached for trial. I call them as my witnesses.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. SCOTT. Mr. Speaker, I yield three minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, in commenting upon the congestion of these New York dockets, the gentleman from New York [Mr. MILLS] should have told you about how the business of those courts is handled. I imagine that if you would investigate you would find that these courts open when they hold business about half past 9 or 10 o'clock in the morning, and then run until about 12 o'clock, then take a noon recess until about 2 or half past 2——

Mr. BLACK of New York. From 1 to 2.

Mr. BLANTON. And then they hold how long, may I ask the gentleman?

Mr. BLACK of New York. Oh, I have seen them sit until 6 or 7 o'clock at night.

Mr. BLANTON. But ordinarily?

Mr. BLACK of New York. Five o'clock.

Mr. BLANTON. And is it not the fact that they sometimes do not open until half past 10 o'clock in the morning?

Mr. CELLER. Half past 10 is the usual hour for these courts to open.

Mr. BLANTON. And if these courts would open a little earlier, say at 9 o'clock and run until 1, and then come back at 2 o'clock and run until 5 or 6 o'clock every day, they could clean every docket in the United States, holding court every working day of the week.

Mr. ALMON. Will the gentleman state his hours when he was on the bench?

Mr. BLANTON. I held court, when it was necessary to clean up the docket, from 8 o'clock in the morning until 6 o'clock in the evening, and then held many night sessions until I cleaned up the docket in all five counties of my district, and I kept those dockets clean; and any judge, State or Federal, can do it if he is willing to work; but the trouble is they do not work enough. May I ask the gentleman from New York this: Does not a judge ordinarily take one or two or three months' vacation in the summer? Is not that the case?

Mr. PERLMAN. No; some do not take any time at all.

Mr. BLANTON. How many months' vacation do the New York judges take?

Mr. PERLMAN. The supreme court or the Federal courts?

Mr. BLANTON. In the trial courts; district judges.

Mr. PERLMAN. Not a day.

Mr. BLANTON. In the summer?

Mr. PERLMAN. No.

Mr. BLANTON. Well, I know some who take two or three months' vacation in the summer.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BLANTON. Yes; I yield.

Mr. LAGUARDIA. When the gentleman held court——

Mr. BLANTON. I am talking about this bill relating to Federal judges.

Mr. LAGUARDIA. When the gentleman held court from 8 o'clock until 6 in the evening and at night, when did he look up his law? [Laughter.]

Mr. BLANTON. I had plenty of time to look up the law. I had the law briefed by the trial lawyers for me just like your New York judges have it briefed for them by the attorneys. I also had time at night to look after it when I went home, where I had a good library; but the trouble is these Federal judges do not work enough, and you know it as well as I do. If these Federal judges would get busy and work like other men do, they could clean up these dockets. Then you would not have the extra surplus judge in Minnesota, like the gentleman from Minnesota [Mr. WEFALD] says they have now. He says they have got an extra surplus one. I wonder if he is going to vote for these two new ones here. You would not have the extra surplus judge in New Mexico, as now exists there, or extra judges all over the United States, if they would all work.

The SPEAKER. The time of the gentleman has expired.

Mr. SCOTT. Mr. Speaker, I do not wish to tire the House, but I am rather surprised this bill has provoked such controversy. It has risen very suddenly and decidedly, contrary to my expectation. This is the first time I have even seen a ripple of dissent, and this rule has been before us for several weeks. I have not any interest in the world in the selection of judges in the southern district of the State of New York, and I was hopeful in my experience in the House that I would find Mr. BLANTON on the right side of the proposition; but I am afraid I am going to be disappointed. But my interest in this matter is that of a taxpayer and a citizen who has no other interest in it in the world. There is no question of doubt that it costs the taxpayers of the United States to-day and has for several years, perhaps, more than the salaries of two new judges or three new judges or four new judges because the entire bench in the State of New York have insisted upon the importation of judges to clean up the calendar. We sent them in the past and we will send them in the future to clean up the calendars, and it will cost the taxpayers of the United States more money to have these judges come in than to create the two new judges which are asked.

Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The gentleman from Michigan moves the previous question on the adoption of the resolution.

The question was taken, and the previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken, and the resolution was agreed to.

Mr. SNELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SNELL. Mr. Speaker, if we should adjourn now, would it be in order to bring this matter up the first thing after the vote on the veto of the bonus bill to-morrow?

The SPEAKER. The Chair knows of nothing of higher privilege.

Mr. SNELL. Would it be better to go into the committee first or take a recess now? The reason I ask is that we have an evening session, and if it were not for the evening session we would clean up this matter to-night, but having the evening session we have to come back at 8 o'clock.

The SPEAKER. The Chair sees no advantage of going into committee first.

RECESS

Mr. SNELL. I move the House take a recess until 8 o'clock to-night.

The SPEAKER. The Chair appoints the gentleman from Connecticut [Mr. TILSON] as Speaker pro tempore for to-night. The gentleman from New York moves that the House take a recess until 8 p. m.

The motion was agreed to; accordingly (at 5 o'clock and 12 minutes p. m.) the House stood in recess until 8 p. m.

EVENING SESSION

The recess having expired, the House was called to order by Mr. TILSON as Speaker pro tempore.

THE PRIVATE CALENDAR

Mr. EDMONDS. Mr. Speaker, to-night is the night for the consideration of bills on the Private Calendar. I ask unanimous consent that the bills be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Pennsylvania asks unanimous consent that the bills on the Private Calendar be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the first bill on the Private Calendar.

CLIFFORD W. SEIBEL AND FRANK A. VESTAL

The Clerk read the title of the bill, as follows:

A bill (H. R. 5448) for the relief of Clifford W. Seibel and Frank A. Vestal.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. HOWARD of Nebraska. What is it?

Mr. BEGG. Mr. Speaker, what bill is taken up?

The SPEAKER pro tempore. The first bill on the calendar.

Mr. HOWARD of Nebraska. It is all right. I have received information from authority now. It is perfectly all right. I do not need any more information.

Mr. BEGG. I have no objection to that.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the General Accounting Office is hereby authorized to credit the accounts of Clifford W. Seibel, chemist and special disbursing agent for the Bureau of Mines, in the sum of $1,418.89, and Frank A. Vestal, special disbursing agent for the Bureau of Mines, in the sum of $546.42, with payments made by them for the maintenance, repair, and operation of certain motor-propelled, passenger-carrying vehicles.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

O. H. TITTMANN

The next business on the Private Calendar was the bill (H. R. 1917) for the relief of Dr. O. H. Tittmann, former Superintendent of the United States Coast and Geodetic Survey.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. I think the House would be establishing a bad precedent in allowing this bill to pass. I know it would be a fine thing to put every person on the retired list and pay them a salary during their natural life if the Government could afford it. But the taxpayers can not afford to do that. This bill proposes to pay this man $150 a month as long as he lives because he has done 47 years' service for the Government. We have numerous men in this House—that is, several of them—who have served in Congress almost that long.

A MEMBER. Regular order!

Mr. BLANTON. Somebody seems to be anxious to proceed. Therefore I shall object.

The SPEAKER pro tempore. Objection is made. The Clerk will report the next bill.

RELIEF OF LEBANON NATIONAL BANK

The next business on the Private Calendar was the bill (H. R. 3748) for the relief of Lebanon National Bank.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. BLANTON. Mr. Speaker, I reserve the right to object.

Mr. BULWINKLE. The gentleman from Tennessee [Mr. HULL], who introduced this bill, is not here to-night. But since the first time this bill was objected to he has corresponded with and furnished to the Secretary of the Treasury an affidavit to show that these coupons were burned, and I have a copy of a letter from Mr. Mellon, in which he says:

This is the first time the Treasury has seen the affidavit in support of the alleged destruction, and the statements contained therein "that the coupons were burned" and "that upon careful search of the burned papers the ashes of these coupons were found in such condition as to be easily read and recognized, though too delicate to be handled or transmitted in any manner." The evidence of destruction is very strong, and it would seem, therefore, a hardship not to grant relief.

The Secretary of the Treasury also says:

It is to be understood, however, that in making no further objection the Treasury is guided solely by the very conclusive evidence presented, and that its position applies only to the case under consideration and does not bind it to any general policy.

Mr. CRAMTON. Mr. Speaker, reserving the right to object, I objected to this bill the other night on the ground, first, that there was no favorable report from the department, and held that we should not allow claims of this kind without a favorable report, and at that time favorable recommendation of the department had been withheld because there was no evidence that the bonds had been destroyed.

The fact is that this bill was introduced here and considered by the committee and favorably reported to the House without proof—such proof as was available—as to the destruction of the coupons ever having been offered to the department.

Mr. BULWINKLE. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. In a moment. I want to make this statement.

I do not believe that the time of Congress ought to be taken up in passing upon claims when the parties in interest have not offered the administrative branch of the Government such proof as they have to justify their claim. Now time has passed since the objection was made the other night. At that time there had been no proof offered to the department as to the destruction of these coupons, and if they were in the hands of other parties, the Treasury Department held, they would not be able to protect themselves against payment again. Now, I understand the letter—a copy of which has been furnished to me—indicates that proofs have been offered to the Treasury Department, proofs so clear as to the destruction of the coupons by fire, that the department holds that the proof is conclusive.

In the face of that statement I am not going to object to the consideration of this bill; but I want it understood that, so far as I am concerned, the department must be satisfied that the proof of destruction is conclusive before I think Congress ought to pass any act for relief, and I do not want any favorable action on this bill to be taken as a precedent for any general allowance of bills of that kind. Only in the case of a showing of facts as to the destruction of the coupons that will satisfy the department do I think we ought to allow such a claim.

Mr. BULWINKLE. In justice to the committee I will say that they had this evidence, but for some reason or other it did not get into the report. The gentleman from Oklahoma [Mr. THOMAS], who made the recommendation of a favorable report, had this evidence, but for some reason, I say, it did not get into the report.

Mr. CRAMTON. Far be it from me to criticize the subcommittee, but the fact remains that the parties interested in this matter had not gone to the Treasury Department with their proof, but first rushed to Congress.

Mr. BLANTON. Mr. Speaker, I shall not object, in view of the situation, but the Committee on Claims should not assume that the mere filing of a bond in the Treasury Department is going to protect the Treasury. It also requires some careful, watchful action thereafter. Our colleague the gentleman from Illinois [Mr. KING] is present, as he usually is, and he has placed in the RECORD evidence of the fact that the Treasury Department has paid duplicates of $1,000,000 worth of bonds with duplicate numbers; and, if I understand the situation correctly, those bonds were paid without discovery at the time that they were duplicates. Of course, if the Treasury Department is going to do its duty, it should keep a list of these lost bonds and a close check upon same, and then the public will be protected. They ought to do that, and their attention ought to be brought to this matter in a very clear and decisive way. I withdraw the reservation.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BULWINKLE. Mr. Speaker, I desire to extend my remarks by including in the RECORD the letter from the Secretary of the Treasury and the affidavits I have referred to.

The SPEAKER pro tempore. The Chair hears no objection to the present consideration of the bill. The gentleman from North Carolina [Mr. BULWINKLE] asks unanimous consent to extend his remarks by inserting in the RECORD a letter from the Secretary of the Treasury and certain affidavits. Is there objection? [After a pause.] The Chair hears none.

The letter and affidavits referred to follow:

THE SECRETARY OF THE TREASURY,
Washington, April 18, 1924.

Hon. G. W. EDMONDS,
Chairman Committee on Claims,
House of Representatives.

MY DEAR CONGRESSMAN: I have received your letter of April 4, 1924, with inclosures, relative to H. R. 3748, a bill for the relief of the Lebanon National Bank, Lebanon, Tenn., on account of the alleged destruction of coupons detached from a Liberty bond and from Treasury notes.

This is the first time the Treasury has seen the affidavits in support of the alleged destruction, and the statements contained therein "that the coupons were burned," and "that upon careful search of the burned papers the ashes of these coupons were found in such condition as to be easily read and recognized, though too delicate to be handled or transmitted in any manner." The evidence of destruction is very strong, and it would seem, therefore, a hardship not to grant relief. However, if after considering the facts, as previously stated by me, that a bond of indemnity will not afford the Treasury Department adequate protection against double payment of these coupons, especially in view of the fact, as set forth in my letter to Congressman CRAMTON, dated March 25, 1924, a copy of which is inclosed, that Congress in making appropriations for the expenses of the public debt service for the fiscal year beginning July 1, 1924, reduced the Treasury Department's estimates by the amount necessary to pay the expenses of assorting and recording paid coupons, and it will, therefore, be impossible after July 1, 1924, to maintain records from which it may be determined whether or not any particular coupons have been presented and paid, you still feel that relief should be given, the Treasury will interpose no further objection. It is to be understood, however, that in making no further objection the Treasury is guided solely by the very conclusive evidence presented, and that its position applies only to the case under consideration and does not bind it to any general policy.

In accordance with your request the affidavits and letter forwarded by you are returned herewith. A copy of this letter is also inclosed.

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

STATE OF TENNESSEE, *County of Wilson:*

Personally appeared before me, E. L. Carson, a notary public in and for the State and county aforesaid, J. A. Pendleton, to me known, who makes oath that he was on June 28, 1923, and is now employed as assistant cashier of the Lebanon National Bank, Lebanon, Tenn., and that on June 28, 1923, he witnessed the clipping of coupons from United States Government bonds as follows:

$5,000 Treasury certificate, series C-1925, No. 7650, coupon No. 1, due June 15, 1923	$112.50
$5,000 Treasury certificate, series C-1925, No. 7651, coupon No. 1, due June 15, 1923	112.50
$1,000 Treasury certificate, series C-1925, Nos. 41206, 41207, 41208, 41209, 41210, 41212, 41213, 42357, 42358, 42359, 42360, 12 coupons No. 1, at $22.50	270.00
$500 Treasury certificate, series C-1925, No. 12445, coupon No. 1, due June 15, 1923	2.12
Total	508.37

Affiant further states that after the clipping and cashing of these coupons by the Lebanon National Bank they were lost from their lists and burned, and that upon careful search of the burned papers the

ashes of these coupons were found in such condition as to be easily read and recognized, though too delicate to be handled or transmitted in any manner.

J. A. PENDLETON.

Subscribed and sworn to before me this 28th day of December, 1923.
[SEAL.] E. L. CARSON,
Notary Public.

STATE OF TENNESSEE,
County of Wilson:

Personally appeared before me, E. L. Carson, a notary public in and for the State and county aforesaid, Mrs. Ruby McGlothlin, to me known, who makes oath that she was on June 23, 1923, and is now employed by the Lebanon National Bank, of Lebanon, Tenn., as assistant teller and bookkeeper, and that on June 23, 1923, she witnessed the clipping of coupons from the following United States Government bonds:

(Same description.)

Affiant further states that after the clipping and cashing of these coupons by the Lebanon National Bank they were lost from their lists and burned, and that upon careful search of the burned papers the ashes of these coupons were found in such condition as to be easily read and recognized, though too delicate to be handled or transmitted in any manner.

Mrs. RUBY MCGLOTHLIN.

Subscribed and sworn to before me this 28th day of December, 1923.
[SEAL.] E. L. CARSON, *Notary Public.*

The same affidavit made by G. E. Ashby, auditor of the Lebanon National Bank; Will A. Hale, cashier of the bank; and Hampton A. Moore, bookkeeper of the bank.

STATE OF TENNESSEE,
County of Wilson:

Personally appeared before me, E. L. Carson, a notary public in and for the State and county aforesaid, John B. Scruggs, who makes oath that prior to and after June 23 and 24, 1923, he was employed as a porter at the Lebanon National Bank, Lebanon, Tenn., and that on the morning of June 24, 1923, he was called to the Lebanon National Bank and questioned as to the loss of certain coupons from Government bonds, and when called on to show where he had burned the refuse paper of the evening before, he, with others, made careful search of the burned papers and found the ashes of coupons, which, while delicate, were easily read and recognized as the following:

(Same description.)

JOHN B. SCRUGGS.

Subscribed and sworn to before me this 28th day of December, 1923.
[SEAL.] E. L. CARSON, *Notary Public.*

Mr. KING. I would like to ask the gentleman if the affidavit gives the numbers of these bonds?

Mr. BULWINKLE. Yes.

The SPEAKER pro tempore. Without objection, the Clerk will report the amendment instead of the original bill.

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to redeem, in favor of the Lebanon National Bank, Lebanon, Tenn., the coupon No. 9, matured April 15, 1923, in the amount of $2.12, from permanent coupon bond No. E-03144745 in the denomination of $100 of the fourth Liberty loan 4¼ per cent bonds of 1933–1938, and the following coupons from 4½ per cent Treasury notes, Series C-1925, issued December 15, 1922, maturing June 15, 1925, payable to bearer; coupons No. 1, maturing June 15, 1923, in the amount of $112.50 each, from notes Nos. 7650 and 7651 in the denomination of $5,000 each, coupons No. 1, matured June 15, 1923, in the amount of $22.50 each from notes Nos. 41206, 41207, 41208, 41209, 41210, 41211, 41212, 41213, 42357, 42358, 42359, and 42360 in the denomination of $1,000 each, and the coupon No. 1, matured June 15, 1923, in the amount of $11.25, from note No. 12445 in the denomination of $500; such redemption to be made without presentation of the said coupons, which have been destroyed: *Provided*, That the said coupons shall not have been previously presented for payment: *Provided further*, That the said Lebanon National Bank shall first file in the Treasury Department a bond in the penal sum of double the amount of said coupons, in such form and with such surety or sureties as may be acceptable to the Secretary of the Treasury to indemnify and save harmless the United States from any loss on account of the coupons herein described.

The SPEAKER pro tempore The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

RELIEF OF HENRY M'GUIRE

The next business on the Private Calendar was the bill (H. R. 1306) for the relief of Henry McGuire.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc, That there is authorized to be appropriated for payment by the Secretary of the Treasury to Henry McGuire, or his legal representatives, the sum of $225.23, as full compensation for 9,385 feet board measure of lumber which, upon dates between September 22, 1909, and October 11, 1909, and at the specific request and direction of an employee of the Forest Service, United States Department of Agriculture, was furnished to one Hiram Campbell for use in the construction of a house to replace one owned by said Hiram Campbell, which was destroyed on September 19, 1909, by fire originating from brush-burning operations conducted on national-forest land by employees of the Forest Service.

With the following committee amendment:

Page 1, line 6, strike out "9,385 feet board."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

PENSION TO NELLIE ROCHE M'ANDREW

The next business on the Private Calendar was the bill (H. R. 2574) granting a pension to Nellie Roche McAndrew.

The SPEAKER pro tempore. Is there obection to the present consideration of the bill.

Mr. BLANTON. Mr. Speaker, I object.

Mr. KNUTSON. I hope the gentleman from Texas will withhold his objection.

Mr. BLANTON. My colleague from Texas [Mr. BLACK] placed upon the war risk insurance bill, with regard to compensation for death, a very fine amendment, which holds to the policy that when a soldier dies he gives his all to the country, whether he is a private or a general, and his life is worth just as much to his widow whether he is a private or whether he is a general. Now, the widow of this distinguished general was entitled to certain privileges under the law and she is now seeking additional privileges by reason of his rank. I object.

Mr. KNUTSON. Will the gentleman withhold his objection?

Mr. BLANTON. There are so many other bills to be considered and I intend to object, anyway, so I object now.

Mr. KNUTSON. Has the gentleman from Texas looked at the service rendered by General McAndrew in the late war?

Mr. BLANTON. Yes. I am willing to admit that it is the very highest that is possible, but we have certain laws that ought to be adhered to with respect to the service men, whether they are privates or generals, and the general law applicable to all of them ought to be carried out. I regret that I must object.

Mr. WATRES. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WATRES. I understand it is the rule and has been the custom of the House not to consider bills after one objection, but it seems to me that under the present rules there is room for argument that it should require three objections. There is nothing in the rules of the House as to the Private Calendar which requires that the bill shall not be considered, and that, as I understand, is a matter of custom.

The SPEAKER pro tempore. The Chair will inform the gentleman that we are working to-night under a special rule that has no reference whatever to the Consent Calendar. We are working under a special order, which is that we consider bills unobjected to.

Mr. EDMONDS. Mr. Speaker, will the bill lose its place on the calendar?

The SPEAKER pro tempore. It will not lose its place on the calendar. The bill holds its place on the calendar, and no bills are stricken off of this calendar. The Clerk will report the next bill.

RELIEF OF THE NEW JERSEY SHIPBUILDING & DREDGING CO., OF BAYONNE, N. J.

The next business on the Private Calendar was the bill (S. 1572) for the relief of the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Reserving the right to object, when this bill was up several weeks ago I called attention to certain discrepancies in the report, which at that time the committee in charge were not able to explain.

Since then parties interested in the bill have made a full showing of facts that has sufficiently satisfied me, so that I do not propose to continue my objection. The only occasion for my saying anything now is that in my absence the last time it was up the statement was made on the floor that I was sorry for my objection and I was very enthusiastic for this bill, or words to that effect. I have no apologies to make for having objected to the bill until evidence could be furnished that would, to my mind, justify it. I do not say that the evidence that now has been furnished makes me particularly enthusiastic about the bill, but it is sufficiently strong to cause me to withdraw any objection.

Mr. BLANTON. Mr. Speaker, I reserve the right to object. This is a bill that involves $152,278.

Mr. KNUTSON. How many cents?

Mr. BLANTON. And some cents. It is too large a bill to be passed by unanimous consent, without any consideration at all. A bill of this size and character ought to go to the Court of Claims, and it ought not to be passed here under unanimous consent.

Mr. EDMONDS. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. EDMONDS. I would like to explain to the gentleman that in this case the amount of damage has been settled by the Navy Department. There was also an added charge of $52,000 for demurrage. If you send this to the admiralty court, you will find you will pay not only the $150,000 but will also pay the $52,000 demurrage.

Mr. BLANTON. I will say to the gentleman from Pennsylvania without any hesitancy at all that if this bill was a proposal to send this case to the Court of Claims I would vote for it without any hesitation and let the court decide, but for us to decide it here under unanimous consent and let it be passed by a simple reading of its title and thereby take $152,278 out of the Public Treasury is out of all reason.

Mr. EDMONDS. And yet you would pay $52,000 more on account of the demurrage and the court cost. I think this is the easiest way to settle it.

Mr. BLANTON. If that is the law, they ought to have it.

Mr. UNDERHILL. It is not the law.

Mr. BLANTON. If they are entitled to it, they ought to have it, and they ought to have a day in court.

Mr. EDMONDS. The gentleman misunderstands. After discussing this matter with the parties in interest, they have agreed to accept this $152,000 and waive the claim of $52,000, but not in writing, and if we go to court they will also claim that.

Mr. BLANTON. Has the Secretary of the Navy proposed to pay this amount?

Mr. EDMONDS. Yes; that is right there in the report.

Mr. BLANTON. They have proposed to pay this?

Mr. EDMONDS. They have recommended the payment of it.

Mr. FISH. They state they are fully responsible for the whole thing.

Mr. BLANTON. Under the statement of four of my colleagues in whom I have confidence, I am not going to put my judgment up against the four, and therefore I withdraw my objection.

Mr. EDMONDS. I am glad the gentleman has come to that conclusion, because it will save the Government $52,000.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $152,278.28 to the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J., in full settlement to reimburse said owner of drill boat *No. 3* for loss sustained as a result of total destruction of said drill boat *No. 3* through collision with the U. S. S. *Lykens*, in Hell Gate, off Hallets Point, New York Harbor, on September 1, 1921.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

TRANSFER OF CERTAIN LANDS AT CAMP JACKSON, S. C.

The next business on the private calendar was the bill (H. R. 490) authorizing the Secretary of War to transfer to trustees to be named by the Chamber of Commerce of Columbia, S. C., certain lands at Camp Jackson, S. C.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, and I think I shall have to object, this is a bill that proposes to donate 2,000 acres of land immediately adjacent——

Mr. FULMER. Will the gentleman yield? The acreage is 1,192.

Mr. CRAMTON. Yes; 1,192 acres immediately adjacent to a military post which we intend to continue, and adjacent on the other side to a military reservation which is to be developed as a forest. This military post has developed railroad facilities, paved roads, and so forth.

Mr. BEGG. Will the gentleman yield?

Mr. CRAMTON. Not just now, because I do not want to take up too much time. I want to say a word in outline of my position before I get into an argument at all. This bill proposes to turn this land over to a board of trustees. I do not know what kind of an entity that board of trustees will become. They have the right of perpetual succession. They, in effect, become a corporation, and by the bill they are authorized to administer this tract of land, which certainly has industrial possibilities, and administer it for agricultural or industrial or educational purposes, and so forth.

My objections are two: First, I question whether we want to be so quick in giving away this land when we have spent large sums of money in developing the land we own adjacent, and without any real indorsement from the department. The statement you have from the department is a most perfunctory one; and if we do this, I do not think it should be turned over to the sort of a halfway corporation created by this bill.

Mr. BEGG. Will the gentleman yield now?

Mr. CRAMTON. Yes.

Mr. BEGG. I will say to the gentleman that I agree with every word he has said and I believe I objected to the bill the other time and suggested to the gentlemen interested that they put in an amendment confining it to agricultural, experimental, charitable and educational purposes. That would make it wholly a philanthropic proposition. If the Government is going to turn over this 1,100 acres to the city for that kind of a purpose I should have no objection on that score. What the gentleman from Michigan says in regard to the board of directors I will say that I agree with him again. I would suggest that if possible it be turned over to the board of directors of the Chamber of Commerce.

Mr. CRAMTON. That is very often a temporary institution.

Mr. BEGG. If the gentleman from South Carolina will accept the other amendment I will not object.

Mr. FULMER. I will be glad to accept that amendment because they want to use that land especially for charitable and educational purposes.

Mr. CRAMTON. If this bill proposed to turn over something to the orphanage, that is one thing; but the bill is so drawn that it can be used for industrial and agricultural purposes; the element of profit enters into it. I think the bill had better go over and see if it can not be redrafted.

Mr. FULMER. I will accept the proposition of the gentleman from Ohio. If the gentleman from Michigan will look over the letter written by the Secretary of War——

Mr. CRAMTON. There must be a clear showing as to the propriety of the Government giving away this land. This tract of land we have adjacent to that which it is proposed to give away has been improved with paved highways and street railways.

Mr FULMER. The citizens of Columbia gave the tract of land and now they want this piece of land at one side. The Secretary of War says that they will not have any further use for it. It was all in a large tract of 23,000 acres, and the heart of the camp originally I think they retained.

Mr. CRAMTON. Eleven hundred acres was given to the Government as an inducement to locate the camp. We have developed it; we have put in paved highways and a street railway, and now the camp is to be continued there, and because you can not give back that same land you want to give them some other.

Mr. FULMER. The railway connected with this camp, unless it can be developed, will be taken up. They are holding over on account of the passage of this bill. In the meantime the piece of land is not worth one-tenth of the original tract of land.

Mr. CRAMTON. I want to say in justice to other bills on the calendar that I think that we ought not to take undue time on this bill, and I am forced to object.

Mr. FULMER. Will the gentleman yield for a minute? Last session this bill was introduced in the Senate and passed. It has a unanimous report from the Military Committee. It got caught in the jam of the Sixty-seventh Congress, and now it is reported this time. They are waiting to-day at the orphanage with 300 boys, waiting for this to be settled.

Mr. CRAMTON. Well, let us have something definite about that; before this Government gives away land adjacent and connected with the military reservation there ought to be a clear-cut indorsement from the War Department that the land will not be needed hereafter in connection with the Government reservation.

Mr. FULMER. Here is a letter from Secretary of War Weeks.

Mr. CRAMTON. That is only a perfunctory statement.

The SPEAKER pro tempore. The gentleman from Michigan objects, and the Clerk will report the next bill.

WILLIAM H. NELSON

The next business on the Private Calendar was the bill (H. R. 6972) for the relief of William H. Nelson.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. This bill, Mr. Speaker, should be explained, and I reserve the right to object.

Mr. REECE. Mr. Speaker, this man will receive no additional pay or benefits under the provisions of this bill. He is a retired Army officer now, having the status of captain. He also served a time as private during the Civil War and as captain in another regiment than the one shown in the records of the War Department. Out of pride he wants this bill passed to show this additional service.

Mr. BLANTON. He gets a status that will bring him a pension.

Mr. REECE. He does not draw any pension.

Mr. BLANTON. It will give him a larger retired pay than he would get if it did not pass.

Mr. REECE. He has been given the status of a captain during the Civil War, and this bill would only extend his record to include his service as private and captain in particular regiments.

Mr. BLANTON. If we pass this bill it gives him a higher retired pay hereafter than he would have if it did not pass.

Mr. REECE. No; I think not.

Mr. BEGG. Will the gentleman permit a question?

Mr. BLANTON. Yes.

Mr. BEGG. The gentleman knows that there are 8 or 10 similar bills in the list to-night. I think there ought to be some sort of an understanding as to what we are going to do with all of them. I think there is as much merit in one as in another.

Mr. BLANTON. That is what I had in mind in asking the gentleman to explain, so that we could determine what we are to do with them.

As a matter of fact, we must not be blind to the situation. If we pass this bill, we give this officer a higher standing than he would have if we did not pass it.

Mr. REECE. Mr. Speaker, I do not think the gentleman is correct in that assumption.

Mr. BLANTON. What is the purpose of the bill?

Mr. REECE. Out of pride of service, he merely wants this additional service to show on the records, and if the gentleman will notice, in the letter from The Adjutant General in the report, the third paragraph states that upon evidence furnished by him he was given the rank of captain in Company H of the said regiment in 1865, so that it does not give him any additional rank, but shows the service in these particular regiments in addition to the service with which he is credited in the War Department. I think I am perfectly safe in saying that he has no additional pay status under this bill.

Mr. BLANTON. If the disposition of the House is to pass all of these bills, to treat them all alike, I shall not object to any of them, but if we are to make flesh of some and fowl of others, I shall object.

Mr. REECE. May I add that this is not a desertion case. Captain Nelson has a brilliant record. There is not a blemish on it. He was an exemplar soldier and is now a beloved and valuable citizen. He merely wants to extend the record of his service to include his services in particular regiments, and I hope there may be no objection made to the consideration of the bill.

Mr. BLANTON. I shall not object.

The SPEAKER pro tempore. The Clerk will report the bill for amendment.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, William H. Nelson shall hereafter be held and considered to have been a captain in the First Regiment Middle Tennessee Volunteer Infantry, also known as the Tenth Regiment Tennessee Volunteer Infantry, from the 8th day of June, 1862, to the 25th day of July, 1862, and to have been discharged honorably as such on the latter date, and shall be held and considered to have been a private in Company H, Fifth Regiment Tennessee Volunteer Cavalry, from the 25th day of July, 1862, to the 6th day of August, 1963, and to have been discharged honorably as such on the latter date by reason of promotion to lieutenant in said regiment.

With the following committee amendment:

Page 2, line 4, after the word "regiment" insert a colon and the following: "*Provided*, That no pension, pay, or allowance shall be held to have accrued prior to the passage of this act."

The SPEAKER pro tempore. The question is on the committee amendment.

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

ALBERT J. CAPRON

The next business on the Private Calendar was the bill H. R. 3030, to allow and credit the accounts of Albert J. Capron, formerly captain, Quartermaster Corps, United States Army, the sum of $84.52, disallowed by the Comptroller General, United States.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. The Comptroller General has already allowed this officer a credit of $125.17 on his account, and the Comptroller General, Mr. McCarl, makes this recommendation:

That Captain Capron should promptly remit to the United States the balance of $84.52 due the United States.

That is the recommendation of your Comptroller General, whom this Congress created and made independent of every department in Washington, responsible only to the Congress itself. This is a small amount, and ordinarily I would not object to a bill of this kind, except upon the principle of backing up the Comptroller General. He ought to be backed up. He is doing splendid work down there, and if all of our colleagues will check up all of the work that he has done there since he has been in office every man will gladly back him up.

Mr. BEGG. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BEGG. I agree with the gentleman in what he said; but the thing that changed my mind—and I first marked this bill with a blue pencil—was that this man, Captain Capron, is a disabled war veteran and poor. I certainly do not want to make him pay back money that he never got himself.

Mr. BLANTON. We are going to have numerous bills introduced here during the next two or three years seeking to set aside the authority of the Comptroller General. I am going to object to every one of them coming up under unanimous consent. If this officer, who is disabled and who is trying to get credit for $84, can get his accounts past the gentleman from Ohio [Mr. BEGG], I shall not object to this one, and I withdraw my reservation.

Mr. BEGG. I desire to say just one thing more. The difference between Comptroller General McCarl and the Congress is that Mr. McCarl must go according to the law while Congress can show a little humanity.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow and credit in the accounts of Albert J. Capron, formerly captain, Quartermaster Corps, United States Army, the sum of $84.52, disallowed by settlement No. M-76559, dated June 12, 1923, office of the Comptroller General of the United States, and now standing against him on the books of the General Accounting Office.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

WILLIAM D. MULLEN CO.

The next business on the Private Calendar was the bill (S. 129) for the relief of the William D. Mullen Co.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. This is a bill where an officers' mess bought goods and refused to pay for them. I objected to this bill once, but I am not going to do so now. The United States was not responsible for it, and in view of the fact that this merchant was misled, in view of the fact that he thought he had a right to sell goods to soldiers of the United States, it would be very unwise, I think, not to pay the bill now.

Mr. BOYCE. He thought he was selling to an agent of the Government.

Mr. BEGG. Mr. Speaker, reserving the right to object, I desire to ask the gentleman from Delaware a question. I have told him that I would not object, but I find on my bill here a proposed amendment and I ask him now if he will accept it?

The amendment is at the end of the sentence and consists of these words:

And the Navy Department is directed to withdraw the honorable discharge from Lieut. Benjamin A. Buxton, of the United States Naval Reserve Force, if same has been issued.

Here is a man who unquestionably, according to all of the evidence, was dishonest, and yet in the face of his dishonesty, from all the information that is available, he has been granted an honorable discharge.

Then we are asked to come in here and make his dishonesty good. I am willing——

Mr. BOYLAN. I shall not oppose it.

Mr. BEGG. Provided the Navy is directed to withdraw that dishonorable discharge?

Mr. ROACH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. CONNALLY of Texas. I would like to say to the gentleman——

Mr. ROACH. I insist on my right to the floor. This bill was up for consideration during the last time we had up the Unanimous Consent Calendar and objection was made. The parliamentary inquiry I wish to propose to the Chair is whether or not it requires more than one objection?

The SPEAKER pro tempore. No; it is not on the Unanimous Consent Calendar at all; it is on the Private Calendar. Is there objection?

Mr. BEGG. If I understand the gentleman from Delaware, he will accept that amendment.

Mr. BOYLAN. Yes.

Mr. ROACH. I reported this.

Mr. BOYLAN. I stated I would not oppose the amendment.

Mr. BEGG. That does not satisfy me.

The SPEAKER pro tempore. Is there objection?

Mr. FISH. Mr. Speaker, I do not think we should be too hasty in this matter, and I would like to reserve the right to object. In the first place, I think the point of order could be made against this amendment as not being germane, and in the second place I am not prepared to say what the department should do in taking away an honorable discharge without considering the question. I hope the gentleman will not press this.

Mr. BLANTON. Mr. Speaker, the amendment, if passed, would not affect the man. After his discharge was issued the department has no control over him at all.

Mr. SPEAKS. But it puts a mark against the man without any justification at all.

Mr. BLANTON. The Navy Department has no control over him now.

Mr. ROACH. Will the gentleman from Ohio yield?

Mr. BEGG. I yield; yes.

Mr. ROACH. In the first place, I want to suggest to the gentleman from Ohio such an amendment as he proposes would be subject to the point of order, and, in the second place, I want to suggest to the gentleman we would be trying to convict this officer without giving him an opportunity to be heard. This officer has never been called upon for a statement in regard to this matter other than to state that the papers in support of this claim which were in his possession had been lost in transit. Now, it would hardly be fair to this officer to try to convict him without giving him his day in court and giving him an opportunity to explain his responsbility or lack of responsbility.

Mr. BEGG. Will the gentleman yield?

Mr. ROACH. I do.

Mr. BEGG. The gentleman makes the statement this officer had never been called upon to pay or show cause——

Mr. ROACH. The gentleman is in error.

Mr. BEGG. What did the gentleman say?

Mr. ROACH. I said that the only explanation he has thus far given were that the papers relative to this claim in his possession were lost in transit, and that for that reason he is unable to satisfy or properly explain or submit his case——

Mr. BEGG. Is not the proper course to pursue to indict the man if he has done some wrong?

Mr. ROACH. Oh, no. The thing to do would be to give him an opportunity to defend his position in the matter.

Mr. SPEAKS. Mr. Speaker, I think I can put it in a light so anybody can understand it in this way: Suppose next November the gentleman from Ohio, my distinguished colleague, would be defeated——

Mr. BEGG. That is not improbable.

Mr. SPEAKS. It might happen but it is not probable. Suppose after the new Congress assembles some man gets up and moves that a committee be appointed to look into the record of this distinguished Ohioan and see if he can not find something and bring him back before the committee——

Mr. BEGG. Now, will the gentleman keep his analogy somewhere near accurate. This man is a self-confessed defrauder in that he did not pay with the money he had on hand.

Mr. SPEAKS. Wait a minute.

Mr. ROACH. Let me call your attention to the report.

Mr. SPEAKS. Let me finish my illustration.

Mr. ROACH. If forced to it, I will object to it. I think if the gentleman from Ohio understands this matter he will withdraw his objection.

A MEMBER. Regular order!

The SPEAKER pro tempore. The regular order is, Is there objection?

Mr. BEGG. I would like to make one statement, and the statement I want to make is that I am not going to object, not because I believe we ought to pass the bill without some kind of an action or attempt to recover, but the reason I am not going to object is because I gave my promise that I would not, and it would be punishing the wrong party if I were to object to this bill. But I certainly think that when an officer of the Army collected funds for the payment of the mess and then does not pay the mess and refuses to acknowledge the department's letters he is not entitled to an honorable discharge.

The SPEAKER pro tempore. Is there objection?

Mr. ROACH. Reserving the right to object, Mr. Speaker, does the gentleman from Ohio make a qualified objection?

Mr. BEGG. No.

Mr. HOWARD of Nebraska rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Nebraska rise?

Mr. HOWARD of Nebraska. For the purpose of asking the gentleman from Ohio a question.

Mr. STEPHENS. Regular order!

The SPEAKER pro tempore. The regular order is, Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the William D. Mullen Co., of Wilmington, Del., out of any money in the Treasury not otherwise appropriated, the sum of $85.75, said sum being due the William D. Mullen Co. for merchandise furnished to the Reedy Island naval station mess during the months of October, November, and December, 1918.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

JOHN H. BARRETT AND ADA H. BARRETT

The next business on the Private Calendar was the bill (H. R. 912) for the relief of John H. Barrett and wife.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, this bill is of course appealing, as would be any bill that meant the payment of money to any of our former service men. But the War Department makes this statement in the report on the bill:

Regardless of the character of the claim involved, it does not appear that the United States should be required or expected to reim-

burse the heirs or legal representatives of deceased members of the military forces for private property that is not required or necessary in the military service which is voluntarily carried into the field and lost without the fault of any officer, agent, or employee of the Government. If members of the military forces choose to carry valuables or keepsakes with them in the field, reimbursement for the loss thereof hardly seems to be a proper public burden.

For us to pass this bill in the face of that recommendation of the department that statement would overturn that position. I do not think we should create that precedent, and therefore I feel constrained to object.

Mr. STRONG of Kansas. Has the gentleman read the second statement of the Secretary of War?

Mr. CRAMTON. It is pretty safe to assume that I have.

Mr. STRONG of Kansas. If so, you will see that he withdraws the statement, because the articles that the soldier had were articles that he was supposed to have, and they were taken possession of, inventoried, and placed in the hands of this captain and by him sent back under guard for the purpose of being forwarded.

Mr. CRAMTON. The department closes that letter with this statement:

You are advised that the War Department has never held that any financial responsibility rested in the Government in cases of this character.

I shall have to object.

The SPEAKER pro tempore. The gentleman from Michigan objects.

Mr. BLANTON rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Texas rise?

Mr. BLANTON. I ask unanimous consent to proceed for a minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Speaker, I hope the gentleman from Michigan [Mr. CRAMTON] will withdraw his objection to the consideration of this bill. Several bills of this kind have been passed. This is a bill for less than $250 and for personal property lost in France, belonging to a service man, to be paid to the mother or father. I do not know anything about the parties, but it is the principle of the thing in which I feel concerned. We have passed a number of such bills. I hope the gentleman from Michigan will not insist on his objection.

Mr. CRAMTON. I will say to the gentleman that if he can show me a number of bills like it, I will withdraw my objection.

Mr. HOWARD of Nebraska rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Nebraska rise?

Mr. HOWARD of Nebraska. I rise to ask that when objection is made to bills, the objection shall be confined to one minute, and three minutes only shall be allowed for an explanation of a bill.

The SPEAKER pro tempore. The gentleman can control that by objecting at the end of a minute. The Clerk will report the next bill.

GEORGE T. TOBIN & SON.

The next business on the Private Calendar was the bill (S. 130) for the relief of George T. Tobin & Son.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to George T. Tobin & Son, of New Castle, Del., out of any money in the Treasury not otherwise appropriated, the sum of $248.98, said sum being due George T. Tobin & Son for merchandise furnished to the Reedy Island naval station mess during the year 1918.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

THE MARYLAND CASUALTY CO., ET AL.

The next business on the Private Calendar was the bill (H. R. 6383) for the relief of the Maryland Casualty Co., the United States Fidelity & Guaranty Co., of Baltimore, Md., and the National Surety Co.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to redeem after the 1st day of July, A. D. 1924, 6 per cent unregistered Treasury certificate of indebtedness No. 8249, in the denomination of $10,000, series TD-1921, dated December 15, 1920, and maturing December 15, 1921, with interest at the rate of 6 per cent per annum from December 15, 1920, to December 15, 1921, in favor of the Maryland Casualty Co., the United States Fidelity & Guaranty Co., of Baltimore, Md., and the National Surety Co., without presentation of the said certificate, the certificate of indebtedness having been lost, stolen, or destroyed: *Provided*, That the said certificate of indebtedness shall not have been previously presented for payment and that no payment shall be made hereunder for any coupons which shall have been previously presented and paid: *And provided further*, That the said Maryland Casualty Co., the United States Fidelity & Guaranty Co., of Baltimore, Md., and the National Surety Co. shall first file in the Treasury Department a bond in the penal sum of double the amount of the principal and interest of said certificate of indebtedness of the Treasury Department of the United States of America in such form and with such surety or sureties as may be acceptable to the Secretary of the Treasury to indemnify and save harmless the United States from any loss on account of the lost, stolen, or destroyed certificate of indebtedness herein described.

With committee amendments, as follows:

Page 1, line 4, after the word "redeem," strike out the words "after the 1st day of July, anno Domini 1924, 6 per cent unregistered" and insert "one United States."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

Mr. WINGO. Mr. Speaker, I have read the report of the committee. It does not show what is the interest of the Maryland Casualty Co. in the United States Fidelity & Guaranty Co. of Baltimore.

Mr. EDMONDS. Does the gentleman mean the interest on the money?

Mr. WINGO. No. What is their interest?

Mr. EDMONDS. They own the bond.

Mr. WINGO. The record discloses that no proof has been offered that they have ever paid the bond to the owner. I presume the owner is the Central Trust Co.?

Mr. EDMONDS. Yes.

Mr. WINGO. Did the committee ascertain that they had paid the bond?

Mr. EDMONDS. My understanding was that they paid the bond; yes. They phoned to me and told me they had paid the bond. I thought the gentleman was going to ask about the 6 per cent interest.

Mr. WINGO. No. I was intent on reading the report when objection might have been made. I notice that the Secretary of the Treasury raises the question that there is nothing to show that they have paid this bond.

Mr. EDMONDS. My understanding is from their officials here in Washington and Philadelphia that this bond has been paid; in other words, it was insured and paid for and this reimbursement would go direct to them.

Mr. WINGO. Was the bond lost?

Mr. EDMONDS. It was lost or destroyed. It is presumed to have been lost.

Mr. WINGO. The committee was satisfied it was either lost or destroyed?

Mr. EDMONDS. The committee was satisfied it was either lost or destroyed.

Mr. WINGO. In the mail or while being transported?

Mr. EDMONDS. I think it was in transportation. It was insured, and, of course, we get a bond in double the amount.

Mr. WINGO. But it occurred to me that as to a bill of this kind—with numerous bills of the same character coming on—the record ought to show that the parties in whose behalf the bill is to be passed are the real parties in interest, and the record ought to show that the bond was either lost or destroyed. A hurried reading of the record does not disclose whether the bond was lost or destroyed and just what interest the beneficiaries have in this matter. I assume, though, the committee evidently looked into that, but through an oversight the record did not disclose that fact.

Mr. EDMONDS. Yes; there were some disclosures that something happened to the bond; at any rate, it was destroyed.

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Page 2, line 4, after the word "certificate," strike out the words "the certificate of indebtedness having" and insert the words "or the coupons therefrom, which have."

The SPEAKER pro tempore. Without objection, the committee amendment is agreed to.

There was no objection.

The SPEAKER pro tempore. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 15, after the word "said," insert the word "Treasury," and after the word "indebtedness" strike out the words "of the Treasury Department of the United States of America" and insert "and the interest payable thereon."

The SPEAKER pro tempore. Without objection, the committee amendment will be considered as agreed to.

There was no objection.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

RECONVEYING TO ELIZABETH MOORE THE CAMP SITE OF CAMP ROBERT E. L. MICHIE

The next business on the Private Calendar was the bill (H. R. 7805) reconveying to Elizabeth Moore the camp site of Camp Robert E. L. Michie.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, this is a bill which the committee says has the approval of the Secretary of War, and so forth, but there is no presentation of that fact.

Mr. HUDSPETH. I will state to the gentleman from Michigan that I have here a letter from the Secretary of War.

Mr. CRAMTON. That will be interesting, and I will be glad if the gentleman will put it in the RECORD. But this is another case where we propose to give away some of the Government's property.

Mr. HUDSPETH. If the gentleman will permit, I think I can explain the matter to his satisfaction.

Mr. CRAMTON. I will yield, although I am frank to say I shall have to object.

Mr. HUDSPETH. Let me state to the gentleman that during the war the citizens of Del Rio donated $8,000 for the purchase of this camp site from Mrs. Moore. It was the understanding, I will state to the gentleman, and the Secretary of War so states in this letter, that when this camp was abandoned the property should be returned to the donor. The camp has been abandoned, the property was sold last October, and the Government has no further use for the land. There is no expectation of ever reestablishing a camp site there, and the understanding at the time the citizens of Del Rio donated this money was that when the camp was abandoned it was to be returned to the donors. Mrs. Moore is willing to return the money, and I have the deed here.

Mr. CRAMTON. I think it is very unfortunate that when a bill is reported by a committee the report should not contain the papers that are vital to its consideration. This comes from the Military Affairs Committee, and my experience with them is that they are very thorough and very considerate. They voted some time ago to report out a bill of mine, but it has not yet appeared on the floor of the House, so I think they take ample time to have their reports contain the vital matter. In this case the paper most vital is not here. I shall have to object.

Mr. HUDSPETH. I trust the gentleman will not object to-night. My colleague from Texas [Mr. WURZBACH] made the report on the bill. He is thoroughly conversant with the facts as I have stated them; he is a member of the Military Affairs Committee, and he knows that the Government has no further use for this site. These people, I will state to my friend, happen to be in a section of the country where the drop in the price of livestock has put them in thorough distress regarding financial matters, and they need the money.

Mr. CRAMTON. The letter which the gentleman has handed to me, and which I am going to ask permission to extend in my remarks and have it in the RECORD in full, is a very perfunctory report.

This is not the kind of report that Congress ought to have before we give away a military reservation. We want an explicit statement by the War Department that they do not think they will ever want it again and that it should be disposed of. This letter simply says that inasmuch as an understanding in regard to a refund of the purchase price to the subscribers when the property was resold seems to have been made, and so forth. "I do not feel that the War Department should make any recommendation as to such disposition." That is between the contributors, and there is no express recommendation by the department in this letter indorsing the bill.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. CHINDBLOM. Is there anything to show the character or the nature of the agreement under which the reconveyance is to be made?

Mr. CRAMTON. There is nothing to show that there was any agreement that there should be a reconveyance so far as the letter goes; and there is nothing to show what improvements, if any, we have made upon the property, and there is nothing to show whether it is again likely to be needed for military purposes.

Mr. HUDSPETH. I will state to the gentleman that the buildings and everything the Government owned on the property were sold at public auction last October.

Mr. CRAMTON. Suppose the gentleman gets a recommendation that will hold the military department of the Government responsible.

Mr. HUDSPETH. I want to say to the gentleman that if this was a matter originating in his district and the gentleman was personally cognizant of all the facts, I would certainly take the statement of the gentleman from Michigan.

Mr. CRAMTON. I, of course, take any statement the gentleman from Texas makes, but I take the position that these bills should come here with the information a matter of record in the report to bind not the Congressman from that district, but to bind the department that is interested.

Mr. HUDSPETH. Let me state to the gentleman that this very bill was drawn by the Quartermaster General of the Army. It was approved by General Hines, and I will state to the gentleman that I presented the matter in person to Secretary of War Weeks and it has his approval.

Mr. CRAMTON. No doubt the gentleman can get that express indorsement.

Mr. HUDSPETH. But I can not get it in time for the bill to be passed at this session.

Mr. CRAMTON. Oh, yes; we are going to have another night session very soon.

Mr. HUDSPETH. I do not think so.

Mr. CRAMTON. I shall have to object, Mr. Speaker.

Mr. WURZBACH. If the gentleman will yield, I just want to state that the gentleman from Texas [Mr. HUDSPETH] made this same statement to the committee, stating that the War Department had no further use for this property, and it seemed to us under that state of facts it was only right that the property should be returned, because the understanding, as stated by the gentleman from Texas, at the time of the deeding of the property was that when there was no further use for the property it would be returned.

The SPEAKER. The gentleman from Michigan objects.

Mr. HUDSPETH. Mr. Speaker, I trust I may have one more minute to explain this matter to the gentleman. I want to state that this property did not cost the Government one cent. The people there donated the money and the Government has not a dollar's worth of improvement on that property to-day. This bill was passed upon by the Judge Advocate General of the Army and was drawn in the office of the Quartermaster General after full investigation concerning the matter. I hope the gentleman will not object.

Mr. CRAMTON. For the reasons I have stated, I shall have to object, Mr. Speaker.

LIEUT. HENRY N. FALLON, RETIRED

The next business on the Private Calendar was the bill (S. 946) for the relief of the family of Lieut. Henry N. Fallon, retired.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CHINDBLOM. Mr. Speaker, I reserve the right to object, and I may say that I think that objection ought to be

made. The last time this bill was up a request was made for information, and I understand the gentleman from Ohio is expecting to get that.

Mr. BLANTON. Will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. BLANTON. I have objected to this bill on three different occasions, but since then I have talked with our colleague, the gentleman from North Carolina [Mr. BULWINKLE], who is on the Committee on Claims, and the gentleman asssures me that he has given this bill careful consideration and assures us that it is absolutely a worthy bill.

Mr. CRAMTON. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CRAMTON. Is the gentleman trying to emulate the transition from Saul to Paul by becoming an advocate to-night for everything he has previously objected to?

Mr. BLANTON. No; but I want to say to the gentleman from Michigan that every objection I make here is a conscientious objection upon good grounds.

Mr. CRAMTON. The gentleman knows that men have gone to jail for that.

Mr. BLANTON. And whenever I make an objection, it is one that I believe is good and worthy, and I am not going to stand up here and object to a bill unless I can show it is unworthy. That is my position, and I have accepted my colleague's statement because I am not prepared to show him that he is mistaken.

The SPEAKER pro tempore. Is there objection?

Mr. CHINDBLOM. Yes; I object.

Mr. BULWINKLE. Will the gentleman withhold his objection?

Mr. BUTLER. The gentleman objects. This is a one-man Congress. There are 434 other men elected, but one man seems able, without listening to the statements, to decide these matters. A parliamentary inquiry, Mr. Speaker. I ask permission to speak here for a minute.

Mr. CHINDBLOM. Mr. Speaker, let me say to the gentleman from Pennsylvania that the rule under which we are here to-night is for the consideration of private bills unobjected to.

Mr. BUTLER. That is all right, but I will not go home until this bill is passed.

Mr. BULWINKLE. Will the gentleman from Illinois state why he objects?

Mr. CHINDBLOM. Here is a patient who escaped from Washington, went to California, and is gone about two weeks. The family put him into a hospital and put in a claim for $2,078.93. The Senate committee recommends $1,500, and says that "while it is difficult to determine just what part of this expense should be refunded your committee is of the opinion that the sum of $1,500 will fully reimburse the family for all expenses."

No doubt $1,500 will fully reimburse the family, but what is there to show that they are entitled to the $1,500?

Mr. BULWINKLE. This man was mentally afflicted. He was in the insane asylum, and the Secretary of the Interior says:

> I am frank to say that it would appear to me that the entire matter as presented, even by resting upon the hospital superintendent's reports alone, evinces extreme carelessness and an entire lack of interest in the case.

Here is a man, a patient, an officer in the war, who escapes and the hospital authorities make no effort to search or hunt for him, and this girl and her mother have to mortgage their property to go out and hunt for him.

The SPEAKER pro tempore. Is there objection?

Mr. CHINDBLOM. Reserving the right to object, the gentleman from Ohio [Mr. BEGG] is seeking for information in this matter. I think it is proper that the House should know of the attempts being made to get information on which the House may act. All that we have is the Senate committee saying that $1,500 is enough to fully reimburse the family.

Mr. BUTLER. The bill is itemized, and here in the report, I will say to my friend, are affidavits for the information of the committee.

Mr. ROACH. The information which the gentleman from Ohio seeks would be purely speculative on the part of the Government out of the very necessities of the case. It is a claim that it is difficult to determine just what amount of expense would have been necessary to have apprehended this Lieutenant Fallon, because neither the Government nor anyone else knew where he was. The Government would have been in exactly the position the family was; it would have sought information from any source, and the expense of that information is purely speculative. Two committees have carefully gone over the items in this matter. The Committee on War Claims, of which I am the chairman of the subcommittee, devoted the greater part of a day to analyzing the testimony in this case and going over the details of the expense, and every dollar that was charged for we believed that the Government, in all honesty, would have charged for if it had paid the expenses.

Mr. BEGG. What does the gentleman have to say to this:

> On the 5th of January Lieutenant Fallon, having conducted himself all right in every respect, so far as his parole privileges were concerned, was brought up again before the staff conference to consider granting him a 30-day leave, with indefinite extension, in the care of his brother. This leave was granted.

We are attempting to get information from the department as to what they thought the Government would have been called upon to expend. In this case they send a high-class man out at so much per day to California to bring the man back, and when he gets there he would not bring him back alone, but brought another man with him.

Mr. ROACH. Because he was discovered on the street running wild, and a menace to society.

Mr. CRAMTON. And is it not a fact that most of the expenditure was incurred after they found the man?

Mr. ROACH. The physician's treatment was incurred after they found him.

Mr. BUTLER. Will the gentleman withhold his objection and give me a minute?

Mr. BEGG. I will withhold it.

Mr. BUTLER. Mr. Speaker, I would like to explain to my colleagues that this money is owing by our Government. This is one of the most distinguished men that ever sailed the great deep sea in an armed American ship. He is himself responsible for the sinking of two submarines. He lost his reason, I believe, in the undertaking. He served 14 months upon the submarine destroyer *O'Brien* on the coast of France He escaped from St. Elizabeth Asylum. He was not paroled and never had the liberty extended to him. It is in evidence in the department that recommends the payment of this bill, that the superintendent directed his keeper not to let him out of his cell.

That information never was communicated, and after this officer had his dinner the cell door was open——

Mr. BEGG. Mr. Speaker, will the gentleman yield for a moment?

Mr. BUTLER. Just wait. I want to put myself right, because I know these people and they live my near neighbors. I desire to say that I am not putting anything in the RECORD here that I do not believe is right. The family of this great sailor can not afford to pay these bills, and they should not be asked to pay them from their own private purse. They are now sustaining this sailor man in an asylum. The man was made mad from military service. After his escape from St. Elizabeths he was found in California. The department did not go in the search to find him. If anybody will read the report he will see that the authorities took no part in the search, but put the responsibility upon the family. They searched for him in New York and Pennsylvania and New Jersey, and finally located him in California, wandering around, half clad, half starved, and they are now maintaining him at private expense in a private hospital. These bills are all right. I have not anything further to say at this time. [Applause.] Let the objection be made. I ask that a majority of this House shall pass upon a claim of this kind. The people of the United States can not afford to treat their soldiers as this man has been treated. This family has paid, and the Government was paying at the time to safely keep him in an asylum. He was permitted to escape, and the Government should have made the search. He was in an asylum where he was supposed to be safe, and was allowed to escape through negligence of his keeper, and for one month wandered unfed and unclothed until found by his family in California. Of course his family sent for him, as I would have done for my son. I would have sent the best man I could. I would have beggared myself to save him. He was worth it. He rendered his country service that few other men have rendered.

Mr. O'CONNELL of New York. And they sold their home to do it.

Mr. BUTLER. I have heard so. It is said they have disposed of property to keep their beloved son, a brilliant young man who had come from Annapolis with honors and served his country until he had reached the grade of lieutenant, and then as I have said, lost his mind in the service of his country. His family should have these expenses paid at once. He is the same to his kin as though he were sane, and their affection for him is even greater because of his infirmity. I protest against Congress declining to pay the bills incurred honestly

in the search for and the recovery of this man. Furthermore, as an evidence of the character of his service he has been decorated by the British Government with its highest medal, as he has been decorated by this country with one of its highest medals for valorous and heroic service in the presence of its armed enemy.

Mr. BEGG. Mr. Speaker, will the gentleman yield?

Mr. BUTLER. Certainly.

Mr. BEGG. I want to say to the gentleman from Pennsylvania that I would have to be pretty stony hearted to withstand the appeal that he has just made. [Applause.]

Mr. BUTLER. In my 28 years of service, I believe, this is the third or fourth bill of the kind that I have introduced. I know these people well, as I have said; they are my neighbors, honorable and honest. Of all men who did masterful service in the Great War, from my congressional district, no one whom I know of outdid Fallon, who as I have said steered his boat alongside two submarines and assisted his crew in sinking them.

Mr. BEGG. Mr. Speaker, reserving the right to object—and I am not going to object—I simply want to say that I think there is nothing that Uncle Tom, as everybody calls the gentleman from Pennsylvania, really wants that will be denied him.

Mr. BUTLER. I do want it, Jim, very badly. [Laughter.]

Mr. BEGG. And I want to add one further statement now, for the sake of the future. This is not a pleasant task that I have been asked to perform and I do not want this to be considered a precedent. So far as my humble effort goes, I think I was entirely fair when I said that I was willing to allow whatever the department said it would have cost the Government, but I am not going to even stand on that after the fine speech of the gentleman from Pennsylvania.

Mr. BUTLER. I am grateful to my friend.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to the family of Lieut. Henry N. Fallon, United States Navy, retired, out of any money in the Treasury not otherwise appropriated, the sum of $1,500 in full satisfaction of all claims for expenses incurred by them or under their direction in the locating and caring for Lieut. Henry N. Fallon after his escape from St. Elizabeths Hospital, District of Columbia.

With the following committee amendments:

Page 1, line 4, strike out the words "the family" and insert "Amy L. Fallon, mother"; and on page 1, line 8, strike out the word "them" and insert the word "her"; and in the same line strike out the word "their" and insert the word "her."

The SPEAKER pro tempore. The question is on agreeing to the committee amendments.

Mr. CRAMTON. Mr. Speaker, there is just one statement that I want to make in connection with this bill.

Mr. KNUTSON. Let the gentleman extend his remarks.

Mr. CRAMTON. No; I will not. I have carefully read the report of Doctor White, the superintendent of St. Elizabeths, whom I know very well and for whom I have a very great admiration. I have also read the report of Secretary Fall, which indulges in very severe criticism of Doctor White. I do not need to discuss Secretary Fall; but I want to say that my action in withholding an objection to this bill is not to be taken in any way as an indorsement of the criticisms of Doctor White by Secretary Fall, because I consider they are absolutely unjustified.

The SPEAKER pro tempore. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

The title was amended to read as follows: "An act for the relief of Amy L. Fallon, mother of Lieut. Henry N. Fallon, retired."

PETER C. KEEGAN

The next business on the Private Calendar was the bill (S. 210) for the relief of Peter C. Keegan and others.

The Clerk reported the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. The report says that the Government has already paid Commissioner Keegan $5,000; Commissioner Murchie, $5,000; Commissioner Maddigan, $3,876.86; and Counsel Fellows, $6,411.73. They had exceeded the appropriation. The department so notified them. They went ahead, nevertheless, and now they claim this sum. I do not think it is a wise policy to allow a commission to exceed an appropriation without any authority whatever. We have not been paying these claims. We have so many commissions that if we once established a policy, all of them are going to exceed their appropriations. I think there should be some explanation outside of this report that will warrant the payment of this claim. I withhold my objection.

Mr. THOMAS of Oklahoma. Mr. Speaker, this report is based on a letter from the Secretary of State. Congress passed a law creating this commission. The commission served in conjunction with a commission appointed by Great Britain.

The only information that the committee has is what is contained in the records submitted by the department, and it occurs to me that if we can not take the recommendations made by the Secretary of State on matters that he has under his control, we would not know where to go to get the information. The facts are that this commission served for many days after the appropriation had expired. This commission submitted claims on the basis of $50 per day. The Secretary of State thought that was too high and cut their per diem to $20 per day, and this bill embodies a compromise and an agreement between the Department of State and these gentlemen. It occurs to me, Mr. Speaker, that this compromise should be approved.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Do I understand that these parties have agreed, in accordance with the suggestion made by Secretary Hughes, to accept this in full settlement, and this is the exact amount in the bill to which Secretary Hughes agreed?

Mr. THOMAS of Oklahoma. Yes.

Mr. BLANTON. I withdraw the reservation.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to Peter C. Keegan, the sum of $1,700; to the estate of John B. Madigan, the sum of $348.14; to the estate of Oscar F. Fellows, the sum of $2,950.77, said sums representing additional compensation for services rendered on the St. John River Commission.

The bill was ordered to be read the third time; was read the third time, and passed.

JAMES MORAN

The next business on the Private Calendar was the bill (S. 589) for the relief of James Moran.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That in the administration of the pension laws and the laws conferring rights and privileges upon honorably discharged soldiers, James Moran, late corporal in the One hundred and ninth Company, United States Coast Artillery Corps, shall be held and considered to have been honorably discharged from the military service of the United States as a member of Company A, Ninth Regiment United States Infantry: *Provided*, That no back pay, bounty, or other emoluments shall accrue prior to the passage of this act.

Mr. BLANTON. Mr. Speaker, what about this amendment that the Adjutant General recommends that ought to be incorporated? The Adjutant General in his recommendation says that if the bill is to be enacted into law it should be amended according to a suggestion that he had made. I took it for granted that the committee, of course, was going so to amend it, and I hope they will amend it. What does the chairman of the Committee on Claims say about it?

Mr. EDMONDS. This is a bill from the Committee on Military Affairs.

Mr. BLANTON. Who represents that committee?

Mr. BULWINKLE. Mr. McSWAIN reported this bill.

Mr. BLANTON. Notwithstanding that it has passed the objection stage here The Adjutant General recommends an amendment to the committee. I have not had time to look up the exact wording of the amendment. It is too late, but I ask unanimous consent——

Mr. KING. I object.

Mr. BLANTON. That the bill be passed over——

The SPEAKER pro tempore. The gentleman from Texas asks unanimous consent that the bill be passed over——

Mr. BOYLAN. I would like to make a statement, Mr. Speaker. In the absence of Mr. McSWAIN, I will say the Committee on Military Affairs considered this bill and whatever

recommendations were made by The Adjutant General were included in the bill, and I am pretty sure the bill is in the form now which he desires.

Mr. O'CONNELL of Rhode Island. Mr. Speaker, I can say to the gentleman from Texas that the change has been made in the first part of the bill which referred to the United States Coast Artillery Corps. That change has been made in the Senate bill and is in the correct form at present.

Mr. BLANTON. Mr. Speaker, I move to strike out the last word for the purpose of calling attention to the recommendation from The Adjutant General. Of course, it is a small matter, but the House ought to know this fact. The Adjutant General suggests this:

> The War Department has not authority to amend this record so as to show that this soldier was honorably discharged as a member of Company A, Ninth United States Infantry, as of August 25, 1899, or any other date, he having been, in fact, dishonorably discharged as a member of that organization on that date.

And he suggests that it be amended accordingly. Now, the bill, in the face of that suggestion, says that this man was honorably discharged, which is not in accord with the suggestion made by The Adjutant General; but unless the Committee on Military Affairs sees fit to protect the matter, I am not going to do so.

Mr. WINGO. I think the gentleman overlooked this fact. The object of this bill is to give a pensionable status.

Mr. BLANTON. Yes.

Mr. WINGO. The Adjutant General always objects to correcting the records down there, where often it is contended there is an error, and I think that is the contention possibly in this case; but the War Department takes the position that they do not object to the language used in this bill that in the administration of the pension laws he shall be considered as honorably discharged. I think the form now meets the objection of the War Department. This will not correct the military record but provides that in the administration of the pension laws he shall have the same status as if honorably discharged.

The bill was ordered to be read the third time, was read the third time, and passed.

WILLIAM BROWN

The next business on the Private Calendar was the bill (H. R. 2313) authorizing the issuance of a patent to William Brown.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to cause a patent to issue to William Brown, a native or Indian, of Ketchikan, Alaska, to a tract or parcel of land situated in the District of Alaska, to be described in said patent as follows, to wit: Beginning at the point near the high-water line on the north shore of Tongass Narrows, now marked by a half-inch copper bolt cemented into a solid rock, said point being 1,708.5 feet south 51 degrees, 34 minutes, and nine-hundredths of a second east, true, from the United States Coast and Geodetic Survey triangulation station "Red," and 3,245.6 feet south, 79 degrees, 45 minutes, and 25 seconds east, true, from the United States Coast and Geodetic Survey triangulation station "Hick," on Pennock Island; thence north 46 degrees and six-hundredths of a minute east, true, 400 feet; thence south 43 degrees and 54 minutes east, true, 250 feet; thence south 46 degrees and six-hundredths of a minute west, true, 400 feet, more or less, to the high-water line; thence northwesterly, following the meanderings of the high water of the shore line, to the point of beginning, containing 2 acres, more or less, upon his payment therefor at the rate of $2.50 per acre: *Provided, however,* That said patent shall contain an expressed reservation to the United States of a permanent right of way over said land 60 feet in width for a road which has been or may be located and constructed thereon by, or under the supervision of, the Bureau of Public Roads.

The committee amendments were read, as follows:

Page 1, line 5, strike out the words "or Indian."

Page 2, line 1, strike out the words "hundredths of a second" and insert in lieu thereof "seconds."

Page 2, line 7, strike out "hundredths of a minute" and insert the word "minutes."

Page 2, line 11, strike out the words "hundredths of a minute" and insert "minutes."

Page 2, line 21, insert a colon and "*Provided further*, That said William Brown shall apply to the surveyor general for the survey of said tract, at his own proper expense, within six months from and after the passage of this act, and that the patent, when issued, be in accordance with the terms of such survey."

Mr. WINGO. Mr. Speaker, I intended to get some information on this bill before consent was given, but my attention was diverted so I will get that information now.

Did the Committee on Public Lands adopt this policy represented by this bill?

Mr. SUTHERLAND. This is a case where the United States Government took up a certain section of land for a lighthouse depot, where they constructed a wharf to keep material for the lighthouse. They found in that section this little plat occupied by this Indian. Now, the Department of Commerce relinquishes it, and the Department of the Interior favors giving the patent to this 2 acres of land.

Mr. WINGO. I am acquainted with the record. I understand an Indian squatted on the land with absolutely no title. He then leased it to a tenant. Then he quit-claimed it to his tenant. His tenant quitclaimed it to a Jap. The Jap, I think, quitclaimed it to this man. Is that the chain of title?

Mr. SUTHERLAND. Yes: but this was land that the Indians occupied at the mouth of this little brook from time immemorial.

Mr. WINGO. Yes. I want to know if the Committee on Public Lands has adopted the policy of granting title or patent to land where the patentee traces his title back to a quitclaim from a squatter? Is that the policy?

Mr. RAKER. Mr. Speaker, will the gentleman yield there?

Mr. WINGO. Yes.

Mr. RAKER. That is not involved in this case at all.

Mr. WINGO. Is the report correct about the chain of title?

Mr. RAKER. Well, there is no chain of title.

Mr. WINGO. Well, is that the policy of the Committee on Public Lands to authorize the issuance of patent to a man who has no chain of title at all?

Mr. RAKER. That is not the case at all.

Mr. WINGO. I know what the case is. The gentleman says that in this case there is no chain of title. He is in error. Is not that true?

Mr. RAKER. There is no legal chain of title.

Mr. WINGO. I notice that the Interior Department recommends it. But I am interested to know why they are willing to grant a patent in a case like this, yet refuse it in other cases. When lands are set aside under proper acts of Congress and selections are made, and the records are filed with the local land office for 50 years, and they show that title deeds passed from the Federal Government, and some thirty-odd years before the land was sold for State taxes, forfeited to the State, and the State issued a deed to citizens, and those citizens, numbers of them, lived on the land and conveyed it; some day the department finds out that its local records show that this land was not alienated by the Government away back yonder, whereas the records at Washington show that the entries were canceled, then they say, "We will not authorize patent to go to the people who have rested on that title all these years. No; you have got to go and buy up scrip," some of which costs $15 an acre. I would like to know about the policy.

Mr. RAKER. As to the very character of case that the gentleman has suggested, I will guarantee that within this and preceding Congresses there have been 25 similar cases which the department has reported favorably from the Southern States, and patents have been issued to the parties in identically like cases.

Mr. WINGO. Well, they will do it for some Members of Congress, but they will not do it for others.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

RELIEF OF THE ESTATE OF CHARLES L. FREER, DECEASED

The next business on the Private Calendar was the bill (H. R. 8100) for the relief of the estate of Charles L. Freer, deceased.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 8100) for the relief of the estate of Charles L. Freer, deceased

Whereas Charles L. Freer, deceased, late of Detroit, Mich., presented to the Nation, through the Smithsonian Institution, art collections

valued at several million dollars and provided over a million dollars for the erection by the institution of a building to house this collection; and

Whereas the said Smithsonian Institution, in addition to certain specific bequests, was named as the residuary legatee by the will of the said Charles L. Freer; and

Whereas all taxes and other charges found due against the estate of the said Charles L. Freer, having been paid by the executors, the said estate was closed, the residue paid over to the Smithsonian Institution, and the executors discharged on December 27, 1922; and

Whereas since the date of said settlement of the estate the Treasury Department in a reexamination of the income-tax returns have assessed additional taxes amounting to $74,889.56 against said estate; and

Whereas the estate having been closed and the residue of the estate having already been paid into the hands of the Government, the payment of these additional taxes by the Smithsonian Institution, the residuary legatee, would in effect be a serious curtailment of Mr. Freer's munificent bequest to the Nation: Therefore

Be it enacted, etc., That additional taxes amounting to $74,889.56, together with all penalties and charges thereon assessed by the Treasury Department under date of February 1, 1923, and March 6, 1923, against the estate of Charles L. Freer, deceased, late of Detroit, Mich., which estate has been closed, the executors discharged, and the residue paid over to the Smithsonian Institution as an endowment for the Freer Gallery of Art, presented to the Nation by the said Charles L. Freer, are hereby canceled and the Treasury Department is hereby authorized and directed to remit any further taxes, penalties, or charges which may thereafter be found due from the said estate.

With a committee amendment, as follows:

On page 2, line 14, after the word "from," insert the words "the said residue."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. JOHNSON of Washington. Mr. Speaker, I think we might do well to strike out the preamble. The preamble has a magnificent sound, but the exact facts are stated in the bill.

The SPEAKER pro tempore. That comes later. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time.

The SPEAKER pro tempore. Does the gentleman from Washington move to strike out the preamble?

Mr. JOHNSON of Washington. Yes.

Mr. CHINDBLOM rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Illinois rise?

Mr. CHINDBLOM. To ask unanimous consent to make just one brief statement about the preamble. I will say that the preamble is not a necessary part of a bill or resolution. The preamble was no doubt put in for the purpose of showing the intent of the bill; but for good form, of course, the preamble is not necessary.

The SPEAKER pro tempore. The question is on agreeing to the motion to strike out the preamble.

The question was taken; and on a division (called for by Mr. KING) there were—ayes 27, noes 17.

So the motion was agreed to.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken, and the bill was passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

DENNIS SHEVLIN

The next business on the Private Calendar was the bill (H. R. 1332) for the relief of Dennis Shevlin.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That in the administration of the pension laws governing the National Home for Disabled Volunteer Soldiers, or any branch thereof, Dennis Shevlin, also known as Daniel Shevlin, shall hereafter be held and considered to be honorably discharged from the military service of the United States as a private in Company G, Seventy-fifth Regiment Illinois Volunteer Infantry, on December 10, 1862: *Provided*, That no pension shall accrue prior to the passage of this act.

With a committee amendment, as follows:

Page 1, line 10, after the word "pension," insert the words "pay or allowance"; strike out the word "accrue," after the word "shall," and insert the words "to be held to have accrued."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

COMMANDER DORR F. TOZIER

The next business on the Private Calendar was the bill (S. 1698) granting permission to Commander Dorr F. Tozier, United States Coast Guard, retired, to accept a gift from the King of Great Britain.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. KING. I object, Mr. Speaker.

Mr. COLE of Iowa. I trust the gentleman from Illinois will withhold his objection.

Mr. KING. I withhold the objection.

Mr. COLE of Iowa. I hope the gentleman from Illinois will not push his objection. The recipient of this gift is a man who entered the United States Cutter Service in 1865. In 1902 he performed a service for the British Government. A vessel was destroyed on Vancouver Island and he was sent to make a search for the remains. He discovered one quarter boat, which was in the possession of an Indian on the island, and the Indian refused to give up this boat except upon the gift of this man's sword.

Mr. BOYLAN. Will the gentleman yield?

Mr. COLE of Iowa. Yes.

Mr. BOYLAN. Would the gentleman mind accepting an amendment to his bill providing also that the King give a gift of the release of that distinguished Irish patriot, Eamon de Valera? [Laughter.]

Mr. COLE of Iowa. I think the gentleman had better introduce that as a separate bill.

Mr. KING. I was waiting until the gentleman had finished his brilliant speech in order to withdraw my objection.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Reserving the right to object, I want to ask the gentleman to give us one precedent for this.

Mr. COLE of Iowa. Oh, there are many precedents.

Mr. BLANTON. Will the gentleman recite one? We have an inhibition of law against it.

Mr. COLE of Iowa. Not against gifts of this kind, but we have a constitutional inhibition.

Mr. BLANTON. What is the precedent?

Mr. COLE of Iowa. We have a long line of precedents.

Mr. CRAMTON. If the gentleman from Iowa will yield, I will say that during the World War—if the gentleman from Texas wants information—Congress passed a general act——

Mr. BLANTON. About the only things of value——

Mr. CRAMTON. Mr. Speaker, I am trying to say to the gentleman from Texas that during the World War Congress passed a general act permitting men in the military service to accept decorations, and so forth. Whether it went as far as to include gifts I do not know, but this is about in the same status as decorations.

Mr. COLE of Iowa. I will say to the gentleman from Texas that we passed at least two bills of the same kind in the last Congress.

Mr. BLANTON. If this gift were anything other than a sword I would object.

Mr. KING. What is the King going to give him?

Mr. WINGO. Yes; I want to find out what the King is going to give him.

Mr. COLE of Iowa. This man gave up his sword and the King of England is going to give it back to him.

Mr. KING. Mr. Speaker, I withdraw my objection.

The SPEAKER pro tempore. The objection is withdrawn, and the Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That Commander Dorr F. Tozier, United States Coast Guard, retired, be, and he is hereby, authorized to accept a sword tendered to him by the King of Great Britain through the Department of State of the United States.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

EXCHANGE OF LAND FORMERLY USED AS A SITE FOR THE POINT OF WOODS RANGE LIGHTS, MICHIGAN, FOR OTHER LANDS IN THE VICINITY

The next business on the Private Calendar was the bill (H. R. 4481) authorizing the Secretary of Commerce to exchange land formerly used as a site for the Point of Woods Range Lights, Michigan, for other lands in the vicinity.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WINGO. Mr. Speaker, I should like to ask the gentleman from Michigan what is the necessity for this?

Mr. WILLIAMS of Michigan. This involves the transfer of something like four or five acres; it involves giving up the old site used for a range light for a new site, which is badly needed for the same purpose.

Mr. WINGO. It is a question of exchange?

Mr. WILLIAMS of Michigan. Yes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Commerce be, and he is hereby, authorized and directed to grant and convey to Robert P. Hudson, of Sault Ste. Marie, Mich., all of that certain lot or piece of land acquired by the United States through condemnation proceedings by an order dated January 18, 1909, of the Circuit Court of the United States for the Western District of Michigan, northern division, described as follows:

That part of lot 1, section 25, township 45 north, range 2 east, beginning at a point marked by a stone monument bearing south 40 degrees, 42 minutes, 50.07 feet distant from the center of the front range light mast, and running north 46 degrees, 47 minutes, 22.13 seconds west, 408.77 feet; thence north 43 degrees, 12 minutes, 37.87 seconds east, 100 feet; thence south 46 degrees, 47 minutes, 22.13 seconds east, 453 feet, more or less, to the shore of the St. Marys River; thence along said shore in a southwesterly direction to the point of intersection of said shore with a line bearing south 46 degrees, 47 minutes, 22.13 seconds east from the point of beginning; thence along said last line north 46 degrees, 47 minutes, 22.13 seconds west, 54 feet, more or less, to the point of beginning; for and in consideration of the said Robert P. Hudson granting and conveying to the United States in fee simple, free and clear of all mortgages, liens, encumbrances, taxes, or claims of any kind whatsoever, the following-described premises:

That part of lot 1, section 25, township 45 north, range 2 east, beginning at a point 20 feet south 44° 16′ west from the center of the cast-iron mast supporting the Point of Woods Range Front Light, center of said mast being 206 feet north 38° 50′ east from the location of the old front light of the Point of Woods Range; thence north 45° 44′ west 350 feet; thence north 44° 16′ east 60 feet, more or less, to the St. Marys River; thence southeasterly along the shore of the St. Marys River to its intersection with a line through the point of beginning, and bearing south 45° 44′ east; thence north 45° 44′ west along the above line 100 feet, more or less, to the point of beginning, all bearings given being from the true north:

Provided, That the Attorney General shall first examine the title of the said Robert P. Hudson to premises to be conveyed to the United States as aforesaid and shall furnish his written opinion in favor of the validity thereof: *Provided further*, That the said Robert P. Hudson, within such reasonable time after the passage of this bill as may be determined by the Secretary of Commerce, shall deed to the United States the premises herein described to be conveyed by him: *And provided further*, That the said Robert P. Hudson shall furnish, free of expense to the United States, requisite abstracts, official certifications, and evidences of title that the Attorney General may deem necessary; and that any expense necessary to be incurred by the United States in affecting this exchange shall be payable from the appropriation "General expenses, Lighthouse Service," for the fiscal years in which such expenses are incurred.

With the following committee amendment:

Page 4, line 5, strike out the word "affecting" and insert in lieu thereof the word "effecting."

The SPEAKER pro tempore. Without objection, the committee amendment is agreed to.

There was no objection.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

RELIEF OF FORREST J. KRAMER

The next business on the Private Calendar was the bill (H. R. 7249) for the relief of Forrest J. Kramer.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BEGG. Mr. Speaker, I object to that bill unless——

Mr. HASTINGS. If the gentleman will withhold his objection, I think I can explain it.

Mr. BEGG. I will state my objection; and then if the gentleman thinks he can explain it, all right. I can see no difference between this and if I were to buy a piece of property from some other man, and if I were not careful and were careless in my purchase and paid the man in full for the property and then he could not deliver a clear title, I certainly think the Government would not owe me for the amount of money I lost; hence I am going to object.

Mr. HASTINGS. If the gentleman will withhold his objection for one minute, I think I can explain it so that the gentleman will not object. Let me say that the purchase of this land was not from this woman Mary Marshall, but the purchase of this land was through the Indian officials. This party Kramer had no dealings whatever with the woman Mary Marshall, who owned this land. The way this is done is this: The supposed owner of this land was a restricted Creek Indian. Under the law and under the rules of the department she could apply, through the Superintendent of the Five Civilized Tribes, a Federal official in Oklahoma, for the removal of her restrictions; she did so apply; that was forwarded, through the Superintendent of the Five Civilized Tribes, to the Secretary of the Interior for approval, and the Secretary of the Interior approved it. Now, under the rules and regulations this land was offered for sale by Federal officials and not by this woman, the supposed owner of the land. This man paid not only the appraised value, which was $2,400, for the 80 acres of land, but he gave $2,520, and at the time he did it he deposited 10 per cent, under the rules, with the Federal officials, not with the woman. He had no dealings whatever with this woman. Then when the deed was delivered to him through the Federal officials he paid the remainder of the purchase price, making $2,520. The deed was delivered to him by the Indian officials, and when he goes to get possession of the land he finds that this person who had made application to have her restrictions removed, and who had made this deed, was not the owner of the land at all. The Indian officials in the meantime had paid out $104.90 of the money of this innocent purchaser, who had no dealings except with the Federal officials, and then it was discovered that this woman who had made an application for the removal of her restrictions and who made this deed, which was fraudulent, was not the party to whom the land was allotted. It was no fault on earth of the alleged purchaser.

Mr. BEGG. The gentleman is making a very plausible statement.

Mr. HASTINGS. That is exactly what this report shows.

Mr. BEGG. Now, the report does not show that to me, as I understand the report.

Mr. HASTINGS. I knew the gentleman did not understand it.

Mr. BEGG. I would like to ask the gentleman one other question. Why is not the purchaser in the same position to protect himself from fraud in this kind of a sale as he would be if he buys from another individual outright?

Mr. HASTINGS. He did not deal with this woman at all.

Mr. BEGG. That does not make any difference. Why did he pay over the money?

Mr. HASTINGS. He did not pay it to her. He paid it to the officials of the Government and they delivered him the deed.

Mr. BEGG. That does not change the situation to my mind. Would you pay money to the Government for the purchase of a piece of land before you were in a position to know that the Government could deliver a clear title?

Mr. HASTINGS. Let me say to the gentleman from Ohio that in the case of the thousands and thousands of restricted Indians in Oklahoma that is exactly what is done in every single, solitary case where the Indian is restricted or is under the supervision of the Government. You have got to apply through the superintendent of the Five Civilized Tribes for the right to sell; in other words, for the removal of the restrictions—and every paper goes through that Federal official's office, and this was forwarded here to the Secretary of the

Interior, and the Secretary of the Interior approved it. This man had no dealings whatever directly with this party.

Mr. BEGG. The gentleman is not answering my question. I understand that all right. The gentleman is simply going over the same thing he has stated twice. If the gentleman can convince me that the purchaser was in no position to protect himself by his own alertness then I will not object, but the gentleman has not given me any reason why that can not be done.

Mr. HASTINGS. This man had to rely upon the Federal officials in believing that they themselves had dealt with the proper party. This purchaser, Kramer, had nothing to do with that.

Mr. BEGG. Did the Federal officials make an error?

Mr. HASTINGS. They took an application from a party that did not own the land, and when he paid over this money—$2,520—to the Federal officials, he did not pay it to this woman, but paid it to the Federal officials, and they paid her out of that money, erroneously, $104.90.

Mr. BEGG. Then the error is an error on the department officials and not the result of the man's own carelessness.

Mr. HASTINGS. There was no carelessness on the part of the man at all. It was found that through error the Federal officials had paid this money to an old darky woman who did not have a penny of money.

Mr. BEGG. Is there anything in the report which shows that the Government officials acknowledge the error?

Mr. HASTINGS. Here is the report of the Secretary.

Mr. BEGG. What is there in the report that says that the Indian Bureau made an error?

Mr. HASTINGS. If the gentleman from Ohio will permit me, this is the report from the Secretary of the Interior, and every one of these Government officials is under the Secretary of the Interior, and the Secretary has reported the facts just as I have stated them to the House. The report itself shows they made an error and it was through no fault of this man himself.

Mr. BEGG. I did not get that from the report. The report states that six months after the man completed the contract he discovered this.

Mr. HASTINGS. Oh, he had nothing to do with this woman, Mary Marshall. He dealt with the Government officials.

Mr. BEGG. Will the gentleman agree to pass this over?

Mr. HASTINGS. There is only $104.90 involved, and the report is plain and states every fact I have stated here to-night. There can not be any possible doubt about it. The report says that Mary Marshall, now Carter, who executed the application for removal of restrictions, is reported to be a negro 80 years of age, absolutely destitute. So it would be absolutely impossible to recover from her the money paid to her from the proceeds of sale.

Mr. BEGG. Mr. Chairman, I withdraw my objection.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

The Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Forrest J. Kramer, out of any money in the Treasury not otherwise appropriated, the sum of $104.90, being the amount due him on account of the cancellation of sale to him of land allotted to Mary Marshall, Creek Indian, roll number 3774.

With the following committee amendment:

In line 4 strike out the words "and directed."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

JEREMIAH O'CONNOR

The next business on the Private Calendar was the bill (H. R. 5517) authorizing the sale of certain Government property in the District of Columbia to Jeremiah O'Connor.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection to the bill?

Mr. WINGO. Let us see about this.

Mr. KELLER. Let me say to the gentleman that this is a small part of a lot, about 20 feet by 30, in the District of Columbia. The person named in the bill owns the lot next to it, but can make no use of this because it is owned by the Government. It faces an alley.

Mr. WINGO. How did the Government happen to own this part of the lot?

Mr. KELLER. I do not know how it came to be owned by the Government.

Mr. WINGO. Does the gentleman mean that there are regular-sized lots, and in this particular block the Government owns this one piece?

Mr. KELLER. The Government owns this one piece, 20 by 30 feet. This man wants to put a building on it but can not, because it is owned by the Government.

Mr. WINGO. What is the reason for giving this man priority?

Mr. KELLER. The bill has been amended by striking out the person's name, so it leaves the Secretary of Agriculture authority to sell it to the man who pays the most.

Mr. WINGO. If there is any peculiar reason why this man should be given priority, we ought to protect him. How did the Government get title to it? How did it own this isolated part of a lot?

Mr. KELLER. I do not know.

Mr. CRAMTON. I would like to know all that the gentleman has asked and some other things. The Secretary of Agriculture is authorized to sell this land, but there is no statement here as to the interest that the Department of Agriculture has in it. I think we should have a report, and while the name of Jeremiah O'Connor is stricken out the bill provides that the sale shall be for cash under such rules and regulations as the Secretary may prescribe. There is no requirement that it shall be sold at public sale or to the highest bidder. I notice from the report that the property is assessed at $4,500.

Mr. KELLER. That is for the entire lot.

Mr. CRAMTON. I suggest that we ought to have an explanation of what interest the Department of Agriculture has in it, and what other facts there are. I think for the present I will have to object.

The SPEAKER pro tempore. The gentleman from Michigan objects.

JAMES A. HUGHES

The next business on the Private Calendar was the bill (H. R. 6737) for the relief of James A. Hughes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. BEGG. Reserving the right to object, I would like to ask a question of the gentleman in charge of the bill.

Mr. BOYLAN. I shall be glad to answer any questions.

Mr. BEGG. Why was not this man honorably discharged?

Mr. BOYLAN. The man originally enlisted for a period of three years, and at the expiration he reenlisted for three years more. During the new enlistment he developed a species of insanity.

Mr. BEGG. The gentleman need not go any further; I remember about the case, and I do not object.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, James A. Hughes, One hundred and sixty-seventh Company, Coast Artillery Corps, shall hereafter be held and considered to have been honorably discharged from the military service of said company.

The following committee amendment was read:

Add at the end of the bill the following: "*Provided*, That no pay, pension, or allowance shall be held to have accrued prior to the passage of this act."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

LOUIS LEAVITT

The next business on the Private Calendar was the bill (S. 88) for the relief of Louis Leavitt.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. KING. Mr. Speaker, I object.

Mr. BULWINKLE. Will the gentleman withhold his objection?

Mr. KING. I will withhold it, but I am prepared to make a speech against the bill. The hour is late and there are so many Members waiting for their bills to come up that I feel that in the economy of time I should object. This is the notorious bacon bill, which has been hanging around here for six years.

Mr. EDMONDS. Does the gentleman know how the committee has arranged the matter in the bill?

Mr. KING. Yes; I have read it, and it is absolutely throwing away all rights of the Government.

Mr. EDMONDS. No, indeed; that claim is well protected.

Mr. KING. I have been laying for this bill too long, and I can not withdraw the objection at this time.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill.

Mr. LINDSAY. Mr. Speaker, my constituents objected to this bill and I object to it now.

Mr. BULWINKLE. Mr. Speaker, will the gentleman withhold his objection for a few minutes?

Mr. LINDSAY. Yes; temporarily.

Mr. BULWINKLE. Mr. Speaker, this claim is one of the claims growing out of war contracts. It is a case in which the Federal Government on one hand said to one of its citizens, "We have a surplus of bacon that we want to sell you," and then another branch of the Federal Government sends up the man who buys the bacon and says, "You can not have that property, you are hoarding it, and we therefore libel the property and indict you."

Mr. CRAMTON. Mr. Speaker, will the gentleman yield?

Mr. BULWINKLE. Yes.

Mr. CRAMTON. I did not intend to object to the bill because its form is changed so that it may be sent to the Court of Claims, but I do not want to let statements go unchallenged in the RECORD.

Mr. BLANTON. Mr. Speaker, I rise to a point of order. The gentleman from New York [Mr. LINDSAY] objected, as I understand it, and he is going to object in any event. He may as well object now.

The SPEAKER pro tempore. Does the gentleman intend to object?

Mr. LINDSAY. Yes. I object.

ARTHUR FROST

The next business on the Private Calendar was the bill (S. 105) for the relief of Arthur Frost.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Arthur Frost the sum of $960 in full for damages suffered by reason of being negligently shot and seriously injured by a regularly enlisted soldier of the United States while in pursuit of a deserter and in the legal discharge of his duty as a military policeman.

The SPEAKER pro tempore. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

ELLEN B. WALKER

The next business on the Private Calendar was the bill (S. 365) for the relief of Ellen B. Walker.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BEGG. Mr. Speaker, reserving the right to object, and I do so for the purpose of asking a question, this is a bill for the relief of the widow of a man who was killed. It originally provided for $5,000, and the committee has cut that to $1,560.

Mr. EDMONDS. One year's compensation under the act of 1908.

Mr. BEGG. And nearly every other bill comes in for a good deal more. There is a bill in here to-night for just injuries which carries an amount of over $7,000. Perhaps that is not too high, but certainly I think the widow of a man killed in the service is entitled to more than $1,560 if a man who has a leg cut off is entitled to two or three thousand dollars. I am certainly in favor of raising the committee's recommendation.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BEGG. I shall not object, Mr. Speaker.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Ellen B. Walker, of Albuquerque, N. Mex., as full compensation for the death of her husband, Thomas A. Walker, who, while in the employ of the United States Government, in the Bureau of Indian Affairs, lost his life by the collapse of a water-tower structure at Paquate, N. Mex., on July 17, 1915.

With the following committee amendment:

Line 5, strike out the figures "$5,000" and insert in lieu thereof the figures "$1,560."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

Mr. BEGG. Mr. Speaker, I rise in opposition to the committee amendment, and I do it as a pure matter of equity. I call the attention of the House to one thing. On a plea made by Uncle TOM BUTLER a little while ago we allowed $1,500 expenses as a matter of sympathy alone. The actual facts of that bill warranted probably $500, and yet, because one man comes and makes a plea, we allow $1,500. Here is a case of a widow whose husband has been taken away through accident in the discharge of his duties, and because there is nobody here to plead her case we have cut it down to $1,500.

Mr. SEARS of Florida. Mr. Speaker, will the gentleman yield?

Mr. BEGG. Yes.

Mr. SEARS of Florida. Perhaps my good friend from Pennsylvania will make another appeal.

Mr. BEGG. Mr. Speaker, I am not at all frivolous in my statement, nor am I trying to be unusually generous. I think there ought to be a semblance of equity in allowances of this kind. The fact that this man was killed while an old law was in effect does not have any weight when the widow is getting the benefit at this hour, when, if a man in the Government service to-day is killed, perhaps his beneficiary would get five or ten thousand dollars.

Mr. JOHNSON of Washington. Oh, no. I have a half dozen claims for people killed within a year or two in the Forest Service and in other services, and the claims are for no such amount as that.

Mr. BEGG. In the Forest Service there is a bill here to allow, I think, over $7,000 to a man who is alive because his wife had her leg broken and was otherwise badly injured, and if there is any justification in this committee allowing a man who is able to work $7,000 because his automobile was damaged and his wife crippled for life, then I think there is none in their allowing a widow only $1,500 because her husband was killed and her earning power gone. I can not see it, and I shall not vote that way.

Mr. TINCHER. Mr. Speaker, will the gentleman yield?

Mr. BEGG. Yes.

Mr. TINCHER. As I understand it, the gentleman makes an investigation of these things?

Mr. BEGG. As best I can.

Mr. TINCHER. And the attitude he takes on this matter is based purely on his investigation?

Mr. BEGG. Purely on equity.

Mr. TINCHER. The gentleman does not know anything about the parties?

Mr. BEGG. I never heard of the woman.

Mr. TINCHER. I think it commendable if the gentleman thinks the amount ought to be raised.

Mr. BEGG. I never heard of this woman, and it is just a matter of equity to me. If a man's wife wounded is worth $7,000, then a husband dead ought to be worth more than $1,560.

Mr. EDMONDS. I would like to rise in favor of the committee amendment. I have to oppose, not that I like to do it, the proposition of the gentleman from Ohio. In 1908 the Congress of the United States passed a bill giving one year's compensation to any employee of the Government who was killed while in the performance of his proper duties. From 1908 until the passage of the employees' compensation act your committee has paid one year's pay under the law passed by you to those people. There have been thousands of cases where we have settled with those people on the basis of one year's pay. This accident came in 1915, one year before the employees' compensation act was passed. We paid a number of people in 1912, 1913, 1914, all along through different years one year's compensation under the law passed by you, the only law we had to act under; yet you turn around and say, "Let us drop that law," and pay any sum of money contrary to the law what you have passed and which you yourself ordered paid.

Mr. CRAMTON. Will the gentleman yield for a question?

Mr. EDMONDS. I will.

Mr. CRAMTON. Do I understand that the law or that the committee in its regulations applies one rule in case of death

of a person in Government employment and another rule in case of a person killed who is outside of Government employment?

Mr. EDMONDS. The case the gentleman from Ohio speaks of——

Mr. CRAMTON. I am not referring to any particular case; I am asking whether the rule is different?

Mr. EDMONDS. This is not the case of a man employed by the Government. This is the case, I think, the gentleman is talking about——

Mr. CRAMTON. Yes; but he was injured before——

Mr. EDMONDS. The passage of the compensation act.

Mr. CRAMTON. Now, the reason for my question is this: I agree with the gentleman from Ohio that the various bills reported from the committee do not seem to be consistent. There is this bill, in which a fellow was killed who was an employee of the Bureau of Indian Affairs, and his widow gets the sum of $1,560. In another case the man was a roadmaster, at $140 a month, was not an employee of the Government, but he was killed by an act of a Government employee, and the committee recommended $5,000 in his case.

Mr. EDMONDS. Is that a recent case?

Mr. CRAMTON. It is No. 131 on this calendar.

Mr. EDMONDS. When we treat people outside the limit of damages for which they draw pay is $5,000.

Mr. CRAMTON. That is just what I asked the gentleman, whether in treating people outside you have a different rule?

Mr. EDMONDS. We have a different rule for those outside.

Mr. CRAMTON. I want to make this observation: I do not know of any reason why the Government should treat more liberally a person not in the employ of the Government who is killed by reason of the action of some person in the service than one in the service.

Mr. EDMONDS. The reason is very plain. You pass a law, an act of Congress, which says a man shall receive one year's pay. That is the reason, not because we do not want to pay any more, but because the law says we shall pay that.

Mr. CHINDBLOM. The only reason this bill is here is this was merely a temporary employee of the Government. If he had been a regular employee, it would have been different, and in addition it has been held that the Indian Service does not come under the act. Is not that it?

Mr. EDMONDS. I am not sure, but I want the gentleman to understand distinctly that when we act there is a law on the statute books and we are trying to follow the law, and if you do not like the law, change it.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MORROW. Mr. Chairman, I offer to amend the committee amendment by inserting $5,000, and I desire to be heard on that.

Mr. JOHNSON of Washington. If the gentleman presses that, I shall be compelled to make a point of no quorum.

Mr. UNDERHILL. That is not necessary for the reason——

The SPEAKER pro tempore. For what purpose does the gentleman from New Mexico rise?

Mr. MORROW. I rise to be heard on this claim. I represent this claim, and introduced a similar bill in the House. This is a Senate bill, and I would like to explain this bill if I may be permitted.

Mr. UNDERHILL. I want to be heard in opposition to the amendment.

The SPEAKER pro tempore. The gentleman from New Mexico is asking recognition, and under the rule he can proceed for five minutes.

Mr. BLANTON. His amendment should be reported at the desk.

The SPEAKER pro tempore. If he has an amendment.

Mr. BLANTON. He has offered an amendment.

The SPEAKER pro tempore. The Clerk will report the amendment.

Mr. MORROW. Mr. Speaker and gentlemen, this is perhaps one of the most worthy bills ever presented to you. It is a worthy claim. Now, it is stated here this man was only a temporary employee. That may be true to a certain extent, but he was in the Indian Service. He was a plumber employed to do certain work upon a Government tank. He had done certain work upon this Government tank in January, 1915. Going back the next day to complete his work, having ascended the tank and taking out a wrench to do something to the tank, the tank collapsed and he lost his life. His widow is a tubercular patient at this time, and was at that time. This bill has passed the Senate four times, and is now reported by this Committee on Claims. It has never been reported by this Committee on Claims until now.

It is true that there was a law in 1908 which provided in certain occupations for claims by employees of the Government. It strictly states what occupations are included. The Indian Department is not mentioned in that law of May 30, 1908. This widow is without means.

I want to say to you that the grand jury sitting indicted the engineers who constructed that tank. They were never convicted, because the question of the jurisdiction of the State courts was raised, it being a Federal matter. The woman had no money to follow up the suit. The suit was dismissed. In 1915 this injury occurred. This woman has been from that time to this time without any compensation for the loss of her husband.

I have evidence here which I do not think was ever presented to the committee, because this Claims Committee is one of the most impossible committees to get before I ever met. It is almost impossible to present your case to it. I am not criticizing the committee. One member, the gentleman from Tennessee [Mr. McREYNOLDS], did permit me to present certain evidence. But I want to present this to you, that the construction of the tank was defective. The timber that went into the tank was defective. As soon as it was filled with water and this man went up there to complete his work, it collapsed and he lost his life. The United States Government is a just Government, and each one of you is a portion of the Government.

The husband of this poor woman was her sole support. He was a man about 45 years of age. She is to-day a woman beyond the age of 50, tubercular, a patient now in the hospital at Los Angeles, Calif. I think it is a proper claim and should be allowed, with interest from 1915 up to the present time.

The SPEAKER pro tempore. The time of the gentleman from New Mexico has expired.

Mr. UNDERHILL. Mr. Speaker, I rise in opposition.

The SPEAKER pro tempore. The gentleman from Massachusetts is recognized for five minutes.

Mr. UNDERHILL. Mr. Speaker, we might as well have it out on this bill as upon others that may follow. This committee may be a hard-boiled committee and it may be hard to get before; but it is as hard-worked a committee as there is in Congress. We can report out only so many bills. Our capacity is limited.

Mr. HUDSPETH. Mr. Speaker, will the gentleman yield there?

Mr. UNDERHILL. Yes.

Mr HUDSPETH The gentleman spoke about this being a hard committee to get before. It is a great deal easier to get before this committee than it is to get the committee to report a bill out.

Mr. UNDERHILL. The committee tried at this session and at the last session to get something scientific on which it could base its findings, and I think it has succeeded thus far, partially at least.

This particular bill, as the chairman has explained, deals with a case where the death occurred in 1915, one year before the workmen's compensation act was passed. But there was a workmen's compensation act passed by Congress in 1908 which covered certain employees of the Government engaged in certain lines of business. If they were killed their widows or heirs could draw one year's salary, or one year's pay, or an amount equivalent to one year's pay. Thousands of cases have been settled upon that basis. If you are going to open this case and deviate one particle from the policy laid down by this committee and established in Congress by law, you are going to open up thousands of cases, including practically all of the Panama Canal cases.

Furthermore, just referring for a moment to this one case, this man was not a regular employee. He had worked only eight days and the job was about completed when this accident happened.

Mr. CRAMTON. If he had not been an employee at all and was a stranger, he would have gotten $5,000.

Mr. UNDERHILL. No. The gentleman is absolutely unfair in that. As a rule, the gentleman is pretty fair. I will withdraw those words, and say the gentleman is mistaken. The proposition is that had this man been a stranger and had been hurt last year or any year subsequent, we will say, to 1916, the committee would have considered the case and given him what the committee thought was right under the table of rates prepared by the Compensation Commission and in force to-day.

Mr. CRAMTON. But in this case the roadmaster on a railroad gets $140 a month, but for his death the committee has recommended $5,000. That does not come in under your table of rates.

Mr. UNDERHILL. It certainly does come under our table of rates. I can not yield further.

Mr. JOHNSON of Washington. Mr. Speaker, will the gentleman yield?

Mr. UNDERHILL. No. If the gentleman will get me more time, I will yield.

But here is the proposition: The workmen's compensation law differs in various States, but practically every State allows $5,000 for a death, and the United States Government allows that. Consequently, when a citizen of the country, without fault of his own, is killed by some employee of the Government, this committee has deemed it wise to set that price on a life, of $5,000. I do not believe the committee has deviated $1 from that standard, except in cases where a claim is brought in for a smaller sum, and the committee did not feel justified in raising the sum; that is, in the case of a wage earner.

The committee has tried to get, and I believe has got, a scientific plan for settling these claims. I do not blame the Members of the House for questioning the committee at times; but I can see where it is going to result in a good deal of confusion, at least, and immense injustice if Members of the House who are unfamiliar with the situation, unfamiliar with the law, unfamiliar with the proceedings in the committee, are going to come here and try to raise the amount recommended by the committee.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has expired.

Mr. CHINDBLOM. Mr. Speaker, I rise in opposition to the pro forma amendment. In 1916 Congress passed the compensation act now in force. Prior to 1916, under the act passed in 1908, one year's pay was paid to an employee of the Government who had been killed in the service. Since 1916 such compensation has been paid upon a different basis, as has been explained by the gentleman from Massachusetts [Mr. UNDERHILL]. This death occurred before 1916. If this case were pending in a court of justice, the rule applicable at the time of death would apply. The rule applicable at the time of death in this House in 1915 was the law of 1908, giving one year's compensation. I do not see how this House can avoid being consistent and giving the same compensation in this case as it has given in the thousands of cases which occurred prior to 1916.

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The question was taken and the Chair announced that the ayes seemed to have it.

Mr. JOHNSON of Washington. Mr. Speaker, I object to the vote and make the point of order that there is no quorum present. I understand this is a committee amendment and I withdraw my point of no quorum.

Mr. BEGG. Mr. Speaker, I ask for a division.

The question was taken; and on a division (demanded by Mr. BEGG) there were—ayes 22, noes 21.

So the amendment was agreed to.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

RELIEF OF WILLIAM J. M'GEE

The next business on the Private Calendar was the bill (H. R. 2005) for the relief of William J. McGee.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SEARS of Florida. Mr. Speaker, reserving the right to object, I notice that this bill was introduced on April 12, or was it reported on April 12?

Mr. EDMONDS. It was reported on April 12.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. I was on my feet, and was trying to ascertain what bill this is. We can not hear what the Clerk reads.

The SPEAKER pro tempore. The bill under consideration is H. R. 2005. Is there objection to its consideration?

There was no objection.

The SPEAKER pro tempore. Without objection, the Clerk will report the committee amendment in lieu of the original bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury and the Comptroller General of the United States be, and they are hereby, authorized and directed to credit in the accounts of the Treasurer of the United States the sum of $514.95, now carried in the accounts of the office of the Assistant Treasurer of the United States at San Francisco, Calif., and representing a balance due the United States from William J. McGee, former Assistant Treasurer of the United States, when the subtreasury at San Francisco was discontinued December 20, 1920, due to a loss in current and uncurrent silver dollars amounting to $454.95, and a further loss of $60, due to the payment of a disbursing officer's check on a forged indorsement, these losses having occurred through no fault or negligence on the part of the said Assistant Treasurer; and for this purpose the sum of $514.95 is hereby appropriated out of any money in the Treasury not otherwise appropriated.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

RELIEF OF CLARA T. BLACK

The next business on the Private Calendar was the bill (H. R. 1326) for the relief of Clara T. Black.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. Without objection, the Clerk will report the amendment in lieu of the original bill.

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the account of Clara T. Black, formerly acting postmaster at Taylorsville, Ky., in the sum of $10,578.28, due the United States on account of postal stamps, war-savings certificate stamps, United States Government thrift stamps, and war-tax revenue stamps which were lost as the result of bank burglary on January 13, 1920.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

RELIEF OF ROBERT J. KIRK

The next businesss on the Private Calendar was the bill (H. R. 3009) for the relief of Robert J. Kirk.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any moneys in the Treasury not otherwise appropriated, to Robert J. Kirk, of Florence, S. C., the sum of $332.50 for service as United States commissioner for the eastern district of South Carolina for the period beginning July 1, 1919, to November 15, 1919.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

RELEIF OF GESTON P. HUNT

The next business on the Private Calendar was the bill (H. R. 7052) for the relief of Geston P. Hunt.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I reserve the right to object in order to ask a question. I want to know whether it is not a fact that there was a former adverse report by the Post Office Department on this bill?

Mr. EDMONDS. Not that I know of.

Mr. BLANTON. Was not the first report on this bill unfavorable?

Mr. ELLIOTT. There are no unfavorable reports on it that I ever heard of.

Mr. BLANTON. I mean back in 1922.

Mr. ELLIOTT. I think not.

Mr. BLANTON. If that is the case, I shall not object; but my impression was the department held that the regulations had not been complied with in regard to this burglary.

Mr. BEGG. If the gentleman will yield, I think the gentleman has in mind another bill.

Mr. BLANTON. If that is the case, I shall not object.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the account of Geston P. Hunt, formerly postmaster at Rushville, Ind., in the sum of $10,026.64, due to the United States on account of postage stamps and war-tax revenue stamps which were lost as the result of burglary on March 9, 1921.

Mr. BLANTON. Mr. Speaker, I move to strike out the last word. Within the last five minutes, Mr. Speaker, this will be the second bill we will have passed crediting postmasters with $10,000 losses in burglaries.

Mr. UNDERHILL. Over $10,000.

Mr. BLANTON. Over $10,000 in each case.

Mr. UNDERHILL. Yes.

Mr. BLANTON. If you gentlemen will examine the records, you will find that there is not a single special-bill day but what we have numerous similar bills. They are having too many losses over the United States in postal funds.

Mr. UNDERHILL. Will the gentleman yield right there?

Mr. BLANTON. I yield.

Mr. UNDERHILL. The Post Office Department can settle up to $10,000 in case of burglary.

Mr. BLANTON. I know; but you will find lots of them under $5,000 that the Post Office could not have settled and which the Post Office Department has not settled because the regulations have not been complied with.

Mr. UNDERHILL. You do not find many of those.

Mr. BLANTON. I only want to take up one minute of time to say that our postmasters are getting entirely too careless over the United States with Government funds. They ought to protect them, just like they protect their own property, and then we would not have so many of these losses.

Mr. KING. What has the gentleman to suggest—any difference in the method of appointment?

Mr. BLANTON. The Post Office Department ought to call their attention to it and have stricter regulations and rules.

The SPEAKER pro tempore. Without objection, the pro forma amendment will be withdrawn, and the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

FREDERIC K. LONG

The next business on the Private Calendar was the bill (H. R. 8259) to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army.

The Clerk read the title of the bill.

Mr. WAINWRIGHT. Mr. Speaker, I ask unanimous consent to substitute a similar Senate bill which passed the Senate last night and is now at the desk.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent to substitute a similar Senate bill. Is there objection?

Mr. CRAMTON. Mr. Speaker, reserving the right to object to the whole proceeding, is the Senate bill identical in terms?

Mr. WAINWRIGHT. Identical. I will be very glad to explain the bill.

Mr. CRAMTON. I understand the bill perfectly, and I was going to suggest that it seems to me the bill would be just as well if it did not put in any directions from Congress as to what sort of evidence should be considered. It is simply a case where the department was considering the matter and promised to hear the gentleman from New York——

Mr. WAINWRIGHT. It is simply to overcome the breach of a promise made to me personally.

Mr. CRAMTON. And having failed to keep faith, the gentleman wants a rehearing. Why would it not be enough if we ordered a rehearing without telling them what kind of evidence they should consider?

Mr. WAINWRIGHT. I do not quite understand the gentleman.

Mr. CRAMTON. I suggest striking out in lines 8 to 10 the following:

In connection with the record of service of said Frederic K. Long, including his service during the World War—

and just send it back with authority to reconsider, and they will consider such evidence as they want to. I do not think we ought to direct them as to the kind of evidence they should consider.

Mr. WAINWRIGHT. I will accept the amendment, but I say frankly to my friend from Michigan that I do not want to delay it.

The SPEAKER pro tempore. Is there objection to the substitution of the Senate bill? [After a pause.] The Chair hears none, and the Clerk will report the Senate bill.

The Clerk read as follows:

Be it enacted, etc., That the President be, and he is hereby, authorized to reconsider the record of trial of Frederic K. Long, who on March 19, 1924, while a captain of Infantry in the Regular Army, was dismissed the service of the United States pursuant to a sentence adjudged by general court-martial; and if, upon reconsideration of said record of trial in connection with the record of service of said Frederic K. Long, including his service during the World War, the President shall determine that the ends of justice and discipline, and the public interest, would be served better by loss of a certain number of files in military rank and in position on the promotion list than by permanent separation from the military service, the President is hereby authorized, by and with the advice and consent of the Senate, to reappoint said Frederic K. Long a captain of Infantry in the Regular Army, to fill the next or any subsequent vacancy in the grade of captain, with such date of rank not earlier than his former date of rank and such place upon the promotion list not above his former place upon that list as to the President may seem just and advisable.

Mr. CRAMTON. Mr. Speaker, I move to amend on page 1, by striking out, in lines 8 to 10, the words "in connection with the record of service of said Frederick K. Long, including his service during the World War."

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Page 1, line 8, of the Senate bill, strike out the words "in connection with the record of service of said Frederick K. Long, including his service during the World War."

Mr. HOWARD of Nebraska. Mr. Speaker, I would like to have some information as to what that is for.

Mr. CRAMTON. Mr. Speaker, the amendment is to avoid giving direction to the Secretary of War as to what evidence he shall consider. It simply gives him authority to consider the case, and he will consider such evidence as he thinks advisable.

Mr. HOWARD of Nebraska. I suggest that if we had been giving orders to the Cabinet officers heretofore it would have been better. [Laughter.] However, let it go.

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER pro tempore. Without objection, the House bill will lie on the table.

There was no objection.

FRED E. JONES DREDGING CO.

The next business on the Private Calendar was the bill (H. R. 1078) for the relief of the Fred E. Jones Dredging Co.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the bill?

There was no objection.

The SPEAKER pro tempore. Without objection the substitute amendment will be read.

There was no objection.

The Clerk read the substitute amendment to the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $13,457.64, in full settlement against the Government, to the Fred E. Jones Dredging Co., of Norfolk, Va., for damages arising from the sinking of its dredge No. 3 by the United States Army transport *Northern Pacific*, in the Elizabeth River, Norfolk, Va., on the 25th day of September, 1919.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

REUBEN R. HUNTER

The next business on the Private Calendar was the bill (S. 353) for the relief of Reuben R. Hunter.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. CRAMTON and Mr. UNDERHILL objected.

HEIRS OF AGNES INGELS

The next business on the Private Calendar was the bill (S. 1765) for the relief of the heirs of Agnes Ingels, deceased.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the heirs of Agnes Ingels, deceased, late of Lexington, Ky., the sum of $5,000 for injuries occasioned to the said Agnes Ingels while a visitor at Hot Springs, Ark., by the negligent operation of United States Government motor truck No. 25967, while said truck was in the care and custody of and being driven by an enlisted man of the United States Army under the orders of his superior officer, and while the use of such truck was dangerous because of its defective condition, such condition being known to the officer responsible for the maintenance of said truck in operation, the injuries occasioned as aforesaid resulting in the death of said Agnes Ingels.

The following committee amendments were read:

In line 7, page 1, strike out the figures "$5,000" and insert in lieu thereof "$1,000" and the following words, "in full settlement against the Government."

In line 13, page 1, strike out the last six words, and on page 2 strike out lines 1, 2, 3, 4, and 5.

The committee amendments were agreed to.

The Senate bill as amended was ordered to be read the third time, was read the third time, and passed.

EMIL L. FLATEN

The next business on the Private Calendar was the bill H. R. 2806, for the relief of Emil L. Flaten.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, I hate to object to the bill of the gentleman from Minnesota [Mr. WEFALD], but this carries an appropriation of $16,000. I think there ought to be some explanation of it.

Mr. EDMONDS. I would like to call the attention of the gentleman from Texas to the report.

Mr. BLANTON. I want to hear from the gentleman who introduced the bill.

Mr. WEFALD. Mr. Speaker, I can see no other reason for my getting up and explaining this bill, except that it is the first bill I have introduced which comes up for action.

Mr. BLANTON. If that is the case, Mr. Speaker, I withdraw the objection. [Laughter.]

The Clerk read the bill, as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the account of Emil L. Flaten, postmaster at Moorhead, Minn., in the sum of $16,391.99, due to the United States on account of postage stamps, key-deposit funds, war savings and thrift stamp funds, and war-tax revenue stamp funds which were lost as the result of burglary on October 11, 1920.

The following committee amendment was read:

In line 9 strike out the figure "11" and insert "27."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

TITLE TO CERTAIN LANDS IN HAWAII

The next business on the Private Calendar was the bill (H. R. 6303) to authorize the governor and commissioner of public lands of the Territory of Hawaii to issue patents to certain persons who purchased government lots in the district of Waiakea, island of Hawaii, in accordance with act 33, session laws of 1915, Legislature of Hawaii.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Mr. Speaker, this bill is too important to act upon without any report from the department, and I object.

The SPEAKER pro tempore. Objection is heard.

J. B. PORTER

The next business on the Private Calendar was the bill (H. R. 3477) for the relief of J. B. Porter.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. Without objection, the Clerk will read the amended bill.

The Clerk read as follows:

Strike out all after the enacting clause and insert:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $152.73, in full settlement against the Government, to James B. Porter, of Kansas City, Mo., for damage to his property by a United States mail truck."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read as follows: "A bill for the relief of James B. Porter."

CHARLES SWANSON

The next business on the Private Calendar was the bill (H. R. 1442) authorizing the issuance of a patent to Charles Swanson.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to issue to Charles Swanson, of Gig Harbor, Wash., patent to lots 3 and 4, section 5, township 20 north, range 2 east, Willamette meridian, the same comprising 9.57 acres, and being part of Gig Harbor abandoned military reservation, No. 23 and 24, in the State of Washington, upon presentation by the said Charles Swanson of proof that he has resided upon the land for a period of eight years, and upon payment by him of a sum of money equal to the appraised value thereof as fixed under authority of the act entitled "An act providing for the sale of certain lands in the State of Washington, and for other purposes," approved July 3, 1916 (39 Stat. L. p. 342), but not less than $10 per acre.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

H. E. KUCA AND V. J. KOUPAL

The next business on the Private Calendar was the bill (H. R. 2977) for the relief of H. E. Kuca and V. J. Koupal.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay, out of any moneys in the Treasury not otherwise appropriated, the sum of $2,960 to H. E. Kuca and V. J. Koupal, in settlement of their claim against the Government for land on the Yankton Indian Reservation, S. Dak., purchased by them through the Secretary of the Interior, title to which land now being declared by judicial decree to be in a previous purchaser: *Provided*, That the Secretary of the Interior shall reimburse the Government, in whole or in part, out of any Indian trust property now or hereafter owned by Amos Henry and Mary Sky Necklace, the grantors, or either of them, the amount appropriated by this act, being the sum received by the said Amos Henry and Mary Sky Necklace, paid by said H. E. Kuca and V. J. Koupal as consideration for the land.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

ADJOURNMENT

Mr. BLANTON. Mr. Speaker, it is now 11 o'clock p. m., and the time has arrived for adjournment.

Mr. EDMONDS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock p. m.) the House adjourned until to-morrow, Saturday, May 17, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

481. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Labor for the fiscal year ending June 30,

1925, to carry into effect the provisions of an act relative to the promotion of the welfare and hygiene of maternity and infancy in Hawaii, $12,079.96 (H. Doc. No. 283); to the Committee on Appropriations and ordered to be printed.

482. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Federal Board for Vocational Education for the fiscal year ending June 30, 1925, to carry out provisions of an act providing for cooperative vocational education in agriculture, trades, and industries in Hawaii (H. Doc. No. 284); to the Committee on Appropriations and ordered to be printed.

483. A communication from the President of the United States, transmitting deficiency estimates of appropriations for the fiscal year 1923 and prior years, $79,218.47, and supplemental estimates of appropriations for the fiscal year ending June 30, 1924, $144,225, for the Department of Justice, amounting in all to the sum of $223,443.47 (H. Doc. No. 285); to the Committee on Appropriations and ordered to be printed.

484. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the War Department amounting to $35,000, to remain available until June 30, 1925, for the compensation of owners for land taken and for damages suffered incident to the construction and maintenance of the new Dixie Highway and the electric transmission line in the vicinity of Camp Knox, Ky. (H. Doc. No. 286); to the Committee on Appropriations and ordered to be printed.

485. A communication from the President of the United States, transmitting a draft of proposed legislation to make the appropriation for the fiscal year ending June 30, 1924, for the expenses of the American Battle Monument Commission available for the maintenance of War Department automobiles used by the commission abroad (H. Doc. No. 287); to the Committee on Appropriations and ordered to be printed.

486. A letter from the Acting Secretary of Commerce, transmitting report on the disposition of useless papers authorized under House Report No. 306, Sixty-eighth Congress, showing 42,658 pounds had been sold and the revenue derived therefrom was $439.79; to the Committee on Disposition of Useless Executive Papers.

487. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Shipyard River, S. C. (H. Doc. No. 288); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

488. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Black Rock Channel and Tonawanda Harbor, N. Y. (H. Doc. No. 289); to the Committee on Rivers and Harbors and ordered to be printed, with two illustrations.

489. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Navy Department for the fiscal year ending June 30, 1924, to remain available until June 30, 1925, for scrapping of naval vessels, $3,000,000 (H. Doc. No. 290); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WAINWRIGHT: Committee on Military Affairs. S. 2287. An act to permit the Secretary of War to dispose of and the Port of New York Authority to acquire the Hoboken Shore Line; without amendment (Rept. No. 767). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 8090. A bill authorizing the Secretary of the Treasury to remove the quarantine station now situated at Fort Morgan, Ala., to Sand Island, near the entrance of the port of Mobile, Ala., and to construct thereon a new quarantine station; with amendments (Rept. No. 768). Referred to the Committee of the Whole House on the state of the Union.

Mr. BURTNESS: Committee on Interstate and Foreign Commerce. H. R. 9177. A bill granting the consent of Congress to the counties of Kittitas and Grant, in the State of Washington, to construct a bridge across the Columbia River at or near Vantage Ferry, Wash.; with amendments (Rept. No. 769). Referred to the House Calendar.

Mr. SNELL: Committee on Rules. H. Res. 315. A resolution providing for the consideration of H. R. 7996, a bill to regulate wages of employees of the Government Printing Office; without amendment (Rept. No. 773). Referred to the House Calendar.

Mr. REECE: Committee on Military Affairs. H. R. 5417. A bill authorizing and directing the Secretary of War to investigate the feasibility and to ascertain and report the cost of establishing a national military park in and about Kansas City, Mo., commemorative of the Battle of Westport, October 23, 1864; without amendment (Rept. No. 774). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WURZBACH: Committee on Military Affairs. H. R. 1023. A bill for the relief of John A. Douglas; with an amendment (Rept. No. 770). Referred to the Committee of the Whole House.

Mr. ROACH: Committee on War Claims. H. R. 1569. A bill for the relief of Andrew A. Gieriet; without amendment (Rept. No. 771). Referred to the Committee of the Whole House.

Mr. WILLIAMS of Michigan: Committee on War Claims. H. R. 4610. A bill for the relief of the estate of Filer McCloud; without amendment (Rept. No. 772). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HAWES: A bill (H. R. 9266) extending the time for awarding medals of honor, distinguished-service crosses, and distinguished-service medals, and for other purposes; to the Committee on Military Affairs.

By Mr. McKENZIE: A bill (H. R. 9267) for the relief of sufferers from earthquake in Japan; to the Committee on Military Affairs.

By Mr. WAINWRIGHT: A bill (H. R. 9268) to authorize appropriate commissions to enlisted men recommended for appointment to a commissioned grade and who shall have been unable to accept by reason of death in line of duty; to the Committee on Military Affairs.

By Mr. DAVIS of Minnesota: A bill (H. R. 9269) to provide for the carrying out of the award of the National War Labor Board of April 11, 1919, and the decision of the Secretary of War of November 30, 1920, in favor of certain employees of the Minneapolis Steel & Machinery Co., Minneapolis, Minn.; of St. Paul Foundry Co., St. Paul, Minn.; of American Hoist & Derrick Co., St. Paul, Minn.; and of the Twin City Forge & Foundry Co., Stillwater, Minn.; to the Committee on Claims.

By Mr. ROBSION of Kentucky: A bill (H. R. 9270) granting pensions and increase of pensions to certain soldiers and sailors of the Civil and Mexican Wars and to certain widows, former widows, minor children, and helpless children of said soldiers and sailors, and to widows of the War of 1812, and to certain Indian war veterans and widows, and to certain Spanish War soldiers and widows, and certain maimed soldiers, and for other purposes; to the Committee on Invalid Pensions.

By Mr. SIMMONS: A bill (H. R. 9271) to amend subsections (1), (2), and (3) of section 302 of the war risk insurance act, as amended; to the Committee on World War Veterans' Legislation.

By Mr. MOORE of Virginia: A bill (H. R. 9272) to repeal a part of section 12, chapter 353, Thirty-first United States Statutes at Large, as heretofore amended; to the Committee on the District of Columbia.

By Mr. BUTLER: Resolution (H. Res. 314) for the immediate consideration of H. R. 2688, a bill providing for sundry matters affecting the naval service, and for other purposes; to the Committee on Rules.

By Mr. O'CONNOR of New York: Memorial of the Legislature of the State of New York urging Congress to make appropriations to carry out the spirit of the national defense act; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEGG: A bill (H. R. 9273) granting a pension to Emma Alexander; to the Committee on Invalid Pensions.

By Mr. GIBSON: A bill (H. R. 9274) granting a pension to Henry F. C. Toedt; to the Committee on Invalid Pensions.

By Mr. KING: A bill (H. R. 9275) granting a pension to Walter P. Meade; to the Committee on Pensions.

Also, a bill (H. R. 9276) to award a medal of honor to John Leventis; to the Committee on Military Affairs.

Also, a bill (H. R. 9277) granting a pension to Benjamin Garland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9278) for the relief of Thomas W. Doherty; to the Committee on Claims.

By Mr. LOZIER: A bill (H. R. 9279) granting an increase of pension to Frances C. Evans; to the Committee on Invalid Pensions.

By Mr. McKEOWN: A bill (H. R. 9280) granting a pension to John Cash; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9281) granting an increase of pension to Julia A. McCabe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9282) granting a pension to Minnie Wolfe; to the Committee on Pensions.

By Mr. MAPES: A bill (H. R. 9283) granting a pension to Bridget Mathews; to the Committee on Invalid Pensions.

By Mr. MERRITT: A bill (H. R. 9284) granting an increase of pension to Delia A. Castle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9285) granting a pension to Ellen W. Gregory; to the Committee on Invalid Pensions.

By Mr. O'CONNOR of Louisiana: A bill (H. R. 9286) for the relief of E. L. F. Auffurth and others; to the Committee on Claims.

By Mr. REECE: A bill (H. R. 9287) granting an increase of pension to James Lane; to the Committee on Pensions.

By Mr. STRONG of Kansas: A bill (H. R. 9288) granting a pension to Roena J. Vance; to the Committee on Invalid Pensions.

By Mr. TILLMAN: A bill (H. R. 9289) for the relief of Tom Hunter; to the Committee on Claims.

By Mr. TREADWAY: A bill (H. R. 9290) granting an increase of pension to Alice Fern; to the Committee on Invalid Pensions.

By Mr. WILLIAMS of Illinois: A bill (H. R. 9291) granting a pension to Emily Ray; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2774. By the SPEAKER (by request): Petition of Arizona Baptist Convention, favoring the construction of the San Carlos dam project for the benefit of the Pima Indians; to the Committee on Indian Affairs.

2775. By Mr. CORNING: Petition of New York State Legislature, requesting Congress make liberal appropriations for the carrying out of the spirit of the national defense act; to the Committee on Appropriations.

2776. By Mr. BURTNESS: Petition of Trondenes Ladies' Aid Society, of Sharon, N. Dak.; Woman's Christian Temperance Union, of Northwood, N. Dak.; Young People's Branch of Woman's Christian Temperance Union, Fargo, N. Dak.; Lutheran Church, Hunter, N. Dak.; members of Literary Club, Fairmount, N. Dak.; Women's Home Missionary Society, Cando, N. Dak.; Woman's Christian Temperance Union, Hope, N. Dak.; the Women's Club, Hope, N. Dak.; Woman's Christian Temperance Union, Cando, N. Dak.; and Woman's Christian Temperance Union, Amidon, N. Dak., protesting against the modification of the eighteenth amendment and the Volstead act; to the Committee on the Judiciary.

2777. By Mr. GALLIVAN: Petition of Pettingell-Andrews Co., Boston, protesting against House bill 4528; to the Committee on Patents.

2778. Also, petition of Frederick H. Nash, Boston, Mass., recommending early and favorable consideration of Senate bill 2835, which proposes to amend the law authorizing insurance companies to interplead in the Federal courts; to the Committee on the Judiciary.

2779. By Mr. GARBER: Petition of Cherryvale Grange, No. 221, protesting against proposed increases in parcel post rates; to the Committee on the Post Office and Post Roads.

2780. By Mr. KAHN: Petition of United Veterans' Council of San Francisco, Calif., urging prosecution of naturalization frauds; to the Committee on the Judiciary.

2781. Also, petition of Corporal Harold W. Roberts Post, No. 466, Veterans of Foreign Wars of the United States, urging prosecution of naturalization frauds; to the Committee on the Judiciary.

2782. Also, petition of Frederick Funston Camp, No. 61, Department of California, United Spanish War Veterans, urging prosecution of naturalization frauds; to the Committee on the Judiciary.

2783. By Mr. KIESS: Petition of Association of Shop Employees, Eastern Region, Pennsylvania Railroad system, containing approximately 1,000 names, protesting against the passage of House bill 7358, known as the Barkley bill; to the Committee on Interstate and Foreign Commerce.

2784. By Mr. KINDRED: Petition of William Elsermann, New York City, N. Y., favoring the game refuge bill; to the Committee on Agriculture.

2785. Also, petition of Hon. John F. Hylan, mayor of the city of New York, opposing House bill 7014; to the Committee on Military Affairs.

2786. By Mr. MORROW: Petition of Dona Ana County Farm Bureau, Las Cruces, N. Mex., favoring the Purnell bill (H. R. 2243, Sixty-seventh Congress); to the Committee on Agriculture.

2787. By Mr. RAKER: Five letters from residents of Tacoma, Wash., relative to changing the name of Mount Rainier to Mount Tacoma; to the Committee on the Public Lands.

2788. Also, petition of Miss Louise E. Schutz, secretary Association of Governmental Labor Officials of the United States and Canada, submitting resolution urging constitutional amendments on child labor; to the Committee on the Judiciary.

2789. Also, petition of William E. Colby, secretary Sierra Club, 402 Mills Building, San Francisco, opposing any change in the name of Mount Tacoma; to the Committee on the Public Lands.

2790. Also, petitions of Coast Banker Publishing Co., San Francisco, Calif., protesting against additional increase in second class matter, and Messrs. Cooper, Tambs, and Jesperson, railway mail clerks in Tuolumne and Stockton, Calif., railway post office, urging support of H. R. 9035; to the Committee on the Post Office and Post Roads.

2791. Also, petition of Rev. William F. McDowell, 2107 Wyoming Avenue, Washington, D. C., indorsing Capper-Hull bill providing for adequate number of chaplains for the Army and Navy; to the Committee on Military Affairs.

2792. Also, petitions of Retailers' Credit Association of San Francisco, Calif.; B. P. Oliver, 100 Montgomery Street, San Francisco, Calif.; and James S. Wyatt, 315 Montgomery Street, San Francisco, Calif., in favor of San Carlos Dam bill (S. 966); to the Committee on Indian Affairs.

2793. By Mr. SITES: Petition of 206 employees of the Pennsylvania Railroad system, who are citizens of the nineteenth Pennsylvania congressional district, protesting against the passage of the Barkley bill (H. R. 7358) and setting forth the reasons for such protest; to the Committee on Interstate and Foreign Commerce.

2794. Also, petition of employees of the Pennsylvania Railroad system who are citizens of the nineteenth congressional district of Pennsylvania, protesting against the passage of the Howell-Barkley bill (S. 2646, H. R. 7358) and setting forth the reasons for such protest; to the Committee on Interstate and Foreign Commerce.

2795. Also, petition of employees of the Pennsylvania Railroad system who are citizens of the nineteenth Pennsylvania congressional district, protesting against the passage of the Howell-Barkley bill (S. 2646, H. R. 7358) and setting forth the reasons for such protest; to the Committee on Interstate and Foreign Commerce.

2796. Also, petition of Pride Lodge, No. 60, Ladies Society of the Brotherhood of Locomotive Firemen and Enginemen, Harrisburg, Pa., indorsing the Howell-Barkley bill (S. 2646, H. R. 7358) and praying for its early enactment into law; to the Committee on Interstate and Foreign Commerce.

2797. By Mr. WINTER: Petition of citizens of Green River, Wyo., expressing sentiments on war excise taxes; to the Committee on Ways and Means.

SENATE

SATURDAY, *May 17, 1924*

(Legislative day of Wednesday, May 14, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed the following bills of the Senate:

S. 105. An act for the relief of Arthur Frost;

S. 129. An act for the relief of the William D. Mullen Co.;

S. 130. An act for the relief of George T. Tobin & Son;

S. 210. An act for the relief of Peter C. Keegan and others;

S. 589. An act for the relief of James Moran;

S. 1572. An act for the relief of the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J.; and

S. 1698. An act granting permission to Commander Dorr F. Tozier, United States Coast Guard, retired, to accept a gift from the King of Great Britain.

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 365. An act for the relief of Ellen B. Walker; and

S. 2922. An act to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army.

The message further announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 946. An act for the relief of the family of Lieut. Henry N. Fallon, retired; and

S. 1765. An act for the relief of the heirs of Agnes Ingels, deceased.

The message also announced that the House had passed bills of the following titles, in which it requested the concurrence of the Senate:

H. R. 1078. An act for the relief of the Fred E. Jones Dredging Co.;

H. R. 1306. An act for the relief of Henry McGuire;

H. R. 1326. An act for the relief of Clara T. Black;

H. R. 1332. An act for the relief of Dennis Shevlin;

H. R. 1442. An act authorizing issuance of patent to Charles Swanson;

H. R. 2005. An act for the relief of William J. McGee;

H. R. 2313. An act authorizing the issuance of a patent to William Brown;

H. R. 2806. An act for the relief of Emil L. Flaten;

H. R. 2977. An act for the relief of H. E. Kuca and V. J. Koupal;

H. R. 3009. An act for the relief of Robert J. Kirk;

H. R. 3030. An act to allow and credit the accounts of Albert J. Capron, formerly captain, Quartermaster Corps, United States Army, the sum of $84.52, disallowed by the Comptroller General, United States;

H. R. 3477. An act for the relief of James B. Porter;

H. R. 3748. An act for the relief of Lebanon National Bank;

H. R. 4481. An act authorizing the Secretary of Commerce to exchange land formerly used as a site for the Point of Woods Range Lights, Michigan, for other lands in the vicinity;

H. R. 5448. An act for the relief of Clifford W. Seibel and Frank A. Vestal;

H. R. 6383. An act for the relief of the Maryland Casualty Co., the United States Fidelity & Guaranty Co. of Baltimore, Md., and the National Surety Co.;

H. R. 6737. An act for the relief of James A. Hughes;

H. R. 6972. An act for the relief of William H. Nelson;

H. R. 7052. An act for the relief of Geston P. Hunt;

H. R. 7249. An act for the relief of Forrest J. Kramer;

H. R. 8100. An act for the relief of the estate of Charles L. Freer, deceased; and

H. R. 8209. An act to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes.

WAR DEPARTMENT APPROPRIATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Clerk will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fess	McLean	Simmons
Ashurst	Fletcher	McNary	Smith
Bayard	Frazier	Moses	Smoot
Borah	George	Neely	Spencer
Brandegee	Gerry	Norbeck	Stanfield
Brookhart	Gooding	Norris	Stephens
Broussard	Hale	Oddie	Sterling
Bursum	Harris	Overman	Swanson
Cameron	Harrison	Owen	Trammell
Capper	Heflin	Pepper	Wadsworth
Caraway	Johnson, Minn.	Phipps	Walsh, Mass.
Colt	Jones, N. Mex.	Pittman	Walsh, Mont.
Copeland	Jones, Wash.	Ralston	Warren
Cummins	Kendrick	Ransdell	Watson
Curtis	Keyes	Reed, Pa.	Weller
Dale	King	Robinson	Wheeler
Dill	Ladd	Sheppard	Willis
Edwards	Lodge	Shields	
Fernald	McKellar	Shipstead	
Ferris	McKinley	Shortridge	

Mr. SMITH. I wish to announce that my colleague, the junior Senator from South Carolina [Mr. DIAL], is absent on account of illness.

The PRESIDENT pro tempore. Seventy-seven Senators have answered to their names. There is a quorum present.

Mr. PITTMAN obtained the floor.

Mr. WILLIS and others addressed the Chair.

Mr. PITTMAN. I desire to state that I anticipate several Senators will ask to present some routine matters. I am not going to object to that, and I will yield for that purpose if it does not require any debate or take any time. But we have an understanding that at 1 o'clock to-day the Senator from New York [Mr. WADSWORTH] will make a point of order against the amendment which I have submitted to the pending bill. There may be other points of order made by others after that time. I take it that no one will offer a point of order prior to 1 o'clock, but there is one question upon which a point of order may be presented and may lie, upon which there can be no debate. Rule III expressly provides that the question as to whether an amendment is germane and relevant shall be submitted to the Senate and determined without debate. It therefore is essential that before the point of order is made I shall attempt to explain why I believe such a point of order would not lie. For that reason I desire to have some time between now and 1 o'clock to discuss the particular question, as I will have no opportunity to discuss it afterwards. I hope, if there are any Senators who have not made up their minds on the matter they will give me their attention.

Mr. BORAH. May I ask the Senator from Nevada if there is any unanimous-consent agreement in regard to the matter?

Mr. PITTMAN. No; there is not. Yesterday there was a unanimous-consent agreement merely for the purpose of recessing, but many Senators not being here there was merely an understanding publicly that this procedure would take place.

ALIEN PROPERTY TRADE INVESTMENT CORPORATION

Mr. NORRIS. Mr. President, I want simply to make an announcement. Some time ago the Senate Committee on Agriculture and Forestry reported back to the Senate the joint resolution (S. J. Res. 121) to create a body corporate by the name of the "Alien Property Trade Investment Corporation." It provides for the use of $150,000,000 of the funds in the hands of the Alien Property Custodian to buy farm products and ship them to Germany and Austria. I simply want to give notice that on Monday, or as soon after that time as I can conveniently be heard, or at least at a very early date and Monday if possible, I shall ask the Senate by motion to take up the joint resolution for consideration. I do not think it will take very long, although it will undoubtedly requre some explanation. I merely wanted to give this notice to the Senate.

PETITIONS AND MEMORIALS

Mr. ROBINSON presented telegrams in the nature of petitions from Lucy R. Mason, general secretary Young Women's Christian Association, of Richmond, Va.; the board of managers of the Vocational Service for Juniors; Helen Icelin Henderson, president the Women's City Club, of New York; Mary Garrett Hay, president; O. H. Blackman, associate editor Collier's Weekly; the Federal Council of Churches, Worth M. Tippy, Mrs. David Mitchell, Beatrix Budell, Mrs. E. K. Taft, Mary Dreier, Dr. Helen Montague, Mrs. Arthur Slade, Mrs. Augusta S. Page, Grace H. Childs, and Mrs. DeWitt Gutman, all of New York, N. Y., praying for the prompt passage of the joint resolution (H. J. Res. 184) proposing an amendment to the Constitution of the United States relative to child labor, which were referred to the Committee on the Judiciary.

Mr. NORBECK presented petitions of sundry citizens of Rutland, Hayti, Madison, Wentworth, Nunda, Hartford, Colton, Dell Rapids, Humbolt, Brookings, Sioux Falls, Sherman, Garretson, Parker, Chester, Harrisburg, Oldman, Ellis, Valley Springs, and Brandon, all in the State of South Dakota, and of sundry citizens of Jasper, Luverne, Beaver Creek, and Hills, in the State of Minnesota, praying for the enactment of legislation for the maintenance, encouragement, and protection of open competitive livestock markets in the United States, and prohibiting the diversion of livestock from the markets at stockyards posted by the Secretary of Agriculture under the provisions of the packers and stockyards act of 1921, which were referred to the Committee on Agriculture and Forestry.

Mr. NORBECK. I present a telegram from M. R. Benedict, secretary of the Cooperative Wool Growers of South Dakota, of Brookings, S. Dak., indorsing the McNary-Haugen export corporation bill, which I ask may be read and referred to the Committee on Agriculture and Forestry.

There being no objection, the telegram was read and referred to the Committee on Agriculture and Forestry, as follows:

BROOKINGS, S. DAK., *May 10, 1924.*

Senator PETER NORBECK,
Washington, D. C.:

Following indorsement may be helpful. That most of the criticisms voiced against the McNary-Haugen agriculture relief measure are without weight, and that the plan should be given a fair trial is the opinion expressed by President Charles W. Pugsley, of South Dakota State College of Agriculture, formerly Assistant Secretary United States Department of Agriculture and one time delegate United States Government to International Institute of Agriculture at Rome. He expresses belief no serious danger as to currency inflation, disorganization of business, etc., as claimed by opponents of bill.

M. R. BENEDICT,
Secretary Cooperative Wool Growers of South Dakota.

Mr. NORBECK. I also present a telegram from E. U. Berdahl, secretary of the Retail Merchants' Association of South Dakota, of Aberdeen, S. Dak., indorsing the McNary-Haugen export corporation bill, which I ask may be printed in the RECORD and referred to the Committee on Agriculture and Forestry.

There being no objection, the telegram was ordered to be printed in the RECORD and referred to the Committee on Agriculture and Forestry, as follows:

ABERDEEN, S. DAK., *May 15, 1924.*

Hon. PETER NORBECK,
United States Senate, Washington, D. C.:

Our association to-day adopted following resolution, which you are urged to pass on to fellow Senators and Members House of Representatives:

Whereas the condition of agriculture at the present time has reached a point where it presents a serious problem not only to the tillers of the soil but to every industry dependent on agriculture for support; and whereas these conditions have prevailed for more than three years and have driven thousands of farmers into bankruptcy, while a great majority of the farmers are merely existing and permitted to operate because of the leniency of their creditors, and whereas we, as retailers and distributers of merchandise in the agriculture communities, come in close touch with farm life and fully realize the deplorable condition in which the farmer has been placed by reason of low prices on agriculture products and the high prices demanded by other industries for commodities the farmer must have, look to Congress for relief in the form of legislation which should be promptly enacted to avert a national calamity, and believing in the practical provisions and economic soundness of the McNary-Haugen bill: Be it therefore

Resolved by the members of the Retail Merchants' Association of South Dakota, in annual convention assembled, That we urge our Representatives in Congress to use all honorable means to secure the passage of the McNary-Haugen bill and that a copy of this resolution be forwarded to the Hon. Calvin Coolidge, President of the United States, and to the Secretary of Agriculture and to members of the Committees of Agriculture of the Senate and House of Representatives.

E. U. BERDAHL,
Secretary Retail Merchants' Association of South Dakota.

REPORTS OF COMMITTEES

Mr. WILLIS, from the Committee on Foreign Relations, to which was referred the bill (S. 2719) to authorize the payment of an indemnity to the British Government on account of losses sustained by the owners of the British steamship *Baron Berwick* as the result of a collision between that vessel and the U. S. S. *Iroquois* (now *Freedom*) and a further collision with the U. S. destroyer *Truxtun*, reported it with an amendment and submitted a report (No. 559) thereon.

Mr. SHIPSTEAD, from the Committee on Foreign Relations, to which was referred the bill (S. 2718) to authorize the payment of an indemnity to the Government of Norway on account of losses sustained by the owners of the Norwegian steamship *Hassel*, as the result of a collision between that steamship and the American steamship *Ausable*, reported it with an amendment and submitted a report (No. 560) thereon.

Mr. MOSES, from the Committee on Foreign Relations, to which was referred the bill (S. 2458) to authorize the payment of an indemnity to the Swedish Government for the losses sustained by its nationals in the sinking of the Swedish fishing boat *Lilly*, reported it with an amendment and submitted a report (No. 561) thereon.

Mr. STEPHENS, from the Committee on Claims, to which was referred the bill (S. 1725) for the relief of Rubie M. Mosley, reported it with an amendment and submitted a report (No. 562) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BORAH:

A bill (S. 3325) granting an increase of pension to Mary M. Shaeffer; to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 3326) to provide for the establishment of a dairying and livestock experiment station at Dalhart, Tex.; to the Committee on Agriculture and Forestry.

By Mr. SMITH:

A bill (S. 3327) to provide for the cooperative marketing of agricultural commodities; to the Committee on Agriculture and Forestry.

By Mr. HOWELL:

A joint resolution (S. J. Res. 126) to limit the compensation that may be paid under the Federal farm loan act; to the Committee on Banking and Currency.

DEVELOPMENT OF WATER RESOURCES

Mr. RANSDELL. I introduce a bill, accompanied by a brief explanation, which I ask may be printed in the RECORD as a part of my remarks.

The bill (S. 3328) for the development of water resources for electric power, agriculture, flood control, navigation, and other purposes, was read twice by its title, and referred to the Committee on Commerce.

Mr. RANSDELL. Mr. President, I wish to attach to my remarks without reading a very brief explanation of the bill—

for the development of water resources for electric power, agriculture, flood control, navigation, and other purposes.

This measure authorizes the Federal Power Commission, acting under section 4 of the Federal water power act, to prepare—

a comprehensive plan of development of the water resources of the United States for the purpose of providing electric power for farms, rural communities, cities, and industries, of promoting navigation, of controlling floods, and of securing other beneficial public uses of such resources,—

And so forth.

The commission is authorized to bring into coordination the data and work of all branches and bureaus of the Government that relate in any way to waterways. It shall report to Congress from time to time its conclusions with respect as to how the water resources of the Union may best be regulated, controlled, and utilized for the production of electric power in connection with other sources of power for use in agriculture, transportation, and industry, and how such waters may best be controlled so as to prevent floods and promote navigation, and so forth.

In formulating plans, consideration shall be given to cooperative action between the United States and the several States, municipalities, corporations, and individuals, and so forth.

In order to defray the expenses made necessary under this bill, the commission is authorized to use for any of the purposes described in this act, and in the Federal water power act, all charges collected from licenses under said act, and so forth.

It is believed that the funds derived from these licenses will suffice, and that no demand will be made upon the Federal Treasury hereunder.

The bill is hereto attached and made a part of my remarks.

I also attach hereto as part of my remarks a letter received from Mr. O. C. Merrill, executive secretary of the Federal Power Commission, dated the 16th instant:

FEDERAL POWER COMMISSION,
Washington, D. C., May 16, 1924.

Hon. JOSEPH E. RANSDELL,
United States Senate.

DEAR SENATOR RANSDELL: Answering your request for a brief statement concerning the bill which you are proposing to introduce and which would provide for surveys and investigations of the streams of the United States.

Of all our major national resources we know less about our water-power resources than any other. We have made extensive examinations of our coal, oil, and gas fields, have plotted their location and have estimated the total resources available. We have done similarly with respect to other of our important mineral resources. We have made a fairly careful estimate of our total timber resources, both those upon public lands and those upon private lands, and we can

predict fairly closely the extent to which we can use these resources if we are to maintain a continuous supply. With respect to our water resources, the Geological Survey has maintained for many years a series of gauging stations upon our rivers. The records there taken make it possible to estimate the total water supply available at these stations with much the same degree of accuracy as apply to our estimates of minerals and timber, but an estimate of the amount of water flowing in a stream is but one of the factors required in order to know the extent of the power resources of that stream. To make reasonably satisfactory estimates of power we must know the drop in various sections of the stream where dams can be economically located, and in particular the possibilities of storage. On only a few streams in the United States have studies been carried to the point where reasonably complete information is available on which to draw the general plan of river development, not only for purposes of water power but for such other related uses as navigation, irrigation, public water supply, and flood control.

The United States is now conducting on the upper Tennessee River the type of survey which we must have on other streams if we are to get adequate information for planning future development. This survey will cover an area along the river and its tributaries, will locate possible dam sites and particularly storage possibilities. The area of watersheds involved in these surveys is 31,000 square miles, approximately 1 per cent of the total area of the United States. This survey will have taken approximately four years to complete and at an estimated cost of $535,000.

If surveys of similar scope are to be conducted on other streams of the United States, it is apparent that a considerable period of time and a considerable amount of money are involved. The item most likely to delay carrying out comprehensive surveys on the rivers and river systems of the United States is the question of finance, particularly at a time when endeavors are being made to reduce rather than to increase the scope of Federal expenditure.

Section 4 of the Federal water power act authorizes the commission "to make investigation and to collect and record data concerning the utilization of the water resources of any region to be developed, the water-power industry and its relation to other industries, and to interstate or foreign commerce, and concerning the location, capacity, development costs, and relation to market, of power sites." That is, the commission has the authority to conduct adequate investigations on any stream of the United States where the question of water power is involved. The conduct of such surveys is therefore contemplated as one of the items in the administration of the Federal water power act.

Section 10 (e) of the act provides that licensees shall pay to the United States "reasonable annual charges in an amount to be fixed by the commission for the purpose of reimbursing the United States for the costs of the administration of the act." It is apparent, therefore, that the funds so collected may be made available for the purpose of conducting surveys of the character described above.

The Federal water power act provides for the collection of charges for reimbursing costs of administration in order that operation under the act shall be self-supporting and that the cost, but only the cost, of such operations shall be collected. If the charges which would be collected under rates prescribed by the commission are in excess of the costs of administration, the commission would be required under the provisions of the law to reduce its rates until the aggregate of charges collected corresponded to the total of expenditures. That point has now been reached with respect to its ordinary expenses of administration. Hereafter there will be funds available in excess of the requirements of ordinary administration to engage in surveys of water resources; and while the margin at the present time is not large, it is likely to equal $200,000 to $300,000 per annum within five years. Those who are paying charges under the Federal water power act will be willing to continue payment on the present schedule if the funds can be used for river surveys, because the information so secured would be of value to them. It is suggested, therefore, that provision be made, either by amendment to the Federal water power act or by a new bill such as that which you have in mind, to place these charges into a special fund in the Treasury, to be subject to use by the commission, not only for its ordinary purposes of administration but for these special surveys. In my opinion no better means is available for securing the necessary investigations and surveys, and they can be had without drawing in any degree upon the Treasury of the United States if the means which I have suggested be employed.

Very truly yours,

O. C. MERRILL, *Executive Secretary.*

By Mr. RANSDELL: A bill (S. 3328) for the development of water resources for electric power, agriculture, flood control, navigation, and other purposes

Be it enacted, etc., That in pursuance of the authority conferred upon it by section 4 of the Federal water power act the Federal Power Commission is hereby authorized and empowered to prepare a comprehensive plan of development of the water resources of the United States for the purpose of providing electric power for farms, rural communities, cities, and industries, of promoting navigation, of controlling floods, and of securing other beneficial public uses of such resources. In the preparation of such a plan the commission shall utilize all data available in the records of the various departments, bureaus, and other agencies of the Federal, State, and municipal governments or obtainable from other sources or by examinations or surveys.

SEC. 2. The commission is authorized to bring into coordination so far as practicable the data and work of the engineering, scientific, and construction services, bureaus, boards, and commissions of the several governmental departments of the United States that relate to the study, development, or control of rivers and their tributaries, and of lakes, swamps, and other bodies of water, and to utilize the personnel of said services, bureaus, boards, and commissions with a view to unity of method and economy of service in the investigation, development, and control of rivers and river systems in the United States in the interest of navigation and protection from floods, and with particular reference to the most complete and efficient development and use of the waters thereof for hydroelectric power and to the coordinated operation of hydroelectric and fuel-electric plants in interconnected systems of the widest scope that may be found physically and economically practicable.

SEC. 3. The commission shall report to Congress from time to time its conclusions with respect to rivers, river systems, and all waters referred to in section 2 aforesaid, of the United States for which it shall have presented plans and shall indicate how, in its opinion, the water resources may best be regulated, controlled, and utilized for the production of electric power in connection with other sources of power for use in agriculture, in transportation, and in the diffusion of industry, and how such rivers, river systems, and other waters may best be controlled to avoid floods and promote navigation and other beneficial uses of their waters.

SEC. 4. In formulating plans consideration shall be given to cooperative action between the United States and the several States, municipalities, corporations, and individuals within the jurisdiction, powers, and rights of each, respectively, and with a view of assigning to the United States such portion of such development, regulation, and control as should be undertaken by the United States and to the States and others such portions as pertain to their respective rights, duties, and interests; and in furtherance of such action the commission is authorized to receive and use in the performance of its work funds which may be appropriated or donated by such cooperating States, municipalities, corporations, or individuals.

SEC. 5. That in the performance of the duties imposed upon it by this act or otherwise the commission is authorized to employ in the District of Columbia and elsewhere such expert, technical, clerical, and other personnel as may be necessary for the performance of said duties and to make other expenditures requisite and incident thereto. All such expenditures, including rent in the District of Columbia, payment for personal services in the District of Columbia and elsewhere, reimbursement within the discretion of the commission of other Government departments or agencies for salaries or expenses incurred in the performance of work for the commission, necessary printing and binding, purchase of equipment, supplies, law books, books of reference, periodicals, and directories, all necessary expenditures for transportation and subsistence, including, in the discretion of the commission, a per diem of not exceeding $4 in lieu of subsistence incurred by its employees under its orders, or by employees of other Government departments or agencies engaged upon the work of the commission, in making any investigation or conducting field work, or upon official business outside of the District of Columbia, and away from their designated points of duty, shall be allowed and paid on the presentation of itemized vouchers therefor approved by a member or officer of the commission duly authorized for that purpose.

SEC. 6. In order to defray the expenses made necessary in the performance of the duties placed upon the commission under this act and under the Federal water power act, all charges collected from licenses under said act for the purpose of reimbursing the United States for the costs of administration of said act are hereby reserved and appropriated as a special fund in the Treasury to be expended under the direction of the commission; and the commission is hereby authorized to cause to be transferred on the books of the Treasury from such special fund to "Miscellaneous receipts," or to permanent and indefinite or other departmental appropriations or funds, such amounts as may be required to reimburse salaries or expenses heretofore or hereafter paid or incurred by other Government departments or agencies in the performance of work for the commission.

SEC. 7. Nothing herein contained shall be construed to delay or interfere with the completion of any project or work heretofore or hereafter authorized for the improvement of any of the rivers or harbors of the United States or with legislative action upon reports heretofore or hereafter presented.

TARIFF ON BUTTER

Mr. JOHNSON of Minnesota. I submit a resolution which I ask may be printed and lie on the table until Monday next, when I expect to call it up.

The resolution (S. Res. 226) was ordered to lie on the table, as follows:

Whereas in the general depression from which agriculture has been suffering, particularly in the grain-growing sections of the Nation, some agreeable relief has been experienced from the gradual but marked expansion of the dairy industry; and

Whereas the future of the region hereinabove specifically referred to depends in no small degree upon the growth of that industry to which the soil and climate thereof is peculiarly adapted; and

Whereas with the sanction and approval of the President of the United States, an effort is being made to finance and promote therein the further development of the dairy industry; and

Whereas during the months of January and February, 1924, butter was imported into the United States amounting to 9,500,000 pounds, almost one-half of the total importations for the year 1923, and the highest monthly average ever recorded, resulting in a rapid decline of the price of that commodity on the New York market until it now commands a price little if any above the cost of production: Therefore be it

Resolved, That the United States Tariff Commission be, and it hereby is, requested forthwith to institute an inquiry under the provisions of section 315 of the act approved September 21, 1922, concerning the cost of the production of butter in the United States and in those countries from which our importations thereof come, and to report its findings to the President of the United States with a view to the increase in the duty on imports of butter should such increase be warranted by the facts found.

CLAIM OF THE CITY OF NEW YORK

Mr. COPELAND submitted the following resolution (S. Res. 227), which was referred to the Committee on Claims:

Resolved, That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and audit the claim of the city of New York for expenses incurred by said city in aiding to suppress the insurrection against the United States during the years 1861 to 1865, and in making said audit the provision of the act of Congress of July 27, 1861 (12 Stats. p. 276), as interpreted and applied by the Supreme Court of the United States in the case of the State of New York *v.* The United States, decided January 6, 1896 (160 U. S. Repts. p. 598), shall be applied by the said Comptroller General, and report the amount so ascertained to the Senate for consideration.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 1306. An act for the relief of Henry McGuire; to the Committee on Agriculture and Forestry.

H. R. 8100. An act for the relief of the estate of Charles L. Freer, deceased; to the Committee on Finance.

H. R. 8209. An act to create the inland waterways corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes; ordered to be placed on the calendar.

H. R. 2977. An act for the relief of H. E. Kuca and V. J. Koupal; and

H. R. 7249. An act for the relief of Forrest J. Kramer; to the Committee on Indian Affairs.

H. R. 1442. An act authorizing issuance of patent to Charles Swanson;

H. R. 2313. An act authorizing the issuance of a patent to William Brown; and

H. R. 4481. An act authorizing the Secretary of Commerce to exchange land formerly used as a site for the Point of Woods Range Lights, Mich., for other lands in the vicinity; to the Committee on Public Lands and Surveys.

H. R. 1332. An act for the relief of Dennis Shevlin;

H. R. 3030. An act to allow and credit the accounts of Albert J. Capron, formerly captain, Quartermaster Corps, United States Army, the sum of $84.52, disallowed by the Comptroller General, United States;

H. R. 6737. An act for the relief of James A. Hughes; and

H. R. 6972. An act for the relief of William H. Nelson; to the Committee on Military Affairs.

H. R. 1078. An act for the relief of the Fred E. Jones Dredging Co.;

H. R. 1326. An act for the relief of Clara T. Black;

H. R. 2005. An act for the relief of William J. McGee;

H. R. 2806. An act for the relief of Emil L. Flaten;

H. R. 3009. An act for the relief of Robert J. Kirk;

H. R. 3477. An act for the relief of James B. Porter;

H. R. 3748. An act for the relief of Lebanon National Bank;

H. R. 5448. An act for the relief of Clifford W. Seibel and Frank A. Vestal;

H. R. 6383. An act for the relief of the Maryland Casualty Co., the United States Fidelity & Guaranty Co., of Baltimore, Md., and the National Surety Co.; and

H. R. 7052. An act for the relief of Geston P. Hunt; to the Committee on Claims.

FREDERIC K. LONG

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 2922) to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army, which was, on page 1, line 8, to strike out all after the word "trial" down to and including the word "War," in line 10.

Mr. WADSWORTH. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

AGNES INGELS, DECEASED

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 1765) for the relief of the heirs of Agnes Ingels, deceased.

Mr. ROBINSON. I move that the Senate disagree to the amendments of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. CAPPER, Mr. SPENCER, and Mr. CARAWAY conferees on the part of the Senate.

ELLEN B. WALKER

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 365) for the relief of Ellen B. Walker.

Mr. JONES of New Mexico. I move that the Senate disagree to the amendment of the House, request a conference on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. CAPPER, Mr. SPENCER, and Mr. TRAMMELL conferees on the part of the Senate.

DAM IN THE TALLAHATCHIE RIVER, MISS.

Mr. STEPHENS. I ask unanimous consent for the present consideration of Calendar No. 586, the bill (S. 3272) declaring a part of Tallahatchie River, in the State of Mississippi, to be a nonnavigable stream.

The PRESIDENT pro tempore. The Senator from Mississippi asks unanimous consent for the present consideration of the Senate bill 3272. Is there objection?

Mr. PITTMAN. If it leads to no debate and requires no explanation, I have no obection. If it does, I must object.

Mr. STEPHENS. I am sure it will lead to no debate.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause and to insert:

That the consent of Congress is hereby granted to the Panola-Quitman Drainage District to construct, maintain, and operate a dam in Tallahatchie River, at or near Porters Ferry, Panola County, Miss.: *Provided*, That the work shall not be commenced until the plans therefor have been submitted to and approved by the Chief of Engineers, United States Army, and by the Secretary of War: *Provided further*, That this act shall not be construed to authorize the use of such dam to develop water power or generate hydroelectric energy.

SEC. 2. That the authority granted by this act shall cease and be null and void unless the actual construction of the dam hereby authorized is commenced within one year and completed within three years from the date of approval of this act: *Provided*, That from and after 30 days' notice from the Federal Power Commission, or other authorized agency of the United States, to said drainage district, or its successor, that desirable water-power development will be interfered with by the existence of said dam, the authority hereby granted to construct, maintain, and operate said dam shall terminate and be at an end; and any grantee or licensee of the United States proposing to develop a power project at or near said dam shall have authority to remove, submerge, or utilize said dam under such conditions as said commission or other agency may determine, but such conditions shall not include compensation for the removal, submergence, or utilization of said dam.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended so as to read: "A bill granting the consent of Congress to the Panola-Quitman Drainage District to construct, maintain, and operate a dam in Tallahatchie River."

ADDRESS BY SENATOR WILLIAM J. HARRIS, OF GEORGIA

Mr. GEORGE. I ask unanimous consent to have printed in the RECORD an address by my colleague, the senior Senator from Georgia [Mr. HARRIS], which was delivered before the General Assembly of the State of Georgia on Tuesday, July 25, 1922.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The speech referred to is as follows:

It is an honor to address the General Assembly of Georgia, and I am grateful for the privilege. As a member of this body I began my public service and because of the friends among the members, many of whom were lifelong, it was the most agreeable work of my public career.

As this is the first opportunity to address you since I entered the United States Senate on March 4, 1919, I shall speak only of my efforts in behalf of legislation and measures directly and vitally affecting all of the people of Georgia, as you are familiar with my record on national questions. I shall not make excuses for what I have failed to do, because of a Republican Congress, and a Republican administration, but will relate to you what I have in my humble way accomplished in spite of these obstacles. I shall be disappointed if the results of my efforts have not been felt by those who must labor to support their families.

In all matters I have had the active and helpful cooperation of the Senators and Representatives from Georgia with whom I have served. My relations with them have been cordial, which enables us better to serve our people.

In the organization of the Senate, I am a member of the Committees on Appropriations, Immigration, and Territories and Insular Possessions, and the Vice President has this session appointed me on three special committees. Under the present budget law, and a change in the Senate rules, all appropriation bills are now framed by one Appropriations Committee, making it the most important in Congress. Formerly the Appropriations Committee did not handle appropriations for Agriculture, Post Office, Military Affairs, and Commerce. I am assigned to the following appropriation subcommittees, which directly touch our people: Department of Agriculture; Departments of Commerce and Labor; Department of the Interior; Post Office Department, including good roads; War Department, including rivers and harbors, and legislative establishment. These subcommittees handle three-fourths of the billions Congress appropriates. Of the 12 members of the committee, I am on more subcommittees than any other Senator except one, who has the same number.

It has not been many years since a few small New England States dominated Congress. Senator Aldrich, of Rhode Island, was chairman of the Finance Committee; Senator Frye, of Maine, chairman of the Commerce Committee; Senator Hale, of Maine, chairman of the Naval Affairs Committee; Mr. Dingley, of Maine, chairman of the Ways and Means Committee in the House. Thomas B. Reed was Speaker, and many other able men from that section were in high positions. These men were not orators and did not make long speeches, but they were the most influential men in Congress. They honestly believed in a high tariff for manufacturers of their section, but they could not understand the great injustice this did to those engaged in agriculture, who had to pay high prices for everything they bought and received no protection on the products of the farm which they sold.

The New England States years ago realized the importance of continuing their Senators and Congressmen until they could become chairmen of committees or ranking Members, as a new Senator starts at the bottom of committees. Senator CARTER GLASS, a very able man, who had been in Congress 20 years and Secretary of the Treasury, came to the Senate shortly after my term began, and had to go to the foot on committees. Although I was a new Member I am senior to Senator GLASS on the Appropriations Committee, and will continue to advance on the committee as other Senators above me retire. A ranking Senator on committees has more influence than others less fortunate, as most of the legislation is framed in committees and relatively few changes in their recommendations are made when the bill is before the Senate.

As Georgia receives more appropriations than any State in the South my position on the committee is very important. Within a year after my term began in the Senate, I visited every place in Georgia which receives special appropriations from the Government, among them the river and harbor work of the coast cities, Savannah, Brunswick, Darien, and St. Marys; Fort Benning at Columbus, Fort McPherson, the Federal prison, and the Public Health Hospital at Atlanta, and the arsenal at Augusta.

Georgia is one of the foremost agricultural States. The wealth of the country is created principally by the farmers. When they can not sell their products at a profit all lines of business suffer. Every section of our country is dependent upon the other. That is the situation which brought into existence the so-called "agricultural bloc" in the United States Senate, with which I have been actively identified since its organization. It is composed of Members of the Senate, Republican and Democratic, who are specially interested in legislation that will help agriculture. Since the boll weevil has seriously interfered with the production of cotton, it has been necessary for our farmers to raise other crops. Our marketing system of agricultural products is obsolete and does not meet present conditions. The trouble is due largely to our lack of storage and marketing facilities, unreasonable freight rates, the high rates of interest and insurance.

Criticism, unless constructive, is worse than useless. Legislation alone will not remedy everything, but in order to overcome some of the difficulties mentioned, I introduced measures amending the Federal warehouse act and the Federal reserve system act that will, in my opinion, be most helpful to the farmers and merchants and do much toward remedying the defects in our system. If all farm products are marketed as soon as harvested, the price invariably goes down below the cost of production. It is essential that part of the surplus crop be held in storage in barns or warehouses. If products are shipped in less than carload lots the freight rates are so high that it takes all the profit. By cooperation the farmers can prevent this loss. A warehouse with Federal license gives them lower insurance and interest rates. These warehouse receipts can be used to borrow money at low rates of interest. The Federal reserve banks give preference in rediscounting paper to loans secured on products in Federal warehouses.

The eight amendments to the Federal warehouse act in a bill offered by me have been agreed to by the Senate, and the legislation is pending in the House. It is proposed to broaden the present law, which only allows cotton and tobacco stored in these warehouses, so as to permit the storage of any agricultural product designated by the Secretary of Agriculture, such as cottonseed, peanuts, pecans, sirup, and other products now excluded.

The Federal reserve banks make loans to small member banks at the same rate of interest as the large city banks. About half the State banks of Georgia are not eligible to join the Federal reserve system, because they have capital of less than $25,000. To remedy this I introduced a bill, and it passed the Senate, which allows the small banks in Georgia to join provided they will increase their capital stock annually an amount equal to 20 per cent of the annual net earnings until the capital meets the present requirements. This will strengthen the system and give the banks more capital to accommodate their customers.

I am a firm supporter of the splendid Federal reserve system. It was created by a Democratic Congress on the recommendation of a Democratic President, who realized that the old banking system, supported by the Republican Party, was a Wall Street system. Except for this change we would have had a panic in this country before and during the war which would have shocked the world's financial foundation. Senator OWEN and I were the first Senators to protest and direct attention to the ruinous deflation policy of the Federal Reserve Board. That policy destroyed values in agriculture and commerce amounting to billions through their unnecessary advance of discount rates and restriction of credit, making it unprofitable or impossible for banks to extend credit to the legitimate business industries of the country. I introduced bills amending the Federal reserve act in reducing the interest rates, making the rates the same in all reserve banks, allowing loans on agricultural paper for 12 months instead of five under the present law, and requiring the consent of Congress to the erection of reserve bank buildings above $250,000. The Republicans defeated the first three, but the Senate passed the last one. While we were fighting for lower discount rates, the Federal reserve bank building under construction in New York cost over $20,000,000—more than any two Government buildings in Washington. Such extravagance was inexcusable at any time, especially when they were charging high discount rates. The discount rate in the New York bank is 4 per cent to-day, while the bank in Atlanta and other agricultural sections must pay 4½ per cent. There is no reason for this discrimination.

Two bills introduced by me to make more accurate cotton production estimates and reduce speculating and gambling in cotton have passed the Senate, and a third is pending with a favorable committee recommendation. The first would cause the Census Bureau to gather estimates from the ginners of the amount of cotton remaining in the field to be ginned at the same time they collect statistics on the amount actually ginned. The second bill directs the Department of Agriculture to publish their estimates on the current cotton crop at the same time the Census Bureau announces their ginning figures of the amount of cotton actually ginned. All of these reports, announced on the same dates, would provide a better estimate for the total crop for the year than at present. These figures are vital factors in the market price, and their accuracy will deter the Wall Street gamblers from manipulating the market. A third bill, which has the approval of Secretary

Hoover of the Department of Commerce, provides a world census to determine the amount of low-grade cotton on hand, which is supposed to be large and depressing the price. It would include the number of bales of cotton tenderable under the law on September 1, December 1, and March 1 of each year for the whole world instead of reports for only the United States under the present law.

Last year the cotton-crop estimate of the Agricultural Department was 6,500,000 bales. Before the season was half over the Census Bureau's report of cotton ginned was to be issued; and on account of the unusual warm, dry weather most of the cotton was ginned, and the report would show three-fourths of the estimated crop ginned. The gamblers had expected to run down the price of cotton on this report. I presented the matter to the Secretary of Agriculture and urged both departments to issue a statement with the ginner's report, informing the public that more of the cotton crop had been ginned earlier than ever before, showing their first estimate of a small crop was correct. This was the first time either department ever issued a statement of this kind, and it is said it kept the cotton speculators from depressing the price of cotton at the time.

Until I changed the Census Bureau reports of cotton ginned, while director, and separated the linters from cotton, the reports always showed more cotton on hand than was correct.

The Federal farm loan banks, created under the Wilson administration, loan money to farmers at a cheaper rate of interest and for a longer term than the private loan companies. The private companies were anxious to stop these banks and they went into court to test their legality. It was carried to the United States Supreme Court and for more than a year, while the case was pending, the farm loan banks could not sell their bonds to get money to loan. This worked a great hardship on those who had lost so much in the two years following the war. When the Supreme Court upheld the banks many believed and still feel that the Farm Loan Board was not making loans as fast as they should have done. I conferred with them time and again and urged against delay, as our people were suffering. I took the matter up with the agricultural bloc and we passed resolutions urging haste. I was appointed chairman of a committee to confer with the board. The other members of the committee were Senator FLETCHER, of Florida, the author of the act creating these banks, and Senator Kenyon, chairman of the agricultural bloc. Georgia has received more money from these banks than any State in the Southeast, the total to date being $11,999,835.

Last year when the banks in agricultural sections could not get sufficient money to save the farmers from bankruptcy and keep the banks open, I was one of many Senators who urged that the War Finance Corporation be revived to accommodate our people by making loans with agricultural products as collateral, direct to farmers' cooperative associations or to banks holding agricultural and livestock paper. Congress had been in session for months, the Republicans had done nothing to relieve the burden of the farmers, and Senator LODGE, the leader of the Republicans in the Senate, moved that the Senate recess for several weeks. I opposed the motion, insisting that we should remain in session and give relief to our people. It was defeated 24 to 27. I voted against the motion, as did my colleague, Senator WATSON. Had we voted for the motion it would have passed 25 to 26, but the vote of the Georgia Senators kept Congress in session and we passed the Norris bill reviving the War Finance Corporation, giving financial relief to the agricultural sections—millions to Georgia. Since its revival the War Finance Corporation has advanced $6,768,934.88 on agricultural loans to banking and financial institutions in Georgia, and $5,350,000 to cooperative associations composed of farmers. We also passed the Kenyon-Kendrick bill to protect the hog and cattle raisers from the destruction of the Meat Packers' Trust, a monopoly by which five men in Chicago fix the price of meat—hogs and cattle raised in Georgia and all over the United States. I actively supported the farmers' cooperative marketing bill.

Under the high protective tariff policy a comparatively few men are enriched in the manufacturing centers of the East, while the mass of laborers employed in that section are not benefited proportionately. The agricultural and livestock sections of the South and West are taxed heavily by the tariff and receive little in return. The South especially is discriminated against by the high protective duties, because 60 per cent of our cotton is exported, the price fixed in Liverpool, and our farmers must compete with pauper labor of the world. A tariff of a dollar a pound on cotton would not benefit the farmers of Georgia a cent, as short-staple cotton is not shipped here to compete with us. Under the high protective policy of the Republican Party, the South and West pay a dollar for every 10 cents benefit they receive. The tariff bill now before the Senate was written behind closed doors by the Republican members of the Finance Committee, Democratic members were denied admission to the committee rooms, but the millionaire manufacturers of the East were there; many of them had contributed to the Republican campaign fund and were taxing all the people through the tariff so as to get dividends on their campaign contributions. The Republican Party is sectional.

If any benefit comes to the South from the present tariff bill it would be from a duty on peanuts and vegetable oils, which China produces in large quantities and competes with our peanuts and cottonseed oil. The committee gave little protection to these items, but the Senate voted a fair duty, as no one could defend this discrimination. I voted for a duty on peanuts and cottonseed and vegetable oils.

Under the present tariff bill, as passed by the House, a high protective duty was placed on potash, which is controlled by a German trust and would mean a tax of millions yearly on Georgia farmers. All the Georgia Members opposed this high duty. Most of the potash is used in the South in fertilizers and our farmers would have to pay it. The cotton they produce with this fertilizer gets no protection. I offered an amendment to the House bill, placing potash on the free list, and by a hard fight we have succeeded in getting enough Republicans to help the Democrats put potash on the free list, which will save Georgia farmers millions yearly on their fertilizers.

This tariff bill will greatly increase the cost of living by taxing everything that we must eat and wear and all the necessaries of life and place heavier burdens on the poor man and the man with moderate income. When the sixteenth amendment was adopted to authorize an income tax to be collected it was intended to collect taxes only on the large incomes, and those who favored it never dreamed that the Government would take advantage of it so as to thrust the hands of the tax gatherer into the pockets of the farmer, laborer, and small business man, and take from them the necessities of life while it relieved the rich of their fair share of the tax burden which they could carry without hardship and without depriving their families of luxuries to say nothing of necessities. As long as I remain in the Senate I shall oppose collecting any income tax from men of small income. No married man should pay an income tax until his income amounts to $5,000 a year.

As a member of the Immigration Committee I have supported efforts to stop all immigration for five years. The American Legion indorsed that policy, and after my resolution to that effect was defeated, I proposed the amendment to the present law to extend the 3 per cent quota restriction law until June 30, 1924, pending the enactment of permanent restrictive measures. The House passed the bill extending the law only until 1923, when Congress would not be in session, and the steamship companies would have brought over millions before another law could be enacted; but my amendment prevented this.

The Committee on Territories handles all legislation affecting our insular possessions, and in order that I might have information at the source, at my own expense I visited Hawaii and the Philippines. I went from there to China and Japan, where the South exports so much cotton and cotton goods.

Soon after I entered the Senate I learned that the Meat Packers Trust was discriminating against the peanut-fed hog in Georgia and the South. The Senate adopted my resolution to investigate the alleged discrimination, and the Department of Agriculture is continuing an investigation to determine all phases of the relation of the peanut-fed hog to the so-called hard hog. When this investigation first began they were paying from 3 to 7 cents less for peanut-fed hogs than those fed on corn in the North and West, but now the difference is much less. I shall continue until there is no discrimination, and I believe my work has saved the hog raisers of Georgia millions of dollars.

Amendments to the appropriation bills for the Department of Agriculture, which I offered and supported, have made it possible to fight the peach pests by establishing an experiment station at Fort Valley; establish peach, watermelon, and cantaloupe marketing stations at Thomasville and Macon; establish a tobacco experiment station at Tifton; and start pecan experimental work in the Albany section. As a member of the subcommittee framing this legislation, I have supported items to fight the boll weevil, develop the cultivation of peanuts, sweet potatoes, and other crops. The department is now experimenting on Georgia cane sirup to stop the fermentation, which injures the sale and prevents a higher price. At my solicitation the Secretary of Agriculture sent experts to Georgia from the Market Bureau to cooperate with the market bureau of the Georgia Agricultural Department and the State College of Agriculture.

The Esch-Cummins bill, practically guaranteeing the railroads an annual earning of 6 per cent, was passed by a Republican Congress. I voted against the bill. Under that law the Interstate Commerce Commission raised freight rates at a time when agriculture and nearly all industries were at a standstill, and prices so low that the increased rates made shipments prohibitive, which paralyzed all industry. I was the first Senator to protest against the high rates, and I have constantly urged lower freight and passenger rates to help business as well as railroads. When the railroads made a 10 per cent reduction in rates on certain agricultural products some time ago, they did not include watermelons, which, as you know, is a large industry in our State. I took the matter up immediately with the commission and they agreed to include watermelons in the reduction. The railroad rates are still too high. Business and the roads will suffer until the rates are low

enough to allow the farmer, lumberman, and manufacturer a fair profit, which will encourage him to make more shipments, thereby benefiting the producer as well as the railroads.

Since the close of the Civil War the South has been discriminated against in many ways by the Federal Government. Take the matter of freight rates from the Middle West to the southwestern ports, including Savannah and Brunswick. The rates were much higher for the same distance than the rates to New York and the eastern ports for years. I joined with other southern Senators and we had this great injustice remedied, but the eastern ports are now at work trying to bring back the old situation.

The South is discriminated against in the matter of ocean freight rates on cotton and other products. For three years I have cooperated with other southern Senators in an effort to stop this injustice. Ocean freight rates from New York and eastern ports to South America and through the Panama Canal to China and Japan are the same as the rates from Savannah and Brunswick, which are 600 miles nearer. But when we ship cotton, naval stores, and other products to Liverpool and other European ports they charge us more than from New York. This discrimination is inexcusable and should be stopped.

When the Muscle Shoals proposition was before the Senate last year I offered an amendment providing that nitrates made at the plant during peace times should be sold to the farmers at cost and that they should be given the preference in purchasing. In our State alone we have used in one year more than $50,000,000 of fertilizers. If this plant should be developed as proposed, it would save the farmers of Georgia more than $12,000,000 a year on the cost of fertilizers, in my judgment, which is equal to the total annual expense of our State government, including Confederate pensions and common schools.

After the Muscle Shoals measure passed the Senate last year it was defeated in the House by a small majority. Every other country has nitrate plants except the United States. Soon after we declared war the German Government protested against Chile furnishing this country with nitrates and tried to prevent her doing so.

The partisan Republicans, because of hatred of a Democratic President, were willing to scrap this great plant and leave the country, in time of war, at the mercy of the Chilean nitrate trust. They were trying to discredit President Wilson by charging that the money spent on Muscle Shoals had been wasted. They did not care about the great saving in getting cheaper fertilizers, and manufacturers in securing cheaper water power, which would develop the South more than anything within a half century. I conferred with the Secretary of War several times and urged that he require all bidders to agree to manufacture fertilizers to sell to the farmers at cost, plus a reasonable interest rate, and that the power should not be leased to power companies in our section controlled by the trusts, which would prevent competition. When the Secretary of War made his report he sent it to the House only. I feared this would delay action until after Congress adjourned, and I immediately urged the Secretary to send his report to the Senate so it could be considered at the same time it was before the House committee. The Secretary granted my request, and when the report was laid before the Senate I made a motion to refer it to the Agricultural Committee, which was friendly to the development of Muscle Shoals, to manufacture fertilizer and sell to the farmers at cost in times of peace. I was a member of the Subcommittee on Appropriations which recommended the appropriation of seven and a half million dollars to begin work on October 1. We shall at least begin the great work which has been opposed by the fertilizer and power trusts with a powerful lobby.

Our southern farmers export 60 per cent of their cotton produced and much of their other products. The southern manufacturers must export their surplus goods. The foreign trade of the South has greatly increased in recent years, but the agricultural and manufacturing section of the South has had no branch office of the Bureau of Foreign and Domestic Commerce until recently, when I secured an appropriation for a branch office in Atlanta.

Last year, when all products were reduced, I had complaints from Georgia farmers and ginners that bagging and ties, which are used in covering cotton, were selling at the old high prices, as when controlled by the trusts. I asked the Federal Trade Commission to make an investigation, and soon a reduction in prices on bagging and ties came.

Several years ago I received letters from people in my State and others calling attention to the fact that the Standard Oil Co. was selling gasoline in Chicago at 5 cents a gallon less than in Georgia, when the difference in transportation was less than 1 cent a gallon. I asked the Federal Trade Commission, of which I was a member, to make an investigation, and we found the charges were true, but they were different companies of the Standard Oil. There are more than a dozen Standard Oil companies, but most of the stock is owned by practically the same people, 51 per cent of the stock of all the companies being owned by 16 people. There was no competition, but it was contended they were not doing anything illegal.

The commission called the attention of Congress to the discrimination and recommended the enactment of laws to correct the evil, but nothing was done. Soon after I entered the Senate I introduced a measure, which the Senate passed, preventing the Standard Oil Co. from selling gasoline lower in one State than in another.

When the legislation to raise revenue for the support of the Government was before the Senate, it was Republican members of the agricultural bloc, joining with Democrats, who prevented the bill, recommended by the Finance Committee, from becoming a law until they changed many important items intended to relieve the taxes of the wealthy and place the burden on those who toil. Until President Wilson's administration all taxes to support the Government were paid by the consumers of the country through the tariff and other taxes, and the wealth of the country, most able to pay, escaped taxation while receiving the greatest benefits from our Government. During the World War the number of millionaires was more than doubled, and they hoped to escape taxation on their wealth when the Republicans came into power. This would have been done had the Republican members of the bloc not joined with the Democrats and defeated legislation planned by Republican leaders. The Republicans succeeded in repealing the tax imposed upon corporations making excess profits.

While this revenue bill was before the Senate I offered an amendment to the bill cutting in half the tax, after deducting exemptions, on the first few thousand dollars of income earned by those engaged in trades and professions. I took the position that earned income on the first few thousand should not be taxed the same as income from bonds and stocks owned by persons who did not work to earn a livelihood. It was the Republican members of the agricultural bloc and the Democrats who made the surtax on incomes of over $100,000 50 per cent instead of 35 per cent, as it passed the House and was recommended by the Senate Finance Committee.

I have referred a number of times in the Senate to the great debt of gratitude the country owed the southern cotton farmers. Except for the export of cotton, which brings more gold to this country than any other product, more than both wheat and corn, we would not now have 40 per cent of the gold of the world in our Treasury, making us the richest country on earth.

In 1914, after war was declared in Europe, the West could ship wheat to Europe, and the price more than doubled. Cotton was difficult to handle and almost impossible to ship to countries at war who had always purchased our cotton. The price was less than half what it formerly sold for. The South suffered financially in 1914 and 1915 more than some of the countries at war, all because there was no market for our cotton. Many of our farmers and merchants were ruined because of this condition, while the wheat farmers were comfortable in wealth. When the cotton crop was almost gathered in 1918 and the price had advanced there was a demand from both Republicans and Democrats in the North for President Wilson to fix the price. Mr. Cox, a Democratic Congressman from Indiana, introduced a bill fixing the price of cotton at 15 cents per pound, when it had cost the farmers at least 35 cents that year to raise it. Others urged that the price be fixed at about this price. Had Congress or President Wilson fixed the price at anything like the low price provided by Mr. Cox's bill it would have ruined the South. The movement to fix the price in 1918 was shortly after the primary in which I was nominated for the Senate. When I learned of this movement I went to Washington on the first train to confer with President Wilson, calling his attention to the high cost of producing cotton and other facts I have just enumerated.

When you think of the difference in the price of cotton at 15 cents a pound, which the Republicans and northern Democrats urged President Wilson to fix, and the prices, up to 45 cents a pound, it sold for in a few months, the loss to the South would have been staggering. The difference between 15-cent cotton, which brings $75 a bale, and 40-cent cotton, bringing $200 a bale, is $125. This would be a loss of more than $200,000,000 on Georgia's nearly 2,000,000 bales which President Wilson saved the farmers of Georgia alone. Most of this cotton was sold in Europe, and the money was sent here. No President of the United States ever had such an opportunity to help or hurt the South. The North, East, and West were demanding that he do this great injustice. I had confidence in the justice of my side of the argument I made against fixing the price of cotton. While this saved the South financially, the Republicans made a campaign issue of it and charged that President Wilson had favored the South by not fixing the price of cotton after they had fixed the price of wheat and other products. It was on this issue principally that the Democrats lost both Houses of Congress in 1918; and for two years this Republican Congress instead of doing constructive work in readjusting great problems left after the war were trying to embarrass and harass President Wilson, often denouncing him when he was hovering near death's door.

When the armistice was signed hundreds of parents, sisters, and wives of soldiers in France begged me to get their loved ones home, some of them to go to school, others to the farms or factories. I decided it was as little as I could do to take these letters and at my own expense go to General Pershing's headquarters in France and urge him to let these men go home. I am glad to say that I was shown

every courtesy, and my request was granted in nearly every instance. I am, so far as I know, the only Senator who went to this expense and performed this service for the soldiers. Except for this work I believe hundreds of Georgia soldiers would have been kept in France many months longer.

As long as I am a Member of the Senate, regardless of criticism, I shall do everything I can to help these young men who served our country. Congress has not done its duty by them. A great injustice was about to be done the veterans of our State and section when a bill passed the House, over the opposition of all the Members from our section, providing for hospitals, and the wording of the bill deprived Georgia and the Southeast from receiving one of these hospitals. When the House bill came to the Senate I started the fight in the Senate to amend the bill, and one of the large hospitals was placed at Augusta, Ga. As the bill came from the House Augusta and the Southeast could not have had one of the large hospitals, and our veterans could not have secured hospital facilities near home and their loved ones.

On account of the high cost of living our Government is now, and has for several years, been paying many thousand civil employees a $240 annual bonus, but we have done little for the boys who gave up their positions and offered their lives for their country. The bonus to civil employees has amounted to $1,080. After the war the Government readjusted the payments to railroads and war contractors. Why not the World War veterans? My office is a clearing bureau for claims of all ex-service men, and their claims are never neglected.

I aided in locating Camp Benning at Columbus, which brings several million dollars a year to Georgia. It is the largest Infantry training school not only in the United States but in the world. The present Congress appropriated $400,000 for buildings alone at Benning. I was with Congressman WISE and the committee when the Secretary of War assured us he would establish Camp Wheeler at Macon. I aided in getting Camp Hancock at Augusta.

The headquarters of the Army for the Southeast were located at Charleston, S. C. One of the first things I did after entering the Senate was to urge the War Department to move the headquarters to Atlanta, Ga., which every Army officer knew was the logical place because of its location and railroad facilities. The headquarters were moved to Atlanta, and I believe they will continue there. This brings a large amount of money to Georgia.

Henry Lincoln Johnson was appointed by President Harding recorder of deeds for the District of Columbia. Serving in that office are many splendid white women and several from Georgia. When the nomination came before the Senate Senator WATSON and I objected, and he was defeated.

Since the war was over there has been a propaganda in this country urging the cancellation of all debts of foreign countries. The greatest amount was due the United States, amounting to $9,000,000,000. Some Senators announced in favor of canceling these debts. I offered a resolution, which was the first, declaring it to be the sense of the Senate that none should be canceled by the United States. When the law was passed providing commissioners to confer with European countries and giving them authority to act, the law stated that no part of these debts should be canceled.

There are two great dangers to our Government, the first the election of men to office by the large expenditures of money who will serve the big interests as against the people, and the second is the danger of the demagogue who plays on the prejudice of the people in order to serve his selfish ambition. Because of the $200,000 spent to elect Senator Newberry I voted to unseat him. When a senatorship can be purchased our Government is in danger.

During the Democratic administration I was consulted in the appointment of all United States judges in Georgia. There is no greater responsibility than the selection of men for these lifetime positions. The names of the men I indorsed need no praise from me; they are known to all of you—Alex C. King, Beverly D. Evans, Wallace Lambdin, Samuel H. Sibley, U. V. Whipple, and William E. Thomas. The last two were nominated, but the Senate refused confirmation because of objections by the Georgia Senators.

When I was made Director of the Census the age limit set by the bureau kept any Confederate soldiers from employment. I immediately raised this age limit and gave preference to Confederate soldiers in my appointments in the South, and I appointed more Confederate soldiers to Federal office than any man in the South.

I am the author of many other bills and resolution in the interest of our people which I shall not have the time to discuss to-day. Among them: Authorizing loan of tents and other equipment to Confederate soldiers; investigation of department handling foreign trade; to build pontoon bridge at West Point after the flood which swept the bridge away; author of bill appropriating $1,000,000 for eradication of malaria in the South; appropriating $25,000 for development of peanut industry; resolution requiring Secretary of the Treasury to give Senate data on excess profits during war so as to tax war profiteers; resolution calling on Civil Service Commission to give preference to soldiers in appointments.

I shall oppose the Dyer antilynching bill, which was introduced to play cheap politics with the negro.

I supported the constitutional amendment for woman suffrage and the legislation to enforce the prohibition amendment. I have always been on the moral side of public questions. I supported the Sheppard-Towner maternity bill and Federal aid to the States for road building, voting for the bill to improve all the roads instead of only the automobile highways. I strongly supported the Borah resolution for naval disarmament by agreement with other governments and voted to ratify the treaties to bring about disarmament.

STATEMENT OF GENERAL SUKHOMLINOFF

Mr. OWEN. Mr. President, I ask to have printed in the RECORD a statement by General Sukhomlinoff as an addendum to an address which I made in the Senate some time ago.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The statement referred to is as follows:

[From the American Monthly]

SUKHOMLINOFF TELLS HOW THE GRAND DUKE AND POINCARÉ STARTED THE WORLD WAR—THE CZAR'S OWN WAR MINISTER GIVES THE FULL HISTORY OF THOSE FIVE DAYS OF AGONY, JULY 25 TO JULY 30, 1914

(By Gen. Vladimir Alexandrovitch Sukhomlinoff, adjutant general to His Majesty, the late Nicholas II, Czar of all the Russias, and formerly Minister of War at St. Petersburg)

PERSONS IN GENERAL SUKHOMLINOFF'S AMAZING REVELATIONS

Paleologue: French ambassador to the Czar's court and a man with a genius for romance in the style of Monte Cristo. This genius ran away with Paleologue and caused him to mistake his own fantastic inventions for matter-of-fact realities.

Januschkevitch: Chief of the general staff of the Russian Army; a tool of the Grand Duke Nicholas, with whom he plotted on the back stairs and behind drawn curtains.

Nicholas Nicholaievitch: The grand duke with the long legs, who was uncle to the Czar and had the Czar under his thumb.

Nicholas II: Czar of all the Russias, but a henpecked husband, a submissive nephew, a smiling and polite and sweet sovereign without a backbone and incapable of distinguishing good advice from bad.

Poincaré: Then President of the French Republic; he is in the background of events like the ghost of Banquo in Macbeth. Poincaré leaves behind him the trace of a fatal visit to the Czar on the eve of the war.

Hohenlohe: A gloomy Austrian prince.

William II: His telegrams alone figure here.

Bark: Russian Finance Minister with a bite.

Sazonoff: Russian Foreign Minister; sly, sleek, slippery. He enjoyed the confidence of the Czar's uncle, and that proves how deep he must have been.

Goremykin: An aged, aged man more like the senile simpleton in Alice in Wonderland than the Prime Minister of a powerful potentate, which last—alas!—he was.

Pourtalès: A count who was German ambassador to Russia. He spent his time in desperate efforts to find out what was transpiring on the back stairs, in the boudoirs, and behind the curtains. When he did learn a thing or two he was assured that he had discovered another mare's nest.

Krivoschein: Minister of Agriculture in the Czar's cabinet; an intense nature, disposed to duels.

Grigorevitch: Minister of Marine; a typical sea dog.

Svwerbieieff: Russian ambassador at Berlin with a touching faith in telegrams and a peculiar ignorance of the true state of affairs. He has since passed away, and of the dead we may say what is good—if we wish and if we can. Poor Svwerbieieff!

Schtscheglovitoff: Russian Minister of Justice, a perfect professor profoundly versed in history and what we would now call a "high brow," although he might as accurately be described as a walking encyclopedia that wouldn't walk, preferring an automobile.

Isvolsky: Russian ambassador at Paris, who pulled Poincaré's strings so that Poincaré might pull the Czar's leg.

Time: July 25 to August 2, 1914.

Place: Summer palace of the Czar, Nicholas II.

I. WAR? NO! NO!

It was July, 1914. With my wife, just returned from Egypt, I made one in a gathering at the beautiful country home of the Countess Kleinmichel.

The Austrian-Serbian clash had then attained the loftiest peak of its fire and fury. It was altogether inevitable that the diplomatic and political situation should afford the theme of the talk. This was the more natural, indeed, since—or so everyone assumed—the countess herself, in all that related to Germany, was an eager diplomat whose functions were not exactly limited within the atmosphere of salon conversations.

Among the guests of the countess happened to be a diplomatist who—if my memory serves me faithfully—was not connected with the embassy of a great power. He was of opinion that no serious prospect of war loomed on the horizon of events; that the conflict must settle itself. The great powers had ample facilities, according to him, for putting out the sparks!

The prevailing view among the members of this gay party took on a hopeful tone. There was faith that the matter would really turn out well.

The countess was otherwise impressed.

She deemed it important to emphasize the fact that fire must not be played with; that the strings of the lyre of diplomacy were not to be stretched too taut.

As soon as we had dined a guest suddenly made his appearance with the news—direct from Vienna—that the Hapsburg monarchy was undeniably bent upon a final settlement with Serbia, a trial of strength, perhaps, upon the material plane.

The countess, accordingly, seemed to be in the right.

II. THE CHEERFUL CZAR

The grand climax of the military maneuvers in each recurring season arrived only with the first coming of the Czar, Nicholas II, to Krassnoie Selo. The ceremonies included a round in state of the whole camp, a sounding of "taps" with many a flourish, and a performance in the local theater.

On the appropriate days of that storm-charged summer of 1914 an incredibly pressing throng of the most fashionable people streamed into town. These people utilized the most varied modes of conveyance. Automobiles, jaunting carts with steeds going tandem, stage coaches, horses—all hurried along the closely trimmed paths bordered with grass plots and flower beds. They all arrived by rail from Peterhof, Oranienbaum, Strelna, Ligovo, Zarskoie Selo, Sergieffskaia, and Gatschina.

What a mood of carnival dominated that throng of men from the diplomatic corps, military attachés, courtiers, officers, exalted officials, their uniforms set off by the elegance of the women who pervaded the scene in effects of color no less varied!

The Czar himself arrived from Peterhof in an automobile.

At the summer palace in Kolomenskaia he reviewed the guard of honor, recruited from some crack regiment or other in the St. Petersburg barracks unless, indeed, it came from some military district boasting even finer troops. When the guard had been duly dismissed the Czar mounted a horse and rode, a glittering suite trailing after him, the full length of the columns of soldiers standing erectly in full formation. At Krassnoie Selo were stationed the cavalry, and just beyond, deployed the length of their great camp, were the infantry and the artillery. At the extreme right of this vast encampment, in the zone of operations of the first infantry division, were the imperial headquarters, established in a palatial tent. There, where more than one regimental band was stationed, the Czar got down from his horse. There was a grand flourish of trumpets.

There, too, thronging the space about headquarters, were the great ones of the land, making up the most fashionable and the most magnificent of "publica." The flattest of floors was afforded by the greenest of grass. Conversation was of the liveliest kind—bits of news, bits of gossip, twaddle more or less piquant because it dealt with personalities as well as with politics. The sauce of this talk was derived from the spice of diplomacy and the note everywhere was one of crisis. It was truly all St. Petersburg that thrilled now with the tingling of the sensation of this year of 1914 and caught the sheer exhilaration of it. Of things to talk about there was enough and to spare. The open challenge in the defiant attitude of the Austrians, the sea trip of President Poincaré to St. Petersburg, the journey of the German Emperor, William II, to Norway, and the agitated comments in the newspapers regarding the possibility of war—these things yielded themes for conjectures of every sort.

Speaking metaphorically, the air reeked with gunpowder. Optimism seemed to have vanished. And yet scarcely one of all those present there and then could have surmised that the very last of all the peaceful "taps"—sounded in those circumstances of pomp and parade—was ringing in the ear of an "all-highest" war lord.

There was a fixing of every eye upon the Czar himself, as if to gather from his deportment some hint of the mood of the man. No one seemed to have penetrated his reserve, to have reached the secret of his soul. His Majesty seemed what he was always—friendly, calm, composed. With those immediately about him His Majesty talked in the friendliest fashion, the smile never leaving his countenance.

The only shadow in that pleasing prospect was afforded by the Austrian military attaché, Prince Hohenlohe. My attention was directed to him particularly by Count Apraxin, a gentleman in waiting upon the Czar, or, rather, just then filling the post of chamberlain. The moody, not to say oppressed, aspect of the Austrian drew attention to him at once. In complete abstraction from all that went on under his eyes, he stood apart, a solitary figure in that press of people. He was resting his head against one hand, or, rather, against a clenched fist, and his elbow rested against a tree. He stepped forward to greet no one. He talked with nobody. His appearance was that of a man taken ill or oppressed by a thought that through its weight of woe had robbed him completely of self-command.

The orchestras meanwhile, undisturbed by the moods or the miseries of their auditors, discoursed the sweetest strains of a magnificent concert program.

Then the captain of the guard on service at that hour made his obeisance to the Czar and besought permission to sound the evening taps. A trumpeter and a bugleman stood forth and gave the signal. There was a moment of breathless silence. The orchestral strains had died away. There was a burst of three great rockets into the heavens. The beating of the "tattoo" proper had begun. The roar of the artillery came across the camp. A rushing din of some hundreds of drummers obliterated every other sound. Then the combined orchestras sent forth the strains of the famous hymn "How Great is the Glory of God Almighty!" Its melody was borne aloft on the waves of sound from the drums. The hurricane symphony lasted several minutes. Then ensued some seconds of absolute silence followed by the abrupt, grim command: "Caps off!" The master of the horns, who had stationed himself in front of the Czar, repated in a voice loud and clear: "Our Father, Who art in Heaven!"

During this recitation of the Lord's prayer and all through the reverential stillness that prevailed I gazed steadfastly at the Czar.

Not for an instant was he conscious—of this I am sure—of being the leader in battle. Never even in a dream did his thought take that turn. Not once did he suspect that this sounding of the retreat to rest and slumber amid such ceremony and with all that careless magnificence was to signify the end of an era.

What invested us then was the calm before the storm.

There was no such thing this time as getting out of the path that led us to war. A whole series of accidents and misunderstandings, explicable in part by the anomalies in the position of the house of Romanoff, brought on a world conflict. The origins of that war lay deeper, indeed, profoundly involved and imbedded in all the given conditions of Europe's political setting.

III. IN THE RUSSIAN WAR MINISTRY

Many able men have beaten their brains in the effort to establish the immediate cause of the outbreak of the war.

After the sincerest efforts on my part to get at the truth regarding the tremendous catastrophe, I must throw up my hands.

Exalted as was my position in the Russia of the Czars, I was able to observe directly and at first hand but a minute and decreasing part of the activity that brought on the war. This part I can outline and this I will describe with no desire to extentuate what is past and with no regard whatever for myself.

In the early months of the year 1914 there was no expectation whatever in the Russian War Ministry of anything in the nature of a clash of arms. In the higher administration of the general staff of the army throughout the winter of 1913–14 all arrangements for the military maneuvers proceeded in the usual way. Some detachments of troops from the remoter districts—among them a few from the western frontier—were to come to the imperial post of Krassnoie Selo. Again, as was quite the usual course, upon the coming of May the troops quitted their barracks and the artillery began gun practice. In July there was a general activity by way of preparation for the maneuvers in contemplation since the previous winter.

In marked contrast with this feeling of peace throughout the army, the newspapers painted the diplomatic horizon in tints ever darker and darker. The slaying of the heir to the Austro-Hungarian throne and the establishment of an Austro-Serbian conflict operated like distant lightning flashes. The trip of the President of the French Republic to St. Petersburg seemed to bring with it a piling of one storm cloud above another over the waters of the Neva. An oppressive, well-nigh intolerable feeling of gloom dominated everyone and prevailed everywhere.

After the departure of Poincaré on the 24th of July—when the Austrian ultimatum to Serbia had become widely known—the military maneuvers at Krassnoie Selo were in full swing. In accordance with plans made in advance, we had, under the command of the Grand Duke Nicholas Nicholaievitch, not only the troops of the guard and those of the St. Petersburg district but a number of crack regiments from other military districts and even some from the frontiers.

IV. A MOMENTOUS GATHERING

Not altogether unexpectedly, although there was an element of surprise in it, too, I received in the course of my summer's labors for the army a command to participate in a crown council on the 25th of July at Krassnoie Selo.

I well remember that while on the trip to the meeting of the council I had not even the least premonition of the impending catastrophe. I was aware of the love of peace that was so characteristic of the Czar's personality. I had received no special or particular communication

with regard to the occasion or the cause of the conference to be held. Hence it was that I attached so little importance to the trip I made to Krassnoie Selo that I went alone without taking the chief of the general staff with me and without even having the adjutants on duty along. The subject of the gathering must be, I assumed, some matter of routine connected with the military district of St. Petersburg or with the exercises of the troops in the field.

In the little summer palace of the Grand Duke Nicholas Nicholaievitch I encountered as soon as I arrived various cabinet ministers who were already on hand, among these the minister for foreign affairs and some exalted personages in the higher ranks of the military establishment.

A goodly number of them seemed to be in total darkness regarding the occasion of the Crown conference soon to be held. The presence of Sazonoff, the minister for foreign affairs, was duly remarked and led to inferences from the diplomatic crisis that some political consideration was responsible for everything.

The Czar entered the hall in which the meeting was to be held, but when he did so he was accompanied by his uncle. Nicholas II wore the white summer uniform of his personal bodyguard, the Hussars. Smiling in the friendly fashion that was habitual with him, manifesting no mood of anxiety, he greeted the persons there assembled in a somewhat general bow, and without further ceremony he took his seat. Goremykin, head of the ministry just then, was on the Czar's right hand and the Grand Duke Nicholas Nicholaievitch was on his left.

The apartment in which we were now assembled was a great dining-room furnished somewhat primitively. Great glass doors led across a terrace or veranda into the park. In the center of this imposingly large room was a dining table laid now with a green cloth, and about this table when the Czar had given the signal we proceeded to sit.

Facing the Czar was Sazonoff. I sat several seats away from Sazonoff on the same side, while next me or very near me, if my memory plays me no trick, was Finance Minister Bark. The minister of marine I saw nowhere at that gathering.

Without any sort of introduction the Czar gave the minister of foreign affairs a signal to speak. He used up something like half an hour in painting a word picture of the international scene as it had developed from a Russian point of view through the Austrian-Serbian conflict.

What Sazonoff laid before us as a report or speech was in reality a serious indictment of all Austro-Hungarian diplomacy. His auditors there derived from it all the profound impression that they were concerned now with a deliberate challenge. In the face of this challenge would be found united the powers of the triple alliance—the "entente cordiale"—France and Great Britain standing closely beside Russia if she refused to tolerate any oppression of her Slav brother effected by violence.

Sazonoff achieved a powerful effect in rousing our soldierly sentiments.

He assured us that displays of arrogance, in view of the impotence exhibited by every purely diplomatic agency, could be met only with military measures. He concluded with the suggestion that a case had arisen in which results could be obtained against the powerful and efficient diplomacy of Austria only by means of a partial mobilization. In terms of technical military science this signified that the next step would be to decree the so-called period of preparation for war. Of the probability or even of the possibility of an actual declaration of war nothing at all was said.

The Czar displayed the utmost calmness of demeanor.

It was subsequently established beyond all doubt that on the day preceding this Crown council he had held a long private conference with his uncle, the Grand Duke Nicholas Nicholaievitch.

The latter now sat in grim gravity and silence, smoking his cigarette, beside the Czar. Having had opportunities in the course of long years to observe the relations subsisting between this pair, it became obvious to me that the uncle had already influenced the nephew, the grand duke had already brought over the Czar, when no witnesses other than themselves were by. Hence the elder had no occasion to say a word at the meeting. He had the Czar where he wanted him for a long time now.

Although Austria-Hungary had already crossed the Rubicon, many who took part in this gathering cherished still the hope of an auspicious issue from this crisis. The Czar himself, in a concluding word or two, gave expression to that very hope. He did not, for all that, modify his view that a stern admonition to Austria would be in order. Austria, as Sazonoff had declared, was now so far along her fatal path that she would not deign to reply to our diplomatic representations, the one object of which was the maintenance of peace.

V. TRAP SET FOR THE CZAR

Taking all these consideration into account, the Czar explained to us that in accordance with the suggestions of the diplomatists he would adopt the expedient reserved for such occasions—a partial mobilization.

This would show, the Czar declared, too, that so far as concerned ourselves, no hostile demonstration against Germany was planned at all.

The thing was accordingly determined.

For the 26th of July the beginning of the period of preparation for war was ordained.

If, as a consequence of this expedient, negotiation was discernible, there must ensue a second step—partial mobilization against Austria-Hungary.

My own part in these decisions, as I have intimated before, was in reality quite circumscribed.

In my capacity as minister of war faced by such a decision, which was really a move on the chessboard of world politics, I had no right whatever to make any objection, not even if a threat of actual war was being made. Politics was not my business, not my affair. Still less was it my business in my capacity as minister of war to warn the Czar against any war as such. I was a soldier. I had to obey when the army was summoned to the defense of the fatherland. It was not for me to urge considerations one way or the other.

I could have been accused—and with justice—of downright cowardice had I, after enjoying the power and prestige of a minister of war in time of peace, permitted myself to issue warnings against war merely as war. In my opinion, moreover, and according to all human insight, there was no reason whatever why Russian diplomacy should permit itself to be overawed by the proceedings of Austria-Hungary. That had passed in 1909, to be sure.

Besides all these considerations, which did not blind me in the least to the difficulties of the task that lay ahead of us, there was one further impression derived by myself and some of the other ministers from the exposition made us by the competent chief of the European section of the foreign office. According to this there was no other issue from the dilemma but war, and hence any word I spoke against war would have been useless. Through the medium of any protest on the 25th of July I would simply have questioned, or even have rendered difficult the possibility as well as the adoption of, an armed neutrality. In the state of the case as it was put before us the decision of the foreign minister must determine our own.

But he called for a partial mobilization.

In harmony with this idea, the line of procedure was determined. Nevertheless I was an opponent of partial mobilization. My views on this subject had never been withheld from anyone or concealed behind a mask. But it was my business to keep the army in readiness for any move on the chessboard of world politics which to Sazonoff seemed expedient, since he was playing the game. Hence in this matter of detail, too, it was for me to obey. It might have been somewhat different if, to repeat, I found myself in 1914 in the situation in which Roediger, former war minister, was placed in 1909.

In the year 1914 the training and the equipment of the army were so far advanced that Russia seemed justified in contemplating a war with equanimity. Never before was Russia better organized for war than she was in 1914. Moreover, the representations of Sazonoff regarding the position and the attitude of both France and England in the conflict were of a kind to justify no want of ardor in ourselves. Even his communications with reference to Italy and Rumania confirmed the other details he laid before us and worked to the same end.

On the basis of the conference held at Krassnoie Selo and in accordance with the order then issued, the "period of preparation for war" began on the day after the gathering—that is to say, on the 26th of July.

The military maneuvers were interrupted.

The troops returned to their garrisons or to their barracks.

VI. "PRESSING THE BUTTON"

After this gathering I did not see the Czar again on the 25th of July, nor even on the 26th or the 27th. What happened on those days in the ministry of foreign affairs did not come to my knowledge.

From Sazonoff I did not receive the least bit of information.

In consequence of the reports that flew about the city to the effect that our army was to be mobilized, the German ambassador, Count Pourtalès, sent the German military attaché, Major von Eggeling, to interview me. I informed him with sufficient accuracy of the immediate posture of affairs. I assured him that a general mobilization had not been ordered and that on the German frontier no preparations for any march into a field of action were under way.

Throughout all the regiments of the garrison at St. Petersburg there now took place inspections of field equipment, inquisitions into baggage, examinations of weapons. The Pavlowsky Regiment of the Guard had in pursuance of this program transported its entire campaign equipment to the Field of Mars. A report spread at once that the guard was mutinous. I enjoined Januschkevitch to hold a discreet conference with the military staff of the district and to take steps in concert with them to avoid for the future all demonstrations of a kind to precipitate such rumors. He was to give absolute orders for the suppression of whatever procedures might tend to

alarming misinterpretations and the spread of false reports that a declaration of war was, in fact, already issued.

Januschkevitch at once expressed to me his anxiety lest the Grand Duke Nicholas Nicholaievitch, as supreme commander of the district, might feel himself slighted at such an order or, rather, such interference. He might feel all the more affronted since the measures I was thus objecting to did not exceed the limits of peaceful routine in the usual course of military duty, such as mustering in, inspection of the details of mobilization, and so on. I did not on that account urge him any less eagerly to see to the execution of my order. I have no idea how or in what form it was carried out, for I received no further report respecting it.

Among ourselves the procedure in mobilization was this: The Czar signed the order, which went at once to the senate. With the signatures of the ministers of war, navy, and interior added, telegrams to the various military districts, giving the date of the first mobilization day, were prepared for transmission as soon as the "all-highest" command had been issued. Not until this stage was reached came the so-called pressing of the button.

This whole proceeding was exclusively the function of the supreme administration of the general staff, so far as the technical aspects of the business were involved. It comprised a continuation of policy with military means—a going from words to deeds. The political part of the game was played solely by the minister for foreign affairs. He it was, too, who on the 28th of July transmitted to the chief of the general staff the "all-highest" command to make two orders ready, one of these was for the partial mobilization. The other was for an eventual general mobilization.

All mobilization documents were naturally, as is the case in every army, previously prepared.

According to the development of the diplomatic and "world-political" situation, one or the other of these telegrams or "all-highest" commands, signed by the Czar and countersigned by the war and marine ministers, would, again upon the personal indication of the Czar, be actually issued. This anticipatory order of mobilization was thus by a very special arrangement insured against any evasion by the minister of war.

It was General Januschkevitch who laid these two orders before the Czar for the imperial signature. The orders signed thus by His Majesty had the countersignature of the directing senate by the time they made their way into the portfolio of the general staff. Upon the basis of these orders and in accordance with them were the corresponding telegrams prepared and these were signed likewise by the three ministers.

VII. MOBILIZATION OF ALL THE RUSSIAS

On Tuesday, the 28th of July, I made a final report to the Czar at Peterhof.

From the calmness, or rather from the repose with which the Czar took my exposition of the affairs that were now proceeding, one might have inferred that there was nothing whatever that then threatened the peaceful life of Russia. I was amazed at the reserve and the scant sympathy accorded my report by His Majesty. I could think of no explanation of it all that satisfied me.

After my return to St. Petersburg on this same 28th of July, in the latter portion of the afternoon, Januschkevitch told me that through Sazonoff he had received the "all-highest" command to mobilize the districts of Kieff, Moscow, Kasan, and Odessa—to go forward; that is, to a partial mobilization.

This was the counterstroke to the general mobilization of the Austro-Hungarian forces, already announced to us as complete by our ambassador at Vienna, Schebeko.

This partial mobilization, which we were now to undertake, was in reality unpalatable to the military element. From considerations of a technical nature, it might happen that a partial mobilization would create difficulties and confusions. These must become actually perilous if, immediately after such a step had been taken, it became necessary later to proceed to an actual general mobilization. This was clear to every officer in the ministry of war and to no one was it clearer than to the general staff.

Nevertheless, I was obliged on the 28th of July to press the button for a general mobilization.

VIII. RUSSIA IN THE FRENCH TRAP

On the 30th of July a meeting of the cabinet was held in the palace of Our Lady.

Reflected in our procedure was the agitated mood of the capital. Reflected in it, too, was the tense state of the nerves of the members of that ministry. Upon the turn of a hair seemed to depend whether or not a duel should take place between Maklakoff and Krivoschein.

In the foreground of all discussion at this sitting naturally stood the needs of the armed forces. These had to be met in the event—now apparently highly probable—that diplomacy failed to avoid a war.

From Sazonoff's elucidations at this cabinet conference it grew clear to us all that actual war was now scarcely to be escaped. It certainly could not be avoided if our menace through the medium of armed neutrality by means of our partial mobilization in the southern districts in reply to the challenging course of the dual monarchy remained without effect.

I made reference, naturally, to the dangerous situation in which we found ourselves as a result of the partial mobilization.

By myself as well as by Admiral Grigorovitch certain details connected with measures of preparation for war were now brought forward. These could not be urged with due prominence before. They entailed also energetic attack and the use of ample funds. With the closing of the frontiers immediate measures must be adopted to provide for the manufacture of munitions and weapons at home. These had hitherto been obtained from abroad. The industrial life of Russia based upon private business establishments and enterprises was not equipped for the task. Its development in this direction, in view of the scant resources placed at the disposal of the war ministry during the period of peace, could not be begun even. In this connection I was reminded by the minister of agriculture, Krivoschein, who sat near me, of the talks and dealings we had in 1910 with the finance minister. At that time Kokovtseff had declared that after a declaration of war the thing needful for the actual campaign was money, money, and more money yet. I had replied at the time that we could not even after the actual entrance upon a campaign shoot money at the enemy, and that our accumulations of gold would merely fall into the hands of the enemy if we had at home no industrial plants that could manufacture munitions and weapons.

IX. UNDER UNCLE'S THUMB

Even the incorrigible optimists could now no longer deny that we were on the eve of war.

In the general staff a feverish activity prevailed. Thanks to the interference of the grand duke in a fashion that set precedence and order at defiance, the chief of staff now enjoyed direct access to the Czar. The minister for foreign affairs likewise transacted business unknown to me with the chief of staff. It was no wonder that with such irregularities gross blunders were perpetrated.

In the agitating days immediately preceding the breach with Germany zeal was displayed by the German ambassador, Count Pourtalès, in frustrating the possibility of a mobilization of our forces. He importuned Sazonoff not to rush into military measures that might prove prejudicial to the work of peace proceeding still in diplomatic circles.

With the solution of the diplomatic problem I was not involved. Nicholas Nicholaievitch had known how to spare the Czar the "presence" of all inconvenient advisers and that signified my "presence" conspicuously. The Czar in those days just prior to the war was entirely under the influence of his uncle.

If it now developes that behind my back General Januschkevitch sought to substitute and set in motion instead of the partial mobilization a general mobilization, I can only say this is news to me—an undertaking that at the time was cleverly concealed from me. Januschkevitch was an able and farseeing man. Of his own motion he could not have formed any plan for this criminal deed. There can be no doubt whatever that he was guided throughout by a person whose influence with the Czar was so great that Januschkevitch himself ran not the slightest risk whatever.

We know now that instead of the partial mobilization determined on the 28th of July, almost a complete mobilization was declared on the 29th of July.

Behind my back some one had evidently undertaken to extract from the Czar authority for a general mobilization. Manifestly, Nicholas Nicholaievitch had constrained the assent of the Czar to this. But His Majesty, after the arrival of the letter from Emperor William, had thereupon once more modified his command.

When he transmitted this ultimate decision of the Czar to the general staff, General Januschkevitch added that the Kaiser (thus in the original. The Czar is meant) took full responsibility upon himself for the partial mobilization.

X. TALKS BY TELEPHONE

After the arrival of the letter from Emperor William the subsequent progress of events took a rapid course.

About midnight of the 29th–30th of July the Czar called me on the telephone from Peterhof and communicated to me the contents of a telegram received from Emperor William. The Kaiser therein implored the Czar to suspend our partial mobilization, but said not a word about the suspension of any mobilization in Austria. Nor did he promise that this power, which had been the first to have recourse to such an expedient, would abandon it.

As I had not myself seen the Czar since the 28th day of July, I was, as may readily be understood, somewhat staggered by this telephone talk. The Czar, it became at once clear to me, must be somewhat shaken in the confidence he had reposed in the advice he received behind the curtains or on the back stairs. If the Czar was now firmly resolved to meet the wishes of the German Emperor, a direct order would have to be given to suspend the mobilization. For any such step the Czar did not find sufficient strength of purpose. In my opinion the reason was that such a step would not accord with the

point of view of his trusted adviser, from whose influence he would indeed gladly have been freed, but whose influence he could not of himself shake off. In his position, between hammer and anvil, the Czar chose a middle course, whereby responsibility, as he thought, was shifted to other shoulders.

"Is it not possible," he asked me, "to stop the mobilization?"

Over the telephone I replied that the mobilization was not a mechanism that at one's mere will could be halted and then set in motion again, like a wagon. As regards the partial mobilization, I deemed it my duty, if a command on this point were to be issued, to say that subsequently much time would be necessary to restore normal conditions for a fresh mobilization throughout the military districts. I begged the Czar for that reason, in view of the importance of the subject, to ask further advice upon it from the chief of the general staff. With that our talk ended.

After some little time, but on this same night, Januschkevitch called me on the telephone and informed me of a talk with the Czar, in the course of which his answer harmonized with that I had likewise given His Majesty.

Thus it transpires that neither Januschkevitch nor myself received any order for a suspension of the partial mobilization. We had not the right to undertake any arrangements of any kind with reference to it; we were still less justified in such a thing from the additional detail that the partial mobilization against Austria was determined not by the Czar alone but by the crown council of the 25th of July. Under such circumstances Nicholas II did not find strength of purpose to countermand his order without the support of the minister for foreign affairs, who had received the mandate from the crown council. The decision of this matter lay in the hands of those who conducted foreign affairs and with those forces which were effective on the back stairs, the control of which was impossible to me.

XI. SNUBBED

On the morning of the 30th of July I begged an audience of the Czar for the sake of making my report to him.

I received no reply.

Can the Czar have been then so busy that in those critical hours he could not receive the minister of war with his report?

Between the hours of 1 and 2 on that same afternoon Januschkevitch informed me by telephone that he had received from Sazonoff the "all-highest" command to publish a general mobilization order for both army and fleet.

This decision had been reached in consequence of the latest intelligence received from Berlin.

When Januschkevitch informed me of this it was already at the latest 2 o'clock in the afternoon. It was subsequently established that the questionable telegram from Berlin of our Ambassador Svwerbieieff could not have been received until the evening of that 30th of July.

This ambassador died not long ago. It has been granted me to make an examination of some notes left by him. In the course of these records of his he makes mention of the telegram of the 30th of July. It may be of interest to observe what Svwerbieieff himself said of these things on August 28, 1920, in Athens:

> "I was put in a position to inspect some diplomatic documents of the Berlin cabinet (published by M. Kautsky), and among them I found two papers.
>
> "One was a telegram from Herr Bethmann-Hollweg to the Count Pourtalès. I no longer recall the date. Another was a dispatch from the Bavarian minister to his Government on July 31. In these I am censured for having at least hastened, if not actually helped along, the outbreak of the war because I am alleged to have sent on to St. Petersburg without previous verification the false news of a German mobilization.
>
> "As for the denial with which I followed up my telegram, that would not, according to the Berlin cabinet, prove sufficient, seeing that I did not decide to confess my error candidly.
>
> "Now, here is an exact account of what happened.
>
> "As I have already narrated elsewhere, the Lokalanzeiger, official organ of the Government, had on the day previous, the 29th of July (Sukhomlinoff says the 30th is really meant), through the medium of an extra edition, spread the news that Germany was mobilizing. I was informed of it by telephone by the representative of the St. Petersburg agency at 2.25 p. m. (I remember the hour exactly.) I had barely time to send a telegram when the same agent telephoned me that the editors of the Lokalanzeiger denied the news it had previously published. It accounted for the origin of the error with an explanation only slightly plausible.
>
> "Without delay I sent a second telegram to Monsieur Sazonoff, in which I begged him to consider the previous one as null, void, and not received.
>
> "A quarter of an hour later—it was now 2.40 p. m.—the counselor of the embassy, Monsieur Bronevsky, came and told that, besides presenting his apologies, the Secretary of State had asked him over the telephone to tell me the news of the mobilization was false and that all the issues which had been made ready by the publishers for all eventualities and put in circulation at 1 o'clock in the afternoon were already confiscated.
>
> "Without losing an instant I sent a third telegram giving the purport of the communication from the Secretary of State. Hence all my three telegrams had been sent, and I had every reason to hope that they would reach their destination one after another at short intervals.
>
> "On reaching St. Petersburg I learned that matters had turned out differently. The first was received at about 4 o'clock in the afternoon, while the two others were decidedly delayed. The official denial had not reached its destination until about 9 o'clock in the evening.
>
> "What may have been the reason of this delay, I do not know. I have been told by competent persons who were involved at Berlin in the events preceding the war that the German Government—eager that the denial above mentioned should not be known too soon in St. Petersburg—had held back my last two telegrams.
>
> "Not being able to guarantee the authenticity of this information, I have persisted merely in giving the exact details of the episode that brought down upon me the unjust censure of the Berlin cabinet. (Note by G. Cleinow to the German edition of Sukhomlinoff's memoirs: The actual facts of this matter have since been documentarily established without prejudice one way or the other. The suspicion (that the telegrams were delayed by the Berlin Government) is wholly unfounded. The detail is moreover immaterial, since through the revelation of General Sukhomlinoff, as well as that of Ambassador Svwerbieieff, it is clear that Sazonoff had put through the general mobilization with the Czar even before the news of any mobilization came in from Berlin. General Sukhomlinoff says plainly: 'It was at the latest 2 p.m.' when Januschkevitch gave out the Czar's order for a general mobilization, whereas Svwerbieieff's telegram from Berlin 'could have been received only in the evening of July 30.' Svwerbieieff says specifically, 'the first telegram was received in St. Petersburg toward 4 o'clock in the afternoon.')
>
> "It is due to the editors of the journal (the Lokalanzeiger) to say that the Secretary of State explained the mistake to me in this way: On Wednesday, July 28, was held at Potsdam a council of war and it had been expected that the mobilization would then and there be decreed. The Lokalanzeiger had accordingly prepared copies for the purpose of giving the news to the public—copies which were circulated in the street by office boys."

XII. THE CZAR ASKED TO STAY AT HOME

My next report to the Czar was to be made personally on the 1st of August.

Meanwhile I was informed from Peterhof that the Czar wished to receive the Minister of War with his report on the 2d of August in the Winter Palace after the court ceremonies.

This "court" took place on a Sunday.

After the church ceremonies the Czar delivered an address to the assembled representatives of the army. To more than 4,000 officers were the inspirational words of imperial greeting then addressed.

When later I was received to make my report, His Majesty was most gracious. He thanked me for the brilliant and orderly execution of all mobilization details, employing the warmest words and embracing me as well.

Our Emperor was not so fortunate as to avoid war. As it was decided, apparently, that he would himself take command of the army in the field, the cabinet meeting, in view of the impending departure of His Majesty for the front, was held in Peterhof at the so-called "Ferma."

To this ministry His Majesty meant to give due powers and authority during his absence from the capital and he was now to signify and verify their nature and extent. The "Ferma" was really a pavilion in the park, a hall with small antechambers of the oddest construction, furnished fantastically. In the middle of the great hall stood a table around which some 20 or 25 persons could find seats. The furniture dated from the reign of Catherine. On the walls were equally ancient etchings, pictures of old castles, hunting scenes, representing the life of the seventeenth century. Portraits of individuals in high pompadour wigs, ruffles, frills, and tremendous encircling collars looked down upon the gathering.

To this "Ferma" the Czar came afoot, with no escort whatever and with no sword, just as if he had to do with an ordinary everyday gathering.

Now, as I set down these lines, nearly nine years after those days, when the critical, history-making question of whether the Czar should head the fighting army, was decided—to-day, when facts are at hand permitting a judgment regarding it all—I can indeed absolve the sovereign from the guilt of failing to show strength of will when he gave up his intention on the ground that I had made the necessary preparations for the war and for the conduct of the armed forces.

Better indeed would it have been if clearness had prevailed on this point before. Then the swapping of horses while crossing a stream would not have been necessary.

XII. HE DID NOT GO

Kicking a dead lion is not a sport I ever liked. Our unfortunate Czar has now to answer before the highest throne of all for his doings. Yet I should like to make clear how guilty I must feel in my own eyes had I not protested energetically against the opinion of all others there gathered for the cabinet conference—had I not affirmed that His Majesty ought not—confronted now, as he was, by the actual catastrophe—to abandon the purpose he had previously formed of personally taking the field with his troops.

During the meeting at the "Ferma" there sat on the right of the Czar, who presided, Goremykin in his capacity as prime minister. To the left of His Majesty I myself, as minister of war, was established. The declaration of the Czar was that he, before he took the field with the army, wished to confer certain powers upon the cabinet so that decisions could be taken efficiently during his absence without delay and without bureaucratic interference. Thereupon Goremykin was besought by His Majesty to express an opinion.

The mere framing of this entreaty made it apparent to me that on the part of the civil power nothing whatever had been thought out in justification of the original wish of the Czar. The aged prime minister indeed, almost with tears in his eyes, implored the Czar in view of the political situation not to leave the capital. He dwelt upon the peril to the country involved in the absence from its seat of government in Russia's difficult crisis of the official head of the realm. The address was in truth moving and made a tremendous impression upon the Czar.

These representations were warmly indorsed by the minister of agriculture and lands, Krivoschein, who vehemently affirmed that the Czar ought to stay in the administrative center of the vast state machine. He urged his point with such feeling that a powerful impression was produced upon the mind of the Czar. Then spoke up Schtscheglovitoff, the experienced professor. With his calm and quiet exposition, which he enforced by means of historical parallels, bringing in Peter the Great and conditions in the Prussian camp of those days, he persuaded us all that there was good reason why the Czar should remain at the helm of the administration. After Schtscheglovitoff other participants in this meeting spoke to the same effect.

Then it was my turn to speak.

His Majesty turned to me and remarked:

"Now, let us see what our minister of war has to say to this."

"As minister of war," I declared, "I must say that the army would be delighted to see its all-highest commander in its midst—all the more so since I know this to be also the eager desire of your Majesty. Upon this assumption the general staff laid its plans and it has taken it for granted in its scheme of operations in the field. Yet as a member of the ministry I stand alone now in my opinion. In the face of so united a front on the side of my colleagues I have no moral right to stand alone as the only one in opposition."

"This means," concluded the Czar, "that even the minister of war is against me."

He persisted no further in his contemplated departure to the army.

XIV. BEHIND THE CURTAINS

Whoever wishes to be well grounded in the backstairs history of the war should give particular attention to the days covering the period in which Poincaré's visit to the Czar occurred as well as to the days of that next series—from, say, the 24th to the 28th of July, 1914.

I am firmly persuaded that during this interval the decision regarding peace or war was made in the light of the understanding arrived at by Grand Duke Nicholas Nicholajevitch, Sazonoff, and Poincaré to frustrate every effort at a peaceful solution under all circumstances.

During and after the visit of Poincaré I was cut off from the Czar until the 2d of August when the war machine had already been set in motion by diplomacy. A stop or a halt was possible only through a breach of the pledge given by the Czar to the ally.

During all those days I was systematically hindered from being alone with the Czar. I was likewise systematically prevented from gaining an insight into the existing political situation.

Sazonoff and the Grand Duke, until the departure of the President of the French Republic, acted behind closed doors or on the back stairs. After the crown council of the 25th of July, sustained by the resolution taken therein and by the mandate from the foreign minister, they acted wholly without contact with the minister of war.

The Grand Duke had then chiefly to play the part of the one who inspired the mood of the Czar with a warlike spirit and to retain him in that state of mind. Sazonoff conducted himself in the fashion and worked in the direction suggested from Paris by Isvolsky, whereby, as may be seen from the treatment accorded Swerbieieff's telegram from Berlin, all information likely to leave an open door for peace was held back.

Sazonoff in all these doings was not the dominant personality. He was indebted for his post as foreign minister chiefly to his family connections and to the harmony between his conceptions of eastern policy with those of Isvolsky, the Grand Duke Nicholas Nicholajevitch, and the two Montenegrin princesses. Without having any fundamental experience in the field of diplomacy, Sazonoff was a man of culture and cleverness above the average, although very dependent upon such of his fellow workers as, like Count Tatistcheff, were more experienced politically than himself. In the sessions of the cabinet he defended the propositions brought forth by his department with energy. In the discussion of questions that concerned only other ministers he took no part.

I never had any difference with the foreign minister. Our rigidly correct intercourse was determined chiefly by the relations established for us through our official posts. The nature of our official intercourse was reflected even in unofficial ways. There were between us no enduring points of contact, since I had little concern with diplomacy, and Sazonoff did not interest himself in military affairs. His plan for the landing on the shores of the Bosphorus showed me how little he understood military matters.

Januschkevitch, the pliant creature of the grand duke, acted under his direct guidance. The extent to which this took place I had no means of controlling. As a result I knew nothing of the fact that the general subordinate to myself was daily with the Czar and reported behind my back. I thought I had arranged with the Czar that the chief of the general staff was to be asked to make reports only in the presence of the minister of war. It seems, however, that the Czar as early as the 25th of July, felt himself to be acting in the capacity of commander in chief, and for that reason believed—quite in the manner of the precedent set by his talks with Kuropatkin during the Japanese War—he could deal directly with the chief of staff by going over the head of the war minister and still not affront the latter. * * *

The grand duke, as well as Sazonoff, knew that I could advance powerful considerations in favor of the maintenance of peace in that summer of 1914. For that very reason they prevented me from advancing them at the most timely moment.

They were only too successful.

XV. A MASTER OF MENDACITY

No worthy representative of his government in St. Petersburg was the French ambassador—Paleologue.

Instead of working earnestly, he gave himself up to teas and empty chatter; he was influenced by gossip, and he did not disdain the acquaintance of even Gregory Rasputin. In his volume of recollections dealing with his stay amongst us, he contrives to tell many a fable. Anyone with even a casual acquaintance with the character of the Czar Nicholas II and his mode of speech would not believe a word of Paleologue's.

APPROPRIATIONS FOR DEPARTMENTS OF STATE, JUSTICE, ETC.

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the amendment of the Senate No. 19 to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes, which was, in lieu of the matter proposed to be inserted, to insert the following:

expenses and per diem in lieu of subsistence (and the Secretary of State may allow per diem in lieu of subsistence for foreign travel at not to exceed $8).

Mr. JONES of Washington. Mr. President, I desire to make a request which I think will take but a minute. In agreeing to the conference report on the appropriation bill for the Departments of State and Justice and Commerce and Labor the House agreed to one amendment with an amendment. I desire to move that the Senate concur in the amendment of the House to the amendment of the Senate.

The PRESIDENT pro tempore. The Senator from Washington moves that the Senate concur in the amendment of the House to the amendment of the Senate. The question is on that motion.

The motion was agreed to.

SETTLEMENT OF INDEBTEDNESS OF HUNGARY

Mr. SMOOT. Will the Senator from Nevada yield to me? I desire to report a bill from the Committee on Finance and to ask for its immediate consideration.

Mr. PITTMAN. I will yield, reserving the right, if debate occurs on the bill, to object.

Mr. SMOOT. If the bill leads to any debate at all, I will withdraw it.

From the Committee on Commerce I report back favorably without amendment the bill (H. R. 8905) to authorize the settlement of the indebtedness of the Kingdom of Hungary

to the United States of America. I ask unanimous consent for the present consideration of the bill.

The PRESIDENT pro tempore. Is there objection?

Mr. SMOOT. I wish to say to the Senate that the settlement that is made with Hungary is exactly the same as the settlement which we have made with England and with Finland.

Mr. WALSH of Montana. Reserving the right to object, I ask that the bill be read.

Mr. PITTMAN. Then I shall have to object, because I can not consent, in view of the circumstances, to have the time taken up now.

Mr. SMOOT. The bill is to settle the debt to us from Hungary in the sum of $1,939,000.

Mr. PITTMAN. I am sorry that I can not yield.

The PRESIDENT pro tempore. Objection is made by the Senator from Nevada to the consideration of the bill.

WAR DEPARTMENT APPROPRIATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, the pending question being on Mr. PITTMAN's amendment, on page 96, after line 6, to insert:

That paragraph (1) of section 4 of the interstate commerce act, as amended, is amended to read as follows:

"(1) That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through rate than the aggregate of the intermediate rates subject to the provisions of this act, but this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive as great compensation for a shorter as for a longer distance: *Provided*, That upon application to the commission a common carrier may, after public hearing, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property only in a case where the route via the applicant carrier or carriers is longer than via the route of some rail carrier or rail carriers between the same points; but in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed; and if a circuitous rail line or route is granted authority to meet the charges of a more direct rail line or rail route to or from competitive points and to maintain higher charges to or from intermediate points on its line, the authority shall not include intermediate points as to which the haul of the petitioning line or route is not longer than that of the direct line or route between competitive points: *Provided further*, That the commission may, with or without hearing, upon its own motion or upon application of carrier or shippers, in cases of emergency, such as drought or disaster, authorize during the continuance of said emergency any common carrier or carriers to charge or receive a greater compensation for a shorter than for a longer distance.

"Where any common carrier has, or common carriers have, in effect any rate, fare, or charge which is less for the longer than for the shorter distance between two points (the shorter being included within the longer distance), and which has been authorized by the commission or as to which application was filed with the commission on or before February 17, 1911, and not yet acted upon by it, such rate, fare, or charge shall not become unlawful (except by order of the commission) until after 12 months following the passage of this amendatory act; nor shall such rate, fare, or charge in effect via circuitous rail carrier or rail carriers become unlawful if it shall have been authorized by order of the commission, after public hearings based on no less a showing than that upon which the commission is herein authorized to grant relief: *Provided*, That nothing in this section contained shall prevent the commission from authorizing or approving departures from the provisions of this section in so far as applicable to import or export rates, including rates applicable to traffic coming from or destined to a possession or dependency of the United States, or to a block system of express rates established by order or with the approval of the commission, or permitted by it to be filed."

Paragraph 2 of section 4 of the interstate commerce act, as amended, is hereby repealed.

Mr. PITTMAN. Mr. President, under the rules there may be presented at 1 o'clock—and that is the understanding—two points of order against my amendment. One of those points of order is on the ground that the amendment is not germane and relevant to the subject matter of the bill under consideration. If that point of order be made at 1 o'clock, then it will be the duty of the Chair, under paragraph 3, Rule XVI, to submit the question without debate. It is therefore very material, in order to have an understanding as to how we are going to vote on the matter, to consider the question whether or not the amendment is germane.

There is another point of order that may be made under the rules, and that is that the amendment is general legislation to a general appropriation bill. I desire to discuss those two questions.

In determining whether the amendment is germane it is necessary, in the first place, to ascertain the purpose of the bill; and, in the second place, to ascertain the purpose of the amendment. The object of the bill—at least, of that portion of it which I seek to amend—is to appropriate money for the improvement of and making navigable our inland waterways and for the improvement of the Panama Canal. The amendment which I offer has for its purpose the prevention of acts by the Interstate Commerce Commission that will make futile those appropriations.

The purpose of the appropriation for harbors and inland waterways and for the Panama Canal is to place them in a condition where they will encourage and make possible transportation by water. If one of the departments of this Government is conducting its affairs contrary to law and in a manner that will make navigation on the inland waterways impossible, then it is certainly germane and relevant to place some safeguards around the appropriation.

At the start I charge that there is no water transportation on inland waterways, and I charge that the evidence discloses that there never can be any transportation on the inland waterways if the construction now given to the law and the practices being followed by the Interstate Commerce Commission shall continue. In other words, unless there is some qualification placed in this bill with regard to the manner of the use of these appropriations, they will be wasted and useless. That is the whole situation.

Now what is the existing law, which I contend that the Interstate Commerce Commission are violating to the destruction of water transportation? It will be found in the transportation act of 1920, commonly known as the Esch-Cummins law.

Section 4 of that act, which has been on the statute books since 1887, provides that no common carrier shall charge more for a short haul than a long haul, or, reversing the language, that the Interstate Commerce Commission shall not grant authority to a railroad to charge less for the long haul than for the short haul. They may charge exactly the same amount; they may charge as much, if they please, under the policy of Congress, to haul freight from New York to St. Louis as they do from New York to San Francisco; that is permissible under the fixed law of this country; but they can not charge more for hauling freight from New York to St. Louis than they charge for hauling it from New York to San Francisco.

Mind you, Mr. President, Congress attempted to relieve from that stringent rule, and how did they attempt to do so? They put a proviso in that act. It was not the first proviso; there have been several of them; but in the act of 1920, when we were trying permanently to regulate the commerce of this country, when Congress desired to treat transportation as a national system, they put in this proviso:

Provided, That upon application to the commission such common carrier may in special cases, after investigation, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property; and the commission may from time to time prescribe the extent to which such designated common carrier may be relieved of the operation of this section; but in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed.

Now, let us see what the construction is that is placed upon the act. I will first read the construction which Congress itself placed upon the act. By turning to page 141 of the interstate commerce act we find this language:

SEC. 500. It is hereby declared to be the policy of Congress to promote, encourage, and develop water transportation, service, and facilities in connection with the commerce of the United States, and to foster and preserve in full vigor both rail and water transportation.

Congress so declared again in the transportation act of 1920, where the provision is included which I have just read.

When the chairman of the Senate Committee on Interstate Commerce presented to the Senate the transportation act of 1920 he explained to the Congress the meaning of this new provision in section 4 of the interstate commerce act. What did

he say? Remember, Mr. President, he was speaking for the committee and he was speaking as the author of the bill. This is what the Senator from Iowa [Mr. CUMMINS] had to say at that time:

We have said in this bill that the Interstate Commerce Commission can give the authority to charge more for the shorter than the longer haul, but in giving the authority it must find that the rate which is charged by the railway company for the longer distance is a compensatory rate as distinguished from an out-of-pocket cost rate. There is a great difference between those two things.

The Senator from Iowa continued as follows:

A compensatory rate, I assume, means a rate which will enable the railway company charging it to defray the cost of maintenance and operation and that will also bear its just share of the return upon capital.

I wish to say that I am not presenting this question here purely as a perfunctory matter. I consider it one of the most important questions that we have had before the Senate, and I know that a good majority of Senators recognize the outrage that is being perpetrated by the action taken by the Interstate Commerce Commission and desire to change it. There are many Senators here, however, who do not believe that they have a right to consider this amendment by reason of it being offered to an appropriation bill, and that is the question which I am now discussing.

Mr. SPENCER. Mr. President, will the Senator yield for a question?

Mr. PITTMAN. Yes.

Mr. SPENCER. I am very much interested in what the Senator is saying. I am inclined very much to agree with him, but I should like to ask whether, before he concludes, he intends to discuss the statement he has just made, for it is in that regard that I have my greatest doubt?

Mr. PITTMAN. That is exactly what I am moving to now. I wish to read again what the Senator from Iowa [Mr. CUMMINS] said in presenting the bill which became the transportation act of 1920:

A compensatory rate, I assume, means a rate which will enable the railway company charging it to defray the cost of maintenance and operation and that will also bear its just share of the return upon capital. I take it that the word "compensatory" is used in that sense. Therefore, in the case put by the Senator from North Carolina, if the charge for the longer distance was not a compensatory charge, the Interstate Commerce Commission would have no authority to grant the right to charge more for transporting the sugar, or whatever it may have been, over the shorter distance than it charged for transporting it over the longer distance. I think this amendment will go very far toward correcting the manifest abuses which have crept into the law. I think that the Interstate Commerce Commission could have prevented very many of those abuses by proper and correct rulings upon the law as it is, although I do not criticize it in that respect, for its work has been very difficult.

Mr. BORAH. Mr. President, I did not understand what the Senator is reading from.

Mr. PITTMAN. I am reading from the speech of the Senator from Iowa [Mr. CUMMINS], the chairman of the Interstate Commerce Committee, at the time he presented to the Senate the transportation act of 1920, and when he was explaining the meaning of the proviso to section 4, which required that where the charge to the more distant point was less than to the intermediate point it, at least, had to be compensatory, and in which he stated that it was different from an out-of-pocket cost; that it had to earn more than that.

Now, let us see, for instance, what Mr. Justice Brewer's opinion was on this very matter. I refer to page 9 of the hearings, in the statement made by Mr. Campbell, of the Interstate Commerce Commission. Here is what Mr. Justice Brewer had to say in the case of the Morgan Grain Co. v. Atlantic Coast Line Railroad Co. (19 I. C. C. 460, p. 470):

Compensation implies three things: Payment of cost of service, interest on bonds, and then some dividend.

The Supreme Court of the United States, in Northern Pacific Railway Co. v. North Dakota (236 U. S. p. 585), quotes that definition of compensation as correct.

Now, let us see what the definition is that is given to this by the Interstate Commerce Commission. Here is the criterion laid down by the Interstate Commerce Commission; and notice how different it is from that laid down by the Supreme Court of the United States and laid down by the Senator from Iowa, the chairman of that great committee, when he presented this amendment. Here is the criterion laid down by the Interstate Commerce Commission, upon which they decide these applications for departure:

A rate properly so described must (1) cover and more than cover the extra or additional expenses incurred in handling the traffic to which it applies.

There is quite a difference in that; but, mind you, if that language is not sufficiently definite, I want to turn to the testimony of Mr. Hall, the chairman of the Interstate Commerce Commission, who testified before our committee on this very act a few weeks ago. He is speaking for the majority of the commission. He is speaking, in fact, for every member of it except one member, and that is Mr. Campbell, who dissented. Now, remember, it was only a week or two ago that the chairman of the Interstate Commerce Commission gave his construction of "reasonably compensatory"; and what did he say? Here is what he said:

Senator PITTMAN. But right now you are not prepared to say on a shipment of steel, for instance, what part of the compensation is a fair return on those roads, are you?

Commissioner HALL. No; I don't know how you could get at it. Perhaps some of the gentlemen representing the carriers can, but I don't know.

Now, listen to this, Senators:

Senator PITTMAN. How do you get at the question as to whether the charges at the distant point are reasonably compensatory?

Commissioner HALL. I have said to you, sir, that while I am not satisfied with the answer, the nearest I have gotten to an answer in my own mind is that if, as the net result of getting the additional traffic at the lower rate, the carrier has an increased net revenue, then it may be said that that additional traffic has been reasonably compensatory under the circumstances.

Look at the difference between those things. If it pays anything over and above the cost, it is reasonably compensatory; and yet the Supreme Court of the United States says "compensation" means sufficient not only to pay costs and maintenance but to pay interest on bonds and some dividends. That is the same attitude that was taken by the Senator from Iowa when, as chairman of the committee, he presented this very provision. Mind you, it had the construction of Congress before the act was passed, while it was being considered; and in spite of that the Interstate Commerce Commission up until this very hour is refusing to accept that interpretation of it, and continuing to construe "compensation" to mean "out of pocket costs."

Now, let us see what the railroad construction is of this provision.

Mr. OVERMAN. Mr. President, may I ask the Senator a question?

Mr. PITTMAN. I yield.

Mr. OVERMAN. This great contest has been going on here for 15 years. We had a debate on it for two weeks 10 years ago and thought we were arranging this matter so that the people would be protected against unjust discriminations. Then we had it again later on. The Interstate Commerce Commission differed with the intention of Congress, it seemed, and we passed another amendment, and still the law is construed against the will of Congress so as to permit discriminations. If the Senator's amendment should be adopted, what assurance have we that the Interstate Commerce Commission will not construe the law so that the relief the Senator asks for will not be obtained? That has been my experience for 15 years.

Mr. PITTMAN. The Senator is entirely right; and the only way we can possibly remedy the situation is to state that they shall have no discretion whatever in varying from section 4 to meet water competition.

Now let me read to you what the railroad construction of this proviso of section 4 is. I take it from the hearings recently had before our committee at page 426:

The CHAIRMAN. Mr. Spence, in asking for relief, what are the main reasons that prompt that request?

Mr. SPENCE. The sole reason, Mr. Chairman, is that the rail carriers may obtain, or recover, I might say, a share of the traffic that is going by sea or by water.

The CHAIRMAN. Is that tonnage that you desire to recover profitable to your carrying by rails?

Mr. SPENCE. It is profitable in the sense that it yields a return of about what it costs to handle the extra traffic.

The CHAIRMAN. It yields a return above the cost?

Mr. SPENCE. Yes, sir.

That is the railroad construction of it; that is the Interstate Commerce Commission construction of it; and that is diametrically opposed to the construction placed upon the provision by Congress when they were debating it here and by the

Supreme Court of the United States in defining what "compensation" means.

Now, let us see. What do the water shippers of the country have to say about this proposition?

Here is a statement by Mr. Lyon, representing a great number of water shippers, in the hearings before the committee a few weeks ago, when we were discussing this matter. At page 626 he says this:

The granting of the application would practically destroy the water lines, or at least certainly reduce their ships to one-half the number they now have.

Senator GOODING. The granting of this application?

Mr. LYON. Yes; and there is no reason why they should not take all the business if they can do it on a rate which is something over their 40-cent rate, using that to illustrate; if they can get 50 per cent of our business, I see no reason why they should not get 99 per cent of it.

Now, let us see. What hope is there that the Interstate Commerce Commission will change their attitude on this subject? Is there any? As the Senator from North Carolina [Mr. OVERMAN] says, have we not tried it out for 30 years? Has not the chairman of the commission come before the Interstate Commerce Committee in the last few weeks and given his testimony as to how he will continue to construe it? Even though his attention was called to the speech of the Senator from Iowa, he still maintains his position.

Now, I want to see what chance there is to change this matter. I want to read from the testimony of Mr. Campbell, of the Interstate Commerce Commission. He testified before us a few days ago. He is in favor of the construction given by the Senator from Iowa and by the Supreme Court of the United States, and when a case came up on departure he so voted; but he was the only one of the whole commission who voted for that construction. The others voted for the construction given it by Mr. Hall, the chairman of the commission.

Now, listen to what took place:

Senator PITTMAN. I also understand from your statement that it is your opinion, or your view as a commissioner, that the commission has not carried out the intent of Congress in the administration of this act.

Commissioner CAMPBELL. Well, I would not put it that broad. I would say that they have not carried out what I think Congress intended. Of course, the majority think they have, and they may be right.

Senator PITTMAN. But that is your opinion?

Commissioner CAMPBELL. Yes; that is my opinion.

Senator PITTMAN. You have referred to a particular dissenting opinion there. How many members of the commission joined you in that dissenting opinion?

Commissioner CAMPBELL. Which one was that?

Senator PITTMAN. It was in regard to 1922.

Commissioner CAMPBELL. About the reasonably compensatory rates?

Senator PITTMAN. Yes.

Commissioner CAMPBELL. I think none.

Senator PITTMAN. How many of the commissioners were there then and participated in that?

Commissioner CAMPBELL. I think all of the commissioners participated in that.

Senator PITTMAN. That is, there were 11 commissioners, were there not?

Commissioner CAMPBELL. Yes.

Senator PITTMAN. And there were 10 against it?

Commissioner CAMPBELL. I think so.

Senator PITTMAN. Is there any way of changing that policy of those 10 men, in your opinion, if Congress thinks that policy should be changed, except by direct legislation?

Commissioner CAMPBELL. No; I tried my persuasive powers, and I was not successful; so I think it is up to Congress.

Senator PITTMAN. And if Congress should agree with you, then, in your opinion, there is but one way of enforcing that policy on the part of the commission, and that is by mandatory legislation?

Commissioner CAMPBELL. I think so.

So, Mr. President, we have come down to the position where we know definitely what the attitude of the Interstate Commerce Commission is, and will continue to be if we do not enforce the construction of this proviso as intended by Congress what will be the result? The Interstate Commerce Commission must grant the applications now pending by the western roads for an out-of-pocket cost rate in competition with intercoastal water transportation, and subsequent applications to meet water competition on our inland waterways. Is not that true? How can they refuse an application to meet water competition when they have said to the rail carriers: "If it is essential to meet water competition, we will let you haul goods in competition at cost." That is their rule; that is their interpretation of "reasonably compensatory," so they will continue to do it.

What would be the result of such action? Now, mind you, every western road has made application for departures from the fourth section.

Every western road is asking to have put into effect rates at the seaboard towns that are out-of-pocket cost. What will be the result? We have established a Shipping Board here in this country for the purpose of trying to encourage shipping, and what is said by the Shipping Board? We ought to take the advice of the Shipping Board on some matters, at least, or we ought to abolish it. I have already read the whole resolution adopted by the board, and I will not read it all again, but just a part of it. It is as follows:

Whereas it is believed by the United States Shipping Board that the application of the rail carriers is made in contemplation that it will drive the ocean carriers from this competitive trade through diversion of the commerce now being so carried in fair competition; and

Whereas any destruction of the favorable and economical competitive transportation of commerce from the Pacific to the Atlantic seaboards through the Panama Canal would be injurious to the public interest: Now, therefore, be it

Resolved, That the United States Shipping Board convey to the Interstate Commerce Commission the protest of the United States Shipping Board against granting the application designated as fourth section application No. 12436.

What good does that protest do? They have been making that kind of protest for years. You can not protest against a court administering a law under the construction which it has already given to the law. The commission are simply violating the instructions of Congress; and, as Mr. Campbell said, there is no remedy except to take away from them the discretion to allow railroads to charge just the cost of transportation so as to put water carriers out of business.

Let us see what the Merchants' Association of New York has to say about this thing, and I am sorry the junior Senator from New York [Mr. COPELAND] is not here. He was very much interested in the matter the other day. This is what they said:

We believe the rates proposed by the applicants are lower than are necessary to meet legitimate water competition, and if they are permitted to become effective, will eliminate legitimate competition by the water lines. This situation will be most detrimental to New York and shippers in Atlantic seaboard territory, in that they will be deprived of rates, service, and markets to which, by reason of their geographical location, they are lawfully entitled.

To extend this territory of origin and to reduce the rates therefrom so materially as the carrier proposes in this application will create so great a disadvantage to the producers in Atlantic seaboard territory as to preclude their entering the Pacific coast markets in competition with middle western shippers.

For these reasons, therefore, the Merchants' Association of New York protests against granting the rail carriers' application, and respectfully requests that authority to establish the prposed rates be denied.

So this commercial body is opposing these rates, and they have always opposed them. But what good does it do? They know that under the rule established by the Interstate Commerce Commission they must grant them. They should know there is only one way to stop them from granting them, and that is to divest them of their authority to allow railroads to charge these confiscatory rates to put the water competition out of business. That is all this amendment does. This amendment has nothing to do with the regulating of railroads. It has nothing on earth to do with the long-and-short-haul departures as between direct and circuitous rail rates. It does not affect anything of that kind. It affects only these rates which these men are protesting against.

I see the junior Senator from New York has just entered the Chamber. I will say to him that I have just read a protest by the Merchants' Association of New York against this application of the western roads for relief under this provision of section 4. They say that it will destroy coastwise trade. They say that it will be unfair to New York, with its natural location on the water.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. COPELAND. I would like to say to the Senator from Nevada that I am not only a Senator of the United States but I am a Senator from the State of New York, and live in the city. I have had protests that the passage of this amendment would militate against the business of the city of New York; that under the present arrangement we can get rapid railroad

transportation from New York to the Pacific coast, but if this amendment were to be enacted it would mean that the only way the New York merchant could send his stuff to the coast at the low rate would be actually by shipping it by the long water routes, which would involve weeks of time; that if the direct route were to be taken the price would be materially increased. I would like to ask the Senator from Nevada what the answer is to that criticism?

Mr. PITTMAN. I am sorry I have only 10 minutes and can not go over the argument I have just made. I have read what your merchants' association says, that the rates are too low from Chicago west, because they are cost rates; and yet that is in accordance with the rule laid down by the Interstate Commerce Commission, and they will follow it. If they give cost rates from Chicago to the Pacific coast and give cost rates from New York to the Pacific coast, the rates from Chicago will be lower. There is no question about that, because it costs less. If they give cost rates to the coast on all lines, the actual cost of the transportation, which is what their application asks for, Chicago, Toledo, and all points west of New York will have a lower rate to San Francisco, because the cost will be lower for hauling any commodity 2,000 miles than for hauling it 3,000 miles. Your commercial bodies oppose the granting of this relief, and yet they do not understand that it is going to be granted if the power is not taken away from the Interstate Commerce Commission. They think we are dealing with circuitous and direct rail routes. We have nothing to do with them. We deal only with water competition.

Mr. GOODING. Mr. President, may I say to the Senator from New York that there is no violation between New York and Chicago at the present time, and never has been. So your people, as far as that is concerned, are not interested in that feature. The great interests between New York and Chicago would not permit violations. Pittsburgh would not permit a violation. No point in the State of Ohio or any other point, where there are great industries strong enough, would permit violations. The railroads would not ask for them.

Mr. BORAH. Mr. President, the Senator from Nevada has only a few minutes left, as I understand the agreement, and I wish he would dwell somewhat upon the question of the point of order more directly, because that is troubling some more than the other question is troubling them.

Mr. PITTMAN. Very well; I will do that now. I have only gone so far into this matter for the purpose of showing that at least this amendment is germane to the legislation providing these appropriations. There is no question about that. That is why I went into it. It is germane, because the appropriations are futile unless there is some such provision in the law. I wanted to show that there must be a law to change the attitude of these people or they would not change it.

This amendment simply reaffirms existing law, and denies the authority of the Interstate Commerce Commission to violate it.

It simply restates every power the Interstate Commerce Commission was intended to have under section 4.

It simply adds provisions to protect the appropriation and insure the accomplishment of its purpose under existing law.

It is to direct the Interstate Commerce Commission not to obstruct or interfere with the encouragement and development of water transportation, which is provided for in section 500 of the interstate commerce act.

Similar provisions in the Panama Canal act were not only deemed germane but relevant and necessary. I refer to the provisions of that act which prevented the railroad companies from operating ships through the Panama Canal in competition with other ships. It was known that you had to do that or the railroad companies would not permit any privately owned ships to operate through the Panama Canal.

This is just as important to the Panama Canal as was the provision that railroad companies should not operate ships through the canal. It is just as germane, it is just as relevant, it is just as necessary. That shows, beyond question, the germaneness of the matter.

As to the other proposition, that it is general legislation, when there was pending in the Senate recently the celebrated Howard University dispute the junior Senator from Wisconsin [Mr. LENROOT] presented the following amendment to an appropriation bill:

> For additional medical school, $370,000.

A point of order was made against that on the ground that it was general legislation. What was the result? I read from the RECORD:

> The PRESIDING OFFICER (Mr. CURTIS in the chair). The Chair overrules the point of order so far as it relates to general legislation, because the Chair is of the opinion that it is not general legislation. In accordance with the rule, the Chair submits to the Senate the question of whether or not the amendment is germane.

The Senator from Wisconsin, in trying to avoid the argument made by different Senators that it was general legislation, said:

> The question often came up whether a given item or given language was general legislation or special legislation, and so the word "new" was used to cover them both, not items of appropriation, necessarily, but whether it was general or special legislation.

In the Howard University matter the amendment authorized the erection of a building for the benefit of a private institution, not a public institution, because the Howard University is not a public institution. If the authorizing of a building not provided for in general existing law was not new legislation, then certainly a reaffirmation of the existing law can not be held to be new legislation. This is nothing but a reaffirmation of existing law. It does not change a single thing in the law as understood by the Senator from Iowa, and as the Supreme Court held it to be. There is not a change in it. It is a reaffirmation of existing law.

If that is any different in principle from legislation authorizing the erection of a building, I do not understand it. As a matter of fact, I took the ground on the floor at that time that the Lenroot amendment was general legislation. I stated at that time that if the Senate sustained the Chair in that proposition, I would accept it as a rule, as I accept the construction of a law by the Supreme Court of the United States, although I may differ from it.

This is the situation: We made a rule. The amendment before us was subject to two constructions. The Senate of the United States construed it in that case. I stand on that construction, that the legislation authorizing the erection of a new building was not, in the interpretation of the rule, general legislation. Why was that ruling made? Because in the past there had been appropriations made for that purpose, and because those appropriation bills were existing law, or something of that kind.

This appropriation bill which comes before us to-day has new legislation in it. The committee amendments have legislation in them. The House has provided in an appropriation bill for the building of a new power plant at the Panama Canal. If it is understood that an appropriation bill is nothing but a supply bill, that it will do nothing but furnish money to carry out existing law, I stand by it, but if an appropriation bill is to be used as the medium of the legislative ideas of appropriation committees, and then the Senate, when it gets the bill before it, can not amend it to protect the appropriations in it, I am against it.

But I say now that the situation as it stands is simply that the Senate has held that it is only a question as to whether the amendment offered is germane and material. They have wiped out that provision of the rule requiring that no legislation shall be offered to an appropriation bill by the ruling in the Howard University case. They passed through this body an appropriation for the erection of a building for a private institution with regard to which there was no former legislation. We can not have a rule that applies to one case and does not apply to another similar case.

There is only one point involved in the proposition. Here is an appropriation to accomplish navigation by water. Here is an amendment that is admittedly essential to make that appropriation available. If we can put a limitation on an appropriation, at the same time we ought to be allowed to put safeguards on the appropriation. If we can not, then the appropriation is perfectly futile. That is my position in the matter. I contend that under the ruling in the Howard University case they wiped out the provision with regard to general legislation and narrowed it down solely to the question of whether or not it was in aid of carrying out a policy contained in a bill, and whether or not, having appropriated money for the university in the past, we could continue where it was necessary to make the formal appropriations available. That is the rule we have come down to, and if we are not going to enforce that rule then we are going to give to appropriation committees the right to use their great power of appropriation not for the purpose of supplying money to carry out existing laws, but for the purpose of using that committee for the purpose of initiating bills that will develop into law.

It seems to me, Mr. President, that the case is on all fours with the Howard University case. It seems to me the supreme court of this body, which is the Senate itself, has given its construction to a rule and it can not go back on the construction. It certainly should not go back on the construction in a case that is as vital as this case.

I have gone into the evidence during the last 15 or 20 minutes to show the absolute necessity for this kind of legislation, and to show that the appropriations are wasted, that they will be unavailing and useless without this kind of legislation. It is not general legislation in the sense that the Senate had in mind. It is not new legislation in the sense that the Senate had in mind. It is legislation which reaffirms existing law, which says to the Interstate Commerce Commission, "We will rewrite this law, although we do not change it from what we originally intended, but we do want to say to you that we grant this appropriation through the rivers and harbors act with the understanding that you shall not make futile these appropriations by a violation of the law." If that can not be done, then we have no method of adequately preventing a constant misconstruction of the law by one of our agents. This is not misconstruction by the courts. It is a misconstruction by the Interstate Commerce Commission, which is an agent of this body. This is special legislation with regard to rivers and harbors and intercoastal waterways. The amendment is not general legislation. It is special in that we are throwing a protection around this particular special subject.

Mr. WADSWORTH obtained the floor.

Mr. WARREN. Mr. President, I think there should be a quorum present before the point of order is made and discussed. Therefore I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Clerk will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fletcher	McKellar	Shipstead
Ashurst	Frazier	McKinley	Shortridge
Bayard	George	McLean	Simmons
Borah	Gerry	McNary	Smith
Brandegee	Gooding	Moses	Smoot
Brookhart	Hale	Neely	Spencer
Broussard	Harreld	Norbeck	Stanfield
Bursum	Harris	Norris	Stephens
Cameron	Harrison	Oddie	Sterling
Capper	Heflin	Overman	Swanson
Caraway	Howell	Owen	Trammell
Colt	Johnson, Calif.	Pepper	Wadsworth
Copeland	Johnson, Minn.	Phipps	Walsh, Mass.
Cummins	Jones, N. Mex.	Pittman	Walsh, Mont.
Curtis	Jones, Wash.	Ralston	Warren
Dale	Kendrick	Ransdell	Watson
Dill	Keyes	Reed, Pa.	Wheeler
Edwards	King	Robinson	Willis
Ferris	Ladd	Sheppard	
Fess	Lodge	Shields	

Mr. SMITH. I wish to announce that my colleague, the junior Senator from South Carolina [Mr. DIAL], is absent on account of illness.

The PRESIDENT pro tempore. Seventy-eight Senators have answered to their names. There is a quorum present.

Mr. BORAH. Mr. President, will the Senator from New York yield to enable me to have something inserted in the RECORD?

Mr. WADSWORTH. I yield for that purpose.

Mr. BORAH. I have a communication from Mr. J. F. Shaughnessy, of Nevada. I do not know whether it has been put in the RECORD or not. May I ask the Senator from Nevada if it has been put in the RECORD?

Mr. PITTMAN. I think not.

Mr. BORAH. I ask permission to insert in the RECORD a statement by Mr. J. F. Shaughnessy, chairman of the Nevada Railroad and Public Service Commission, being a discussion of the merits of the pending amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

MAY 16, 1924.

Hon. WILLIAM E. BORAH,
United States Senate.

MY DEAR SENATOR: I desire to express appreciation for your kindness in allowing me a few moments out of your busy day and also your consideration in granting me the privilege of confirming by letter the few thoughts I am anxious to leave with you in support of the amendment for the correction of long and short haul rate abuses, which Senator PITTMAN has given notice he will offer to the rivers and harbors appropriation bill.

I am here in the interest of the people of Nevada, as one of their State officers, being the chairman of the Public Service Commission of Nevada, and we, with other Intermountain States, are petitioning the Congress for the aforesaid relief in order that we may have at least an equal opportunity from a transportation standpoint with the heretofore more favored Pacific coast terminal points.

As illustrative of the long and short haul rate situation which I brought to your attention, I beg to set forth the following examples, which you will note are in contravention of the declaration of Congress set forth in section 500 of the transportation act that—

> "It is the policy of Congress to promote, encourage, and develop water transportation, service, and facilities in connection with the commerce of the United States and to foster and preserve in full vigor both rail and water transportation."

WOOL RATES

For a haul of 3,300 miles from San Francisco to Boston the rate is $30 per ton, whereas for a haul of 2,800 miles from Battle Mountain, Nev., to Boston (directly intermediate) "the shorter being included within the longer haul," the rate is $60 per ton.

HIDES

For an average haul of approximately 3,200 miles from San Francisco to New York and Boston the Pacific coast jobber or broker may ship at a rate of $30 per ton, whereas the actual producer, 800 miles inland, say, from Ogden or Salt Lake City, Utah, to New York City and Boston, the rate is $40 per ton.

At the present time the transcontinental carriers have an application pending before the Interstate Commerce Commission for authority to establish long-and-short-haul rates on 43 commodities from Chicago to the Pacific coast terminals—San Francisco, San Diego, Los Angeles, Portland, Tacoma, and Seattle—while maintaining higher rates intermediate throughout Western and intermountain States, and the railroads operating south from Chicago likewise have an application before the Interstate Commerce Commission seeking authority to establish long-and-short-haul rates from Chicago to New Orleans, while maintaining higher rates at intermediate points. These discriminations I will illustrate by dry goods on the west bound application and by iron and steel articles on the southbound application.

DRY GOODS

For a haul of 2,300 miles from Chicago to San Francisco, for example, and intermediate Mountain-State points 800 miles inland, the rate is $31.60 per ton. The railroads propose to maintain this rate at intermountain-State points and reduce the rate to $22 per ton at the aforesaid Pacific coast terminals.

In this connection it is interesting to note that for a haul of 375 miles from Chicago to Scranton, Iowa, the rate is $22.20 per ton. This rate the carriers propose to maintain and graduate the rates upward to a peak of $31.68 per ton at all intermountain-State points, and then abruptly dropping the rate down to $22 per ton to Pacific coast terminals on the plea of meeting water competition. In this behalf it may be stated, for your information, that the commercial tonnage handled by the intercoastal-water lines from the Atlantic coast to the Pacific coast terminals during the year 1923 was 3,277,000 tons, and the total commercial tonnage both east and west bound, exclusive of oil, was but 5,600,000, compared with which the all-rail tonnage handled by the transcontinental lines reaching the Pacific coast aggregated 248,000,000 tons for the year 1923, which was an increase of 25,600,000 tons over the previous year. In other words, of this all-rail tonnage the westbound intercoastal tonnage through the canal was but 1.3 per cent, and if the total coast to coast tonnage, including Gulf ports, amounting to 5,600,000 tons aforesaid, is contrasted with the all-rail tonnage of 248,000,000 tons, it will be noted that it is less than 2 per cent. There is about 5,500,000 or 6,000,000 tons of domestic traffic which the traffic managers of the transcontinental railroads estimate they can compete for and which if long-and-short-haul rates are granted on the basis of the application aforesaid, will enable them to take half of the tonnage away from the intercoastal transportation lines operating through the canal.

These traffic managers estimate there will be moving through the canal 6,000,000 tons, and that they should therefore secure 3,000,000 tons, but, of course, do not undertake to show, because it can not be done, how much more or less than this amount they may secure. It is admitted by some of them in testimony that they will take it all if they can get it. Others recognize that the reduction of their rail rates to the Pacific coast terminals may precipitate a rate war between the rail and intercoastal carriers which would require very much lower rail rates if they are to get any considerable amount of traffic. (Note how small the water traffic is, relatively.)

In any event the question is not only beset with great and unjustifiable selfishness, but the startling fact remains that the carriers are now attempting to voluntarily throw off a large amount of revenue for the purpose of taking a substantial volume of traffic away from the intercoastal lines, or of destroying them if then can. There are 141 ocean vessels in the canal trade from coast to coast with an investment of $75,000,000, and the general counsel, Mr. Frank Lyons, of these intercoastal lines, testifying before the Senate Committee on Interstate Commerce, confirms the railroad traffic manager's estimate that the granting of the long-and-short haul rates will take away one-half the traffic and cut down their boats and investment one-half.

IRON AND STEEL ARTICLES

For a haul of 912 miles from Chicago to New Orleans the present rate is $11.40 per ton, while to Meridian, Miss., for a haul of 712 miles, the rate is $10.60 per ton, or graduated in proportion to distance. The railroads now propose to reverse this and to maintain said rate of $10.60 at Meridian for the short haul and reduce the long haul rate at New Orleans to $8.60 per ton.

As illustrative of their underlying motive here exemplified, Congressman CLEVELAND A. NEWTON of Missouri, testifying before the House Committee on Interstate and Foreign Commerce, February 26, 1924, on House bills 6647 and 8209, to create an inland waterways corporation for the promotion and protection of the Government-owned barge lines on the Mississippi River, and which bills have been favorably reported (see H. Rept. No. 375), shows at page 6 of the printed hearings that—

> "The Mississippi barge line rate (between St. Louis and New Orleans) is 80 per cent of the rail rates that parallel the river, but the rail rates that parallel the river are but 58 per cent of the average rail rate of the country, so that the barge rate is not more than 50 per cent of the average rail rates of the whole United States."

Of course, the difference between the 58 per cent rate factor maintained by the railroads paralleling the river and the full 100 per cent rate basis is made up by the railroads charging higher rates at all interior points where river transp tation is not available.

The Interstate Commerce Commission, in section 6 of the interstate commerce act as amended, 1920, is given authority to fix the minimum rate or rates at such a level in a case of this kind as to properly preserve and protect water transportation and to see that "both rail and water transportation shall be fostered and preserved in full vigor," as provided in section 500 of the transportation act; but, of course, as long as section 4 confers discretion upon the Interstate Commerce Commission to authorize the railroads to charge long-and-short-haul rates there is such a direct contradiction in terms that said section 500 will doubtless continue to be a dead letter.

Further illustrating, Congressman NEWTON, at page 8 of said printed hearings shows that the first-class rate for a haul of 494 miles from New Orleans to Fort Smith is $38.80 per ton, while between St. Louis and New Orleans the rate is $34.60 for a 700-mile haul, and from Dallas, Tex., to New Orleans, for a 515-mile haul, where there is no water transportation, the rate is $41.70 per ton; that from Portland, Me., to New Orleans, for a haul of 1,685 miles, the rate is $45.20 per ton on first-class freight, whereas from Kansas City to New Orleans, for a haul of 879 miles, the rate is $44.50 per ton. Further, from St. Louis to New Orleans the first-class rate is $35.80 per ton, whereas from St. Louis to Texarkana the rate is $37.80, and from St. Louis to Dallas the rate is $44.50.

STRUCTURAL STEEL

Further, the rate on structural steel from Pittsburgh to Galveston or Houston is $17.50 per ton, whereas from Pittsburgh to Dallas, for a 350-mile less haul, the rate is $20.40 per ton.

CEMENT

On cement, from St. Louis to Galveston, for a thousand-mile haul, the rate is $7.40 per ton, whereas for a 350-mile less haul to Dallas the rate is $9 per ton.

AGRICULTURAL IMPLEMENTS

On agricultural implements from Fort Madison, Iowa, to Houston, for a haul of 1,160 miles, the rate is $24 per ton, whereas for a 300-mile less haul to Dallas the rate is $25.60.

MOLASSES

On molasses from New Orleans to Memphis, for a haul of 400 miles, the rate is $5 per ton, whereas from New Orleans to Longview, Tex., for a haul of 391 miles, the rate is $13.40 per ton; for a haul of 458 miles from New Orleans to Little Rock, Ark., the rate is $9.40 per ton; for a haul of but 183 miles, from New Orleans to Jackson, Miss., the rate is $5.90 per ton. For a haul of 1,093 miles, from New Orleans to Norfolk, Va., the rate is $9 per ton, whereas for a haul of 737 miles to Asheville, N. C., the rate is $12.70, and for a haul of 688 miles to Spartanburg, S. C., the rate is $11.70 per ton.

This is illustrative of the long-and-short haul rates between water competitive points from the Gulf of Mexico to Norfolk on the Atlantic Ocean, with the higher long-and-short haul rates at intermediate North and South Carolina points. Other points could be named but these are fairly representative of the situation, and if the amendment here under consideration is passed, it will have the effect of correcting the highly preferential rail rates named to these Atlantic coast and Gulf ports, while at the same time preventing the prejudicially higher rates at North and South Carolina points. Likewise, it will correct the present prejudicial rates applied in Mississippi, Louisiana, Texas, Arkansas, and Oklahoma.

The long-and-short haul situation as affecting Louisiana may be illustrated by the table set forth below:

From—	Miles	Agricultural implements, rate per ton	Soap rate, per ton	Packing house products, rate per ton
St. Louis to—				
Alexandria, La	602	$16.60	$12.30	$15.20
New Orleans	835	12.80	8.55	11.30

FERTILIZER

The injustice of the railroad long-and-short-haul rates may be further illustrated by referring to the movement of fertilizer from Savannah and New Orleans to various points reached by water, compared with the higher rates for shorter hauls to intermediate points that do not have the benefit of water transportation.

On fertilizer for a haul of 678 miles from Savannah to Memphis, Tenn., the rate is $5.20 per ton, whereas for a haul of 588 miles to Corinth, Miss. (directly intermediate), the rate is $6.64 per ton; for a haul of 632 miles from Savannah to Vicksburg, Miss., $4.95 per ton, whereas for a haul of 588 miles from Savannah to Jackson, Miss., the rate is $5.63 per ton; for a haul of 718 miles from New Orleans to St. Louis the rate is $5.20 per ton, and likewise for a haul of 776 miles to Louisville, Ky., is $5.20; whereas for a haul of 389 miles from New Orleans to Longview, Tex., and for a haul of 471 miles to Little Rock, Ark., the rates are $5.50 per ton, and for a haul of 523 miles from New Orleans to Bonham, Tex., the rate is $6.10 per ton.

These illustrations are self-explanatory. Many others could be given; but these will suffice, I believe, to show that the Western and Southern States are vitally interested in having the long-and-short-haul rate situation, now in effect for the purpose of meeting water competition, eliminated for the future. The Railroad Administration refused to authorize long-and-short-haul rates during its existence, and while since 1918, or for the past six years, we have been in a large part free from discrimination, we find the carriers setting the stage for a return to the old indefensible discriminations covering large sections of the country. The bill under way does not undertake to interfere with competition as between rail carriers and will only put a stop to the practice of carrying artificial rates to and from water transportation points, the burden of which must be carried by the intermediate States and communities. Further, by thus stabilizing the rate base, the policy of Congress may be carried out which provides that "both rail and water transportation shall be fostered and preserved in full vigor." It will eliminate the present uncertainty under which the intermediate sections labor at present; it will enable them to establish industries and manufacture raw products, of which the interior abounds; it will prevent the interior from being exploited, as at present, by being compelled to ship raw products long distances, leaving nothing at the point of production in the way of increased population and taxable property; and it will enable the people of the intermediate sections to gather and safely invest their own capital as well as bid for and secure outside capital for investment and development purposes, all of which can not be accomplished under the present plan of operation.

Finally, what the intermediate sections of our country need is a stable rate base before they can go forward in full development of their enormous resources. Under the act as it now stands—authorizing as it does (as shown by the examples herein) the charging of a higher rate for a shorter than for a longer haul, and the rates being subject to change from a uniform or a graduated basis to a long-and-short-haul scheme, there can, of course, be no certainty at intermediate points upon which we can bid for new capital and population, nor can we prevent the railroads from parceling our country into producing and industrial sections in the interest of long and double hauling of traffic. The exercise of such uncalled for power results in the railroads throwing off millions in earnings to the large water ports, not so much on the relatively small scheme of water traffic to be secured but on the large volume of traffic that is already moving to the water ports by rail which, of course, must be made up by higher rates at all intermediate points of the country—thus destroying or neutralizing water competition. On the other hand, we, of the interior, are taxed to build canals and improve rivers and harbors and by this railroad policy we are burdened with an additional tax; or, in other words, double taxation which, of course, is unjust and indefensible.

The National Association of Railroad Commissioners at its annual conventions at Atlanta, Ga., in 1921, and at Miami, Fla., in 1923, adopted resolutions memoralizing Congress to amend the fourth section of the interstate commerce act in order to make the rule absolute and to establish a wise and equitable policy for the future. These resolutions were put in evidence before the Senate Committee

on Interstate Commerce on S. 2327 (p. 332 printed hearings) and were read into Senate record by Senator GOODING May 16, 1924.

Respectfully yours,

J. F. SHAUGHNESSY,
Chairman Nevada Railroad and Public Service Commission.

Mr. WADSWORTH. Mr. President, the point of order which I am about to make against the amendment offered by the Senator from Nevada is based upon certain language contained in Rule XVI. Let me say at the outset—and I shall be exceedingly brief—that I do not intend to raise a point of order against the amendment on the ground that it is not germane or relevant, but upon another and separate ground.

The first sentence of paragraph 3 of Rule XVI reads as follows:

No amendment which proposes general legislation shall be received to any general appropriation bill.

The measure before us is the War Department appropriation bill. It is not a special appropriation bill. It bears no resemblance to appropriations for the settlement of private claims. It is indeed nothing more nor less than a general appropriation bill for the support of the War Department in its military and nonmilitary activities. I think that assertion can not be denied.

It is proposed to insert in this general appropriation bill an amendment, to be inserted on page 96, after line 6, the first sentence of which reads as follows:

That paragraph (1) of section 4 of the interstate commerce act, as amended, is amended to read as follows:

The interstate commerce act is not a special act. It is a general law. The pending amendment is an amendment to a general law of the land. Its provisions affect the whole country with respect to railroad transportation and rates. It is general legislation. There is nothing special or private or limited about it. It is general in every conceivable fashion and way.

The rule forbids the reception of amendments contemplating general legislation on a general appropriation bill; therefore, this being a general appropriation bill and the amendment that is proposed being general legislation, I submit that the amendment is out of order, and I make the point of order against the reception of the amendment on that ground.

Mr. WALSH of Montana. Mr. President, I had hoped the Senator from New York would be constrained not to urge the point of order against the amendment proposed by the Senator from Nevada. The situation is a peculiar one. By virtue of some rules of the House of Representatives and of this body the ordinary rivers and harbors bill becomes a part of the Army appropriation bill, a reprehensible logrolling arrangement under which the ardent supporters of large appropriations for rivers and harbors are constrained to support the Army appropriation bill, whatever it may contain, and the advocates of liberal appropriations for the Army are in a way forced to support unjustifiable appropriations for rivers and harbors. I shall feel obliged to support the point of order made by the Senator from New York if it is pressed.

I regret exceedingly to be driven to this position. I wish to see enacted the legislation embodied in the amendment offered by the Senator from Nevada [Mr. PITTMAN]. The whole intermountain country has been discriminated against for years by the legislation which it is sought to correct, and, as has been shown, every effort to relieve ourselves from the unjust burden that has been imposed upon us has been in some way or other frustrated, contrary to the pronounced views of Congress.

The Senator from New York will accomplish nothing by his point of order, because if it shall be sustained I shall submit another amendment, to which I am confident no objection whatever can be taken, that will accomplish exactly the same result.

So we are going to get a vote on this question regardless of the point of order. If the point of order be sustained, I shall offer the following amendment to the bill: After line 15, on page 95, where the language reads:

RIVERS AND HARBORS

To be immediately available and to be expended under the direction of the Secretary of War and the supervision of the Chief of Engineers.

I shall offer to amend as follows:

Provided, however, That no part of the sum hereby appropriated shall be available until Senate bill 2327 shall have been considered and finally disposed of by the Senate, and, if passed by the Senate, until it shall have been considered and finally disposed of by the House of Representatives.

That amendment will be entirely relevant and germane to the bill, and it will not be general legislation of any character whatever. Now, I appeal to the Senator from New York to let us have a vote on this question; let us have a vote on the merits of it. Why should the Senator object to doing so?

Mr. WADSWORTH. Mr. President, my raising the point of order is not due to hostility to the amendment itself.

Mr. WALSH of Montana. I assume as much.

Mr. WADSWORTH. It is due to two reasons: First, the Committee on Appropriations has delegated to me in a sense, as chairman of a subcommittee, the charge of the bill on the floor. In that capacity I assume that it is my duty to protect the bill against infractions of the rules of the Senate.

I am not authorized by the Committee on Appropriations to refrain from raising points of order in one direction and to raise them in others. The Committee on Appropriations will not tolerate for a moment my "playing favorites" in connection with legislative amendments that may be offered.

The second reason, Mr. President, as I have said to the Senator from Nevada and to the Senator from Idaho in the colloquy here the other afternoon, is that I have believed and still believe, that the process of attempting to put this legislative amendment on the Army appropriation bill will not gain the advantage which its supporters desire for it, even if it be successful here in the Senate, for the simple reason that the House conferees almost invariably have taken the position that when the House has sent an appropriation bill to the Senate and the Senate proceeds, as they term it, to load it up with legislative amendments, they simply will not discuss those amendments.

Mr. JONES of Washington. Mr. President, will the Senator from New York yield?

Mr. WADSWORTH. I yield.

Mr. JONES of Washington. The House of Representatives has a rule which controls them and prevents such action on their part.

Mr. WADSWORTH. Yes; they have a rule which controls them. I anticipate that if an amendment of this sort be placed upon the bill, the Senate conferees will find themselves confronted by three absolutely adamant Members of the House forbidden by their own rules to accept the amendment.

The attitude of the other House, I think I can say, is just this: They object to the Senate, through the channel of a conference report, forcing legislation on the House which the House has had no opportunity to pass upon or even to amend.

Mr. WARREN. Their rules forbid it.

Mr. WADSWORTH. And their rules are especially framed to prevent the Senate dictating legislation on appropriation bills. I believe now, as I said the other day, that the supporters of this measure are taking the poorest course, the most unwise course, if they really wish to attain the object they have in mind.

Mr. BORAH. Mr. President, there seems to be some difference as to whether or not the House has established rules on the subject or whether its conferees simply act under specific instructions with reference to particular matters.

Mr. WADSWORTH. They have rules.

Mr. BORAH. They have rules that cover this matter so that it would have to go back to the House?

Mr. WADSWORTH. Yes; it would. Their conferees are not allowed to accept such amendments. I think I may say that, regardless of its merits, when such a proposal as this comes before the House many Members object to not having any right to perfect or amend the legislation; and I must say I think that, if we are fair about it, we must admit that the House has a good deal of right on its side in making that contention.

Mr. WALSH of Montana. As I understand the Senator, two reasons are urged by him why he ought to press the point of order. The first is that he speaks for the Committee on Appropriations and that he ought not to play favorites, and the second is the difficulty that will be encountered by the conferees on the part of the Senate in considering the matter with the House of Representatives.

In the first place, I do not understand that the Senator in raising this point of order is speaking for the Committee on Appropriations. I understood the point of order was made by the Senator from New York and not for the Committee on Appropriations. Of course, he is acting in his individual capacity with reference to this point of order, and any other Member may raise a point of order against any other amendment, and the Senate will determine whether it ought to go on or ought not to go on.

Mr. WADSWORTH. May I say that before the point of order was raised by me I consulted the members of the Committee on Appropriations who collaborated in the preparation of this bill?

Mr. WALSH of Montana. I dare say the Senator did, but that does not mean that the action is that of the Committee on Appropriations.

Mr. WARREN. Mr. President, I wish to say to the Senator from Montana that the Senator from New York is a member of the Committee on Appropriations under our rules.

Mr. WALSH of Montana. Undoubtedly.

Mr. WARREN. And is charged with the duty of conducting this particular bill on the floor of the Senate.

Mr. WALSH of Montana. I appreciate that the Senator from New York is a member of the Committee on Appropriations under the rules.

Now, Mr. President, as to the attitude of the House of Representatives with respect to this matter, the House of Representatives sends over to this body an Army appropriation bill and has tacked onto it provisions in relation to appropriations for rivers and harbors.

The two have no sort of relation to each other; none whatever. The one, the appropriation for the support of the Army, is made under one provision of the Constitution, while the other, the appropriation for rivers and harbors, is made under an entirely different provision of the Constitution, namely, that which gives to Congress the power to regulate commerce between the several States and with foreign nations. When the House sends over to us a bill containing appropriations of that character, in relation to two entirely separate and distinct subjects, it then says, "You must not put anything else on; we have tied two entirely irrelevant and incongruous things together, but you must not put on a third."

Let me say that, as everybody knows, the only possible connection between the two is that the river and harbor work is conducted under the supervision of the engineers of the War Department.

Mr. FLETCHER. Mr. President, if the Senator will allow me to interrupt him, the bill itself is not merely an Army appropriation bill but it is a bill for the whole War Department, including both the military and the nonmilitary activities of the War Department.

Mr. WALSH of Montana. Oh, yes.

Mr. FLETCHER. And river and harbor expenditures are under the engineers of the War Department.

Mr. WALSH of Montana. The river and harbor expenditures are under the engineers of the War Department, but they have no relation whatever to the national defense. River and harbor appropriations are made for the promotion of commerce, as everybody perfectly understands.

Mr. President, the appropriateness of this proposed amendment to the appropriation for rivers and harbors has been so fully demonstrated by the Senator from Nevada and the Senator from Idaho that there can remain, it seems to me, no doubt in the mind of any Senator that the appropriations for the improvement of rivers and harbors are utterly useless, so far, at least, as the interior of the country is concerned, if the policy at which the amendment is aimed is to continue. As has been said, to make appropriations for the improvement of the Mississippi River is like pouring money into a rat hole so long as we allow the railroads to fix rates to river points that will drive navigation off the river. It is a waste of public funds. The main purpose of the legislation proposed by the amendment is to make useful the enormous appropriation that we make annually, great portions of which are absolutely lost by this policy.

As I have stated, the Senator from New York will avail himself nothing by a point of order, because I shall offer the amendment which I have suggested, and, if the Senate agrees to it, it will accomplish practically the same result as that sought to be accompanied by the amendment of the Senator from Nevada. I feel constrained, however, to support the point, for I can not reconcile myself to the view that the amendment does not propose general legislation on a general appropriation bill.

Mr. PITTMAN. Mr. President, will the Senator yield?

Mr. WALSH of Montana. I yield to the Senator from Nevada.

Mr. PITTMAN. Does the Senator see any difference as regards general legislation between this amendment and the amendment offered by the Senator from Wisconsin [Mr. LENROOT] to construct a building for a private institution?

Mr. WALSH of Montana. Yes; I have considered that, and I have not been able to satisfy myself, I will say to the Senator from Nevada, that the Howard University case is a just precedent for this amendment. I wish I could stand with him on that question; but I can not do so.

The PRESIDENT pro tempore. In view of the relations of the Chair to this subject, it may not be improper for him to state that as a Senator he is in favor of the proposed amendment, but as Presiding Officer of the Senate it is his duty to interpret and apply the rules which the Senate has adopted for its guidance. The Chair has no doubt whatsoever that the amendment submitted by the Senator from Nevada proposes general legislation, and, therefore, the point of order made by the Senator from New York is sustained.

Mr. PITTMAN. Mr. President, as I have contended, I consider the decision recently rendered in the Howard University case as having changed the former understanding of the rule, and in order to have an opportunity of ascertaining whether there are other Senators who take the same view of it that I do, I respectfully appeal from the decision of the Chair.

The PRESIDENT pro tempore. The Senator from Nevada appeals from the decision of the Chair.

Mr. PITTMAN. And on that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PITTMAN. Mr. President, a parliamentary inquiry. In what form will the question be put?

The PRESIDENT pro tempore. The question is, Shall the ruling of the Chair stand as the judgment of the Senate? Upon that question the yeas and nays have been ordered, and the Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. FLETCHER (when his name was called). I have a general pair with the Senator from Delaware [Mr. BALL]. He is absent, but I am informed that he would vote as I expect to vote on this question. I vote "yea."

Mr. LODGE (when his name was called). I transfer my pair with the Senator from Alabama [Mr. UNDERWOOD] to the Senator from Vermont [Mr. GREENE] and will vote. I vote "yea."

Mr. McLEAN (when his name was called). I transfer my pair with the Senator from Virginia [Mr. GLASS] to the Senator from New Jersey [Mr. EDGE] and will vote. I vote "yea."

The roll call was concluded.

Mr. PHIPPS. I have a pair with the junior Senator from South Carolina [Mr. DIAL], which I transfer to the senior Senator from Delaware [Mr. BALL], and will vote. I vote "yea."

Mr. SMITH. I desire to state that my colleague [Mr. DIAL] is absent on account of illness. He is paired with the Senator from Colorado [Mr. PHIPPS]. If my colleague were present and voting, he would vote "nay."

Mr. CURTIS. I desire to announce that the junior Senator from Kentucky [Mr. ERNST] is paired with the senior Senator from Kentucky [Mr. STANLEY].

Mr. PITTMAN. I wish to announce that the Senator from Missouri [Mr. REED] is paired with the Senator from Maryland [Mr. BRUCE]. If those Senators were present and voting, the Senator from Missouri would vote "nay," and the Senator from Maryland would vote "yea" on this question.

The result was announced—yeas 49, nays 25, as follows:

YEAS—49

Adams	Hale	Owen	Stephens
Bayard	Harreld	Pepper	Sterling
Brandegee	Harris	Phipps	Swanson
Cameron	Harrison	Ralston	Trammell
Capper	Jones, Wash.	Ransdell	Wadsworth
Colt	Keyes	Reed, Pa.	Walsh, Mass.
Curtis	Lodge	Sheppard	Walsh, Mont.
Dale	McKellar	Shields	Warren
Edwards	McKinley	Shortridge	Watson
Fernald	McLean	Simmons	Willis
Fess	McNary	Smoot	
Fletcher	Moses	Spencer	
George	Overman	Stanfield	

NAYS—25

Ashurst	Ferris	Jones, N. Mex.	Robinson
Borah	Frazier	Kendrick	Shipstead
Brookhart	Gooding	King	Smith
Broussard	Heflin	Ladd	Wheeler
Bursum	Howell	Neely	
Caraway	Johnson, Calif.	Oddie	
Dill	Johnson, Minn.	Pittman	

NOT VOTING—22

Ball	Edge	La Follette	Reed, Mo.
Bruce	Elkins	Lenroot	Stanley
Copeland	Ernst	McCormick	Underwood
Couzens	Gerry	Mayfield	Weller
Cummins	Glass	Norbeck	
Dial	Greene	Norris	

So the Senate decided that the decision of the Chair should stand as the judgment of the Senate.

The PRESIDENT pro tempore. The point of order is sustained.

Mr. GOODING. Mr. President, I give notice that as soon as the bill which is now before the Senate is disposed of, I shall move to take up Senate bill 2327.

Mr. WALSH of Montana. Mr. President, I desire to offer an amendment. After line 15, on page 95, I move to insert:

Provided, however, That no part of the sum hereby appropriated shall be available until Senate bill 2327 shall have been considered and

finally disposed of by the Senate, and, if passed by the Senate, until it shall have been considered and finally disposed of by the House of Representatives.

The PRESIDENT pro tempore. The Secretary will state the proposed amendment.

The READING CLERK. On page 95, after line 15, it is proposed to insert the following proviso:

Provided, however, That no part of the sum hereby appropriated shall be available until Senate bill 2327 shall have been considered and finally disposed of by the Senate, and, if passed by the Senate, until it shall have been considered and finally disposed of by the House of Representatives.

Mr. WALSH of Montana. Mr. President, I was very glad to hear the Senator from New York say a few days ago, in the course of this debate, that he would be glad to aid in securing consideration for Senate bill 2327, introduced by the Senator from Idaho [Mr. GOODING], and in substance like the amendment now offered by the Senator from Nevada [Mr. PITTMAN]. I think it eminently advisable that before any part of this appropriation for the improvement of rivers and harbors shall become available at all the Congress shall declare its policy with reference to this subject of the long-and-short-haul clause, which is so intimately and so vitally connected with the appropriations for the improvement of rivers and harbors.

Mr. BORAH. Mr. President, this is a limitation upon the appropriation with reference to rivers and harbors alone?

Mr. WALSH of Montana. Yes; it applies only to the appropriation for rivers and harbors. As I said a little while ago, it has been demonstrated beyond controversy in the debate upon the amendment offered by the Senator from Nevada [Mr. PITTMAN] that to a very large extent the appropriations for the improvement of our interior rivers at least are entirely wasted if the policy of giving rates to river points lower than to interior points a less distance from the point of shipment is tolerated at all. No other factor and no other agency is so potent in the destruction of river carriage as that policy.

Mr. OVERMAN. Mr. President, I am heartily in favor of this amendment to this bill, as the Senator knows; but the Senator from Idaho [Mr. GOODING] has given notice that when this bill is disposed of he is going to call up his bill, and I think two-thirds of the Senate are for it. Why can we not legislate in the regular way upon that bill, instead of putting an amendment on this appropriation bill?

Mr. WALSH of Montana. That is what I ask. My amendment does not affect the appropriation at all. It simply provides that we shall not do any more of the wasteful expenditure of money that we have been doing in the past.

Mr. OVERMAN. I agree with the Senator, and I think that bill ought to pass and will pass; but why hamper this bill and send it to conference and never get it heard over in the House of Representatives by a threat of this kind to hold it up? Let us pass the other bill in the regular way and send it to the House, and they will pass it. We can notify the House that we will pass none of their bills unless they pass that bill. I am willing to do that; but to put it on an appropriation bill as an amendment is not the way to legislate.

Mr. WALSH of Montana. Mr. President, I take an entirely different view of the matter from the Senator. This is not anything in the nature of a threat, either to this body or to the House of Representatives. It is a declaration on the part of those who so believe that we will appropriate no money for the improvement of our interior rivers and allow no money to be expended so long as that policy is pursued.

Mr. President, I said that that is the view, I think, of the Senate; but some feeble voices have been heard in favor of this policy. Very well.

If it is the policy of Congress to allow discrimination of that character, and to build up the terminal points at the expense of the interior of the country, we can make appropriations for the improvement of rivers and harbors in view of that policy; but to go on in this way seems to me entirely useless, if not senseless. Accordingly, I think this amendment should be agreed to.

Mr. SWANSON. To what appropriations in the bill does the limitation offered by the Senator from Montana apply?

Mr. WALSH of Montana. It affects nothing except the appropriations for rivers and harbors.

Mr. SWANSON. Harbors, too?

Mr. WALSH of Montana. Yes; because it is impossible to make it any other way, as the appropriation is in a lump sum, $37,250,000.

Mr. SWANSON. Under the Senator's amendment that would apply entirely to the policy in reference to freight rates and passenger rates throughout the country.

Mr. WALSH of Montana. Not necessarily. The appropriation is made, as a matter of course, for the harbors at the terminal points, as well as for the improvement of the interior rivers. The policy, of course, affects all of them, both the interior rivers and the coast points.

Mr. BROUSSARD. Mr. President——

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Montana yield to the Senator from Louisiana?

Mr. WALSH of Montana. I yield.

Mr. BROUSSARD. Does not the Senator understand that the policy of all the transcontinental railways, and all of the railways at the water points, is to develop the harbors, in which case they disagree with the Senator from Montana; but, on the other hand, that they are aggressively opposed to the development of the river navigation in this country, and as the amendment of the Senator, if adopted, would have the effect of preventing the development of such streams as the Ohio, a project which is nearly completed, and the development of the Mississippi and other great river systems, to that extent the railroads thoroughly agree with the Senator from Montana?

The harbors themselves have been properly looked after, but we are just now beginning to see the coming of the time when we may have river competition with the railroads, and the result of it will be that the people whom the Senator from Montana and other Senators on this floor represent, people living in the interior of the country, will agree exactly with the views of the railroad systems that want to prevent water competition.

Mr. FLETCHER. May I suggest to the Senator that the only effect, of course, would not be, as the Senator from Louisiana has said, to play into the hands of the railroads. It would amuse the railroads very much if Congress should say that it will do nothing further in the way of improving and developing the rivers and harbors of the country; but the effect would be to tie up all operations now going on, to tie up the Government plants. This work is continually going on upon projects which are under way, and it would just stop all improvements unless both Houses should happen to pass the bill. If they should fail to pass the bill which the Senator desires to have passed, then all work of this nature under way now, under contract, or ready to be let to contract, would be discontinued, because there would be no money to pay for the work.

Mr. WALSH of Montana. The Senator has not understood the amendment. It would not suspend the work until the bill was passed. It would simply suspend it until the Congress declared its policy, either one way or the other; that is all. If the bill should be defeated in the Senate, that would end the limitation, and all of the money would be available. If it should pass the Senate and go to the House, and pass the House, then the limitation would be ended. If it went to the House and was considered in the House and defeated in the House, then the limitation would cease and all the money would be available. The only purpose is to provide that it shall not be available until the Congress shall have passed on this other question, that is all, and it seems to me that is eminently fair and just.

Mr. WADSWORTH. Mr. President, I confess this amendment now offered by the Senator from Montana is of a new kind if it is to be classed among amendments placing restrictions or limitations upon appropriations. It proposes that this appropriation shall not become available until the Congress legislates in a certain fashion. I assume that in its essence it is still legislation, although the Senate has upon occasion taken a very broad view of its powers under the rules to restrict or limit appropriations. But before making any further observation let me point out one or two things which will happen if this amendment is adopted.

The appropriation on which it is supposed to be a limitation provides, among other things, for the maintenance of all the river and harbor work thus far completed. If this amendment goes through, the Army engineers will be forbidden, in effect, to maintain any channel in a river or harbor until the Congress takes certain action with respect to legislation now pending. Certainly no Senator wants to tie up the maintenance work. There are some projects completed years since which require certain expenses for maintenance every year. If those expenses are not met and that maintenance work not carried on the channels will become useless.

Mr. WALSH of Montana. I suppose we made an appropriation last year that was intended to carry the work over until the end of the present fiscal year, June 30?

Mr. WADSWORTH. Yes.

Mr. WALSH of Montana. That will all be available, will it not?

Mr. WADSWORTH. Yes; but this amendment will not terminate in its effect, as I read it, on the adjournment of this session of Congress. If the legislation urged by the Senator from Idaho does not go through both Houses at this session, the money appropriated for rivers and harbors for next year can not be used. And all through the next session of this Congress, during which the Gooding bill will have life, nothing can be done by the Army engineers in carrying on new projects or maintaining old ones. I think I am right in that if I read this correctly.

Mr. BROUSSARD. Mr. President, are they not continuing contracts which go beyond this period?

Mr. WADSWORTH. Oh, yes.

Mr. BROUSSARD. Which must be cared for?

Mr. WADSWORTH. Yes.

Mr. BROUSSARD. What will become of them if we adopt this amendment?

Mr. WADSWORTH. They would be canceled, and the Government would lose millions of dollars by having to enter into new contracts at some future time after the contractors' equipment had been taken off the field and dispersed.

Mr. WALSH of Montana. I say to the Senator that that is the very purpose of this amendment, so that not a dollar shall be spent for the present current year——

Mr. WADSWORTH. The present current year?

Mr. WALSH of Montana. That is the purpose of this amendment—that not a dollar shall be spent until Congress declares its policy with respect to this matter, either one way or the other.

Mr. WADSWORTH. Does the Senator contend that we should not even maintain what we have?

Mr. WALSH of Montana. No; we should get a declaration from Congress about the matter.

Mr. WADSWORTH. I notice that while by this amendment a certain notice is served upon the House of Representatives, the Senator has not served notice on the President of the United States, who is part of the legislative machinery in that without his signature the new legislation under discussion can not become a law.

Mr. WALSH of Montana. That signifies the extent of our confidence in the good judgment and wisdom of the President of the United States.

Mr. WADSWORTH. The absence, however, of notice to the President, who must sign this measure, is significant.

Mr. President, it seems to me to be so utterly impracticable and likely to inflict such severe injury on public works already long since completed, and the continuance of public works which the Congress has authorized by statute, that I can not conceive that the Senate will put such a limitation upon this appropriation. I confess I am somewhat puzzled as to whether it is a proper limitation or an improper one. At least it is an extraordinary one.

Mr. SWANSON. Mr. President, I desire to make a point of order against this amendment. I do not think it is a limitation on an expenditure. It makes an appropriation available upon the occurrence of certain events, and I think there is a difference between a limitation and a provision making an appropriation available provided certain things occur. I make the point of order that this is not a limitation directing how this money shall be spent. It simply is to make it available on the happening of certain conditions.

Mr. WALSH of Montana. Mr. President, I have a precedent before me which seems to indicate that the question now raised by the Senator from Virginia has already been passed upon by the Senate. It is found in volume 2 of Gilfry's Precedents.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). The Chair will say to the Senator from Montana that it is ready to rule.

The Chair remembers that the Senate has taken different positions with reference to limitations on appropriations, but that the later attitude of the Senate has been to hold such limitations in order. Therefore the Chair overrules the point of order.

Mr. TRAMMELL. Mr. President, regardless of the question of whether this amendment is in order or not, it occurs to me that it is a most extraordinary amendment to be proposed to any bill, and that the adoption of such an amendment would be setting a precedent which would plague the Senate for the remainder of time. If one Senator or any group of Senators succeed in having an amendment of this character agreed to, which would force legislation dealing with some other subject on any measure, then any other Senator or any other group of Senators could do likewise, and we would possibly have this kind of practice to contend with in all the future, because I dare say that Senators who are not able to get certain measures to which they were favorable called up in the regular order will not sit supinely by and allow others to go ahead with their legislation, when the Senate has once established a precedent that limitations may be placed upon some measure that is being considered which will force subsequent action upon the measure which they are favoring.

That is what this means. It is not only an attempt to force the Senate at this time in considering this measure to agree to act upon another measure, but it also attempts to force the House also to consider the measure.

Mr. PITTMAN. Mr. President——

Mr. TRAMMELL. I yield.

Mr. PITTMAN. The Senate could not force any limitation on it unless a majority of Senators were in favor of it, and if a majority were in favor of it, they could defeat it just as well as limit it.

Mr. TRAMMELL. That is very true, and for that reason I am voicing my opposition to any such action as the one proposed, just as the proponents of the amendment are voicing their sentiment in favor of it. I say that, regardless of the question of the merits of the bill which this contemplates bringing before the Senate, it sets a bad precedent, and a precedent that will rise to plague the Senate in the future, if adopted, regardless of the merits of the bill the Senators are seeking to force upon the Senate and force upon the House in an irregular way, although it may be in order under parliamentary rules.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Iowa?

Mr. TRAMMELL. Certainly.

Mr. BROOKHART. I would like to ask the Senator if the provision on page 82 in reference to the stop-watch business is not of exactly the same character as the amendment proposed by the Senator from Montana?

Mr. TRAMMELL. I have not the bill before me, and I do not know exactly what that provision is.

Mr. WADSWORTH. May I answer the Senator from Iowa?

Mr. TRAMMELL. I yield to the Senator from New York.

Mr. WADSWORTH. That legislation was inserted by the House and not by the Senate. We have no jurisdiction over it, so far as our parliamentary rules are concerned.

Mr. BROOKHART. That matter could be decided on a point of order.

Mr. WADSWORTH. It was inserted by the House.

Mr. BROOKHART. The question now is as to the character of the amendment offered by the Senator from Montana, and there is a provision in the bill of identically the same character, which was passed without objection in either House.

Mr. WADSWORTH. A point of order against House language does not lie in the Senate.

Mr. WALSH of Montana. I wish to inquire of the Senator from New York if he takes the position that the House may put any kind of a limitation upon an appropriation which it sees fit to put, but that the Senate can not do it?

Mr. WADSWORTH. No, Mr. President, I took no such position.

Mr. WALSH of Montana. But in answer to the Senator from Iowa the Senator from New York said, "Oh, but that limitation was put on by the House."

Mr. WADSWORTH. I made that observation——

Mr. WALSH of Montana. Therefore, though the House puts a limitation upon an appropriation which it makes, it is the position of the Senator that the Senate can not do the same thing.

Mr. WADSWORTH. No; I did not take any such attitude. I am quite sure the Senator misunderstood me.

Mr. WALSH of Montana. I certainly misunderstood the Senator then.

Mr. WADSWORTH. I made my statement with respect to the so-called "stop-watch" provision which appears in the bill as it was agreed to in the House, and therefore is not subject to a point of order in the Senate.

Mr. WALSH of Montana. Certainly, but the Senator from Florida, as I understand, is not raising a point of order.

Mr. WADSWORTH. I was answering the Senator from Iowa.

Mr. WALSH of Montana. And the Senator from Iowa was commenting upon the remarks of the Senator from Florida. Now, that part of the bill reads as follows:

No part of the appropriations made in this act shall be available for the salary or pay of any officer, manager, superintendent, foreman, or other person having charge of the work of any employee of the United States Government while making or causing to be made with a stop watch—

And so forth.

The House put that kind of limitation on its appropriation. Why should not the Senate put this limitation upon another appropriation?

Mr. TRAMMELL. That, it seems to me, is much more pertinent as a limitation than an attempt to write into the pending bill a provision that we must first consider another certain measure and that the House must consider that measure if it passes the Senate before the provisions of this bill will become operative so far as the appropriations are concerned for rivers and harbors. I never heard of such procedure in all of my observation and experience in connection with legislative bodies, covering a period of probably 20 years. Perhaps some Senator who has served here for 25 or 30 years, or even with an experience of half a century, may have heard of such procedure, but I fancy no such effort was ever before recorded. I do not like the idea of trying to write into a law that the provisions of that law shall not become operative until the Senate takes up and considers some other measure. If we are going to establish that kind of precedent, then every time that any other Senator may have some measure which he may not have been able to bring before the Senate in an orderly way, all we will have to do will be to try to tack it on as an amendment to an appropriation bill, and if it is not adopted as an amendment we can have a prolonged debate for two or three or four days trying to tack it on under this kind of procedure, and we would have that process followed daily or weekly. I think the amendment ought to be defeated as a matter of the orderly conduct of the business of the Senate, if for no other reason.

Mr. SWANSON. Mr. President, I would suggest to our friends who favor the McNary-Haugen bill that possibly they could offer as an amendment to this bill a provision that no appropriation in the bill shall be available until the McNary-Haugen bill is considered and passed. I would suggest that every Senator who has any legislation pending might offer it as an amendment to an appropriation bill, and, failing in that, offer an amendment providing that none of the money appropriated in the bill shall be available until that certain legislation in which the Senator is interested shall have been acted upon.

Mr. FESS. Mr. President, will the Senator yield?

Mr. SWANSON. Certainly.

Mr. FESS. If there are those who would like to defeat all the appropriations for rivers and harbors, that would be a pretty good way to do it, would it not?

Mr. SWANSON. It would be a fine way. The time has come when the Committee on Rules must report an amendment with regard to the limitation of appropriations which are to continue from year to year. I am not criticizing the Senator from Montana [Mr. WALSH]. Since the rule has been adopted by which any kind of legislation in the world is not permissible on a general appropriation bill, but can be put on an appropriation bill covering a period of only one year and then continued from year to year, that seems to be the favorite method of getting legislation enacted. But this is the first time it has ever been attempted in the history of the Senate to make money appropriated unavailable until certain legislation has been enacted.

I believe that President Coolidge, when he was Vice President, concurred in a decision rendered by Vice President Marshall which was not identical with this, but the Senate overruled him in that decision. I have not had an opportunity to look it up, but I have the impression that Vice President Coolidge made a ruling similar to this, and the Senate overruled him. However, I may be mistaken. This would mean that all the harbors of the country could not be improved if the House should get impatient and adjourn without considering a certain measure; that the rivers and improvements now in operation must cease unless the House and the Senate shall consider certain legislation. If they consider it at this session, that is not fixing a policy. They could change it next year or they could change it the year afterwards.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Utah?

Mr. SWANSON. I yield.

Mr. KING. What is the good of improving rivers and harbors and spending the $40,000,000 or $50,000,000 appropriated in this bill, plus any appropriation still unexpended, if we are going to pursue a policy which in the end must be destructive of rivers and harbors as freight carriers?

Mr. SWANSON. I think the Senator and those who are cooperating with him in the support of this amendment were frightened when they ought not to have been frightened. Do not Senators want the entrances to all these harbors, which have cost millions and millions of dollars, not to be dredged, to be kept open, to let foreign and other ships enter and leave? What would be the condition of our agriculture if that situation arose? A great many of the harbors of the United States must be dredged annually, and there must be expenditures made for that purpose. We can not stop dredging a few months without increasing, doubling, and trebling the expenditures that would have to be made thereafter. Is it the idea that if the long-and-short haul principle prevails one way or the other, we do not need harbors to export wheat and other grain, and to bring in goods? The mere statement of the fact shows the folly of it, whether we have high freight rates or low freight rates. At the ports of entry and export it means a great deal in the matter of the importing and exporting business of this country.

If I understand it aright, a vast majority of the appropriations are used for harbor improvements rather than river improvements, but we must keep the harbors in condition whether we have high or low freight rates. Whether we have competition of one harbor with another harbor in the United States, we are bound to have import and export business. This proposition would hamper the entire river and harbor improvement of the United States. It seems to me it is a bad policy to start, and I regret that the Chair did not hold that the amendment was subject to a point of order.

Mr. WADSWORTH. Mr. President, an incident very much like this occurred on January 23, 1923. At that time the District of Columbia appropriation bill was before the Senate and the Senator from Tennessee [Mr. MCKELLAR] offered an amendment to an item of the appropriation bill which appropriated money for the salaries of the Public Utility Commissioners of the District of Columbia. His amendment and the subsequent proceedings read as follows:

Provided, That the appropriation in this section shall not become available until the Public Utilities Commission shall fix rates of fare for the street-railway companies in the District of Columbia at rates not in excess of the rates of fare fixed in existing charters or contracts heretofore entered into between said companies and the Congress—

And so forth.

The question being on the point of order yesterday made by Mr. PHIPPS that the amendment proposed general legislation to a general appropriation bill,

The Vice President overruled the question of order and held the amendment to be in order.

From the decision of the Chair Mr. WADSWORTH appealed to the Senate. * * *

The Vice President stated the question to be, Shall the decision of the Chair stand as the judgment of the Senate?

It was determined in the negative—yeas 32, nays 36.

So the Senate has already created a precedent almost exactly on all fours with the situation confronting us to-day.

The PRESIDING OFFICER. The present occupant of the chair has a very distinct recollection with reference to different rulings on the proposition by the Senate. The present occupant of the chair himself has made a point of order against limitations, and they have been held in order. The personal opinion of the present occupant of the chair is in accordance with the latter ruling; but in view of the fact that the Senate has taken a different attitude with reference to the matter the Chair overruled the point of order.

Mr. ROBINSON. Mr. President, of course the question raising the point of order has been determined, and there is no occasion for a further discussion of it. I take this opportunity, however, to say that the Senate has nullified its own rule by the interpretation placed upon it by a vote of the Senate. I recall that on one occasion an amendment was submitted to a general appropriation bill—I think the Senator from Nevada [Mr. PITTMAN] referred to the distance—which was plainly out of order under the rule which has been invoked to-day. The point of order was submitted to the Senate; and the Senate, because

it favored the legislative provision involved in the amendment, placed an interpretation on the rule which it reversed just a few minutes ago.

I thought the ruling in the Howard University case was clearly wrong, but I followed the precedent set by the Senate in my vote upon the point of order raised to the amendment proposed by the Senator from Nevada [Mr. PITTMAN]. The Senate saw fit to reverse its decision in the Howard University case just a few minutes ago on the amendment submitted by the Senator from Nevada, so that the effect of the rule is to restrain the Senate from legislating on general appropriation bills when the Senate is willing to be restrained and to accomplish nothing whatever when the Senate wants to violate its own rules. That is a plain statement of the effect of the precedent which the Senate itself has written on this general rule.

But with respect to the amendment I feel it my duty to make a statement in explanation of my vote. I am in sympathy with the proposal of the Senator from Nevada and feel that an opportunity should be afforded to vote on his proposal. I can not, however, support the pending amendment for the reasons stated by the Senator from Florida [Mr. TRAMMELL] and suggestions made by the Senator from Virginia [Mr. SWANSON], and for other reasons.

We hear occasionally in the Senate references to the practice of logrolling, which of course means the process of trading votes and influence. This is usually censured and justly censured. I do not know of a precedent which would be better calculated to invite logrolling in legislation than the adoption of the pending amendment. It declares that the appropriation for rivers and harbors shall not be available until Senate bill 2327 shall have been finally disposed of in the Senate and, if the Senate passes it, until it shall have been finally disposed of in the House of Representatives, which means, if it means anything, if it is adopted that all who favor river and harbor improvement will be expected to get behind Senate bill 2327 and help secure its passage in order to secure their desires in connection with river and harbor improvements.

Mr. WALSH of Montana. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield.

Mr. WALSH of Montana. Admitting that the idea is sound, and I do admit it, does not the Senator find exactly the same vice in the bill as it comes to us with the appropriation for the improvement of rivers and harbors tacked on to the bill making appropriations for the War Department?

Mr. ROBINSON. Oh, no. Under the rule of the Senate the War Department appropriation bill properly incorporates appropriations for rivers and harbors.

Mr. WALSH of Montana. I do not controvert that it is in accordance with the rule, but I want to go back of that.

Is it not a fact that combining these two, those who are not interested in the appropriations for the Army at all but are very deeply interested in the appropriation for rivers and harbors will be constrained or in a measure induced to support the appropriations for the Army, and those who are not interested in river and harbors appropriations but are interested in the appropriations for the Army will be induced to support the other? In other words, is it not a logrolling bill, to start with?

Mr. ROBINSON. I think not. I do not think such a statement is justified. The Senate has determined that certain general appropriation bills shall embrace appropriations to carry out authorizations by the Congress; and, in pursuance to its decision upon that question, the appropriations for rivers and harbors are carried in the Army appropriation bill, probably for the reason that the Army engineers have jurisdiction of certain investigations and reports upon which the appropriations are based. It is perfectly proper under those circumstances to embrace river and harbor appropriations in the Army appropriation bill, because they can not otherwise be provided for under the rules of the Senate as they now exist. That, however, is a very different thing, both in theory and in practice, from adopting an amendment which prevents an appropriation from being expended until affirmative legislation relating to another subject has been disposed of by both Houses of Congress. I can not conceive of a worse parliamentary procedure than that contemplated in the pending amendment, according to my view of it. Everything that the Senator from Florida has said regarding it is justified.

I make this statement in order to explain why I shall vote against the amendment. It is unfortunate for the proposal which has been advanced here, touching the subject of the long and short haul and the rates applicable thereto, that it should be coupled with an attempt to establish a precedent of this character. I should like to support the amendment of the Senator from Nevada, but I can not support the proposal in the form in which it is presented by my friend, the Senator from Montana.

Mr. NORRIS. Mr. President, it is, of course, desirable that any legislative body should proceed in matters of legislation in an orderly way. The rule that prohibits legislation on an appropriation bill, while it has two sides to it, I think is justified. We must remember, however, that desperate conditions warrant desperate remedies. Our forefathers confronted such a condition when they rebelled against the mother country. It was not because they wanted to isolate themselves, but the desperate remedy of revolution was resorted to in order to protect their own liberties and their own rights.

It will be observed that the amendment suggested by the Senator from Montana does not require the passage of the bill therein referred to, either by the Senate or by the other House; but merely provides that the bill must be disposed of, and, if in such disposition it shall be passed by the Senate, then it must be disposed of by the other House before the appropriation for rivers and harbors shall become effective.

If that bill were defeated in the Senate, the money would immediately be available so far as this amendment is concerned. If it were passed by the Senate and defeated in the House, again it would be true that the money provided for in the bill for river and harbor appropriations would at once be available.

I wish that the Senator from Montana had not included the entire appropriation, but that he had included only the portion of the appropriation providing for the improvement of rivers. That would entirely meet the argument made by the Senator from Virginia [Mr. SWANSON] that our ports must be kept open in order that products may come in and go out.

Mr. President, why should the money appropriated for rivers be held back until some provision similar to that now proposed shall be enacted into law? The money which we appropriate for rivers is practically thrown away so long as we permit the railroads to put out of business the boats that would ply up and down upon the rivers after we shall have spent the money to provide for their dredging and improvement. So there is an intimate connection between the limitation in the amendment and the appropriation itself. Unless some such amendment shall be adopted we might just as well throw the money away. That is the principal reason why the river and harbor bill in the past has met with so much opposition in the Senate and in the House of Representatives, and has been so often condemned by the people of the country. We spend a hundred million dollars of the people's money dredging the rivers and then permit the railroads to drive all of the boats out of business as soon as they are put on the river which has thus been improved, and when the boats are driven off then up go the rates. That has been going on for 25 years. Is it any wonder that Members of Congress and people generally are getting tired of that kind of a misuse of the money of the taxpayers?

But that is not all; by virtue of the law permitting the railroads to charge a greater amount for a short haul than for a long haul when the short haul is included within the long haul, the people in the interior of the country are taxed in two ways: They are directly taxed by law to improve the rivers that do nobody any good, and, second, they are taxed by the railroad companies by means of higher rates in order to build up cities on the coast or at other points known technically as competitive points. They are getting tired of that kind of fleecing, and it is no wonder that a spirit, as it were, of revolution is growing up in the minds of men who have been paying taxes for 25 years to pay for the upbuilding of communities a thousand miles away from where they live, and who have been compelled to pay freight charges higher than other people must pay a thousand miles farther away from market. That injustice has been going on for generations. Time and time again it was supposed that it had been remedied by law, but some joker or some method of administration has always interfered, and relief has never come.

I want to tell you, Mr. President, I think we are justified in attaching to this bill, if we have the votes to do it, a limitation against the improvement of rivers until we have regulated the traffic both on the rivers and on the railroads so that our money will not be wasted and thrown away. I want to say to the Members of the Senate who are particularly interested in the improvement of the rivers that I believe I feel as deep an interest in their improvement as they do, but I am not so enthusiastic that I want to improve them when it will do nobody any good. I am willing that Senators should take public money with which to improve the rivers if the people in return may derive some benefit from lower freight rates, but the people are not getting such benefit now; we know they are not getting

it; and this bill will not give it to them. It is proposed to appropriate $37,000,000 more of public funds to be thrown away on the improvement of rivers without bringing any return to the people who must toil to produce the money thus expended. If this proposed step surprises and annoys some Senators and makes them feel that the people are becoming revolutionary, just keep up the practice long enough, keep pushing down those who must pay taxes in the interior of the country to build up particularly favored cities and localities, and they will get a taste of something that is worse than this, and it will come naturally. I make no threat, Mr. President; I have no feeling of ill will against anyone, but a system is being perpetuated here that, carried to its logical limit, must result at some time in those who are already over-burdened with taxation refusing to pay money to build up rival localities.

We ask nothing unfair; we are not asking that we be favored; we are not asking even that the charge for the short haul shall be less than the charge for the long haul. We are willing that those who have the long haul shall have their rates cut down as low as the rates of those who have only the short haul, but we are not willing to pay more for the short haul than for the long haul. We have been doing that for a lifetime, but we have come to a place where we feel that the injustice ought to end and we should be given some relief from that kind of a condition.

Talk about passing the bill as a separate measure! We have done that before, but it has not accomplished any good. Somewhere, at some place, somehow, somebody sidetracks it, pigeonholes it, and no relief is afforded. What good does it do to spend millions of dollars every year on our rivers if we are not going to use the rivers? We are not justified in taking public funds out of the Treasury to improve and dredge the rivers and let them fill up in the natural course of events without boats plying on them. We are willing to appropriate public funds to dredge the rivers and to improve the harbors if there may be coupled with such appropriation a provision under which somebody will get some good out of it in addition to those who receive the money for doing the dredging.

We are not asking anything unreasonable or anything unfair, and there is no injustice in the proposal. We ought to have what is now demanded. We ought to provide before we spend a single dollar to dredge any river that boats when put upon it shall not be driven out of business by competition that is unfair and unjust, which always results in the rail rates going up immediately the boats are driven off. We in the interior ought not to be expected either to continue to toil and to pay taxes to build up rival cities and favored communities in some other localities. It seems to me, therefore, Mr. President, that if the amendment shall be modified as I have suggested there can be no injustice in it and it ought to be adopted.

GOVERNMENT INTEREST RATES

Mr. SHIPSTEAD addressed the Senate on Government interest rates.

After having spoken for some time,

Mr. ROBINSON. Mr. President, will the Senator from Minnesota be good enough to yield until an effort is made to effect an arrangement about voting on the bonus bill?

Mr. SHIPSTEAD. Yes; I yield.

Mr. CURTIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Minnesota yield to the Senator from Kansas?

Mr. SHIPSTEAD. If it will not cause discussion I shall be delighted to yield.

Mr. CURTIS. The bonus bill has passed the House over the President's veto and will be presented here very soon.

Mr. ROBINSON. It is here now.

The PRESIDENT pro tempore. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Page, its Clerk, announced that the President of the United States having returned to the House of Representatives, in which it originated, the bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes, with his objections thereto, the House proceeded, in pursuance of the Constitution, to reconsider the same; and

Resolved, That the bill pass, two-thirds of the House of Representatives agreeing to pass the same.

ADJUSTED COMPENSATION—VETO MESSAGE

Mr. CURTIS. Mr. President, some of the Senators on the other side desire to leave the city, and I desire to know if we can not reach an understanding as to when we will have a final vote upon this measure. So far as I am concerned, I am ready to proceed now or on Monday or on any other day that is satisfactory to the different Senators.

Mr. NORRIS. Mr. President, it seems to me that Senators take an extraordinary course here, to break in right in the middle of a Senator's argument to take up something else.

Mr. ROBINSON. Mr. President, I suggest to the Senator from Nebraska that the Senator from Minnesota was good enough to yield.

Mr. NORRIS. I know he was, but——

Mr. ROBINSON. A number of Senators on both sides of the Chamber—some four or five on the other side and three on this side—have expressed a desire to leave the city. Many of them are leaving for the purpose of attending political conventions in their respective States. My impression is that if the arrangements can be effected a vote may be had next Monday. If that is not done, it may be necessary to defer the vote for several days.

I ask unanimous consent that immediately upon convening next Monday the Senate proceed to the consideration of the veto message, and that before the expiration of the calendar day of Monday the Senate vote finally upon it.

Mr. McKELLAR. That is day after to-morrow?

Mr. ROBINSON. Yes.

Mr. REED of Pennsylvania. Mr. President, I shall have to object to that, for the same reason that my friends on the other side object to making it two days later, Wednesday, as was suggested. We have in Pennsylvania a State committee meeting and a meeting of all our delegates to the Republican convention fixed for Tuesday morning, and it will be necessary for both my colleague [Mr. PEPPER] and myself to leave here early Monday in preparation for that. Then there will be some debate on the matter of overriding the veto, and for that reason, it seems to me, that to fix a vote for Monday is a little too soon. I suggest to the Senator that he make it Wednesday or Thursday of next week.

Mr. ROBINSON. The difficulty about that, as the Senator knows, and as already stated, is that a number of Senators are leaving here Tuesday to be gone all the week, and the Senator from Indiana is leaving this afternoon.

Mr. REED of Pennsylvania. Then I suggest to the Senator that he make it a week from Monday—that would enable all of the absent Senators to get back—or next Saturday, a week from to-day, if that is preferable.

Mr. CURTIS. Why not a week from to-day?

Mr. McKELLAR. Mr. President, I have my doubts about whether we can get back. Our convention takes place on next Thursday, and we would have to leave early Thursday evening in order to get back here by Saturday morning.

Mr. REED of Pennsylvania. Would Monday be satisfactory to the Senator from Tennessee?

Mr. SHIELDS. Monday week? That would be only one day later than Saturday.

Mr. McKELLAR. That would be entirely satisfactory to me.

Mr. ROBINSON. I ask unanimous consent, then, that the Senate, on convening next Monday week, proceed to the consideration of the veto message on the adjusted compensation bill, and that not later than 10 o'clock p. m. of said day the Senate proceed to vote.

Mr. CURTIS. Mr. President, as the Senator having charge of the bill, I have no objection to that.

Mr. ROBINSON. That is May 26.

Mr. NORRIS. It will be necessary to have a roll call.

Mr. ROBINSON. We shall have to have a roll call, and, Mr. President, if no Senator who is present objects, I shall suggest the absence of a quorum.

Mr. SHIPSTEAD. Mr. President, I object to a roll call being had at the present time. When I yielded the floor——

Mr. ROBINSON. Will the Senator pardon me for another interruption? The Senator was good enought to yield for the purpose of submitting this request, and unless an arrangement is effected this afternoon for a final vote it will occasion considerable inconvenience to a number of Senators. I hope the Senator will be kind enough to permit this arrangement to be entered into now, and in order to do that it is necessary to have a roll call. If the Senator would prefer——

Mr. REED of Pennsylvania. Mr. President, I suggest that by unanimous consent these remarks about an agreement for a vote on the bonus bill be directed to appear in the RECORD apart from the remarks of the Senator from Minnesota, so as not to interrupt the sequence of his remarks as they will appear in the RECORD.

Mr. ROBINSON. Certainly. All proceedings on this subject. I think that is entirely proper.

The PRESIDENT pro tempore. Is there objection to the last request with respect to the continuity of the address of

the Senator from Minnesota? The Chair hears none, and it is so ordered.

Mr. McKELLAR. Mr. President——

The PRESIDENT pro tempore. The Senator from Arkansas suggests the absence of a quorum in order to submit a request for unanimous consent.

Mr. SHIPSTEAD. Mr. President, I will say to the Senator from Arkansas that when I yielded——

Mr. ROBINSON. There is no intention of taking the Senator from Minnesota off the floor.

Mr. SHIPSTEAD. I am aware of that. I will say to the Senator that when I yielded the floor I did so with the understanding that there was to be no debate, and certainly I did not understand that there was to be a roll call or a vote; but in view of the fact that that is necessary now, since we have been interrupted so long, and in view of the fact that so many Senators want to leave the city, I will agree.

Mr. ROBINSON. I thank the Senator from Minnesota. That is very courteous of him.

Mr. McKELLAR. Mr. President, just one moment. I stated a while ago that I was willing to have a vote next Monday. Of course I should like to see this matter voted on at the earliest possible moment, and I am perfectly willing to vote to-day, if possible. I think the sooner we vote on it, the better.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Fess	Lodge	Sheppard
Ashurst	Fletcher	McKellar	Shields
Bayard	Frazier	McKinley	Shipstead
Borah	George	McLean	Simmons
Brandegee	Gerry	McNary	Smith
Brookhart	Gooding	Moses	Smoot
Broussard	Hale	Neely	Stanfield
Bursum	Harris	Norbeck	Stephens
Cameron	Harrison	Norris	Sterling
Capper	Heflin	Oddie	Swanson
Caraway	Howell	Overman	Trammell
Colt	Johnson, Minn.	Pepper	Wadsworth
Copeland	Jones, N. Mex.	Phipps	Walsh, Mass.
Cummins	Jones, Wash.	Pittman	Walsh, Mont.
Curtis	Kendrick	Ralston	Warren
Edwards	Keyes	Ransdell	Watson
Fernald	King	Reed, Pa.	Weller
Ferris	Ladd	Robinson	Willis

The PRESIDENT pro tempore. Seventy-two Senators having answered to the roll call, there is a quorum present.

The Secretary will state the proposed unanimous-consent agreement.

The reading clerk read as follows:

I ask unanimous consent that the Senate, on convening next Monday a week, May 26, 1924, proceed to the reconsideration of the adjusted compensation bill, and that at not later than 10 o'clock p. m. on said day the Senate proceed to vote thereon.

Mr. ROBINSON. Mr. President, for the benefit of Senators who have come into the Chamber since the discussion that preceded the request for unanimous consent occurred, I desire to say that a number of Senators find it necessary to leave the city to attend political conventions in their home States. Some of them are leaving to-day, others will leave Monday, and still others upon days following:

I asked unanimous consent at first that the vote upon the reconsideration of the adjusted compensation bill be had next Monday. It developed that that agreement could not be secured, and that during the remainder of next week there would be absent a number of Senators who desire to be recorded upon the bill.

I therefore submitted the request for the earliest day when it appeared all Senators might be able to be present, namely, next Monday a week. I should like to see the vote had at an earlier time; I should like to see it had very promptly; but it does not appear possible to effect that arrangement, and Senators do not desire to leave with the question unsettled as to when the vote on the reconsideration of the bill will be had. I am merely submitting the request for the convenience of Senators on both sides of the Chamber who have advised that they are compelled to leave the city to attend political conventions.

The PRESIDENT pro tempore. Is there objection?

Mr. JONES of Washington. Mr. President, I desire to suggest that after a certain hour on that day the speeches be limited in time. Under this unanimous-consent agreement three or four Senators could take all the time.

Mr. ROBINSON. I have no objection to modifying the request in any particular with respect to a limitation of debate which the Senator desires to suggest.

Mr. JONES of Washington. I suggest that after the hour of 6 o'clock p. m. speeches be limited to 10 minutes.

Mr. ROBINSON. I have no objection to that modification. Indeed, I think it improves the agreement.

Mr. CURTIS. I have no objection to it.

The PRESIDENT pro tempore. Is there objection to the request as modified?

Mr. NEELY. Mr. President, reserving the right to object, I wish to announce that it will be impossible for me to be present on Monday, the 26th day of May, for the reason that our primary election is to be held in West Virginia on May 27. I desire to vote on this question, and purpose voting to pass the adjusted compensation bill over the President's ve.o. Unless the unanimous-consent agreement is modified so as to provide for the taking of the vote on some day other than the 26th or 27th of May, I shall be compelled to object to the request.

Mr. ROBINSON. I modify the request so as to make it a week from to-day, next Saturday, which would be the 24th, and I will move up the hour for the final vote, if no Senator objects, to 6 o'clock.

The PRESIDENT pro tempore. Is there objection to the request as now modified?

Mr. JONES of Washington. If that brings the final vote at 6 o'clock, we should modify the request so as to make the 10-minute limitation apply at 4 o'clock.

Mr. ROBINSON. Very well; let that be done.

The PRESIDENT pro tempore. Is there objection?

Mr. GEORGE. Mr. President, I am willing to vote on this matter this afternoon or any day early next week; but I can not possibly be here on next Saturday, and that is the situation of some other Senators, the Senator from Colorado [Mr. ADAMS] among others, on account of conditions similar to those in which the Senator from West Virginia [Mr. NEELY] finds himself.

Mr. ROBINSON. Mr. President, I have demonstrated that it is impossible to fix upon a day upon which every Senator will find it convenient to be present. Unless Senators want to be obstinate about the matter, and occasion great inconvenience to other Senators, I think some date ought to be fixed and notice given. Otherwise I shall move to proceed to the reconsideration of the bill next Monday upon the convening of the Senate. It is privileged, and I can do that.

Mr. CURTIS. The Senator ought to leave that to the Senator in charge of the bill. That Senator was going to serve the same kind of a notice.

Mr. ROBINSON. If the Senator will serve that notice, I will withdraw mine.

Mr. CURTIS. I am perfectly willing to handle the measure.

Mr. ROBINSON. I assure the Senator from Kansas that I have no intention of usurping his jurisdiction.

Mr. CURTIS. When I first made my statement I said to the Senate that I was willing to go on now, or to go on Monday, or at any time; but I am willing to consult the convenience of other Senators by having a day fixed.

Mr. BROOKHART. Is there any reason why we can not go on right now?

Mr. CURTIS. We could not go on now, with the Senator from Minnesota entitled to the floor, and Senators who are not here want to be heard.

The PRESIDENT pro tempore. The Chair understands that objection has been made.

SEVERAL SENATORS. No! No!

The PRESIDENT pro tempore. The Senator from Georgia [Mr. GEORGE] made an objection.

Mr. GEORGE. Mr. President, I did not make a formal objection, but it is simply a question of not wanting the Senate to decide on a day when I could not be here.

Mr. WATSON. I ask unanimous consent that we proceed to vote immediately upon the subject.

Mr. REED of Pennsylvania. I object, Mr. President.

Mr. CURTIS. Mr. President, I serve notice that upon Monday, immediately after the convening of the Senate, I will move that the Senate proceed with this privileged matter.

Mr. SHEPPARD. Mr. President, I call for the regular order.

Mr. CURTIS. Under the rule, until 2 o'clock on Monday the calendar will be the order. So I change my notice. I will call the adjusted compensation bill up immediately after 2 o'clock next Monday.

Mr. SHIPSTEAD. Mr. President, I will say this to the Senator, that if an agreement can be made to vote this afternoon I shall be willing to go on on Monday by unanimous consent, if it is agreeable that I continue my remarks on Monday. I shall not do anything to interfere with the Senate acting now, if the Senate will agree to act now. The fact that I have the floor need not stop the Senate from transacting this busi-

ness if the Senate will agree to do it now. I am willing to yield the floor for that purpose.

Mr. SMOOT. Mr. President, there are a number of Senators out of the city, and some will be leaving at 4 o'clock with the idea that we were not going to vote to-day. It would be unfair to them to take the matter up, and therefore I shall object.

Mr. SHIPSTEAD. If no agreement can be made, I shall refuse to yield the floor.

NAVAL APPROPRIATIONS—CONFERENCE REPORT (S. DOC. NO. 112)

Mr. HALE. Mr. President, I submit a conference report on the naval appropriation bill, and ask that it lie on the table and be printed. I give notice that I shall call it up at the earliest possible moment.

The report was ordered to lie on the table and to be printed, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 9, 10, 18, 21, 32, 41, 46, 47, 49, and 64.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 5, 7, 12, 13, 14, 15, 16, 17, 23, 26, 27, 33, 34, 35, 37, 38, 39, 42, and 61, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "2,550,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$3,409,826; for aviation material, equipment, fuel, and rental of hangars, $320,174; in all, $3,900,000, not more than $1,242,289 of"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$62,500"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$17,550,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,100,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: ": *Provided further*, That no part of this or any other appropriation contained in this act shall be available for maintaining in commission, exclusive of vessels of other types, more than four cargo ships, two transports, and one ammunition ship, unless, in case of emergency, the President should otherwise direct. Nothing in this proviso shall be construed to hinder the return of any vessel to the port where it will be decommissioned"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "plant appliances as now defined by the 'Navy classification of accounts;'"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: ": *And provided further*, That in computing for any purpose the length of service of any officer of the Navy, of the Marine Corps, of the Coast Guard, of the Coast and Geodetic Survey, or of the Public Health Service, who was appointed to the United States Naval Academy or to the United States Military Academy after March 4, 1913, the time spent at either academy shall not be counted"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "in all, $50,000"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "No officer of the Navy or Marine Corps, while on leave of absence engaged in a service other than that of the Government of the United States, shall be entitled to any pay or allowances for a period in excess of that for which he is entitled to full pay, unless the President otherwise directs"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,385,000"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$8,911,800"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: ", and limiting the number of officers and enlisted men"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "and that no part of the moneys herein appropriated for the Naval Establishment or herein made available therefor shall be used or expended under contracts hereafter made for the repair, purchase, or acquirement, by or from any private contractor, of any naval vessel, machinery, article or articles that at the time of the proposed repair, purchase, or acquirement can be repaired, manufactured, or produced in each or any of the Government navy yards or arsenals of the United States, when time and facilities permit, and when, in the judgment of the Secretary of the Navy, such repair, purchase, acquirement, or production would not involve an appreciable increase in cost to the Government"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 8, 25, 28, 30, 31, 40, 43, 44, 45, 48, 50, 51, 52, 53, 54, 55, 59, and 60.

FREDERICK HALE,
LAWRENCE C. PHIPPS,
CLAUDE A. SWANSON
(With exception of Senate amendment No. 64, which I insist upon),
Managers on the part of the Senate.

BURTON L. FRENCH,
GUY U. HARDY,
JOHN TABER,
JAMES F. BYRNES
(Not in agreement on amendment No. 64),
W. B. OLIVER
(Not in agreement on amendment No. 64),
Managers on the part of the House

Mr. SHIPSTEAD resumed and concluded his speech, which is entire as follows:

GOVERNMENT INTEREST RATES

Mr. SHIPSTEAD. Mr. President, the Senator from Nebraska [Mr. NORRIS] said something about being taxed for the purpose of raising funds to develop harbors and then being taxed again to pay railroad rates. There are more ways of taxing the people than by simply passing a tax bill requiring the citizen to go to the county treasurer, pay his county taxes and his State taxes, and pay his income and excise taxes to the Federal Government.

It is interesting to note that while we have been discussing the Army appropriation bill the President has vetoed the bill calling for adjusted compensation to the service men of the last war. For doing so he gives various reasons, the chief among which is his desire to lower taxes.

Mr. President, because the Senate, through various sources, has been led to believe and the country has been led to believe that the Secretary of the Treasury has been the chief financial adviser of the administration, and because of the fact that I myself and other Senators have been deluged with letters and telegrams asking the Congress to sign on the dotted line when it comes to passing tax measures or when it comes to acting upon questions of public finance that are proposed by the Secretary of the Treasury as the chief financial adviser of the administration, I want to discuss the conduct of the Government financing by the Secretary of the Treasury, and I want to discuss him as chief financial adviser of the administration; and I want to say that I do not intend to do it in a controversial spirit. I do not intend to do it in a partisan spirit. I want to confine myself to the facts, to the statements of the Secretary of the Treasury, and to the statements of his friends.

Mr. President, the President has vetoed the bonus bill. His message tells us that he has been actuated by various motives, chief among which is his desire for lower taxes and therefore easier economic burdens for the American people. A desire for lower taxation is a commendable one, upon which there can be no difference of opinion. I am firmly of the opinion, however, that the President is ill advised when he places the burden and cost of reducing taxes upon the soldiers. There are other ways whereby the burden of the people can be lightened and the taxes reduced without taking it out of the pockets of those who risked their lives at the request of the Government during the World War. There are many ways of placing unnecessary burdens upon the backs of the people, but the most universal manner is that of taxation. It is an axiom that "The power to tax is the power to destroy." It is also a recognized fact that the power to fix the interest rates is the power to tax, and therefore the power to destroy.

On February 1, during this session of Congress, I tried to impress upon the Senate the fact that this power had been so used and that it had resulted in an exorbitant rate of interest being charged on borrowings of all kinds in the United States to such an extent that it is conservative to say that the American people were paying an exorbitant interest charge of at least 1 per cent on borrowings of all kinds. That as a result of this exorbitant interest charge the American people were obliged to pay directly an unnecessary interest charge totaling $1,000,000,000 per year, based on a total indebtedness, public and private, of $100,000,000,000, which I know to be a very conservative estimate of the indebtedness of the people of the United States. At that time I also pointed out the law of economics—that each unnecessary cent that goes into the cost of production is multiplied five times when the article produced reaches the ultimate consumer, and that therefore, in accordance with that law, an exorbitant interest charge of $1,000,000,000 entered into the cost of production of American products has been multiplied into $5,000,000,000 when the products reach the ultimate consumer. I charge that this unnecessary burden of $5,000,000,000 annually is the result of the extraordinary high interest rate paid by the Government, by commerce, public and private corporations, and private individuals. My remarks to the Senate on February 1 state that this high rate of interest was due to the high interest paid by the Federal Government upon its securities issued by the Secretary of the Treasury, the interest rate on which is fixed by the Secretary of the Treasury, and by the high rediscount rates of the Federal reserve banks; that these high rates serve as a peg on the money market of the United States and set the pace for high interest rates being charged on borrowings of all kinds. I called attention at that time to the fact that the Secretary of the Treasury is chairman of the Federal Reserve Board as well as Secretary of the Treasury, and therefore was to a large extent to blame for the high interest rates paid by the Government and high rate of discount charged by Federal reserve banks, and therefore for the high rate of interest being charged upon debts of all kinds in the United States.

Three months have passed by, and the matters I have referred to have been discussed in the financial journals all over the country, by bankers' conventions, and the Secretary of the Treasury has replied thereto in the public press in the April issue of the American Bankers' Association Journal, answering my remarks to the Senate of February 1.

Mr. President, I am sending to the desk a copy of that letter of the Secretary of the Treasury.

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator desire to have it read?

Mr. SHIPSTEAD. I will not take the time to have it read. I ask unanimous consent to have it printed in the RECORD with my remarks, without being read.

The PRESIDING OFFICER. Without objection the request will be granted.

The letter is as follows:

MARCH 17, 1924.

DEAR SIR: I received your letter of March 10, 1923, commenting on the address of Senator SHIPSTEAD of Minnesota on the floor of the Senate, February 1, 1924, in which he charged that the people of the United States are paying about 1 per cent too much interest on the public debt, and requesting a statement as to how the Treasury fixes the rate of interest on its borrowings.

The factors which the Treasury must always take into consideration in floating a new issue of securities are practically the same as those which must be considered by any investment banker in floating new issues for his clients. All Government offerings are made on a strict investment basis. The Treasury always aims to sell its securities at the lowest possible interest rate consistent with their successful distribution among investors, and with this in view it always gives close attention and consideration, in connection with the determination of the amount and terms of each issue, to the market quotations on outstanding securities and to prevailing money-market conditions. No one realizes better than the Treasury that the burden of paying the interest on the public debt falls on the country's taxpayers, and I can assure you that every effort is made to minimize this burden. On the other hand, it is necessary to meet market conditions in carrying on refunding operations and in securing funds to meet current activities. If Treasury certificates and notes should be offered at rates of interest lower than market conditions warrant, they would not prove sufficiently attractive to investors and the funds necessary to carry on the Government's activities would not be available. The Government can no longer appeal to the public to purchase its securities at less than market rates on grounds of patriotism.

In the Government financing which took place on December 15, 1923, the Treasury required, to meet maturing obligations and to carry it over the period to March 15, 1924, about $350,000,000. One-third of this could be thrown into June 15, 1924, maturities, when maturing obligations were somewhat lower than expected receipts, and two-thirds placed in December 15, 1924, maturities, on which date there were no other maturing obligations. A summary of the market situation December 10, 1923, when the December 15 financing was announced, with the maturity dates, the amount of short-term issues then outstanding, and their return based on the market price, follows:

Maturity	Amount outstanding	Return
		Per cent
Mar. 15, 1924	$570,946,800	3.85
June 15, 1924	411,088,000	4.04
Sept. 15, 1924	377,081,100	4.20
Dec. 15, 1924		
Mar. 15, 1925	508,355,900	4.39

Obviously the above market situation called for an interest rate of 4 per cent on the six months' certificates maturing June 15, 1924, and 4¼ per cent on the certificates maturing December 15, 1924. That in spite of oversubscriptions the interest rate was correctly fixed is shown by the fact that in the week succeeding their issuance large amounts of the new issue of each series changed hands at par.

The March 15 certificates were offered Monday morning, March 10, and the previous Saturday the price of Government short-term obligations indicated the following returns on the maturity dates:

June 16, 1924	3.90
September 15, 1924	3.83
December 15, 1924	3.85
March 15, 1925	4.00
June 15, 1925	4.13
December 15, 1925	4.14

Faced with this market situation, a 3¾ per cent rate was too low for a nine months' certificate. To have made this 3¾ would have been to adopt an inconvenient rate. It was determined, therefore, to issue 12 months' certificates on a 4 per cent basis, which exactly hit the market.

It is possible, of course, that the Treasury might at times have issued its securities at a somewhat lower rate and have appealed to the Federal reserve banks to support the market through heavy purchases of such securities in case the proper distribution should not be effected. To pursue such a course in peace times, however, would seem to me to be inexcusable. It would create an artificial situation in the investment and money markets and tend to produce inflation. It may be noted in this connection that the Treasury has succeeded in borrowing on its certificates of indebtedness at a lower rate than even States and cities have been able to borrow on their fully tax-exempt short-term bills, though in substance the Treasury certificates are exempt only from the normal income tax. During the whole of February, for example, the city of New York paid 4¼ and 4½ per cent on its short-term bills, while the Treasury is now offering one-year certificates at 4 per cent. Moreover, the Treasury's long-term bonds not wholly tax exempt do not bear higher rates than the average on municipal bonds issued during and since the war, which are wholly tax exempt. The Treasury's wholly tax-exempt securities bear a rate

nearly 1 per cent lower than municipal tax-exempt securities. A glance at the public-debt statement will show that the great bulk of the outstanding public debt bears 4½ per cent or less. During the heavy refunding operations of 1921 and the early part of 1922, when the money market was tight and interest rates high, it was necessary, of course, to issue securities at somewhat higher rates, but it will be noted that none of these issues have long maturities. They all mature within the next few years and can soon be replaced by issues at lower rates according to the conditions of the market. In fact the two series of notes which bear the highest rates mature during the current calendar year and will be paid off or refunded at the market rates.

The principal evidence in support of the contention that the Treasury is paying too high rates seems to be that the various offerings were oversubscribed, but if one will take the trouble to examine the market it will be found that there are comparatively few successful offerings of securities of any kind which are not oversubscribed. In fact, if they are undersubscribed, the offering is in part a failure and reflects on the judgment of those who made it. The investment market is an exceedingly delicate affair, and a very small difference in rate will mean the difference between success and failure of the offering. Reference was made to the Treasury notes of January 15, 1923, bearing 4½ per cent and the notes of May 15, 1923, bearing 4¾ per cent. The daily quotations, which are, of course, the best index of what the market will take, show that soon after the issue of the 4½ per cent notes in January they dropped below par, and by May, when the next issue was due, they were selling at a yield of over 4.60. The May issue was an unusually large one, amounting to nearly $700,000,000, and I do not believe anyone familiar with the market would contend that the issue would have been successful at a lower rate. You will recall the violent criticisms which were directed against the Treasury after the war when the Liberty bonds sold below par on the ground that the rates on the loans were too low.

In comparing the rates on acceptances with the various types of Government securities the differences in the nature of the issues in maturity dates, size of issues, changing market conditions, and other fundamental factors were wholly ignored. Rates on acceptances are for 90-day bills, and it might be noted that in December, 1923, the Treasury issued six-month securities at 4 per cent, and is now offering an issue of 12-month securities at 4 per cent, while the market rate on bills was 4¼ to 4¼ on the former date and is now 4½. A compilation of interest rates shows that the rate on 6-month certificates has conformed fairly closely to the rate on 90-day bills since 1921, and that the rate on commercial paper has run approximately three-quarters to 1 per cent higher.

Much of the criticism of the Treasury and the Federal reserve banks clearly betrays a lack of understanding of the fundamental economic principles which determine interest rates. The impression seems to prevail that conditions in the money market are due entirely to the rates paid on Government securities and to the discount rates of Federal reserve banks, and that these rates can be fixed arbitrarily at a higher or lower level, thus determining market conditions at will. On the contrary, both the rates paid on Government securities and the discount rates of Federal reserve banks reflect conditions in the money market rather than cause them. Fundamentally, interest rates are determined by the demand for and supply of capital. The comparatively high money rates which continue to prevail are the result of economic conditions which exist throughout the world.

The demand for capital everywhere following the destruction of the war is so great that high rates must be paid by those who wish to secure the limited supply. The return to normal rates must necessarily be a gradual process depending upon the rapidity with which the supply of capital is replenished. A scarcity of capital is something beyond the power of the Treasury or banks to prevent. It is a persistent fallacy that financial and credit institutions can create capital or make it cheap. They can manufacture credit, but only in a limited sense can credit take the place of capital. Capital can be created only by increased productivity and increased savings.

With reference to the effect of the Federal reserve bank rate on conditions in the Northwest, statistics show that in the Minneapolis district the average rate charged by member banks to customers on paper which they in turn rediscounted rose from 7.65 per cent in December, 1921, to 7.99 per cent in December, 1923, although the discount rate of the Federal Reserve Bank of Minneapolis declined from 5½ to 4½ per cent. On the latter date the spread between the discount rate and the rate charged by member banks to their customers was 3½ per cent. This would hardly bear out the contention that the plight of the banks in that district is due to the discount rate of the Federal reserve bank. A similar situation prevails in some of the other districts, particularly in the agricultural districts. Many banks have long been accustomed to charge the maximum rate allowed by the usury laws of the State, especially on the smaller loans. In some sections of the country these rates range from 6 to 10 per cent, and are still paid by many borrowers in spite of the discount rate of 4½ per cent. In many agricultural sections, moreover, a great majority of the commercial banks are not members of the Federal reserve system, and under such conditions it would be difficult for the Federal reserve banks to exercise any great influence over the higher level of interest rates for these districts. In fact, the discount rates of none of the Federal reserve banks can be said to be effective at the present time in the sense that they are a controlling factor in the general level of interest rates. It should be noted in this connection that discount rates of Federal reserve banks are not fixed with the idea of enabling member banks to make a profit. Commercial banks are not primarily borrowing institutions; they are lenders, and for them to borrow in order to lend at a profit is universally recognized as unsound practice. The primary purpose of reserve institutions is to assist commercial banks in times of unusual or emergency demands rather than to extend a permanent line of credit on which member banks can make a profit. In connection with this whole question of discount rates and the function of reserve institutions, it is significant that in England and other European countries the bank rate is almost constantly higher than market rates on discountable paper. Since the entrance of the United States into the World War in 1917, however, the rates of Federal reserve banks have been lower than rates charged by member banks on practically all paper rediscounted.

While the Treasury welcomes any public discussion or suggestion with reference to its policies, I realize that much harm has been done by charges against the Federal reserve system by those who are neither familiar with the facts nor the fundamental economic principles involved. These charges have inflamed the minds of the public in certain sections with wholly imaginary evils and injustices, and any contribution that you can make toward the better understanding of our banking and financial systems will be a public service.

I fully appreciate the conditions in certain agricultural districts, but in my opinion the farmer's greatest enemies to-day are those who, posing as his champions, lead him into the belief that his ills can be cured by political measures rather than through the necessary economic adjustments, and who seek to divert him from facing the facts in the case by indiscriminate attacks on existing institutions. What the farmer needs above all else at this time is sound constructive statesmanship.

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

Mr. JAMES E. CLARK,
Editor American Bankers' Association Journal,
110 East Forty-second Street, New York City.

Mr. SHIPSTEAD. Mr. President, in this letter the Secretary of the Treasury does not deny that the Treasury, through the Federal reserve banks, is outbidding banks for bank deposits on their savings certificates, paying a higher rate of interest than banks can afford to pay on savings. He does not deny my charge that there is an exorbitant rate of interest being charged on borrowings of all kinds. He does not say that the Treasury is not paying too high a rate of interest on several billion dollars of floating indebtedness. He does not deny that the rediscount rates of the Federal reserve banks are too high, but he says that the Secretary of the Treasury and Federal reserve banks are not to blame. He says that the high rate paid by the Secretary of the Treasury on Government issues and the high rediscount rate of the Federal reserve banks reflect the condition of the money market instead of causing those high rates.

In the article published in the American Bankers' Association Journal Secretary Mellon states:

Much of the criticism of the Treasury and the Federal reserve banks clearly betrays a lack of understanding of the fundamental economic principles which determine interest rates. The impression seems to prevail that conditions in the money market are due entirely to the rates paid on Government securities and to the discount rates of the Federal reserve banks, and that these rates can be fixed arbitrarily at a higher or lower level, thus determining market conditions at will. On the contrary, both the rates paid on Government securities and the discount rates of the Federal reserve banks reflect conditions in the money market rather than cause them. Fundamentally interest rates are determined by the demand for and supply of capital. The comparatively high money rates which continue to prevail are the result of economic conditions which exist throughout the world.

Then he goes on to say:

No one realizes better than the Treasury that the burden of paying the interest on the public debt falls on the country's taxpayers.

So he recognizes that fact.

Now I will quote another statement from a document bearing the name of the Secretary of the Treasury, in which he takes an entirely opposite point of view. This is from a document issued by the Federal Reserve Board, of which the Secretary of the Treasury is the chairman. This report is dated February 15. I believe it was not available until the first week in April.

which is the week in which his letter to the American Bankers' Association Journal was published.

Mr. KING. Mr. President, will the Senator yield?

Mr. SHIPSTEAD. I yield.

Mr. KING. Before proceeding to a consideration of the matter to which the Senator has just adverted, may I inquire if it is not a fact that the Secretary of the Treasury, in his borrowings, went into a number of the agricultural States—into Ohio and Illinois and Indiana and Iowa—and obtained from those States considerable money for these short-time certificates at a higher rate of interest than was then current in those respective localities?

Mr. SHIPSTEAD. Oh, yes.

Mr. KING. So that that would be a refutation of the statement which is contained in the letter which the Senator has just read.

Mr. SHIPSTEAD. Oh, yes. That drive was made for the sale of savings certificates drawing 4½ per cent interest, compounded semiannually. I will say, however, that the newspapers record that on the 1st day of February that sale of savings certificates was stopped in the Northwest States.

I want to quote from this other document bearing the name of the Secretary of the Treasury. Here he gives an entirely different point of view on the question of whether or not the Federal reserve bank discount rate has anything to do with the rate of interest being charged on borrowings of all kinds. On page 10 he says:

> The experience of the Federal reserve banks, notwithstanding that the brief period of their active operation on a considerable scale has been one of disturbed economic and financial conditions, is demonstrating that there is a sufficiently close connection between changes in Federal reserve bank rates and changes in interest rates charged their customers by member banks on a sufficiently large volume of customers' borrowings to make Federal reserve rates an important and at times a leading influence in money centers. In that sense the Federal reserve bank rates may be said to be effective. Its effectiveness and the range of its influence have been promoted in no inconsiderable degree in recent years by the increasing fluidity of the American credit system; that is, by the ease with which credit flows between the larger financial centers and the interior of the country.
>
> Member bank customer rates have shown a tendency to move with Federal reserve bank rates. * * *

Are not these two statements entirely opposite and contradictory? In the first statement, Secretary Mellon states that the Federal reserve bank rates reflect conditions in the money market rather than cause them, but in the second statement he claims that there is a sufficiently close connection between changes in the Federal reserve bank rates and changes in rates charged their customers by member banks to make Federal reserve rates an important and at times a leading influence in money centers.

Which of the above statements is true? The letter to the American Bankers' Association Journal was written in reply to my address to the Senate of February 1, in which I charged that the Federal reserve rate kept up the interest rate on commercial borrowings, and Secretary Mellon's letter was not written until March 17, plenty of time for due deliberation. The report for 1923 by the Federal Reserve Board was made public the latter part of March or first part of April, so that the letter and report can be said to be simultaneous expressions from the Treasury Department.

There we have Mr. Mellon's view on the question of whether or not the high rate of interest being charged on borrowings of all kinds in the United States is caused by the Secretary of the Treasury setting the pace by offering an unnecessarily high rate of interest on Government securities, and rediscount rates charged by the Federal reserve banks. That seems to be the question in controversy,

The Secretary of the Treasury takes the position that the Federal reserve bank rediscount rates reflect the condition of the money market, and are not the cause of the high rate of interest. He admits that interest rates are high.

Since these statements were made some very interesting things have happened, because on the 1st day of May the Federal Reserve Bank of New York reduced its rediscount rate from 4½ per cent to 4 per cent.

I want to call to the attention of the Senate the fact that on April 30, the day before that interest rate was reduced, call money on the New York market closed at 4½ per cent.

I have an editorial from the Wall Street Journal which I send to the desk, and part of which I want to have printed. I do not care to have the whole editorial printed, but just enough to indicate the fact that the call-money rate at the close on April 29 was 4½ per cent.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, May 1, 1924]

MONEY DEMAND IS SLOWING UP—RESERVE REDISCOUNT RATE REDUCED TO 4 PER CENT—BROKERS BORROWING LIGHTLY—COMMERCIAL PAPER STEADY

New York Federal Reserve Bank announced reduction on the rediscount rate from 4½ per cent to 4 per cent Wednesday.

Last time the rediscount rate was changed was on February 23, 1923, when it was increased from 4 per cent to 4½ per cent, when the Federal reserve banks of New York, Boston, and San Francisco all acted at once, so the same rate, 4½ per cent, prevailed throughout the system.

It is believed that some of the stronger reserve banks, with high ratios, may follow the lead of the New York bank now. Each Federal reserve bank is free to take independent action on rediscount rate, subject to approval of the Federal Reserve Board.

Money market continues quiet. Tuesday's closing rate of 4½ per cent brought a flood of out-of-town money to swell the already large local surplus so that the rate opened at 4¼ per cent.

Mr. SHIPSTEAD. Another editorial from the Wall Street Journal of April 30 read as follows:

> Call money renewed at 8¾ per cent and gradually rose to 4½ per cent in the afternoon without any particular demand for loans in the stock market or elsewhere.

The news that the New York Federal Reserve Bank had reduced its rate was not made known in the money market until after the close of business on May 1 of this year, and here we find in the editorial of the Wall Street Journal for May 1 this statement:

> Money market continues quiet. Tuesday's closing rate of 4½ per cent brought a flood of out-of-town money to swell the already large local surplus, so that the rate opened at 4¼.

Here is another editorial from the Wall Street Journal of May 1:

> Liberty loans rally on rumors that Federal reserve rediscount rate will be cut.
>
> When there was only a rumor in the money market that the Federal reserve bank intended to reduce its rediscount rate, Liberty loan bonds and other Government securities started to go up.
>
> Rumors in the street yesterday to the effect that the Federal reserve bank would reduce the rediscount rate influenced activity in United States Government bonds and after early slight recessions most issues rallied above Tuesday's closing level. News of the cut in the bank rate did not come until after the close of the bond market so that the full effect of that constructive action was not reflected in yesterday's prices. Most of the surplus funds of banks and insurance has been placed lately in United States Government bonds and high-grade railroad issues. From now on, high-yielding bonds of the second grade should do better.

So we find that when it was only rumored that the Federal reserve rediscount rate would go down, bonds, and particularly Government issues, started to rise.

Mr. BROOKHART. Mr. President, I would like to ask the Senator if, conversely, at the time of the deflation in 1920, when the rediscount rates were raised, the prices of Government bonds were not depressed?

Mr. SHIPSTEAD. Certainly.

Mr. BROOKHART. And people who had bought those bonds for war purposes were forced to sell them at below par?

Mr. SHIPSTEAD. We know by bitter experience that that is true.

Mr. BROOKHART. Perhaps it might be reasoned from that that one of the big objects of deflation as talked at that secret meeting of May 18, 1920, was to depress the bonds and buy them in at the lower rates.

Mr. SHIPSTEAD. I do not see how any sane man can doubt that.

Mr. President, I have here an editorial from the Wall Street Journal of May 2, the day after the Federal Reserve Bank of New York lowered its rediscount rate, and I find this in large headlines:

> United States 4½'s at record high. Reduction in Federal reserve rediscount rate and the decline of call loans to 3½ per cent stimulates Government issues.

I want to call attention to the fact that the day after the Federal Reserve Bank of New York lowered its rediscount

rate from 4½ per cent to 4 per cent, call money dropped to 3½, and has never gone above that to this day. As a matter of fact, this morning's Wall Street Journal said that the money market last night closed at 3 per cent.

Here is what the Wall Street Journal said editorially as the effect of the reduction of the Federal reserve bank rediscount rate upon the money market:

Responding to the cut in the New York Federal Reserve Bank rediscount rate from 4½ to 4 per cent and continued easy-call loans, which receded to 3½ per cent in the afternoon, the bond market developed activity yesterday with attention centered chiefly on United States Government and other high-grade investment bonds. United States Treasury 4½'s established a record price of 102, and all the Liberty loan issues reached the highest prices for the year.

On May 2 there appeared in the North American of Philadelphia a communication from their correspondent in New York, which appears on page 23, in which he said:

Although bankers generally agree that the lowering of the local Federal reserve rate will result in easier money, its only effect to-day was in the call money market, which opened at 4½ per cent, and then dropped successively to 4, 3½, and 3½. * * *

* * * * * * *

Sharp rallies in Liberty bonds, which mounted in unusually active trading to the highest levels of the year, to-day measured the bond market's response to the reduction in the New York Federal Reserve Bank's rediscount rate. For the first time this year all active issues sold at par or higher, while the Treasury certificates reached a new price of 102, the highest ever recorded.

Mr. HEFLIN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Alabama?

Mr. SHIPSTEAD. I yield.

Mr. HEFLIN. There is a Federal reserve bank also at Philadelphia. Does the Senator know the difference between the rediscount rate of the New York bank and of the bank at Philadelphia?

Mr. SHIPSTEAD. I will say to the Senator that up until May 1, when the New York Federal Reserve Bank lowered its rediscount rate to 4 per cent, the Federal reserve bank rediscount rates were uniform in all banks throughout the United States. Whether the Philadelphia bank has followed the action taken by the New York bank I do not know. I am quite sure it had not been done up to yesterday. But it is expected that it may be done. Whether they will do it or not we can not tell.

Mr. SMITH. Mr. President, I have not heard all of the Senator's speech; but has the contention been made that the rediscount rate at the regional or reserve banks has not affected the flow of money or the rates that were exacted in the member banks, and in the ordinary commercial and national banks?

Mr. SHIPSTEAD. I will say to the Senator that I made the charge on the floor of the Senate last winter that it affected borrowings of all kinds.

The Secretary of the Treasury, in a letter written to the American Bankers' Association Journal on March 17, and published in the April issue, made the statement that the Federal reserve discount rates reflected a condition in the money market and the interest rate in America instead of being the cause of those high rates. Does that answer the Senator's question?

Mr. SMITH. I was just wondering if, under an amendment offered on the floor of the Senate by the Senator from Connecticut [Mr. MCLEAN], chairman of the Committee on Banking and Currency, and adopted by the Senate, which was known as an amendment to provide a progressive and graduated rate when the borrowings of the bank had reached a certain base line and above it, they were to be foreclosed by the progressive and graduated rates that were incorporated in the Federal reserve act.

Mr. SHIPSTEAD. That is correct.

Mr. SMITH. I have a statement from officials of the Federal reserve bank that under the operation of that amendment in some places the discount charges were 16 per cent, and in one case in Alabama 87½ per cent was charged, not because the security was not ample or perhaps was not safe, but simply because they wished to reduce operations and to bring about deflation, which they did amply succeed in doing.

Mr. SHIPSTEAD. I will say to the Senator that I think he is absolutely correct. It may seem presumptuous to take up the time of the Senate this afternoon with a discussion of a question so rudimentary as that, but because of the fact that the Secretary of the Treasury has not recognized the power of the Federal reserve bank through the control of the rediscount rate to control the interest rates, the high rates of interest being charged all over the country, and because of the fact that the Senate and the people of America are asked to accept him as their official infallible adviser on questions of public finance, I am taking up the time of the Senate this afternoon to show what has actually taken place in the money market since the Federal Reserve Bank of New York reduced its rediscount rate on the 1st of May.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from North Carolina?

Mr. SHIPSTEAD. I yield.

Mr. SIMMONS. Am I to understand the Senator to say that the Secretary of the Treasury has stated that the Federal reserve system did not fix the rate of interest but, rather, followed the commercial rate? I was under the impression that one of the chief objects and purposes of the Congress in the establishment of the Federal reserve system was that it might act as a regulator, so to speak, of the interest charges made in ordinary commercial transactions, just as the Bank of England has always been supposed to regulate the interest charge prevailing in the Kingdom of Great Britain. It is news to me and rather a startling statement to come from the Secretary of the Treasury that the Federal reserve system is not performing that function at all but simply following in the wake of commercial enterprises and commercial investments in commercial enterprises.

Mr. SHIPSTEAD. I will say to the Senator that before he came into the Chamber I quoted the Secretary's point of view on that question contained in a letter to the American Bankers' Association Journal and published in their issue for April. For the benefit of the Senator and other Senators who were not in the Chamber when I quoted the Secretary previously, and because I do not want to misstate what he said, I will read the direct quotation again.

Mr. SIMMONS. I would like very much to hear it.

Mr. SHIPSTEAD. He said:

Much of the criticism of the Treasury and the Federal reserve banks clearly betrays a lack of understanding of the fundamental economic principles which determine interest rates. The impression seems to prevail that conditions in the money market are due entirely to the rates paid on Government securities and to the discount rates of Federal reserve banks, and that these rates can be fixed arbitrarily at a higher or lower level, thus determining market conditions at will. On the contrary, both the rates paid on Government securities and the discount rates of Federal reserve banks reflect conditions in the money market rather than cause them. Fundamentally, interest rates are determined by the demand for and supply of capital. The comparatively high money rates which continue to prevail are the result of economic conditions which exist throughout the world.

Mr. SIMMONS. Does the Senator understand that to mean that the Federal reserve banks can not in any way affect the rate of interest charged in the country, either to reduce that rate or to pursue a policy which would necessarily force down the rate?

Mr. SHIPSTEAD. I think the language is very plain when he says that those rates reflect conditions in the money market rather than cause them.

Mr. HEFLIN. Mr. President, will the Senator permit me to interrupt him?

Mr. SHIPSTEAD. Certainly.

Mr. HEFLIN. It was the purpose or one of the purposes in creating the Federal reserve system to control just such situations as he talks about, but those who are now in control are saying that conditions in the money market fix the rediscount rates and not the Federal Reserve Board.

Mr. SHIPSTEAD. That is what the Secretary said. I will say to the Senator from North Carolina that the Federal Reserve Board issued a report dated February 15, in which they took the opposite point of view, and because the Senator was not in the Chamber when I read it I will read it again.

The experience of Federal reserve banks, notwithstanding that the brief period of their active operations on a considerable scale has been one of disturbed economic and financial conditions, has demonstrated that there is a sufficiently close connection between changes in Federal reserve bank rates and changes in rates charged their customers by member banks on a sufficiently large volume of customers' borrowings to make the Federal reserve rates an important and at times leading influence in the money markets. In that sense the Federal reserve rate may be said to be effective.

Mr. SIMMONS. I never supposed the Federal reserve banks could absolutely fix the rate of interest in the United States, but I did suppose the Federal reserve banks might exercise a largely determining influence in the fixing of the rates of interest throughout the country. I thought that was the pur-

pose of the inauguration of the system. When the deflation policy was first inaugurated it was very well understood at that time that the Federal Reserve Board, in fixing the rate at that time, was fixing it for the purpose not only of influencing but to a very large extent controlling the rates of interest throughout the country.

Mr. SHIPSTEAD. Certainly.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Florida?

Mr. SHIPSTEAD. I yield.

Mr. FLETCHER. The Secretary seems to claim that the ample supply of capital—and by that he means the supply of money deposited in the banks, savings accounts, and elsewhere—has an influence in the matter of fixing the rediscount rates. In a statement issued by the Federal Reserve Board on April 30, 1924, it appears that in the various Federal reserve districts the savings deposited in the Federal reserve districts amounted on April 1, 1924, to $7,307,062,000, as against $6,740,410,000 on April 1, 1923. It appears also that the time deposits in all the national banks exceeded $6,000,000,000. So we have savings deposits of over $7,000,000,000 and time deposits of over $6,000,000,000 in the banks. There would seem to be a supply of capital.

Mr. SHIPSTEAD. I have here an editorial from the Wall Street Journal of May 8, in which it is said:

> Business has not receded nearly so far as some opinions indicate. Loans are still in demand, and liquidation of old business is hardly sufficient to keep down total loans outstanding. Total loans of reporting member banks in leading cities stood at $12,062,136,000 on April 16. They were at $12,066,813,000 on January 2, which was the high point since deflation in 1921.

This report is only from about one-third of the money markets of the United States, showing that there is a tremendous demand for capital, that capital is not unemployed, that there is plenty of capital in the country, and that there are more bank borrowings now than there have been since 1921.

Of course during the deflation period of 1920 the Federal reserve banks annihilated the credit which they had created during several years prior to the time when they put in that period of deflation by restricting the circulating medium of the country and thereby breaking the prices of agricultural products, causing the Liberty loan bonds to come out from the people who had bought them at par, and compelling them to sell at 80 and 85. It is very significant that they did not come back until after the revenue act of 1921 was passed putting them on the tax-exempt list when held by corporations.

It was not only the Liberty loan bonds that were shaken out of the hands and pockets of the American people during that period of deflation. The American people during that period were, by this power of the control of the money and credit and discount of interest rates, deflated out of many billions of dollars. The Secretary of Agriculture has said that the American farmer alone was deflated or dispossessed at $18,000,000,000 in property. I had never claimed that he had been deflated out of more than $12,000,000,000, but the Secretary of Agriculture claimed he was dispossessed of $18,000,000,000. The Manufacturers' Journal, of Baltimore, makes the statement that the American farmer was dispossessed of $32,000,000,000 of property. That is a very conservative journal and therefore very respectable, so I hope the Senate will take under consideration the statement which I have just quoted.

Mr. BROOKHART. Is it not true that this control of interest rate also has an effect upon prices?

Mr. SHIPSTEAD. From the editorials which I have read from financial journals that I have been quoting this afternoon it is evident that immediately upon the drop in the rediscount rate by the Federal Reserve Bank of New York on May 1 the market prices of all kinds of securities were affected and Government issues that the Secretary of the Treasury sold March 15, 1924, to yield 4 per cent, are now sold on the open market to yield about 3.59.

Mr. BROOKHART. Is it not then true that the greatest economic power in our country, and therefore the greatest in the world, is located in the administration of the Federal reserve system?

Mr. SHIPSTEAD. Oh, certainly. It controls all industries.

Mr. BROOKHART. Does it not behoove the Congress to find out and know more about how that institution is controlled?

Mr. SHIPSTEAD. I think Congress should. Here I have an editorial from the Wall Street Journal of May 14, wherein the editor said:

> Commercial paper always shows a tendency to rule at one-half of 1 per cent above the reserve bank rediscount, and when shaded below this figure hardly represents the market. In any event, the rediscount rate practically "pegs" the rate at 4½ per cent as minimum.

Here we have the editor of the Wall Street Journal admitting that the Federal reserve bank rediscount rate "pegs" the money market at 4½ per cent on the open market.

The Wall Street Journal for May 16, speaking editorially, states:

> Money market, while quiet, is remarkably steady at the new level recognized by the reduction in the New York Federal Reserve Bank rediscount rate on May 1. Call money rate has not moved from 3½ per cent since the close of the market on that day. It is as if pegged. Time money is extremely dull and readily available at 4 per cent for most dates.

In my address of February 1, I quoted from Wall Street Journal of January 25, 1924, the following:

> Federal reserve rediscount rate serves as a peg, insuring paper from going lower.

In Wall Street Journal of April 26, 1924, the following statement appears:

> Bankers do not look for any further softness in commercial paper while the Federal bank rediscount rate holds at 4½ per cent.

I quote further from the same issue of the Wall Street Journal, May 16, 1924:

> Country banks show no inclination to loan their funds at anywhere near the present market. They are finding more profitable use for their money nearer home or turning to such short-term securities as Treasury certificates and notes, bankers' acceptances and commercial paper. In any event, brokers' borrowings are so light that no considerable amount of interior money could be absorbed even though it were offered.

So we find that as a result of the lowering of the rediscount rate of the Federal Reserve Bank of New York money is beginning to flow back into the country to finance the business of the interior of the country.

I have here the editorial page of the Literary Digest for May 17; that is to-day. I send it to the desk and ask that the two paragraphs marked in ink be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

> For a year past the bank rate has been 4½ per cent for all the Federal reserve districts. Now that New York has lowered it to 4 per cent, other eastern reserve banks are expected to follow suit; and, of course, interest rates on loans and deposits will be correspondingly cut down.
>
> * * * * * * *
>
> For money has of late been cheap in New York, call money being quoted at 4½ per cent at the end of April. We are reminded in the New York Times that 4 per cent is the lowest rate that the reserve banks have fixed at any time since the system was established in 1914.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Iowa?

Mr. SHIPSTEAD. I yield.

Mr. BROOKHART. I should like to remind the Senator from Minnesota of a fact that I ascertained in reference to the cooperative banking system of England. In the panic of 1908 over there the Bank of England was forced for a while to raise its discount rate, as I remember, from 3½ to 7 per cent. At the same time the cooperative system, which was then a very large system, was able to go through, and did go through, that period with an interest rate of 3½ per cent, without change or modification. Is not that an indication that the cooperative idea of banking is sounder and safer and better in every way than is the competitive idea which we in this country follow?

Mr. SHIPSTEAD. I think the Senator from Iowa is correct; but I maintain that a comparison between the banking system of England and the banking system of the United States is not a fair comparison, because the Bank of England is controlled by the merchants who borrow the money and who are interested in a lower rate of interest on money with which to finance their business, while the banking system of the United States is in control of the bankers, who are interested in a high rate of interest.

Mr. BROOKHART. But the cooperative banking system of England is controlled by the cooperative merchants, and it is fair to compare the two systems in England. I do not mean

to compare the English system with that of the United States, but to compare the two systems in the same country.

Mr. SHIPSTEAD. Oh, yes.

Mr. BROOKHART. On that basis I think the comparison is fair.

Mr. SHIPSTEAD. A cooperative system of banking in the United States, if it were of such a character that it could control the volume of loans, I am confident would cut the interest rates on commercial borrowings.

Mr. BROOKHART. As well as on agricultural loans.

Mr. SHIPSTEAD. Absolutely. English commerce pays a much smaller rate of interest than does American commerce. The British Government sells its short-term treasury bills for 3 per cent and less, and sells them at competitive bidding to the highest bidder. The United States gives the power to fix the interest rate on Government securities to the Secretary of the Treasury.

Mr. HEFLIN. Mr. President, I should like to ask the Senator from Minnesota if the Bank of England has not recently reduced its interest rate?

Mr. SHIPSTEAD. That I can not tell the Senator.

Mr. HEFLIN. It has.

Mr. SHIPSTEAD. I have, however, heard rumors to the effect that it was going to raise its discount rate in the near future.

Mr. HEFLIN. I noticed some time ago—I think a month or more ago—that the Bank of England had reduced its discount or interest rate, and my recollection is that it was about half of what the discount rate is in the United States.

Mr. SHIPSTEAD. As to that, I can not inform the Senator. I know that the Bank of England operates in a different manner than does the Federal reserve banking system of the United States. The Federal reserve banks of the United States were copied after the German Reichsbank system, which was controlled by the bankers of Germany. The Bank of England is not controlled by the bankers of England, but is controlled by the merchants and they use the bank for the purpose of keeping the interest rate, so far as commerce is concerned, as low as possible because they are interested in having a low rate of interest.

Mr. HEFLIN. The Federal reserve system was intended to be controlled by a board appointed by the President and confirmed by the Senate that had no connection whatever with any bank in the country. I agree with the Senator that now the influence of the bankers of the country seems to be controlling the board.

Mr. SHIPSTEAD. I do not know what the intention was, but I do know what we were told was the intention when that system was established by law. We were told it was to be a money system that would give us an elastic currency that would expand and contract with the natural flow of commerce, and that it would always furnish plenty of money to business and commerce, so that there should never be a panic due to a scarcity of money and there should never be hard times due to a scarcity of money, because the Federal reserve banks could issue money based upon credit, and so long as anyone who was entitled to credit wanted to use that credit he could have it and the Federal reserve banks would see that that credit was extended to him.

Mr. HEFLIN. Absolutely; and President Wilson referred to the Federal reserve law as having established a democracy of credit so that any man who had a going business and who needed money could get money whenever he needed it.

Mr. SHIPSTEAD. He found out in the fall of 1920 that he could not get it.

Mr. HEFLIN. Absolutely; and that is when Wall Street got control of the board.

Mr. JOHNSON of Minnesota. Mr. President, if the Senator will yield, let me ask was not the trouble that they loaned out too much money for two or three years during the time of inflation? That was the main trouble. Anybody could get money with which to speculate, but he had to stop sooner or later.

Mr. HEFLIN. I agree with the Senator that they let them have too much with which to speculate.

Mr. JOHNSON of Minnesota. And the Federal reserve banks are to blame for it.

Mr. HEFLIN. But if they had stood with the West and with the South on their loans and had not forced them to sell their products, I do not think we would have had a panic.

Mr. BROOKHART. Is it not true that the powers granted and the system of administration adopted enabled those in control of the Federal reserve banks to produce a panic in agriculture? For four years they have been able to sustain every other line of business and prevent it from suffering a panic, while the panic in agriculture continues to be quite as serious as it was in the beginning.

Mr. SHIPSTEAD. Mr. President, I wish to digress from the main tenor of my remarks to answer the statement which has been made that the panic was caused because there was too much money loaned. I admit that there was too much credit extended, for instance, for speculative purposes. Credit should never be extended for speculation. That is a matter of good judgment in banking; but I maintain that in 1920 credit was not denied to the speculator but it was denied to the productive industries of the country. The farmer, who was entitled to credit and who had plenty of property with which to back up his loans with security, could not get any credit; the man who was engaged in legitimate business and had plenty of property could not use his credit in the fall of 1920 and the winter of 1921.

I do not wish to take up unnecessarily the time of the Senate to go into the history of that period, but I know of a case at Lehighton, Pa., for instance, which I think is quite typical. A man in Lehighton, Pa., had a small steel plant. He had assets of about $700,000; he had $200,000 cash in the bank; he had orders amounting to $1,500,000, upon which he expected to make a profit of $400,000; but in order to pay his labor and in order to discount his bills he had to make use of his credit. If there was anyone who was entitled to credit it should be an individual with a business in that condition. He went to his bank in the local town and with them made arrangements that they should secure for him a credit of $200,000 at the Girard National Bank in Philadelphia. He did not need that money at once, but he made arrangements so that when he did need it, it would be available. However, when the time came when he needed that credit for the purpose of finishing his contracts and keep his plant going, his banker came with a letter from the bank in Philadelphia which had agreed to extend the credit and said, "We know that we promised to take care of that manufacturer, but conditions have now changed and we are unable to do so." What was the result? That man was forced into receivership. As I have said, when he made the arrangements for the credit he had assets of $700,000 and $200,000 cash in bank and he had running liabilities of $180,000. He tells me he was sold out last winter by the receivers for $47,000. According to Dun and Bradstreet 50,000 concerns have been forced into bankruptcy since the fall of 1920.

Mr. NORBECK. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Minnesota yield to the Senator from South Dakota?

Mr. SHIPSTEAD. I yield.

Mr. NORBECK. I have listened with a great deal of interest to this discussion, and I think the able Senator is on the right track.

Mr. SHIPSTEAD. I hope so.

Mr. NORBECK. Deflation was carried to the point where it did unnecessary injury. It is easy now to say to the farmers and the business men, "You should not have gone so far"; but the fact is that the bankers, even the Federal reserve bankers, encouraged the extension of credit and almost begged people to take money; in other words, asked them to get out on a limb and then sawed them off afterwards.

Mr. SHIPSTEAD. Yes.

Mr. NORBECK. I think one of the heaviest drains upon productive industry is the high interest rate. I remember very clearly when Secretary Wallace advocated the intermediate credit system the chief argument in support of it at that time was that it would reduce interest rates one-half of 1 per cent, and that if that were done it would be equal to a 20 per cent reduction in freight rates on agricultural products.

Mr. SHIPSTEAD. I think the Secretary is right.

Mr. NORBECK. If that is the case, the question of interest rates is a very far-reaching one.

Mr. SHIPSTEAD. I think the Senator from South Dakota is absolutely correct. High interest rates, which are multiplied, according to established and recognized laws of economics, five times by the time the product reaches the ultimate consumer, place a tremendous and unnecessary burden upon the American people amounting to at least five billions of dollars a year.

Mr. NORBECK. But we could not get the reduction in freight rates, we were told; and we did not get the one-half of 1 per cent reduction in interest rates which would have been its equivalent, so that the problem is still before us to be dealt with.

Mr. SHIPSTEAD. Oh, yes.

Mr. President, I have here an editorial from the Wall Street Journal for May 17, 1924. I will read the headline and one paragraph. It is headed:

Money market breaks again.

The money market broke yesterday.

Call money renewed for over the week end at 3½ per cent and after an hour dropped to 3 per cent. This renewal rate spoiled the flat picture of 3½ per cent, which, as stated, ruled uninterruptedly since May 1, so that the average renewal rate for the week works out 3.45 per cent, compared with 3½ per cent the week before.

In his letter to Chairman GREEN, dated November 10, 1923, Secretary Mellon states:

These taxpayers are withdrawing their capital from productive business and investing it instead in tax-exempt securities and adopting other lawful methods of avoiding the realization of taxable income.

Secretary Mellon made this statement in connection with his plea for reduction of surtaxes. He did not state what productive business was lacking capital, except he stated that taxpayers subject to the higher taxes can not afford to invest in American railroads or industries or embark upon new enterprises. He certainly did not advocate that more people should engage in the production of agricultural products, for the reason that when farmers ask for relief from the present deplorable condition they are met with the charge that their difficulties are due to overproduction. I have been unable to find any line of business in which production is not sufficient to meet the demands of the people. I have read financial journals very carefully since last December and have often found headlines to the effect that money was plentiful; that there was a "plethora of money"; that railroad bonds and other industrial bonds have found a ready market; and by examining the reports of large business enterprises I find that they have a large amount of cash and investments in securities. Secretary Mellon states in his letter:

There are comparatively few successful offerings of securities of any kind which are not oversubscribed.

It may be asked, "How about the small concerns?" There are very few small concerns left. They were forced out of business during the deflation of a few years ago, when over 50,000 business concerns were forced to the wall by the deflation policy of the Federal reserve banks.

[At this point Mr. SHIPSTEAD yielded that a time might be fixed for voting on the President's veto message.]

Mr. SHIPSTEAD. Mr. President, I shall refuse to yield any further. I shall finish as hurriedly as I can, and I ask the indulgence of the Senate not to be interrupted.

We are constantly met with the threat that unless we reduce the surtaxes capital will be kept out of production in business. I will read from the Good Book, Luke xvi, 19:

There was a certain rich man, which was clothed in purple and fine linen, and fared sumptuously every day.

And there was a certain beggar named Lazarus, which was laid at his gate, full of sores.

And desiring to be fed with the crumbs which fell from the rich man's table.

Mr. COPELAND. Mr. President, may we have order in the Chamber? We are anxious to hear the quotation.

The PRESIDENT pro tempore. The Senate will come to order.

Mr. SHIPSTEAD. I will say to the Senator from New York that the quotation was from Luke xvi, 19, and reads as follows:

There was a certain rich man, which was clothed in purple and fine linen, and fared sumptuously every day.

And there was a certain beggar named Lazarus, which was laid at his gate, full of sores.

And desiring to be fed with the crumbs which fell from the rich man's table.

I will read no further. The words quoted describe an economic condition. Did you ever stop to think of what would have happened to Lazarus if the rich man had voluntarily desisted from letting any crumbs fall from his table? But that is exactly what we are threatened with now. I have received a letter in which the writer purports to set forth a copy of a telegram he sent to Representative JOHN N. GARNER, from which I quote the following:

In continuing the high surtax you and your colleagues are striking a very hard blow at all higher educational institutions of America, which are entirely supported by voluntary contributions from the income of patriotic citizens.

This looks to me as a threat that if we do not cut the surtax rates there will be no crumbs for our higher educational institutions. And it has occurred to me, if these institutions are supported by "crumbs," have these institutions not also the threat hanging over them that if they teach anything, no matter how true it may be, that will in any way interfere with the business of these donors there will be no more crumbs falling? Are we not simply fed on "crumbs" of truth from some of these large institutions?

But my attention has also been called to another important document that has been issued by the Treasury Department during the last month. I refer to an article in Public Affairs for May, 1924, signed by "Garrard B. Winston, Undersecretary of the Treasury":

[From Public Affairs, May, 1924]

SPEAKING OUT IN MEETING

To the Editor of Public Affairs:

I note that you have given publicity, in the April issue of Public Affairs, to the speech of Senator SHIPSTEAD with reference to interest rates on the public debt. In making his comparisons the Senator has wholly ignored the differences in the nature of issues, maturity dates, changes in market conditions, size of issues, and other fundamental factors involved in determining the rates on securities sold to the public. He devotes much space, for example, to the difference in rates on pre-war securities and those which are being floated at the present time, apparently oblivious of the fact that billions of dollars' worth of the world's capital was destroyed in the Great War, thereby increasing the price of capital universally. Much labored effort was made to show that the circulation privilege was not an important factor in determining the rates on pre-war bonds and the proof seems to be that there are about $42,000,000 out of about $800,000,000 of such securities which are not deposited with the Treasury as security for national-bank circulation. In other words, about 95 per cent of the bonds available to secure circulation are deposited with the Treasury for that purpose, but this is not sufficient in the Senator's mind to show that the privilege enhanced the value of those securities. Moreover, no mention was made of the fact that pre-war bonds are wholly tax exempt.

The best index of what the market will take is, of course, current daily quotations, and instead of referring to the rates on pre-war wholly tax-exempt securities bearing the circulation privilege, would it not be better to apply as a test to determine rates on an offering quotations on similar securities outstanding? As you doubtless know, most of the Government 4¼ per cent bonds have been selling below par ever since they were issued, and you will recall the violent criticisms which were directed against the Treasury after the war on the ground that the rates on these loans were too low. Particular reference was made in the Senator's address to the Treasury notes of January 15, 1923, bearing 4½ per cent interest and the notes of May 15, 1923, bearing 4¼ per cent interest. Daily quotations show that soon after the issue of the 4½ per cent notes in January they dropped below par, and by May, when the next issue was due, were selling at a yield of over 4.60. The May issue was an unusually large one, amounting to nearly $700,000,000, and I do not believe anyone familiar with the market would contend that the issue would have been successful at a lower rate. In emphasizing the rates paid during 1923 no reference was made to the fact that the Treasury was able to sell four issues during 1922 at less than 4 per cent, clearly indicating changing market conditions in 1923 which the Treasury had to meet.

You may be interested in a concrete example of how the rates on securities are determined. The March 15, 1924, certificates were offered Monday morning, March 10, and the previous Saturday the price of Government short-term obligations indicated the following returns on the maturity dates:

June 15, 1924	$3.60
September 15, 1924	3.83
December 15, 1924	3.85
March 15, 1925	4.00
June 15, 1925	4.13
December 15, 1925	4.14

Faced with this market situation, a 3¾ per cent rate was too low for a nine-months certificate. To have made this 3¾ would have been to adopt an inconvenient rate. It was determined, therefore, to issue 12-months certificates on a 4 per cent basis, which exactly hit the market.

It may be noted in this connection that the Treasury has succeeded in borrowing on its certificates of indebtedness at a lower rate than even States and cities have been able to borrow on their fully tax-exempt short-term bills, though in substance the Treasury certificates are exempt only from the normal income tax. During the whole of February, for example, the city of New York paid 4½ and 4¾ per cent on its short-term bills, while the Treasury is now offering one-year certificates at 4 per cent. Moreover, the Treasury's long-term bonds not wholly tax exempt do not bear higher rates than the average on

municipal bonds issued during and since the war which are wholly tax exempt. The Treasury's wholly tax-exempt securities bear a rate nearly 1 per cent lower than municipal tax-exempt securities.

Reference was also made to the Treasury savings certificates yielding 4¼ per cent. It should be noted that they yield 4¼ per cent only if held to maturity, but if redeemed before maturity the yield is only 3½ per cent. The interest, moreover, is not collectible every six months as on bank deposits or other forms of investment, but accumulates and is payable only at maturity or whenever redeemed, and if redeemed before maturity the rate will be only 3½ per cent as noted. I am sending you as of possible interest in this connection a Treasury press release on United States Treasury savings certificates.

While these subjects are not simple enough to be easily grasped by the general public, the facts are all available to those who are interested in getting at the truth of the matter, and I think you will agree with me that no public service is rendered by a dissemination of half truths and false impressions.

GARRARD B. WINSTON,
Undersecretary of the Treasury.

The closing words of the article are:

I think you will agree with me that no public service is rendered by a dissemination of half truths and false impressions.

I thoroughly agree with this statement, and I greatly deplore the fact that the article written by this high official of the Treasury Department contains so many half truths, and some statements that do not come within 99 per cent of being true.

This article was also written in reply to my address of February 1, and as certain portions of this article in Public Affairs, and the article referred to in the American Bankers' Association Journal are identical, I will discuss both articles at the same time.

Both articles claim that municipal bonds are wholly tax exempt. This is not true, and I called attention to this fact in my former address, namely, that if a citizen of one State holds municipal bonds of another State these bonds are subject to the tax laws of the State where he resides. I am greatly indebted to the Senator from New York [Mr. COPELAND] for the following telegram:

ALBANY, N. Y., *April 14.*

Hon. ROYAL S. COPELAND,
Washington, D. C.

Income derived from Minnesota State bonds taxable in New York.

JOHN F. GILCHRIST,
President State Tax Commission.

This shows that the State of New York, which is the greatest market in the United States for the purchase of all State and municipal bonds from all over the United States, taxes its citizens upon the income of bonds of other States and municipalities outside of the State of New York, owned by citizens of New York. This ought to be common knowledge to the high officials of the Treasury Department, but still they insist on calling State and municipal bonds wholly and fully tax exempt.

In discussing the Treasury savings certificates that are being sold, the Undersecretary forgets to state that the interest—a little better than 4½ per cent—is compounded semiannually. One would get the impression from his article that these certificates draw only 4½ per cent simple interest if held for five years.

In both articles it is stated that the Treasury is now offering 12-months certificates at 4 per cent. If the Treasury is now selling 12-months certificates drawing 4 per cent interest at par, an investor could make a nice sum of money by investing a few millions, as, according to the Wall Street Journal of May 16, 1924, United States securities due March 15, 1925, were selling above par and would yield the purchaser only 3.59 per cent.

It is very interesting to note how Secretary Mellon and the Undersecretary of the Treasury explain the method by which the Treasury Department determines the rate of United States securities ranging in issues from two hundred millions to seven hundred millions. Both claim that the best way to determine this is to base it upon the current rate of similar issues outstanding, and they justify the rate paid on these large issues upon the rate at which comparatively small amounts of such securities are sold on the stock market from day to day. These sales seem to run at a million or two a day, which is a very small amount when we consider that there are about twenty-two billions of Government securities outstanding, and is a small amount of sales upon which to base the rate on an issue of from two hundred to seven hundred millions. The Treasury does not offer these bonds at competitive bidding; all that is done, as shown by the report of the Secretary of the Treasury for 1923, pages 51 to 56, is to send a circular to the Federal reserve banks asking for subscriptions to the intended issue at par, and these letters are sent out only a few days—from four to eight days—before the date of issue. No competitive bids are asked for. Rates are already fixed by the department. To use a crude illustration: The Government wants to buy a lot of money and to pay for the same in Government securities, and the rate of interest paid represents the price. When the Government wants to buy from $200,000,000 to $700,000,000 at one time, it is buying in wholesale lots; the small amounts of securities changing hands in the open market are simply retail sales. Now the Government, under the administration of Secretary Mellon, buys money in wholesale quantities, but is paying retail prices and sometimes a higher price therefor. What I claim is this—that when the Government or any State or municipality offers a large issue of securities at one time, this is more attractive to investors than a small issue, and the money can be secured at lower rates. The practice is generally followed by States and municipalities to advertise their bonds or securities and sell them to competitive bidders.

I will say that the British treasury issues three-month treasury bills and the rate of interest is determined by bids. Last summer they sold their short-time treasury bills to yield 3.16 and as low as 2.78, while the United States Treasury paid from 4 to 4⅛ per cent.

Both articles referred to claim that the Treasury has succeeded in borrowing on its certificates of indebtedness at a lower rate than even States and cities have been able to borrow on their what the Treasury officials call "fully tax-exempt short term bills." Let us examine into this matter. If you examine the different issues of Treasury securities issued during the last year and a half you will find that the longer the time, the larger the rate of interest. For example, in the issue of December, 1922, the rate of certificates and notes issued by the Treasury was a follows:

	Per cent
Three months	3½
One year	4
Two and one-half years	4½

As I have stated before, both the Secretary and Undersecretary of the Treasury claim that the Treasury is now selling certificates due in 12 months at 4 per cent, and according to their previous practice if they sold long-term securities the rate would be a great deal higher.

Now let us see what States and municipalities are paying. Commerce and Finance for April 16, 1924, states:

On February 20 last, Massachusetts sold $1,096,000 on a 3.90 per cent basis.

In the same issue of Commerce and Finance we find an account of the sale by New York State of $45,000,000 of State soldiers' bonus bonds. These were sold to bankers at a premium, which would make the interest cost to the State 4.09 per cent annually. The banks in turn sold these bonds to investors to yield 4 per cent. These bonds mature from 1925 to 1949. Bonds were all taken by investors in two days.

Wall Street Journal of February 12, reports a sale of $200,000 Brookline, Mass., bonds due November 6, at 3.89 per cent discount.

Wall Street Journal of April 28 reports sale of city of Boston $2,000,000 notes to Colonial Trust Co. at par, plus $24.75 premium, notes to bear interest at 3.85 per cent on interest-to-follow basis. Due November 1.

Wall Street Journal of April 28 reports a sale of city of Pittsburgh $990,000 30-year bonds at 4¼ per cent to the Mellon National Bank at a premium of $2,128. National City Bank of New York bid $990,728.

And still the Secretary of the Treasury says that the Treasury has been able to borrow at a lower rate than States and cities.

The Secretary of the Treasury and the Undersecretary claim that the rates of interest paid on Government securities is based upon the market situation; that is, upon the prices at which Government securities of same maturities already issued are sold in the open market. They cite some market quotations to substantiate this statement.

I will cite a few quotations that I have taken from the Journal of Commerce and Commercial Bulletin, and from New York Commercial, which ought to be reliable sources of information.

On the issue of tax certificates, six months, of March 15, 1924, the Government paid 4¼ per cent interest, while the market quotations on Government securities due in six months was 4.05 on March 8, the date of the offering.

Issue of May 15, 1923, the Government paid 4¼ per cent interest on Treasury notes due March 15, 1927, while the market

quotations for Government securities due September, 1926, was 4.63, and due December, 1927, 4.59.

On the issue of June 11, 1923, six months, the Government paid 4 per cent, while the market quotations for that day on securities of the Government due in six months was 3.93.

On the issue of September 15, 1923, for six months, the Government paid 4¼ per cent interest, while the market quotations on September 10, 1923, the day they were ordered issued, on securities due March, 1924, was 4.01.

From the foregoing it will appear that on these wholesale issues the Government paid a higher rate than was paid on the retail issues sold in the open market, and in one instance twenty-four one-hundredths of 1 per cent higher.

I will cite a couple of reasons why these Treasury certificates and notes are an attractive investment to banks.

In the American Bankers' Association Journal for April, 1924, I find the following (p. 619):

Senator SHIPSTEAD did not touch upon one phase of the flotation of Federal issues that has made them an attractive investment for banks.

The United States, like other great corporations, must have on hand a considerable working balance. Its financial operations are conducted so that it can meet its maturing obligations and have enough capital to tide over the next quarter. Under the present system of selling Federal securities it permits the bank to retain as a Government deposit the amount of its subscription for the certificates and notes. The bank is required to pay 2 per cent interest on the daily balance, but receives interest on the money it has invested at the rate the issue bears. As the Government requires funds the bank is directed to deposit with the nearest Federal reserve bank.

The Government receives interest on its balance, but the bank, while paying out 2 per cent, gains a 4 per cent return on its capital.

All the banks have to do is to subscribe for certificates or notes, keep the money by paying 2 per cent on daily balances, but receive 4 per cent or whatever rate the securities subscribed for bears. This is certainly a very attractive feature.

But there is another very attractive feature for large banks and corporations in connection with these Government securities. The income therefrom is wholly tax exempt when held by corporations, but these certificates and notes are acceptable in payment of income taxes at maturity dates, and these certificates and notes mature on a quarterly tax-paying date, and certain Treasury notes may, under decision of Commissioner of Internal Revenue, approved by the Secretary of the Treasury, be accepted in payment of income tax at or within six months of their maturity. It appears to be the practice of large corporations to set aside at the close of a fiscal year a reserve fund for the payment of taxes during the following fiscal year. As the United States income taxes are payable quarterly, large corporations find it very profitable in investing this reserve in Treasury certificates and notes. This reserve for taxes will then give them an income, wholly tax exempt, of 4 per cent or better, and when the quarterly tax-paying date comes just turn in some of these certificates in payment of the tax and collect the interest that their tax reserve has earned.

Would it not be a much better plan, in selling these certificates, for the Treasury Department to advertise the sale thereof to competitive bidders? The issues may be too large to sell in one block, and it would not be advisable to offer them in one block as many of the purchasers who could take advantage of these special phases would no doubt make a much better bid than the regular market prices for a suitable block for their tax reserve, and banks would no doubt cut their profits between the rate on the bonds subscribed for and the interest they pay on the daily balances rather than take chances on losing out entirely on this snap arrangement.

Mr. President, I have taken the time of the Senate by going into this system of financing the Government, in order to show that the Secretary of the Treasury is not a safe adviser on the question of public finances. There has been an attempt to create the impression that his advice on the question of public finance and taxes is infallible. It is generally conceded that he is the President's main adviser on the question of taxation and public finance. I believe the President is ill advised. In arriving at this conclusion, I will say that the wish has not been the father of the thought. The question of public finance and taxation concerns the public welfare, and the discussion of this question should not be tainted with partisanship, and so I have based my argument on the report of the Secretary of the Treasury, the report of the Federal Reserve Board, of which he is chairman, his own letter to the American Bankers' Association Journal, the editors of the Wall Street Journal, the editors of the Journal of Commerce and Finance, and other financial writers, who apparently unanimously uphold my contention that the high interest rates are caused by the high rates of discount by the Federal reserve banks and the high rate of interest paid on Government securities by the Secretary of the Treasury; this high interest rate resulting in an unnecessary burden on the backs of the American people, amounting to $5,000,000,000 a year.

Out of this unnecessary burden on the people in one year could be paid the bonus to the ex-service men and leave a surplus of two and a half billion dollars, without costing the American taxpayer one extra cent. So if it is true, as we are led to believe, that the President relies for his economic and financial advice upon the Secretary of the Treasury, he is ill advised. I find myself in perfect agreement, however, with at least two statements made by the Secretary of the Treasury in his letter to the American Bankers' Association Journal. He says, for instance, that in his opinion "the farmer's greatest enemies to-day are those who pose as his champions, who lead him into the belief that his ills can be cured by political measures." I agree with the Secretary that the American farmer has been buncoed by those who pose as his friends. I am fully aware that in the last 20 years there have been men in public life posing as the friend of the farmer and have enacted legislation which they said would help the farmer, and this form of legislation has been used by the railroads, the Federal reserve banks, trusts, and monopolies to help the farmer, and they have helped him to such an extent that they have helped him out of almost everything that he ever had. The Secretary of the Treasury makes another statement with which I am in full accord. He says that what the farmer needs above all else at this time is sound, constructive statesmanship. I agree with the Secretary of the Treasury that the farmer at this time needs sound, constructive statesmanship, but I go further than the Secretary of the Treasury; I would go as far as to say that it is not only the farmer who needs sound, constructive statesmanship but the business man needs it, the taxpayer needs it, the whole country needs it, and above all else the President needs sound and constructive statesmanship in the Treasury of the United States.

I send to the desk a copy of Commerce and Finance for April 9, 1924, and ask that the paragraph marked in ink be printed as a part of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

[From Commerce and Finance, April 9, 1924]

It will be noticed that the Federal Reserve Board admits that "member bank customer rates have shown a tendency to move with changes in the Federal reserve bank rates," and that "the leadership of the Federal reserve banks when rates are advancing appears to be more promptly recognized than when rates are declining."

This admission that the control of the money market rests with the Federal reserve banks, and that it is easier to raise than to reduce the cost of credit to borrowers is coupled with the statement that "it seems clear that if business is undergoing a rapid expansion and is in danger of developing an unhealthy or speculative boom, it should not be assisted by too easy credit conditions," and it is added that "in such circumstances the creation of additional credit by rediscounting at Federal reserve banks should be discouraged by increasing the cost of that credit; *that is, by raising the discount rate.*"

Here, again, we find set forth the doctrine that it is the right and duty of the Federal Reserve Board to determine whether the expansion of business is healthy or "unhealthy" and to assist or check it by raising or lowering the discount rate.

It remains to be seen whether the people of this country will be willing to intrust this tremendous power to any man or group of men, however well informed or intelligent they may be.

We can not find anything in the Federal reserve act that justifies the Federal Reserve Board in thus constituting itself a deus ex machina of American business, and it is greatly to be feared that it invites the destruction of the Federal reserve system in assuming that it is empowered to say whether conditions are healthy or "unhealthy" and vindicate its conclusions by raising or lowering the discount rate.

It did this in 1920–21 and awakened a storm of resentment that has not yet subsided. Another such experience and, valuable as it is, the Federal reserve system may be wiped out of existence.

On page 32 of the report that has called forth the foregoing we read:

> "No statistical mechanism alone, however carefully contrived, can furnish an adequate guide to credit administration. Credit is an intensely human institution, and as such reflects the moods and impulses of the community—its hopes, its fears, its expectations. The business and credit situation at any particular time is weighted and charged with these invisible factors. They are elusive and can not be fitted into any mechanical formula, but the fact that they are refractory to methods of the statistical laboratory makes them neither nonexistent nor nonimportant. They are factors

which must always patiently and skillfully be evaluated as best they may and dealt with in any banking administration that is animated by a desire to secure to the community the results of an efficient credit system. In its ultimate analysis credit administration is not a matter of mechanical rules, but is and must be a matter of judgment, of judgment concerning each specific credit situation at the particular moment of time when it has arisen or is developing."

Here, again, we find the Federal Reserve Board trying to justify the substitution of its own judgment for the provisions of the Federal reserve act, which prescribe that when the reserve ratio falls below certain specified minima the discount rate shall be automatically advanced. This is the law. It may be defective, but if it is to be changed the change should be made by Congress rather than by a board whose function is purely administrative and does not include the right to fix prices through the control of the discount rate, which is, in the last analysis, exactly what the Federal Reserve Board attempts to justify itself in undertaking at its discretion.

SETTLEMENT OF INDEBTEDNESS OF HUNGARY

Mr. SMOOT. Mr. President, I ask unanimous consent for the present consideration of the bill (H. R. 8905) to authorize the settlement of the indebtedness of the Kingdom of Hungary to the United States. I will say to the Senator from New York [Mr. WADSWORTH] that if it lends to any discussion at all I shall withdraw my request.

Mr. WADSWORTH. With that understanding I do not object.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. GOODING. What is the bill? Will the Senator kindly state again?

Mr. SMOOT. It is a bill to authorize settlement of the indebtedness of the Kingdom of Hungary to the United States. It is in the form that was submitted to the Senator from Arkansas [Mr. ROBINSON]. It is the same form of settlement as that made with England and Finland.

Mr. ROBINSON. The Senator means the basis of the settlement agreed upon is the same as that which operated in the bill relating to Great Britain?

Mr. SMOOT. Yes.

Mr. ROBINSON. I have no objection to the present consideration of the bill.

Mr. SMOOT. I will simply say that the amount of the indebtedness is $1,685,835.61 and they are to pay up to date 5 per cent interest, just the same as England and Finland did, the interest being $233,164.39.

Mr. ROBINSON. As I understand, payments are to be distributed over about 60 years?

Mr. SMOOT. They are distributed over a period of 62 years.

Mr. ROBINSON. Very well. So far as I am concerned, we may take a vote.

The PRESIDENT pro tempore. The question is on agreeing to the request of the Senator from Utah [Mr. SMOOT] for unanimous consent for the consideration of the bill. There being no objection, the Senate, as a Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the settlement of the indebtedness of the Kingdom of Hungary to the United States of America, made by the World War Foreign Debt Commission and approved by the President upon the following terms, is hereby approved and authorized:

Principal amount of obligation to be funded, $1,685,835.61; interest accrued thereon to December 15, 1923, at the rate of 4½ per cent per annum, $253,917.43; total principal and interest accrued and unpaid as of December 15, 1923, $1,939,753.04; less payment in cash by Hungary on April 25, 1924, $753.04; total indebtedness to be funded into bonds, $1,939,000.

The principal of the bonds shall be paid in annual installments on the 15th day of December, up to and including December 15, 1985, on a fixed schedule, subject to the right of the Government of Hungary to make these payments in three-year periods; the amount of the first year's installment shall be $9,600, the installments to increase with due regularity until, in the sixty-second year, the amount of the installment shall be $75,000, the aggregate installments being equal to the total principal of the debt.

The Government of Hungary shall have the right to pay off additional amounts of the principal of the bonds on any interest date upon 90 days' notice.

Interest shall be payable upon the unpaid balances at the following rates, on December 15 and June 15 of each year:

At the rate of 3 per cent per annum, payable semiannually, from December 15, 1923, to December 15, 1933, and thereafter at the rate of 3½ per cent per annum, payable semiannually until final payment.

The Government of Hungary shall have the right to pay up to one-half of any interest accruing between December 15, 1923, and December 15, 1928, on the $1,939,000 principal amount of the bonds first to be issued in bonds of Hungary dated as of the respective dates when the interest to be paid thereby becomes due, payable as to principal on the 15th day of December in each succeeding year, up to and including December 15, 1985, on a fixed schedule, in annual installments, increasing with due regularity in proportion to and in the manner provided for payments to be made on account of principal of the original issue of bonds, bearing the same rates of interest and being similar in other respects to such original issue of bonds.

Any payment of interest or of principal shall be made in United States gold coin of the present standard of value or at the option of the Government of Hungary, in any United States Government obligations issued after April 6, 1917, such obligations to be taken at par and accrued interest.

The payment of the principal and interest of the bonds shall be secured in the same manner and to the same extent as the obligation of Hungary which is to be funded: *Provided, however*, That all or any part of such security may be released by the Secretary of the Treasury on such terms and conditions as he may deem necessary or appropriate in order that the United States may cooperate in any program whereby Hungary may be able to finance its immediate needs by the flotation of a loan for reconstruction purposes, if and when substantially all other creditor nations holding obligations similar to that held by the United States which is to be funded, to wit, Denmark, France, Great Britain, Holland, Norway, Sweden, and Switzerland, shall release to a similar extent the security enjoyed by such obligations.

The Secretary of the Treasury shall be authorized to decide when this action has been substantially taken.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

WAR DEPARTMENT APPROPRIATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes.

The PRESIDENT pro tempore. The question is upon the amendment proposed by the Senator from Montana [Mr. WALSH].

Mr. WALSH of Montana. Mr. President, I wish to say just a further word in relation to the amendment, chiefly for the purpose of dispelling the concern expressed by my esteemed friend from Florida [Mr. TRAMMELL] and my friend from Virginia [Mr. SWANSON] that the adoption of the amendment would set a bad precedent.

As has been pointed out, it would be impossible to incorporate legislation of this character on any pending bill except a majority of the Senate desired it to be done. So far as giving rise to discussion irrelevant to the matter under inquiry is concerned, if amendments of this character are entertained at all, everyone knows that discussion is not limited by any means to the subject which is under consideration by the Senate. Any Senator is at liberty to speak on a subject whether it forms the basis of an amendment or has any relation to the bill under consideration or not.

The Senator from West Virginia suggested that the advocates of the McNary-Haugen bill might take notice of this method of getting consideration for that measure. Well, Mr. President, as I have stated, it takes a majority of the Senate to put an amendment of this character or any character on any bill, and I suppose very likely whenever an amendment is proposed to a bill Senators will take into consideration the question as to whether or not the amendment has any bearing whatever upon the subject with which the bill deals, and the advisability of confining any measure to the particular subject is recognized by everyone for the purpose of avoiding what is known as logrolling legislation. Therefore, it is always a question which addresses itself to the individual Senator, first, as to whether he favors the amendment at all and, second, whether it bears any such relation to the subject of the bill in question as that it ought to form a part of it.

We have undertaken to make it perfectly clear that the measure referred to in the amendment has a most direct and intimate relation to the subject matter of the bill that is before the Senate at the present time, and particularly to that paragraph in the bill to which it is immediately directed. It may be that the McNary-Haugen bill does have some relation to the subject of the improvement of our rivers and harbors. It is intended to promote the export of agricultural products from this country to foreign countries, and, as pointed out by the Senator from Virginia, if the harbors are not kept free from débris and other accumulations, navigation would be interrupted and thus importation and exportation would be impeded; but the relation is rather remote in that case.

In the cases suggested by other Senators there would apparently be no relation whatever to the main subject, and that would be a good reason for not following the precedent established by this amendment, if it should become a precedent.

However, Mr. President, if an effort were made at any time to submit an amendment on a subject which was entirely irrelevant to the general subject of a pending bill, it would be sufficient to say that this case affords no precedent whatever, because in it a very direct connection and relation is set up. We are simply seeking by this amendment to prevent the further expenditure of public money for the purpose of bringing navigation to our interior rivers while a policy is pursued otherwise that effectually blocks that end, making the expenditure entirely useless.

Mr. SWANSON. Mr. President, will the Senator permit an interruption?

Mr. WALSH of Montana. I yield to the Senator from Virginia.

Mr. SWANSON. Out of the $37,250,000 of appropriation I think about $25,000,000 are for harbors and $12,000,000 for rivers. That is my understanding.

Mr. WALSH of Montana. Would the Senator give me his support if I should restrict the amendment to river improvements?

Mr. SWANSON. I would not; I think it would be bad policy.

Mr. WALSH of Montana. If the Senator would give me his support, I should be disposed to ask leave to perfect my amendment in that way.

Mr. SWANSON. No; I wish to show from the Senator's own contention that the portion of the appropriation which applies to harbors is not affected by either high or low rates. We are compelled to have harbors for ships in the foreign trade carrying imports and exports. So $25,000,000 of the appropriation does not need to await any adjustment of railway rates.

Mr. WALSH of Montana. As I said to the Senator, if the appropriations were differentiated, and a certain amount were devoted to the improvement of harbors and a certain other amount devoted to the improvement of rivers, I should have directed the amendment only to that portion which was for the improvement of rivers. Unfortunately, however, for the Senator, and possibly for myself, the whole appropriation is embodied in one total item of $37,250,000.

Mr. SWANSON. The Senator covers more territory than he had intended to cover.

Mr. WALSH of Montana. That is because of the manner in which the bill is drawn.

Mr. SWANSON. No; the Senator should confine his amendment to the appropriation for rivers.

Mr. WALSH of Montana. I say I should be disposed to do so if I thought the Senator would aid me in getting the amendment through.

Mr. CARAWAY. Mr. President, I have seldom listened to such a bald attempt to induce Senators to vote against appropriations for river improvements as that of the Senator from Montana [Mr. WALSH]. He proposes to enter into a trade with the Senator from Virginia [Mr. SWANSON] upon the floor to secure votes for his measure, and then denounces logrolling. He does that without any consistency at all.

I voted against the rule that now ties the hands of the Senate, for I rather imagined that a situation would develop such as has now developed and that we would find ourselves unable to legislate. However, the Senate did not agree with me and others and adopted the rule in the Senate. A moment ago, in order that I might be helpful to those who sought lower freight rates, I voted to have the Senate overturn the ruling of the Chair, but I was not able to accomplish that object.

The amendment here, Mr. President, is not a good-faith amendment. It is an attempt by certain Senators who have always fought river improvements to defeat appropriations for that purpose. It is an effort to do by indirection what they have been unable to do directly; and it strikes me that it comes with poor grace from that section of the country that has enjoyed more governmental favors than all other portions of the country combined. Whenever an appropriation is proposed for something for the West no one ever heard the Senator from Nebraska or the Senator from Montana object to it. Their scruples against wasting public funds always stop this side of their own particular section of the country. If the appropriation is for a reclamation project or anything of that kind it is a wise expenditure of public money, although during the 11 years I have been in the House and in the Senate I do not think the reclamation projects have ever paid interest on the public funds invested in them.

Mr. WALSH of Montana. Mr. President, will the Senator yield?

Mr. CARAWAY. I yield to the Senator from Montana.

Mr. WALSH of Montana. I think the Senator will search the RECORD in vain for any remarks from the Senator from Montana in opposition to any river and harbor improvement.

Mr. CARAWAY. I do not have to search the RECORD. I heard the Senator just a moment ago trying to trade with the Senator from Virginia so that he might strike down all river improvements.

Mr. WALSH of Montana. I referred to the statement made by the Senator that the advocacy of the amendment comes from persons who have always been opposed to river and harbor appropriations.

Mr. CARAWAY. The RECORD can stand as a whole; I have no disposition to correct it; I will let it stand for what it is worth. I do not need to go any further than the Senator's attempt right here on the floor to enter into a combination to strike down river improvements.

I have always been inclined to the opinion that there was more than one section of this country. I have not thought that any particular section was entitled to all the favors that the Government had to bestow or ought to carry all the burdens incident to government; and it strikes me that it comes with poor grace for the Senator from Montana and those who advocate his course to seek particularly to strike down that section of the country which is more or less dependent upon river improvements. I have been willing to support their measure; I have expected to do so, but I did not expect to do so under any such trade as has been suggested. If it is a question here of reprisal, and we must stand and deliver or else have stricken down something that is essential to our very industrial life, I am perfectly willing to meet that issue right here and now.

There never has been a time and there never will be a time so long as I have a seat in this body when any section of this country can compel me to vote for some measure in order that my own particular section may not be stricken. I have never legislated in that way, and, so help me Almighty God, I do not intend ever to do it.

I have been willing to listen to reason; I have been persuaded that they are suffering from a great natural handicap; I have been willing to go to their relief at any time that it was possible. As I said a moment ago, I voted to override the ruling of the Chair on the point of order, and I voted against the rule when it was adopted in the Senate which has caused this situation to arise. I protested, but nobody heeded, and now the rule is fixed upon the Senate. It would be very much better and very much wiser to repeal the rule than to seek to hold up a particular section of the country and say, "Unless you vote with us you shall suffer."

I do not know what the Senator from Nebraska and the Senator from Montana think about what constitutes waste upon river and harbor improvements; I have no means of gauging their idea of a wise expenditure beyond one certain point, and that is that it is never unwise if the money is going to be appropriated for their particular sections of the country. As an illustration of what river improvement does——

Mr. BROOKHART rose.

Mr. CARAWAY. Does the Senator wish to interrupt me?

Mr. BROOKHART. I should like to ask the Senator a question.

Mr. CARAWAY. I yield.

Mr. BROOKHART. It seems to me that the Senator from Arkansas is unfair to both of the Senators he mentions. They want to do two things for river improvement, namely, to give river points rail rates that will be helpful and to insure that the appropriation for river improvement shall not be wasted.

Mr. CARAWAY. Yes; they want to do something that resembles the act of sending flowers to a funeral. Nobody mistakes the desire to be helpful that they manifest.

Mr. BROOKHART. Is the Senator himself in favor of both propositions?

Mr. CARAWAY. Of what—sending flowers to a funeral? It depends on whose funeral it is.

Mr. BROOKHART. The long-and-short-haul proposition——

Mr. CARAWAY. Oh, I have announced that. If the Senator was present he knows what I said about that. I said that I had voted to override the President's ruling on that question, and that I had wanted to support the proposition under the theory that they were suffering from a discrimination.

Mr. BROOKHART. The Senator from Montana [Mr. WALSH], I think, has no notion that his amendment will pre-

vent the river and harbor appropriation. It will do the opposite thing; it will get us action on the long-and-short-haul matter.

Mr. CARAWAY. Oh, the Senator knows that if you have votes enough to pass a measure you can do it as an independent measure. It was not with the expectation of getting it through that the amendment was offered; it was to hope to rally the people who wanted to strike down river improvement.

I started to say, though I do not suppose it will be of any interest to anybody, that river improvement is not wholly wasted. The great valley of the Mississippi—and that was the principal item in this bill which the Senator from Montana was trying to enter into an agreement with the Senator from Virginia to strike down—drains the flood waters from 31 States; the rivers of the State represented in part by the Senator from Iowa drain down that way, and it destroys the country.

I remember one time when I used to live down on the Mississippi River, right on the bank of it, that in one county in my State—I have said this before, but I hope I may be permitted to repeat it—I do not think there was an acre of land that would have sold for $40 an acre. There was not 10 per cent of it in cultivation; and that was less than 25 years ago. With river improvement and levee improvement, which goes with it, that county in 1922 produced more than 1 per cent of all the cotton that was grown in America. It produced one-fifth as much cotton as the great State of South Carolina, one-seventh as much as the State of Mississippi, and paid in income taxes to this Government more money than it ever received for river improvement; and yet before it had the river improvement 90 per cent of it was a swamp, absolutely uninhabited, producing no wealth, adding absolutely nothing to the wealth that tends to feed and clothe the people of this country.

Yet, Mr. President, some people say, "Of course, money spent for river improvement is wasted." It is not wasted if it is reclaiming lands out West, and yet it has cost ten times as much per acre to reclaim that land as it has to reclaim lands along improved rivers. If that were an important item at all, it would be at least some refutation of the statement that river and harbor improvements are wholly wasted. I do not take that for granted; but I do know, as everybody else knows who has ever watched river improvement at all, that under the annual appropriations—and they have always defeated any continuous-appropriation contracts—the process is necessarily slow, and you do not get results until it is completed; but on the Mississippi River now they are carrying how many hundreds of thousands of tons of freight? Does the Senator from Tennessee recall?

Mr. McKELLAR. I do not recall the exact number.

Mr. CARAWAY. Anyway, it is an enormous tonnage of freight. They could carry three or four times as much—it is available now—if we just had a little appropriation to provide all-the-year-around navigation.

Mr. BROOKHART. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Senator from Iowa?

Mr. CARAWAY. I yield to the Senator.

Mr. BROOKHART. There is nothing that would increase that freight tonnage so much as this long-and-short-haul legislation.

Mr. CARAWAY. I have tried to say to the Senator that I am perfectly willing to help put through his bill; but that is not the thing.

Mr. BROOKHART. The fact that Senators have different methods of getting a result does not mean that they are against it.

Mr. CARAWAY. Oh, this method of putting a pistol to somebody's head and saying, "Unless you stand and deliver we are going to blow out your brains," may get results somewhere; I do not know; but it never got any with me. If I absolutely knew from this day that there never would be another dollar appropriated for river improvements, I would not be driven by a threat that such appropriations would be defeated unless we came across and let something else be done. Although such a course would destroy the very source of what little prosperity we used to have, and have not now, I would let it go.

I want to be perfectly fair with every other section of the country. I would love to see the Senator's proposition go through; but there are some things that are obtained at too high a price. If it is to be stated here by one Senator to another, "If you will just strike down the interior river appropriations I shall be glad to join with you," trying to make a trade here on the floor of the Senate to strike down all interior river improvements so that he might have a vote for his proposition, I do not think such a policy will prevail. I hope the Senator's proposition in the proper way will succeed; but I do not think it is likely to succeed in that way.

Mr. SWANSON. Mr. President, if the Senator will pardon me, he will recall that I stated that I would not vote for the amendment even if the Senator from Montana should exclude harbors and limit it to rivers.

Mr. CARAWAY. I knew the Senator would not, and everybody that knew him knew he would not. The Senator from Montana evidently had not studied the character of the Senator from Virginia when he made that statement.

Mr. WALSH of Montana. Mr. President, we all admire the ability of the Senator from Arkansas [Mr. CARAWAY] in caustic discussion. I am sure he appreciates, as everybody else on the floor did, that the passage between the Senator from Virginia and myself was mere badinage; but I merely desire to say that the amendment offered by me was offered in no spirit of hostility whatever to river improvement.

I took occasion, when the Senator was talking, to correct a statement he made, a sweeping characterization of those who are in favor of this amendment as being among those who are opposed to all river and harbor improvement, and who have consistently opposed appropriations for that purpose. As I stated to the Senator, the RECORD will be searched in vain for any remark from me at any time in opposition to river and harbor improvement. I have voted more times in favor of liberal appropriations for river and harbor improvement than I have voted against them, and I appreciate that there is the closest kind of a connection and relationship between the appropriations for river and harbor improvement in the lower courses of the Mississippi River and the appropriations for reclamation work along its upper courses.

As intimated by the Senator from Iowa [Mr. BROOKHART], the real spirit of the amendment offered by me is to promote river navigation, not to place any obstacles in its way. If the Senator from Arkansas takes another view of the matter, of course he has a perfect right to do that; but he ought not, it seems to me, to indulge in such freedom of criticism upon the motives which impel this amendment, nor to charge it with being a threat. I took occasion to say that it was not a threat, either to any Member of this body or to the House of Representatives. It is intended to be the expression of a policy that the long-and-short-haul clause ought to be strictly and literally enforced in order to promote river navigation so that the appropriations made for the purpose of improving the rivers shall be to some purpose and to some end. Nor would I undertake to say that there will not be some carriage by our rivers even if the long-and-short-haul clause is not enforced. It argues nothing at all that there is a large commerce upon the Mississippi and the Ohio and the other great rivers, notwithstanding the handicap of the present policy. We hope that it will be very largely increased by the observance of the policy for which this amendment stands.

Mr. CARAWAY. Mr. President, I will just make this statement in answer to the Senator from Montana:

Of course I do not know what a threat is. I did not know heretofore that you had to label this as a threat before it was a threat. The Senator is thoroughly conscious of the fact that should his amendment be added to this bill the House would not legislate under that sort of a threat; that it would simply mean the striking out from this bill of every dollar for river and harbor improvement, because the bill would go through, and the House would not act on the other matter. Unless the House has thrown away every bit of its self-respect, and has changed wholly from the kind of a House it was when I had the honor to serve in it, it would simply mean that every dollar for river and harbor improvement would be stricken out. It would not mean the enactment of the long-and-short-haul bill. If there are votes enough for the long-and-short-haul bill—and I rather imagine there are—why not let the matter be taken up in pursuance of the motion that the Senator from Idaho [Mr. GOODING] gave notice that he was going to make? I shall vote for his motion. It is the right way to legislate, but it is the height of folly simply to strike out of this bill all appropriations for river and harbor improvement when everybody knows that that would not get you the long-and-short-haul legislation.

While I shall credit the Senator from Montana with entire purity of motive, it is difficult for me to think that anybody who knows anything about legislation would believe that he was getting the long-and-short-haul legislation in that way. He would know that the thing he was getting was the elimination from the Army appropriation bill of all appropriations for rivers and harbors and nothing else. Therefore it did not strike me as very much of a stretch of my imagination to say that the real motive was to kill river and harbor improvement, and not to get the long-and-short-haul legislation, because I took it for granted that everybody knew that the House could not be driven into legislating in that way, so that if we put this

amendment on this bill it would kill river and harbor improvement and not get the long-and-short-haul legislation.

Mr. RANSDELL. Mr. President, I shall detain the Senate only a moment.

I am very strongly in favor of the enactment of the long-and-short-haul clause. I spoke for an hour and a quarter in favor of it yesterday. We have heard so much about the matter here that it is not necessary for me to rehash it. I can not help agreeing, however, with those Senators who think that the wrong means have been adopted in trying to force this amendment on the pending bill.

I sincerely hope the Senator who offered this amendment will withdraw it. I am so strongly in favor of the enactment of the principles of the Gooding bill and the Pittman amendment that I certainly shall vote to take up the measure if the Senator from Idaho makes the motion, as he said he would. I shall not only vote to take it up, but I shall vote to assist him in getting as quick action as possible on it; but I do think, Senators, that it is improper legislation to force a measure of this kind on a big appropriation bill. I do think it would be setting a terrible precedent for us, as was so eloquently stated by the Senator from Florida [Mr. TRAMMELL].

I hope the amendment will be withdrawn, and if it is not withdrawn I sincerely hope it will be overwhelmingly defeated, as I believe it will be, because the vast majority of the Members of this body are strongly interested, through their constituents, either in appropriations for some of the rivers of this mighty country or in appropriations for some of the harbors, and under the amendment all appropriations for both rivers and harbors will be held up until action has been taken upon this other measure; and it may not be taken, Senators. We are all hopeful that we are going to get away from here soon. The effect of the adoption of this amendment may be to destroy completely and absolutely any appropriation whatsoever for the rivers and harbors of the country; so I hope the amendment will be either withdrawn or overwhelmingly defeated.

Mr. HARRISON. Mr. President, I shall detain the Senate but a moment.

When the Howard University item was inserted in an appropriation bill I did not think it was in order, and I voted to sustain the Chair. I did not think to-day that this amendment was in order, and I voted to sustain the Chair.

I do not think the amendment that is now before the Senate is proper legislation at this time. Even the speeches in behalf of it show the fallacy of the policy of tying up the appropriations for rivers and harbors through a threat that this other bill has to be passed by the House of Representatives and the Senate.

I sincerely hope the amendment will be voted down.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Montana [Mr. WALSH].

The amendment was rejected.

Mr. PITTMAN. Mr. President, I desire to submit an amendment.

The PRESIDENT pro tempore. The Senator from Nevada offers an amendment, which the Secretary will report.

The READING CLERK. At the end of line 3, page 107, before the period, insert a colon and the following proviso:

Provided, That it being the intent of Congress and the policy of our Government, as expressed in the transportation act of 1920, "to promote, encourage, and develop water transportation, service, and facilities in connection with the commerce of the United States and to foster and preserve in full vigor both rail and water transportation," and to prevent departures from the fourth section of the interstate commerce act for the purpose of permitting common carriers under said act to meet competition of water carriers not under the jurisdiction of the Interstate Commerce Commission, the appropriations herein made for the construction of a new power plant at Miraflores, Panama Canal, shall not be available or used for such purposes after the date that the Interstate Commerce Commission shall hereafter grant relief from the provisions of section 4 of the interstate commerce act, as amended, to any common carrier by railroad or by rail and water subject to the provisions of such act, upon any domestic traffic which now is or hereafter may be competed for by intercoastal water carriers operating through the Panama Canal.

Mr. PITTMAN. Mr. President, permit me to explain this amendment. It does not interfere in any way whatever with any appropriation for rivers or harbors. It does not place any strings on any appropriation for rivers or harbors. It does not limit any appropriation with regard to any rivers or harbors. It deals solely with the Panama Canal. It simply restates the policy of Congress as set forth in the transportation act of 1920. I quote the language:

That it being the intent of Congress and the policy of our Government, as expressed in the transportation act of 1920, "to promote—

I am now quoting the exact language of the act, in section 500—

to promote, encourage, and develop water transportation, service, and facilities in connection with the commerce of the United States and to foster and preserve in full vigor both rail and water transportation," and to prevent departures from the fourth section of the interstate commerce act for the purpose of permitting common carriers under said act to meet competition of water carriers not under the jurisdiction of the Interstate Commerce Commission, the appropriations herein made for the construction of a new power plant at Miraflores, Panama Canal, shall not be available or used for such purposes after the date that the Interstate Commerce Commission shall hereafter grant relief from the provisions of section 4 of the interstate commerce act, as amended, to any common carrier by railroad or by rail and water subject to the provisions of such act, upon any domestic traffic which now is or hereafter may be competed for by intercoastal water carriers operating through the Panama Canal.

The amendment deals with nothing except interconstal waterways handling domestic traffic through the Panama Canal. It simply states that hereafter if any departure is authorized by the Interstate Commerce Commission to grant relief to meet that competition going through the Panama Canal, from that day on the appropriation for building the power plant at Miraflores shall cease to be available.

It is natural that the question should be asked, Why should we make it unavailable? By reason of the absurdity of the rules of the Senate and of the Congress; that is all. It has been held time and time again that you can place a limitation upon the use of an appropriation, but that you can not affirmatively do anything to bring about the same result. Therefore I have been compelled to look around to seek the smallest appropriation in the bill, so as to find a way of reasserting the policy of the Government and of Congress with regard to the enforcement of our laws by the Interstate Commerce Commission.

Mr. McKELLAR. Mr. President——

Mr. PITTMAN. I yield.

Mr. McKELLAR. In the event that the Interstate Commerce Commission proceeded to grant the relief asked for on the transcontinental lines, there would be no inhibition against them doing it. It would merely declare a policy, and would stop the work at Miraflores.

Mr. PITTMAN. The Senator is entirely correct. If they disobeyed it the only result would be to stop the work at Miraflores. But, mind you, the chairman of the Interstate Commerce Commission has recently appeared before our committee, and when we constantly cross-examined him with regard to his violation of this provision, he said, "If the Senate of the United States means what you gentlemen think it means—if it means that this relief shall not be given from section 4 for the purpose of meeting water competition—why do you not say so?" That is what he asked us. I say now that if we say so here, he is bound to understand it, and he would not dare violate it, and if he did violate it, it would be ground for the Congress of the United States to remove every one of those commissioners from office.

Heretofore the Interstate Commerce Commission has closed its ears to the debates in Congress. The debates have been called to their attention. The construction I read this morning, given by the chairman of the committee at the time that provision was inserted, was read to them, but that is not law to the Interstate Commerce Commission. If we agree to this amendment, which provides that it is the intent of Congress and the policy of the Government that they shall not grant any relief from the fourth section for the purpose of permitting the railroads to meet water competition, then there is a positive, direct provision by this Congress, and the excuse these commissioners now use, that "if Congress means that why do they not say that," will be answered. That is what I mean.

Mr. McKELLAR. The Senator's amendment applies only to transportation over transcontinental lines?

Mr. PITTMAN. That is all it could possibly apply to, because it deals only with the domestic trade through the Panama Canal.

I have simply taken the smallest appropriation directly in point that I could find, not for the purpose of stopping that appropriation but solely for getting a parliamentary means of answering the Interstate Commerce Commission when they say, "If you mean that, why do you not say it?" That is what they said before the committee.

We do mean that, and by this amendment we do say that. I want to state now that I am satisfied that it is not the intention of the Senator from Montana [Mr. WALSH] to hold up appro-

priation bills, but I can readily see how it might be construed even as the Senator from Arkansas has construed it, and for that very reason, in preparing an amendment, and in anticipation that my original amendment might be subject to a point of order, I did not let it apply to the appropriations for rivers and harbors or inland waterways, but I picked out the smallest appropriation I could find in this bill in point, simply for the purpose of supporting a declaration.

The bill itself provides, "and including $1,000,000 for the construction of a new power plant at Miraflores." If the Interstate Commerce Commission should disobey this express pronouncement of Congress, there would be no other result than that this new power plant would not be built.

However, the appropriation even of that $1,000,000 would not be interfered with until the order was made in spite of this provision. It is inconceivable that the Interstate Commerce Commission, which is the agency created by Congress to carry out our transportation acts, will contend for one moment that they can continue these violations if Congress expressly declares that if they do so the appropriations with regard to the Panama Canal must cease.

I have asserted in my amendment the policy of our Government. I have asserted that it is the intent of Congress, that it is the policy of the Government, that they shall not utilize the provisions of the fourth section of the interstate commerce act to grant relief to common carriers to meet water competition. That is the declaration, positive and frank, and if that declaration is not made somewhere they will continue to use the excuse they have used, which is, "If you meant that, why did you not ever say that?"

This would not interfere with the passage of the bill of the Senator from Idaho in the slightest. It is a protection pending the time of the passage of his bill, as a pronouncement of the intention of Congress. It is a continuing protection in the event the House should finally defeat his bill. It is in aid of passing the Senator's bill, because it declares the policy. It is in support of his bill. It does not go as far as the Senator's bill goes, because it deals solely with transportation through the Panama Canal.

I do not think any of the objections to this matter can be urged which were urged to the amendment of the Senator from Montana. I think it is the last chance we will have at this session of announcing positively and directly the policy of this Government with regard to transportation through the Panama Canal. I sincerely hope the Senate will agree to this amendment.

Mr. WADSWORTH. Mr. President, I think it well that the Senate know something about the project for the new power plant at the Miraflores Lock before it votes on this extraordinary amendment.

The War Department appropriation bill for the current year carries an appropriation of $850,000 to commence the construction of the new power plant which is to operate the gates at the Miraflores Lock on the Panama Canal. The Panama Canal administration for some years has been faced with the possibility of a breakdown in the operation of these gates, especially during a dry season, when they desire to keep the water level as high as possible. Commencing with last year they asked authority to begin the construction of a modern auxiliary power house which would develop the same amount of power and swing the gates during a dry season or other emergency.

The amendment of the Senator from Nevada [Mr. PITTMAN] proposes that a contract which is already in process of completion be stopped at any time that an utterly unrelated branch of the Government, the Interstate Commerce Commission, issues a decision on a certain railroad question in the State of Nevada or Wyoming or somewhere else.

The PRESIDENT pro tempore. The question is on agreeing to the amendment submitted by the Senator from Nevada [Mr. PITTMAN].

Mr. ASHURST and Mr. PITTMAN. Let us have the yeas and nays.

The yeas and nays were not ordered.

The amendment was rejected.

The PRESIDENT pro tempore. If there be no further amendments to be proposed as in Committee of the Whole, the bill will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

Mr. KING. Mr. President, I had intended to offer a number of amendments dealing with the question of waterways, but in view of the protracted discussion which has taken place I shall not offer them.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. WADSWORTH. I ask unanimous consent that the clerks be authorized to correct the totals in the bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT OF INTERSTATE COMMERCE ACT

Mr. GOODING. Mr. President, I move that the Senate proceed to the consideration of the bill (S. 2327) to amend section 4 of the interstate commerce act.

The motion was agreed to, and the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Interstate Commerce with amendments.

Mr. GOODING. Mr. President, I offer the amendment which I send to the desk. The purpose is to clarify the language of the bill and to give the commission a full year in which to readjust violations of the fourth section, provided the bill becomes a law.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. Strike out on page 3, all after line 15, and all on page 4, and insert in lieu thereof the following:

Where any common carrier has or common carriers have in effect any rate, fare, or charge which is less for the longer than for the shorter distance between two points (the shorter being included within the longer distance), and which has been authorized by the commission or as to which application was filed with the commission on or before February 17, 1911, and not yet acted upon by it, such rate, fare, or charge shall not become unlawful (except by order of the commission) until after 12 months following the passage of this amendatory act; nor shall such rate, fare, or charge in effect via a circuitous rail carrier or rail carriers become unlawful if it shall have been authorized by order of the commission, after public hearing, based on no less a showing than that upon which the commission is herein authorized to grant relief: *And provided further*, That nothing in this section contained shall prevent the commission from authorizing or approving departures from the provisions of this section in so far as applicable to import or export rates, including rates applicable to traffic coming from or destined to a possession or dependency of the United States, or to a block system of express rates established by order or with the approval of the commission, or permitted by it to be filed.

Paragraph 2 of section 4 is hereby repealed.

Mr. JONES of Washington. Mr. President, I think I shall favor the bill under consideration, but it seems to me that this is a very important amendment to be agreed to without any discussion. The bill now becomes the unfinished business, and I suggest that it go over until next week. The amendment has not been printed and Senators have had no opportunity to consider it.

Mr. FLETCHER. It seems to me that that is the wise course to follow.

Mr. JONES of Washington. It would seem so. As I said, I think I shall vote for the bill, but I want to have an opportunity to consider the amendment.

Mr. NORRIS. I think the Senator's request is a reasonable one. The importance of the amendment at this time is undoubted.

Mr. GOODING. I accept the suggestion of the Senator from Washington.

Mr. MOSES. The Senator from Idaho has secured his chief desire, which was to have the bill made the unfinished business.

Mr. GOODING. It is the unfinished business, and I am willing that it shall go over until next week.

EXECUTIVE SESSION

Mr. MOSES. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 15 minutes spent in executive session the doors were reopened, and the Senate (at 5 o'clock and 20 minutes p. m.) adjourned until Monday, May 19, 1924, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 17 (legislative day of May 14) 1924

MEMBER OF THE FEDERAL RESERVE BOARD

A. C. Miller, of California, to be a member of the Federal Reserve Board for a term of 10 years. (A reappointment, his term expiring August 8, 1924.)

MEMBER OF THE UNITED STATES SHIPPING BOARD

Edward C. Plummer, of Maine, to be a member of the United States Shipping Board for a term of six years. (A reappointment, his term expiring June 9, 1924.)

DIRECTOR OF THE WAR FINANCE CORPORATION

George R. Cooksey, of the District of Columbia, to be a director of the War Finance Corporation. (A reappointment, his term expiring May 18, 1924.)

CHIEF JUSTICE COURT OF APPEALS OF THE DISTRICT OF COLUMBIA

George E. Martin, of the District of Columbia, to be chief justice of the Court of Appeals, District of Columbia, vice C. J. Smyth, deceased.

UNITED STATES MARSHAL

Arthur Rogers, of Tennessee, to be United States marshal, western district of Tennessee, vice William F. Appleby, deceased.

PROMOTIONS IN THE REGULAR ARMY

To be major

Capt. Joseph May Swing, Field Artillery, from May 7, 1924.

To be captains

First Lieut. Rodney Campbell Jones, Coast Artillery Corps, from May 1, 1924.

First Lieut. William Aloysius Murphy, Infantry, from May 2, 1924.

First Lieut. Harold H. Elarth, Infantry, from May 3, 1924.

First Lieut. Lester Joslyn Harris, Infantry, from May 4, 1924.

First Lieut. Howard Foster Clark, Corps of Engineers, from May 7, 1924.

First Lieut. Howard Clay Brenizer, Field Artillery, from May 9, 1924.

To be first lieutenants

Second Lieut. Dwight Lyman Adams, Infantry, from May 1, 1924.

Second Lieut. Thomas Gordon Cranford, jr., Coast Artillery Corps, from May 2, 1924, subject to examination required by law.

Second Lieut. Lester George Degnan, Infantry, from May 3, 1924.

Second Lieut. Henry Bennett Sheets, Infantry, from May 4, 1924.

Second Lieut. Archie William Cooey, Infantry, from May 7, 1924.

Second Lieut. William Robert McMaster, Infantry, from May 9, 1924, subject to examination required by law.

Second Lieut. Cornelius Emmett O'Connor, Air Service, from May 13, 1924.

APPOINTMENTS BY TRANSFER IN THE REGULAR ARMY

ORDNANCE DEPARTMENT

First Lieut. Jonathan Lane Holman, Field Artillery, with rank from October 15, 1919.

COAST ARTILLERY CORPS

Capt. Archibald Donald Fisken, Field Artillery, effective June 15, 1924, with rank from July 1, 1920.

Second Lieut. Bernard Henry Sullivan, Air Service, with rank from June 12, 1923.

AIR SERVICE

Capt. Roland Winfred Wittman, Infantry (detailed in Air Service), with rank from July 1, 1920.

APPOINTMENT IN THE ARMY

Arthur Cecil Ramsey, of Kansas, to be second lieutenant of Infantry in the Regular Army of the United States, with rank from May 10, 1924.

POSTMASTERS

ARKANSAS

Douglas O. Dover to be postmaster at Cove, Ark., in place of I. R. Silvey, removed.

William H. Tucker to be postmaster at Casa, Ark., in place of A. F. Hunter, resigned.

ALASKA

Charles A. Sheldon to be postmaster at Seward, Alaska, in place of W. E. Root. Incumbent's commission expires June 4, 1924.

CALIFORNIA

Ernest R. Rhymes to be postmaster at Sanitarium, Calif., in place of E. R. Rhymes. Incumbent's commission expires June 4, 1924.

COLORADO

Cora M. Northup to be postmaster at Fountain, Colo., in place of N. E. Pyles. Incumbent's commission expires June 4, 1924.

FLORIDA

John B. Carlin to be postmaster at St. Cloud, Fla., in place of J. J. Johnston. Incumbent's commission expired February 14, 1924.

Jefferson Gaines to be postmaster at Bocagrande, Fla., in place of Jefferson Gaines. Incumbent's commission expired February 14, 1924.

HAWAII

Joseph Herrscher to be postmaster at Hana, Hawaii, in place of Joseph Herrscher. Office became third class April 1, 1924.

ILLINOIS

Olive G. Woods to be postmaster at Hennepin, Ill., in place of E. G. Paxson. Office became third class October 1, 1923.

Fay L. Quilter to be postmaster at Walnut, Ill., in place of F. L. Quilter. Incumbent's commission expires June 5, 1924.

Kate M. Weis to be postmaster at Teutopolis, Ill., in place of K. M. Weis. Incumbent's commission expires June 5, 1924.

Edward P. Devine to be postmaster at Somonauk, Ill., in place of E. P. Devine. Incumbent's commission expires June 5, 1924.

Elizabeth R. Grant to be postmaster at Shabbona, Ill., in place of Sarah McGinnis. Incumbent's commission expires June 5, 1924.

John N. Taffee to be postmaster at Pinckneyville, Ill., in place of T. L. Wallace. Incumbent's commission expired March 9, 1924.

Herman C. Hoefer to be postmaster at Park Ridge, Ill., in place of Charles Stade. Incumbent's commission expired August 29, 1923.

Elliott O. Andrews to be postmaster at Belvidere, Ill., in place of John Dooley. Incumbent's commission expires June 5, 1924.

INDIANA

Iva D. Myers to be postmaster at Millersburg, Ind., in place of Charles Boomershine. Office became third class January 1, 1924.

IOWA

William M. Young to be postmaster at Defiance, Iowa, in place of W. M. Young. Office became third class April 1, 1924.

Frank T. Best to be postmaster at Pomeroy, Iowa, in place of F. J. Oehmke. Incumbent's commission expired March 22, 1924.

Howard B. Gillespie to be postmaster at Guthrie Center, Iowa, in place of J. S. McLuen. Incumbent's commission expired March 22, 1924.

Clyde C. Sheaffer to be postmaster at Alden, Iowa, in place of H. E. Button. Incumbent's commission expires June 5, 1924.

KANSAS

Susie J. Gibbons to be postmaster at St. Paul, Kans., in place of G. A. Pierce. Incumbent's commission expires June 4, 1924.

Ulysses G. Stewart to be postmaster at Rossville, Kans., in place of C. E. Van Vleck. Incumbent's commission expires June 4, 1924.

Henry M. Highland to be postmaster at McCune, Kans., in place of G. W. Harley. Incumbent's commission expired May 6, 1924.

KENTUCKY

Leona R. Meador to be postmaster at Kingswood, Ky., in place of L. R. Meador. Office became third class October 1, 1923.

MAINE

Frank G. Thompson to be postmaster at Milo, Me., in place of D. L. Brown. Incumbent's commission expires June 5, 1924.

Perley M. Hanson to be postmaster at East Millinocket, Me., in place of O. J. Toussaint. Incumbent's commission expired February 11, 1924.

Fred E. Jones to be postmaster at Brownville, Me., in place of E. A. Sampson. Incumbent's commission expires June 5, 1924.

MARYLAND

Clare N. Payne to be postmaster at Preston, Md., in place of J. W. Payne, deceased.

MASSACHUSETTS

John A. Bell to be postmaster at Leicester, Mass., in place of J. A. Bell. Incumbent's commission expires June 4, 1924.

James E. Sullivan to be postmaster at Gilbertville, Mass., in place of J. E. Sullivan. Incumbent's commission expires June 4, 1924.

William P. Lovejoy to be postmaster at Barnstable, Mass., in place of W. P. Lovejoy. Incumbent's commission expires June 4, 1924.

MICHIGAN

Ralph M. Powers to be postmaster at Jonesville, Mich., in place of W. B. Howlett. Incumbent's commission expires June 5, 1924.

John H. Ter Avest to be postmaster at Coopersville, Mich., in place of J. S. Walling. Incumbent's commission expires June 4, 1924.

Earl Brown to be postmaster at Brighton, Mich., in place of C. S. Case. Incumbent's commission expires June 4, 1924.

MINNESOTA

Henry O. Halverson to be postmaster at Gonvick, Minn., in place of H. O. Halverson. Incumbent's commission expired February 18, 1924.

NEBRASKA

Minnie L. Smith to be postmaster at Blue Springs, Nebr., in place of J. W. Henthorn, resigned.

Archie L. Smith to be postmaster at Imperial, Nebr., in place of A. L. Smith. Incumbent's commission expires May 21, 1924.

Frank W. Fuhlrodt to be postmaster at Fremont, Nebr., in place of F. W. Fuhlrodt. Incumbent's commission expired May 11, 1924.

Henry V. Ingram to be postmaster at Exeter, Nebr., in place of H. V. Ingram. Incumbent's commission expired May 11, 1924.

Oscar M. Fenstermacher to be postmaster at Cedar Bluffs, Nebr., in place of W. F. Nick. Incumbent's commission expires June 4, 1924.

Jesse R. Teagarden to be postmaster at Bethany, Nebr., in place of C. L. Demarest. Incumbent's commission expires June 4, 1924.

NEW JERSEY

John E. MacIlwain to be postmaster at Magnolia, N. J., in place of J. E. MacIlwain. Office became third class April 1, 1924.

NEW YORK

E. DeLancy Walters to be postmaster at Bolivar, N. Y., in place of E. D. Walters. Incumbent's commission expired May 6, 1924.

Arthur J. Lytle to be postmaster at Angelica, N. Y., in place of G. O. Hinman. Incumbent's commission expires May 28, 1924.

NORTH CAROLINA

Thomas A. Kennedy to be postmaster at Troutmans, N. C., in place of Worth Williamson. Office became third class January 1, 1924.

John E. Corbitt to be postmaster at Sunbury, N. C., in place of J. E. Corbitt. Office became third class April 1, 1924.

John M. Sharpe to be postmaster at Statesville, N. C., in place of R. R. Clark. Incumbent's commission expired February 18, 1924.

PENNSYLVANIA

Robert T. Barton to be postmaster at Meadowbrook, Pa., in place of R. T. Barton. Office became third class April 1, 1924.

TENNESSEE

James M. Gresham to be postmaster at Smyrna, Tenn., in place of J. M. Gresham. Incumbent's commission expired September 5, 1923.

TEXAS

James A. Morgan to be postmaster at Vega, Tex., in place of J. A. Morgan. Office became third class April 1, 1924.

Minerva M. F. Cowart to be postmaster at Turkey, Tex., in place of M. M. F. Cowart. Office became third class April 1, 1924.

VIRGINIA

James O. Fant to be postmaster at Brandy (late Brandy Station), Va., in place of J. O. Fant. Office became third class April 1, 1924.

WASHINGTON

James R. Patterson to be postmaster at Malden, Wash., in place of G. R. Patterson. Incumbent's commission expired March 11, 1924.

WEST VIRGINIA

Millard M. Mason to be postmaster at Seth, W. Va., in place of M. M. Mason. Office became third class April 1, 1924.

WYOMING

Frank G. Brown to be postmaster at Fort Laramie, Wyo., in place of F. G. Brown. Office became third class April 1, 1924.

Neletta P. Howard to be postmaster at Manville, Wyo., in place of E. R. Spragg. Incumbent's commission expires June 5, 1924.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 17 (legislative day of May 14), 1924

UNITED STATES ATTORNEYS

Ross R. Mowry to be United States attorney, southern district of Iowa.

Allen Curry to be United States attorney, eastern district of Missouri.

POSTMASTERS

ALABAMA

Anna H. Kinney, Elberta.

ARIZONA

Charles E. Hand, Winkelman.

ARKANSAS

John N. Phillips, Jasper.

ILLINOIS

Louis W. Richter, Melrose Park.

INDIANA

Clara I. Boesen, Griffith.

IOWA

Charlie C. Clifton, Thompson.

NEBRASKA

Hillery D. Bartley, Crookston.

NORTH CAROLINA

Sue M. Vick, Bailey.
Joseph S. Mitchell, Draper.

OHIO

Melroy C. Johns, Caldwell.
Guy G. Patchen, Columbiana.
Robert E. Friel, Lore City.
Don B. Stanley, Lowell.
Ben J. Filkins, Wakeman.

OKLAHOMA

Henry F. Harwell, Bryant.

PENNSYLVANIA

Joseph S. Gillingham, Lincoln University.

SOUTH DAKOTA

C. Albert Zeitner, Mission.
Lewis W. Ford, Wakonda.
Will C. Bromwell, Wessington Springs.

WYOMING

Epsie L. Winn, Superior.

HOUSE OF REPRESENTATIVES

SATURDAY, *May 17, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, our heavenly Father, around about us are always Thy everlasting arms. A mighty fortress is our God, a refuge never failing. To Thee we yield ourselves, acknowledge our dependence, and confess our sins. Enlarge and extend the range of our understanding, and we always have the deepest concern for others and for the welfare of our country. In Thy light may we see light and strive for the best possible work by being the best possible men. In the name of Jesus our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

ELECTION TO COMMITTEES

Mr. GARNER of Texas. Mr. Speaker, I offer the resolution (H. Res. 316), which I send to the Clerk's desk.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That J. ZACH SPEARING of Louisiana be, and he is hereby, elected a member of the standing committees of the House on Coinage, Weights, and Measures and Railways and Canals.

The question was taken, and the resolution was agreed to.

WASHINGTON MONUMENT GUIDE BOOK

Mr. GIBSON. Mr. Speaker, day before yesterday the gentleman from Tennessee [Mr. GARRETT], the minority leader, extended some remarks in the RECORD in relation to the Washington Monument Guide Book. In order to complete the record and for the information of the House, I ask permission to extend some brief remarks in relation to the same subject matter.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. GIBSON. Mr. Speaker, I rise in opposition to the conference report on the independent offices appropriation bill. Senate amendment 15, to restore the right of sale at the Washington Monument of the guidebook authorized by the Congress in 1909, should be adopted.

The discontinuance of the Washington Monument Guide Book, which was prepared by Miss Ina C. Emery, a native of Bethel, Vt., is a gross injustice to her. She has had the book at the Monument approximately 20 years with the unanimous approval of Members of both Houses of Congress, of the succeeding Secretaries of War and Chiefs of Engineers, of the public, including heads of patriotic organizations, until it remained for one man, an Army officer, to stop it on July 1, 1923, and to replace it a month later with a book copyrighted by a private organization—the Society of American Military Engineers, Mills Building, Washington—of which he is a member.

MISS EMERY'S BOOK APPROVED

I ask permission at this time to insert as part of my remarks a letter of Chairman MADDEN, of the House Appropriations Committee, to the Secretary of War, on July 2, 1923, citing the law governing the matter, pointing out that Miss Emery's book at the Monument, in pursuance of that law, had given satisfaction to the public and asking the Secretary of War to restore to Miss Emery that right to sale of her guidebook at the Monument.

I also ask permission to insert as part of my remarks a copy of the hearing of Miss Emery, on January 14, 1909, on the urgent deficiency appropriation bill of 1909. That hearing was before the House appropriations subcommittee, consisting of Representative James A. Tawney, of Minnesota (chairman of the full committee); Edward B. Vreeland, of New York; J. Warren Keifer, of Ohio, who had been Speaker of the House; S. Brundidge, jr., of Arkansas, and Leonidas L. Livingston, of Georgia, who were in charge of deficiencies for the fiscal year 1909. There were also present at that time Representative Graff, of Illinois, and Representative Rodenberg, of Illinois.

SECRETARY WEEKS APPROVED IT IN 1923

It was Mr. Rodenberg who arranged for Miss Emery's hearing before the committee in 1909. Many years later, on or about June 1, 1922, Mr. Rodenberg, familiar with all the facts about the Washington Monument Guide Book, accompanied Miss Emery to the Secretary of War when a subordinate Army officer had threatened to take away Miss Emery's right to have the book at the monument. When the conversation, including the threat, was repeated to the Secretary of War, the latter stated to Mr. Rodenberg, Miss Emery, and her brother:

Miss Emery, I am thoroughly familiar with your guide book. I have no criticism to make of its price or criticism of it in any way. So far as I am concerned, I see no reason why it should not be there for 20 years to come if you want it.

Yet the subordinate officer succeeded in having the book discontinued, as he had threatened to do, and he stated before a House subcommittee (on the War Department appropriation bill) on February 14, 1924, that it was on his recommendation that the book was discontinued. He did not state that the book he put in its place is copyrighted by a private organization of which he is a member (the Society of American Military Engineers), nor did he say that his book is made up largely of the same material as in Miss Emery's book, some of it practically verbatim, nor that the book he put there bore a notice advising the public that additional copies may be obtained by sending 20 cents a copy to the Mills Building office of the private organization, of which he is a member.

The letter of Chairman MADDEN in favor of Miss Emery's book follows:

CHAIRMAN MADDEN'S LETTER

COMMITTEE ON APPROPRIATIONS,
SIXTY-SEVENTH CONGRESS,
Washington, D. C., July 2, 1923.

MY DEAR MR. SECRETARY: In Statutes at Large, volume 35, page 615, will be found the following: "That hereafter no advertisement of any kind shall be displayed and no articles of any kind, except a guidebook to the Monument, shall be sold in or around the Washington Monument."

Then, later, in Statutes at Large, volume 35, page 997, there appears the following: "That hereafter no advertising of any kind shall be displayed and no articles of any kind shall be sold in or around the Monument, except upon the written authority of the Secretary of War."

In pursuance of this authority Miss Emery has been selling a guidebook to the Monument, which she has prepared at her own expense. The sale of this book involves no expenditure of public money, and she has paid the Government $75 per annum for the privilege. Recently you have ordered the sale of the book discontinued. It seems to me that in view of the expense incurred by Miss Emery in the preparation of the book and the satisfaction which its sale has given all these years to the visiting public she should be permitted to continue its sale.

I shall consider it a personal favor if you can find it consistent to withdraw the order recently issued by you and reinstate Miss Emery's right to the sale of the book at the Monument.

MISS EMERY'S HEARING IN 1909

The hearing of Miss Emery in 1909, referred to in Senate amendment 15 to the independent offices bill, shows textually that it was the purpose of the committee, without specifically mentioning her name, to authorize the sale of Miss Emery's guidebook to the Monument. Her book was the only one under consideration, and later when the provision the committee reported was before the House and the Senate copies of Miss Emery's book were before the membership of the two Houses. This provision and the subsequent one relating to the subject, both in 1909, are set forth in Mr. MADDEN'S letter to the Secretary of War. The first provision authorized her guidebook; the second provision provided how it should be placed on sale. The present Senate amendment is in no way in conflict with the existing law.

The hearing, from the printed record of the House Appropriations Committee hearings on deficiency bills in 1909, is as follows:

WASHINGTON MONUMENT, SALE OF ARTICLES IN

STATEMENT OF MISS INA C. EMERY

The CHAIRMAN. Miss Emery, you have called our attention to a provision in the sundry civil law for the current fiscal year in connection with the Washington Monument, asking that it may be abrogated. It reads as follows:

> *"Provided*, That no advertisement of any kind shall be displayed and no articles of any kind shall be sold in or around the Monument."

That is the Washington Monument, here in the city?

Miss EMERY. Yes.

The CHAIRMAN. What reason have you for asking that this provision be abrogated, for wanting this law changed?

Miss EMERY. It is because I have a book, the only book that has ever been published, containing all the inscriptions, the history, and a description of the construction of the Washington Monument. It is the only one that has ever been prepared, and it has cost me over $1,600 to prepare the book, and it has been there for nearly six years, without a single adverse criticism from anywhere. On the contrary, I have had letters from all over the country, and even from Europe, telling me what a pleasure it has been to the writers to read an inscription on a tablet that an aunt or an uncle or some one had placed there, and it is the only book of the kind ever published.

The CHAIRMAN. Were you selling this book at the time that the Superintendent of Public Buildings and Grounds recommended to the committee the adoption of this paragraph?

Miss EMERY. Yes, sir.

The CHAIRMAN. Did you know about the paragraph at the time of its adoption?

Miss EMERY. No, sir; I had no intimation of it.

Mr. KEIFER. When was that passed?

The CHAIRMAN. At the last session of Congress.

Mr. LIVINGSTON. What objection have you to advertisements that do not affect your book?

Miss EMERY. I have no objection. I only want my book placed back there.

Mr. VREELAND. She wants the right to sell her book there. The right has been taken away.

Mr. RODENBERG. They construed that provision in such a way as to exclude her book.

Mr. LIVINGSTON. Suppose the law is changed so that it will not exclude the selling of your book?

Miss EMERY. That is all I ask.

Mr. VREELAND. She is not seeking to exclude anybody else.

Miss EMERY. No. I only ask that my book may be sold there, as it is a benefit to the public, and I think that Mr. Tawney knows of the various persons who have interested themselves in it who know the book and know what it has done.

Mr. LIVINGSTON. Can anyone tell why that law was passed?

The CHAIRMAN. Yes. It was enacted at the last session of Congress on the recommendation of the Superintendent of Public Buildings and Grounds. It was placed as a provision on the sundry civil bill.

Mr. LIVINGSTON. I was not here at the time and did not get a chance to hear a thing about it. What reason did he give?

The CHAIRMAN. He wanted to shut out the vending of anything at that place, because, as he said, if you will allow one you would have to license others.

Mr. GRAFF. There is no book vended there except this book, is there, Mr. Chairman?

The CHAIRMAN. I do not recall the testimony now. My recollection, however, is that there were applications for permission for the vending of all sorts of articles—postal cards, souvenir postal cards, and souvnirs of all kinds.

Mr. GRAFF. But there is no history of the Monument except this one?

The CHAIRMAN. Not that I know anything about.

Mr. VREELAND. We could amend the provision by excepting books describing the Monument, or views of the Monument.

The CHAIRMAN. This is a guide to the Monument?

Miss EMERY. It is a guide to the Monument. There is nothing in it except a guide to the Monument.

The CHAIRMAN. Then if we were to amend this provision so as to read that no advertisements of any kind should be displayed or any articles should be sold except this book, that would be satisfactory to you?

Miss EMERY. Yes, sir; that is all I ask.

Mr. LIVINGSTON. I do not see why they should prohibit anybody.

The CHAIRMAN. There was reason for this legislation. Of course, the committee did not know anything about this book at the time, but if you allow these people to go there indiscriminately you would have a crowd of people selling things there, especially during the week of inauguration and perhaps weeks afterwards.

Mr. VREELAND. It is a great convenience for the people to go there and buy it. I want to look at it myself.

The CHAIRMAN. This is of benefit to visitors, in that it will enable them to understand the history of the Monument and the history of the inscriptions inside of it?

Miss EMERY. Yes, sir.

Mr. KEIFER. I think we can amend that in a way to be satisfactory to you.

Mr. VREELAND. I wish you would send up two or three copies of that book. When it comes up in the House we would like to show just what it is.

Miss EMERY. I have already sent a copy to each member of the committee. I thank you, gentlemen, very much.

EXTENSION OF REMARKS

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to insert in the RECORD a short editorial from the Boston Transcript, nationally known as a conservative Republican newspaper, asking the Congress to pass the adjusted compensation bill over the President's veto.

The SPEAKER. Is there objection?

Mr. SPROUL of Illinois. I object.

HAUGEN-M'NARY BILL

Mr. SNELL. Mr. Speaker, I present a report (H. Res. 317, Rept. No. 775) from the Committee on Rules.

The SPEAKER. The gentleman from New York presents a report from the Committee on Rules on a bill, the title of which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 9033) entitled "A bill declaring an emergency in respect to certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes."

The SPEAKER. Referred to the House Calendar.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its chief clerk, announced that the Senate had further insisted upon its amendment to the amendment of the House to the amendment of the Senate No. 47 to the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes, had asked for a still further conference with the House on the disagreeing votes of the two Houses thereon and had appointed Mr. SMOOT, Mr. CURTIS, and Mr. HARRIS as the conferees on the part of the Senate.

The message also announced that the Senate had passed without amendment the bill (H. R. 6298) to authorize the leasing for oil and gas mining purposes of unallotted lands on Indian reservations affected by the proviso to section 3 of the act of February 28, 1891.

The message also announced that the Senate had passed with amendments the bill (H. R. 6357) for the reorganization and improvement of the foreign service of the United States, and for other purposes.

The message also announced that the Senate had passed bills of the following titles; in which the concurrence of the House of Representatives was requested:

S. 698. An act for the relief of the Great Lakes Engineering Works;

S. 1174. An act authorizing the Secretary of the Interior to consider, ascertain, adjust, and determine claims of certain members of the Sioux Nation of Indians for damages occasioned by the destruction of their horses;

S. 1975. An act for the relief of the Commercial Union Assurance Co. (Ltd.), Federal Insurance Co., American & Foreign Marine Insurance Co., Queen Insurance Co. of America, Fireman's Fund Insurance Co., United States Lloyds, and the St. Paul Fire & Marine Insurance Co.;

S. 2052. An act to carry out the decree of the United States District Court for the Eastern District of Pennsylvania in the case of United States of America, owner of the steam dredge *Delaware*, against the steamship *A. A. Raven*, American Transportation Co., claimant, and to pay the amount decreed to be due said company;

S. 2138. An act for the relief of First Lieut. Harry L. Rogers, jr.;

S. 2397. An act to provide for refunds to veterans of the World War of certain amounts paid by them under Federal irrigation projects;

S. 2448. An act to amend the organic act of Porto Rico approved March 2, 1917;

S. 2455. An act to authorize the payment of an indemnity to the Government of Nicaragua on account of damages alleged to have been done to the property of Salvador Buitrago Diaz by United States marines on February 6, 1921;

S. 2526. An act providing for an allotment of land from the Kiowa, Comanche, and Apache Indian Reservation, Okla., to James F. Rowell, an intermarried and enrolled member of the Kiowa Tribe;

S. 2457. An act to authorize the payment of an indemnity to the Government of Nicaragua on account of the killing or wounding of Nicaraguans in encounters with the United States marines;

S. 2593. An act for the extension of Rittenhouse Street in the District of Columbia;

S. 2669. An act for the relief of J. R. King;

S. 2975. An act validating certain applications for, and entries of, public lands and for other purposes;

S. 2693. An act in reference to writs of error;

S. 2826. An act for the relief of the Italian Government;

S. 2905. An act to amend section 25 (a) of the act approved December 23, 1913, known as the Federal reserve act;

S. 2919. An act to extend the provisions of the national bank act to the Virgin Islands of the United States;

S. 2928. An act authorizing the Secretary of the Navy to accept certain lands in the vicinity of Pensacola, Fla., to assure a suitable water supply for the United States naval air station at Pensacola;

S. 2949. An act authorizing the Secretary of War to sell a portion of the Carlisle Barracks Reservation;

S. 3025. An act to authorize the construction of a bridge across the Oostanaula River in Gordon County, Ga.; and

S. 3211. An act authorizing the sale of Gasparilla Island Military Reservation.

VETO MESSAGE—ADJUSTED COMPENSATION BILL

The SPEAKER. The business before the House is, Will the House on reconsideration pass the adjusted compensation bill, the objections of the President to the contrary notwithstanding?

Mr. LONGWORTH. Mr. Speaker——

The SPEAKER. The gentleman from Ohio.

Mr. LONGWORTH. Mr. Speaker, it seems to me that the large attendance to-day justifies the wisdom and propriety of the motion I made on Thursday to give Members an opportunity to be here and vote upon this most momentous question. However, I feel that the House does not desire to hear prolonged

debate on this question, so therefore I shall very shortly move the previous question. I now yield five minutes to the gentleman from Illinois [Mr. MADDEN]. [Applause.]

Mr. MADDEN. Mr. Speaker, the President is the Nation's leader. The people of the United States look to him for guidance. They admire his courage and his wisdom. They are willing to follow him, and I know of no reason why I should not follow him. [Applause.] I have always favored a bonus and voted for it, but I think that the present financial condition of the country justifies a change of opinion on my part, and I shall therefore vote to sustain the veto of the President. [Applause.] The State of Illinois has voted a bonus to the men of that State, $55,000,000. I paid my share of that. I am proud to pay my share of anything that is justified for the ex-service men.

The Nation since the war has done wonders to stabilize the world and put our own finances on a sound basis. As chairman of the Committee on Appropriations I think I would be unworthy to stand in my place day by day and advocate economy in every other direction and then vote to override the veto of the President. [Applause.]

I am assuming the responsibility here which the chairmanship of the Committee on Appropriations imposes upon me, and I do so gladly. I believe that in doing that I am doing what the Nation as a whole would have me do. The tax-reduction bill pending wipes out any surplus that might have existed in the 1925 program of receipts and expenditures, and it is possible that the bill itself will result in a deficit. Proposals for additional expenditures for the fiscal year 1925, pending in legislation, if approved by the President, would call for appropriations of nearly $400,000,000 more for the fiscal year 1925 over and above what the Budget for 1925 asked. No revenues are provided to meet these unusual expenditures. In other words, all these large pending proposals for expenditures would either effectively destroy tax reduction or, if tax reduction should accompany their enactment, they would result in a large deficit in the next fiscal year's running expenses of the Government.

The public debt has been reduced in the last five years approximately $4,500,000,000. Any bonus proposal for which no revenue is provided would serve to start the public debt on an upward climb, because borrowing would have to be resorted to to meet it.

Appropriations to meet the bonus would cost in 20 years $2,280,000,000. The appropriation for the fiscal year 1925, under the bonus, would amount to $152,500,000. The face value of the bonds to retire these policies plus the interest reinvested will equal the maturity value of the insurance policies, aggregating at the lowest estimate $3,145,000,000. Appropriations for compensation, insurance, vocational training, hospital construction and hospital treatment to June 30, 1925, will amount in the net to $2,750,000,000. Appropriations for the next fiscal year for these purposes alone will aggregate $349,065,000. Legislation pending to liberalize compensation and other features and provide additional hospitals aggregates $46,500,000 and if enacted will bring the total for next year to approximately $400,000,000.

So that it can not be said by the ex-service men of the Nation that we have been undmindful of the services they have rendered. There is nothing that appropriations could supply that has not been supplied to every man who needed attention, and I am sure that the Nation is proud to have been enabled to supply these needs; and to the extent that it can supply the needs of the men who came back with armless sleeves and sightless eyes and other deformities as the result of their services to the Nation I am sure that every man and woman everywhere from end to end of the Nation will be proud to do their duty. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I yield five minutes to the gentleman from South Dakota [Mr. JOHNSON].

The SPEAKER. The gentleman from South Dakota is recognized for five minutes.

Mr. JOHNSON of South Dakota. Mr. Speaker, it has been my duty and pleasure to have drawn each of the three caucus or conference calls which have in the past presented the matter of adjusted compensation to the Republican conference. In all of these years this will be my first, only, and last speech on adjusted compensation in the Congress, because within five days the law will have passed both the House and Senate and be an accepted law. [Applause.] I approach it without any feeling of rancor, because it is a question upon which men may logically and fairly and honestly disagree, and I respected the men who have opposed adjusted compensation because of their manifest courage—men of the type of the gentleman who preceded me [Mr. MADDEN], the distinguished chairman of the Committee on Appropriations. He, like so many others, votes his convictions on the floor of this House, regardless of the effect upon his political fortunes.

Mr. GARNER of Texas. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of South Dakota. I will say to the gentleman that I have only five minutes. This is the only speech on this subject that I have ever made on the floor of the House, and I do not have the time to yield.

It is not a political question. Each President of the United States that we have had since the war opposed the granting of adjusted compensation—President Wilson, President Harding, and President Coolidge. Each of the Secretaries of the Treasury of both parties has disapproved adjusted compensation, the distinguished Secretary under the Democratc administration just as much as the distinguished Secretary under a Republican administration. The question of party politics can not come in it. It is a question purely of right and justice.

What we should have done in this Congress in 1919 was to have given a sufficient appropriation to have furnished each of these men who returned from the service a suit of clothes, a pair of shoes, a hat, and an overcoat, and this question would have been settled at that time if men had had that viewpoint. But Congress did not have it, and has not come to this viewpoint until after there has been much discussion of the question throughout the country.

The question of insurance comes into the veto. I do not think it properly belongs there. No man who secured insurance under the war risk insurance act but who pays for everything that he has received, and he could have purchased insurance in the open market as well as he could have secured it from the Government, the actual war risk expected.

I am firmly convinced that the passage of this act—and it will be passed—will do much to avoid the issuance of pensions to well, sound men. No service man in this House has ever introduced a pension bill for able-bodied veterans, and I hope the time will not come in my lifetime when pensions for fit and sound men will be presented. The fact that men will be able to get this insurance policy and pass insurance to their families ought to be sufficient for men who are able-bodied.

I do not like the statement that adjusted compensation is capitalizing patriotism. There was no question of capitalizing patriotism when these men were in the trenches. [Applause.] I can recognize the fact that men can divide fairly and honestly on the question, but I think that the burden of proof is on those who say it is a capitalization of patriotism. George Washington did not capitalize his patriotism when he received adjusted compensation from the Government. Abraham Lincoln did not capitalize his patriotism when he secured his land grant from the Government. Grant and Lee did not capitalize their patriotism when application was made or when they received something from the Government for their services, and that is the only part of the argument that to me does not appeal as being exactly fair. I hope that this question will be settled, that it will never come before this Congress again, and that it will be settled right by enacting finally the adjusted compensation law. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I yield five minutes to the gentleman from Tennessee [Mr. GARRETT].

The SPEAKER. The gentleman from Tennessee is recognized for five minutes.

Mr. GARRETT of Tennessee. Mr. Speaker, I shall vote against the motion to pass this bill, the objection of the President notwithstanding, and I shall do so not because of but despite the message which the President sent. In so doing, whether right or wrong, I am consistent in my position.

My reason for opposing the so-called bonus bill has been stated on the floor of the House upon different occasions when the subject matter has been before it, and more important than that, perhaps, they have been stated before my constituents in a spirited campaign in which that constituted the principal issue.

I can not fail to take advantage of this opportunity to condole with my distinguished friend from Illinois [Mr. MADDEN], and possibly may have to condole with the leader of the majority [Mr. LONGWORTH], although I do not know, as yet. [Laughter.]

What the gentleman from Illinois has stated as his reason for now voting was known to me at the time we voted on the passage of the bill. It was known to me in the last Congress when we voted on the passage of the bill, and in the Congress before that time I thought I knew. I congratulate the gentleman from Illinois that he lives and learns as he lives. [Applause.]

I was opposing the bonus when the present President of the United States, then Governor of Massachusetts, was signing a bonus bill. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. FISH].

The SPEAKER. The gentleman from New York is recognized for five minutes.

Mr. FISH. Mr. Speaker, as the sponsor of the 20-year endowment insurance bill—I believe I was the only one to introduce a 20-year endowment measure—I wish to protest against the objections raised on the ground of poverty.

Here we are, five years after the armistice, pleading poverty to escape an obligation that has been recognized and fulfilled by every one of the Allies during the World War and partly with money we loaned them.

This bill was changed from the previous cash bill to the endowment-insurance feature in order to harmonize with the financial condition of the Treasury. The gentleman from Illinois [Mr. MADDEN], the chairman of the Committee on Appropriations, now comes before the House and says that we are not in a financial position to pass a 20-year endowment measure requiring an appropriation of approximately $100,000,000 annually for the next 20 years. I submit that such an appropriation will in no way harm the economic stability of our country or affect the price of Liberty bonds or hamper in any way the business conditions of the country at this time or for the next 20 years.

Both parties have pledged adjusted compensation to the veterans of the World War. Former President Harding in a speech prior to his election stated that he was for adjusted compensation, and he vetoed the Fordney-McCumber bill for a reason which proved to be a false reason. He was informed by Secretary Mellon that there would be a deficit of $600,000,000 in the Treasury on June 30, 1923, but it turned out instead that there was a surplus of $329,000,000. On June 30, 1924, there will be a further surplus of $370,000,000 in the Treasury; and now the statement is made on the floor of the House that the Treasury is not in a position to finance this particular bill. That is the main issue I want you to consider in voting on the bill. Is there sufficient money at the present time, and will there be sufficient money in the future to finance an appropriation of $100,000,000 to pay adjusted compensation by means of endowment insurance policies to veterans of the World War? This bill is based on sound business and insurance principles and without hampering business fulfills a pledge given during and after the war by the American people. It is nothing but a simple act of justice and recognition of the services of these men during the war. It is not a complete adjustment of compensation based on the difference of wages paid back home and the pay of the soldiers, as that would amount to thirty billions. This bill will cost eventually about two billions, or about half the cost of the Fordney-McCumber measure, which President Harding vetoed.

It carries out a continuous policy from Revolutionary days.

We adjusted the compensation of Washington, of LaFayette, of Steuben, and of all the soldiers and officers. It is an American policy; it is a sound policy; and it is a policy to which we have pledged ourselves individually and collectively.

We adjusted the payments of the war contractors, the railroads, and the munition makers and in one day passed the Dent bill appropriating $4,000,000,000 for the adjustment of business claims. I do not propose to discriminate in favor of everyone as against the soldiers, nor do I propose on this question to march up the hill and then down again. When will we meet the issue unless we meet it now? The whole trouble is that we did not meet it when we should have, five years ago, and given $300 to every soldier that was honorably discharged. We are now simply doing what we should have done five years ago by giving them partial adjusted compensation as the grateful act of a grateful Republic and the consummation of a debt of honor. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I yield five minutes to the gentleman from North Carolina [Mr. POU].

Mr. POU. Mr. Speaker, when the Congress immediately after the war voted a bonus of $240 to every employee of the Government who remained at home and was never exposed to any danger or suffered any discomfort, it was all right; * * * when we treated the railroads liberally and poured millions into their coffers, that was all right; when we guaranteed the earnings of the railroads, that was all right. It is only wrong when we propose in a small way to recognize the services of the men who saved the civilization of the world. [Applause.]

Five years ago, standing at this desk, I urged my colleagues on this floor to treat the ex-service men exactly as they had treated the army of officeholders at home, to wit, to give each sailor and soldier $240; and if that had been done, I think the adjustment would have been reasonably satisfactory. But it was not done. When the great naval and military figures of the world are given money enough to make them comfortable for life, it is all right; the large donations are a proper recognition of successful, patriotic service; but when the buck privates and the sergeants and lieutenants, who led them from the front trenches forward in no man's land in the face of deadly fire of the enemy—when we propose to give these men a little pittance, it is capitalizing patriotism. [Applause.]

I respect the President of the United States, Mr. Speaker, and I am sincere when I say it was with profound regret that I heard his message read. I shall, of course, vote to pass this bill over his veto, and I want to say here once again in the moment I have that this agitation for adjusted compensation can not be properly charged to the ex-service men. It was started on this floor and in the other Chamber. In some small degree I am myself responsible, and to my dying day I shall feel proud of the part I have taken.

I regret that I can not vote for a better bill than this. It would only be partial justice if we treated every ex-service man as we have treated the war workers for a single year. But, Mr. Speaker, for my own self-respect, feeling that my position is absolutely just, I must hurl back to the President the insinuation that there is any effort to capitalize patriotism when we proceed to pass this eminently just but unsatisfactory bill. In face of all the benefits which the Government has bestowed upon others who, exposed to no danger, aided in winning the World War, I am utterly amazed that anyone should suggest sordid capitalizing of patriotism when we pass such a bill as this.

It is said that the wealth of this Nation increased from the time we entered the World War until now from $50,000,000,000 to $100,000,000,000. Nobody knows accurately, of course, but we do know that during and after the war millionaires sprung up all over this Nation, like the teeth of Cadmus, overnight; and now, because we propose to pass this eminently just measure which takes but a little pittance of the wealth that has been poured into this country from every quarter of the globe, because we would do that the charge must be hurled in the face of Congress and the ex-service men that it is an effort to capitalize patriotism. God have mercy upon the man who honestly feels that is so; for that man is groping in the dark. [Applause.] Surely he must have forgotten five years of recent history. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I yield five minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

Mr. MADDEN. Mr. Speaker, I make the same request.

Mr. JOHNSON of South Dakota. Mr. Speaker, I make the same request.

Mr. FISH. Mr. Speaker, I make the same request.

Mr. KINDRED. Mr. Speaker, I make the same request.

The SPEAKER. The gentleman from New York has no remarks to revise and extend.

Mr. KINDRED. But I wish to formulate some.

The SPEAKER. Is there objection to these requests? [After a pause.] The Chair hears none.

Mr. RANKIN. Mr. Speaker, if the President of the United States had contented himself merely with vetoing the adjusted compensation bill, I should have had no quarrel with him. I voted for the adjusted compensation bill because I believe the soldier boys are entitled to it, and I expect to vote to pass it over his veto; but I have no quarrel with the President because of his views on economic questions. I have no right to quarrel with any man because we happen to differ on political or economic issues.

But, Mr. Speaker, I must resent, as I feel every other American citizen should resent, that bitter veto message in which he went out of his way, as I said a few days ago, to gratuitously insult those ex-service men who are asking for adjusted compensation.

This message is no ordinary document. If it were an editorial in a local paper, or if it were an article in some transitory publication, I would not even take the time to refer to it here; but this message will not only go down in the crystallized archives of this Republic for future generations to read how the President of the United States, in a solemn document, reflected upon the ex-service men and referred to them as capitalizing their patriotism, but it will go on down to future generations to be read perhaps "in states unborn and in accents yet unknown" as a manifestation of the President's gratitude, or ingratitude, for the services rendered and the

sacrifices made by our soldiers in the World War. [Applause.] The gentleman from South Dakota [Mr. JOHNSON] has said that other Presidents have vetoed adjusted compensation measures, but no other President has ever referred to these men in the terms employed by the present Chief Executive in this harsh and unusual document.

Listen to what he says:

We must either abandon our theory of patriotism or abandon this bill. Patriotism which is bought and paid for is not patriotism.

What does he mean by that expression? There can be but one answer, and that is that those who favor this measure have abandoned their patriotism. Ah, what a pitiless rebuff to those legions of ex-service men who went through the grime and dirt and fire and danger and misery of the World War for the pitiful compensation of $30 a month—"deducting twenty-nine" for insurance, allotments, and other necessities—and who are now asking for this adjusted compensation!

Cold, indeed, must those words fall upon the aching hearts of the saddened mothers, whose heroes died in Flanders Field, when they come to receive this small pittance, which is offered them in this bill, to adjust the compensation of their boys who gave their lives in the Nation's cause! [Applause.]

The President says:

This bill would condemn those who are weak to turn over a part of their earnings to those who are strong.

What a horrible spectacle it would be to see these strong ex-service men holding up and robbing those weak and friendless profiteers who made their fortunes out of the war—those cold-blooded grasping individuals who coined their millions out of the blood and tears of the suffering men, women, and children of the world during that great conflict, and who are now abusing the ex-service men for asking for this slight recognition; those consciousless ingrates who have either placed their ill-gotten gains beyond the pale of taxation, or who are demanding that this measure be defeated in order that they may realize a greater tax reduction on their own swollen fortunes!

In concluding his unfortunate message, the President says, in referring to this measure, that "there is no moral justification for it." In other words, that those men and women who are asking for this adjusted compensation, in addition to abandoning their patriotism, are guilty of espousing an immoral cause. Thank God, that is not the view of the American people, or that of the American Congress! In asking for the passage of this legislation the ex-service men of the country feel that they are merely demanding what is justly due them; and in responding to their requests and in supporting this measure, we are not encouraging them to "abandon their patriotism" or abetting them in the commission of an immoral ac We are simply endeavoring to render justice to those brave men who support the Nation in times of peace, and who fought its battles in times of war. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I yield five minutes to the gentleman from Minnesota [Mr. NEWTON].

Mr. NEWTON of Minnesota. Mr. Speaker, I had not planned on saying anything to-day and would not have uttered a word upon the floor here had it not been for the statements that have just been made by the gentleman from Mississippi [Mr. RANKIN].

Neither during the Sixty-sixth Congress, the Sixty-seventh Congress, nor this Congress have I been in accord with the majority of my colleagues on the question of the bonus or adjusted compensation. However, in these various discussions, whether upon the floor or upon the stump, I have respected the views of those who differed with me and who now differ with me. They have accorded me the same privilege. I also think that they should respect the President of the United States in the expression of his views. [Applause.]

I do not care whether I look to the right or to the left, to men who agree with me or to men who disagree with me, there is not a man here who does not in his heart acknowledge and admire the courage of the President of the United States. [Applause.]

Mr. Speaker, it ill behooves the members of the minority to criticize the President for his veto. He is the Chief Executive of our Nation and as such responsible to all of the people. In his first message to Congress he voiced the sentiments of the Nation in calling upon Congress for tax reduction. We went to work upon his recommendations. You, my Democratic friends, did your utmost to obstruct and prevent the adoption of this program by unsound proposals. You succeeded in part by making changes which would result in the creating of a deficit. The bill then went over to the other end of the Capitol, where members of the minority party so mutilated it as to create an annual deficit of over $250,000,000. The passage of this bill would increase this deficit over $100,000,000. Yet you who are responsible for creating this situation criticize him for doing the only thing he could do.

But, Mr. Speaker, they have not stopped at this. The effort has been made here to misrepresent the attitude of the President by adroitly extracting sentences and phrases out of their context and to make them mean what they do not mean. Some of them have been quoted here and I say have been given a meaning that was never intended. The President said:

The first duty of every citizen is to the Nation.

Who will deny that?

The veterans of the World War performed this first duty.

Did they not do so?

He then went on to say:

To confer upon them a cash consideration or its equivalent for performing this first duty, is unjustified. It is not justified when considered in the interests of the whole people; it is not justified when considered alone on its merits. The gratitude of the Nation to these veterans can not be expressed in dollars and cents.

[Applause.]

This is the President of the United States speaking. Is there anyone here who will deny the truth of that statement?

I quote further:

No way exists by which we can either equalize the burdens or give adequate financial reward to those who served the Nation in both civil and military capacities in time of war. The respect and honor of their country will rightfully be theirs for evermore.

That is the tribute of the President to the ex-service men, whom the gentleman from Mississippi said——

Mr. WATKINS. Will the gentleman yield?

Mr. NEWTON of Minnesota. I can not yield. I quote further:

But patriotism can neither be bought nor sold. It is not hire and salary. It is not material but spiritual. It is one of the finest and highest of human virtues.

Does the gentleman from Mississippi disagree with those sentiments? [Applause.] No; we know the gentleman from Mississippi too well. He agrees with every sentiment there as announced by the President of the United States.

Mr. RANKIN. I deny that. I do not agree with the message of the President.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. LONGWORTH. I yield the gentleman two minutes more.

Mr. RANKIN. Will the gentleman yield?

Mr. NEWTON of Minnesota. I can not be interrupted. Let me say this, that it was the politician, not the service man, who initiated this movement. It has seemed to me as the discussion for the bonus has gone on through the several years that the effect has been to take the emphasis from duty and obligation to country and to place it upon other grounds. Its effect upon many has been to create a false conception of citizenship. Its effect has been to build up the idea that it is the business of the Government to support the people rather than that of the people to support the Government. It would be a great misfortune if any such idea should become prevalent. It would mean the death knell of our institutions. I grant you this has not been intended. It is, however, the natural result of some of the arguments that have been made in its behalf. I imagine that the President had something of this in mind when he uttered these sentiments.

Mr. Speaker, let me say that President Coolidge in his message uttered the same sentiments that were uttered by President Harding in his veto message on the bonus some two years ago. It is different only in words. I quote from President Harding's message:

It is sometimes thoughtlessly urged that it is a simple thing for the rich Republic to add four billions to its indebtedness. This impression comes from the readiness of the public response to the Government's appeal for funds amid the stress of war. It is to be remembered that in the war everybody was ready to give his all. Let us not recall the comparatively few exceptions. Citizens of every degree of competence loaned and sacrificed precisely in the same spirit that our armed forces went out for service. The war spirit impelled. To a war necessity there was but one answer; but a peace bestowal on the ex-service men, as though the supreme offering could be paid for with cash, is a perversion of public funds, a reversal of the policy which ex-

alted patriotic service in the past, and suggests that future defense is to be inspired by compensation rather than consciousness of duty to flag and country.

So spoke President Harding. So far as I can recall there was no criticism of him or his language by anyone, on the floor of this House. In substance it is no different than the message of President Coolidge. But then we were not on the eve of a presidential election.

Mr. RANKIN. Will the gentleman yield?

Mr. NEWTON of Minnesota. No; I can not yield. Let us determine this question without rancor, without partisanship, without misrepresentation of what the President has said, strictly in accordance with the way we individually believe in reference to this question. [Applause.]

Mr. LONGWORTH. Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman has 23 minutes.

Mr. LONGWORTH. Mr. Speaker, I yield three minutes to the gentleman from Iowa [Mr. GREEN].

Mr. GREEN of Iowa. Mr. Speaker, when the preparation of this bill was referred to the Ways and Means Committee it was the duty of that committee to take into consideration not only what we owed to the soldier but what we owed to the rest of the country. The Ways and Means Committee did so. It made up a bill consistent with the financial program. I can not, of course, give all the details now and all the calculations and estimates which were necessary to bear in mind with reference to what the country could raise in the way of taxes and what the bill would cost, but we fully considered them at that time. As a result we reported a bill with which I had considerable to do, which was, as everybody ought to agree, an extremely moderate measure, if any action whatever was taken. It was one which I thought at the time was, as far as financial matters were concerned, so reasonable that nobody could take exception to it.

Mr. Speaker, nations like Canada and Australia several years ago paid their soldiers in cash more than we propose to pay by this bill. Even when we make every allowance for the greater number of soldiers in this country, we are so much superior in natural resources and wealth that there can be no comparison; and yet they say we can not afford to pay the sum carried by this bill. Mr. Speaker, I say that it is idle to make such a contention. The amount we save every year is estimated by good authorities at $8,000,000,000. Only a little over one-quarter of this amount is to be paid under this bill, and that we propose to distribute over 20 years. Do you tell me that the country can not afford to make that payment? How little sacrifice that is. It seems to me unworthy to say that so great, so rich, so powerful, so prosperous a Nation is unable to pay this sum, and I think it ought to be done without question. [Applause.]

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. FISH. I ask unanimous consent that the gentleman be given half a minute more.

Mr. LONGWORTH. I yield half a minute to the gentleman.

Mr. FISH. I would like to ask the chairman of the Ways and Means Committee if it is not a fact that the primary cost of the Fordney-McCumber bill is about $4,000,000,000 and the primary cost of this is about $2,000,000,000?

Mr. GREEN of Iowa. That is correct, only this bill will cost a little over $2,000,000,000, and that is distributed over 20 years. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I yield three minutes to the gentleman from Ohio [Mr. BRAND].

Mr. BRAND of Ohio. Mr. Speaker and Members of the House, I want to say to the gentleman from Mississippi that the President of the United States has not insulted his own conscience. He has not been willing to open the doors of the Treasury to anybody, to any voter, in order to please that voter, when he did not believe in the principle involved. The President is right and has refrained from fully stating the case. The issue is greater than the bonus problem, and the time has come to meet it. In the discussion of the old bonus measure, vetoed by President Harding, in the last Congress I said publicly, "More people are suffering from the burdens of present taxation than there are those suffering from the lack of the bonus," but the terms of the bonus were so changed that tax reduction and the bonus were both practical and possible had a program of economy been otherwise followed and, right or wrong, I voted for it.

However, I did not then realize the temper of Congress which has since been revealed to me. Extravagance runs wild. Since the bonus was passed Congress has passed or will pass new expenditure after new expenditure until the surplus in the Treasury is consumed and tax reduction is a myth.

I have talked with the ranking members of the Appropriations Committee and the chairman of the Finance Committee of the Senate, and I am convinced that we are planning to spend, in addition to the grand total of three billion plus anticipated by the Budget, the following:

Bonus annually	$114,000,000
Post-office employees	80,000,000
Reclassification Government employees	15,000,000
Roads	10,000,000
Veterans' Bureau	32,000,000
Rivers and harbors	31,000,000
Deficiency bills	10,000,000
Hospitalization of World War veterans	6,500,000
Hospitalization of Civil War veterans	1,500,000
Cape Cod Canal	11,500,000
District of Columbia extra expenditure	4,000,000
Reforestation	2,000,000
Miscellaneous items	10,000,000
Total new expenditures	327,500,000

In addition, we have a right to face the following items which are understood now to be sure of favorable consideration in the near future:

Naval program	$110,000,000
Public-building program	300,000,000
Total	410,000,000
The tax reduction bill exceeds the surplus in the Treasury by	166,000,000
New expenditures	327,500,000
Grand total deficiency	903,500,000

The bonus is but a part of the problem. All the above either have passed or will pass Congress with a whoop. No one save the President can subtract from these new expenditures. Shall his veto fail?

The picture in my mind has changed radically since I voted for the bonus early in the session. I did not then realize the temper of Congress.

There is not much between us and the confiscation of property and men's earnings for taxation purposes when you include the inclination in the States, except the President's veto. Shall it fail? If so, we must face increased taxation.

Every hand held out, especially if it has the power to strike, bids fair to be filled. To please, to grant a demand, or satisfy a plea, to protect one's own interest by opening the doors of the Treasury—this is the evil and the wickedness directly facing us.

We must sacrifice ourselves and accept the opposition that develops.

The bonus is but a part of the problem.

I yield my wish to recognize the patriotism and services of the World War Veterans, and join the President completely in the bigger issue, of saving the public from tax destruction.

I will vote to sustain his veto. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I yield three minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Speaker, I shall not ask to extend my remarks in the RECORD. I am hurt; I am offended; I am saddened. I simply want to protest in the name of my comrades in the service of their country during the World War against the unwarranted insult contained in the message of the President of the United States. In that message, Mr. Speaker, the President has placed a question mark on the honorable discharge granted to 4,000,000 gallant American soldiers. [Applause.]

In the crucial moment of the war when the last offensive was started, the commander in chief of the allied forces sent a message to the commander of the First Division to retire, to withdraw his troops for strategic reasons, but the gallant American general replied that he could not retire, that he could not retreat, because he would not be able to explain a retreat to his soldiers. My colleagues, if you retreat now, you will never be able to explain it to the American people. [Applause.]

I might state, Mr. Speaker, that some of the reasoning contained in the message was based on a false premise. I read from it the following statement:

> This bill would condemn those who are weak to turn over a part of their earnings to those who are strong.

Perhaps the President had in mind the Mellon tax bill; but that also has been changed by this Congress. In conclusion I will say that if there is anything spiritual in this whole problem it is not the opposition to this measure. No; the opposition is not spiritual; it is sordidly material. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I yield three minutes to the gentleman from Vermont [Mr. GIBSON].

Mr. GIBSON. Mr. Speaker, yesterday the gentleman from Massachusetts [Mr. CONNERY], and to-day the gentleman from Mississippi [Mr. RANKIN] and the gentleman from New York [Mr. LAGUARDIA], have suggested that the message of the President is an insult to the soldiers who served in the Great War. I know that the gentleman from Massachusetts served in one of the best divisions that ever wore the khaki. I think he feels that he states the views of the soldiers. I, too, served in the war for two years, recruited 1,200 men, many of whom sleep under the poppies of France. I refer to this not in the way of a boast of service, but to show that I, too, may speak for the service men. I read that message, and after the remarks of the gentleman from Massachusetts I studied it, and I confess that I could not find a word that indicated any insult, open or implied, to the men who served under the Stars and Stripes. [Applause.] I may be rather old-fashioned, but it strikes me that the heart of every citizen ought to be filled with pride that we have a Chief Executive who stands courageously for what he believes to be right.

Mr. WATKINS. Mr. Speaker, will the gentleman yield?

Mr. GIBSON. No; I have not the time. The message is a fearless statement of an honest Executive trying to do his duty without regard to the soldier vote or the vote of any other group, and I say that, notwithstanding the fact that I shall vote to pass the bill over the President's veto.

What is there about that message, pray you, that indicates an insult? The gentleman from Minnesota [Mr. NEWTON] has called attention to some of it. Is it where the President says that patriotism is not to be bought or sold? Oh, my comrades, I ask you if you would part with the experience that you went through and the sacrifice that you made for dollars and cents? No; your service is something higher, something more spiritual than all that. The gentleman from Minnesota has referred to this matter as not being a partisan question. It is not, and you can not make it so, because Calvin Coolidge has so won the confidence and the respect of the American people that he is going to be triumphantly elected in November. [Applause.]

[By unanimous consent Mr. GIBSON was granted leave to extend his remarks in the RECORD.]

Mr. LONGWORTH. Mr. Speaker, I yield half a minute to the gentleman from Maryland [Mr. HILL].

Mr. HILL of Maryland. Mr. Speaker and gentlemen of the House, the President said that "we must either abandon our theory of patriotism or abandon this bill," and that "patriotism which is bought and paid for is not patriotism." I am one of the few Members of this House who voted with the President on his Japanese immigration policy, but I can not follow this veto. I shall vote to pay adjusted compensation to the men of the last war.

I saw Maryland men of the One hundred and fifteenth Infantry working as carpenters at Camp McClellan in Alabama in 1917 at soldiers' pay, while across the road men not in the service got $10 a day for doing exactly the same sort of work.

I saw American soldiers in France in 1918 breaking stone on the roads at soldiers' pay, while at home in the United States others lived softly and worked in munitions factories at $10 a day or in Government departments in Washington with a bonus of $240 a year.

You can not buy patriotism! But this adjusted compensation bill dares not and does not attempt to buy patriotism. It is a just attempt to settle an economic debt, a debt far below and far removed from the battle risk that all war service either actually or potentially involved.

I am for this bill. I shall vote to pass it over the President's veto. I know it will pass, because it is just. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I yield three minutes to the gentleman from North Carolina [Mr. BULWINKLE].

Mr. BULWINKLE. Mr. Speaker, if the President of the United States had been content with vetoing this bill and not casting an aspersion on the 4,500,000 men who lately composed the American Army, I would not have risen to-day, but when the President of the United States goes out of his way to say that the men who were in the service are now attempting to sell their patriotism, I for one, and on behalf of these men, must deny it and condemn the statement. [Applause.]

Mr. Speaker, in the 10 divisions that our Artillery supported there were men from Massachusetts, the President's own State, and men to whom he later, as Governor of Massachusetts, granted a bonus. Did they sell their patriotism when they received that bonus, or when they asked for it? Surely not. I say to the gentleman from Illinois [Mr. MADDEN] that my artillery supported a division from his State, and there were in that division men whom I know intimately, men who are asking that this adjusted compensation bill be passed, and not one of those men would be guilty of selling his patriotism. But this is not all.

The President, in the last paragraph of his veto message, says:

> America entered the World War with a higher purpose than to secure material gain. Not greed but duty was the impelling motive. Our veterans as a whole responded to that motive.

Does the President mean that because these organizations and these men are asking for adjusted compensation that they are actuated by the spirit of greed, and that they were part of that minority who did not respond to the highest motive? This is the construction that I place upon his remarks.

I wish to say this, Mr. Speaker, that no matter whether adjusted compensation is ever granted to the ex-service men, or not; no matter how long they may live, they will be as patriotic and as loyal to America as they have been in the past, and if the occasion should ever arise again, while they have the strength that God Almighty gives them, they will go into battle for their country with the same spirit they displayed in the World War. [Applause.]

Every Member here has received letters from the organization called the Ex-Service Men's Anti-Bonus League. Every Member here has received letters and propaganda from the United States Chamber of Commerce. Both of these organizations have repeatedly stated that they were willing to "do and to give everything for the disabled, but nothing for the able." Yet, during the six weeks the Committee on Veterans' Legislation had hearings on relief for the disabled veteran, no representative from either organization came before the committee. No single member of either organization wrote even a letter to the committee asking for any legislation for the disabled. At the same time we were having hearings for the disabled, representatives of these organizations were appearing before the Ways and Means Committee protesting against adjusted compensation.

I voted for adjusted compensation before, and I shall vote to override the President's veto. [Applause.]

Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. LONGWORTH. Mr. Speaker, before moving the previous question, I have just this to say: Some three and a half years ago, seated on the same platform with the Republican candidate in my home city, on the Saturday before the presidential election, I heard him commit himself definitely to the policy of paying compensation to able-bodied ex-service men. Some few months after that my State, my congressional district, by substantial majorities confirmed that principle by granting a bonus to its citizen soldiers. At that time I felt myself bound by what I regarded as not only a party mandate but a popular mandate, and so I actively participated in the drafting of a bill to provide compensation for the World War veterans.

I voted for that bill. During this session of Congress necessarily, being no longer a member of the Ways and Means Committee, I did not participate in the drafting of the bill presented by it, but I voted for it. If I change my position now I am perfectly well aware that my friend from Tennessee may have ground to criticize me for lack of consistency and to condole with me as well as with the gentleman from Illinois, for which condolence I am very grateful. However, Mr. Speaker, after a most careful consideration of circumstances and conditions to-day as I see them, I can not bring myself to vote to override the veto of the President. I shall vote to sustain the President. [Applause.] I move the previous question.

The previous question was ordered.

The SPEAKER. The question is, Will the House on reconsideration pass the bill, the objections of the President to the contrary notwithstanding? A yea-and-nay vote is provided by the Constitution.

The question was taken; and there were—yeas 313, nays 78, answered "present" 3, not voting 39, as follows:

YEAS—313

Abernethy	Bell	Bulwinkle	Cleary
Allen	Berger	Burtness	Cole, Iowa
Allgood	Black, N. Y.	Busby	Collins
Almon	Black, Tex.	Byrnes, S. C.	Colton
Andrew	Blanton	Cable	Connally, Tex.
Anthony	Bloom	Campbell	Connery
Arnold	Bowling	Canfield	Connolly, Pa.
Aswell	Boylan	Cannon	Cook
Ayres	Brand, Ga.	Carew	Cooper, Ohio
Bacharach	Briggs	Carter	Cooper, Wis.
Barbour	Browne, Wis.	Casey	Cramton
Barkley	Browning	Celler	Crisp
Beck	Brumm	Christopherson	Croll
Beedy	Buchanan	Clague	Cresser
Begg	Buckley	Clancy	Crowth

Cullen	James	Minahan	Simmons
Cummings	Jeffers	Mooney	Sinclair
Davey	Johnson, Ky.	Moore, Ga.	Sinnott
Davis, Minn.	Johnson, S. Dak.	Moore, Ohio	Sites
Denison	Johnson, Tex.	Morehead	Smith
Dickinson, Iowa	Johnson, Wash.	Morgan	Smithwick
Dickinson, Mo.	Johnson, W. Va.	Morin	Speaks
Dickstein	Jones	Morrow	Sproul, Kans.
Doughton	Kearns	Mudd	Steagall
Dowell	Keller	Murphy	Stedman
Driver	Kelly	Nelson, Wis.	Stephens
Eagan	Kendall	Nolan	Stevenson
Elliott	Kent	O'Connell, N. Y.	Strong, Kans.
Evans, Iowa	Kerr	O'Connell, R. I.	Strong, Pa.
Evans, Mont.	Ketcham	O'Connor, La.	Sullivan
Fairchild	Kincheloe	O'Connor, N. Y.	Summers, Wash.
Fairfield	Kindred	O'Sullivan	Sumners, Tex.
Faust	King	Oldfield	Swank
Favrot	Knutson	Oliver, Ala.	Swing
Fish	Kopp	Oliver, N. Y.	Swoope
Fisher	Kunz	Parks, Ark.	Tague
Fitzgerald	Kurtz	Patterson	Taylor, Colo.
Foster	LaGuardia	Peery	Taylor, Tenn.
Frear	Lampert	Perlman	Taylor, W. Va.
Free	Lankford	Porter	Thatcher
French	Larsen, Ga.	Pou	Thomas, Ky.
Frothingham	Larson, Minn.	Prall	Thomas, Okla.
Fulbright	Lazaro	Purnell	Thompson
Fuller	Lea, Calif.	Quayle	Tillman
Fulmer	Leatherwood	Quin	Timberlake
Funk	Lee, Ga.	Ragon	Tincher
Garber	Lindsay	Rainey	Tydings
Gardner, Ind.	Lineberger	Raker	Underwood
Garner, Tex.	Linthicum	Ramseyer	Upshaw
Gasque	Little	Rankin	Valle
Geran	Logan	Ransley	Vare
Gibson	Lowrey	Rathbone	Vestal
Glatfelter	Lozier	Rayburn	Vincent, Mich.
Goldsborough	Lyon	Reece	Vinson, Ga.
Green, Iowa	McClintic	Reed, Ark.	Vinson, Ky.
Greene, Mass.	McDuffie	Reed, N. Y.	Volgt
Greenwood	McKenzie	Reid, Ill.	Watkins
Griest	McKeown	Richards	Weaver
Griffin	McLaughlin, Mich.	Roach	Wefald
Hadley	McLaughlin, Nebr.	Robinson, Iowa	Weller
Hammer	McLeod	Robsion, Ky.	White, Kans.
Hardy	McNulty	Rogers, Mass.	Williams, Ill.
Harrison	McReynolds	Romjue	Williamson
Hastings	McSwain	Rouse	Wilson, Ind.
Haugen	McSweeney	Rubey	Wilson, La.
Hawley	MacGregor	Sabath	Wilson, Miss.
Hayden	MacLafferty	Salmon	Wingo
Hersey	Major, Ill.	Sanders, Ind.	Wolff
Hickey	Major, Mo.	Sanders, N. Y.	Wood
Hill, Ala.	Manlove	Sanders, Tex.	Woodruff
Hill, Md.	Mansfield	Sandlin	Wright
Hill, Wash.	Mapes	Schafer	Wurzbach
Hoch	Martin	Schall	Wyant
Holaday	Mead	Schneider	Yates
Howard, Nebr.	Michaelson	Sears, Fla.	Young
Hudspeth	Michener	Sears, Nebr.	Zihlman
Hull, Iowa	Miller, Ill.	Shallenberger	
Hull, William E.	Miller, Wash.	Sherwood	
Jacobstein	Milligan	Shreve	

NAYS—78

Ackerman	Dempsey	Longworth	Sproul, Ill.
Aldrich	Dominick	Madden	Stalker
Bacon	Drewry	Magee, N. Y.	Sweet
Beers	Edmonds	Magee, Pa.	Taber
Bixler	Fenn	Merritt	Temple
Bland	Fleetwood	Mills	Tilson
Box	Fredericks	Moore, Ill.	Tinkham
Boyce	Freeman	Moore, Va.	Treadway
Brand, Ohio	Garrett, Tenn.	Moores, Ind.	Tucker
Britten	Garrett, Tex.	Nelson, Me.	Underhill
Browne, N. J.	Graham, Ill.	Newton, Minn.	Wainwright
Burton	Graham, Pa.	Newton, Mo.	Watres
Butler	Hawes	Paige	Watson
Chindblom	Hooker	Parker	Welsh
Clarke, N. Y.	Hudson	Perkins	Wertz
Collier	Hull, Morton D.	Phillips	Williams, Mich.
Corning	Humphreys	Scott	Winslow
Darrow	Jost	Seger	Woodrum
Davis, Tenn.	Lanham	Snell	
Deal	Lehlbach	Spearing	

ANSWERED "PRESENT"—3

Byrns, Tenn.	Gifford	Montague

NOT VOTING—39

Anderson	Dyer	Leavitt	Rosenbloom
Bankhead	Gallivan	Lilly	Snyder
Boies	Gilbert	Luce	Stengle
Burdick	Howard, Okla.	McFadden	Ward, N. Y.
Clark, Fla.	Huddleston	Morris	Ward, N. C.
Cole, Ohio	Hull, Tenn.	O'Brien	Wason
Curry	Kahn	Park, Ga.	White, Me.
Dallinger	Kiess	Peavey	Williams, Tex.
Doyle	Kvale	Reed, W. Va.	Winter
Drane	Langley	Rogers, N. H.	

So, two-thirds having voted in favor thereof, the bill was passed.

The Clerk announced the following pairs:

Soldiers' bonus:

Mr. Boies and Mr. O'Brien (for) with Mr. Montague (against).
Mr. Burdick and Mr. Howard of Oklahoma (for) with Mr. Snyder (against).
Mr. Leavitt and Mr. Peavey (for) with Mr. Luce (against).
Mr. Dallinger and Mr. Dyer (for) with Mr. Gifford (against).
Mr. Hull of Tennessee and Mr. Stengle (for) with Mr. Byrns of Tennessee (against).
Mr. Morris and Mr. Rogers of New Hampshire (for) with Mr. Wason (against).
Mr. Curry and Mr. Winter (for) with Mr. McFadden (against).
Mr. Kvale and Mr. Doyle (for) with Mr. Ward of New York (against).
Mr. Bankhead and Mr. Drane (for) with Mr. Williams of Texas (against).

General pairs:

Mr. Kahn with Mr. Clark of Florida.
Mr. Anderson with Mr. Huddelston.
Mr. Reed of West Virgina with Mr. Lilly.
Mr. Kiess with Mr. Gallivan.
Mr. Cole of Ohio with Mr. Park of Georgia.
Mr. Rosenbloom with Mr. Ward of North Carolina.
Mr. White of Maine with Mr. Gilbert.

Mr. BYRNS of Tennessee. Mr. Speaker, I voted "no." I am paired with the gentleman from Tennessee, Mr. HULL, and the gentleman from New York, Mr. STENGLE, who are unavoidably absent, and who would have voted "aye" if they had been present. I therefore wish to withdraw my vote of "no" and ask to be recorded as "present."

Mr. MONTAGUE. Mr. Speaker, I voted "no." I am paired with the gentleman from Iowa, Mr. BOIES, and with the gentleman from New Jersey, Mr. O'BRIEN. I desire to recall my vote. If those gentlemen were present, they would vote "aye" and I would vote "no."

Mr. GIFFORD. Mr. Speaker, I voted "no." I am paired with the gentleman from Massachusetts, Mr. DALLINGER, and with the gentleman from Missouri, Mr. DYER. If they were present, they would have voted "aye" and I would have voted "no."

Mr. WEFALD. Mr. Speaker, my colleague, Mr. KVALE, is unavoidably absent. If he were here, he would vote "aye."

The result of the vote was announced as above recorded.

AGRICULTURAL CONDITIONS

Mr. GARBER. Mr. Speaker, I ask unanimous consent to extend my remarks on the subject of agricultural relief.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. GARBER. Mr. Speaker and gentlemen of the House, chiseled in granite over the portals of the Union Station in our Nation's Capital, so that all who enter may read, is the fitting inscription:

> The farm—The best home of the family—Source of national wealth—Foundation of civilized society—The natural providence.

Such has been and such always should be the recognized important relationship of agriculture to the wealth and general prosperity of the country, and the farm as the abode of the unit of society essential to self-government. The family on the farm is the Government's most valuable and substantial asset. From such source the Nation gets its political oxygen purifying its blood; its courage and confidence to maintain its independence; its leaders and statesmen to solve the perplexing problems of to-morrow.

In his address of February 12, 1924, before the National Republican Club in New York City, President Coolidge well said:

> The farm has a social value which can not be overestimated. It is the natural home of liberty and the support of courage and character. In all the Nation it is the chief abiding place of the spirit of independence. I do not need to dwell upon the moral requirement for the equitable distribution of prosperity and the relief of distress by the application of every possible and sound remedy. This problem is not merely the problem of the agricultural sections of our country. It is the problem likewise of industry, of transportation, of commerce, and of banking. I bring it to you, because I know that in part it is your problem.

THE MOST IMPORTANT PROBLEM BEFORE THE NATION TO-DAY

What is the problem to which the President referred? It is the problem of the rehabilitation of agriculture, its restoration to that plane of equality and prosperity enjoyed by the industries of commerce and labor. It is the most important problem before this Nation to-day. With the exception of providing the essential revenues to keep the Government itself in operation, it is of far higher importance and outweighs the necessity of all other proposed legislation. Of more importance than transportation, of greater necessity than manufacturing, of higher consequence than mining, is agriculture, with the family on the farm. Tax reduction is important. Restricted immigration is necessary. The child labor amendment is essential. Likewise the tax exempt security amendment. But they are as nothing compared to the importance and necessity of relieving our basic industry from its present deplorable condition and restoring prosperity to the farm.

AGRICULTURE IS OUR GREATEST NATIONAL ASSET

Agriculture is not only the basic industry but the largest industry as well. It is a $75,000,000,000 concern, in which are directly interested not less than 30,000,000 people living and working on the farms. They constitute 40 per cent of the home market, which in turn consumes 90 per cent of our home products. At one time agriculture furnished 50 per cent of the Nation's bank deposits. With the exception of the railroads, it is the largest consumer of steel and iron products. It consumes 50 per cent of the timber products. It is the largest purchaser of leather and textile goods and motor vehicles. It is the greatest single asset of the Nation, and when prosperous furnishes steady employment to more people than any other industry. Whatever contributes to its prosperity and well-being unquestionably benefits all other lines of industry. When the farmers are prosperous the merchant, the banker, the laborer, the mechanic, the professional man, and all lines of legitimate business are prosperous. Legislation, therefore, in the interest of agriculture is not class legislation, but basic and general. It is in the interest of all.

OPPOSITION TO LEGISLATIVE RELIEF

But when we ask for legislative relief we are confronted with the answer that the low prices for farm products are caused by overproduction and the demoralized condition of the world markets; that the problem is not legislative but economic; that farming should be conducted on a business basis; that the farmers should organize, curtail production, diversify, and market in an orderly manner; that as existing conditions gradually change the price levels will adjust themselves to their economic relations; that we are opposed to price fixing, inflation, legislative interference with economic law; and that you can not legislate prosperity—you must dig it out of its natural sources.

In the school of economics under ordinary conditions such objections might be sufficient, but in the forum of equity they are not sufficient; they are not brought in "with clean hands."

SURPLUS PRODUCTION NECESSARY FOR PROTECTION OF CONSUMING PUBLIC

Because of the uncertainties of yield, effects of the elements, or pestilences, which may so easily produce crop shortage and food famines, and because it is impracticable to regulate production, as in the industries, a surplus is a necessary element of the agricultural system and an economic necessity for the protection of the consuming public. Any loss by reason of having to sell such surplus for a lower price in the world markets is a proper economic charge against the consumer of the home product because it is produced for his protection. Beyond that necessary protective degree of production only can surplus be charged as an unnecessary burden of agriculture.

Such overproduction is but the continuing result of the Government's demands for increased production during the war. It is impossible for unorganized agriculture to curtail production like organized industry. It requires time and money to change wheat land into alfalfa, dairy, hogs, or beef. And even though these changes could have been effected it would only have added to the heavy losses already sustained by the producers, as even the prices for these products have been below the cost of production.

THE GOVERNMENT'S WAR DEMANDS INCREASED PRODUCTION ABOVE CONSUMPTION

In 1916 we produced only 636,518,000 bushels of wheat, and in 1917 636,655,000 bushels. July 1, 1917, we had only 62,000,000 bushels of wheat on hand, an amount sufficient to run our mills for only one month. Our consumption of wheat per capita at that time was 5.3 bushels, or an aggregate consumption of 556,000,000 bushels for food and 80,000,000 bushels for seed—making a total consumption of 645,000,000 bushels for home use. In answer to the insistent appeals of the Government the wheat acreage was increased from 47,000,000 before the war to 75,000,000 acres in 1919. The yield was increased from 636,655,000 bushels in 1917 to 967,979,000 bushels in 1919.

GOOD PRICES FOR FARM PRODUCTS

In May, 1917, wheat was selling on the Chicago market for $3.45. The average wholesale price of spring-wheat flour at Minneapolis during the same month was $14.88 per barrel, and at one time went as high as $16.75. No overproduction then! No lack of diversification! For the first time in many years farm prices were sufficiently high to warrant the hope of accumulation and independence ordinarily entertained by those engaged in business, manufacturing, or professional lines. At last we can make money on the farm, pay off our indebtedness, reestablish our financial independence, was the joyful anticipation of the farmers as they viewed the substantial prospect of good prices.

CONSUMERS DEMAND GOVERNMENT PROTECTION AGAINST PRICES OF FARM PRODUCTS

Was such prospect permitted to materialize? No! It was not. The consuming public would not stand for it. Whoever heard tell of a farmer becoming wealthy and independent on the profits of his farm products? He is not entitled to do so.

Such was the opposing mental conception of the possibilities of agriculture. Gradually it had become so depressed by economic law and organized industry that it was no longer looked upon as being entitled to produce wealth for the producers like other lines of business. Those who engaged in farming must leave such hope behind.

When confronted with such prices for foodstuffs the consuming public squealed like a stuck hog. It exclaimed: "Just see what the prices of farm products are in comparison to ours; we can not pay even our living expenses; such outrageous prices are unconscionable; they should be prohibited by law; the farmers should be compelled to increase their production; prices are all out of proportion; there is but one of two things to do—you will have to lower the prices of farm products to our level or raise our prices up to theirs."

FARMERS PREVENTED FROM MAKING PROFITS BY GOVERNMENT'S INTERVENTION

In the midst of all this clamor the Government was faced with the necessity of feeding our Army and voluntarily assumed the task of feeding those of the Allies. On August 10, 1917, the food control act was approved for the purpose of "encouraging production, conserving the supply, and controlling the distribution of food products and fuel." It especially provided in section 14 that—

Whenever the President shall find that an emergency exists requiring stimulation of the production of wheat, and that it is essential that the producers of wheat produced within the United States shall have the benefits of the guaranty provided for in this section, he is authorized from time to time, seasonably and as far in advance of seeding time as practicable, to determine and fix and give public notice of what, under specified conditions, is a reasonable guaranteed price for wheat, in order to assure such producers a reasonable profit.

On August 10, 1917, under the authority of the act, by Executive order the President created the Food Administration and appointed Herbert Hoover as United States Food Administrator. On August 14, 1917, by Executive order the President, under the authority of the act, also created the Grain Corporation and appointed Julius Barnes president of the corporation. On that date he also appointed a fair price committee, consisting of 11 men, representing all interests, to fix a price for the wheat crop of 1917. On August 30, 1917, the committee presented its report to the President, recommending that the price of No. 1 northern spring wheat or its equivalent at Chicago be $2.20 per bushel. This recommendation was adopted and the amount per bushel declared to be the minimum price by law; but the Grain Corporation and the Food Administration immediately made it the maximum price by their administration of the law. They gathered within their assumed jurisdiction all the leading grain buyers, elevators, millers, traders, jobbers, and bakers in the country.

The Grain Corporation entered into written contracts with grain dealers, elevators, and millers not to pay more than $2.20 per bushel for the wheat known as No. 1 northern at the primary markets. It prohibited the export of wheat and the storage of wheat for more than 30 days; also the storage of flour; prohibited all hoarding of either, so that it kept wheat and flour on the move. It closed down the exchanges, prohibited speculation, and successfully kept the price down to the minimum, nothwithstanding the fact that the law simply authorized it to keep the price up to that amount.

When the fair price committee found that $2.20 was a fair price for a bushel of wheat delivered at the primary markets, August 30, 1917, wheat was then selling for $2.72 per bushel. On September 1, 1917, the day the President issued his proclamation fixing the maximum price of wheat at $2.20, the price fell 52 cents a bushel at all the primary markets. In describing the effect of its administration, the Grain Corporation claimed credit in the following language, which is quoted from its own report:

The high prices of flour and bread led to bread riots in New York and other eastern cities. The United States was a hot bed of incipient strikes and labor disorders in the summer of 1917 growing out

of high prices and high living costs. If there had been no prospect of lower food prices, no curb upon speculation, the temper of the industrial population might easily have broken out in an upheaval which would have paralyzed the whole national effort in prosecuting the war. It was positively necessary that some relief be given to our people if the public morale was to be sustained and a united front presented to the enemy.

Had wheat been permitted to rise in price at an equal rate with all commodities during the three years of control, to wit, from August, 1917, to February, 1920, the prices would have undoubtedly fluctuated between $3 and $5 per bushel instead of being held down from $2.20 to $2.26. The index of all commodities rose from 100 in 1914 to 210 in 1919. It is reliably estimated that the fixed and maintained price of the Government was not less than $1 per bushel below what the farmers would have received without such interference, making the total aggregate loss to the farmers on their wheat for such period, $2,094,918,000, in which amount the consuming public and the Government received full benefit in the reduced prices.

LEGISLATIVE RELIEF WAS THE ONLY SOUND REMEDY THEN

Thus a limitation was placed on the price of the farmer's wheat. But no limitation was placed on the prices of the things he had to buy. This very objection was emphatically made at the time without avail. No squeamishness then about price fixing; no learned platitudes about the necessity of permitting the price values to adjust themselves without interference; no sage reminder that it was an economic, not a legislative problem; no familiar protesting resolutions from chambers of commerce. No, indeed! Schoolroom economics could go hang. It was clearly an emergency, demanding immediate emergency relief.

UNJUST DISCRIMINATION AGAINST AGRICULTURE

On the 1st of September, 1917, when the President issued his proclamation fixing the price of a bushel of wheat at $2.20 at the primary markets, the average compensation per hour for all labor including general and division officers upon all class A railroads in the United States was 32 cents per hour. On December 28, 1917, Mr. William G. McAdoo, Secretary of the Treasury, was appointed Director General of Railroads. He had hardly got his seat warm until he began to play politics, and on January 1, 1918, he issued what is known as General Order No. 27, which, together with other supplementary orders issued by him in 1918 and 1919, increased the average compensation of labor on the railroads in the United States in 1919 to 56.5 cents per hour, an increase of 76 per cent over the wages paid for labor on our railroads when the fair price committee found that $2.20 per bushel was a fair price for a bushel of wheat. Such total increase of wage was 104 per cent above the price paid for labor in 1916 before the passage of the Adamson law.

On July 20, 1920, the Railroad Labor Board issued its decision No. 2, effective retroactively as of May 1, 1920. It increased the average compensation of our railroads for all labor including general and division officers to 67.6 cents per hour, an increase of 121 per cent over 1917, when the President issued his proclamation fixing the price of a bushel of wheat at $2.20, and 146 per cent above the price paid for labor on our railroads on January 1, 1917, before the Adamson law became effective.

In 1921 the Labor Board made a small reduction in the price of labor upon our railroads. For that year the average compensation was 66.7 cents per hour. In 1922 the Labor Board made further reduction, and for that year the average compensation per hour was 61.3 cents. The price of labor on our railroads to-day is 127 per cent above the price paid for labor upon our railroads on January 1, 1917, before the Adamson law became effective.

Up to January 1, 1917, there had been no increase in the price of labor in our shipyards, but in that year the Government increased it 10 per cent. In 1918 the Government increased the price of labor in our shipyards 81 per cent, and in 1919 granted another increase until the total amount was 122 per cent above the pre-war price. In 1921 and 1922 there were some reductions in wages in our shipyards amounting to about 10 per cent, so that the price paid for labor in our shipyards to-day is 110 per cent above the price paid for labor before the war, and 100 per cent above the price paid for labor when the President fixed the price of the farmer's wheat at $2.20 per bushel.

On September 1, 1917, when the Government fixed the price of a bushel of wheat at $2.20 at the primary markets the price of farm labor was 25 per cent above the pre-war price; in 1918 it was 75 per cent above the pre-war price; in 1919 it was 100 per cent above the pre-war price; and in 1920, 130 per cent above the pre-war price. Now, it is 70 per cent above the pre-war price.

In 1917, when the price of wheat was fixed at $2.20, farm machinery of all kinds was 31 per cent above the pre-war price; in 1918 it was 78 per cent above the pre-war price; and in 1920 it was 96 per cent above the pre-war price.

On June 24, 1918, William G. McAdoo, Director General of Railroads, having increased the wages of his employees, made a horizontal increase in all freight rates of 25 per cent, excepting that the increase on freight rates on wheat should not be increased more than 6 cents per hundred.

On July 1, 1918, the President ordered an increase of 6 cents per bushel in the price of wheat at the primary markets, which was the only increase given the farmers during the period of the war. While such increase might compensate the farmers for the 25 per cent increase on freight rates on wheat, yet it did not compensate them for the increase on their farm machinery, building material, binding twine, barbed wire, and everything else the farmer had to buy.

During such period the Government handed out its 10 per cent plus contracts to unconscionable profiteers without any limitation of expenditure. It guaranteed the railroads against loss and a reasonable return on their investment. But the farmers were limited to a price for their wheat far below the world-market price and wholly out of proportion to the enormous prices of the products they had to buy and the high wages they had to pay. In other words, the Government, through its agencies, hog-tied the farmers down to $2.20 for their wheat and let the prices of other products soar sky-high.

HEAVY FARM LOSSES

When the farmers were at the peak of production, producing with implements purchased at war prices and labor employed at war wages, in May, 1920, the deflation policy of the Federal reserve banks and the depressed foreign markets shrunk the value of their products alone in excess of $8,000,000,000 in two years, leaving them stranded high upon the rocks of bankruptcy, with their increased indebtedness contracted under high prices unpaid and with the purchasing power of their products shrunken 35 per cent. In 1919 the total tonnage production of crops was approximately 255,000,000, valued at $15,423,000,000. In 1921 the total production was still approximately 255,000,000 tons, but the value had shrunk to $6,934,000,000, a loss in value on crops alone in two years of $8,489,000,000.

INCREASE IN FARM INDEBTEDNESS

The increase in farm indebtedness prior to 1920 is shown by the last Federal census, a very considerable part of which was contracted within the four or five years just preceding 1920, when prices of farm products were relatively high, and the American farmer was encouraged to enlarge the scale of farm operations and expenditures to meet the war and post-war demands for food supplies. In 1910 the average owner-operated farm debt was $1,715 per farm. By 1920 the average debt per farm had increased to $3,356. In addition to farm mortgages farmers carry a large volume of debt represented by short-term cash loans from bankers and individuals, as well as credit accounts with merchants of all kinds. With these items included the total farm debt as of January 1, 1920, was estimated to be $13,000,000,000.

AVERAGE FARM INCOME

The average size of an American farm is about 148 acres. Its average value is estimated at about $8,500. The average mortgage debt is about $3,400 per farm. The average personal debt is over $800 per farm. The average annual interest charges are about $315 per farm. The average annual taxes are about $105 per farm. Hence interest and taxes alone take, roughly, $425 per annum from the farmer's income. The average income per farm family in 1919 has been estimated, roughly, at $1,774. The average in 1920 had fallen to $964. Estimates for 1921, though not on a wholly comparable basis, were $1,075. Estimates for 1922, though also on a different basis, indicate a return of $917 on the average to the owner-operator of over 6,000 representative farms included in a survey made by the Department of Agriculture. Although the foregoing figures of income are not wholly comparable they indicate the low rate of income per farm family in the United States.

TAXES AND INTEREST CHARGES

In his annual report for 1923 the Secretary of Agriculture estimates the property taxes and interest combined, paid by agriculture in 1920, at about $1,457,000,000; in 1921 at about $1,684,000,000; and in 1922 at $1,749,000,000. We quote further from this report:

In 1920 practically the entire value of the wheat and tobacco crops, or about two-thirds of the wheat and cotton crops, were required to pay property taxes and interest charges. This was during the period of high prices and lagging charges for taxes and interest.

In 1921 property taxes and interest were equal to the entire value of the wheat, oats, potato, and tobacco crops. The wheat and cotton crops combined would pay but five-sixths of the taxes and interest. This was during the period of low prices and rising charges for taxes and interest.

In 1922 the value of the wheat, oats, and tobacco crops, and one-half of the potato crop were required to pay taxes and interest. In that year, although cotton was very high in price, taxes and interest charges were equivalent to the entire value of the cotton crop plus two-thirds of the wheat crop. Property taxes increased from $532,000,000 in 1920 to $797,000,000 in 1922.

Unfortunately reliable estimates of taxes and interest charges are not available for the pre-war years. It is estimated, however, that property taxes alone in 1914 aggregated about $344,000,000, which was equivalent to less than two-fifths of the 1914 wheat crop, while in 1922 taxes totaled $797,000,000, which was approximately equivalent to the total value of the 1921 or the 1922 wheat crops. The wheat crop is approximately equal to the pre-war value, but taxes have more than doubled. It should be kept in mind that the increase in taxes is due to local and State governments, not Federal.

Under such a situation farmers who are out of debt can get along fairly well, but those who are heavily in debt, and especially those young farmers who have not become thoroughly established, are having great difficulty in meeting interest and principal on public and private debts.

THE PRICE LEVELS HAVE NOT RETURNED

Each year we have been waiting and hoping for the price levels to adjust themselves and for the purchasing power of agricultural products to raise to that of labor and industry. And each year we have been confronted with a market offering but from 75 to 80 cents per bushel for wheat, and prices for other farm products in proportion.

The price levels remain the same. The purchasing power of the farmers' products continues out of all proportion. In February, 1924, a bushel of wheat would exchange on the average for 71 per cent as much of commodities in general as it would before the war, 1910–1914; a bushel of corn, 82 per cent; beef cattle, 69 per cent; hogs, 59 per cent.

The following table shows these purchasing-power indexes for each February in the last four years:

Purchasing power

[Index of average price received by farmers divided by index of wholesale prices of all commodities]

[1910–1914=100]

Date	Wheat	Corn	Beef cattle	Swine
February, 1921	102	64	72	74
1922	83	58	69	81
1923	73	76	68	67
1924	71	82	69	59

DEPRECIATION IN PURCHASING POWER OF HOGS

To show the tremendous depreciation of hogs in their purchasing power the following comparison of the number of pounds needed to purchase certain farm implements in 1913 and 1923 is given:

	Cost, 1913	Cost, 1923	Pork needed		Increase
			1913	1923	
			Pounds	*Pounds*	*Per cent*
Walking plow, 14-inch, general purpose	$11.75	$21.25	157	332	111
Gang plow, 14-inch	53.25	99.00	744	1,549	108
Disk harrow, 7-foot, 16-inch	23.00	47.50	321	743	131
Corn planter, 2-row	31.75	64.50	443	1,009	128
Grain drill, 22-7	106.00	190.00	1,481	2,973	101

Farm prices, hogs, per 100 pounds: 1913, $7.16; 1923, $6.39.

DEPRECIATION IN PURCHASING POWER OF WHEAT

In order that the relative situation as between wheat and pork may be clearly understood the following comparison is given of the number of bushels of wheat needed to purchase certain farm implements in 1913 and 1923:

	Cost, 1913	Cost, 1923	Wheat needed		Bushel increase
			1913	1923	
			Bushels	*Bushels*	*Per cent*
Walking plow, 14-inch, general purpose	$11.75	$21.25	15	23	53
Gang plow, 14-inch	53.25	99.00	67	107	60
Disk harrow, 7-foot, 16-inch	23.00	47.50	29	51	76
Corn planter, 2-row	31.75	64.50	40	70	75
Grain drill, 22-6	106.00	190.00	132	206	56

Farm price of wheat per bushel:

1913	$0.799
1923	.923

	Per cent
In terms of pork, a 14-inch walking plow had increased in cost	111
In terms of wheat, a 14-inch walking plow had increased in cost	53
In terms of pork, a 14-inch gang plow had increased in cost	108
In terms of wheat, a 14-inch gang plow had increased in cost	60
In terms of pork, a 7-foot disk harrow had increased in cost	131
In terms of wheat, a 7-foot disk harrow had increased in cost	76
In terms of pork, a 2-row corn planter had increased in cost	128
In terms of wheat, a 2-row corn planter had increased in cost	75
In terms of pork, a 22-6 grain drill had increased in cost	101
In terms of wheat, a 22-6 grain drill had increased in cost	56

and so on, through practically all of the farm implements that the producer must buy, and through every other commodity.

It is astonishing to know that a gang plow that in 1913 cost 744 pounds of pork cost 1,549 pounds in 1923, and that a grain drill that cost 1,481 pounds in 1913 cost 2,973 pounds in 1923.

The farmer buys other commodities with his commodities. The money into which he first exchanges his commodities is a mere convenience of trade. His suffering is due to the fact that when converted into money and then converted into other commodities his products are so deficient in purchasing power that he is being crushed under an economic weight from which he can not escape of his own effort.

Thus we see the farmer's dollar to-day in its purchasing power is substantially 70 per cent of its pre-war value.

THE FARMER ONLY RECEIVES 37 CENTS OUT OF THE CONSUMER'S DOLLAR

Between the farmer and the consumer is a vast army of middlemen. The unorganized condition of the farmers is such that 19,000,000 middlemen are permitted to make their living out of the exchange of farm products. Why should it be necessary for the 6,500,000 farmers to feed and support such an army? It accounts for the enormous spread of $15,000,000,000 between the farmers and the consumer. Out of the $22,500,000,000 paid by the consumers for farm products the farmers only receive $7,500,000,000. Who gets the $15,000,000,000 difference? Some of it, of course, is for legitimate and necessary purposes, essential to the change of the raw material into the finished product; its necessary transportation and distribution. But the amount is out of all proportion to what the farmers who produce the products receive. They get only 37 cents out of the dollar paid by the ultimate consumer, when they ought to be receiving at least 60 cents, which amount they would receive if properly organized to market their products direct; if they were organized as business is organized, as labor is organized, to market their products. But such degree of efficient organization will require years to effect. The farmers must have relief now.

THE WORLD'S PRICE FOR SURPLUS FIXES THE PRICE OF PRODUCT FOR DOMESTIC CONSUMPTION

While benefited by a protective tariff to the extent of largely preventing all imports of farm products, the farmers must necessarily produce a surplus, which makes them sell their whole crop in a free-trade market on the basis of the world's price, in competition with the cheap lands and labor and low standards of living of foreign countries, at a purchasing price much lower than that of the high standard of American living prices, which they are required to pay for everything they have to buy.

It is frequently claimed that the farmer is robbed by the tariff, and that the only remedy is by a repeal of our present protective tariff law and the enactment of a substitute providing for tariff for revenue only or free trade. Nearly all the articles consumed by the farmers are on the free list, the high prices of which are not caused by the tariff but by the high wages of labor and the intensive organization of industry being able to fix their prices, adding all costs, and passing them on to the consumer. In order that there might be no mistake about this contention, the following commodities principally used by the farmers are on the free list:

Lumber, shingles, fence posts, barbed wire, netting wire, farming machinery of all kinds—excepting cream separators—binding twine, leather, harness, saddles, boots and shoes, gasoline, and coal oil.

The farmers are not asking that the walls be leveled, that the gates be opened, so that our home markets may be exploited by the cheap labor of the world, although it would enable them to buy at cheaper prices in proportion to the purchasing power of the prices they receive. They know that free trade or tariff for revenue only in effect would be more devastating and destructive than the ravages of war. They know too well the disastrous results of such a policy. They have experienced this. They know that every purchase abroad would curtail employment just that much here; that such curtailment of employment would result in a gradual discharge of labor; in an army of unemployed, in closed factories, idle mills, abandoned mines, Coxey's armies, and discontent threatening the Government itself.

The crops of which the farmers have an exportable surplus are not sheltered by protection. The post-war world conditions fixed the prices of their surplus, and consequently of their entire production.

Before the war the effect of this was not so marked and noticeable because there was not so much difference between the markets. As a result of the war the markets of the world have been demoralized, depressed, and largely destroyed by unstable values, inflated currency, enormous indebtedness, high taxes, and labor reduced to a lower condition than ever before, bordering on a state of peasantry in some countries and starvation in others.

LABOR AND INDUSTRY FULLY PROTECTED

The industrial interests are protected from peasant labor and the low standards of living of foreign countries. Behind a tariff wall of protection they are permitted to enjoy our home market, which is greater than all the markets of the world combined. The manufacturing, railroad, and mining interests of the country have been giving steady employment to American labor at high wages because of their ability to fix the prices for their products, add all additional charges to the cost, and pass them on to the ultimate consumer. Building programs halted by the war's interference have furnished steady employment to labor at good wages. Labor is protected by a restricted immigration law which wisely keeps out the millions who would come here and lower the American standards of wages and living and of Government.

The Adamson law in effect gave to the 2,000,000 railroad employees an 8-hour day with the same rate of pay they had been receiving for 10 hours. Through intensive organization and collective bargaining, labor has been able to exact a high wage scale, an 8-hour day, and working conditions sufficient to maintain their high standards of living.

THE FARMERS MUST PAY THE HIGH PRICES

These high wages are all reflected in the high freight rates which the farmers are compelled to pay both ways. And such rates in turn are protected by the constitutional guaranty of a reasonable return upon the investment. Rates are fixed sufficiently high to cover all costs, pay the high wages of labor, and yield a net return to the stockholders. This the railroads have been doing for the last several years.

The United States Steel Corporation controls its output and markets its products in such an orderly way through its efficient organization as to yield annual dividends of 6 to 7 per cent to its stockholders. It does not permit the prices of its surplus in foreign countries to fix the prices of its product for domestic consumption. It separates and segregates that surplus and sells it abroad, and then is in a position to fix the prices for domestic consumption, adding the high wages and passing them along to the consumer.

THE FARMERS CAN NOT FIX THEIR PRICES

The farmers are not sufficiently organized to exact the high wages of organized labor. They are not in a position to exact a constitutional guaranty of a reasonable return like the railroads. They can not segregate and sell their surplus abroad so that the prices for their products for home consumption will be proportionate to the prices they have to pay. They can not fix the prices of their products. They can not pass the high prices for implements and high wages on to the consumer. Producing the most important and most essential of all products, they are compelled to take whatever is offered.

THE INEVITABLE RESULT

The temporary prosperity now existing has been exacted from the credit and credit momentum of the farmers given to them by increased credit facilities of recent legislation, but such increased credit facilities have almost been exhausted. While they have been furnishing 40 per cent of the home market, which in turn consumes 90 per cent of all our products, they can not do it any longer. Their purchasing power has been exhausted. The indebtedness contracted by them during the high prices, in response to the appeal of the Government for increased production, remains unpaid. They are no longer able to meet the daily exactions of the high cost of living and high industrial prices, the annual demands of high taxes, and interest charges. They have ceased buying farm implements or making farm improvements or necessary repairs. Even now they are drawing on their last reserve—their remaining equity in their land.

Another year of ruinous prices and the farm will be sacrificed. His farm—"the best home of the family"—will be sold at sheriff's sale and the ancient independence of our once proud agriculture will be gone. What will be the result when 40 per cent of the purchasing power of our home market is gone? Can there be any doubt as to what the result will be? Curtail industrial production 40 per cent and what will you have? You will have closed mines, closed factories, silent mills. You will have millions out of employment, hungry women and children, bread lines, and widespread dissatisfaction and discontent.

WE MUST RAISE FARM PRICES OR LOWER INDUSTRIAL PRICES

Organized labor has seen the result and requested immediate agricultural relief. Will cautious capital see the impending peril and do likewise; or, having eyes, will it see not? Having ears, will it refuse to listen?

From admitted existing agricultural conditions there is but one conclusion. We are confronted with the alternative of either lifting agriculture up to the industrial conditions of trade and commerce, or depressing industrial conditions down to those of agriculture. We will have to resort to either one of the two remedies. There can be no escape.

It is probably true that in the course of time conditions will finally right themselves and the price levels again return to proportionate values, but in the meantime the farming interests of the country would be reduced to a state of peonage and peasantry. Already we have waited four years for this restoration of equality in purchasing power, during which period thousands of farm mortgages have been foreclosed and the farms sold at sheriff's sales, and many voluntarily abandoned by their owners.

In his November 30, 1923, report Henry C. Wallace, Secretary of Agriculture, said:

> Reports were secured from 15 States covering a period from January, 1920, to March, 1923. Out of over 68,000 owner-operated farms included in this survey, 4 per cent lost their farms through foreclosure or bankruptcy. Four and five-tenths per cent lost their farms without legal proceedings and a little over 15 per cent had been spared such loss only because of the leniency of their creditors.

Describing the economic situation in the wheat-growing sections of the Northwest in his message to Congress December 6, 1923, President Coolidge stated:

> The distress is most acute among those wholly dependent upon one crop. Wheat acreage was greatly expanded and has not yet been sufficiently reduced. A large amount is raised for export, which has to meet the competition in the world market of large amounts raised on land much cheaper and much more productive.

In his message of January 23, 1924, the President stated:

> Great numbers of individual farmers are so involved in debt both on mortgages and to merchants and banks that they are unable to preserve the equity of their properties. They are unable to undertake the diversification of farming that is fundamentally necessary for sound agricultural reconstruction of the area. They are unable to meet their obligations, and thereby has been involved the entire mercantile and banking fabric of these regions. Not only have there been large numbers of foreclosures on actual farms but there are great numbers of farmers who are continuing in possession of sufferance from their creditors. There have been large and increasing bank failures.

In his address of February 12, 1924, President Coolidge, urging the imperative need of immediate agriculture relief, again stated:

> But agriculture has only partially revived. Its position has been improved, and the returns for the year are nearly 30 per cent in excess of two years ago. But the great food staples do not sell on a parity with the products of industry. Their average price is little above the pre-war level, while manufactures are about 50 per cent higher. The farmer is not receiving his fair share. The result has been a decrease in the value of farm lands, the choking of the avenues of credit with obligations which are worthless or doubtful, the fore-

closure of mortgages, and the suspension of a large number of banks. To this depression there have been other contributing causes, but the main difficulty has been the price of farm produce.

REMEDIAL RELIEF NEEDED

The ills of the farmers are fundamental, demanding immediate relief. This can only be furnished by governmental aid and assistance. Equitable treatment demands that the Government, through an appropriate agency, help them to dispose of the surplus that it caused them to create, charging any losses sustained back against the producer receiving the benefits. This would curtail production to home consumption and, when supplemented by prohibitive tariffs on farm products, would raise the prices proportionate to those of industry and labor.

If protection to the consuming public from the alleged high prices of farm products during the years 1918 and 1919 was a sufficient emergency for the Government to step in and fix the prices of the farmers' wheat far below the world market price, why is not the present emergency sufficient for the Government to step in and protect the consuming farmers from the high industrial prices now? If through its Grain Corporation it could control prices then, why, through an export corporation with similar powers, can it not establish and maintain proportionate purchasing prices for farm products now? And do this for a sufficient length of time to enable the farmers to organize, establish their marketing agencies, curtail production, diversify, and become strong enough to carry the load themselves. It has done as much for industry, labor, and transportation; why should it not do as much for agriculture until it extricates itself from its present condition?

When such assistance is rendered agriculture, prosperity will be diffused and prevail, your mines will continue to operate and produce their output, your mills will continue to run full time, your factories will continue to hum with industry and happiness, your building campaign will enlarge and gather momentum and go forward, your cities will build and further extend, confidence in business and in the Government will be restored, and the Nation will again be in the enjoyment of a world's peace and prosperity—a prosperity which will be basic and fundamental in its quality and character and lasting and permanent in its effect.

THE NATION'S HONORED HEAD

Mr. GARBER. Mr. Speaker—

> Can storied urn, or animated bust,
> Back to its mansion call the fleeting breath?
> Can honor's voice provoke the silent dust,
> Or flatt'ry soothe the dull, cold ear of death?

Woodrow Wilson has passed on. His troubled spirit is at rest. No more will his soul be tortured by the limitations of a man. He voiced the idealism of the world—at least a hundred years in advance of his time—in advance of the capacity of nations to execute. He was a crusader with as knightly and chivalrous a mein and as lofty a purpose as ever set out on a perilous journey to the Holy Land. His was to keep the way open for the poor and downtrodden of the earth in their upward climb for equality and liberty. His idealism framed the issue of our entrance into the world's great war—"We must make the world safe for democracy."

By virtue of his office he became Commander in Chief of the greatest army ever raised up in the championship of any cause in the history of the world. The greatest in its numbers, in its loyalty to country, in its intelligence, and most deadly efficiency upon the field of actual conflict. When all seemed lost and the Allies stood with their backs to the wall—in position occupied, in morale or fighting force, in necessary finances—the American Army turned the tide and saved the day for self-government in the world. From Commander in Chief of this great and victorious Army, Woodrow Wilson became the world's champion for peace. Rescued from the deadly menace of invasion and exploitation, his countrymen could not visualize the practical execution of his peace program for the prevention of future wars. It was then he entered the forum of discussion, and in his efforts to overcome the opposition, to persuade and educate the people up to the required degree for its adoption, he sacrificed his life for peace and against war. He therefore became a war and peace casualty.

It is the law of mankind that the living, however great and good, shall not be permitted to enjoy to the full the merited appreciation they deserve. And since the death of Woodrow Wilson millions mourn. With his looming greatness uncertainty increases as to his most fitting resting place. This should not be. Let it be beside the Unknown Soldier, whose commander he was, in his own democratic simplicity, side by side, so that all future generations may see the humility of the great and the greatness of the humble typically representing equality and democracy, side by side.

EXTENSION OF REMARKS

Mr. HILL of Maryland. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. TAGUE. Mr. Speaker, I ask unanimous consent to extend my remarks on the veto message.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on adjusted compensation.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to extend my remarks.

Mr. SNELL. Mr. Speaker, reserving the right to object to these extensions, I suppose it is confined entirely to gentlemen's own remarks?

Mr. SABATH. Yes, sir.

The SPEAKER. The gentleman from New York makes the reservation that extension shall be confined to Members' own remarks.

Mr. YATES. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. SNELL. I am willing to allow a man to extend his own remarks, but not to insert editorials from various papers.

VETO MESSAGE—ADJUSTED COMPENSATION BILL

Mr. TAGUE. Mr. Speaker, in voting for this bill when it was passed by the House of Representatives some time ago I stated that I was doing so because I had been requested to do so by National Commander Quinn, State Commander General Edwards, and representatives of other veterans' organizations in the United States and in my home State. I wish to reiterate that statement in connection with my vote to override the President's veto.

As a member of the House Committee on Ways and Means, which had to do with drafting this legislation, I had hoped consideration of adjusted compensation would be raised above the level of petty partisan politics. Adjusted compensation has been an issue in Republican and Democratic National Conventions for the past five years, and is the child of no particular party. Accordingly it was reasonable for me to expect that my committee would proceed to the consideration of adjusted compensation without any resort to party politics, and I entered the hearings on the bills with that expectation. To the discredit of the Republican members of that committee, however, adjusted compensation was made a political football, and Democratic members of the committee were denied any part in the framing of a bill. Further than that, representatives of veterans' organizations were led to believe that the efforts of Democratic members of the Committee on Ways and Means to have drafted a genuine adjusted compensation bill were sinister designs against the success of any bill. This insidious campaign had its effect in the subsequent indorsement of the present bill by authorized representatives of the veterans' organizations—indorsement secured by duress and implied threats that no other adjusted compensation legislation could be enacted. If the Republican Party in the United States can stoop to such shallow methods in fulfilling its pledges as it has in the instance of this legislation, the day is at hand when the Republican Party will be taught, as was the German Emperor by the World War veterans, that a solemn pledge is just as sacred as a treaty between governments.

I would like the opportunity of voting for an adjusted compensation bill which would hit the bull's-eye of the wishes of the people of the United States and properly dispose of this important question. By steam-roller methods the Republican Party has denied me this opportunity. I have no other course but to surrender my individuality in order to record myself consistently as in favor of adjusted compensation for World War veterans. In this I am fortified in the present instance by an editorial appearing Thursday, May 15, 1924, in the Boston Evening Transcript, a leading Republican newspaper, published in the same State in which Governor Coolidge signed a State soldier bonus.

THE DUTY OF THE CONGRESS

The House of Representatives we are told received "with absolute silence" the reading of the President's message which accompanied his veto of the bill providing the veterans of the war and their dependents with a modest amount of paid-up insurance. If they expected him to

refer to the solemn promise of his predecessor and his party in the campaign of 1920 to write upon the statute books some such law, the Members of the House were doomed to disappointment. For President Coolidge was careful to avoid any reference to this moral and highly pertinent aspect of the case. Here was a campaign pledge concerning the keeping of which he maintained an "absolute silence." Instead of condemning his predecessor and his party for making such a promise and soliciting votes four years ago upon the assumption that if elected to power the promise would be kept, President Coolidge addressed the argument in his message to the economic features of the bill and reserved all of his condemnation for the veterans of the war and their dependents who have advocated the passage of the bill, which originated not with the American Legion but with the leaders in Congress of Mr. Coolidge's own party.

Under all the circumstances, therefore, we think the House of Representatives is to be commended for the dignity and self-restraint and the respect for the exalted office of the Presidency which was shown by Members on both sides of the aisle in receiving such a message from the White House "with absolute silence." Perhaps even the friends of the President found themselves wishing that he had modeled his message on the statesmanlike speech of Senator BORAH against the same bill several weeks ago instead of leaning so heavily upon his inherited Cabinet for counsel.

But the duty of the Senate and the House of Representatives is alike plain and alike imperative. Pass this bill promptly over the veto of the President by the largest vote that can be mustered to its support, regardless of the pressure which may be exerted from any source upon individual Members of either House of Congress, whether in the form of "fear of punishment or hope of reward." For to keep faith with the electorate of an honorable Nation by keeping campaign promises and to deal fairly with the defenders of a rich and mighty Nation and their dependents, regardless of the cost, are aspirations dearer, as we believe, to the hearts of the plain people of the land of Washington and Lincoln and Roosevelt than to pass a hundred tax bills or to elect any President or either party to power. Here and now is the opportunity for the Congress respectfully to remind the President, his people, and their press that "he serves his party best" who "keeps the faith."

Mr. YATES. Mr. Speaker, I remember certain solemn words:

And when you come back, you shall have what is left.

Gentlemen, who uttered those words? The answer is: I did; and you did, nearly all of you.

When were they uttered? Why, they were uttered throughout the year 1917 and the year 1918, in all parts of my State, and of all States.

In my State, great, wonderful, honest, square, truthful Illinois, I uttered such words at every Red Cross rally, every Liberty loan meeting, and every going-away occasion that I could get to.

Looking into the eyes, the big honest, questioning eyes of thousands of young men about to leave for the camp, thence to go across the ocean, and then to the march and field of battle—yes, looking into those eyes and feeling upon me the eyes of fathers and mothers and wives and sweethearts who trusted me and showed it—I said such things as this:

THE PLEDGE

"The people of America, 110,000,000 strong, give you the pledge that they—we—will build a bridge of sympathy and support all the way from Yankeeland to No Man's Land and back again, until you are the best fed, the best clothed, the best armed, and the best equipped sailors and soldiers—and the best—the world ever saw, and when you come back you can have what is left."

Of course, there is no use in talking; you all know that that pledge, or its equivalent, was given—given to unnumbered thousands of our bravest and our best—given in the presence of their mothers, their fathers, their wives, or their sweethearts; denial would be idle.

There is only one question, and this is, "Is there or can there be any excuse whatever for failing to keep the pledge?"

All our lives we have talked about pledges and obligations and covenants and promises and vows and oaths of fidelity and loyalty and devotion and consecration, and have been talked to by the hour about such things. And now here is a real obligation. Shall we hesitate? I for one will not. If there ever was a sacred, solemn, binding obligation it is this one, and in the fear of God I intend to keep it.

The only objection seems to be that the Nation can not afford the bonus, or rather that the Nation now owes too much money in the effort to support all our Government activities and bureaus and boards and commissions in addition to the effort to finance Belgium, France, England, and the world.

THE DEBT

Of course, some men say that the soldier ought not to have any bonus—he ought to be thankful to go without any compensation or gift—if he managed to escape, unhit and unhurt, the bullets fired at him by 2,000,000 Germans every five minutes—say 240 bullets for say 500 days—2,000,000 Germans firing in 500 days two hundred and forty times 2,000,000, that is 480,000,000 bullets.

Very few soldiers say such a thing except those independent and well-to-do. As for the men, fat and suave, who sit back in their soft seats in the smokers and sneer at mercenary patriotism and say the country owes no debt to the soldier—I am in favor of a law right now to put right into the Army the very minute the next war begins every man over 31. Why not? The boys went this time, why not the rest of us next time?

Of course, it is all nonsense to assert the soldier has no moral claim. Disabled or not, mutilated or not, wounded or not, destitute or not, he it was who stood between this Nation and this Government and this people on the one hand and the attack of a crowned kaiser on the other who boasted he would ride down Pennsylvania Avenue in the sight of a conquered American people—he it was—our boy! "The kid has gone to the colors. And we don't know what to say." And he it was who from April 6, 1917, to November 11, 1918—one year and seven months and five days—opened and closed every day with the thought that he had a "rendezvous with death."

And he it was who had about 500 valuable and irrecoverable days taken right out of his young life by law, while his caustic critic of to-day did not sacrifice anything.

Thank heaven Congressmen are not frightened by such critics' cries or by the faces they make.

THE VETO

I do not agree with the words used by the President in his veto message that—

We must either abandon our theory of patriotism or abandon this bill.

I regret that he made such a statement. I can not think he meant it. There must surely be some explanation. I feel sure that the country at large does not concur or approve. I can not believe that the President regards as unpatriotic the 313 of us Representatives here in this House at this moment who are going to vote for this bill over and above the President's veto. I consider myself a patriot, and I so consider my 16 colleagues from Illinois—Mr. Rathbone, of Chicago; Mr. Denison, of Marion; Mr. Hull, of Peoria; Mr. McKenzie, of Galena; Mr. Miller, of East St. Louis; Mr. Fuller, of Belvidere; Mr. King, of Galesburg; Mr. Major, of Hillsboro; Mr. Rainey, of Carrollton; Mr. Funk, of Bloomington; Mr. Kunz, of Chicago; Mr. Michaelson, of Chicago; Mr. Reid, of Aurora; Mr. Arnold, of Robinson; Mr. Sabath, of Chicago; and Mr. Williams, of Flora. Including myself, 17 of the 27 Illinois Congressmen voted against the veto. Nor do I believe that we are excelled in patriotism by Mr. Chindblom and Mr. Graham and Mr. Moore, of Monticello; by Mr. Sproul and Mr. Madden and Mr. Britten and Mr. Hull, of Chicago, all of whom I respect most highly.

And I regard as highly patriotic men such Representatives as:

Mr. Andrew, of Massachusetts; also Connery, Frothingham, Greene, Rogers, and Tague.

Mr. Anthony, of Kansas; also White, and Hoch, and Tincher, and Sproul, and Little, and Ayres, and Strong.

Mr. Barkley, of Kentucky; also Thatcher, and Johnson, and Robsion, and Thomas, and Kincheloe.

Mr. Blanton, of Texas; also Connally, and Garner, and Black, and Sanders, and Mansfield, and Sumners, and Rayburn, and Wurzbach.

Mr. Browne, of Wisconsin; also Cooper, Frear, and Nelson, and Lampert.

Mr. Burtness, of North Dakota; also Young and Sinclair.

Mr. Byrnes, of South Carolina; also McSwain and Stevenson.

Mr. Cannon, of Missouri; also Major and Manlove, Rubey, and Roach.

Mr. Christopherson, of Minnesota; also Larson and Schall.

Mr. Cole, of Iowa; also Green and Dickinson.

Mr. Cooper, of Ohio; also Foster, and General Sherwood, Murphy, and Speaks, Cable, and Thompson.

Mr. Cramton, of Michigan; also Ketcham, and McLeod, and Mapes, and Hudson, and McLaughlin.

Mr. Crisp, of Georgia; also Lee and Upshaw.

Mr. Elliott, of Indiana; also Purnell, and Vestal, Hickey, and Wood, Fairfield, and Sanders.

Mr. Fish, of New York; also LaGuardia, and O'Connell, Perlman, and Crowther, A. D. Sanders, and Reed.
Mr. French, of Idaho; also Smith.
Mr. Gibson, of Vermont.
Major Stedman, of North Carolina.
Mr. Hastings, of Oklahoma; also McKeown, Howard, and Carter, and Hastings, and McClintic, and Swank.
Mr. Morrow, of New Mexico.
Mr. Hawley, of Oregon, also Mr. Sinnott.
Mr. Hadley, of Washington, also Mr. Summers and Mr. Hill.
Mr. Hersey, of Maine, also Mr. Beedy and Mr. White.
Mr. Hill, of Maryland, veteran.
Mr. Bulwinkle, of North Carolina, veteran.
Mr. Johnson, of South Dakota, veteran.
Mr. Reece, of Tennessee, veteran.
Mr. Jeffers, of Alabama, veteran.
Mr. Connery, of Massachusetts, veteran.
Mr. Speaks, of Ohio, veteran.
Mr. Lineberger, of California, veteran.
Mr. Howard, of Nebraska.
Mr. Sanders, of Indiana.
Mr. Sanders, of New York.
Mr. Sanders, of Texas.
Mr. Reed, of Arkansas.
Mr. Reed, of New York.
Mr. Reid, of Illinois.
Mr. Johnson, of Kentucky.
Mr. Johnson, of South Dakota.
Mr. Johnson, of Texas.
Mr. Johnson, of Washington.
Mr. Johnson, of West Virginia.
Mr. Campbell, of Pennsylvania, also Mr. Wyant, Mr. Kelly, Mr. Vare, and Mr. Porter.
Mr. Lazaro, of Louisiana.
Mr. Lea, of California, also Mr. MacLafferty.
Mr. Smithwick, of Florida.
Mr. O'Connell, of New York.
Mr. O'Connell, of Rhode Island.
Mr. O'Connor, of Louisiana.
Mr. O'Connor, of New York.

And I know that there are no men more patriotic than the Senators—59 in number—who are voting to pass this bill over the veto.

"REASONS"

There are numerous reasons for this bill and accordingly reasons for riding over the veto. Among those which appeal to me are the following:

I

1. A debt is owing the ex-soldier and ex-sailor: The war was not won by the uniformed service alone. Capital and labor performed services universally recognized to be as patriotic and necessary to victory as the services of soldiers. Men were legally exempt from military duty on that assumption, and were assured that they rendered the greater service to their country, by remaining apart from the armed forces, as members of the great industrial army which supported the fighting forces.

2. Equal service was not equally rewarded: There was a great discrepancy in pay between those in uniform and the civilian war worker and war contractor—between the members of the fighting forces and those of the industrial forces. This disproportionate payment increased the cost of the war by several billion dollars. To pay this cost a national debt has been incurred.

3. The returned soldier is bearing his share of the burden of paying off this debt, which was contracted for the prosecution of a war, which yielded enormous sums in increased wages and profits to those who stayed at home, but imposed a distinct economic handicap on the soldier.

4. The soldier asks no reward for his services while in uniform. But returning home he asks that, in providing for himself and his family and in bearing his share of the national debt, he be given economic equality with the man who stayed at home. The soldier has not had this equality, because of the superior economic position attained during the war by those who did not go to war, and because they did not go.

5. Therefore a debt is owing, and some adjustment of compensation—or equalization of economic values—is due the soldier to balance the scale in the daily economic struggle between him and his competitor who did not fight and by reason of that fact was able to improve his economic position at the expense of those who did fight.

II

This debt has been acknowledged by the country, and payment has been promised to the veteran.

1. In the national elections of 1920 and of 1922 a majority of the candidates of all parties for national legislative offices campaigned and were elected on platforms which contained the statement that an adjustment of compensation was due the veterans and should be paid. The late President Harding, as a candidate, placed himself explicitly on record as favoring the passage of the adjusted compensation bill. Candidates who declined to go thus on record in nearly every instance were defeated at the polls.

III

The country wants this debt paid.

1. The people of 20 States at general elections have voted in favor of adjusted compensation.

2. The legislatures of 23 States have petitioned Congress to enact the Federal adjusted compensation bill.

3. The governors of 33 States called on the President to sign the adjusted compensation bill when it was before him.

4. The legislatures of 22 States have acted favorably on State legislation of a similar nature.

5. The House of Representatives has passed the adjusted compensation bill three times, the last vote being 333 to 70.

6. The United States Senate, through its Finance Committee, has approved of this bill three times, the Senate as a whole passing it once by a vote of 47 to 22, in 1922. The vote in the Senate this time, May 19, 1924, is 59 to 26.

7. The Chamber of Commerce of the United States, a national organization which has been a consistent and active opponent of compensation, polled local chambers of commerce throughout the country on the four options of the bill. The result was 4,116 votes for and 2,657 against adjusted compensation.

8. The American Federation of Labor and many other organizations of large membership have indorsed the bill.

9. In addition to the American Legion, every recognized national organization of war veterans, from the Civil War down, has indorsed the bill and urged its enactment.

IV

The country can afford to pay this debt; the funds are available.

1. In 1921 and again in 1922, though a majority of the American people and a majority of their Representatives in Congress favored the adjusted compensation bill, the measure failed of enactment because of the plea of the Secretary of the Treasury that the finances of the country were not equal to the obligation. If this were the state of affairs in 1921 and 1922, it can not be the state of affairs to-day. The Treasury reported a surplus of $300,000,000 for the fiscal year ending June 30, 1923. In his last communication to Congress on the subject the Secretary declared that the surplus for 1924 would be so great as to permit of a reduction of income taxes in the amount of $323,000,000.

2. The officially estimated cost of adjusted compensation is approximately $80,000,000 a year for the first three years. Therefore the Treasury surplus of free funds for 1924 will be enough to pay that year's installment on the Nation's debt to the veterans four times over. Compensation can be paid and taxes reduced $243,000,000 in 1924.

V

1. The bill now before Congress arranged for the payment of this debt in ways which would benefit not only the individuals compensated but the country as a whole.

The veteran who is entitled by reason of his length of service to more than $50 must take his compensation in one of these three ways:

(a) A 20-year endowment paid-up life insurance policy; or
(b) A contribution toward building or paying for a home or a farm or for improvements on a farm; or
(c) A contribution toward a vocational or industrial education; or
(d) If he is entitled to $50 or less, he must accept compensation in cash.

2. The options (a), (b), and (c), which would apply to the preponderant majority of the veterans, represent investments which would make for a better, more stable, and more prosperous citizenship among the 4,000,000 who would benefit by them. They offer no chance by which these values, which represent money that is owing the soldier and which the country desires shall be paid to him, may be dissipated by unwise or uneconomic use or investment. Life insurance, homes, farms, education—the money must go into these things. No sounder investments could be suggested.

3. In the transactions comparatively little actual money will change hands. Credits simply will move from the Treasury

into 4,000,000 individual investments in discharge of an actual and acknowledged debt which the Nation owes to 4,000,000 men who bore arms in the World War, and as a consequence suffered an economic disability which can be and should be made good in part without further delay.

VI

1. The United States is not in the habit of repudiating its war obligations. It is an established American custom to adjust the compensation of individuals and economic groups which have sustained financial losses by reason of participation in a war effort. In the last war this custom was observed except in the single instance of the soldiers.

After the Revolutionary War President Washington asked Congress to adjust the compensation of the soldiers, and this was done. President Lincoln did the same after the Civil War. Mr. Lincoln previously had applied for and received his compensation following the Black Hawk War, in which he served as an Infantry captain.

2. During or since the World War an adjustment of compensation, in addition to their regular pay, was paid to Federal civilian employees totaling $225,000,000, and to the civilian employees of the Army and Navy totaling $100,000,000.

3. The Government drafted the railroads during the war and guaranteed them satisfactory profits, and to this end in 1922 settled upon them an adjustment of compensation totaling $764,271,000.

4. War contractors were guaranteed and paid profits which were always fair, frequently liberal, and sometimes exorbitant. Since the war contractors have been paid an additional $700,000,000 in adjusted compensation and these payments are still going on.

5. The returned soldier, despite his economic handicap, is now paying and for four years has been paying his share of the foregoing in addition to the other expenses of the war. All other war debts having been liquidated, and with a surplus in the Treasury, the soldier, who has waited four years, merely asks that what is owing to him be paid now.

CONCLUSION

There has been in some quarters some contention to the effect that this bill raises the question whether party men are going to uphold and stand by their President. I think it is wrong to put the matter in that way. I do not think that there is involved in this situation any question of standing by the President on the one hand or rebuking him upon the other for the sake of party. There is no question of party loyalty or party disloyalty. This bill is not a Republican Party measure. It is being voted for to-day by almost as large a percentage of Democrats as the percentage of Republicans. I think the opponents of the bill are going a long way, and in fact going entirely too far, when they, directly or indirectly, charge that a Republican must vote to sustain the veto or be guilty of disloyalty to his party.

Mr. Speaker, I do not admit that any man in this House is a more loyal Republican than I. I drummed a little drum in 1868 for Grant and Colfax whenever I could get out of my home. In 1872 I drummed a bigger drum for Grant and Wilson. In 1876 I marched in a real drum corps for Hayes and Wheeler, and in 1880, for Garfield and Arthur, I carried my first torch in the beautiful torch-light processions of that year, and in 1884 I was the proud young chairman of a proud young Republican county committee that followed to undeserved defeat James G. Blaine, the plumed knight, and John A. Logan, the black eagle. God bless them. I am for them yet.

And from that day to this no nights have been too dark, no road has been too rough, and no lane has been too long to prevent me from going up and down the State of Illinois from end to end and from side to side advocating the sublime principles of the Republican Party. I believed then, and I believe now, that it is the best party for you and the best party for me and the best party for the American people. I believe that this is so because it is the best business party and the best labor party and the most patriotic party. Whenever the Democratic Party is in power the country is confronted by continued menace. At times the menace has been a threat of free trade; at other times a threat of unsound money. In 1920 the menace took the form of lack of employment for 5,000,000 men. Again and again under Democratic administration we have had the soup house in the city and the tramp army in the country and famine at the fireside, and no one grew any richer but the rich and no help came to the poor. When the Republican Party is in power every furnace fire is burning and every factory wheel is turning and the people are again learning the important lesson that when the Republican Party is in power the American people eat more bread, wear more clothes, own more homes, and have more happiness. I am not deserting that great organization, the Republican Party, when I vote for this soldiers' bonus against the veto of the President. On the contrary, I consider that when I vote for the adjusted compensation I am voting in accordance with the Republican Party, its history of glory, and its bright prospects of renown.

I want it said at the end of my life that this one life, although short and full of shortcomings, was full of loyalty to this old party of Lincoln and Logan; of Sumner, Seward, and Grant; Garfield, Arthur, and Blaine; McKinley, Roosevelt, and Taft; yes, and Harding and Coolidge and Dawes.

So far as loyalty to country is concerned, I am willing that the chief witness in my behalf be the American Legion. I am in receipt of a letter from the officers of that Legion, and there is nothing which could be said by any executive, even the highest, which I will cherish and treasure more than this letter of praise and confidence from the American Legion by John Thomas Taylor, national legislative committee, as follows:

MY DEAR CONGRESSMAN: Now that Congress has adjourned, I wish to take this opportunity, on behalf of the American Legion and the ex-service men and women of the World War, to thank you for the splendid manner in which you supported the legislative program in which we were vitally interested.

The present Congress enacted into law the adjusted compensation bill which had been pending for more than four years; the Reed-Johnson bill, extending the benefits of the war risk insurance act to thousands of disabled veterans; and the Fernald-Langley bill, providing sufficient money to complete the hospital building program. These were, of course, all matters of major legislation.

We appreciate the fact that you cast your vote for the adjusted compensation bill when it was before the House, but more particularly do we appreciate the fact that you supported this legislation after it had been vetoed by the President, and in the name of the service men and women of America I wish to thank you for your undeviating adherence to the cause of the veteran. The great mass of the citizens of America desired you to take this action and they now approve it. This has been clearly demonstrated in every instance where the people have voted upon the question.

The progress of human rights in America is the history of clashes of administrative authority with the forward-looking ideas of the chosen representatives of the people. Ever since the election of the House of Burgess at Jamestown in 1619, when the right of taxation by consent of the people alone was established as a fundamental American principle, the representatives of the people have enlarged the scope of human rights only over the protests of administrative authority.

But in spite of the desires of those who would retard progress, the representatives of the people have slowly but surely made additional gains for the right of the constituents whom they represent and to whom they are responsible.

The unfairness in the methods employed by the opposition to this legislation made the task of Congress a difficult one. The avenues of publicity available to them were closed to the advocates of the measure, and the editorial comment often misleading regarding questions of fact and the motives actuating the Congress. The members of the American Legion and the veterans of the World War, understanding these facts, appreciate more deeply the sincere manner in which you supported this legislation.

The Legion will never forget its friends.

CONFERENCE REPORT—NAVAL APPROPRIATION BILL

Mr. FRENCH. Mr. Speaker, I present a conference report on the naval appropriation bill for printing under the rule.

The SPEAKER. The gentleman from Idaho presents a conference report on the naval appropriation bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes.

Mr. GARRETT of Tennessee. May I ask the gentleman from Idaho if that is a complete agreement?

Mr. FRENCH. It is a complete agreement; yes.

The SPEAKER. Ordered printed under the rule.

REORGANIZATION OF THE FOREIGN SERVICE OF THE UNITED STATES

Mr. ROGERS of Massachusetts. Mr. Speaker, I ask the Speaker to lay before the House the bill H. R. 6357, with Senate amendments, and on those amendments I desire to move to concur.

The SPEAKER. The gentleman from Massachusetts calls up a House bill with Senate amendments, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 6357) for the reorganization and improvement of the foreign service of the United States, and for other purposes.

The SPEAKER. The Clerk will report the amendments.

The Clerk read as follows:

Senate amendment No. 1: Page 3, line 5, after the word "appointment," strike out all down to and including "minister" in line 6 and insert, "to some other position in the Government service."

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Massachusetts. I suggest the Senate amendments be reported.

Mr. BLANTON. On an important matter, I would like to ask the gentleman a question.

Mr. ROGERS of Massachusetts. I think the Senate amendments should be reported.

Mr. BLANTON. Does not the gentleman think——

Mr. SNELL. Will the gentleman allow the reporting of the amendments?

Mr. BLANTON. I would like to ask the gentleman this: This bill has been just brought in here, and it has been contested in the House, and we do not know what amendments the Senate has placed on it. Does the gentleman not think he ought to give us time——

Mr. ROGERS of Massachusetts. It has been printed in the RECORD for two days.

Mr. BLANTON. Has it not just been brought in from the Senate?

Mr. ROGERS of Massachusetts. It has.

Mr. BLANTON. Are there additional amendments put on it?

Mr. ROGERS of Massachusetts. I think there are probably four or five minor amendments as to which I have consulted gentlemen——

Mr. BLANTON. Has the gentleman from Texas [Mr. CONNALLY] agreed to it?

Mr. ROGERS of Massachusetts. I do not know about the gentleman from Texas, but I consulted with gentlemen on that side, Mr. LINTHICUM, the gentleman from Virginia [Mr. MOORE], and the gentleman from Tennessee [Mr. GARRETT].

The SPEAKER. Does the gentleman from Massachusetts wish to make a motion?

Mr. ROGERS of Massachusetts. Yes; I move to concur in the Senate amendment just read.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Massachusetts.

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Senate amendment No. 2: Page 8, line 16, after "gathering" insert: "*Provided further*, That the Secretary of State is authorized to prescribe a per diem allowance not exceeding $6, in lieu of subsistence for foreign service officers on special duty or foreign service inspectors."

Mr. ROGERS of Massachusetts. Mr. Speaker, I move to concur in the Senate amendment.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Massachusetts.

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Senate amendment No. 3: Page 14, line 15, strike out "fifty" and insert "seventy-five."

Mr. ROGERS of Massachusetts. Mr. Speaker, I move to concur in the Senate amendment.

The SPEAKER. The question is on agreeing to the motion to concur.

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Senate amendment No. 4: Page 17, after line 8, insert:

"SEC. 22. The titles Second Assistant Secretary of State and Third Assistant Secretary of State shall hereafter be known as Assistant Secretary of State without numerical distinction of rank; but the change of title shall in no way impair the commissions, salaries, and duties of the present incumbents.

"There is hereby established in the Department of State an additional Assistant Secretary of State who shall be appointed by the President by and with the advice and consent of the Senate, and shall be entitled to compensation at the rate of $7,500 per annum.

"The position of Director of the Consular Service is abolished, and the salary provided for that office is hereby made available for the salary of the additional Assistant Secretary of State herein authorized."

Mr. ROGERS of Massachusetts. Mr. Speaker, I move to concur in the Senate amendment.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Massachusetts. Yes.

Mr. BLANTON. What is the effect of that amendment No. 3, to strike out the "25" and insert "50"?

Mr. ROGERS of Massachusetts. It strikes out "50" and inserts "75." When the bill passed the House it provided that contributions made by foreign service officers who retired voluntarily should be returned to them, 50 per cent, without interest. The Senate provision provides that 75 per cent shall be returned, without interest. That amendment was sponsored by the gentleman from Ohio [Mr. BEGG] and I have conferred with him, and I think I am authorized to state that he is satisfied with the compromise.

Mr. Speaker, I move that the amendment just read be concurred in.

Mr. WINGO. Mr. Speaker, there has been considerable confusion in the Chamber. This seems to be an amendment creating a new position. I would like to have an explanation of it. I think the temper of the House is against creating new positions unless they are necessary.

Mr. ROGERS of Massachusetts. This does not create a new position and it creates no new salary. As the gentleman knows, for many years the Director of the Consular Service has been Mr. Wilbur F. Carr. He has been treated as on a level with the Assistant Secretary of State, and he has always had the same salary as the Assistant Secretary of State, namely, $4,500. It gives him the other title and does not increase his salary.

Mr. WINGO. As I heard it read at the desk, I thought it was $7,500. I will ask the gentleman if that is not so?

Mr. ROGERS of Massachusetts. It provides for a salary of $7,500 after July 1, with the understanding that this will take effect if the reorganization bill or reclassification goes through. The other Assistant Secretaries of State are to receive $7,500.

Mr. WINGO. The net result is a change of title of the man who has been discharging these duties, and makes him an Assistant Secretary, and after July 1 the salary will be $7,500, whereas it is $4,500 now?

Mr. ROGERS of Massachusetts. Yes; provided the classification law goes through.

Mr. WINGO. It will be a change of title and a change of salary from $4,500 to $7,500 a year. That is the net effect, is it not?

Mr. ROGERS of Massachusetts. That is the net effect.

Mr. CONNALLY of Texas. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Massachusetts. Yes.

Mr. CONNALLY of Texas. Did the gentleman from Massachusetts call attention to the fact that a member of the minority had concurred in this?

Mr. ROGERS of Massachusetts. The gentleman from Maryland [Mr. LINTHICUM] and the gentleman from Virginia [Mr. MOORE] and the gentleman from Tennessee [Mr. GARRETT] were conferred with.

Mr. CONNALLY of Texas. I am glad to hear that. I had no knowledge of it, although I have been on the floor all the morning.

Mr. ROGERS of Massachusetts. I would have consulted with the gentleman from Texas if I had seen him.

Mr. CONNALLY of Texas. It seems to me that the gentleman from Massachusetts, in conferring with the gentleman from Virginia and the gentleman from Maryland, has conferred with gentlemen who entertain the same view with himself, but the gentleman from Texas does not entertain the same view. Does the gentleman from Massachusetts think that is fair?

Mr. ROGERS of Massachusetts. I am sorry that I did not see the gentleman.

Mr. CONNALLY of Texas. Does the gentleman from Massachusetts think the gentleman from Texas should keep himself bodily before the eyes of the gentleman from Massachusetts in anticipation of having Senate amendments to a bill brought on this floor?

Mr. ROGERS of Massachusetts. I did not think there were any Senate amendments in relation to which the gentleman from Texas had any opposition. The amendments were printed in the RECORD two days and were available to the gentleman.

Mr. SABATH. The bill came back only to-day, did it not?

Mr. ROGERS of Massachusetts. Yes. I tried to be more than fair with the gentlemen on the minority side.

Mr. CONNALLY of Texas. When was the bill messaged back from the Senate?

Mr. ROGERS of Massachusetts. This morning, within a few minutes.

Mr. CONNALLY of Texas. I have been in attendance here and have been out of the Chamber only about 20 minutes. I had no knowledge that this matter would be taken up. It may be all right, but as matters stand I can not act intelligently on the subject.

Mr. SABATH. Mr. Speaker, I have no objection to the amendment referring to Mr. Carr. I consider him as a very capable and deserving gentleman. I understand that the statement of the gentleman from Massachusetts [Mr. ROGERS] is right when he states that this amendment does not increase Mr. Carr's salary. The amendment, as I heard it read, states that it shall be changed from $4,500 to $7,500.

Mr. ROGERS of Massachusetts. This is the only salary that is affected by this bill—Mr. Carr's salary.

Mr. SABATH. But it would be increased from $4,500 to $7,500?

Mr. ROGERS of Massachusetts. Yes.

Mr. SABATH. So that he will be placed on a par with the other Assistant Secretaries?

Mr. ROGERS of Massachusetts. Yes.

Mr. SABATH. I think he is the best man, anyway.

Mr. ROGERS of Massachusetts. I think the Members of the House understand that Mr. Carr is a most efficient and hard-working gentleman.

Mr. BLANTON. I would like to be heard on this amendment for a moment, Mr. Speaker.

This amendment is going to determine the question of policy of the House, in a small way, with respect to economy. This man is now rendering good service for $4,500 a year. His duties are not to be changed by this amendment. He would still perform the same duties, but by it he will have his salary increased from $4,500 to $7,500.

Mr. COLE of Iowa. May I ask the gentleman from Texas where he will get such a man who will continue in the service at such a salary?

Mr. BLANTON. He is performing the service now for $4,500, and on the 1st of July this amendment increases that salary by $3,000 to $7,500. The House ought to go on record on this question. I hope the gentleman will have a roll call on this amendment, and let us determine now whether you are going to carry out the President's so-called policy of economy; whether you are going to stop this raising of salaries, and whether you are going to adopt this amendment increasing this man's salary by $3,000. It is an amendment put on in the Senate and the bill came back to the House just about five minutes ago, was called up immediately and you are now asked to pass it without anybody knowing anything about it. I think we ought to go on record on this amendment, and I intend to force a record vote on it.

Mr. TINCHER. But the forcing of a roll call on this would not help it.

Mr. BLANTON. But it would let the people of the country know who are voting to raise this salary from $4,500 to $7,500.

Mr. COLE of Iowa. Who voted for the bonus?

Mr. BLANTON. I did and I am not ashamed of it, but I voted against the $11,500,000 Cape Cod bill; I voted against giving our $100,000,000 Muscle Shoals away——

Mr. COLE of Iowa. So did I.

Mr. BLANTON. And I voted against the bill for $10,000,000 German relief, as well as other extravagant propositions.

Mr. CONNALLY of Texas. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CONNALLY of Texas. How did this matter get before the House—by unanimous consent?

The SPEAKER. No; it is a House bill with Senate amendments.

Mr. CONNALLY of Texas. In the regular course ought not these amendments go to the committee?

The SPEAKER. No.

Mr. CONNALLY of Texas. Is not that the regular parliamentary procedure?

The SPEAKER. No; this is a House bill with Senate amendments and it can be called up at any time.

Mr. WINGO. Mr. Speaker, I want to get some time. I believe the gentleman from Massachusetts [Mr. ROGERS] has the floor and I ask the gentleman to yield me five minutes.

Mr. ROGERS of Massachusetts. I yield the gentleman five minutes.

Mr. WINGO. Mr. Speaker, I do not know whether this amendment should be agreed to or not. I understand that this man is possibly the best man in the State Department, but, gentlemen, here is the situation you are facing: We are now coming to the close of this session, and I have seen this thing happen for 11 years, and you are going to get in trouble if you continue the policy that is represented by the procedure on this bill. We just had a very interesting measure up for consideration, the veto of the President of the bonus bill. There was a great deal of confusion and Members got up and left to go to lunch and a lot of them had already gone out. Amidst that confusion the gentleman from Massachusetts [Mr. ROGERS]—who, necessarily, by reason of his character and his service, commands the respect of the House—gets up and calls up this bill. No one opposed it being called up, and, as I recall, under the rules he had the right to do it though the impression was he was calling up a conference report. But the bill on which the gentleman wants action and on which we are now acting, so far as the amendments of the Senate are concerned, has just been presented to the House. Amidst the confusion of Members leaving after the roll call on the bonus bill, a message from the Senate comes in with multitudinous measures messaged over from the Senate and among the group was this bill with certain Senate amendments. The gentleman from Massachusetts immediately called it up. I contend that is not conducive to orderly legislation. If I had time to consider this matter, and the members of the committee who say they are opposed to this kind of legislation had had an opportunity to consider it and discuss it, it may be that I should vote for it. But, gentlemen, I am not going to vote for amendments which are brought up on the spur of the moment, with the ranking member of the committee, who holds contrary views to the gentleman who brings it up, absent from the Hall and not having had an opportunity to consider it and advise with those who agree with his views and his judgment on the bill. That does not look to orderly discussion and procedure by this House. It brings confusion, and if it is attempted on some other bill, however unpopular such action may be, I shall resort to every parliamentary tactic and filibuster to prevent such hasty consideration of a measure. I shall not do it now, but I shall content myself with expressing my doubt by simply voting no, although I might on consideration—and I am inclined to think I should—agree that it is a meritorious proposition.

There are a lot of men in the service, good men, who ought to have their salaries raised but they ought not to be raised by a rider put on in the Senate, one man at a time and piecemeal.

We have attempted to reclassify, and I suspect the reclassification will cover this.

Mr. COLE of Iowa. It does.

Mr. WINGO. I do not know. But the Senate, instead of picking out one favorite man and saying, "We are going to jump his salary from $4,500 to $7,500," should do it in an orderly way, so that those public servants who are less popular by reason of their not being in touch with Members of the House can get their just demands for adequate compensation considered by the House, and all of them placed on an equality. That is the way to treat these deserving public servants who are underpaid—consider all of them and not consider just a few favored ones by piecemeal amendments of the Senate.

Mr. CONNALLY of Texas. Mr. Speaker, I make a point of order. I understand this first amendment raises Mr. Carr's salary.

Mr. ROGERS of Massachusetts. Yes.

Mr. CONNALLY of Texas. I make the point of order, Mr. Speaker, that this amendment properly goes to the Committee of the Whole, because it increases salaries and therefore is a charge on the Treasury. I cite subdivision 2, Rule XXIV.

The SPEAKER. The Chair will state that when the gentleman from Massachusetts rose the Chair had no knowledge of what his purpose was in getting the floor. The gentleman had not notified the Chair in advance and the Chair recognized him, and then he called this bill up. The Chair thinks it is now too late to make that point of order.

Mr. CONNALLY of Texas. If the Chair will permit the gentleman from Texas to make the observation, the Chair must have been more considerate of the gentleman from Massachusetts than other gentlemen, because usually he inquires for what purpose does the gentleman rise, and I recall that only several days ago when the gentleman from Mississippi rose and the Chair courteously gave him the floor and then found out that the gentleman was making a request the Chair did not think proper, the Chair then withdrew the recognition and said that the gentleman must first consult the Chair before making such request, and in all fairness, I suggest it might be well for the Chair——

The SPEAKER. The Chair assumed the gentleman from Massachusetts had arranged with the gentleman from New York [Mr. SNELL], who was entitled to recognition, to bring the matter up.

Mr. SNELL. If the Chair will allow me to make the observation, I understood it was a regular conference report and that I could not object. I object to anything else coming up except the regular unfinished business.

Mr. WINGO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WINGO. I may be wrong, but it occurs to me that the Speaker is in error when he says it is now too late.

The SPEAKER. The Chair is not sure.

Mr. WINGO. I want to refresh the Chair's mind. I may be in error, but I think it is too important a matter to pass by in this way.

The SPEAKER. The Chair thinks so.

Mr. WINGO. The customary procedure when a matter comes up, if it is a matter that requires consideration in the Committee of the Whole, is to ask unanimous consent that it be considered in the House as in Committee of the Whole. I want to suggest to the Chair that I think it would be a very unwise precedent to establish, if it has not been already established, especially with the confusion that obtained, and while I am not criticizing the gentleman from Massachusetts, yet in the confusion that existed here the chairman of the Rules Committee really thought this was a conference report.

Mr. SNELL. That is what I thought.

Mr. WINGO. I thought that, too. If I had not thought it was a conference report, there would have been some question on my part in the absence of the gentleman from Tennessee [Mr. GARRETT] on this side. I think the Chair ought to rule now that the point can be raised at any time in reference to a bill that makes a charge on the Federal Treasury, and that it is not too late now. We have just started its consideration, and I do not think it is too late now to say that this is a charge upon the Treasury, and the House has to go into Committee of the Whole to consider it.

The SPEAKER. The parliamentary clerk is looking up the precedents.

Mr. CONNALLY of Texas. Mr. Speaker, I had not finished my citation.

The SPEAKER. Will the gentleman allow the Chair to state the way this came about? The Chair did not know what was coming up, and assumed that the gentleman from Massachusetts had arranged with the gentleman from New York, who was beside him and whom the Chair had expected to recognize, to bring up this bill; and when the gentleman from Texas asked the Chair the question the Chair supposed it was a matter that did not require consideration in the Committee of the Whole. The question now is whether, once consideration has begun, it is too late. The Chair will be glad to hear the gentleman from Texas.

Mr. CONNALLY of Texas. This is what the rule says——

Mr. ROGERS of Massachusetts. May I interrupt the gentleman? Perhaps I can simplify this procedure. I frankly, Mr. Speaker, intended to do only what I thought would be the will of the House. If I have inadvertently erred in any respect, I am extremely sorry. If it is in order, I should be glad to ask unanimous consent that action upon this amendment be postponed until such time next week as it would clearly be in order under the rules of the House.

The SPEAKER. It might not be in order at that time without unanimous consent.

Mr. ROGERS of Massachusetts. It is a House bill with Senate amendments. Is not that in order after the reading of the Journal?

The SPEAKER. Not if the amendment must be considered in the Committee of the Whole.

Mr. ROGERS of Massachusetts. I took this Senate amendment to be an authorization and not an appropriation. I assumed it was privileged, but I do not wish to have any Member of this House think I am trying to crowd this matter unfairly. I ask unanimous consent, in deference to the apparent preferences of several Members, that I may be permitted to withdraw this temporarily.

Mr. BLANTON. With the understanding, Mr. Speaker, that action on the other two amendments is to be vacated?

The SPEAKER. The other two amendments have been adopted, and the Chair does not know what the purpose of the gentleman is.

Mr. BLANTON. Mr. Speaker, if a bill comes back from the Senate that has objectionable matter with reference to the House, it ought to go into Committee of the Whole on all the amendments, and the gentleman ought to ask to vacate action on those two amendments.

The SPEAKER. That is for the gentleman from Massachusets to determine.

Mr. ROGERS of Massachusetts. I do not think there is any occasion to vacate the action, although if the gentleman from Texas wishes it I will ask that also.

Mr. CONNALLY of Texas. I will say this, Mr. Speaker, in all deference to the gentleman from Massachusetts, what I have said and done was not meant as any reflection on the gentleman's intention to put anything by speedily, intentionally, or willfully. I only attribute that to his zeal in the cause. What I have said and done has been to maintain the right of the minority to be consulted about legislation on the floor of this House, and it does not make any difference whether that minority is one or one dozen, and I am referring to those who have minority views on a bill.

Mr. ROGERS of Massachusetts. May I interrupt to ask if the gentleman desires that the whole proceeding be vacated?

Mr. CONNALLY of Texas. I think it would be better in order not to set a bad precedent.

Mr. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the entire proceedings on the Senate amendments be vacated.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent that the entire proceedings be vacated. Is there objection? [After a pause.] The Chair hears none.

ADDITIONAL JUDGES, SOUTHERN DISTRICT OF NEW YORK

Mr. SNELL. Mr. Speaker, the unfinished business is House bill 3318, a bill to provide for the appointment of two additional judges of the district court of the United States for the southern district of New York.

Mr. CAREW. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. It is clear there is not a quorum present.

Mr. SNELL. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Faust	Lee, Ga.	Schall
Anthony	Fenn	Linthicum	Scott
Bankhead	Fleetwood	Little	Sites
Barkley	Frear	Luce	Smith
Bell	Gallivan	McFadden	Smithwick
Bixler	Garrett, Tex.	McKenzie	Snyder
Boies	Gilbert	McLaughlin, Nebr.	Sproul, Kans.
Britten	Glatfelter	Mead	Stengle
Browne, Wis.	Hardy	Michaelson	Swoope
Buckley	Hawes	Miller, Ill.	Taylor, Colo.
Burdick	Howard, Okla.	Minahan	Vare
Clague	Huddleston	Moore, Ill.	Ward, N. Y.
Clark, Fla.	Hudson	Morgan	Ward, N. C.
Cole, Ohio	Hull, Tenn.	Morris	Wason
Connolly, Pa.	Hull, William E.	Nelson, Wis.	Wefald
Cooper, Ohio	Humphreys	Nolan	White, Me.
Corning	Johnson, Ky.	O'Brien	Williams, Tex.
Cramton	Kahn	Park, Ga.	Winslow
Croll	Kendall	Peavey	Winter
Curry	Kerr	Porter	Wolff
Dallinger	Kiess	Purnell	Wood
Davis, Minn.	Knutson	Quayle	Wyant
Dominick	Kvale	Ransley	Zihlman
Doyle	Langley	Reed, W. Va.	
Drane	Leatherwood	Rogers, N. H.	
Dyer	Leavitt	Rosenbloom	

The SPEAKER pro tempore (Mr. TREADWAY). On this call 332 Members have answered to their names. A quorum is present.

Mr. BEGG. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were reopened.

PRESIDENT'S VETO OF ADJUSTED COMPENSATION BILL

Mr. JOST. Mr. Speaker, I ask unanimous consent to insert in the RECORD some remarks in relation to the President's veto and my vote in support thereof.

The SPEAKER pro tempore. The gentleman from Missouri asks unanimous consent to extend his remarks in the RECORD by inserting a statement in regard to his support of the President's veto. Is there objection?

Mr. SNELL. I have no objection if they are the gentlemans' own remarks.

Mr. JOST. They are my own remarks.

There was no objection.

Mr. JOST. Mr. Speaker, following the passage of this measure by the House and as soon as I was permitted so to do, I placed of record the reasons which moved me to vote for it. Those who may be interested to the point of referring to that statement will there learn that I regarded the measure not as a

bonus but in the nature of a preliminary pension, and I voted for it on that theory. Sooner or later pensions on a huge scale will be paid to veterans of the late war and their dependents. Whether the task of meeting that inevitable obligation should be begun now by some such measure as the one in hand or postponed until the existing financial burdens of the Government shall have been lightened is the question of the moment for me to answer with my vote.

From my viewpoint, the immediate solution of the problem is not of such overruling importance as to preclude me from voting to sustain the President's veto, and I shall so vote. While my vote is in agreement with the result sought by the veto, I certainly and most vigorously dissent from the statements therein with reference to the ex-service men and their relationship to the Government during and since the war. It seems to me that the language of the veto in that respect is unnecessarily harsh.

The responsibility of running this Government just now is with the Republican Party, of which the President of the United States is the titular head. He has solemnly declared that the instant measure is wrong, that ex-service men as a whole do not want it, that those who do, do not deserve it, and that the country can not afford to pay the cost which the bill will entail. To overrule his veto and thrust this measure on the Government against his protest is to furnish an excuse and cover for the failure of his administration to relieve the people and business from the heavy and distressing taxes which afflict the Nation.

The President speaks for his party. It is now certain he will be the candidate of the Republican Party at the next general election. He has declared positively and unequivocally against a soldiers' adjusted compensation measure in any form. In doing so he made an important and far-reaching decision. The responsibility is his. By sustaining his veto, this presidential policy would become the policy of his party and the subject of a solemn referendum at the next general election. In my humble judgment it is neither good business nor good politics to overrule this veto.

NANCY HANKS LINCOLN

Mr. WILSON of Indiana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an address I delivered at the dedication of a memorial tree-transplanted from the grave of the mother of Abraham Lincoln in Spencer County, Ind., to the Lincoln Memorial grounds, Washington, D. C.

The SPEAKER pro tempore. The gentleman from Indiana asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. WILSON of Indiana. Mr. Speaker, under leave granted to extend my remarks, I insert a revised address I delivered April 21, 1924, at the dedication of a memorial tree transplanted from the grave of the mother of Abraham Lincoln, in Spencer County, Ind., to the Lincoln Memorial Grounds, Washington, D. C., as follows:

We are gathered here to-day to perpetuate the memory of a mother, Nancy Hanks Lincoln, a woman whose brave, honest, and kindly spirit gave cheer to many struggling pioneers who were making inroads into the wilderness of Kentucky and Indiana.

Here in the shadow of the great Lincoln Memorial, dedicated to her martyred son, we are planting a living memorial to the beloved mother.

The cooperation and enthusiasm exhibited by so many people interested in the transplanting of this tree has been very gratifying. Let us extend our thanks to Lieut. Col. C. O. Sherrill; Mr. F. R. Peters, editor of the Evansville Press; the Boy Scouts of Evansville, Ind., and of Washington, D. C., and their executives; Mr. Noah Spurlock, custodian of the Nancy Hanks Lincoln Memorial Park, at Lincoln City, Ind.; and the school children of southwestern Indiana, for their assistance in the undertaking. It demonstrates their willingness to aid the promotion of any worthy civic or patriotic enterprise.

I have long thought that the people of my district, who have a strong claim to the fame of Abraham Lincoln because he spent several years molding into manhood in Spencer County, Ind., should donate something to the grounds of the Lincoln Memorial, which has become an international shrine, visited daily by hundreds of people from all over the world. This great memorial is not complete without something to remind the traveler and sightseer of Lincoln's mother, who contributed so much to the great President's success and of whom he himself said, "All that I am or hope to be I owe to my sainted mother." Trees have about them something beautiful and attractive to everybody. Hence I could think of nothing that would be more appropriate than this white oak tree from the Nancy Hanks Lincoln Memorial Park, in which Lincoln's mother and sister are buried and of which all Hoosiers are justly proud. Here this tree will grow and expand into a mighty oak as a living memorial to the great American's youthful days spent with his mother in the backwoods of Spencer County, Ind. Only a short distance from the thriving little village of Lincoln City is the final resting place of Nancy Hanks Lincoln.

There the State set aside and maintains a beautiful park dedicated to her memory.

Every time I look at this great monument, unequaled by any in the world, costing thousands and thousands of dollars, erected to the memory of a man whose public life exhibited such brilliant talents and who has become one of the greatest characters in history, it takes me back to the quiet little park resting among the hills of Spencer County. In that vicinity Lincoln spent some of his most trying days, enduring the hardships of the rugged pioneer, endeavoring to obtain an education under the most difficult circumstances, and molding his mind and character so that in later years he was able to deal successfully with the great questions which involved the destiny of the Nation.

Let us briefly review here the history of the Hanks family and the life of Nancy Hanks herself. It seems that all the different branches of the Hanks family come from the old town of Malmsbury in Wiltshire, 96 miles from London. In the year 878, Alfred the Great defeated the Danes, who had overrun the whole Kingdom of the West Saxons. All of the Malmsbury men who fought in this battle under King Alfred were rewarded with 500 acres of land. Among these so-called "commoners" were two brothers named Hanks, whose descendants still hold the "commoner's rights" in Malmsbury, each succeeding king having given them a charter to the land.

A descendant, Thomas Hanks, moved from Malmsbury to Stop-on-the-wold, married and had three children. One, Thomas, jr., married and had a son named Thomas 3d, who is said to have been a soldier under Oliver Cromwell. He had one son, Joseph, who married; and one of the latter's sons, Benjamin, married and came to America, landing at Plymouth, Mass., in 1699.

Interwoven in the annals of New England, we find that members of the Hanks family are remarkably inventive and that it is a "family of founders."

Suffice it to say, that the mother of Abraham Lincoln belonged to a family which has given to America some of her finest minds and most heroic hearts.

One son of Benjamin Hanks, named William, migrated to Virginia. William's son, Joseph, then moved to Amelia County, Va., where Nancy Hanks was born on the 5th of February, 1784. Here she lived until she was five years of age, when her parents decided to find a new home in Kentucky, becoming thus a part of the great migration to that State—the migration which began when Daniel Boone and James Harrod founded Harrodsburg and Boonsborough in 1774–75, and which reached its height during the last 20 years of the eighteenth century.

The journeys were practically all made via the Virginia Valley, through Cumberland Gap, and thence by what was known as Wilderness Road to the Ohio River at Louisville. The Hanks family settled on a farm of 150 acres near Elizabethtown, in what is now Nelson County, Ky. The Indians were still disputing the rights of the white people to Kentucky, and it was necessary for settlers to live in stockades. Shortly after her father's death in 1793 Nancy's mother died, and Nancy went to live with her aunt, Mrs. Richard Berry.

On June 12, 1806, when Nancy Hanks was 22 years old, she was married to Thomas Lincoln, a cousin, in a log cabin in Beechland, Washington County, near the town of Springfield, Ky., by Jesse Head, a Methodist minister of Springfield. After their marriage they went to Elizabethtown, where a child was born, named Sarah, in 1807. They then moved to Buffalo, Ky., where a son was born to them, whom they named Abraham, a name common in both the Hanks and Lincoln families.

Thomas Lincoln, like his son after him, had a notion that fortunes could be made by trips to New Orleans on flatboats. It was probably about 1815 that he built a flatboat, which, because of an idea which he had about making water crafts speedy, was high and narrow and very unsuccessful at the time because of lack of ballast. He loaded this boat with a cargo of whatever he could gather from his farm, and also of deer, bear, and buffalo furs, and floated down Salt River into the Ohio, which was flushed from recent rains and full of whirlpools and snags. Before he reached the Mississippi River, however, his boat upset. He was able to save his tool chest and part of his cargo only because he was near the Indiana shore. He stored what he had saved under the bank and went home afoot, and in debt to the neighbors who had helped him. In those days, though, people never pressed a man who had lost by Indians or by water. Later Mr. Lincoln made a trip into Indiana, prospecting for new land, and returned home to sell and move to that State.

His son wrote in later years, "This removal was partly on account of slavery but chiefly on account of difficulty in land titles in Kentucky." It might be stated here that Thomas Lincoln had advanced ideas about slavery.

In the year 1816 the family prepared to leave Kentucky. They packed their household furniture and farm tools into a wagon. What-

ever of stock they owned was driven behind, and the procession started. The first part of their journey probably was not difficult, for it is claimed that the road to the Ohio was good. After crossing the river and entering Indiana their pilgrimage, no doubt, became troublesome. They then had to literally cut their way through the forests to the land which Thomas Lincoln had taken up for himself and his family.

This land lay in what is now Spencer County, Ind., on Little Pigeon Creek, about 15 miles north of the Ohio River, about 35 miles east of Evansville, Ind., and 1½ miles east of Gentryville, Ind. The hardships of the Lincoln family began after Indiana was reached and their camp in the wilderness, which was to be their shelter, was built.

Their first home was what was called "a half-faced camp"—a kind of log lean-to without doors or windows.

The winters of 1816 and 1817 were spent in this camp. The next year Thomas Lincoln built a crude cabin which was sufficient shelter. The family began to find new friends and neighbors in that far-distant country. They joined the Pigeon Creek Baptist Church and gradually became associated in whatever interested the neighborhood.

Several of Nancy's friends and relatives moved to Indiana, and the new home became more interesting as it became more habitable.

History tells us that Nancy Hanks was bright, scintillating, noted for her keen wit and repartee, and withal a great, loving heart. Her gentleness and brightness she left everywhere she went, like a ray of sunshine. Such a woman, who can face and surmount difficulties with a smile and be ever willing to lend others a helping hand, is the kind which gives us our sturdy Americans and gives power and vitality to our race.

On October 5, 1818, after an illness of a few days, she died from an intensified form of malaria. Death in the home was a peculiarly intimate thing for those early settlers; for the body lay in the room where they ate and slept, and it was necessary for the family to make all the preparations for the funeral as well as to make the coffin itself. It was customary for people of the community to attend the funeral of one of their numbers; but at this time an epidemic of malaria was raging through all of southern Indiana, and people did not dare to congregate. So the little woman was laid to rest without a funeral service under the golden autumn leaves in a lonely and yet enchanted spot on top of a hill near what is now Lincoln City—there where Nancy Hanks Lincoln and her boy had often sat together and watched the gorgeous colors of the glorious sunset far over the distant hills.

Although she gave her life as a victim to the same grinding poverty in which Abraham Lincoln grew from boyhood to manhood, and although it was, no doubt, her early influence which made of Abraham Lincoln the great man that he was, no monument has been erected in Washington to Nancy Hanks Lincoln.

The appropriateness of such a monument is obvious. And what could be more fitting than this memorial oak transplanted from that hallowed soil in Indiana to this position beside the massive monument in memory of her martyred son?

While only the eve of her life was lived in Indiana, yet the story of the inroads made into the wilderness of that State by Nancy Hanks and her little family will live to eternity.

With these things in mind plans were formulated and permission was granted by the War Department for the transplanting of this tree. Mr. Peters, of the Evansville Press, proposed to secure the tree and sought the cooperation of Mr. Zion, the Scout executive. Representatives of 14 Boy Scout troops were gathered, and they started from Evansville on Friday, April 4, 1924, at 4 p. m. They reached Tennyson, Ind., without mishap, but after that they not only walked a good portion of the way from Tennyson to Lincoln City, which is 12 miles, but pushed the two cars they had taken with them. The lights on one of the cars failed and a flash light was used.

Three miles out of Lincoln City the automobiles had to be abandoned, and the party plodded through the mud on foot the rest of the trip. Lincoln's spirit must have smiled kindly upon the courage of these boys, trudging the last long miles of an arduous journey to his old home to help perpetuate the memory of the mother whom he loved so well. The muddy and tired, but cheerful, party of 14 boys and 2 men had been invited to bunk in Mr. Wayne Hevron's barn, and there they slept soundly during the remainder of the night.

Mr. Noah Spurlock, custodian of the Nancy Hanks Lincoln Park, had the tree ready for its journey to the Capital. Working in shifts, the boys started back, hoping that they would be able by the light of day to make the journey back to Tennyson without having to walk and push. The party arrived in Evansville late in the afternoon of April 5, and the tree was shipped immediately to Washington, arriving on Tuesday, April 8, where it was received by Mr. Henlock, the superintendent of the Propagating Gardens, and the Washington Boy Scouts, under the supervision of their executive, Mr. E. D. Shaw.

To-day we plant this 10-year-old white oak tree in memory of the noble woman, the products of whose hardships and perils are commemorated by this magnificent memorial dedictated to her great son.

We have taken this tree from the soil hallowed by the possession of her mortal remains, and are transplanting it on memorial grounds established for the sole purpose of bringing mankind into the great nature of her martyred son.

May this memorial oak in future years become beautiful in its majestic grandeur. May it send out its branches to the heavens and rival its ancestors which grew on the Lincoln farm in Indiana. May it become an important addition to these grounds, beneath whose shade future tourists may stop and be reminded of the woman whose strong but gentle influence played such an important part in molding the character of one of our greatest Americans.

I now christen you Nancy Hanks Lincoln Memorial Oak.

A PLAN TO PREVENT WAR

Mr. THOMAS of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in explanation of a joint resolution I have introduced proposing an amendment to the Constitution of the United States.

The SPEAKER pro tempore. The gentleman from Oklahoma asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. SNELL. I have no objection if they are the gentleman's own remarks.

Mr. THOMAS of Oklahoma. They are my own remarks.

There was no objection.

Mr. THOMAS of Oklahoma. Mr. Speaker, I have just introduced a joint resolution (H. J. Res. 266) proposing an amendment to the Constitution of the United States in the following language:

Amendment —.

SECTION 1. The Congress shall have power to declare war, provided three-fourths of the Members elected to and constituting each House shall concur.

SEC. 2. After a declaration of war and prior to the reestablishment of peace the Congress shall have power to enact legislation for the prosecution of such war, notwithstanding existing contracts made after ratification of this amendment.

The proposed amendment has for its purpose the prevention of war. This greatly desired end is to be accomplished by mobilizing the forces in America in an effort to prevent war rather than in the preparation for war.

The amendment, if adopted, will accomplish the following:

1. Will make it more difficult to declare war;

2. Will give Congress power to draft property and material as well as men; and

3. Will make it possible to prevent any man or interest from making profit out of war.

4. With this amendment adopted, all contracts will be made subject to "acts of God" and "declarations of war by the Congress of the United States."

At this time the majority of a quorum in each House can declare war. Under the proposed amendment such a declaration can be made only by the vote of three-fourths of the total membership elected to and constituting each House of Congress.

Congress now has power to draft and force into war boys, men, and even women; but it is not certain that Congress has the power to enact laws to provide that all the profits of war can be used in defraying the expenses of war.

Powerful interests, such as shipbuilders, armor plate and munition makers, and manufacturers of war supplies, and all who thrive on war, will oppose this amendment; but in the event of its adoption all peoples and institutions which prosper in peace and are injured by war will join in an effort to stop war throughout the earth.

With the amendment in force and in the event a defensive war is necessary, the whole resources of the country—men, money, material, and property—will be subject to mobilization by Congress to repel such invasion.

With profits withdrawn from war; with property subject to draft and mobilization the same as men; with contracts which interfere with the prosecution of war abrogated, suspended, or annulled; and with the possibility of a general moratorium being declared, warfare will be so terrible and so costly to the interests which bring about armed conflicts that war will soon become a memory of barbaric activity.

At present the United States, along with other Nations, is getting ready for the next war. We are spending hundreds of millions annually in preparation for the next "carnival of slaughter." The next war will not be confined to battles between armed and trained soldiers, but instead will be a war of destruction of property and of extermination of people, including noncombatants, women, and children.

I have introduced this proposed amendment in the hope that the attention of the people may be diverted from the preparation for war to the prevention of war, and unless this

can be accomplished, this generation, without regard to sex or age, may see a conflict the horribleness of which the human mind can not now comprehend.

ADDITIONAL JUDGES FOR SOUTHERN DISTRICT OF NEW YORK

Mr. PERLMAN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 3318) to provide for the appointment of two additional judges for the district court in the southern district of New York.

The SPEAKER pro tempore. The gentleman from New York moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 3318) to provide for the appointment of two additional Federal judges for the district court of New York.

The question was taken; and on a division (demanded by Mr. CAREW) there were 44 ayes and 55 noes.

Mr. PERLMAN. Mr. Speaker, I object to the vote on the ground that no quorum is present.

The SPEAKER pro tempore. The gentleman from New York makes the point that no quorum is present. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll. All those in favor of going into Committee of the Whole will answer "aye" and all those opposed will answer "no."

The question was taken; and there were—yeas 161, nays 158, not voting 114, as follows:

YEAS—161

Ackerman	Fredericks	Magee, N. Y.	Sinclair
Aldrich	Free	Manlove	Smith
Andrew	Freeman	Mapes	Snell
Bacharach	French	Merritt	Speaks
Bacon	Frothingham	Michaelson	Sproul, Ill.
Barbour	Fuller	Michener	Sproul, Kans.
Beedy	Graham, Ill.	Miller, Wash.	Stalker
Beers	Graham, Pa.	Mills	Stephens
Begg	Green, Iowa	Moore, Ohio	Strong, Kans.
Berger	Greene, Mass.	Moores, Ind.	Strong, Pa.
Bixler	Griest	Morgan	Summers, Wash.
Britten	Hadley	Morin	Swing
Browne, Wis.	Hardy	Murphy	Taber
Brumm	Hawley	Nelson, Me.	Taylor, Tenn.
Burton	Hersey	Nelson, Wis.	Taylor, W. Va.
Butler	Hickey	Newton, Minn.	Temple
Cable	Hill, Md.	Newton, Mo.	Thatcher
Campbell	Hoch	Nolan	Thompson
Chindblom	Holaday	Paige	Tilson
Christopherson	Hudson	Parker	Timberlake
Clague	Hull, Iowa	Patterson	Tincher
Clarke, N. Y.	Hull, William E.	Perkins	Tinkham
Cole, Iowa	James	Perlman	Treadway
Colton	Kearns	Phillips	Vaile
Cooper, Ohio	Keller	Porter	Vestal
Cooper, Wis.	Kelly	Rathbone	Vincent, Mich.
Darrow	Kendall	Reece	Voigt
Davis, Minn.	Ketcham	Reed, N. Y.	Wainwright
Dempsey	King	Reid, Ill.	Watson
Denison	Knutson	Roach	Wefald
Dickinson, Iowa	Kopp	Robinson, Iowa	Wertz
Edmonds	Kurtz	Robsion, Ky.	White, Kans.
Elliott	LaGuardia	Rogers, Mass.	Williamson
Evans, Iowa	Larson, Minn.	Sanders, Ind.	Winslow
Fairchild	Lehlbach	Sanders, N. Y.	Woodruff
Fairfield	Lineberger	Schafer	Wurzbach
Faust	Longworth	Schneider	Wyant
Fenn	McLaughlin, Mich.	Sears, Nebr.	Young
Fish	McLeod	Seger	
Fitzgerald	MacGregor	Shreve	
Foster	MacLafferty	Simmons	

NAYS—158

Abernethy	Celler	Griffin	McKeown
Allen	Clancy	Hammer	McNulty
Allgood	Cleary	Harrison	McReynolds
Almon	Collier	Hastings	McSwain
Arnold	Connery	Hawes	McSweeney
Aswell	Cook	Hill, Ala.	Major, Ill.
Barkley	Crisp	Hill, Wash.	Major, Mo.
Beck	Crosser	Hooker	Mansfield
Black, N. Y.	Cullen	Howard, Nebr.	Martin
Black, Tex.	Cummings	Hudspeth	Mead
Brand	Davis, Tenn.	Jacobstein	Milligan
Blanton	Deal	Johnson, Tex.	Mooney
Bloom	Dickinson, Mo.	Johnson, W. Va.	Moore, Ga.
Bowling	Dickstein	Jones	Moore, Va.
Box	Doughton	Kent	Morehead
Boyce	Drewry	Kincheloe	Morrow
Boylan	Driver	Kindred	O'Connell, N. Y.
Brand, Ga.	Eagan	Kunz	O'Connell, R. I.
Briggs	Evans, Mont.	Lanham	O'Connor, La.
Browning	Favrot	Lankford	O'Connor, N. Y.
Buchanan	Fisher	Larsen, Ga.	O'Sullivan
Bulwinkle	Fulbright	Lazaro	Oldfield
Busby	Fulmer	Lee, Ga.	Oliver, N. Y.
Byrnes, S. C.	Gardner, Ind.	Lilly	Parks, Ark.
Byrns, Tenn.	Garner, Tex.	Lindsay	Peery
Canfield	Garrett, Tenn.	Logan	Pou
Cannon	Garrett, Tex.	Lowrey	Prall
Carew	Gasque	Lozier	Quin
Carter	Geran	McClintic	Ragon
Casey	Greenwood	McDuffie	Rainey
Raker	Sanders, Tex.	Summers, Tex.	Watkins
Rankin	Sandlin	Swank	Weaver
Rayburn	Sears, Fla.	Tague	Weller
Reed, Ark.	Shallenberger	Thomas, Ky.	Wilson, Ind.
Richards	Sherwood	Thomas, Okla.	Wilson, La.
Romjue	Sites	Tillman	Wilson, Miss.
Rouse	Smithwick	Tucker	Woodrum
Rubey	Steagall	Underwood	Wright
Sabath	Stedman	Upshaw	
Salmon	Stevenson	Vinson, Ky.	

NOT VOTING—114

Anderson	Frear	Leavitt	Sinnott
Anthony	Funk	Linthicum	Snyder
Ayres	Gallivan	Little	Spearing
Bankhead	Garber	Luce	Stengle
Bell	Gibson	Lyon	Sullivan
Boles	Gifford	McFadden	Sweet
Brand, Ohio	Gilbert	McKenzie	Swoope
Browne, N. J.	Glatfelter	McLaughlin, Nebr.	Taylor, Colo.
Buckley	Goldsborough	Madden	Tydings
Burdick	Haugen	Magee, Pa.	Underhill
Burtness	Hayden	Miller, Ill.	Vare
Clark, Fla.	Howard, Okla.	Minahan	Vinson, Ga.
Cole, Ohio	Huddleston	Montague	Ward, N. Y.
Collins	Hull, Morton D.	Moore, Ill.	Ward, N. C.
Connally, Tex.	Hull, Tenn.	Morris	Wason
Connolly, Pa.	Humphreys	Mudd	Watres
Corning	Jeffers	O'Brien	Welsh
Cramton	Johnson, Ky.	Oliver, Ala.	White, Me.
Croll	Johnson, S. Dak.	Park, Ga.	Williams, Ill.
Crowther	Johnson, Wash.	Peavey	Williams, Mich.
Curry	Jost	Purnell	Williams, Tex.
Dallinger	Kahn	Quayle	Wingo
Davey	Kerr	Ramseyer	Winter
Dominick	Kiess	Ransley	Wolff
Dowell	Kvale	Reed, W. Va.	Wood
Doyle	Lampert	Rogers, N. H.	Yates
Drane	Langley	Rosenbloom	Zihlman
Dyer	Lea, Calif.	Schall	
Fleetwood	Leatherwood	Scott	

So the motion was agreed to.

The Clerk announced the following additional pairs:

Until further notice:

Mr. McFadden with Mr. Minahan.
Mr. Curry with Mr. Quayle.
Mr. Fleetwood with Mr. Bell.
Mr. Barbour with Mr. Wolff.
Mr. Mudd with Mr. Lea of California.
Mr. Gifford with Mr. Ayres.
Mr. Dallinger with Mr. Collins.
Mr. Johnson of Washington with Mr. Morris.
Mr. Burdick with Mr. Drane.
Mr. Scott with Mr. O'Brien.
Mr. Dowell with Mr. Browne of New Jersey.
Mr. Boles with Mr. Hayden.
Mr. Vare with Mr. Spearing.
Mr. Wood with Mr. Bankhead.
Mr. Leavitt with Mr. Oliver of Alabama.
Mr. Wason with Mr. Tydings.
Mr. Luce with Mr. Linthicum.
Mr. Winter with Mr. Goldsborough.
Mr. Madden with Mr. Connally of Texas.
Mr. Welsh with Mr. Hull of Tennessee.
Mr. Magee of Pennsylvania with Mr. Kvale.
Mr. Purnell with Mr. Williams of Texas.
Mr. Connolly of Pennsylvania with Mr. Montague.
Mr. Ramseyer with Mr. Buckley.
Mr. Cramton with Mr. Glatfelter.
Mr. Johnson of South Dakota with Mr. Jeffers.
Mr. Lampert with Mr. Stengle.
Mr. Williams of Illinois with Mr. Vinson of Georgia.
Mr. Ransley with Mr. Croll.
Mr. Sweet with Mr. Wingo.
Mr. Watres with Mr. Dominick.
Mr. Frear with Mr. Howard of Oklahoma.
Mr. Swoope with Mr. Taylor of Colorado.
Mr. Dyer with Mr. Davey.
Mr. Crowther with Mr. Lyon.
Mr. McLaughlin of Nebraska with Mr. Corning.
Mr. Anthony with Mr. Sullivan.
Mr. Miller of Illinois with Mr. Rogers of New Hampshire.
Mr. Leatherwood with Mr. Jost.
Mr. Morton D. Hull with Mr. Doyle.
Mr. Sinnott with Mr. Johnson of Kentucky.
Mr. Funk with Mr. Kerr.
Mr. Yates with Mr. Humphreys.
Mr. Brand of Ohio with Mr. Cannon.

The doors were reopened.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 3318, with Mr. LEHLBACH in the chair.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the President of the United States, by and with the advice and consent of the Senate, shall appoint two additional judges of the District Court of the United States for the Southern District of New York, who shall reside in said district and who shall possess the same powers, perform the same duties, and receive the same compensation as the present district judges of said district.

Mr. PERLMAN. Mr. Chairman and gentlemen of the committee, the southern district of New York comprises the counties of New York, Westchester, Columbia, Dutchess, Greene, Orange, Putnam, Rockland, Sullivan, and Ulster. The population of this district, according to the census of 1920, is 3,801,364,

and the population of this district has increased considerably since the taking of the 1920 census.

The United States District Court for the Southern District of New York has six permanent judges. This bill proposes that two additional permanent judges shall be appointed for this judicial district.

At the close of June 30, 1923, there were pending in this court 24,724 civil and criminal cases.

The following is a statement of business transacted in the United States district court, southern district of New York, during the fiscal year ending on June 30, 1923:

Cases	Commenced during year	Terminated during year	Pending June 30, 1923
Civil suits to which United States is not a party:			
Equity	845	477	1,151
Law	648	566	2,184
Admiralty	787	819	3,518
Civil suits to which United States is a party	1,159	750	3,773
Bankruptcy proceedings	2,471	1,615	5,262
Total civil suits and proceedings	5,610	4,227	15,888
Criminal cases	2,919	2,559	8,836
Total civil and criminal cases	8,529	6,785	24,724

In addition there were on the motion calendar of this court during this fiscal year 15,084 motions, divided as follows:

General motions	4,117
Motions in bankruptcy cases	5,306
Final hearings in naturalization	5,661

During the six months from July 1 to December 31, 1923, the net increase in the cases awaiting trial, exclusive of prohibition and bankruptcy cases, was as follows: (This was the net increase in cases added to the general calendar from cases disposed of during that period):

Equity	70
Law	38
Admiralty	324
Criminal	482

I am reliably informed that a case on the equity calendar in this court is reached in not less than 16 months; a case on the law calendar, two years and four months; a case on the admiralty calendar, two years and six months. Many criminal cases have been on the calendar more than two years. The jury, admiralty, and equity calendars are about two years behind and on account of increased litigation the situation is daily growing worse. This congestion amounts to a denial of justice.

There was a hearing on this bill before the Committee on the Judiciary on February 13, 1924. At this hearing Mr. Henry D. Williams, representing the New York Patent Law Association, appeared and spoke in favor of the bill. Mr. Williams informed the committee that because of the congestion many patent cases are not brought in the southern district court, for it is impossible to get the amount of care and thought and attention that such patent cases require, and that citizens residing in this district are compelled to bring the patent cases in Chicago, Pittsburgh, and sometimes in San Francisco. You can appreciate that the expense incident to the bringing of witnesses from New York to Chicago, to Pittsburgh and San Francisco, makes this litigation unnecessarily expensive. This additional expense to the litigants is of no benefit to anyone and is an inexcusable waste of money.

Hon. Henry Wade Rogers, senior United States circuit judge, second judicial district, wrote to Representative OGDEN L. MILLS, the introducer of this bill, as follows:

I am writing you in reference to a bill now pending either in the House of Representatives or before the Judiciary Committee of the House which relates to the appointment of two additional Federal judges in the southern district of New York.

The situation in the southern district is one of the matters which came before the judicial conference at its meeting in Washington in September, 1923. The judicial conference, as you know, is composed of the Chief Justice of the Supreme Court and the senior circuit judge in each of the nine circuits of the United States.

After a full consideration the conference voted in favor of the appointment of two additional judges for the southern district and two additional circuit judges for the eighth circuit. This action was taken by a unanimous vote.

In the southern district of New York the situation is most serious. On the 1st of July, 1923, there were 25,000 cases on the docket. This means that a case is on the docket for two years before it can be heard. We have been doing everything in our power to relieve that congested condition and brought in during the preceding year such district judges from other districts as we could find free to come. With all our efforts in that year, instead of reducing the number of cases on the docket, there were a thousand additional cases at the beginning of the next year.

That being the condition, it is evident that in many cases a situation exists which amounts to a denial of justice.

This is a condition which ought not to be permitted to continue. Perhaps better than any other person, I know the difficulties of bringing in additional judges, and I am entirely satisfied that there is no way out to remedy the existing situation except through the appointment of at least two additional district judges in the southern district of New York.

Col. William Hayward, United States attorney for the southern district of New York, recently wrote as follows:

There is no question that the two judges asked for in this district is a most modest request. We are two or three years behind on our calendars, and although the chief justice has tried to get us additional judges to help out from other districts, they are few and far between. We have so many mail-fraud cases awaiting trial that I despair of ever reaching them. Each case takes several weeks, sometimes as much as six weeks, consuming the entire time of judge and jury. The Sherman Act cases are equally long. The prosecution of the Cement Trust, which resulted in a disagreement, took seven weeks. We ordinarily have one or at best two of the Federal judges assigned for criminal work. Judge Mack, who has been of great help to us, I understand is going to Cincinnati. We could use four times the number of judges suggested for the next two years and then only catch up with our calendars. I think Judge Hand, who makes the assignment of the judges, has done the best for me he can without neglecting or interfering with the very important work of the judges. Of course, you know of the burden of admiralty, patent, and other civil litigation they have. On the question of additional judges I feel like yelling, "Help, more help, and still more help."

There are now sitting in this district 10 Federal judges. Next month we are to have 11 judges.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. PERLMAN. Yes.

Mr. LAGUARDIA. The four extra judges come from other districts?

Mr. PERLMAN. Yes.

Mr. LAGUARDIA. And they are allowed additional compensation?

Mr. PERLMAN. Yes.

Since January 1, 13 judges from outside of the southern district of New York were assigned to the southern district of New York. Each received, in addition to his salary, $10 per day computed from the day the judge left his home to the day he returned to his home, and railroad and Pullman fares. The judge takes with him his stenographer, who, in addition to his salary, receives $4 per day, plus railroad and Pullman fares.

Now, in respect to the cost of the two additional judges the salaries of these two judges will be $15,000, and the salaries of their stenographers will be $3,680, making a total of $18,680 per year.

In this connection permit me to read a statement of the cost of the assignment of outside judges to this district, submitted to the Judiciary Committee by Mr. George E. Strong, chief clerk of the Department of Justice. It is as follows:

From January 1, 1921, to June 4, 1923, expense of travel and per diem for judges assigned to the southern district of New York from without the second circuit, under the provisions of the act of October 3, 1913 (38 Stat. 302), is $17,088.12; expense of stenographers to judges is $8,104.23; total, $25,192.35; in addition, there are stenographic assistants and incidental expenses which it is impossible to compute. There is also an item of expense due to loss of time on the part of judges when traveling to and from New York City.

The expense for the other assignments which are authorized by the act of September 14, 1922, is not available at the present time, as same would require a search of records by the marshals of the several districts.

The estimated expense for two additional judges in the southern district of New York is as follows: Salaries of judges ($7,500 each), $15,000; salaries of stenographers ($1,840 each), $3,680; total, $18,680.

It is only fair to add that in view of the general congestion throughout the United States it is most difficult to secure an available judge, and often delays occur pending the consent of the senior circuit judge and the district judge; furthermore, whenever the congestion is of a permanent nature same should be cared for by the creation of additional judges, and the provisions for assignment from one circuit to another should only be utilized to relieve congestion of a temporary character, where the general business of the district would not be sufficient to occupy all the time of an additional judge. However, if it were not for these assignments the congestion in the southern district of New York would be even more serious than exists at present.

Mr. O'CONNOR of New York. Is it not a fact that in addition to the judges' salaries we will have to get them court rooms and various attendants?

Mr. PERLMAN. No. The court rooms are there now. Last year for five months the Department of Justice paid to the outside judges and their stenographers for their per diem allowance the sum of $25,192.35, and in addition their Pullman and railroad fare. At that rate it cost the Government nearly $70,000 a year, while the cost of these two additional judges, including stenographic service, will be $18,680 per year.

Yesterday the gentleman from New York [Mr. CELLER] spoke in opposition to this bill, stating that there was no need for any additional judges in this district. The gentleman's district is not in the southern district of New York. The gentleman lives in and represents a district in the eastern district of New York, where there is no congestion. Permit me to read to the gentleman from New York [Mr. CELLER] and to the other Democrats from New York, all of whom are opposing this bill, the testimony of one of their colleagues [Mr. WELLER], who is a member of the Judiciary Committee.

Mr. WELLER is an attorney and has practiced extensively in the southern district court. Until yesterday he advocated the passage of this bill. To-day he is not participating in the debate, and I believe he will vote against the bill. I wonder who changed his mind. Permit me to read his testimony at the hearings before the Judiciary Committee on February 13, 1924:

Mr. WELLER. I only want to supplement, Mr. Chairman, the remarks of Mr. Williams in reference to the condition of business and to indicate that in communications in writing from all our judges in the southern district, including the circuit judges, we have letters from all the judges approving additional judges, and up in my office I have possibly more than 150 letters from members of the bar who, like myself, practice especially in the Federal courts.

On December 31, 1923, there were approximately 25,000 actions pending in the southern district, of which 7,000 are matters which we call ex parte matters, or matters which can be threshed out by the lawyers before referees in bankruptcy, and all kinds of patent cases in which a sitting court is not required, there being 13,143 cases on the docket on December 31, divided into 561 equity cases, 1,647 law cases, 1,803 admiralty cases, 6,495 criminal cases, exclusive of prohibition cases, cases under the prohibition law, 2,610, making a total of 13,143.

The condition of the calendar is little short of a scandal.

Mr. MICHENER. Those 6,000 plus criminal cases—are many of those cases—cases which have been on the calendar a long time and are carried along?

Mr. WELLER. I dare say 25 per cent have been on the calendar for five years.

Mr. MICHENER. Those will not be tried, will they, the criminal cases?

Mr. WELLER. In all probability, no. Many of those cases consist of what we call mail-fraud cases, and the average time it takes to try a mail-fraud case is over two weeks and as long as eight months, and those cases have been piling up, and I might say we have tried, the Chief Justice has tried, and the senior circuit judge of our district, Judge Rogers, has tried to get out-of-town judges from other States to come and dispose of the so-called fraud calendar. Inasmuch as they are prolonged cases there is no disposition, I might say, for out-of-town judges to come and take up that calendar. Not only is there no disposition on the part of the judge, but on the part of the senior circuit judge of the court of which he is a member, to permit him to sit there any length of time.

The matters that are attended to by judges, especially bankruptcy hearings and the motion calendar, keep a judge busy practically all day and all night. I am not stressing the statement when I say—and I think my colleague, Mr. PERLMAN, will concur in what I say—that on the motion call in room 231 of the Post Office Building it is almost impossible to get to the door, let alone to get inside of the door. The people who are in the court at that time are not litigants; they are lawyers and lawyers' clerks who have come up to answer matters ready for argument, and time is fixed during the day when certain parts of the calendar may be taken up and lawyers able to get to a point before the bar where they can be heard by the judge.

I am not going to take up any further time. Mr. MILLS's bill has the recommendation of the Chief Justice, the President of the United States, the Attorney General, the district attorney, and all of the circuit judges of our district.

I would like to file in the record, Mr. Chairman, just a few letters—one from Judge Rogers, one from Judge Goddard, and one from Mr. I. Maurice Wormser, who is the editor in chief of the New York Law Journal and professor of law, and then the letter of the district attorney, Colonel Hayward.

I think that on the merits of this question the Democrats from New York ought to be guided by the testimony of the gentleman from New York [Mr. WELLER], a member of the Judiciary Committee, rather than by what has been said by the gentleman from New York [Mr. CELLER].

It occurs to me that the Democrats who are opposed to this bill, especially those from the city of New York, are not concerned about the congestion in this court and the denial of justice. I think that they are opposed to this bill because if it is enacted into law President Coolidge will appoint the two judges. I am certain that the people of the United States and the people of New York have confidence in President Coolidge and are satisfied that he will appoint conscientious, honest, and competent judges.

I believe that it will be of interest to you to know the comparison of the business of the southern district court with that of the district courts having the next largest amount of business:

Business of United States district courts

[Statement showing business pending in United States district courts, year ending June 30, 1923, of districts having the largest amount of business]

	Present judges	United States civil	Criminal, including prohibition	Admiralty	All other civil	Bank	Total
New York, southern district	6	3,773	8,836	3,518	3,335	5,262	24,724
New Jersey	4	523	12,023	264	652	1,419	14,881
New York, eastern district	3	633	2,283	2,449	3,586	1,815	10,766
Massachusetts	3	261	5,914	128	933	1,818	9,054
Pennsylvania, western district	3	226	320	180	1,972	2,267	4,965
Illinois, northern district	3	852	1,184	20	1,055	2,191	5,302
Pennsylvania, eastern district	3	547	539	374	1,879	1,524	4,863
California, northern district	3	385	1,598	800	595	1,440	4,827

Since June 30, 1923, the calendar of prohibition cases in this court has been greatly increased. This particularly is due to the fact that prior to that day the New York State Legislature repealed the Mullen-Gage law, which was New York State's prohibition enforcement act. The repeal of this law transferred to the United States district court all prohibition cases. The following is a telegram which I have just received from the chief clerk of the southern district court:

Replying to your second telegram, 511 prohibition and 106 other criminal cases on calendar Monday, May 12. On Monday, May 19, we will have 611 prohibition cases and 97 other criminal cases on calendar in court room 331.

Recently the naturalization service in New York County was reorganized, and since May 12, 1924, nearly all naturalization cases are heard by the United States district court judges of the southern district of New York. This has added considerably to the work of the judges of this court. I recently wrote to Mr. Charles M. Weiser, deputy clerk of the United States District Court of the Southern District of New York, to ascertain the volume of naturalization work of this court. Mr. Weiser replied to me as follows:

Final hearings in naturalization are conducted once a week and the calendars are increasing in length as the months progress. Since talking with you on Saturday it has developed that the local bureau of naturalization contemplates confining naturalization activities at this point to United States courts, which will mean naturalization calendars of 400 cases each final-hearing day. The demand this will impose on the time of the judiciary is apparent.

It has always been possible to keep the naturalization calendars precisely up to date in this court, whereas in the State courts in this county and Kings they are a year and two years, respectively, in arrears. With our present complement of judges, under the conditions the contemplated changes will bring about, this court will soon reach the condition of chaos which now obtains in the several State courts.

Mr. HARDY. And will the employment of these two judges help to enforce the prohibition law?

Mr. PERLMAN. If we do not have these two additional judges, it will be difficult to speedily try all cases.

The gentleman from New York [Mr. CELLER] said that if there was a willingness to work on the part of some of the judges of this court that the equity docket would be cleared quickly. I am very much surprised that the gentleman makes this statement, for he ought to know that the judges of this court are the hardest-worked judges in the United States. Every one of them is either in his chambers or in a court room from about 9 o'clock in the morning until late in the evening. All of them have at all times done more than their share of the work of this court. I have no doubt that the outside judges

will substantiate my statement, for they, too, when sitting in this district, are at work from early morning to late in the evening. The business in this court is so great that six judges working continuously every day from 9 in the morning until 6 in the evening could not keep the calendars up to date. That is why I urge the enactment of this bill.

WHO WILL BENEFIT BY THE DEFEAT OF THIS BILL?

The confidence men, who have been indicted and are awaiting trial for using the mails to defraud the people of millions of dollars by selling fake stocks and bonds; the postal thieves, who are pilfering your mail and my mail, who have been indicted and are now awaiting trial; all other criminals who have been indicted for violating Federal statutes—they favor the congestion in this court, because the congestion means delay. They know that delay will give them time to intimidate and spirit away Government witnesses. They know that delay gives them an opportunity to continue violating the law while they are out on bail. Others who benefit by the defeat of this measure are the thousands who are the defendants in civil suits brought against them by the United States Government. They do not want speedy trials, for delay means much to them, and they know that less judges than are necessary means more congestion and more delay before they can be brought to pay their debts to the Government. Defendants in civil actions brought by individual citizens also favor the defeat of this measure, for in most cases they have nothing to gain by a speedy trial and most of the time considerable to gain by delay.

WHO FAVOR THIS BILL?

President Coolidge, who, in his first message to Congress, recommended the enactment of this legislation.

Chief Justice Taft and the judicial council, who adopted a resolution recommending this legislation.

The Attorney General, who is anxious that there be speedy trials in all criminal prosecutions and all actions in which the Government is a party.

The judges of this district, who want and need help to clear the calendars of this court.

The United States attorney for the southern district of New York.

The Bar Association of the State of New York, the New York County Lawyer's Association, the New York Patent Law Association, and all the lawyers in this district.

The people of the United States are in favor of this bill, for without sufficient judges the laws of the United States can not be enforced and the people can not get the justice which is guaranteed by our Constitution.

I appeal to you to vote for this bill, for justice should not be sacrificed and slaughtered at the altar of partisanship.

Mr. Chairman, I yield five minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Chairman and gentlemen of the committee, something has been said by the last speaker about the prohibition question in New York. On yesterday our friend from New York [Mr. CELLER] had something to say along that line, and, inasmuch as that matter has been brought up, I am going to read what Mr. CELLER said. In assigning one of the principal reasons why we should not have additional judges in New York he said:

> We read in the record given by some of the proponents of the bill that the criminal cases have flooded the courts, and that they have so many criminal cases as a result of prohibition violations that it was utterly impossible to get any cases disposed of; but I will tell you something, my good friends, about that. The judges themselves in the southern district have only themselves to blame for this condition; and why? They have passed a resolution, the six of them, in concert with one, I believe, of the judges of the Circuit Court of Appeals, that they will not fine first offenders for violation of the prohibition law. What has been the result of that particular position which they have assumed? We find that none of the attorneys who represent these offenders in the prohibition cases will file pleas of guilty when assured of jail sentences only for their clients—

And so forth.

In other words, he tells us that these judges up there, six judges, are attempting to enforce the prohibition law, and he tells us that these judges will not promise to let men off with fines, but tells us that they passed a resolution providing that a man who violates the prohibition law will be sent to jail. He goes further and tells us that in order to get around jail sentences they are bringing into New York outside judges, and when those judges come in they exercise more leniency and let these men off with fines. He favors this system. I am quoting the substance of the speech of the gentleman made on the floor yesterday, and in concluding his thought along this line he said:

> I say, my good friends, they have no right in New York, considering the public opinion of New York's population, to impose imprisonment in cases of first offenders when in most parts of the country the Federal judges refuse to imprison and only fine; and I will say that if they will be more lenient in their attitude concerning prohibition cases, perhaps they would not have so many violations of the prohibition law.

Now, gentlemen, this should not be a question of politics or prohibition. This is simply a question of having enough suitable judges to enforce the law. Then, again, yesterday, when a gentleman was on the floor discussing this measure, something was said about the trouble in selecting a judge to fill the last vacancy and the time it took. Gentlemen, I am ready, and I believe the country is ready, to say to the President of the United States, "You may take all the time that is necessary, but you must select a judge in New York who believes in enforcing the law. You must select a man who will stand up and enforce the law." Now, it is a well-known fact—and I defy my good Tammany friends to deny it—that some of your judges in the New York State courts were elected on a wet and dry issue——

Mr. O'CONNOR of New York. Does not the gentleman know that such questions do not come up in our State courts?

Mr. MICHENER. I know they do not come up at this time and that you have repealed your prohibition enforcement law, but some judges were elected on that platform.

Mr. CELLER. Will the gentleman yield for a question?

Mr. MICHENER. I can not. In answer to that question, I want to go a step further. This gentleman from New York tells us that because of the attitude in New York the law should not be enforced. I appreciate that there is a strong sentiment along that line in New York, and I appreciate that within the last year the chief executive of that great State signed the repealing act giving expression to that sentiment by saying that he would sign any law that brought back the foam on the glass and the brass rail.

Mr. DICKSTEIN. Will the gentleman yield for one question? Did the gentleman read the opinion of the governor on the repeal of the act?

Mr. MICHENER. No; I am quoting what the governor said in his explanation of the signing of the bill. If this is the attitude in New York to-day with reference to this question of having more judges to enforce the law, it seems to me that it is our duty to supply sufficient judges to enforce the law. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. SUMNERS of Texas. I yield five minutes to the gentleman from New York [Mr. GRIFFIN]. [Applause.]

Mr. GRIFFIN. Mr. Chairman and gentlemen of the committee, at first I was strongly inclined to support this bill. It seemed to me to be a respectable measure, having for its purpose the enlargement of a very important court for the facilitation of public business. But the longer I have listened to the arguments in its support the more convinced I am of the lack of good faith behind it. I see in it now nothing but a sordidly partisan attempt to gather under the wings of the Republican organization in New York City the district court of the United States.

Mr. SNELL. Will the gentleman yield right there?

Mr. GRIFFIN. Pardon me, not now; a little later.

The CHAIRMAN. The gentleman declines to yield.

Mr. GRIFFIN. You can gather almost any argument you need from statistics, or philosophy, or history in support of a bad measure. The cloven hoof is disclosed in the speech of the last speaker when, to support a sordid patronage grab, he rails against Tammany Hall. Now the best test is the opinion of the people of New York City, who regard the Republican organization in New York City as without conscience—corrupt and venal—and having so lost the confidence of the people that at the last election they beat it by over 200,000 votes.

The real animus behind this bill is no longer a secret. It is confessed on page 3 of the report, in this language:

> It has developed that the local bureau of naturalization contemplates confining naturalization activities at this point to United States courts.

Now, if the district court in the southern district of New York is so far behind in its business, as the sponsors of this bill would have us believe, why are they so anxious to saddle this naturalization work upon it, a work that has been done and

done satisfactorily by the local county clerks through the New York State Supreme Court?

Is it not manifest that they do not need the judges so much to do the naturalization work as they need them to furnish an excuse to take the naturalization work from the State courts? In other words, to build up another patronage nest in the naturalization bureau in the city of New York they planned to enlarge the office of the local naturalization examiner, take the naturalization cases out of the New York Supreme Court, and send them into the United States district court. And the fact that the United States court already had its hands full did not deter them even from attempting to inaugurate the change this year.

They had progressed so far as to have made commitments for additional floor space and other outlays to carry out the scheme, when it was blocked in the Committee on Appropriations by the prompt and manly, straightforward stand of the chairman of our subcommittee, the gentleman from Pennsylvania [Mr. SHREVE]. He saw through the scheme and, without a thought of partisanship, but acting wholly in the public interest, he put his foot down on the brazen, partisan patronage adventure. Of course, it was not known at that time that the next step in the campaign was to be an appeal to Congress to enlarge the district court to take care of the increased naturalization cases. That feature was kept in the background. In fact, when, in the hearings, some doubt was expressed as to the ability of the United States district court to take care of the business, Mr. Crist, the naturalization commissioner, quite confidently assured us the court was fully competent to handle the increased business.

I quote from page 107 of the hearings of the Committee on Appropriations before the Subcommittee on Labor. Mr. Crist, Commissioner of Naturalization, was testifying:

Mr. GRIFFIN. Then, how do you account for the congestion in the Federal courts?

Mr. CRIST. I do not know that there is any.

* * * * * * * * *

Mr. OLIVER. Let me ask at this point, if they confine themselves to naturalization cases alone, what will become of the regular cases on the calendar, which is entirely congested, in so far as the southern district of New York is concerned? It is so much congested that they are seeking new judges, and are asking Congress to give them new judges down there to help them in their work so that they may keep their calendars clear.

Mr. SHREVE. It is very necessary that we differentiate between these two lines of activities so that we know what is being done by the department over here. If I grasp your thought, the situation is this: The court is so congested with legal business that it is your contention that they would possibly be handicapped and not be able to handle naturalization business.

Mr. CULLEN. Yes.

Mr. CRIST. As to that, I can only say this: The three judges in New York, or the United States judges for the southern district of New York, Mr. Sturges, the chief naturalization examiner, and the special deputy clerk of the court having charge of naturalization work had a conference, and as a result of that conference, and of the presentation of the plans of the Bureau of Naturalization to the judges, the judges said, "We will take care of all the cases that arise in Manhattan in our jurisdiction."

From that is the inference unreasonable that the enlargement of the naturalization office in New York and the increase of the United States district judges were both essential interrelated parts of one deep-laid scheme to build up a large local patronage machine?

Now, I take it that the Members of this House will consider the local situation and what the people of the city of New York want, instead of what a patronage-hunting machine may want. The Republican organization there does not stand for the principles of the Republican Party at large throughout the United States.

Furthermore, the people of New York are opposed to this bill because they do not want to see the district court of the United States enlarged until there is some improvement in its personnel and procedure. How pleased do you imagine the people of New York will be to learn that this bill is passed granting an increase of two more judges who will doubtless be of the same type as those who are already on the bench of the district court—men who come from the bosom of reactionary social strata——

Mr. PERLMAN. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. Men whose sympathies are invariably with the corporate interests of the city, the railroads, and other public-utility corporations; men whose reputation throughout the country among members of the bar is that they are dominated by the corporations? An eminent lawyer in New York, one of the ablest men practicing in the United States courts, the author of a valuable Federal practice work, once told me in the presence of witnesses that it was a well-known fact then—three years ago—that the District Court of the United States for the Southern District of New York was practically owned by the railroads and the big corporations.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GRIFFIN. I need five minutes. May I proceed for five additional minutes?

The CHAIRMAN. The gentleman from New York asks unanimous consent to proceed for five additional minutes. Is there objection?

There was no objection.

Mr. GRIFFIN. He said that whenever there was a judge to be appointed for the southern district of New York either the Pennsylvania Railroad, the New York Central Railroad, or some local public-utility corporation was sure to dictate the appointment.

Take the New York Times of to-day. Here we find a judge of this particular district asked to lend his support to the granting of an injunction designed to put the burden of an increased tax on the people of New York in increased telephone charges.

The New York Telephone Co. makes an application to the district court for an interlocutory injunction restraining the public service commission of the State of New York from interfering with its increase of telephone rates. Attorney General Carl Sherman, representing the State, said in his brief that the proceedings of the telephone company were practically an invitation to the Federal courts to usurp the functions of a State body. He continues further:

"Never before has there been a case," he said, "where a matter was pending before a State body that the Federal judges had been asked to prevent the State officers from even making a decision in a matter pending before them. Heretofore public utilities have had the good grace to wait until either a temporary or final order had been made by the State officers before appealing to the United States courts."

The administration of receiverships in the southern and eastern districts of New York has long been a public scandal, and if a citizen, or even a public officer, dares to open his mouth in protest he is fined or slapped into jail for contempt. You remember the case of Comptroller Craig. He made a criticism of a certain judge that every fair-minded citizen in New York knew to have been absolutely true. He was haled before the court and actually punished with a jail sentence, and it required the intervention of the President with an Executive pardon to keep this high-minded, public-spirited official out of prison. The only saving circumstance in the whole ridiculous travesty was that the Hon. Martin Manton, a judge of real sterling merit, ability, and courage, intervened at one stage in the proceedings to prevent the fall of the judicial ax.

The New York World some time ago made an exhaustive study of the receivership scandal in connection with the United States district courts. Frank L. Hopkins and Henry F. Pringle, of the World staff, made an analysis of 233 separate cases.

They found that the courts of the southern district of New York in the last seven years have been carrying on various businesses through receiverships, involving a turnover of about $60,000,000 and having nominal assets of over $750,000,000. The patronage in all of this has been enormous—receivers, special masters, auctioneers, engineers, accountants, all designated by the court.

The fees paid to all of these have been prodigious; $7,695,498.46 of payments authorized have been analyzed as follows:

Compensation to receivers	$3,405,086.96
Paid to attorneys for receivers	2,610,636.83
Paid to other attorneys	883,780.82
Paid to special masters	151,731.49
Paid to appraisers, auctioneers, accountants, engineers, and others for special services	644,262.36
Total	7,695,498.46

It appears also from this analysis that out of the 233 concerns taken over by the court only 35 reorganized or will be able to reorganize. The practical, net result of the court's intervention, owing largely to the red tape and the heavy mulcting of the concerns for exorbitant fees, has been the liquidation of most of the concerns that are intrusted to the tender mercy of "judicial" supervision.

Dickens in Bleak House, has been equaled, if not outdone, Dickens in "Bleak House," has been equaled, if not outdone, in the United States district court; and well might the warning be put above the door:

Abandon hope all ye who enter here.

The aim of everyone connected with these receiverships seems to be to prolong the proceedings as far as possible and to get as much as possible out of the "assets," even if the creditors never get a cent. Only too often the lawyers get the oyster and the creditors are left the pleasure of drawing lots for the two parts of the shell.

For instance, in the cases analyzed by Messrs. Hopkins and Pringle, where the creditors got nothing, the receivers and their counsel collected allowances and fees of $234,000.

Here are some of the fees paid in cases where something has been realized or where it is hoped something will be realized:

In the Aetna Explosives Co. case:	
Governor Odell and former Judge George C. Holt received	$609,000
Winthrop & Stimson	347,500
Stanchfield & Levy Ingraham, Sheehan & Moran, and Thorndyke, Palmer & Dodge	185,000
Other lawyers	89,700
Total	1,213,200

All of these men appear as drawing large fees in many other receiverships. They are all, or have been, active in politics. Benjamin B. Odell was former governor of New York State. Henry L. Stimson served as United States Attorney for the southern district of New York from 1906 to 1909, and ran unsuccessfully for governor in 1910. Later he went into the Cabinet of President Taft as Secretary of War. The records show that while they may have been politicians, they are by no means pikers. They seem to have got the cream.

The receiverships of the Brooklyn Rapid Transit Co. and the New York Railways furnish another example of the liberal patronage dispensed by this court:

Receiver Lindley M. Garrison and his counsel, Carl M. Owen, received as fees	$475,000.00
And as expenses to Owen	12,622.00
Larkin, Rathbone & Perry, fees	75,000.00
Larkin, Rathbone & Perry, expenses	21,831.78
E. Henry Lacombe, special master	52,500.00
P. J. McCook, special master	15,000.00
Job E. Hedges, receiver	125,709.68
Winthrop & Stimson, attorneys for receiver	245,100.00
Winthrop & Stimson, expenses	12,985.66

In addition to this were big allowances to engineers, certified accountants, and more special masters, and so forth, too numerous and too tedious to mention.

I do not blame a single judge in distributing this patronage, nor a single man who received it. They were simply cogs in the wheels of an obsolete legal machine which ought to be abolished.

The moral of my story is that they should be content with the patronage and power they have for the brief time, I hope, they will have it. They ought not to be reaching out to take naturalization matters out of the control of the State courts as an excuse to come to Congress asking for an increase of judges in their court. The judges of the New York Supreme Court are not complaining of the work. They are willing to do it and are doing it ably and satisfactorily. They ought to be permitted to continue in this and the United States district court ought to be satisfied with the judges, the jurisdiction, and the powers that it has.

This is a measure affecting the city of New York, and I ask you gentlemen who come from the farming districts of the West and South to consider our needs as you ask us to consider yours, and not give ear to specious arguments for the enlargement of a court, the main purpose of which is the aggrandizement of political interests which are largely hostile to the welfare of our city. [Applause.]

Mr. SUMNERS of Texas. Does the gentleman from New York [Mr. PERLMAN] desire to use any more of his time at this time?

Mr. PERLMAN. Not at this time.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. SUMNERS of Texas. Mr. Chairman and gentlemen of the committee, the question very clearly is whether or not there should be added two judges to the southern district of New York. I desire to direct the attention of the committee to some statistics with regard to the condition of business in that district as shown from the hearing before the Judiciary Committee on this bill.

On June 30, 1923, there were pending 1,151 cases in equity.

On December 31, 1923, six months thereafter, there were pending 561 cases in equity.

On June 30, 1923, there were pending 2,184 law cases.

On December 31, 1923, there were pending 1,647 law cases.

On June 30, 1923, there were pending 3,518 admiralty cases.

On December 31, 1923, there were pending 1,830 admiralty cases.

The records of this court further show that during the year 1922 there were filed 607 equity cases, and during 1923 only 545 equity cases.

In 1922, 1,002 law cases were filed; in 1923, 648 law cases.

In 1922, 1,386 admiralty cases were filed; in 1923, 787 admiralty cases.

It is to be borne in mind also that a vacancy in the list of judges, exclusive of those provided for in the omnibus bill of September 14, 1923, had obtained from October 5, 1921, to March 2, 1923. In other words, there had been only three regular judges in this district during that period, and the two additional judges provided for by the act of September 14, 1922, were not appointed until the first part of the year 1923, so that these three new judges were sitting somewhat less than six months during the year 1923, through which period this reduction in pending business is shown.

That district which from October, 1921, to March, 1923, only had three regular judges now has six regular judges.

It is said there is a row on between the organized Republicans of New York and the organized Democrats of New York as to these judgeships. But the question for us to decide is, What shall the House of Representatives do in regard to putting two additional judges upon the pay roll in New York for life and for the lives of their successors? The people of the United States have got to pay the taxes. This bill proposes to give that district two additional permanent judgeships. Gentlemen, we have enough Federal judges. It is claimed now they are not properly placed. They say now that outside judges ought not to be sent in from districts where they are not needed to clean up this district. Nothing will do now but two more permanent resident judges, they say. Gentlemen, there are some things we all must stand for, and one of those things is the Federal judiciary shall be kept, as nearly as we can keep it, free from the influence of partisan politics. [Applause.]

When this administration came into power there were 106 district judgeships. That is correct, approximately. In one bill this administration—in an omnibus bill that no administration ought ever to pass, whether Democratic or Republican—added 22 district judges. I opposed that bill then, and you gentlemen will recall that in the discussion of that bill here it was shown beyond doubt that there were judgeships being provided for districts where the business would not justify their appointment. They were not needed there. It was a pork-barrel judgeship bill.

It was then argued on the floor of this House that those judges appointed in the districts where the business would not justify their appointment would be shifted to take care of just such conditions as obtain now in the southern district of New York. That is the fact. That is the record. That is what was argued until these 22 judges were safely attached to the pay roll for life. That was bad business. That sort of business does not help to hold public confidence in the Federal judiciary. If it is evident that politics enters into the creation of a position it is not possible to convince the public that political considerations end short of the appointment. And now when the facts show that a goodly number of these judges are not needed in their respective districts, and that they might be moved into the southern district of New York, the whole argument is reversed. The contention is now made that such a use of these judges is not desirable; that such a use is expensive, and so forth. Nothing will do, we are now told, except to add two new judges. In other words, having stuffed the Federal judiciary from one end and provided 22 jobs at one time for the faithful on the theory that those not needed in the districts where they reside could be used abroad, it is now proposed to stuff the judiciary from the other end on the theory that it is not desirable to so use these idle judges, and we must have some new resident judges.

We gave a new judge to the northern district of Texas because we had a congested docket. I read this clipping from a paper published in my home city which came in just the other day. It states that Judge Atwell is being assigned to the southern district of New York, and this is the concluding part of the statement:

> Judge Atwell came on the bench from the northern district of Texas with a congested docket and within the 12 months' period he had brought the docket up to date.

I doubt not, gentlemen, that what is true of this docket is happening with regard to dockets in other sections of the country. I know it is happening in these courts where the judges work as does Judge Atwell.

In considering this matter of congestion in the Federal courts you gentlemen should bear in mind that after you got control

of both branches of the Congress during the last two years of Mr. Wilson's administration you permitted very few judgeship bills to pass. You did not even permit the filling of vacancies which occurred in districts.

You permitted congestion to increase through a failure to provide the judges required by law and required by the business of the country in order, I think it a fair assumption, that a Republican President might fill these places after the next election. Maybe you can justify that procedure, but unquestionably it added to the congestion and it helped this administration to make a record for appointing Federal judges unequaled, unapproached in the history of this country. In addition to the 22 district judges provided for in the omnibus bill, this administration in three years has appointed 26 district judges, making a total of 47, approximately one-half of the total number authorized by law on September 1, 1922, and now you want the opportunity to appoint two more in a district which already has six regular judges and into which you can send a half dozen or a dozen of these omnibus judges, at least some of whom you knew at the time they were appointed were not needed in the districts where they were appointed. I do not like to make these statements, but they are facts. I tried to keep you from doing what you did at the time. You acted with your eyes open.

Besides this, of these 22 judges provided for September 14, 1922, in the omnibus bill, it is shown by the records of the Department of Justice that all the political kinks had not been straightened out when the list of judges was published the last of January of this year; there were two appointments yet to be made. But they have all been made now, and for the balance of their lives they are safely and permanently attached to the Federal pay roll.

What are you going to do with them if you are not going to use them to help clean up the docket of the southern district of New York? Of course, you will have to pay their traveling expenses and $10 per day in addition to their salaries when they are out of their districts. But you knew that when you created their jobs and when they were appointed.

Mr. HUDSPETH. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. HUDSPETH. We also provided a judge for the State of New Mexico and for the State of Arizona among the 22, did we not?

Mr. SUMNERS of Texas. Yes.

Mr. HUDSPETH. And the record shows that Judge Duval West, of the San Antonio district of the western district of Texas, tried more cases last year than those four judges down there.

Mr. SUMNERS of Texas. I suppose there is no doubt about it. And these are not the only districts where unnecessary judges were located. Gentlemen, I do not care whether it is a Democratic administration or a Republican administration; I say to you as one man who believes that he is a patriot as you believe you are patriots that you can not afford to juggle and play politics with the Federal judiciary of this country.

You can not afford to come in here and create judgeships for districts like New Mexico and justify your attempt to do it in the first instance by saying that you will shift them to districts where congestion obtains, and then when the judges in New Mexico, Arizona, the eastern district of Illinois, and in a number of other districts which could be enumerated, are not needed, you propose to give jobs to two more judges in the southern district of New York on the plea that these other judges can not be satisfactorily shifted.

Mr. SNELL. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. SNELL. I was influenced by the statement made by Chief Justice Taft when he said that the southern district of New York is absolutely congested in its business, which really results in a denial of justice. That statement by Chief Justice Taft influenced me in bringing this proposition to the floor of the House, and further, I was definitely informed that there was actual need for these judges. I never heard anything about the political proposition until yesterday afternoon. I want to make my position absolutely plain to the Members of this House.

Mr. SUMNERS of Texas. We understand the position of the chairman of the Rules Committee. There is not a Member of this House for whom I entertain a higher regard. Now, gentlemen, we put a man in New Mexico where there was already a Federal judge who had tried in the preceding year but 44 cases, criminal and civil. With all respect to the Chief Justice of the United States, he came before the Judiciary Committee when this omnibus bill was pending, and recommended 18 judges who should be moved around over the United States in order to clean up exactly such conditions as obtain in the southern district of New York.

Mr. MICHENER. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. MICHENER. Was New Mexico included in the 18?

Mr. SUMNERS of Texas. No.

Mr. MICHENER. And Arizona was not included in the eighteen?

Mr. SUMNERS of Texas. No.

Mr. MICHENER. Those two were put on by the Senate, and the recommendation for the two did not come from the Judiciary Committee?

Mr. SUMNERS of Texas. New Mexico was put in in the Senate, and over my protest the House agreed to accept.

Mr. MICHENER. And they did not have Chief Justice Taft's recommendation?

Mr. SUMNERS of Texas. No; but the point I make is that Chief Justice Taft advocated 18 judges who should be moved over the States in order to take care of congested conditions in particular districts.

I want to call your attention to this particular district. I am not going to charge, gentlemen, that this situation has been juggled with. I am going to state the facts and let them speak for themselves. It is a fact that a vacancy was held open there for one year and a half—I mean of one of the four regular judges—while they were trying to straighten out the kinks in the Republican organization in New York, and no man on the floor will contradict that.

Mr. BLACK of New York. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. BLACK of New York. I wonder whether the gentleman has any suspicion as to whether or not this bill came in here to help solve the problem that was then presented to them.

Mr. SUMNERS of Texas. I do not know. I do not like to deal in suspicions when we have so many plain facts.

Mr. TINCHER. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. TINCHER. What was the trouble? Could they not find a judge up there who would enforce the prohibition legislation?

Mr. SUMNERS of Texas. No; I will tell you what was the trouble. There were three or four Republicans who wanted jobs and you had but one job created by the elevation of one of the judges to the circuit bench, and you held that job open, while congestion increased, until you stuffed two more men into the omnibus bill, which gave you three jobs, and then you were able to straighten out the kinks with three judgeships when you could not handle them with one. That is the absolute fact about it. [Applause.]

Now, gentlemen, it seems to me that these 22 new judgeships in less than three years ought to be about all that any group of Republicans solicitous for the record of their party with reference to the Federal judiciary ought to be willing to stand for. They were provided for in September of 1922, and when the good year 1924 rolled around they had not yet all been appointed. They had a vacancy in the southern district of California, only recently filled. I see my friend from California smiling. They had one in Oklahoma, and they juggled around with important Republican politicians until very recently before that place could be filled. But the question is: What are we going to do this afternoon with regard to attaching two additional Federal judges upon the pay roll of this country, when many of these 22 judges have nothing to do—at least a number of them?

Mr. DEMPSEY. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. DEMPSEY. Is there any dispute about these two facts: First, that it will take two years and a half to reach certain classes of cases in the southern district of New York, and second, that it costs $70,000 a year to reduce the calendar, as the gentleman has described, by importing these outside judges, whereas it can be reduced in the same way at an expense of $18,000 by adding these two judges?

Mr. SUMNERS of Texas. I want to answer the gentleman, and this is my idea about it: If the statement of gentlemen favoring this bill is correct, you need in New York to move into that territory a number of these omnibus judges put on in 1922, that have nothing on earth requiring their presence in their respective districts except to try to entertain their associate judges in their districts. [Laughter.]

You ought to move them in there and put them to work and clean up that docket and then the judges now there—six of them—should keep it clean.

I want to say, gentlemen, the time has about come when we have got to let some of these Federal judges, who think that their chief business is to attach themselves from now on to the

Federal pay roll—I do not know about these men up here—know they must work if they are to hold their jobs. Nobody has a right to draw money from the Treasury under the false pretense that he is earning his salary. The judge of my district works.

What are you going to do with these extra judges out in New Mexico and Arizona and other districts now supplied by the omnibus bill? They have nothing else to do. What are you going to do about that? Let them stay at home and do nothing, and appoint other permanent judges to clean up the temporary congestion?

Mr. DEMPSEY. Will the gentleman yield further?

Mr. SUMNERS of Texas. Yes.

Mr. DEMPSEY. It does seem to me that you ought to do it in a businesslike way, and if it is going to cost four times as much to import these judges as it will cost to appoint two additional judges, you ought not to get your remedy by paying $4 where $1 will answer the purpose.

Mr. SUMNERS of Texas. I agree with the gentleman.

Mr. DEMPSEY. Will the gentleman yield just one moment further?

Mr. SUMNERS of Texas. Yes.

Mr. DEMPSEY. I think you ought to pass a measure to lessen the number of judges where you do not need their services, but you ought not to deny relief in the city of New York where you need the additional judges.

Mr. SUMNERS of Texas. You gentlemen ought to have acted on that policy when I plead with you to do it in 1922, but we are not denying them where they are needed. We have all sorts of district judges that will be getting rusty. They have got to keep in practice because once in a while they will get a case in their district and must know how to handle it. And you must bear in mind that for a year and a half you had but three judges in this district of New York, where you now have six, and bear in mind also that when you passed the bill in September, 1922, you were not able to straighten out your kinks in New York until the next year when you put the other two judges on and also filled the protracted vacancy. You had three vacancies from September, 1922, until January, 1923, one of which vacancies had extended from 1921.

Mr. DEMPSEY. Of course, during all that time, if the gentleman pleases, the business was piling up in New York.

Mr. SUMNERS of Texas. Yes.

Mr. CELLER. If the gentleman will yield, the difficulty, if any, existing in New York now is only temporary and yet you are providing here a permanent remedy and when the situation clears up you will still have the judges appointed who will be doing nothing.

Mr. PERLMAN. Will the gentleman yield for a question?

Mr. SUMNERS of Texas. For a very brief one.

Mr. PERLMAN. I call the gentleman's attention to the fact, as a matter of information, that not only have the number of cases increased, but the naturalization work now has to be done in the Federal courts.

Mr. SUMNERS of Texas. The gentleman will yield me such time as he consumes of my time?

Mr. PERLMAN. I will yield the gentleman as much time as I take. I want to call the gentleman's attention to the fact that the naturalization work in New York has been transferred to the Federal court because the Supreme Court of New York that had the work was 10,000 cases, or over two years, behind. This is additional work on the Federal court which they did not have before and should require at least one judge in daily attendance all the time in order to handle the naturalization work in New York.

Mr. SUMNERS of Texas. Does not the gentleman think that the new naturalization bill will relieve them somewhat of that work?

Mr. PERLMAN. No.

Mr. BLACK of New York. Does not the gentleman think we ought to be a little charitable? This is about the only thing the President asked for in his message that he is likely to get from that side. [Laughter.]

Mr. LOWREY. Will the gentleman yield just a minute?

Mr. SUMNERS of Texas. Yes; I yield.

Mr. LOWREY. I just want to say that the gentleman is at least consistent, because I have approached him twice about a new judge in my State, and he has answered me positively that he will not favor it in the committee, because he is not willing to be piling up new judges for life when temporary judges can go in and relieve the dockets, and that he will not favor the appointment of new judges for a lifetime under such condition.

Mr. SUMNERS of Texas. Gentlemen, seriously, I do not think this bill can be justified. I do not think it can be justified by anybody under the present circumstances.

You have these six judges there now. The statistics show a decrease in the filings in that district; and no gentleman will stand in his place on this floor and say that there are not enough idle district judges now in the United States to move into the southern district of New York and clean up that business.

I say that no gentleman will stand in his place now and make that statement because he would not be justified. With that situation, gentlemen, confronting you, with the heavy public expense, with the record already that you have added 22 new judges by one bill, increasing by 20 per cent the existing number of Federal judges, with these idle judges, how can you gentlemen face your constituencies demanding reduced expenses? What can you offer in excuse except that you are trying to give jobs to somebody? It is not true in your heart that you want to do that; you are not built that way. You have enough to face in the omnibus Federal judiciary bill.

Now, I do not want to take any further time.

Mr. TINCHER. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. TINCHER. Does the gentleman think that the Democrats are fighting this bill because they want Al Smith to make the appointments?

Mr. SUMNERS of Texas. Here is what I think about it. I will be candid with the gentleman. I do not speak for Tammany—Tammany might not fight the bill if out of the two one Democrat could be appointed.

Mr. TINCHER. I understand that is the proposition.

Mr. SUMNERS of Texas. That might be so. I assume from their position, if that is true, that it is understood that no Democrat is to be appointed if the bill passes. I am assuming that.

Mr. TINCHER. I do not know.

Mr. SUMNERS of Texas. I am assuming that. I do not speak for Tammany. I speak for myself and in a sense for this side of the House. I give the gentleman my own views. There are already four Republicans on the bench of that district. I understand there are two Democrats—I do not know how much democracy they have in their systems. But as between the contention of the two New York political organizations, the Republican and the Democratic, which is correct if you are going to understake to preserve any semblance of nonpartisanship in your judiciary?

I say that there ought to be in that court not more than two to one of any political party. That is what I think about it. [Applause.]

The CHAIRMAN. The Clerk will read.

The Clerk, proceeding with the reading of the bill, read as follows:

Be it enacted, etc., That the President of the United States, by and with the advice and consent of the Senate, shall appoint two additional judges of the District Court of the United States for the Southern District of New York, who shall reside in said district and who shall possess the same powers, perform the same duties, and receive the same compensation as the present district judges of said district.

Mr. CELLER. Mr. Chairman, I move to strike out the last word. Mr. Chairman, while I was in the lobby I believe the gentleman from New York stated that probably I did not know much about the situation, because I did not happen to be a resident of that part of the judicial district covered by this bill to create two additional judgeships for the United States District Court for the Southern District of New York. I live just across the river from that district in Brooklyn, and I do know something about the district court for the southern district of New York, because I have practiced in that court for the last 10 years. I know something about the complexion of its judges, the character of the judges, and the particular kind of judicial procedure in that court. I believe it was rather in bad taste on the part of my good friend from Michigan [Mr. MICHENER] to use Governor Smith's remarks on prohibition as a stalking horse for the logic and argument. It is unfair to bring in the governor and his attitude toward prohibition and thereby raise dust to becloud the issue. Governor Smith, one of the finest executives of the Nation, is not an issue in this bill.

The question is whether there is a necessity for the two judges and whether this Congress shall approve some wretched practices obtaining in that court. Yesterday I pointed out that the calendar of that court was not as congested as the proponents of this bill would have us believe. But furthermore there is the rotten system that now exists in this particular court with reference to equity receiverships. I believe you should know something about it. If you will take the trouble to examine carefully into the equity receiverships in that court and the

practices of the judges now resident in that court apropos thereof, you will not put the seal of approval on those practices by voting for these two judges, so that you might thereby have two more judges to augment and continue the practice. I know for example that there is one particular judge on that bench who has been a flagrant offender in this regard, although every one of the six judges of that court are not without guilt.

Mr. PERLMAN. A point of order, Mr. Chairman; the gentleman is not speaking to the bill.

Mr. BLANTON. Oh yes he is.

The CHAIRMAN. The point of order is overruled.

Mr. CELLER. We find that it costs the people of the city of New York millions of dollars that have gone into the pockets of certain attorneys and certain receivers and certain custodians and certain auctioneers, and all the many other attachés of receiverships who have only been dyed-in-the-wool Republicans, and just because they happen to be on the Republican side of the political fence receive emoluments far in excess of what their labors entitle them to. Governor Odell was the receiver in two cases and received $373,500. The judge who appointed him had some years ago received from Odell a State nomination in New York. The receivership plums were the redemption of the political debt. There is no man living who could really earn $375,500 in any two receiverships. The whole business, as is said in Hamlet, "smells to heaven."

Former District Judge Holt acted as receiver in one case and received $304,500, and the law firm of Winthrop & Stimson, the latter of whom was the Republican Secretary of War, received as attorney's fees for a receiver in one case $593,450. Gentlemen, are you going to countenance that kind of practice? I could go on and on and show you situations which really constitute a menace. Until this menace is destroyed let us not appoint any more judges who are bound to be selected from the political party that thrives upon these rotten equity receiverships.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CELLER. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CELLER. Under such leave I desire to insert extracts from a very illuminating and instructive article upon these equity receiverships written by Mr. Frank L. Hopkins under the auspices of that liberal and forward-looking newspaper, the World, of New York. The World has rendered a splendid service in inducing the writing and publishing of these articles:

INTRODUCTION

In an effort to ascertain the extent to which the Federal courts have been engaging in business through receiverships, the World has made careful investigation of the entire subject, 238 separate cases having been analyzed by Frank L. Hopkins and Henry F. Pringle, of the World staff.

The articles setting forth the results of their inquiry, republished herewith after their appearance in the World had provoked wide and approving interest, have no other purpose than to present the facts concerning the system which the Federal judges are called upon to administer. Whether the system is good or bad is a question which can best be determined by a study of the conditions which have arisen since it came into operation.

UNITED STATES COURTS IN BIG BUSINESS HAVE ANNUAL TURNOVER OF $60,000,000

This is the story of equity receiverships in New York City; the story of the Federal courts going into big business.

It is the story not so much of individuals as of a system to which eight Federal judges in New York City and scores of others throughout the country are compelled by existing laws to bow. Some of the judges approve the system. Some do not. Many of them find the work that is involved, embracing as it does business administration more than law, distasteful.

Under the procedure, as it has been dictated by Congress, the courts of the southern district of New York for the last seven years have been carrying on businesses through receivers with an aggregate annual turnover of approximately $60,000,000—as large as that of the Lehigh Valley Railroad.

One judge alone has supervised commercial dealings as large as those ordinarily handled by the administrative officers of a city of 600,000 people—and this in addition to the ordinary run of other court business.

The patronage that is involved, as is freely conceded by the judges themselves, is enormous. There are receivers to be appointed, attorneys for receivers, special masters, auctioneers, engineers, accountants, all subject to designation by the court. There are fees and frequently very large fees, which it is the province of the court to award to each of these participants in the conduct or liquidation of the commercial concerns.

There is a touch of romance in the story. In the gloomy chambers of the old post-office building sits a judge to whom is paid what many regard as a pittance of $7,500 a year. Yet with one hand he may be touching the wires which pull the copper out of Mexican mountains, direct the operations of ships on the seven seas, or control the work of negroes on southern sugar plantations, while the other runs a street railroad or two in New York City, and a dozen or so miscellaneous manufacturing enterprises.

All this is made possible because the courts, under the law as it exists to-day, are called on to do what ordinarily successful business men acknowledge they can not do—take a failing business and revive it. A friendly creditor or a group of friendly creditors complains that the X. Y. Z. Co. can't pay its debts, although its books show assets in excess of its liabilities, and that diversity of State citizenship between the corporation and one or all of the creditors makes it necessary to seek the jurisdiction of the United States court. The X. Y. Z. Co. acknowledges these allegations are true.

The concern may be in fact bankrupt. The judge may believe it to be bankrupt. But unless one of the creditors will make an affidavit that such is the case, thereby involving liability to himself if he has guessed wrong, the court has virtually no other course than to appoint an equity receiver to take over and operate the X. Y. Z. Co. In practice, the only accepted justification for refusing is a suspicion of attempted fraud or on the ground that the allegations of the complaint do not themselves set forth a cause of action.

RECEIVER MERELY AN ASSISTANT

Having appointed a receiver the judge occupies a position not dissimilar to that of the president of a large company. The receiver is the assistant to the president—sometimes also the business manager. It is with the success or failure of this system in operation, the patronage, the character of the appointments, the awards for services, that the World inquiry has dealt. Among the chief facts disclosed are these:

1. That between January 1, 1917, and December 1, 1923, the Federal courts of the southern district of New York have taken over 233 separate business enterprises, with nominal assets in excess of $750,000,000. These figures have not included unimportant ancillary receiverships.

2. That through receivers the judges have carried on a business for which, based on the receipts from operations, a minimum of $428,000,000 can be fixed. This does not include the completed transactions of several receiverships concerning which up to date reports were lacking in the files.

HUGE PAYMENTS AUTHORIZED

3. That in connection with their operations eight judges have authorized payments of which clear record was found either in judicial orders or receivers' reports of $7,695,498.46, divided approximately as follows: $3,405,086.96 as compensation to receivers; $2,640,636.83 as allowances to attorneys for receivers; $883,780.82 to other attorneys, including those for the petitioning creditors; $151,781.49 to special masters; $644,262.36 to appraisers, auctioneers, accountants, engineers, and others called on to perform services. A negligible proportion of these payments included reimbursement for expenses.

4. That the great majority of the receiverships have resulted not in saving the business but in liquidation, and that of the 233, only 35 reorganized or will reorganize on a basis to give the general creditors nominal payment in full.

5. That even where there has been nominal payment in full, it has almost invariably been not in cash but in stock or notes, the value of which has depended on the future success of the reorganized company.

6. That there has been the repeated appointment of certain lawyers to positions as receivers, attorneys for receivers or special masters, out of which the recipients have made large and in a few instances enormous incomes.

7. That receivers frequently have conducted operations for the court at a loss, thus further depleting the assets which on the records at the inception of the receivership are available for distribution to creditors. It is contended in justification for this practice that such operation, even at a loss, is frequently advantageous to the creditors, since it sometimes makes possible the sale of a business as a going concern instead of at junk value.

8. That in some of the liquidations there have been allowances to receivers and attorneys which, taken with the other expenses of the receivership, have exhausted from 50 to 100 per cent of the funds that otherwise would have been available for the unsecured creditors.

9. That receivers' certificates, issued under the stamp of approval of the Federal court, have been dishonored because when the receiver got through with his operations there was not enough left to pay them.

NEW CREDITORS CREATED

10. That in several instances receivers have incurred obligations in the conduct of the business which they were unable to meet, thereby adding to the first group of creditors, who got nothing, a second group who got next to nothing. In seven shipping cases the receiver was

able to pay only 1 per cent of his own liabilities, amounting to many thousand dollars, although the attorneys who figured in the cases had large compensation, as did one receiver.

11. That there is in the mind of at least one of the judges a belief that the system is bad and should be changed, and that in the minds of several there is a feeling that the whole big question of overhauling the Federal receivership law merits earnest consideration.

In considering the significance of the above statements it should be remembered that they set forth only the conditions that actually have been found in the southern district of New York. But what has been going on in New York is being repeated—probably in lesser scale—in judicial districts from the Atlantic to the Pacific. In fact, the World found a record of one receiver to whom a judge in a western district made an allowance of $240,000 a year.

In the aggregate the business of the Federal courts of the United States is reaching into undreamed millions; their direct patronage, as indicated by the results of the survey in this district, probably being greater than that of all the governors of all the States in the Union, with a few mayors and sheriffs added.

In considering the question of patronage it is necessary to distinguish between the various classes of allowances. The receivers are appointed directly by the court, and their fees are fixed by the court. Sometimes a man connected with the business or an individual selected by the creditors is put in as receiver. Often the judge places a receiver of his own selection in sole charge of a business. Often he takes one man suggested by the creditors and adds one of his own appointees as coreceiver, giving to each an equal fee. There has been wide variation of the practice of the different judges in this matter.

The attorney for the receiver also is subject to direct appointment by the court. It is the practice for the receiver a few days after his appointment or on the same day to submit an application for permission to employ a certain law firm as counsel, together with an order to be signed by the judge confirming the appointment. Although attorneys for the petitioning creditors sometimes are taken, it is well understood that certain judges occasionally suggest the lawyers who are to be employed.

The judge does not himself ordinarily appoint lawyers other than those of the receiver, although he does fix the amount of compensation they are to receive. Special masters, appraisers, special accountants, auctioneers, and others usually are appointed by the court.

MORE JOBS FOR LAWYERS

In a large proportion of the cases the receivers are lawyers, but, no matter how small the receivership may be, it appears that the lawyer-receiver is virtually never able to handle the legal end of it. About his first step is to get another man on the pay roll by asking the judge to appoint an attorney. Next in order come the special accountants and special masters and finally the appraiser, who is called in to view the corpse before it is consigned to the auctioneer.

On going through the papers in a good many cases where the assets are small one wonders just what there is left for the receiver to do after he has hired the various assistants. Cases are on record of the appointment of two firms of lawyers for one receiver in one day.

Incomplete returns in the Federal files have made it impossible to determine exactly how much the creditors have received in comparison with the $7,700,000 allowances for service made to the other important figures in the receiverships. It is, however, possible to present an approximately accurate picture of what has happened to the creditors in each of the 233 cases which were studied.

Because he is the outsider, whose claim is not protected by any sort of a mortgage or other lien giving him a prior claim on the assets of the estate, the general creditor has been taken as a standard. It is found that in 26 out of the 233 cases the general creditor has received nothing, and the indications from the reports are that he will receive nothing. Twenty-eight additional cases ended in an adjudication of bankruptcy, which means generally that the general creditor's chance of recovering any substantial portion of his claim is slight.

CREDITOR'S CHANCE SLIM

There were 42 cases where a study indicated that the general creditor will not receive more than 75 per cent of his claim as allowed—in most of them very much less than this, the prospective or actual payments running as low as 1 per cent. In 24 cases the reports indicate the general creditor will get something in excess of 25 per cent and less than 100 per cent, while in 29 others he had not been paid in full and there seemed no prospect of his being paid in full on the records available, the available data being insufficient to warrant even a guess at the exact amount.

In 40 cases not the slightest indication was found in the papers of what is going to happen to the creditor, while there were 35 receiverships in which the general creditor nominally was paid in full or the promise was made he would be paid in full. What he actually received in nearly all of these cases was a small percentage of his claim in cash and a gamble on the future prospects of a reorganized company through issuance to him of stock or notes in the new company for the balance of his claim. Actual cash payments in full have taken place only in an insignificant number of cases.

In the receiverships where the general creditors got nothing the allowances to receivers and counsel have amounted to approximately $234,000.

SOLVENCY ALWAYS CLAIMED

In order to understand the significance of the above figures it is necessary to know that almost invariably the judge appointed a receiver only after an allegation had been made to him that the person or corporation going into receivership was solvent. Frequently the order of appointment referring to the defendant company notes that the company appears to be solvent. The company itself in consenting to the receivership has filed a sworn statement in effect claiming solvency.

And yet in only about 15 per cent of the cases are the general creditors of nominally solvent companies getting payment in full in either cash or the promises of a reorganized company. Company after company is being operated by the receiver for a few weeks or a few months and then liquidated for a small percentage of the assets claimed when the receiver was appointed.

Thus it appears that one of two things must be true in the majority of the cases: Either the courts are appointing equity receivers for companies which are bankrupt at the time of the appointment or the receivers' operations are on the whole a miserable failure.

No ordinary business man has the advantages of carrying on business which fall to the lot of the court. The creditors who may be pressing for the collection of sums long due them are blocked. The order of appointment carries with it an injunction forbidding any creditor to begin any action at law against the receiver to collect the amount which is past due.

HARD TO COLLECT JUDGMENT

It is true that the receiver himself may be sued in any court for damages which the receiver may have caused in the operation of the business. But even if a judgment is obtained in such a suit, collection may be difficult, since the appointing judge himself may decide, in case of doubt, whether any funds in the possession of the receiver are subject to prior liens on the estate or whether they are available for the new claims. Thus the court in business has a distinct advantage over its corporation rivals. Instances where creditors have been hung up for some three to four years before getting anything have not been unusual.

The essential facts which have been set forth above have been presented to each of eight judges, who have managed all but three of the receiverships. Their answer is that almost invariably they have been acting in accordance with the wishes of the creditors, emphatically expressed to them, in appointing the receivers, in continuing the failing businesses, and that where a receivership has not turned out well it is the fault of the creditors themselves in not seeking speedy liquidation through bankruptcy proceedings.

JULIUS M. MAYER, AS JUDGE AT $8,500 A YEAR, RUNS ENTERPRISES OF $300,000,000

Judge Julius M. Mayer, now a circuit judge, but none the less active in handling the big receiverships started while he was a district judge, is the "big business" man of the Federal courts.

Through receivers he is shown in the compilations that have been made in the course of the world survey to have carried on a business extending from the Atlantic to the Pacific, from Canada to Mexico, and including some of the islands of the Atlantic, for which a minimum can be fixed of $298,000,000. In view of the business done since the filing of the receivers' reports from which the records were taken, it is certain the total business was well in excess of $300,000,000.

MILLIONS TO COURT OFFICERS

In view of the magnitude of the operations carried on under Judge Mayer's direction, it is only natural that his allowances to those who assisted him were far in excess of those of any other judge. His own salary as circuit judge is $8,500 a year. There have been dispensed in allowances to receivers, receivers' attorneys, special masters, and other attorneys in cases over which Judge Mayer had control, a total of $3,519,254.04, of which $107,500 was in the preferred stock of a reorganized company or notes.

Special accountants, engineers, and other special appointees approved by the court received $443,490.50, making total payments found in Judge Mayer's receiverships of $3,962,744.54. A few of these allowances have been specified as covering expenses. The amount so specified is not a large item in the total.

HOW FEES ARE DISTRIBUTED

Here is approximately the way they have been divided:

To receivers appointed by Judge Mayer, $1,619,733.33, including the preferred stock and note allowance noted above.

To attorneys for receivers appointed by Judge Mayer, $1,241,694.89.

To other attorneys who have figured in the cases over which Judge Mayer (in the receivership cases only), $95,400.

To appraisers, $3,500.

These were the payments authorization for which either was found in court orders or which were shown by receivers' reports to have been made. The figures of the payments to receivers and their own attorneys are subject to readjustment, inasmuch as in one or two instances the order merely specified the amount to be paid to the two individuals, without stating how it was to be divided.

O. K'S THE WORLD'S FIGURES

It may be stated that Judge Mayer himself has seen the records of the World compilations, and without referring to his own records has conceded that they are substantially correct. In one instance allowances which came not from the estate but from the reorganization managers were included.

Here are some of the allowances made by Judge Mayer:

To former Gov. Benjamin B. Odell, who acted as Judge Mayer's receiver in two cases, $373,500.

To former District Judge George C. Holt, who acted as receiver in one case, $304,500.

To the law firm of Winthrop & Stimson, who have been appointed regular attorneys in two cases and for special service in one receivership, $593,450 up to September, 1923.

In fairness it should be stated that these men all performed continuous, extensive, and extremely important services, for which their allowances were in remuneration.

AETNA CASE EXPENSIVE

In one of Judge Mayer's receiverships, that of the Aetna Explosives Co., there was allowed for a period of approximately four years $1,244,200, of which $609,000 went to Messrs. Holt and Odell, and $347,500 to Winthrop & Stimson. Orders were found on file making allowances of $185,000 to be divided among three other law firms—Stanchfield & Levy; Ingraham, Sheehan & Moran; and Thorndyke, Palmer & Dodge. Numerous other lawyers who figured in the reorganization of the company got allowances of $89,700.

Twenty years ago, when Odell was governor and the big Republican boss of the State, Judge Mayer was an active figure in city and State politics. In 1904, when Odell backed Senator Platt off the map by nominating Higgins to succeed Odell as governor, the Odell convention nominated Mayer for attorney general and the latter was elected.

One of the members of the firm of Winthrop & Stimson is Henry L. Stimson, who also was an active political figure when Mayer was in the ring, having served as United States attorney for the southern district of New York from 1906 to 1909, and made an unsuccessful run for governor in 1910, later going into the Cabinet of President Taft as Secretary of War. The other members of his firm, which is acknowledged to be one of the best in the city, include Bronson Winthrop and Edgerton L. Winthrop, jr.

ODELL'S SECRETARY A RECEIVER

Nor is ex-Governor Odell the only man from Newburgh on whom Judge Mayer has called for service. James G. Graham, who was Odell's secretary, and who was later appointed by Mayer as a deputy attorney general, was picked as receiver in a series of shipping cases, out of which he got an allowance of $25,000. It is interesting to note in this connection that records are on file showing that in the Brooklyn Union Gas Rate case—in no way related to equity receiverships—Mayer ordered an allowance of $42,500 to Graham, taxed against the public, for acting as special master.

Ex-Governor Odell had an almost continuous job as receiver in two big cases from April, 1917, to March, 1923. His final report in the Aetna Explosives case was dated May 22, 1920, although the final order in the case was not issued until sometime later. On March 16, 1921, Odell was appointed as receiver of Gaston Williams & Wigmore (inc.), a big exporting house, for liquidating which the ex-governor got allowances of $69,000, the last of which came in the order to pay himself $36,500 in February, 1923.

In addition to their allowances in the Aetna case, Winthrop & Stimson got a picayune $850 for some special services rendered the receiver of the D. & C. Co., a flour concern, and $245,000 in the New York Railways receivership, which will be treated in another story.

NOMINAL ASSETS $30,000,000

No story is more illustrative of the immense scope of the business undertakings of the Federal court than is that of the Aetna Explosives Co. When this company got into difficulties seven years ago it had nominal assets of $30,000,000 and controlled or directly operated munition and explosive plants in 16 cities. When the receivers took charge there was not sufficient money to meet the current pay rolls, and creditors on all sides were pressing for payment of their bills.

In 23 other court districts ancillary receivers were appointed by other judges to take over the various properties and stave off legal actions in these States. By virtue of their position here Holt and Odell themselves were appointed ancillary receivers in most of the other districts. In their final report to Judge Mayer the only comment made on the fees in the other districts is the following:

> "The accounts of all the ancillary receivers have been passed, their compensation paid, and they have all been discharged and their bonds canceled."

Thus Judge Mayer began the operation of one of the largest explosive concerns in the country. Plants which had been wrecked were rebuilt. A new TNT plant was erected by the receivers at Mount Union, Pa. A war was on. The sale of explosives was easy. The receivers, with the approval of Judge Mayer, made 30 separate contracts with the United States Government and France for delivery of picric acid, TNT, smokeless powder, guncotton, and benzol. In their final report the receivers' record they did a total of more than $82,000,000 in business. It was done at a profit.

MANY CLAIMS CONTESTED

Meanwhile an attack was opened on the claims against the company. In this connection it should be stated there are three ways in which the justice of a claim against a company in receivership may be adjudicated. It may be settled by negotiation between the receiver and the creditor. Or if no adjustment is reached, it may be decided directly by the judge having charge of the receivership, or a special master who is himself an appointee of the judge and whose findings are subject to review by the judge.

Except on an appeal to the circuit court or by the express permission of a Federal judge court the creditor can put his claim before no other tribunal. Nor can he get a trial by jury unless the court directing the receivership assents. Many believe that these considerations give a receiver a tremendous advantage in negotiating with claimants.

Messrs. Holt and Odell record in their report that they adjusted claims of $4,600,000 for $137,000. Another claim of $3,000,000 was settled for $900,000. Other claims were adjusted for new contracts, and finally when the reorganization of the company came the allowed claims were all paid in full with interest. From the standpoint of the acknowledged creditors it was undoubtedly one of the few completely successful receiverships. Judge Mayer is known to be immensely proud of it and the big business which he directed.

FEES DECLARED JUSTIFIED

The extent of the business itself has been advanced to the World representative as a complete justification for the size of the awards. It is explained that such a large business naturally involved an immense amount of litigation and that the Winthrop and Stimson record of their services is itself a volume of two or three thousand pages. The other lawyers were said to have conducted successfully litigation which saved the company several times the amount of their fees.

It has been pointed out to the World that in bankruptcy cases where more than $10,000 is involved a receiver is entitled to a fee of 1 per cent on everything that he collects. A similar fee goes to the trustee in bankruptcy who follows the receiver; and if they carry on the business, they are each entitled to a fee of 2 per cent. A referee before whom a bankruptcy estate is administered is entitled to from one-half to 1 per cent on the amount that is paid to creditors. The total allowances made to receivers and lawyers in the Aetna case amounted to approximately 1¼ per cent of the actual business done.

But this was not the only receivership that Judge Mayer was running in 1917 and 1918. In addition to some which had their inception prior to 1917, he also ran the D. & C. Co., whose receiver did $1,000,000 in business, made money, and then lost all his profits; the Batavia Rubber Co., whose receiver recorded sales of $472,000 from June to September, 1918, and a few lesser operations.

BIG EXPORT HOUSE TAKEN OVER

The second receivership in which Odell figured was started in 1921, and its outcome was far different from that in the Aetna case, although the receivers and their attorneys got fees of $132,000. Gaston, Williams & Wigmore (Inc.) was a big exporting house whose books showed assets of $16,000,000 when they went to the wall.

But the receiver found that the real value of the assets was only $4,680,000, of which more than $3,000,000 were pledged. After making other deductions and settlements the receiver reported the total assets at the time of the receivership were $633,145, plus certain contingent claims against the United States and Russian Governments on which little appears to have been realized.

On the basis of this figure the allowances amounted to about 20 per cent of the assets, although the amount actually passing through the hands of the receivers was much more than this. Up to November 9, 1921, they had taken in $904,000 and disbursed $508,000.

By way of business in this case, the receivers carried out some old contracts. Their report of October 8, 1921, showed receipts from liquidation of $225,000 and receipts from sales of merchandise of $230,908. As against this there was an operating expense of $201,000 and $202,000 for the cost of the merchandise sold. Of the expenditures $137,000 had been for salaries, although these were said to have been greatly reduced.

CREDITORS GET 25 PER CENT

In the final order of Judge Mayer creditors' claims of $2,226,000 were ordered transferred to Wilbur L. Ball, as nominee of the Guaranty Trust Co., on the payment of the receiver of $66,000, thus releasing the receiver. The general creditors got 25 per cent on allowed claims. The sum of $793 in preferred claims was paid in full. Oscar A. Lewis, the attorney, received allowances of $41,500.

February 19, 1923, there were payments to the receiver and his counsel in this receivership of $56,500 out of total allowances of $132,000. The 25 per cent dividend to general creditors which was paid about the same time, amounted to $53,334. The balance in

the receivers' hands just before the payments amounted to $292,070.55, the difference going in the payment of the $66,750 on the claims transferred to Ball and in various other adjustments under the settlement.

Judge Mayer is said to regard this as a very successful receivership on the ground that at its inception it looked as if the general creditors would get almost nothing, and it was only through the hard work and good business judgment of ex-Governor Odell and Mr. Lewis that they received as much as 25 per cent. The settlement undoubtedly involved a large amount of executive and legal work. Mr. Odell is said to have given virtually all his time to the case for many months.

RECEIVERSHIPS COST CITY TRANSIT LINES $1,700,000, CHIEFLY "SPECIAL SERVICES"

As a result of its inquiry into equity receiverships the World is able to disclose to-day some of the things that have taken place while the receivers of the Brooklyn Rapid Transit Co. and the New York Railways have dragged their slow way toward the reorganization of these corporations.

These two receiverships have, according to the accounting standards set up by the transit commission, cost to date more than $1,700,000, of which $1,499,000 was in payment of some form of special service. Included in these items is $444,000 for engineers and accountants, questioned by some of the auditors as being a distinct receivership expense.

Among the facts brought to light are these:

That from the inception of the receivership until his death in September, 1919, the late Theodore P. Shonts was carried on the pay roll of Job E. Hedges, receiver of the New York Railways Co., at a salary rate first of $30,000 and later of $20,000 a year.

HEDLEY ALSO ON PAY ROLL

That Frank Hedley, who has a big job on his hands as president and general manager of the Interborough Rapid Transit Co., is still continued general manager of the New York Railways in receivership at $12,000.

That although Receiver Hedges has employed regular counsel at an expense of $266,000 to November 30, James L. Quackenbush, chief attorney of the Interborough Rapid Transit Co., has been receiving $15,700 a year additional from the receiver, his special function being to direct the legal work of the bankrupt railroad as distinguished from the litigation arising particularly out of the receivership.

Some of the payments made by the receivers of these two lines are:

Brooklyn Rapid Transit Co.:

To Receiver Lindley M. Garrison and his counsel, Carl M. Owen, $475,000, in addition to expenses of Owen of $12,622.68.

To Larkin, Rathbone & Perry, allowance of $75,000, and in addition expenses of $21,831.78.

To E. Henry Lacombe, special master, $52,500 allowance.

To P. J. McCook, special master, $15,000 allowance.

APPRAISAL COST $140,627

To Stone & Webster, engineers, who made an appraisal of the property, $140,627 (shown in an accounting independent of the court records).

To Price, Waterhouse & Co., certified public accountants, $51,968.41 (also shown in an independent accounting).

For printing, $80,783.09.

New York Railways Co. (to September 30, 1923):

Job E. Hedges, receiver, $125,709.68.

Winthrop & Stimson, attorneys for the receiver, $245,100, in monthly payments and allowances under court order, and $12,985.66 for expenses.

Price, Waterhouse & Co., $23,750.

Stone & Webster, $229,485.43.

Francis M. Scott, special master, $1,600.

E. Henry Lacombe, special master, $2,200.

Guaranty Trust Co. as trustee, $3,500 for services and $96,195.82 for covering expenses.

The Hecla Press for printing, $30,230.94.

Nor do these items represent the total expense to be attributed to the receiverships. Receiver Garrison and Receiver Hedges and their attorneys have not yet received their final allowances. These may be substantial. And the matter of reorganization may prove more expensive than the receiverships themselves.

REORGANIZATION PLAN EXPENSIVE

The B. R. T. reorganization plan contains an item of $6,484,119 to adjust claims and liabilities of the receivership not otherwise provided for, to provide for past-due taxes in litigation, to pay expenses of foreclosures and sales and cash expenses of reorganization, including compensation and expenses of committees, allowances, counsel fees, court costs, master's and referee's fees, services of experts, commissions of underwriters and syndicates, costs and taxes on incorporation and reorganization, disbursements, and miscellaneous requirements, "any balance to go to the new company for working capital."

One of the lawyers informed the World that the amount turned over for working capital would be $2,000,000. The three banking houses underwriting the reorganized company will receive approximately $1,300,000 for their services. Other allowances will be fixed by Judge Mayer after the work has been completed.

But it is not alone on the basis of expense that objection is made to Federal equity receivers for rapid transit and street railroad companies. A receiver in bankruptcy may not, under the law, be appointed for such corporations. The business must be kept running in the interest of the public.

STATE LAWS MADE INOPERATIVE

Objection is made, however, that by going to the Federal courts for the appointment of such receivers the companies avoid the operation of State laws, which would still be binding were the receiver to be appointed by the State court. Corporation Counsel Nicholson has pointed out, for instance, that without the permission of the Federal judge the city may not bring suit to revoke a franchise with the terms of which the receiver fails to comply.

It is largely to deal with this situation that a bill already has been introduced in Congress forbidding such companies or their creditors to go to the United States courts until the resources of the State court have been exhausted.

It will be noted that the two receivers, Stone and Webster, for their appraisal work have had total payments in excess of $370,000. It is also recalled that Winthrop & Stimson, who received $245,000 for services to Receiver Hodges, were also awarded $347,500 by Judge Mayer for their services to the receiver of the Aetna Explosives Co.

The Aetna Explosives Co. (Inc.) went into the hands of Receivers Benjamin B. Odell and George C. Holt in 1917, and the final report of the receivers was not rendered until May, 1920, their actual discharge coming in June, 1921. It thus will be seen that over a considerable period Winthrop & Stimson were serving both companies. The year 1920 appears to have been their most profitable year, since the records indicate them to have received in that period $53,200 from Mr. Hedges, in addition to nearly $200,000 from Messrs. Odell and Holt, receivers of the Aetna.

MANAGES COMPETING LINES

The retention of Mr. Hedley as a general manager is all the more interesting in view of the fact that at certain points the New York Railways and the Interborough are competitors for the short-haul traffic.

The payments to Mr. Shonts will no doubt be a surprise even to the city administration, which thought it had made a careful examination of the transit situation. When Hedges became receiver Mr. Shonts started on the pay roll at $30,000. This lasted for about two months. In May, 1919, Shonts received a payment of $2,083.33, which is at the rate of $25,000, and the following month it was dropped to $20,000. There it remained until Mr. Shonts's death in the following September. The total payments recorded to him amount to $13,194.42.

It is interesting to compare these payments with the fate of the general creditors in the case of the reorganized B. R. T.—now the B. M. T.—and their probable fate in the case of the New York Railways. The former road illustrates well the fallacy of the theory that creditors are paid in full when they get back stock in a reorganized company.

When the reorganization plan of the B. R. T. came out last March everybody was shown exactly what he was going to get except the general creditors. Opposite their names appeared an estimate of $1,600,000, as the amount of their allowed claims, and after that a series of blanks. Elsewhere it was explained that they might turn in their claims if they assented to the plan of reorganization and provision would be made for them.

OPERATING CLAIMS PREFERRED

Later they were divided into two classes. First, were the operating claims—put forward by those who had sold materials to the road shortly before the receivership and who were in a sense preferred. They got an option of 100 per cent cash, or 87 per cent cash and 40 per cent preferred stock, the last to cover 13 per cent of the claim and interest which had been piling up for four and one-half years. Most of them took cash.

The general creditors, however—those who had no preference—got 25 per cent in cash and 102 per cent preferred stock. On the face of it, this looked like a fine adjustment. The preferred stock, however, on January 12 was quoted at 50¾, which means that the general creditor who had a claim of $1,000 and is still holding his stock has, after his long wait, $250 in cash and stock worth approximately $516.

The tort claimants—those with claims for damages against the railroad, including the relatives of the victims of the Malbone Street wreck—were placed in a class by themselves. The 3,106 tort claims were filed with the receiver for a total of $21,013,828.25. Of these 2,950 were reduced and settled for $2,030,775. After waiting four and one-half years for the reorganization they were paid in full in cash without interest.

Yet the manner of dealing with the tort claimants is declared to have been particularly liberal. They were given a chance, should they desire, of bringing a suit in the State courts to fix the amounts, with the alternative of settling them either by negotiation or before a special master. Most of them chose either negotiation or a hearing before

Philip H. McCook, the special master assigned particularly to this work. His findings were subject to review on appeal before Judge Mayer or the circuit court of appeals.

FEDERAL OFFICIAL SQUEEZED

Much worse was the fate of some of the stockholders. The World representative was told of one important Federal official who held Brooklyn Rapid Transit stock that had cost him $1,200. He held on to it throughout the period of the receivership because he feared that its sale might be misinterpreted. He was offered the opportunity of going into the reorganization if he would put up $35 a share in cash. He didn't have the $600 which would be required. The result was that he took the stock to a broker and sold it for $17.50.

In view of the fact that the city has a vital interest in the B. R. T. receivership expense by virtue of its relation to contract No. 4, under which the city hopes some time to get a return on its huge investment in subways, the World made efforts to learn just what decreases there had been in company salaries to offset the big increase brought about by the receivership.

Those in a position to know reported there had been one decrease in the pay roll, brought about by dropping as president Timothy S. Williams, with his salary of $75,000 a year. As against this the allowance to receivers and lawyers, excluding the engineers as an expense which might possibly have been incurred anyway in connection with the transit commission proposal to take over the lines, have amounted to well over $125,000 a year.

TEN LAWYERS ON LIST

There has been no public allotment as between Mr. Garrison and Mr. Owen of the $475,000 already paid them, but the surmise is it will be divided about equally. But, as in the case of the New York Railways, this has not been the only legal expense of the railroad in receivership. Its ordinary legal business has been looked after by a staff of lawyers in the Brooklyn office. Last May, before the receivership ended, there were, the World is informed by those in a position to know, 10 lawyers in that office on a pay roll amounting to about $90,000 a year.

Early in the receivership an effort was made to tax the entire expense of the B. R. T. receivership against operating expenses, which would have meant that it would have militated against the time when the city would get a return. The transit commission objected to this form of accounting and arbitrators have been selected to determine how much of the receivership bill will be charged against operating cost.

It is generally agreed that from the standpoint of the B. R. T. security holders Mr. Garrison handled the road in masterful fashion. He made many improvements, costing millions, expanded the power-house facilities, purchased additional cars, improved the operating methods, and the operating revenues from increased passenger traffic steadily increased in volume, so that on April 30, 1923, he showed a net corporate income of $25,000,000 from rapid-transit and street-car operation.

COMPANIES PREFER MAYER

It has been rumored from time to time that many lawyers and executives of the big companies have preferred to have the receiverships administered before Judge Mayer. In the case of the B. R. T., the World is reliably informed that a distinct move was made to get the receivership before him.

From a reliable source it was learned that late in December, 1918, some of those who were contemplating the receivership went to Judge Learned Hand, who it appeared might be sitting in the motion term when the matter came up, and asked him if he had any objection if the matter were presented to Judge Mayer. Judge Hand is described as being somewhat surprised at the attempt to dodge him. He, nevertheless, gave his consent and the matter was presented to Judge Mayer, who ordered the receivership on December 31, 1918, the papers not being filed in the clerk's office until after the New Year's holiday.

One thing which made the examination of the New York Railways receivership difficult was that many payments to counsel had been made without the usual allowance orders being on file in the records. It was learned subsequently from Special Master Lacombe that authorization for monthly payments to counsel was contained in a letter written by Judge Mayer to the receiver in July, 1919. Since that date Winthrop & Stimson have had a regular salary of $3,600 a month—more than $100 a day—in addition to special allowance of $61,500. Mr. Hedges has received $2,000 a month plus three extra orders totaling $17,000.

DECLARES PROPERTIES IMPROVING

Is the property of the New York Railways Co. depreciating or improving under receivership? Are conditions better than they were on the date of the receivership? Receiver Hedges presents convincing figures that they are. His reports to the transit commission to November 30, 1923, show deficit in his receivership operations of $1,118,270.03, and in the estate account, which includes all the unpaid interest on securities, of $13,244,267. But in these figures is included a reserve set up for maintenance and depreciation of $5,979,258.52.

Excluding this reserve and including $3,200,000 interest payments on underlying obligations authorized by the court to prevent foreclosures, Mr. Hedges shows a net income from March 21, 1919, to date of $1,538,811.

At the same time the latest report shows the receiver has spent nearly $5,000,000 on the maintenance of way and structures and a similar amount on maintenance of equipment. Although a preliminary plan has been put forward for reorganizing the New York Railways, it is yet too soon to say when and how much water is actually to be squeezed out of the securities and how soon the receivership will end. The plan does, however, call for the wiping out of the present stockholders. Outside the various classes of bondholders, the creditors' claims against the New York Railways amount to about $1,800,000.

Mr. CAREW. Mr. Chairman, I ask unanimous consent that my colleague [Mr. GRIFFIN], who spoke heretofore on this bill, may have permission to extend his remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. PERLMAN. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SUMNERS of Texas. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. STEVENSON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. STEVENSON: Page 1, line 6, after the word "shall," insert the words "be residents of the district when appointed and shall thereafter."

Mr. PERLMAN. Mr. Chairman, there is no objection to that amendment.

Mr. STEVENSON. Very well; I shall waste no time upon it.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from South Carolina.

The amendment was agreed to.

Mr. MOORE of Virginia. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. MOORE of Virginia: Line 4, strike out the word "two" and insert the word "one," and in line 5, strike out the word "judges" and insert "judge."

Mr. MOORE of Virginia. Mr. Chairman, of course I believe in equipping the courts sufficiently to enable them to transact business, and in the proper administration of all of the laws within the jurisdiction of the courts. I am not concerned about any political controversy in the city of New York, or about any controversy that may exist between the two party organizations that function there. But here is a proposition to appoint two new judges forthwith, and I do not think that any harm, so far as I have been able to analyze the statistics and understand the arguments, can come from limiting the number to one at this time and delaying the appointment of the other, if it should become really necessary to appoint another, until a little later on. We can not rely too implicitly upon the alleged facts, as our experience shows. At least I can not feel the same certainty that my friend from New York [Mr. MILLS] has expressed. In 1922, what was the situation? The committee and Congress then dealt with the entire country so far as the matter of appointing additional judges was concerned. It rested its conclusions largely upon the views of the Chief Justice and the Attorney General, Mr. Daugherty; and now the views of those gentlemen are presented as a reason for adding to the number of judges then apparently deemed sufficient. At that time the southern district of New York was given two additional judges, and now two more are proposed. To show how much at fault opinion as to these matters may be, I recall that it was assumed in 1922 at the outset that in the eastern district of Virginia, where I live, there should be an additional judge. I took the matter up at once with the judge there—he does not belong to my political party, but he is a man whom I hold in the very highest esteem and honor—and he informed me that it was absurd to think that the condition of business in that court necessitated another judge, and the suggestion was abandoned. We were told at the time of the enactment of the law of September, 1922, that we might look forward into the future and assume that for a considerable time it would not be necessary to provide any new judges. Two years have not elapsed, and we are now advised that there is the most urgent necessity existing in a certain district, notwithstanding there is authority

now to make use in that district of judges appointed for other districts and for other courts, and which we were told was going to operate materially to take care of all of the necessities. The President has just appointed, or is just about to appoint, our friend from Illinois, Mr. GRAHAM, a judge of the Customs Court of Appeals, and under the express terms of the law of 1922 Mr. GRAHAM will be eligible to be sent to New York to handle the business in the southern district, and many other judges not remote from New York will be eligible. I think the House should pause and consider whether the taking of one step at a time is not best, selecting one additional judge instead of two, if there is to be any increase.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The question was taken; and on a division (demanded by Mr. MOORE of Virginia) there were—ayes 78, noes 88.

Mr. O'CONNOR of New York. Mr. Chairman, on that I demand tellers.

Tellers were ordered, and the Chair appointed Mr. PERLMAN and Mr. MOORE of Virginia to act as tellers.

The committee again divided; and the tellers reported—ayes 101, noes 91.

So the amendment was agreed to.

Mr. REECE. Mr. Chairman, I move to strike out the last word. I do this for the purpose of speaking out of order, if I may have permission to do so, for about two minutes, because I shall have to leave the Hall before I have another opportunity to do so.

There is no more conscientious and hard-working committee in the House than the Committee on World War Veterans' Legislation.

In reporting the Johnson bill the Committee on World War Veterans' Legislation has done a splendid piece of work. The members of this committee are to be congratulated upon the efforts which they have put forth to conserve the interests of our disabled ex-service men. I hoped that the bill which has been reported might be passed by the House at the earliest possible moment. A similar bill has already passed the Senate. There is one provision in the Senate bill which has not been included in the House bill to which I wish to call the attention of the House in the hope that when the bill goes to conference that the House conferees may agree to accept it, and that is section 202, paragraph 2, Senate bill 2257, providing:

Where a tuberculous disease is diagnosed as other than that of complete arrest compensation shall be on a permanent and total basis, which shall not be changed until one year after such ex-service man has reached an arrested stage, at which time a permanent rating for life shall be granted, which shall not be below $50 per month during the remainder of his life.

This is the provision in which I am particularly interested, and unless such a provision is adopted our Government, in my opinion, will not have met its obligation to our disabled veterans who have this unfortunate disease. I am not a doctor, but I have devoted considerable study to the tubercular ex-service men, as there is in my district one of the largest sanatoriums in the country. Experts are agreed that there is no permanent cure for tuberculosis, the disease being diagnosed as either active or arrested. By arrested is meant the germ is temporarily inactive, but will become active upon the slightest provocation. The degree of resistance of each tubercular determines the period of life. Those with a great degree of resistance naturally survive the longest. The handling of this class of ex-service men has been very unsatisfactory, due to inadequate laws, which the above provision, in my judgment, will tend to correct.

The conditions under which the tubercular patient may live, together with the resulting mental ease or mental disquietude, largely affect his power of resistance. If, when the patient's tubercular condition is marked arrested his compensation is cut, he is forced again to begin to work to support himself and family. He knows also that at best his life has been shortened and consequently worries about making suitable provision for his wife and children after his death. The result is that the tuberculosis though once arrested soon becomes again active and the veteran must again be hospitalized. A majority of the patients in the National Sanatorium are readmissions, that is, men who were once marked with arrested cases again became active and who had to be readmitted. A recent contact made for approximately 1,000 ex-service men shows that over 75 per cent of the men contacted had been forced to return to hospitals from two to eight times. These men had been either in training and broke down, or had been given arrested cases and returned to civil life, compensation cut, and on account of having to return to strenuous work, to provide for themselves and families, had become active tuberculars. If these men had been given a permanent rating by the Veterans' Bureau so that they could have lived in peace and quiet without worry of the future, doubtless most of them would not have again become active. The Director of the Veterans' Bureau has submitted the following letter, estimating the cost of this provision:

MAY 16, 1924.

Hon. B. CARROLL REECE,
House of Representatives, Washington, D. C.

MY DEAR MR. REECE: In accordance with your request of this morning for an estimate of the cost of provisions under S. 2257, affecting ex-service men suffering from tuberculosis, you are advised that it has been estimated that the cost for the first year of extending the presumptive period from three years to five years for automatic service connection, would involve an expenditure approximating $11,380,000.

The additional amendment included under section 202, paragraph 2, providing for a permanent rating where tuberculosis disease is diagnosed as other than a complete arrest, and a rating of not less than $50 a month for the remainder of his life where tuberculosis has reached an arrested stage, is estimated to cost for the first year as applied to cases rated under existing legislation, $10,468,500, and when further applied to the cases estimated to come under the five-year presumption, assuming that the distribution of these cases will be on the same basis as are the total tuberculosis cases at the present time, it would increase the estimate of cost for this presumptive period by $3,900,000. The total estimated cost therefore of S. 2257 as applied to tuberculosis cases is approximately $25,748,500 for the first year of award.

In this connection it is to be borne in mind that there is no experience other than the recorded experience of the Veterans' Bureau to determine the probable development on many of these proposed changes, and it is further true that the recorded experience, while accurately showing the trend of certain activities of the Veterans' Bureau in the past, can only in a general way be used to determine what may be the result with relation to future claims. However, it is possible to apply certain broad general assumptions based upon past experience and existing records and the above cost figures are a result of this application and are considered indicative of probable future cost.

Very truly yours,

FRANK T. HINES, *Director.*

This shows the yearly cost of providing a permanent rate of compensation to these men to be around $14,000,000 yearly, but when the expense of training is deducted from the cost and when mortality is figured, it will be seen that there will be no cost, but will result in a saving, if such things can be figured in the life of a veteran.

A system of permanent rating for the tuberculars must be adopted if their problem is to be solved and I hope that it may be included in the pending bill. [Applause.]

Mr. PERLMAN. Mr. Speaker, I move that the committee do now rise and report the bill to the House with the amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. LEHLBACH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 3318, had directed him to report the same back with amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. PERLMAN. Mr. Speaker, I move the previous question.

The SPEAKER. The previous question was ordered by the rule. Is a separate vote demanded on either amendment?

Mr. PERLMAN. Mr. Speaker, I demand a separate vote on the Moore amendment.

The SPEAKER. The first vote is on the amendment which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. MOORE of Virginia: In line 4, strike out the word "two" and insert "one" and in line 5 strike out the word "judges" and insert "judge."

Mr. LEHLBACH. Mr. Speaker, there is another amendment adopted previous to the Moore amendment, an amendment offered by the gentleman from South Carolina [Mr. STEVENSON] that has to be voted on by the House. It is a separate amendment.

Mr. BEGG. There are three amendments.

The SPEAKER. The Chair is informed there are only two as two are of the same substance. The question is on agreeing to the amendment just reported by the Clerk.

The question was taken, and the Speaker announced the noes seemed to have it.

On a division (demanded by Mr. MOORE of Virginia) there were—ayes 105, noes 95.

Mr. PERLMAN. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. The question is on ordering the yeas and nays.

The yeas and nays were ordered.

Mr. LONGWORTH. Mr. Speaker, before the roll call starts I would like to propound a parliamentary inquiry. In case the House adjourns will this vote be taken on Tuesday?

The SPEAKER. It would.

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The question was taken, and the Speaker announced the noes seemed to have it.

Mr. PERLMAN. Mr. Speaker, I ask for a division on that.

The House divided; and there were—ayes 93, noes 117.

So the House refused to adjourn.

Mr. SNELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SNELL. Do I understand now that we come to a yea-and-nay vote on the amendment?

The SPEAKER. Yes. The yea-and-nay vote has been ordered.

The question was taken; and there were—yeas 157, nays 151, answered "present" 4, not voting 121, as follows:

YEAS—157

Abernethy	Dickstein	Lea, Calif.	Rouse
Allen	Doughton	Lee, Ga.	Rubey
Allgood	Drewry	Lilly	Sabath
Arnold	Driver	Lindsay	Salmon
Aswell	Eagan	Logan	Sanders, Tex.
Ayres	Evans, Mont.	Lowrey	Sandlin
Barkley	Favrot	Lozier	Schafer
Black, N. Y.	Fisher	Lyon	Sears, Fla.
Black, Tex.	Fulbright	McDuffie	Shallenberger
Bland	Fulmer	McKeown	Sherwood
Blanton	Gardner, Ind.	McNulty	Smithwick
Bloom	Garner, Tex.	McReynolds	Spearing
Box	Garrett, Tenn.	McSwain	Steagall
Boyce	Gasque	McSweeney	Stedman
Boylan	Geran	Major, Ill.	Stevenson
Brand, Ga.	Goldsborough	Major, Mo.	Sumners, Tex.
Briggs	Griffin	Mansfield	Swank
Browning	Hammer	Martin	Tague
Bulwinkle	Harrison	Mead	Taylor, W. Va.
Busby	Hastings	Mooney	Thomas, Ky.
Byrns, Tenn.	Hawes	Moore, Ga.	Thomas, Okla.
Canfield	Hill, Ala.	Moore, Va.	Tillman
Cannon	Hill, Wash.	Morehead	Tucker
Carew	Hooker	Morrow	Tydings
Casey	Howard, Nebr.	O'Connell, N. Y.	Underwood
Celler	Hudspeth	O'Connell, R. I.	Upshaw
Clancy	Jacobstein	O'Connor, La.	Vinson, Ga.
Cleary	Jeffers	O'Connor, N. Y.	Vinson, Ky.
Collier	Johnson, Tex.	Oldfield	Watkins
Collins	Johnson, W. Va.	Oliver, N. Y.	Weaver
Connally, Tex.	Jones	Peery	Weller
Cook	Jost	Prall	Wilson, Ind.
Crisp	Kent	Quin	Wilson, La.
Crosser	Kerr	Rainey	Wingo
Cullen	Kincheloe	Raker	Wolff
Cummings	Kindred	Rankin	Woodrum
Davey	Lanham	Rayburn	Wright
Davis, Tenn.	Lankford	Reed, Ark.	
Deal	Larsen, Ga.	Richards	
Dickinson, Mo.	Lazaro	Romjue	

NAYS—151

Ackerman	Fish	Larson, Minn.	Reid, Ill.
Aldrich	Fitzgerald	Lehlbach	Roach
Andrew	Fredericks	Lineberger	Robinson, Iowa
Bacon	Free	Longworth	Robsion, Ky.
Beedy	French	McLaughlin, Mich.	Sanders, Ind.
Beers	Fuller	McLeod	Sanders, N. Y.
Begg	Funk	MacGregor	Schneider
Berger	Garber	Madden	Sears, Nebr.
Bixler	Graham, Ill.	Magee, N. Y.	Seger
Brand, Ohio	Green, Iowa	Magee, Pa.	Shreve
Browne, Wis.	Greene, Mass.	Mapes	Simmons
Brumm	Hadley	Merritt	Sinclair
Burtness	Hardy	Michaelson	Sinnott
Burton	Haugen	Michener	Smith
Butler	Hawley	Mills	Snell
Campbell	Hersey	Montague	Speaks
Chindblom	Hickey	Moore, Ill.	Sproul, Ill.
Christopherson	Hill, Md.	Moore, Ohio	Sproul, Kans.
Clague	Hoch	Moores, Ind.	Stalker
Cole, Iowa	Hudson	Morgan	Stephens
Colton	Hull, Morton D.	Morin	Strong, Kans.
Cooper, Ohio	Hull, William E.	Murphy	Strong, Pa.
Darrow	Hull, Iowa	Nelson, Wis.	Summers, Wash.
Davis, Minn.	James	Newton, Minn.	Taber
Dempsey	Johnson, Wash.	Newton, Mo.	Taylor, Tenn.
Denison	Kearns	Paige	Temple
Dickinson, Iowa	Keller	Parker	Thatcher
Dowell	Kendall	Patterson	Thompson
Edmonds	Ketcham	Perkins	Tilson
Elliott	King	Perlman	Tincher
Evans, Iowa	Kopp	Phillips	Tinkham
Fairchild	Kurtz	Rathbone	Treadway
Faust	LaGuardia	Reece	Vaile
Fenn	Lampert	Reed, N. Y.	Vestal
Vincent, Mich.	Watson	Williams, Mich.	Wurzbach
Voigt	Wertz	Williamson	Wyant
Wainwright	White, Kans.	Winslow	Young
Watres	Williams, Ill.	Woodruff	

ANSWERED "PRESENT"—4

Carter	Connery	Johnson, S. Dak.	Sites

NOT VOTING—121

Almon	Dyer	Leavitt	Reed, W. Va.
Anderson	Fairfield	Linthicum	Rogers, Mass.
Anthony	Fleetwood	Little	Rogers, N. H.
Bacharach	Foster	Luce	Rosenbloom
Bankhead	Frear	McClintic	Schall
Barbour	Freeman	McFadden	Scott
Beck	Frothingham	McKenzie	Snyder
Bell	Gallivan	McLaughlin, Nebr.	Stengle
Boies	Garrett, Tex.	MacLafferty	Sullivan
Bowling	Gibson	Manlove	Sweet
Britten	Gifford	Miller, Ill.	Swing
Browne, N. J.	Gilbert	Miller, Wash.	Swoope
Buchanan	Glatfelter	Milligan	Taylor, Colo.
Buckley	Graham, Pa.	Minahan	Timberlake
Burdick	Greenwood	Morris	Underhill
Byrnes, S. C.	Griest	Mudd	Vare
Cable	Hayden	Nelson, Me.	Ward, N. Y.
Clark, Fla.	Holaday	Nolan	Ward, N. C.
Clarke, N. Y.	Howard, Okla.	O'Brien	Wason
Cole, Ohio	Huddleston	O'Sullivan	Wefald
Connolly, Pa.	Hull, Tenn.	Oliver, Ala.	Welsh
Cooper, Wis.	Humphreys	Park, Ga.	White, Me.
Corning	Johnson, Ky.	Parks, Ark.	Williams, Tex.
Cramton	Kahn	Peavey	Wilson, Miss.
Croll	Kelly	Porter	Winter
Crowther	Kiess	Pou	Wood
Curry	Knutson	Purnell	Yates
Dallinger	Kunz	Quayle	Zihlman.
Dominick	Kvale	Ragon	
Doyle	Langley	Ramseyer	
Drane	Leatherwood	Ransley	

So the amendment was agreed to.

The Clerk announced the following additional pairs:

On this vote:

Mr. Minahan (for) with Mr. McFadden (against).
Mr. Quayle (for) with Mr. Curry (against).
Mr. Bell (for) with Mr. Fleetwood (against).
Mr. Wolff (for) with Mr. Cramton (against).
Mr. Morris (for) with Mr. Vare (against).
Mr. Parks of Georgia (for) with Mr. Connolly of Pennsylvania (against).
Mr. Williams of Texas (for) with Mr. Gibson (against).
Mr. Almon (for) with Mr. Gallivan (against).
Mr. Croll (for) with Mr. MacLafferty (against).
Mr. Carter (for) with Mr. Cooper of Wisconsin (against).
Mr. Stengle (for) with Mr. Barbour (against).
Mr. Connery (for) with Mrs. Nolan (against).
Mr. Buchanan (for) with Mr. Johnson of South Dakota (against).
Mr. Pou (for) with Mr. Thompson (against).
Mr. Bowling (for) with Mr. Miller of Washington (against).
Mr. Ragon (for) with Mr. Underhill (against).
Mr. Sites (for) with Mr. Manlove (against).
Mr. Milligan (for) with Mr. Knutson (against).
Mr. Byrnes of South Carolina (for) with Mr. Porter (against).

Until further notice:

Mr. Griest with Mr. Browne of New Jersey.
Mr. Bacharach with Mr. Dominick.
Mr. Kiess with Mr. Doyle.
Mr. Ransley with Mr. Garrett of Texas.
Mr. Sweet with Mr. Johnson of Kentucky.
Mr. Gifford with Mr. Kvale.
Mr. Dallinger with Mr. Parks of Arkansas.
Mr. Foster with Mr. McClintic.
Mr. Dyer with Mr. O'Sullivan.
Mr. Purnell with Mr. Wilson of Mississippi.
Mr. Mudd with Mr. Greenwood.
Mr. Freeman with Mr. Kunz.
Mr. Rogers of Massachusetts with Mr. Glatfelter.
Mr. Frothingham with Mr. Wefald.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the other amendment.

The Clerk read as follows:

Amendment offered by Mr. STEVENSON: Page 1, line 6, after the word "shall," insert the words "be residents of the district where appointed and shall thereafter."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. CAREW. A division, Mr. Speaker.

The SPEAKER. A division is called for.

Mr. MILLS. Mr. Speaker, is this on the passage of the bill?

The SPEAKER. Yes.

Mr. MILLS. I demand the reading of the engrossed copy.

The SPEAKER. It has been read.

The House divided; and there were—ayes 131, noes 145.

Mr. PERLMAN. Mr. Speaker, I ask for a yea-and-nay vote on this.

The SPEAKER. The gentleman from New York demands the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. Those in favor of the passage of the bill will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 150, nays 160, answered "present" 2, not voting 121, as follows:

YEAS—150

Ackerman	Fuller	Magee, N. Y.	Sinnott
Aldrich	Funk	Mapes	Smith
Andrew	Garber	Merritt	Snell
Bacon	Graham, Ill.	Michaelson	Speaks
Beedy	Green, Iowa	Michener	Sproul, Ill.
Beers	Greene, Mass.	Mills	Sproul, Kans.
Begg	Hadley	Montague	Stalker
Berger	Hardy	Moore, Ill.	Stephens
Bixler	Haugen	Moore, Ohio	Strong, Kans.
Brand, Ohio	Hawley	Moores, Ind.	Strong, Pa.
Browne, Wis.	Hersey	Morgan	Summers, Wash.
Brumm	Hickey	Morin	Swing
Burtness	Hill, Md.	Murphy	Taber
Burton	Hoch	Nelson, Wis.	Taylor, Tenn.
Campbell	Hudson	Newton, Minn.	Temple
Chindblom	Hull, Morton D.	Newton, Mo.	Thatcher
Christopherson	Hull, William E.	Paige	Tilson
Clague	Hull, Iowa	Parker	Tincher
Cole, Iowa	James	Patterson	Tinkham
Colton	Johnson, Wash.	Perkins	Treadway
Cooper, Ohio	Kearns	Perlman	Vaile
Darrow	Keller	Phillips	Vincent, Mich.
Davis, Minn.	Kendall	Rathbone	Voigt
Dempsey	Ketcham	Reece	Wainwright
Denison	King	Reed, N. Y.	Watres
Dickinson, Iowa	Kopp	Reid, Ill.	Watson
Dowell	Kurtz	Roach	Wertz
Edmonds	LaGuardia	Robinson, Iowa	White, Kans.
Elliott	Lampert	Robsion, Ky.	Williams, Ill.
Evans, Iowa	Larson, Minn.	Sanders, Ind.	Williams, Mich.
Fairchild	Leatherwood	Sanders, N. Y.	Williamson
Faust	Lehlbach	Schafer	Winslow
Fenn	Lineberger	Schneider	Woodruff
Fish	Longworth	Scott	Wurzbach
Fitzgerald	McLaughlin, Mich.	Seger	Wyant
Fredericks	McLeod	Shreve	Young
Free	MacGregor	Simmons	
French	Madden	Sinclair	

NAYS—160

Abernethy	Davis, Tenn.	Lanham	Reed, Ark.
Allen	Deal	Lankford	Richards
Allgood	Dickinson, Mo.	Larsen, Ga.	Romjue
Almon	Dickstein	Lazaro	Rouse
Arnold	Doughton	Lee, Ga.	Rubey
Aswell	Drewry	Lilly	Sabath
Ayres	Driver	Lindsay	Salmon
Barkley	Eagan	Logan	Sanders, Tex.
Black, N. Y.	Evans, Mont.	Lowrey	Sandlin
Black, Tex.	Favrot	Lozier	Sears, Fla.
Bland	Fisher	Lyon	Shallenberger
Blanton	Fulbright	McDuffie	Sherwood
Bloom	Fulmer	McKeown	Smithwick
Box	Gardner, Ind.	McNulty	Spearing
Boyce	Garner, Tex.	McReynolds	Steagall
Boylan	Garrett, Tenn.	McSwain	Stedman
Brand, Ga.	Garrett, Tex.	McSweeney	Stevenson
Briggs	Gasque	Major, Ill.	Sumners, Tex.
Browning	Geran	Major, Mo.	Swank
Bulwinkle	Goldsborough	Mansfield	Tague
Busby	Griffin	Martin	Taylor, W. Va.
Byrnes, S. C.	Hammer	Mead	Thomas, Ky.
Byrns, Tenn.	Harrison	Mooney	Thomas, Okla.
Canfield	Hastings	Moore, Ga.	Tillman
Cannon	Hawes	Moore, Va.	Tucker
Carew	Hill, Ala.	Morehead	Tydings
Casey	Hill, Wash.	Morrow	Underwood
Celler	Hooker	O'Connell, N. Y.	Upshaw
Clancy	Howard, Nebr.	O'Connell, R. I.	Vestal
Cleary	Hudspeth	O'Connor, La.	Vinson, Ga.
Collier	Jacobstein	O'Connor, N. Y.	Vinson, Ky.
Collins	Jeffers	Oldfield	Watkins
Connally, Tex.	Johnson, Tex.	Oliver, N. Y.	Weaver
Cook	Johnson, W. Va.	Peery	Weller
Corning	Jones	Prall	Wilson, Ind.
Crisp	Jost	Quin	Wilson, La.
Crosser	Kent	Rainey	Wingo
Cullen	Kerr	Raker	Wolff
Cummings	Kincheloe	Rankin	Woodrum
Davey	Kindred	Rayburn	Wright

ANSWERED "PRESENT"—2

Carter	Connery

NOT VOTING—121

Anderson	Butler	Drane	Greenwood
Anthony	Cable	Dyer	Griest
Bacharach	Clark, Fla.	Fairfield	Hayden
Bankhead	Clarke, N. Y.	Fleetwood	Holaday
Barbour	Cole, Ohio	Foster	Howard, Okla.
Beck	Connolly, Pa.	Frear	Huddleston
Bell	Cooper, Wis.	Freeman	Hull, Tenn.
Boies	Cramton	Frothingham	Humphreys
Bowling	Croll	Gallivan	Johnson, Ky.
Britten	Crowther	Gibson	Johnson, S. Dak.
Browne, N. J.	Curry	Gifford	Kahn
Buchanan	Dallinger	Gilbert	Kelly
Buckley	Dominick	Glatfelter	Kiess
Burdick	Doyle	Graham, Pa.	Knutson
Kunz	Milligan	Ramseyer	Underhill
Kvale	Minahan	Ransley	Vare
Langley	Morris	Reed, W. Va.	Ward, N. Y.
Lea, Calif.	Mudd	Rogers, Mass.	Ward, N. C.
Leavitt	Nelson, Me.	Rogers, N. H.	Wason
Linthicum	Nolan	Rosenbloom	Wefald
Little	O'Brien	Schall	Welsh
Luce	O'Sullivan	Sears, Nebr.	White, Me.
McClintic	Oliver, Ala.	Sites	Williams, Tex.
McFadden	Park, Ga.	Snyder	Wilson, Miss.
McKenzie	Parks, Ark.	Stengle	Winter
McLaughlin, Nebr.	Peavey	Sullivan	Wood
MacLafferty	Porter	Sweet	Yates
Magee, Pa.	Pou	Swoope	Zihlman
Manlove	Purnell	Taylor, Colo.	
Miller, Ill.	Quayle	Thompson	
Miller, Wash.	Ragon	Timberlake	

So the bill was refused passage.

The Clerk announced the following additional pairs:

On this vote:

Mr. McFadden (for) with Mr. Minahan (against).
Mr. Curry (for) with Mr. Quayle (against).
Mr. Fleetwood (for) with Mr. Bell (against).
Mr. Cramton (for) with Mr. Parks of Arkansas (against).
Vare (for) with Mr. Morris (against).
Mr. Connolly of Pennsylvania (for) with Mr. Parks of Georgia (against).
Mr. Gibson (for) with Mr. Williams of Texas (against).
Mr. MacLafferty (for) with Mr. Croll (against).
Mr. Cooper of Wisconsin (for) with Mr. Carter (against).
Mr. Barbour (for) with Mr. Stengle (against).
Mrs. Nolan (for) with Mr. Connery (against).
Mr. Johnson of South Dakota (for) with Mr. Buchanan (against).
Mr. Thompson (for) with Mr. Pou (against).
Mr. Miller of Washington (for) with Mr. Bowling (against).
Mr. Underhill (for) with Mr. Ragon (against).
Mr. Manlove (for) with Mr. Sites (against).
Mr. Knutson (for) with Mr. Milligan (against).
Mr. Porter (for) with Mr. Byrnes of South Carolina (against).
Mr. Gallivan (for) with Mr. O'Sullivan (against).

Mr. CONNERY. Mr. Speaker, I voted "nay." I have a pair with the lady from Californin, Mrs. NOLAN. I wish to withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

Mr. GARRETT of Tennessee. Mr. Speaker, I move to reconsider the vote.

The SPEAKER. A motion to adjourn is a preferential one.

Mr. BEGG. Mr. Speaker, I ask for a division.

The question was taken; and on a division (demanded by Mr. BEGG) there were—ayes 111, noes 146.

So the motion to adjourn was rejected.

Mr. GARRETT of Tennessee. Mr. Speaker, I move to reconsider the vote by which the bill was defeated and to lay that motion on the table.

The SPEAKER. Without objection it is so ordered.

There was no objection.

ADDITIONAL COPIES OF HEARINGS BEFORE THE COMMITTEE ON AGRICULTURE

Mr. JOHNSON of Washington. Mr. Speaker, I call up the privileged report from the Committee on Printing.

The SPEAKER. The gentleman from Washington offers a privileged report, which the Clerk will report.

The Clerk read as follows:

House Resolution 320

Resolved, That, in accordance with paragraph 3 of section 1 of the printing act approved March 1, 1907, the Committee on Agriculture of the House of Representatives be, and is hereby, authorized and empowered to have printed 900 additional copies of the hearings before said committee of the Sixty-eighth Congress, first session, on bills relating to the McNary-Haugen bill.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. KINDRED. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

Mr. UPSHAW. Mr. Speaker, I make the same request.

Mr. GRAHAM of Illinois. Mr. Speaker, I make the same request.

Mr. PERLMAN. Mr. Speaker, I make the same request.

Mr. BACON. Mr. Speaker, I make the same request.

Mr. CHINDBLOM. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection to these requests? [After a pause.] The Chair hears none.

ADJUSTED COMPENSATION

Mr. UPSHAW. Mr. Speaker and gentlemen, under the privilege granted me by the House, I wish to say without equivocation or apology to any man or corporation, I declare my ex-

quisite pleasure in canceling my most important speaking engagement of the year, before the Southern Baptist Convention, 8,000 strong, in Atlanta, and rushing all the way to Washington to help "spank" the President for going back on his own party promises concerning the soldier bonus. It is not so much the worthiness of redeeming this long-delayed pledge for which I have voted three times that brought me, but a vigorous protest against five years of acrobatic evasion and partisan duplicity. I have seen it at close range, and here is the proof: With ample majority to do the thing, the Republicans waited until the 20th of May, three days before the Sixty-sixth Congress adjourned, before passing the bonus bill in the House, when they knew it was legislatively impossible to carry it through the Senate. On this tardy House action they went successfully after the soldier vote, saying, "See what we have done for the defenders of our country; we will complete the job for you when Congress convenes in December."

But President Harding, who had declared himself in favor of "adjusted compensation for the ex-service man," acting on the advice of Secretary Mellon and his doleful tale of a Treasury deficit of $800,000,000, came before the Senate and urged postponement—not defeat, mind you, but postponement of action. And then when a new bonus bill was brought out, the President demanded by veto that it should pay for itself through a discredited revenue plan which his own party dared not bring on the floor for action. Broken pledge No. 2. And now behold President Coolidge, who declared before high heaven that he was going to "carry out the Harding policies," vetoes even a "tombstone tip" to the ex-service man to whom his predecessor had pledged "adjusted compensation," and does it with a nonchalant, standpat, "big business" bravado that flatly declares the soldier deserves no bonus.

Shades of Frank Mondell, Phil Campbell, and Frank Murphy! The first two, with all their fervid hair-raising eloquence in behalf of "the soldier defenders of the flag," have been gathered, alas, to the limbo of all naughty Republicans, while FRANK MURPHY, who bravely fought and filibustered for the American doughboy, lives yet in the House to testify that I have told the incontestable truth about his vanishing reactionary comrades.

Let it be remembered that when Secretary Mellon, sitting on his throne of hundreds of millions—much of it made distilling and selling liquor—wanted to defeat the bonus to the soldiers who had made his fabulous fortune secure, he declared a deficit of eight hundred millions, but when he wanted to show how smart his administration had been with the Treasury he showed a surplus of three hundred millions. This is my indictment: If the bonus was right, it ought to have been passed five years ago when it would have been a godsend to the vast majority of returning soldiers who found their former business shot to pieces; if it was wrong, it should have been promptly repudiated and not used as a vote getter in two congressional elections before this final climax of presidential repudiation by the reactionary representative of big business in Pittsburgh, Wall Street, and Boston.

INTEMPERATE, UNFORTUNATE WORDS

I honor our President personally, but I marvel at the following intemperate, unfortunate words:

> We must either abandon our theory of patriotism or abandon this bill. Patriotism which is bought and paid for is not patriotism. * * * There is no moral justification for it.

In other words, in common parlance, the President tells party pledges and the ex-service men to "go where it doesn't snow."

Take this—and no man will dare deny; everybody knows that the whole country would have applauded if Uncle Sam had met every soldier at the ship when he came back with a handclasp of benediction containing a crisp $500 bill, saying: "My boy, I am not paying you for your patriotism—I am just reaching out to you the hand of good fellowship to help you get on your feet. Civilian employees have drawn many times as much as you, and millionaires have become billionaires while you protected them. You stood amid the mud and misery, the ice and lice, the dearth and death, the horror and hell of war for them and for me, and with this check—not solos and anthems and cheers and tears—but with this check I help you to start life again in the land you have defended by every inch and atom of your loyal arms."

Ah, fellow Americans, you know that such a practical deed by Uncle Sam to his heroic defenders would have brought more than a hundred million Americans to their feet with a continent of ringing, singing approval.

If it would have been right to do it then, who dares to say—except a few reactionary administration defenders—that five years of pitiful double-dealing has canceled this grateful obligation? It is a poor brand of personal or national honor that hides behind "the statute of limitation."

All honor to the brave young fellow who nobly says, "I do not want any compensation for my patriotism"; but he and his friends must not indict the patriotism of his comrades who feel the need of help and the sting of neglect. One equation is certain; Republican leadership, through its five years of evasion, equivocation, and final repudiation of party pledges, has forfeited all right to the soldier vote in America.

Mr. GIBSON. Mr. Speaker, an early study of the adjusted-compensation proposal convinced me that it was a measure extending justice to the men who served and sacrificed. One of the reasons for this conclusion was the fact that during the late war the Government paid a bonus to practically every civil employee, and most of these bonus payments have been continued to the present day. Every employee in the classified service with a salary of $2,500 or less receives a bonus. Thus, prohibition agents, customs employees, janitors of public buildings, clerks of all kinds in Washington and throughout the country come under the bonus provision of the law. During the past six years we have paid over $250,000,000 as a bonus in addition to regular salaries; $30,000,000 of this went to the civilian personnel of the Army and Navy.

In fact, a bonus was paid to nearly every employee during the war except the fighting man of the Army and Navy, the man who left gainful employment, who suffered untold hardships, who went into places of danger carrying proudly the flag of his country that we might continue to exist as a nation and civilization be saved. I felt that this great Nation might well treat these men who were willing to sacrifice all as well as the civilian employees were treated in the matter of adjusting compensation. These civilian employees were doing their duty and no criticism attaches to them.

Feeling the justice of the proposal, it was made one of the issues of my campaign for nomination as Representative. The issue was discussed at practically every meeting, and I endeavored to make my position clear. What I said was in the nature of a promise of action, if elected, and was made before the attitude of the President was known.

My vote on this question has given me more concern than any other since I have been a Member of the House. Personal friends and supporters have urged me to vote to sustain the veto. My great desire is to follow the lead of the President, but I can not bring myself to disregard my pledges made in good faith. Common honesty requires the carrying out of campaign promises. Failure to do so justly sacrifices the confidence of friends and forfeits self-respect.

It was my privilege to serve in the World War at home and abroad. I entered the service before the declaration of war, leaving a business and my wife and children to serve my country to the best of my ability. My State, with commendable pride, desired to send a regiment of its own across the seas and in furtherance of that purpose I traveled its hills and its valleys seeking volunteers. As a result some twelve hundred joined the colors voluntarily. I knew them, their families, their ancestry. It was my endeavor as an officer to keep close to these men and to be of help to them in every way. Twenty-five hundred of the men of the regiment in which I went overseas were from the State of Tennessee, and I came to know them and to appreciate the sterling quality of the patriotism of these men of the South. I think I can speak for service men quite as well as some of the gentlemen who have addressed the House on the question now before us.

Speaking for them, I am not in sympathy, Mr. Speaker, with the criticisms of the veto message that have been uttered in this debate. It has been charged by able men, some of them my personal friends for whom I have the highest regard, that the message is an insult to the service men. These statements made for the purpose of partisan advantage are not substantiated by the text of the message. It is not a challenge. It is rather the honest statement of the objections of a courageous Executive in the faithful execution of the duties of his office.

Service men appreciate and honor a man with courage. They may differ with him in his conclusions, but if they are true to honest impulses they admire the man who stands out in the open and in an upstanding manner states his case. That is just what the President did.

A careful study of the message shows it to be a splendid appreciation of the high motives that brought millions of the best of our manhood to the service. The very highest tribute is paid when the President says, "The first duty of every citizen is to the Nation." The veterans of the World War performed this first duty. And again, "No way exists by which we can equalize the burdens or give adequate financial reward to those who served the Nation both in civil and military capacities in time

of war. The respect and honor of their country will be rightfully theirs for evermore." When he stated "patriotism can not be bought nor sold. It is not hire and salary. It is not material but spiritual. It is one of the finest and highest of human virtues," he expressed truths to which every human heart responds.

In the message the President speaks for all the people in accordance with his duty as he sees it. No service man will criticize the performance of duty. The courageous statement of objections without regard to political effect should commend the message to every man and woman who served the Nation.

The President came from a people who put duty and patriotism above all other things. His forbears after service in the Revolution became pioneers in that undeveloped land of the Green Mountains, where the settlers were battling for independent existence. These forbears joined the men of valor who had fought against Canada and Great Britain, and were then defying the Continental Congress and all the other colonies. They established their own independence and maintained it against all the world for 13 years, and until the Union would accept admission as a sovereign State.

These pioneers were silent, God-fearing men, who made plain duty the test of citizenship. They labored with a stubborn soil, eked out a scanty existence, all the time molding character, until they wrought out of the wilderness a wonderful little State and peopled it with men and women who have been the strength of our Nation. You are all familiar with the work and service of Edmunds, Morrill, Proctor, Morton, Arthur, Hayes, Taft, and scores of other national figures whose forbears are of the common heritage of our President.

The characteristics of these pioneers have come down the generations. They have furnished the defense of the principles of the fathers at every crises of our history. They wrote into the law that memorable resolution of 1799, the guiding principle that made possible the continued existence of this Republic. They repelled foreign invasion. They stood firm as the rock against the assaults of the brave men of the South at Gettysburg. They helped swing open the gates of the Orient to the civilization of the West. One in twenty of the population of Vermont served in the World War, 75 per cent being volunteers. These pioneers and their descendants have written a record of service unmatched by achievements of other men in this country.

Calvin Coolidge is of these men. Born and reared amid humble surroundings, he knows the meaning of work, hard work on the farm, because he has done all of it. He knows the full meaning of earning an education, because he had a struggle to gain one. He knows what it means to earn money with which to pay taxes, because he has helped dig it out of the soil. He knows the value of honest service, because he has always rendered it. He has experienced the worries and faced the problems of the common people, because he is one of them. He speaks their language and gives voice to their ideals. The message is their call to a higher standard of patriotism.

We are passing through a period filled with great dangers. We need a President of calm judgment and fearless action, a man who will not turn from the straight pathway for personal advancement or cater to any group for political power. Such a man is now at the head of this Nation. No man better fitted by training, temperament, or experience ever occupied that position.

Born and reared where men do the day's work and live within their means, he has brought to the office a plain integrity and honesty of purpose which the people understand and embrace. His sense of duty, his patriotic zeal gives them a singular sense of security in their country and its institutions. They feel safe with him at the helm. The outstanding points of his character have won him the confidence of the American people to an extent that makes it one of the most striking things in all American political history.

In his native State, where he is known as a man is known by his friends and neighbors, he will have the support of the service men, both Democrats and Republicans. They accept the message as that of an honest Executive, standing courageously for what he believes to be right, and doing his duty without regard to its effect on the vote of any group.

When all this tumult has subsided and a proper appraisal can be made of this day there is one figure that will stand out in bold relief typifying the honesty of the people, the honor and conscience of the Nation, and that is our President, Calvin Coolidge.

BEER OF 2.75 PER CENT ALCOHOLIC STRENGTH

Mr. KINDRED. Mr. Speaker, the question of the control of alcoholic beverages is a very old one in the United States and in other countries. I wish to state, in the first place, that my own personal attitude as a physician and law-abiding citizen with regard to the use of strong alcoholic liquors, meaning whisky, brandy, and other stronger alcoholic liquors, is and has been that they should be used with great moderation and in proper quantities and under proper conditions. I wish further to emphasize that any argument and statement that has been or will be made by me on this whole subject is made from the viewpoint of a law-abiding citizen who has been and always intends to be a sober man with respect to indulgence in alcoholic intoxicating liquors, and also from the viewpoint of a physician of long experience in the special study and treatment of the diseases known as alcoholism and insanity and other diseases complicated with excesses in the use of intoxicating liquors.

While I am, of course, aware that during the age-long discussion of the evils of excessive alcoholic indulgence a great moral question has been injected—and very properly so—into this whole question by well-meaning reformers and professional temperance advocates, I shall not, for the purposes of a purely medical presentation of this whole matter, discuss or refer to any moral or political aspects of this question, so important in its moral, sociological, economic, and health aspects. I shall confine my statement to the naked question of the leading medical facts, and particularly to the question of whether or not ordinary, well-brewed beer made of hops, barley, and malt, and containing 2.75 per cent alcoholic strength, is in fact intoxicating from a strictly medical and legal standpoint.

As to the medical use of the so-called stronger alcoholic liquors, like proof whisky, brandy, and so forth, I wish to refer to the fact that the eighteenth amendment to the Constitution of the United States specifically provides that "no intoxicating liquors shall be manufactured, transported, or sold, except for medicinal and sacramental purposes." Under the ruling of former Attorney General Palmer there existed no prohibition against the use for medicinal purposes in reasonable quantities of spirituous or intoxicating liquors—that is, whisky and brandy and wine and beer or other malt liquors of sufficient alcoholic content to be intoxicating—if in the good and honest judgment of the attending physician they should be used in the treatment of disease. This contention of the medical profession has been since upheld in two different decisions of the United States district courts, and the question will be finally settled, it is to be hoped in the near future, by the United States Supreme Court as to whether physicians shall be permitted, within the spirit of the eighteenth amendment, to prescribe such intoxicating liquors without any regulation of the prohibition enforcement and other departments of the United States Government. It is obvious that if physicians can legally prescribe and furnish, as they may do under the Volstead law, to any one patient in any period of 10 days as much as one-quarter of a gallon of vinous liquor—that is, wine of 24 per cent alcoholic content by volume—and can also furnish or prescribe for any one person within the same period of time any liquor that contains as much as 1 pint of intoxicating liquors, such as the strongest whisky or brandy, there would be no violation of the spirit of the prohibition amendment if physicians were permitted—as they are not permitted under the Volstead law—to prescribe beer and malt liquors of much less alcoholic content.

The leading medical authorities in the United States and Europe indorse the use, in all their textbooks and teachings for physicians and medical students from time immemorial, of beer, stout, porter, and ale as types of malt liquors to be used in the successful treatment of various diseases.

Prof. Hobart Amory Hare, professor of therapeutics and materia medica at the Jefferson Medical College, Philadelphia, in his textbook of Practical Therapeutics, seventeenth edition, 1918, says on page 82:

> Stout and porter and well-brewed beer are of value in wasting diseases and in convalescence from acute diseases and for nursing women. Most of the beer in America contains about 4 to 6 per cent of alcohol.

George Butler, A. M., M. D., and so forth, professor of therapeutics and pharmacology, Chicago College of Medicine and Surgery, and so forth, in his textbook of Materia Medica, Pharmacology, and Therapeutics, sixth edition, says:

> Alcohol in the form of beer or ale, taken before or during meals, is an efficient stomachic [meaning a good medicine and tonic for the stomach]; a tonic for dyspepsia and weakened digestion attendant on or upon convalescence from acute diseases. Convalescents are often greatly benefited by some form of alcohol as it is contained in beer and ale. When the digestion becomes impaired as the result of physical or mental exhaustion the drug (alcohol in the form of beer and ale) serves a useful purpose as a tonic.

Prof. Oliver T. Osborne, department of medicine, Yale University, is also authority for the following statement:

Strenuous exercise and hard labor will allow a man to take more alcohol without harm than can be used by a man of sedentary habits. There is no doubt alcohol can be used as a substitute for food in the place of sugar and starch. In emergencies it may thus sustain and give life.

This particularly applies to the use of malt liquors, beer, ale, stout, and porter, and it also proves that alcohol, particularly the small percentage contained in malt liquors, is a food as well as a reconstructive tonic, stimulant, and tissue builder in wasting and other diseases.

Prof. Otis Larch, medical department, Tulane University, at New Orleans, in his standard textbook on Medical Diagnosis, page 39, says:

Malt beer is rich in carbohydrates and is frequently prescribed.

Sir Victor Horsley, M. D., and Doctor Sturge, the authors of the well-known book "Alcohol and the Human Body," and who violently oppose the use of intoxicating beverages and whose book was written solely against the use of strong alcoholic drinks as beverages, in discussing the effect of malt liquors on the human digestion, page 212, state:

These beverages (malt liquors) contain only from 4 to 6 per cent of alcohol, so that the alcohol contained in them could scarcely ever on its own acount produce any bad effect.

Note that the claim is made by this most widely read and extensively quoted medical authority on the effects of alcohol on the human body that the effect of malt liquors, which include beer, porter, and stout, of the small alcoholic content of from 4 to 6 per cent, could scarcely ever on its own account produce any bad effect, except through the effects of large quantities of such beverages, if taken with meals, causing dilution of the food in the process of digestion.

Everyone knows that too much water, coffee, tea, and so forth, taken with meals would retard digestion in the same way, and also that digestion is not only not interfered with but that it is aided by reasonable quantities of good malt liquor, beer, ale, porter, or stout. The existing Volstead law permits regularly licensed physicians to legally prescribe for their patients whisky, brandy, wines, beer, and malt liquors of such alcoholic strength as to be intoxicating. But with the excuse of preventing the abuse of prescribing beer, by a very small percentage of physicians, the pending measure (H. R. 7294) proposes arbitrarily and without reason to prohibit physicians from prescribing beer and malt liquors of standard alcoholic strength of 3 to 6 per cent. This bill, notwithstanding this prohibition as regards the prescribing of such beer, permits physicians to legally prescribe for medical purposes spirituous and vinous liquors—wines—that contain not more than 24 per cent of alcohol by volume, provided that not more than one-fourth of a gallon of such vinous liquor is prescribed or furnished for use for any one person within any period of 10 days, and also so permits the prescribing or furnishing by the physician of any liquor that contains as much as one-half pint of alcohol—grain alcohol—for the use of any one person within a period of 10 days.

Both the existing Volstead law and the amendments to it now proposed constitute a grave interference with the rights of both the physician and his patients, for whom he should at all times have the right to prescribe any drug or agent which, in his honest and good judgment, is really needed. Under the Harrison narcotic drug law and under all of the laws of the respective States intended to regulate the prescribing of dangerous narcotic and other drugs, the physician is permitted to prescribe most poisonous narcotic drugs, under proper regulations, but he can not under the pending measure prescribe any beer of the weak alcoholic strength of from 3 to 6 per cent. How inconsistent and absurd. It is also a matter of fact, from the medical point of view, that this proposed law will not meet the needs of the physician and his patients in respect to the alcoholic and vinous liquor which the physician may legally prescribe or furnish. I as a physician practicing for over 30 years in the specialty of treating alcoholic and drug addicts, know of my own knowledge and experience that many alcoholic and other cases require for the most scientific treatment of their diseases, particularly in the so-called tapering treatment of alcoholism and delirium tremens cases, from 2 to 3 fluid ounces of proof whisky, diluted, every three of four hours, one patient thus requiring more whisky in 24 hours than the physician is allowed to legally prescribe in any period of 10 days.

This amount would be actually necessary in many such cases to save a valuable life or to prevent an outright attack of insanity. The only way, legally, the physician could obtain a greater amount of spirituous liquor—that is, the equivalent to about 1 pint of proof whisky or brandy which he could prescribe in a 10-day period—would be for him to prove to the Commissioner of Internal Revenue that the circumstances in a given case would constitute an extraordinary reason. This would mean, according to the experience of many physicians who may have dozens of such cases under treatment, that either the physician would incur a risk of a prison term in a Federal prison if he took the law into his own hands in order to save the life of his patient, or if he obeyed this unjust law, allow his patient to die because of the lack of proper medical treatment.

These restrictions are all the more unjust because they not only allow the prescribing of too small quantities of liquors, as just pointed out, but because they limit the physician to 100 prescriptions in 90 days, although a busy physician might have honest and urgent reason to use many more than this number of prescriptions in this period of time.

After a study of this whole question from the viewpoint of the ultimate welfare of our country, I believe that the deplorable conditions as regards increasing drug addictions and bootlegging, and the increasing contempt for the laws that are causing these conditions, could be rapidly relieved if the Congress would pass reasonably liberal laws for the enforcement of the prohibition amendment; if, instead of fixing arbitrarily one-half of 1 per cent of alcoholic content for beer, an alcoholic content were fixed sufficient to make decent beer—to prevent the fermentation of the vegetable ingredients contained in the beer, this would satisfy the masses of people and bring about more real temperance and more respect for law and order. If respect for law and order is not restored in this country, it would be difficult to predict the consequences.

As a protest against these conditions and against the enactment of new blue laws of repression and oppression, the people of the district I have the honor to represent here, the borough of Queens, New York, will parade, to the number of many thousands, made up of law-abiding citizens of all classes, to-morrow night.

I hope my esteemed colleagues, particularly those of the majority party who control the committees which have reported this un-American, unreasonable, unjust, and repressive measure, will agree that I have made out the case, at least from the medical side, as to the usefulness of beer and malt liquor in the practice of medicine, and that is strictly the issue drawn in the most important section—section 2— of the pending bill.

Appended are the scientific opinions of Noble P. Barnes, M. D., chairman of the council of the American Therapeutic Society, Arlington Hotel, Washington, D. C., and also resolutions of the American Therapeutic Society:

THE ARLINGTON,
Washington, D. C., Saturday, June 25, 1921.

Mr. J. J. KINDRED, M. D.,
House of Representatives of the United States,
Washington, D. C.

MY DEAR MR. KINDRED: The secretary of the American Therapeutic Society, Dr. Lewis Taylor, is not in the city, but will return to Washington Monday morning. I have left instructions for him to get into communication with you at once upon his return.

The mental note I have of the resolution of the American Therapeutic Society is as follows: "That physicians and surgeons should have the unimpaired right of prescribing this drug (alcohol) without any foolish restrictions."

The society does not approve of liquor-prescribing doctors, the society does not wish to interfere with or violate the eighteenth amendment, but the society does want to go on record as maintaining that no legislative body or enforcement authority should limit or hamper a doctor of medicine in the legitimate exercise of his functions as a physician.

Alcohol, per se, is a drug, and should be classed as such. It has a definite physiological action and a wide range of therapeutic application. It is not only useful but absolutely necessary in the treatment of certain conditions and in the manufacture of other drugs.

The restrictions, regulations, and taxation placed about and upon this drug to-day makes an enormous cost to the sick, who are usually poor. The limit in quantity—e. g., a pint of whisky every two weeks—and other regulations that are effected by ignorant if well-meaning clerks and Government officials are little short of insults to the honest, scientific members of the medical profession.

Alcoholic products constituting the so-called intoxicating liquors should likewise be classed as drugs. Just here I will add that the proper persons to determine the toxicity of drugs are recognized scientific physicians, chemists, and physiologists.

There are many conditions where light wines, beer, ale, stout, porter, etc., are needed, and if the articles contain an intoxicating amount of

alcohol they, too, should be classed as drugs, and the physician should be given the privilege to practice his profession with as little red tape as possible. An active scientific physician with his mind occupied in important problems does not want to be annoyed by excessive clerical detail.

I am inclosing a published letter written by Dr. C. E. de M. Sajous. Doctor Sajous is a member of the council of the American Therapeutic Society and one of the recognized leaders in the American medical profession. His deductions are well worth serious consideration.

Thanking you for your courtesy to me and your interest in matters pertinent to the medical profession, I am, with every good wish,

Yours fraternally,

N. P. BARNES, M. D.,
Chairman of the Council of the American Therapeutic Society.

AMERICAN THERAPEUTIC SOCIETY,
June 27, 1921.

Hon. JOHN J. KINDRED.

DEAR MR. KINDRED: At the request of Dr. Noble P. Barnes, I am sending you the resolution adopted by the American Therapeutic Society at its last annual meeting, which is as follows:

"Whereas the use of ethyl alcohol and its preparations for medicinal and surgical purposes is not only justified but also indicated by observations made by laboratory investigations and clinical experience: Be it

"*Resolved by the members of the American Therapeutic Society in convention assembled*, That alcohol has a proper place in the treatment of disease; and be it further

"*Resolved*, That the least possible restrictions in the use of this drug compatible with the enforcement of the eighteenth amendment be imposed on the members of the medical profession; and be it further

"*Resolved*, That a copy of these resolutions be sent to the proper authorities."

Very truly yours,

LEWIS H. TAYLOR,
Secretary American Therapeutic Society.

According to my own personal experiments as a practicing physician of more than 30 years' experience, and also in accordance with the experience of many other physicians in this and other countries who have studied the question from a purely scientific point of view, beer made of hops, malt, and barley of 2.75 per cent alcoholic content, have concluded that such beer of such alcoholic content is not intoxicating, either in a legal, scientific, or other sense.

What do we mean by intoxication?

There are first, second, and third degrees of intoxication.

The first stage of intoxication from alcohol would cause the same symptoms or signs as would the exhilaration that is caused by strong tea or coffee in a person of average susceptibility to either one of these agents. The symptoms of the first stages are a slight acceleration or increase of the heart action, a slight increase in breathing, or respiration, and a subjective feeling of well-being or mild exhilaration.

These symptoms of the first stage of intoxication, which is not intoxication at all in a scientific sense or in a legal sense, would be exactly the same whether they were caused by one or two pints or a stomach full of beer or by one or two cups of strong coffee or tea.

The second and third stages of intoxication or poisoning by alcohol, such as the mental symptoms of hallucination and other mental disturbances, like extreme mental exhilaration, deepening into more or less stupor and coma, and the physical symptoms, such as muscular relaxation, weak and failing heart action, cool, moist skin, noisy breathing, livid lips, are scientifically and legally intoxication.

It is absurd and entirely unfounded both from a legal and scientific standpoint to claim that the full capacity of the human stomach, which would amount to about two pints, or a quart, of 2.75 per cent beer under the ordinary condition of the stomach, could cause intoxication in a scientific sense or in a legal sense.

This brings us to the all-important questions of the percentage of alcoholic strength in a given alcoholic beverage that will cause intoxication as defined by the eighteenth amendment to the Constitution of the United States and by medical science.

I have made actual personal experiments with myself and my friends which conclusively prove that beer of 2.75 per cent alcoholic content consumed by us to the full capacity of the stomach would not and could not cause intoxication.

Two pints of bear, which is about the capacity of the stomach under its ordinary condition, meaning about six modern beer glasses full of beer, contain not enough alcoholic content or anywhere near enough to cause intoxication.

Two pints of beer, meaning 32 fluid ounces, would contain, in the strength of 2.75 per cent alcoholic content, only about 3½ dessert teaspoonfuls, or less, or ethyl alcohol or grain alcohol, which is certainly not enough to intoxicate any normal adult.

As to whether or not this amount of beer or any other amount of beer which the human stomach is capable of taking would intoxicate must be considered both from a legal and medical standpoint of the susceptibility or immunity of the average, normal human being under normal conditions of life in a state of civilized society.

The observations and experiments to which I have referred in my verbal statement before the Judiciary Committee and which statement here follows are fully borne out by the sworn medical statements of such eminent physicians as Dr. Amory Hobart Hare, for many years past the distinguished professor of materia medica in the Jefferson Medical College, of Philadelphia; and also of Dr. Smith Ely Jelliffe, a distinguished specialist and professor of materia medica in the College of Physicians and Surgeons—Columbia University—city of New York; and also of Dr. A. A. Brill, a distinguished specialist in mental and nervous diseases, of the city of New York.

STATEMENT OF HON. JOHN J. KINDRED, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK, SECOND CONGRESSIONAL DISTRICT, BEFORE THE JUDICIARY COMMITTEE OF THE HOUSE OF REPRESENTATIVES, JUNE 4, 1924

Mr. KINDRED. Mr. Chairman and gentlemen of the committee, I desire to discuss the naked fact as to the intoxicability of beer containing 2.75 per cent of alcohol. My conclusions are founded upon extensive reading and investigation of the whole subject of the physiological effects of alcohol and the various concoctions or beverages containing alcohol.

My observations and conclusions are particularly founded on personal observations, personal experiences of myself as a sober man, and on others as to the actual effects of beer containing 2.75 per cent alcohol, with a view to observing whether it were possible that any quantity of beer of this alcoholic content that could be contained in the average human stomach could cause intoxication in any sense of the word.

In discussing the question of alcoholic intoxication we must, of course, be guided by what may be called both a medical and legal definition of intoxication.

Mr. DYER. Doctor, will you allow an interruption for a moment?

Mr. KINDRED. Certainly, Judge DYER.

Mr. DYER. Mr. Chairman, the members of the committee will be needed on the floor in these closing days of Congress, and I think we should be there. I ask that the witness, my colleague, and such other men as have statements file them with the committee.

Mr. KINDRED. I can conclude very quickly.

The CHAIRMAN. Doctor, as your statement is a scientific statement, would it not be possible, as well as proper, that you submit it in writing and let it be added to the record?

Mr. KINDRED. I readily agree. If you will allow me to make in conclusion just one or two remarks, I should like to do so.

My conclusion, based on medical facts to be herewith filed with your committee, is that beer of 2.75 per cent alcoholic content is not intoxicating, based on experiments with myself as a sober man and as an average normal being, in which experiments I included many other normal men who tried their best to get drunk on 2.75 per cent beer. Their stomachs were not capable of containing enough beer of that two and three quarters of 1 per cent alcoholic content to produce even the first stage of intoxication as defined by medical science.

No more effects could be produced from that quantity of 2.75 per cent beer than are produced constantly by one or two cups of strong coffee or tea.

With that statement I shall be glad to file my further statement.

Mr. PERLMAN. How many drinks were taken in, say, five hours?

Mr. KINDRED. About six or seven or eight modern beer glasses, which would contain, speaking more accurately, about 32 fluid ounces, and 32 fluid ounces of beer with 2.75 per cent of alcoholic strength could contain about seven small teaspoonfuls of ethyl alcohol or grain alcohol, which would not make any normal being drunk, especially in such diluted form as 2.75 beer. This would be absorbed so slowly by the stomach and circulation that it would not have even the intoxicating effects of that amount of alcohol taken in undiluted form, as I will show by the testimony of reliable medical authorities.

The CHAIRMAN. The hearings are now closed, except that all statements of Members of Congress which they desire to file may be submitted to the committee for addition to the record.

Mr. DYER. I ask an amendment to that, that Mr. Volstead may be permitted to file a statement.

The CHAIRMAN. There is no objection to that. I think it is magnifying an incident as to the recollection of what was said at that time, and it does not require a statement, because he explains it in his testimony afterwards.

Mr. DYER. As a courtesy to a former chairman of the committee, I should like to ask that.

The CHAIRMAN. As a courtesy to a former chairman, we will permit it, although I think it is utterly irrelevant.

Mr. DYER. I move we adjourn.

Professor Hare, in a sworn statement on this subject, deposes as follows:

IV. It is not generally known that there is produced in the human body every day certain quantities of alcohol, not infinitesimal, but in very definite amount, and for this reason alcohol can not be considered a foreign substance, and therefore can be considered as being practically at all times present in the human body. This alcohol is produced principally, if not entirely, by fermentation processes in the intestinal tube; it is absorbed and is contained in the fluids and tissues of the body in general.

It appears, therefore, that the body is accustomed daily to the utilization or oxidation of a certain percentage of alcohol, which is utilized or oxidized in exactly the same manner as alcohol which is produced outside the body and then swallowed in ordinary quantity. For these reasons alcohol can not be considered as a foreign substance to which the tissues are entirely unaccustomed, and the effects which it produces are governed entirely by the quantity ingested and by the ability of the body to deal with a substance with which it is qualified to deal. If taken in such quantities as to be beyond the power of the body to utilize it or oxidize it, it, like every other substance capable of being swallowed, is capable of producing evil effects. This is true, for example, of water and ordinary table salt. In other words, the question of the power or influence of a given substance introduced into the body is determined by the quantity and concentration of that substance. In general terms the greater the quantity and the greater the concentration the greater the effect, and, conversely, the smaller the quantity and the greater the dilution the less the effect. Salt, if taken in strong solution, irritates the stomach and causes vomiting or, if not vomited, causes such an outpouring of liquid from the tissues of the body into the stomach and intestines as to cause diarrhea. So, too, it is generally known that a considerable quantity of 50 per cent solution of alcohol when taken undiluted may, by its irritant action on the stomach, produce injury, or by its rapid absorption into the blood may produce a condition which is commonly called drunkenness. On the other hand, it is generally recognized that the same quantity of alcohol when diluted with water, so that the alcohol content by per cent is low, is absorbed so slowly as to be deprived of its power or influence in direct ratio with the degree of its dilution. This is due to the fact that the dilution results in a greater volume of fluid having to be absorbed, with a consequent slow or delayed entrance of the alcohol into the blood, so that there is at no time a very large quantity in that fluid. During the time of this slow absorption the system is busily engaged in oxidizing or destroying the alcohol as it enters in comparatively small quantities, with the result that the total quantity of alcohol present in the blood at a given moment is comparatively small. In one instance the alcohol may be said to be toxic, because it overwhelms the ability of the body to deal with it, just as water may be toxic when taken in such quantity that the body can not deal with it. On the other hand, if alcohol is taken so that the body can deal with and destroy it, minute by minute, there is never a time at which it can act as alcohol and, therefore, can not exercise any intoxicating properties.

It follows from the foregoing that if a man drinks a considerable quantity of alcohol of such concentration as to equal 50 per cent it will enter his blood more rapidly than if it is in dilute form and therefore more rapidly than he can deal with it, whereas if he drinks a liquid containing a comparatively small percentage of alcohol, or, in other words, alcohol in a highly diluted form, it may be delivered to those parts of the body which utilize or oxidize the alcohol so slowly that it will never be present in sufficient quantity to produce any of the definite effects caused by alcohol which has escaped oxidation. The rapidity with which an alcoholic fluid is swallowed and the degree of its dilution to a large extent determines its effects, or, in other words, a man in one or two swallows, or one drink, of a 50 per cent solution would take as much alcohol as would a man who ingested about 1 pint of beer. The dilution in the pint of beer results in so slow an absorption of the alcohol content present as to give the body an opportunity to deal with or oxidize it as it is absorbed.

As illustrative of the delaying effect of dilution upon the absorption of alcohol, attention may be called to the well-known fact that all the strong alcoholic beverages commonly used produce their effect much more mildly if food is taken with them than if they are taken without food.

These deductions are supported by the following practical observations:

1. I have in times past taken as much as 1 quart of beer in one hour without any manifestations of intoxication, the said beer containing a higher percentage of alcohol than 2.75 per cent, by weight, although I am not an habitual user of beer or other alcoholic beverages.

2. I have frequently observed many other persons do likewise.

3. I have given whisky and brandy containing amounts of alcohol far in excess of the quantity of alcohol contained in 2.75 per cent beer in a quantity that a person can ordinarily drink several times a day without noticing symptoms of intoxication.

4. A careful study of the report of the Central Control Board of Great Britain (liquor traffic), published in 1918, which board was composed in part of men recognized the world over as authorities upon the influence of drugs or medicines upon the living body, confirms the opinions reached by me from personal experience and observation.

From these personal experiences and observations and considerations of the literature on the subject I am of the opinion that beer containing not to exceed 2.75 per cent of alcohol by weight is not intoxicating under the legal definition of that term.

Dr. Smith Ely Jelleffe also says:

III. I first became interested in the action of alcohol while I was an instructor at Columbia University. I made special experimental studies for four or five years, psychological investigations, as well with students and animals, and made a number of extensive experimental studies with animals and men on changes in the nervous tissues due to acute and chronic poisoning, alcoholic and otherwise, some of the results of which have been incorporated in some of the articles referred to, especially studies on multiple neuritis and Korsakow psychosis, and the mentality of the alcoholic, morphine, heroin, alcohol, and other drug addicts. In addition I have seen thousands of acute and chronic alcoholic cases in the wards of the City Hospital, Bellevue, Bloomingdale Hospital, the Government Hospital for the Insane, Binghamton State Hospital, Hospital of La Salpetriere in Paris, and the Charity Hospital in Berlin, and to a great extent I have made psychological investigation in private practice of patients addicted to the various grades of alcoholism.

IV. Practically all of the older data relative to the subject of alcoholism and the taking of beer or light wines pertain to solutions of from 4 to 12 per cent of alcohol, and there are practically no available data that can be said to be scientific or medically reliable on beers containing less than 4 or 5 per cent of alcohol by weight.

V. A very wide investigation of the literature of the subject reveals that nearly all of the statistics concerning beer drinking dealt with beers of from 6 to 10 per cent in strength. The extensive psychological and neuro-muscular experiments of Kraepelin were conducted on beers and alcoholic beverages of far greater alcoholic strength than 2.75 per cent by weight. In some of these cases the alcoholic percentage was not stated and the results of these experiments are thereby entirely vitiated.

VI. From my personal experience and investigation and from observations made upon others, as well as from my study of the experiences, investigations, and experiments recorded by others in the scientific literature of many countries, I am of the opinion that beer or any beverage which contains not to exceed 2.75 per cent of alcohol by weight, when consumed by an ordinary man or woman in such quantities as the human stomach can ordinarily hold, is not intoxicating.

Dr. A. A. Brill makes a sworn statement, as follows:

V. I have for many years taken a keen interest in the subject of inebriety, especially in its psychological aspects, and have examined a great number of persons suffering from various manifestations of alcoholism.

VI. I am acquainted with the substance now known and sold as "war beer," both from my own consumption of the same and from being in company of others who have drunk it; which substance, I am informed and verily believe, has an alcoholic content not to exceed 2.75 per cent by weight; and from my experience and observation I am of the opinion that such beer which is now made and sold would not tend to cause inebriation or alcoholism in any average, normal adult drinking the same; but, on the contrary, it exerts a very beneficial effect, and in my opinion it would be impossible for any such person to drink a sufficient quantity of this substance to cause drunkenness.

From both the medical and legal viewpoints, therefore, it will be evident to any person who is possessed of good common sense and who is without prejudice that well-brewed beer of 2.75 per cent alcoholic strength is not intoxicating within the meaning of the eighteenth amendment to the Constitution of the United States, and that therefore a pure wholesome beer of 2.75 per cent alcoholic strength should be permitted, under the provisions of the eighteenth amendment, to be manufactured, transported, and sold as a matter of constitutional right.

COMPARISON OF LABOR PROVISIONS OF THE TRANSPORTATION ACT WITH THOSE OF THE BARKLEY-HOWELL BILL

Mr. NEWTON of Minnesota. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Barkley-Howell bill by printing in parallel columns a synopsis of the

present provisions of the transportation act and corresponding provisions in the Barkley-Howell bill.

The SPEAKER. The gentleman from Minnesota asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. NEWTON of Minnesota. Mr. Speaker, under leave to extend my remarks I am inserting a brief analysis and comparison in parallel columns of the labor provisions of the transportation act of 1920 with the provisions of the bill prepared by representatives of the railway brotherhoods and known as the Barkley-Howell bill:

COMPARISON IN GENERAL OF PROVISIONS OF LABOR PROVISIONS IN TRANSPORTATION ACT WITH THOSE IN BARKLEY-HOWELL BILL

TRANSPORTATION ACT	BARKLEY BILL
SEC. 300. The term "carrier" includes: (a) Any express company. (b) Any sleeping-car company. (c) Any carrier by railroad subject to the interstate commerce act, except a street, interurban, or suburban electric railway not operating as a part of a general steam railroad system of transportation.	SECTION 1. The term "carrier" is enlarged to include the provisions of section 300, but also the following: (a) Interurban and suburban electric railways operating as independent units. (b) Bureaus, associations, committees, and institutions, etc., in furtherance of interest of carriers. (c) Barges, boats, tugs, bridges, ferries. (d) Other transportation facilities, whether electric, gas, or steam.
SEC. 301. Duty upon carriers and employees to settle: "It shall be the duty of all carriers and their officers, employees, and agents to exert every reasonable effort and adopt every available means to avoid any interruption to the operation of any carrier growing out of any dispute between the carrier and the employees or subordinate officials thereof."	SEC. 2. General duty: "It shall be the duty of all carriers and all officers, agents, employees, and subordinate officials to exert every reasonable effort to make and maintain agreements concerning rates of pay, rules, and working conditions, and to settle all disputes arising out of the application of said agreements in order to avoid any interruption to the operation of any carrier growing out of any dispute between the carrier and the employees or subordinate officials thereof."
SEC. 301. Disputes first decided in conference: "All such disputes shall be considered and, if possible, decided in conference between representatives designated and authorized so to confer by the carriers or the employees or subordinate officials thereof, directly interested in the dispute. If any dispute is not decided in such conference, it shall be referred by the parties thereto to the board which under the provisions of this title is authorized to hear and decide such dispute."	SEC. 3. (A) (1) The provision is substantially the same as in the transportation act: "All disputes arising out of (a) grievances, or the application of all agreements concerning rates of pay, rules, or working conditions, or (b) proposed changes in rates of pay, rules, or working conditions between a carrier and its employees or subordinate officials shall be considered and, if possible, decided, with all expedition, in conference between representatives designated and authorized so to confer, respectively, by the carriers and by the employees or subordinate officials thereof interested in the dispute." (This provision is followed by provisions relating to the designation of representatives, time, and places of meeting which are not in existing law.)
SEC. 302. Boards of adjustment are permissive and the representatives are paid by their own group, not out of the public Treasury. "Railroad boards of labor adjustment may be established by agreement between any carrier, group of carriers, or the carriers as a whole, and any employees or subordinate officials of carriers, or organization or group of organizations thereof."	SEC. 3 (B) There are established four adjustment boards, as follows: No. 1. Consists of 14 members, 7 from carriers and 7 from employees, from engineers, firemen, conductors, and other operating employees. No. 2. Consists of 14 members, 7 from carriers and 7 from shop employees, such as boilermakers, other mechanics, and helpers. No. 3. Consists of 6 members, 3 from carriers and 3 from clerks, station workers, laborers, etc.

TRANSPORTATION ACT—CON.	BARKLEY BILL—CON.
	No. 4. Consists of 6 members, 3 from carriers and 3 from marine workers, such as masters, pilots, longshoremen, marine engineers, etc.
Appointed by employees and management as they agree.	Appointed by President from nominees by employee organizations and managements. Only "nationally organized crafts" of employees can send in nominations.
Salaries of members and employees to be met by the parties, not the public.	Salaries $7,000 per year, payable out of Public Treasury. "Can employ and fix salaries of such employees as may be necessary."
No specific provision as to powers.	Are given extensive powers as to conducting hearings, including right to require access to all books and papers.
ADJUSTMENT BOARDS	ADJUSTMENT BOARDS
SEC. 303. Jurisdiction applies only to disputes involving grievances, rules, or working conditions.	SEC. 4. (A) "Has jurisdiction only as to grievances or application of agreements concerning rates of pay, rules, and working conditions."
Provision is made as to instituting proceedings before adjustment boards, including petitions by unorganized employees.	No mention of how proceedings are to be commenced.
SEC. 304. Establishes a Railroad Labor Board, composed of nine members, as follows: (a) Three from labor group. (b) Three from management group. (c) Three from public generally. All are appointed by President. Salary, $10,000.	Repeals provision as to Labor Board.
	Establishes Board of Mediation and Conciliation, composed of five. Salary, $12,000. All appointed by the President. No member can, while an active member or officer in employee organization, or an officer of or pecuniarily interested in a carrier, shall be eligible. Salary, $12,000.
Subject to civil service; has power to appoint and remove employees.	Can employ as see fit and fix salaries.
SEC. 307. Has appellate jurisdiction as to grievances, rules, and working conditions from adjustment boards.	SEC. 5. Has appellate jurisdiction as to grievances or out of application of agreement relating to rates of pay, rules, or working conditions.
Has original jurisdiction as (1) to above if adjustment boards not organized; (2) as to wages not agreed to in conference upon request of either side or on own motion if likely to substantially interrupt commerce.	Has original jurisdiction to mediate only as to (1) changes in rates of pay, rules, or working conditions when not agreed on in conference when request for amicable adjustment is made by either party.
(3) May suspend agreements in conference if agreement for increased wages likely to necessitate a substantial readjustment of rates. Take testimony. As to this latter decision, one of public must concur.	(2) No jurisdiction whatever if parties agree. No power of suspension. Confined merely to mediation and conciliation.
Decisions and reasons to be published as required.	No power of decision.
	In event of failure to get parties to agree, only recourse is to request voluntary arbitration. Expressly made not illegal to refuse to arbitrate. Board names arbitrators if parties unable to agree. One of its members on request may sit in and observe.
	Award of arbitrators made final and conclusive as to the facts and as the merits of controversy and that both shall faithfully perform. This is qualified as to employees as follows:

TRANSPORTATION ACT—con.

BARKLEY BILL—con.

"(8) Nothing in this act shall be construed to require an individual employee or subordinate official to render labor or service without his consent, nor shall anything in this act be construed to make the quitting of his labor or service by any employee or subordinate official an illegal act; nor shall any court of the United States or of any State issue any process to compel the performance by any employee or subordinate official of such labor or service without his consent."

In other words, the award binds the carrier but not the employees, who have voluntarily agreed to arbitrate.

In the meantime the carrier is prohibited from changing rates of pay, rules, or working conditions prior to final action or without notice.

"(B) Any attempted change of rates of pay, rules, or working conditions by the carrier without notice, or prior to final action as hereinfore provided, shall be void, and the offender shall be liable in damages to each and every party aggrieved to the amount of double any loss occasioned by such unlawful action. Such damages shall be recoverable by appropriate proceedings in the United States district court for the district wherein the offense was committed, which proceeding may be brought by individuals or by representatives of classes of individuals aggrieved."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. GALLIVAN, for 3 days, on account of illness.

To Mr. DYER, for 3 days, on account of very important business.

To Mr. FLEETWOOD, for 10 days, on account of business.

To Mr. GIBSON, for 7 days, on account of business.

EXTENSION OF REMARKS

Mr. RAKER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the immigration bill.

The SPEAKER. The gentleman from California asks unanimous consent to extend his remarks in the RECORD on the immigration bill. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, are they the gentleman's own remarks?

Mr. RAKER. Well, public records and matters which I have gathered together.

ADJOURNMENT

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 2 minutes p. m.) the House adjourned until Monday, May 19, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

490. A communication from the President of the United States, transmitting a communication from the Treasury Department under date of May 5, 1924, submitting claim of Rev. S. T. Matthews in the sum of $97.85, which has been adjusted and which requires an appropriation for its payment (H. Doc. No. 291); to the Committee on Appropriations and ordered to be printed.

491. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Treasury Department for the fiscal year 1924, $45,000, and for the fiscal year 1925, $8,330,100; in all $8,375,500; also, a proposed authorization to use an existing appropriation (H. Doc. No. 292); to the Committee on Appropriations and ordered to be printed.

492. A communication from the President of the United States, transmitting two communications from the Postmaster General, submitting an estimate of appropriation in the sum of $3,023.72, to pay claims for damages to or losses of privately-owned property, which he has adjusted and which require an appropriation for their payment (H. Doc. No. 293); to the Committee on Appropriations and ordered to be printed.

493. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Green Bay Harbor and Fox River, Wis., from Oshkosh to its mouth (H. Doc. No. 294); to the Committee on Rivers and Harbors and ordered to be printed, with three illustrations.

494. A letter from the Secretary of the Navy, transmitting a draft of proposed legislation "to authorize the appointment of Machinist Henry F. Mulloy, United States Navy, as an ensign in the regular Navy"; to the Committee on Naval Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. SNELL: Committee on Rules. H. Res. 317. A resolution providing for the consideration of H. R. 9033, a bill declaring an emergency to exist in agricultural commodities, etc.; without amendment (Rept. No. 775). Referred to the House Calendar.

Mr. FISHER: Committee on Military Affairs. H. R. 7909. A bill granting the consent of Congress to the construction, maintenance, and operation by the Denver & Rio Grande Western Railroad Co., its successors and assigns, of a line of railroad across the southwesterly portion of the Fort Logan Military Reservation in the State of Colorado; without amendment (Rept. No. 777). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. LITTLE: Committee on Claims. S. 1253. An act to reimburse J. B. Glanville and others for losses and damages sustained by them through the negligent dipping of tick-infested cattle by the Bureau of Animal Industry, Department of Agriculture; without amendment (Rept. No. 778). Referred to the Committee of the Whole House.

Mr. PATTERSON: Committee on Naval Affairs. H. R. 7018. A bill for the relief of Joy Bright Little; without amendment (Rept. No. 779). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 9080. A bill for the relief of Christina Conniff; without amendment (Rept. No. 780). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. JACOBSTEIN (by request): A bill (H. R. 9292) to prohibit the collection of a surcharge for the transportation of persons or baggage in connection with the payment of parlor or sleeping car accommodations; to the Committee on Interstate and Foreign Commerce.

By Mr. GIBSON (by request): A bill (H. R. 9293) to extend the commerce of the United States by creating the world commerce corporation and authorizing the establishment of foreign trade zones; to the Committee on the Judiciary.

By Mr. CASEY: A bill (H. R. 9294) providing for the purchase of a site and the erection thereon of a public building at Nanticoke, Pa.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 9295) providing for the purchase of a site and the erection thereon of a public building at Plymouth, Pa.; to the Committee on Public Buildings and Grounds.

By Mr. RICHARDS: A bill (H. R. 9296) to provide for the acquisition of a site and the erection thereon of a Federal building at Las Vegas, Nev.; to the Committee on Public Buildings and Grounds.

By Mr. PORTER: A bill (H. R. 9297) to authorize the payment of an indemnity to the Government of the Dominican Republic on account of the death of Juan Soriano, a Dominican subject, resulting from the landing of an airplane belonging to the United States Marine Corps at Guerra, Dominican Republic; to the Committee on Foreign Affairs.

By Mr. COOPER of Ohio: A bill (H. R. 9298) to abolish the Railroad Labor Board, to provide for the settlement, mediation, conciliation, and arbitration of railway labor disputes between carriers and their employees and subordinate officials, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LAGUARDIA: Joint resolution (H. J. Res. 265) for the purpose of outlawing war and to establish permanent peace in the world; to the Committee on Foreign Affairs.

By Mr. THOMAS of Oklahoma: Joint resolution (H. J. Res. 266) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. JACOBSTEIN: Resolution (H. Res. 318) providing for an inquiry into the policy and methods of the Post Office Department in leasing private property for public purposes, and specifically the leasing of the Fitzhugh Street property in Rochester, N. Y., for a new parcel-post station; to the Committee on Rules.

By Mr. COOPER of Ohio: Resolution (H. Res. 319) for the consideration of H. R. 8578, to amend the act to promote the safety of employees and travelers upon railroads, etc.; to the Committee on Rules.

By Mr. O'CONNELL of New York: Memorial of the Legislature of the State of New York for liberal appropriations for the National Guard and the Organized Reserves; to the Committee on Military Affairs.

By Mr. GRIFFIN: Memorial of the Legislature of the State of New York urging Congress to provide a liberal appropriation for carrying out the spirit of the national defense act; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLACK of Texas: A bill (H. R. 9299) for the relief of John W. King; to the Committee on Claims.

By Mr. BURDICK: A bill (H. R. 9300) granting an increase of pension to Mary A. Winsor; to the Committee on Invalid Pensions.

By Mr. DICKINSON of Missouri: A bill (H. R. 9301) for the relief of W. J. Laffoon; to the Committee on Claims.

By Mr. GIBSON: A bill (H. R. 9302) granting an increase of pension to Emma F. Niles; to the Committee on Invalid Pensions.

By Mr. HILL of Washington: A bill (H. R. 9303) for the relief of C. H. Reynolds, assignee of the Bitu-Mass Paving Co., of Spokane, Wash.; to the Committee on War Claims.

By Mr. KURTZ: A bill (H. R. 9304) granting an increase of pension to Mary A. Schroeder; to the Committee on Invalid Pensions.

By Mr. MANLOVE: A bill (H. R. 9305) granting an increase of pension to I. J. Howard; to the Committee on Pensions.

By Mr. PERLMAN: A bill (H. R. 9306) granting a pension to Philippine Stelze; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 9307) granting a pension to Alonzo L. Hansel; to the Committee on Pensions.

By Mr. STEPHENS: A bill (H. R. 9308) to authorize the appointment of Machinist Henry F. Mulloy, United States Navy, as an ensign in the regular Navy; to the Committee on Naval Affairs.

By Mr. THOMPSON: A bill (H. R. 9309) granting a pension to Harry Bayless; to the Committee on Pensions.

By Mr. WEFALD: A bill (H. R. 9310) granting an increase of pension to Frank C. Myrick; to the Committee on Invalid Pensions.

By Mr. WELLER (by request): A bill (H. R. 9311) for the relief of Antti Merihelmi; to the Committee on Claims.

Also, a bill (H. R. 9312) for the relief of Agnes De Jardins; to the Committee on Claims.

By Mr. WINTER: A bill (H. R. 9313) granting an increase of pension to Martha E. Moore; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2798. By the SPEAKER (by request): Petition of Woman's Club of Casagrande and the city commission of the city of Phoenix, Ariz., favoring the passage of Senate bill 966; to the Committee on Indian Affairs.

2799. Also (by request), petition of conference of delegates from several States in the Mississippi Valley, meeting at St. Paul, Minn., asking for favorable action on House bill 8914; to the Committee on Rivers and Harbors.

2800. Also (by request), petition of Voorhees Rubber Manufacturing Co., opposing the passage of the Barkley bill; to the Committee on Interstate and Foreign Commerce.

2801. By Mr. EVANS of Iowa: Petition of farmers of Page County, Iowa, favoring the passage of the McNary-Haugen bill; to the Committee on Agriculture.

2802. My Mr. GALLIVAN: Petition of employees of Boston & Maine Railroad, Boston, Mass., recommending passage of the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2803. Also, petition of C. F. & G. W. Eddy (Inc.), Boston, Mass., protesting against passage of the McNary-Haugen bill; to the Committee on Agriculture.

2804. By Mr. KIESS: Petition of citizens of Renovo, Pa., favoring the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2805. By Mr. O'CONNELL of New York: Petition from the Board of Aldermen, city of New York, favoring the passage of House bill (H. R. 9035) for the increase in salaries for postal employees; to the Committee on the Post Office and Post Roads.

SENATE

MONDAY, *May 19, 1924*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

O Thou who inhabitest eternity, we bless Thee that Thou art pleased to dwell with him of an humble and contrite heart. We beseech of Thee that such may be our qualifications that each of us may have Thee enthroned in our being, directing our every movement, influencing every decision and helping us to realize constantly that Thou art the judge of all things in human estate and destiny. Hear us, we beseech of Thee. Bless our land and all who have to do with its administration for the highest interests and holiest welfare. We ask in Jesus Christ's name. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Wednesday, May 14, 1924, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL

Mr. WALSH of Montana. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Edwards	Kendrick	Reed, Pa.
Ashurst	Elkins	Keyes	Robinson
Ball	Ernst	King	Sheppard
Bayard	Fernald	Ladd	Shields
Borah	Ferris	Lodge	Shipstead
Brandegee	Fess	McKellar	Shortridge
Brookhart	Fletcher	McKinley	Simmons
Broussard	Frazier	McLean	Smith
Bruce	George	McNary	Smoot
Bursum	Gerry	Mayfield	Stanfield
Cameron	Glass	Moses	Stephens
Capper	Gooding	Neely	Sterling
Caraway	Hale	Norbeck	Swanson
Colt	Harreld	Norris	Trammell
Copeland	Harris	Oddie	Underwood
Cummins	Harrison	Overman	Wadsworth
Curtis	Heflin	Pepper	Walsh, Mont.
Dale	Howell	Phipps	Warren
Dial	Johnson, Calif.	Pittman	Weller
Dill	Johnson, Minn.	Ralston	Wheeler
Edge	Jones, Wash.	Ransdell	Willis

The PRESIDENT pro tempore. Eighty-four Senators have answered to their names. There is a quorum present.

PETITIONS AND MEMORIALS

Mr. WARREN presented a resolution adopted by Lodge No. 686, Maintenance of Way Organization, of Cheyenne, Wyo., favoring the passage of the so-called Howell-Barkley railway labor bill, which was referred to the Committee on Interstate Commerce.

Mr. LODGE presented resolutions adopted by the convention of the diocese of Massachusetts, favoring the participation of the United States in the Permanent Court of International Justice and also the passage of the proposed child labor amendment to the Constitution, which were referred to the Committee on Foreign Relations.

Mr. CAPPER presented a resolution adopted by the High Prairie Farmers' Union, Local No. 752, of Baldwin, Kans., protesting against the passage of legislation increasing the parcel-post rates, which was referred to the Committee on Post Offices and Post Roads.

Mr. WILLIS presented a petition of sundry citizens of White Cottage, Roseville, Zanesville, South Zanesville, Glenford, Toboso, Gratoit, Thornville, and Brownsville, all in the State of Ohio, praying for the participation of the United States in the Permanent Court of International Justice, which was referred to the Committee on Foreign Relations.

He also presented the petition, numerously signed, of sundry ex-service men of Butler County, Ohio, praying for the passage of legislation granting adjusted compensation to veterans of the World War, which was referred to the Committee on Finance.

Mr. CURTIS presented a petition of sundry citizens of Delphos, Kans., praying for the passage of the so-called Norris-Sinclair marketing corporation bill, etc., which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of sundry citizens of Stafford County, Kans., praying for the passage of legislation creating a Federal department of education, which was referred to the Committee on Education and Labor.

He also presented resolutions adopted at a meeting of the Topeka (Kans.) Federated Labor Organizations, favoring the passage of the so-called Howell-Barkley railway labor bill, which were referred to the Committee on Interstate Commerce.

He also presented a memorial, numerously signed, of sundry members of the Missouri, Kansas & Texas Association of Shop Employees, of the Missouri, Kansas & Texas Railroad Co., at Parsons, Kans., remonstrating against the passage of the so-called Howell-Barkley railway labor bill, which was referred to the Committee on Interstate Commerce.

He also presented petitions, numerously signed, of sundry citizens in the State of Kansas, praying for the participation of the United States in the Permanent Court of International Justice, which were referred to the Committee on Foreign Relations.

Mr. McLEAN presented a telegram in the nature of a memorial from the Waterbury (Conn.) Board of Fire Underwriters, remonstrating against the passage of the so-called Fitzgerald workingmen's compensation bill for the District of Columbia, which was referred to the Committee on the District of Columbia.

He also presented a resolution adopted by Local Union No. 10, United Hatters of North America, of Danbury, Conn., favoring the passage of House bill 6540, the so-called Johnson immigration bill, with the seamen's amendment, which was referred to the Committee on Immigration.

He also presented resolutions adopted by the Y's Men's Club, of Meriden, and the congregation of the Methodist Episcopal Church, of West Granby, both in the State of Connecticut, favoring the participation of the United States in the Permanent Court of International Justice, which were referred to the Committee on Foreign Relations.

He also presented the petition of District Lodge No. 22, International Association of Machinists, of New Haven, Conn., praying for the passage of the so-called Howell-Barkley railway labor bill, which was referred to the Committee on Interstate Commerce.

He also presented the memorial of the Traffic Bureau of the New Britain (Conn.) Chamber of Commerce, remonstrating against the passage of the so-called Howell-Barkley railway labor bill, which was referred to the Committee on Interstate Commerce.

He also presented the petition of Musicians' Union No. 87, American Federation of Musicians, of Danbury, Conn., praying for the passage of legislation legalizing the manufacture and sale of beverages with a 2.75 per cent alcoholic content, which was referred to the Committee on the Judiciary.

He also presented the petition of the New Haven, Conn., Trades Council, praying for the passage of Senate bill 742, to relieve unemployment among civilian workers of the Government, to remove the financial incentives to war, to stabilize production in Federal industrial plants, to promote the economical and efficient operation of these plants, and for other purposes, which was referred to the Committee on Military Affairs.

He also presented the petitions of the Business and Professional Women's Club of Connecticut, of Hartford; the Medical Women's National Association, of Middletown; the League of Women Voters, of Meriden; the West Haven Mothers' Club, the West Haven League of Women Voters, and of sundry citizens of West Haven, and of the Executive Council of United Workers, of Norwich, all in the State of Connecticut, praying an amendment to the Constitution relative to the regulation of child labor, which were referred to the Committee on the Judiciary.

WORLD COURT

Mr. FLETCHER. I present a statement in the nature of a petition with respect to the adherence of the United States to the world court, which I ask may be printed in the RECORD and referred to the Committee on Foreign Relations.

There being no objection, the statement was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

A STATEMENT WITH RESPECT TO ADHERENCE OF THE UNITED STATES TO THE PERMANENT COURT OF INTERNATIONAL JUSTICE

To Members of the Senate of the United States:

The introduction by Senator LODGE, May 8, of a resolution to create a new world court throws into bold relief the fact that American public opinion overwhelmingly demands the prompt adherence by our Government to the protocol of signature of the Permanent Court of International Justice on the conditions formulated by Secretary Hughes, vigorously championed by President Harding, and approved by President Coolidge. The hearings on April 30 and May 1 before the subcommittee of the Senate Committee on Foreign Relations indisputably prove our people's support of the existing court.

More than 50 State and national organizations were interested in the hearings. Seldom, if ever, has any great public question received so nearly a unanimous indorsement as has this suggested adherence of the United States to the Permanent Court of International Justice on the basis suggested by the Secretary of State and urged by President Harding in February, 1923, and by President Coolidge in his first message to Congress. The widespread and profound character of this popular demand was officially voiced on behalf of all of the following organizations whose representatives appeared before the subcommittee and categorically appealed for immediate action by the Senate to enable the administration to adhere to the permanent court:

American Bar Association, George W. Wickersham; American Federation of Labor, Edgar Wallace; Chamber of Commerce of the United States, Walker D. Hines; Federal Council of Churches of Christ in America, Bishop Charles H. Brent and Rev. Sidney L. Gulick.

Official church bodies: American Unitarian Association, Rev. Edward Cummings; Central Conference of American Rabbis, Rabbi Abram Simon; Congregational Churches, Rev. Jason Noble Pierce; Methodist Episcopal Church (South), Rev. W. W. Pinson; Methodist Episcopal Church, Mr. F. P. Turner; Northern Baptist Convention, Rev. John M. Moore; Presbyterian Church in the United States of America, Rev. Arthur J. Brown; Presbyterian Church in the United States, Rev. Samuel H. Chester; Protestant Episcopal Church, Rev. Charles N. Lathrop; Reformed Church in United States, Rev. Charles E. Schaefer; Southern Baptist Convention, Rev. F. W. Boatwright; United Synagogue of America, Rabbi Adolph Coblenz; Society of Friends, Thomas Raeburn White.

Religious organizations: Church Peace Union, Prof. William I. Hull; Conference of Foreign Mission Boards, Mr. F. P. Turner; Council of Women for Home Missions, Mrs. Samuel Semple; World Alliance for International Friendship Through the Churches, Dr. Nehemiah Boynton; Connecticut Federation of Churches, Prof. William North Rice.

Women's national organizations: Young Women's Christian Association, Miss Agnes Peter; National League of Women Voters, Miss Ruth Morgan; General Federation of Women's Clubs, Mrs. Kate T. Abrams; National Council of Women, Mrs. Glen Swiggett; National Federation of Business and Professional Women, Miss Mary Stewart; National Congress of Mothers and Parent Teachers' Associations, Mrs. Elizabeth Tilton; American Association of University Women, Mrs. Martin Hutchins; American Federation of Teachers, Miss Selma Borchard; Girls' Friendly Society in America, Mrs. Reginald B. Stevenson; National Service Star Legion, Mrs. Henry F. Baker; Women's World Court Committee, Mrs. Raymond Morgan, chairman; California League of Women Voters, Miss Marian Delaney; Illinois Federation of Women's Clubs, Mrs. James Morrison; New York Council to Prevent War, Mrs. Anna Garland Spencer; National Council of Jewish Women, Mrs. Alexander Wolf.

New York State Bar Association, Thomas S. Butler; League of Nations Non-Partisan Association, Mrs. James Lees Laidlaw, Everett Colby, Charles C. Bauer; World Peace Foundation, president A. Lawrence Lowell; Foreign Policy Association, James G. McDonald; Maryland Organizations, Dr. William H. Welsh, Theodore Marburg, John H. Latane.

In addition to the organizations actually represented at the hearings the following have officially in convention approved the adherence of the United States to the permanent court:

House of Bishops of the Protestant Episcopal Church.
National Council of the Congregational Churches.
Annual Conference Methodist Episcopal Clergy.
United Society of Christian Endeavor.
International Missionary Union.
National Association of Credit Men.
Baptist World Alliance.
Union Ministers' Meeting.

The following are among the well-known persons who either appeared at the hearings as individuals or sent approval of the Harding-Hughes permanent court plan to be filed in the records:

Nicholas Murray Butler, president Columbia University; Paul D. Cravath, New York; Charles W. Dabney, ex-president University of Cincinnati; Edward A. Filene, Boston; William D. Guthrie, New York; William B. Hale, Chicago; John Grier Hibben, president Princeton University; Manley O. Hudson, Harvard University; Charles Keyes, president Skidmore College; Right Rev. William Lawrence, bishop of Massachusetts; Samuel McCune Lindsay, New York; Samuel Mather, Cleveland; John H. McCracken, president Lafayette College; Charles A. Richmond, president Union College; Mrs. James T. Rourke, Bridgeport; Henry L. Stimson, New York; Isaac M. Ullman, New Haven; William Allen White, Emporia, Kans.; Ray Lyman Wilbur, president Stanford University.

The precise relation between the Permanent Court and the League of Nations was clearly explained.

The only argument against the United States adherence to the court which has impressed any considerable number of people—that the court may in some way be made a tool of the League of Nations—was completely refuted.

The opponents of the court have urged:

(1) That it is the creature of the league.

(2) That the judges are chosen by the league.

(3) That the court's expenses are paid by the league.

(4) That the court serves as private attorney of the league, because, in the discretion of the court, it may give advisory opinions.

All of these points were decisively answered in the course of the hearings:

(1) The court is in no sense the creature of the league. The statute of the court was originally drawn by a committee of jurists, of which Elihu Root was a member, and was given its final form as a result of mature deliberations in the council and assembly of the league. But the statute was not promulgated by the assembly and does not draw its force from any act of the assembly. It rests upon an independent, distinct, and separate treaty, called the protocol of signature of the Permanent Court of International Justice. This protocol has been signed by 47 powers. The United States can adhere to it without in any way becoming tied up with the League of Nations and without assuming any league obligations.

(2) The judges are elected by the council and assembly voting separately. This is the only arrangement ever worked out to overcome the hitherto insoluble problem of giving due weight to the voice of the great powers, while at the same time recognizing the equal sovereign rights of the smaller powers. The special interests of the great powers were recognized in the composition of the council of the league. Members of the league, great and small, have equal voice in the assembly. The United States could cooperate with these two bodies for the one purpose of electing judges without in any way being drawn into further cooperation. As the election may not be held oftener than once in nine years, except when a vacancy is to be filled, it is not an onerous obligation for the United States to assume.

(3) The budget of the court forms a separate part of the budget of the league. When a dollar is paid to the League of Nations 12 cents of it are put aside for the expenses of the court and can be used for no other purpose. But the United States could pay its contribution directly to the registrar of the court at The Hague. It need not pass through Geneva. This connection between the court and the league is merely administrative and does not in any way subordinate the judges to the influence of the league. One might as well argue that the judges of the Supreme Court of the United States are not independent of Congress because the funds for their salaries must be voted by Congress.

(4) It is true that in addition to cases directly submitted by the nations for adjudication the court may give advisory opinions to the council and assembly of the league. But this jurisdiction is not new to American lawyers, and a similar jurisdiction is possessed by our State supreme courts in about 10 States. The Massachusetts Supreme Court has had such jurisdiction since 1780, and has given about 140 opinions to the governor and legislature of the Commonwealth. The international court has shown by its refusal to render an advisory opinion in the case of Finland against Russia that this function will be exercised in an independent judicial way, while in several cases where the court has exercised it, as in the Tunis-Morocco dispute between Great Britain and France, such action has led directly to a settlement. It is clearly absurd, therefore, to speak of the court as the private attorney of the League of Nations.

We submit that the Permanent Court of International Justice represents the logical development of an essentially American movement under way for a generation. It is built on the foundation of the Permanent Court of Arbitration established in 1899, and on the work of the two Hague conferences. It is precisely this for which the United States was contending when the second Hague conference met in 1907. The court is now firmly established. It has begun its work. It has functioned for more than two years. Forty-seven peoples of the world are giving it their cordial support. Whether the United States acts or not, the court will go on. Nevertheless, the United States, the most powerful country in the world, one which has most eloquently argued for the settlement of international disputes by judicial means, and whose citizens have contributed in a unique way to the creation of this court, should not, in its own interest, stand aloof.

It is apparent from the almost universal support given President Harding's proposal to join the Permanent Court that favorable action by the Senate would meet with widespread approval throughout the country. Why, then, should there be further delay?

We submit that the organized churches, organized labor, organized women voters, organized members of the bar, organized university women, organized merchants, organized business and professional women, organized women's clubs, and organized teachers represent a vast majority of the voters of the United States and are expecting approval of the Harding-Hughes-Coolidge-Root permanent court plan before the recess adjournment.

In conclusion, we beg to quote from the address made by Secretary of State Hughes before the American Society of International Law at Washington, December 27, 1923:

> "It is not too much to say that there will be no world court if this court can not be made one, and whether or not it is to be in the fullest sense a world court depends upon our own action."

For the committee on arrangements:

JOHN H. FINLEY,
Chairman Commission on International Justice and Good Will, Federal Council of Churches of Christ in America.
WILLIAM PEIRSON MERRILL,
President Church Peace Union.
JOHN H. CLARKE,
President League of Nations Nonpartisan Association.
WILLIAM H. P. FAUNCE,
President World Peace Foundation.
Miss RUTH MORGAN,
Chairman Committee on International Relations, National League of Women Voters.
Mrs. RAYMOND MORGAN,
Chairman Women's World Court Committee.
JAMES G. MCDONALD,
Chairman Foreign Policy Association.

MAY 19, 1924.

THE NATIONAL REPUBLICAN

Mr. NORRIS. Mr. President, under the call for petitions and memorials I wish to file a paper, and I ask the permission of the Senate for a minute or two to explain it.

There have been some matters appearing recently in the National Republican, a paper that has been reading out of the party I think most of its good men, and I thought it would be interesting to get just a little idea of where the National Republican secured its funds and how it gets its subscribers. Thousands and thousands of people are getting it every week and wondering who pays for it. I have here a statement which, incidentally, is not up to date, but which shows contributions made for subscriptions to that paper by individuals and corporations between the 2d day of January, 1920, and the 23d day of September, 1920. As I understand it these subscriptions were made and the paper was sent to the persons for whom the money was contributed.

It is a list of 20 pages, naming the contributing corporations and individuals in various parts of the country, together with the amount of money they have sent in between those two dates. It is interesting to note, for instance, that Mr. Sinclair, of Teapot Dome fame, on the 26th of January, 1920, contributed $1,096, which I suppose paid for a year's subscription for 1,096 people. I am not going to comment upon the corporations which have made contributions, but I ask as a part of my remarks to insert the entire list in the RECORD, showing between the dates I have mentioned a total contribution of $70,178.16. I also ask that a list of the stockholders at about that time be printed, following the list of contributions which I send to the desk.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

[From the National Republican, the National Republican weekly, Washington, D. C.]

Following are the purchases of papers by companies and political committees in the year 1920. In cases of companies, name of official making purchase is given:

January 2, 1920:

Joseph H. Perry, Cambridge Paper Box Co., Cambridge, Mass	$50.00
Fred F. Stockwell, Barbour Stockwell Co., Cambridge, Mass	50.00
Willard C. Poole, New England Biscuit Co., Worcester, Mass	25.00

January 3, 1920:
V. H. Oxley, E. R. Caldwell Co., Bradford, Pa $50.00
January 5, 1920:
Henry Harnischfeger, Pawling & Harnischfeger, Milwaukee, Wis 100.00
P. W. Arndt, North End Foundry Co., West Allis, Wis 50.00
January 7, 1920:
Ralph D. Reed, George R. Jones Co., Manchester, N. H 25.00
January 8, 1920:
Fred C. Graves, Waltham Watch Co., Waltham, Mass 100.00
January 9, 1920:
Alfred H. Morton, jr., Carr Fastener Co., Cambridge, Mass 50.00
Robert C. Bird, Broad Iron Foundry Co., Cambridge, Mass 25.00
C. S. White, Nottingham Knitting Co., Oswego, N. Y 25.00
January 12, 1920:
J. A. Paasche, Paasche Air Brush Co., Chicago, Ill 25.00
H. J. Schlesinger, Milwaukee Coke & Gas Co., Milwaukee, Wis 200.00
E. P. Russell, Russell, Brewster & Co., Chicago, Ill 25.00
W. N. Heald, treasurer Republican town committee, Littleton, N. H. (list attached) 50.00
January 16, 1920:
Thomas Kingsford Foundry & Machine Co., Oswego, N. Y 100.00
James A. Spargo, Spargo Wire Co., Rome, N. Y 100.00
January 17, 1920:
A. C. Lawrence, A. C. Lawrence Leather Co., Boston, Mass 150.00
Republican National Committee (on account extra copies for one week's issue) 1,000.00
January 22, 1920:
C. H. Forster, Superior Steel Corporation, Pittsburgh, Pa 200.00
January 23, 1920:
A. C. Andrews, Andrews Grain Co., Minneapolis, Minn 40.00
George H. Johnson, The Petroleum Co., Los Angeles, Calif 50.00
January 24, 1920:
James J. McGraw, Republican Club, Ponac City, Okla. (list attached) 109.65
January 26, 1920:
H. F. Sinclair, Sinclair Co., New York 1,096.00
Lee Sturgis, Sturgis & Brown Manufacturing Co., Chicago, Ill 100.00
A. A. Sprague, Sprague, Warner & Co., Chicago, Ill 100.00
Republican committee, Warrenton, Mo 25.00
January 27, 1920:
H. E. Smith, Perry Yarn Mills, Webster, Mass 75.00
January 31, 1920:
Holyoke Machine Co., Worcester, Mass 55.00
February 2, 1920:
F. I. Sears, A. J. Bates Co., Webster, Mass 150.00
Herbert Templeton, Wells & Co., Chicago, Ill 50.00
J. B. Sherman, John Burnham & Co., Chicago, Ill 25.00
Harry Lubliner, Lubliner & Trinz, Chicago, Ill 50.00
R. M. Eastman, W. F. Hall Printing Co., Chicago, Ill 50.00
Republican State committee, Indianapolis, Ind 65.00
H. C. Whinlese, Wilcox, Crittenden & Co. (Inc.), Middletown, Conn 37.50
B. H. Beach, Beach Lumber Co., Rome, N. Y 25.00
H. S. Wolfe, Rome Brass & Copper Co., Rome, N. Y 900.00
H. W. Barnard, Rome Wire Co., Rome, N. Y 1,000.00
February 3, 1920:
George W. Norwood, Thayer Woolen Co., Worcester, Mass 75.00
H. R. Nesbitt, Oswego Yarn Mills (Inc.), Oswego, N. Y 25.00
February 4, 1920:
Ball Bros., Glass Manufacturing Co., Muncie, Ind 100.00
February 5, 1920:
Thomas E. Donnelly, R. R. Donnelly & Sons Co., Chicago, Ill 50.00
A. M. Chaffee, Chaffee Bros. Co., Oxford, Mass 37.50
Edwin Bartlett, Edwin Bartlett Co., Oxford, Mass 37.50
W. A. Herron, Lewis Foundry & Machine Co., Pittsburgh, Pa 250.00
T. G. Peck, United States & Cuban Allied Works Engineering Corporation, Bradford, Pa 26.00
Frank A. Coles, The Coles Co., Middletown, Conn 37.50
D. W. Dyer, Frisbie Motor Co., Middletown, Conn 30.00
February 18, 1920:
George M. Turney, Rome-Turney Radiator Co., Rome, N. Y 50.00
A. F. Carpenter, Rome Metallic Bedstead Co., Rome, N. Y 300.00
Illinois Steel Bridge Co., Jacksonville, Ill 25.00
February 19, 1920:
Robert A. Leeson, Universal Winding Co., Boston, Mass 200.00
Charles D. Owen, jr., Beacon Maufacturing Co., Providence, R. I 150.00
February 23, 1920:
O. L. Prime, The Prime Maufacturing Co., Milwaukee, Wis 25.00
W. T. Wood, The Heinn Co., Milwaukee, Wis 50.00
C. I. Pfeifer, Chain Belt Co., Milwaukee, Wis 100.00
Everett Slocum, Slocum Straw Works, Milwaukee, Wis 25.00
A. J. Zimmerman, Quality Biscuit Co., Milwaukee, Wis 25.00
A. E. Martin, Martin Foundry & Machine Co., Milwaukee, Wis 25.00
Wilson J. Conway, Conway Co., Milwaukee, Wis 25.00
S. S. Cramer, Wadhams Oil Co., Milwaukee, Wis 75.00
W. J. Patterson, Heyl and Patterson (Inc.), Pittsburgh, Pa 100.00
H. V. Matcher, M. B. Suydam Co., Pittsburgh, Pa 35.00
W. E. Baker, chairman, Republican central committee, Elkins, W. Va 327.00
Central Paper Box Co., McGraw, N. Y 90.00
E. W. Ott, Edlund Machinery Co. (Inc.), Cortland, N. Y 35.00
C. D. Hammond, Vesta Corset Co. (Inc.), McGraw, N. Y 200.00
Edward Stilson, Wickwire Bros., Cortland, N. Y 1,000.00
February 24, 1920:
G. E. Thrilenius, Dillman Egg Case Co., Caruthersville, Mo $25.00
February 26, 1920:
Thayer Woolen Mills, North Oxford, Mass 46.50
February 28, 1920:
Oswego Pulp & Paper Co., Fulton, N. Y 100.00
March 1, 1920:
Louis Duffke, Nortmann-Duffke Co., Milwaukee, Wis 50.00
George L. Waetjen, George L. Waetjen & Co., Milwaukee, Wis 25.00
W. C. Morehead, Great Lakes Boat Building Corporation, Milwaukee, Wis 50.00
L. C. Haaser, The Henkel Co., Freemont, Ohio 100.00
February 6, 1920:
J. P. Eustes Manufacturing Co., Cambridge, Mass 63.00
February 7, 1920:
Theo. Schottlander, Lorette Corset Co., Chicago, Ill 50.00
C. P. Stewart, The N. K. Fairbank Co., Chicago, Ill 50.00
February 9, 1920:
Fred Doepke, Wrought Washer Manufacturing Co., Milwaukee, Wis 75.00
F. E. Hinners, George H. Smith Steel Casting Co., Milwaukee, Wis 25.00
C. J. Meyer, Evinrude Motor Co., Milwaukee, Wis 25.00
B. C. Wait, Milwaukee Steel Foundry Co., Milwaukee, Wis 100.00
Indiana Steel & Wire Co., Muncie, Ind 50.00
February 11, 1920:
P. C. Thomas, treasurer, Rome Manufacturing Co., Rome, N. Y 800.00
Lloyd Kimbrough, Indiana Bridge Co., Muncie, Ind 25.00
Clifford Sampson, Muncie Foundry & Machine Co., Muncie, Ind 25.00
William T. Mellott, treasurer, Republican Central Committee, Sullivan Co., Sullivan, Ind 33.00
February 12, 1920:
C. H. Halstead, Rome Textile Co., Rome, N. Y 45.00
George H. Brown, Rome Soap Manufacturing Co., Rome, N. Y 35.00
February 13, 1920:
Greenville Steel Car Co., Greenville, Pa 300.00
E. W. Edwards, president, Edwards Manufacturing Co., Cincinnati, Ohio 32.00
February 16, 1920:
A. S. Hook, Calumet Steel Co., Chicago, Ill 25.00
Col. H. M. Byllesby, Byllesby Engr. & Mgt. Corp., Chicago, Ill 50.00
W. P. Westerberg, Wisconsin Malleable Iron Co., Milwaukee, Wis 25.00
R. B. Charlton, Illinois Steel Co., Milwaukee, Wis 100.00
C. I. Pierce, Big Creek Colliery Co., Chicago, Ill 50.00
Harry B. Hurd, Pam & Hurd, Chicago, Ill 25.00
Charles H. Sharpe, Vassar Swiss Underwear Co., Chicago, Ill 25.00
Aug. C. Beck, Box Co., Milwaukee, Wis 100.00
H. H. Seaman, Seaman Body Corporation., Milwaukee, Wis 100.00
John Obenberger, Jno. Obenberger Forge Co., Milwaukee, Wis 25.00
William Berger, William Berger & Co., Milwaukee, Wis 50.00
Aug. H. Vogel, Pfister & Vogel Leather Co., Milwaukee, Wis 100.00
F. S. Cable, Cable-Nelson Piano Co., Chicago, Ill 50.00
Republican National Committee, New York City, (on account extra copies for one week issues) 1,000.00
March 3, 1920:
The Andrew B. Hendryx Co., New Haven, Conn 37.50
L. A. Fairbanks, Westboro Underwear Co., Westboro, Mass 50.00
M. M. Berg, Westboro Hat Co., Westboro, Mass 150.00
March 5, 1920:
C. S. Taylor, Taylor Manufacturing Co., Worcester, Mass 75.00
C. K. Gibbs, Gibbs Harness & Reed Co., Clinton, Mass 25.00
March 6, 1920:
M. E. Chester, The Whitney-Blake Co., New Haven, Conn 100.00
March 8, 1920:
Plant Bros. Shoe Co., Manchester, N. H 65.00
E. P. Mann, Milwaukee Bag Co., Milwaukee, Wis 78.00
A. C. F. Kieckhefer, Globe Gray Iron Foundry Co., Milwaukee, Wis 25.00
A. A. Laun, Kiel Furniture Co., Milwaukee, Wis 50.00
H. A. Viets, Fuller-Warren Co., Milwaukee, Wis 50.00
F. R. Bacon, Cutler-Hammer Manufacturing Co., Milwaukee, Wis 100.00
Hugo Schlesinger, Vera Chemical Co., North Milwaukee, Wis 25.00
L. R. Smith, A. O. Smith Corporation, Milwaukee, Wis 100.00
Max Landauer, Landauer & Co., Milwaukee, Wis 50.00
Phillip Schwab, Schwab-LeZotte Boiler Co., Milwaukee, Wis 25.00
L. C. Mayhew, Mayhew Co., Milwaukee, Wis 50.00
March 9, 1920:
Leonard A. Jenkins, Kolynos Co., New Haven, Conn 100.00
E. V. Shuster, treasurer, F. B. Shuster Co., New Haven, Conn 40.50
George H. Friesel, United Engineering & Foundry Co., Pittsburgh, Pa 500.00
March 11, 1920:
Harry B. Kennedy, The Hoggson & Pettis Manufacturing Co., New Haven, Conn 150.00
March 15, 1920:
L. E. Whiton, D. E. Whiton Machine Co., New London, Conn 225.00
T. W. Carman, Baker Extract Co., Springfield, Mass 50.00
J. W. Harris, Duckworth Chain & Manufacturing Co., Springfield, Mass 75.00
Henry Wehr, Wehr Steel Co., West Allis, Wis 50.00
F. W. Manegold, Briggs & Stratton Co., Milwaukee, Wis 50.00

March 15, 1920—Continued
William O. Goodrich, William O. Goodrich Co., Milwaukee, Wis ... $50.00
J. A. Sharp, Milwaukee Reliance Boiler Co., Milwaukee, Wis ... 25.00
E. F. Andres, Andres Stone & Marble Co., Milwaukee, Wis ... 25.00
J. B. Kalvelage, Hoffman & Billings Manufacturing Co., Milwaukee, Wis ... 50.00
Harry Smith, R. P. Smith & Sons Co., Chicago, Ill ... 25.00
C. G. Barth, Rehm Hardware Co., Chicago, Ill ... 25.00
A. Pergande, Northwestern Bridge & Iron Co., Milwaukee, Wis ... 25.00
E. D. Thorne, Geneva Preserving Co., Geneva, N. Y ... 71.00
W. L. Fay, Fay & Bowen Engine Co., Geneva, N. Y ... 50.00
Geneva Cutlery Co., Geneva, N. Y ... 369.00

March 16, 1920:
B. C. Nicholson, Nicholson File Co., Providence, R. I ... 200.00
W. A. Viall, Brown & Sharpe Manufacturing Co., Providence, R. I ... 250.00
Henry Walcott, Walcott Manufacturing Co., Providence, R. I ... 50.00
E. B. Evans, Waite-Evans Co., Providence, R. I ... 50.00

March 17, 1920:
Republican National Committee (on account for extra copies of 1 wk. issue) ... 1,000.00

March 18, 1920:
P. Koehring, Koehring Machine Co., Milwaukee, Wis ... 100.00

March 19, 1920:
Oswego Candy Co., Oswego, N. Y ... 150.00
S. S. Smith, Phillips & Clark Stove Co. (Inc.), Geneva, N. Y ... 185.00

March 20, 1920:
W. S. Phillips, Window Glass Manufacturing Co., Brownsville, Pa ... 50.00
W. C. Hubbard, Ashtabula Hide & Leather Co., Ashtabula, Ohio ... 147.00
Abbott F. Lawrence, Winthrop Cotton Yarn Co., Taunton, Mass ... 72.00
Robert M. Leach, Weir Stove Co., Taunton, Mass ... 37.50

March 22, 1920:
H. J. Rademacher, Cream City Casket Co., Milwaukee, Wis ... 25.00
A. J. Ricker, Badger Malleable & Manufacturing Co., South Milwaukee, Wis ... 25.00
W. E. Gerlinger, Gerlinger Electrical Steel Foundry Co., West Allis, Wis ... 25.00
James Trottman, Rosenthal Corn Husker Co., West Allis, Wis ... 25.00
Frank J. Weyenberg, Weyenberg Shoe Manufacturing Co., Milwaukee, Wis ... 100.00
R. E. Warner, White-Warner Co., Taunton, Mass ... 150.00
Charles R. Doges, Taunton Knitting Co., Taunton, Mass ... 39.00
Charles S. McCall, Standard Stove Lining Co., Taunton, Mass ... 50.00
General Fire Extinguisher Co., Providence, R. I ... 150.00
Robert L. Knight, B. B. & R. Knight Co., Providence, R. I ... 200.00
E. L. Spencer, E. L. Spencer Co., Providence, R. I ... 50.00

March 23, 1920:
George B. Champlin, S. B. Champlin Co., Providence, R. I ... 50.00

March 24, 1920:
Republican National Committee (for subscriptions from Illinois) ... 1,852.50
George H. Cahoone, George H. Cahoone Co., Providence, R. I ... 50.00

March 24, 1920:
William P. Chapin, Chapin & Hollister Co., Providence, R. I ... 50.00
Sidney D. Humphreys, Martin-Copeland Co., Providence, R. I ... 100.00
E. B. Hough, Wightman & Hough Co., Providence, R. I ... 100.00
F. D. Cumming, Jones & Laughlin Steel Co., Pittsburgh, Pa ... 317.00

March 26, 1920:
R. A. Badger, Curtice Bros. Co., Rochester, N. Y ... 341.00
Frank H. Viele, Holden Woolen Co., Worcester, Mass ... 75.00
H. J. Collis, H. J. Collis Manufacturing Co., Taunton, Mass ... 25.00

March 27, 1920:
E. H. Palmer, Empire Gas & Electric Co., Geneva, N. Y ... 324.00
Charles W. Swift, Smith Lubricator Co., Elmira, N. Y ... 42.00
Henry Simpson, A. Wyckoff & Sons Co., Elmira, N. Y ... 41.00

March 29, 1920:
Mansfield Bleachery Co., Providence, R. I ... 75.00
J. P. Hummel, Hummel & Downing Co., Milwaukee, Wis ... 100.00
W. W. Coleman, Bucyrus Co., South Milwaukee, Wis ... 100.00
W. F. Schleiter, Dilworth, Porter & Co. (Inc.), Pittsburgh, Pa ... 102.00
Bay State Thread Co., Springfield, Mass ... 25.00

March 31, 1920:
E. O. Dava, president Campbells Creek Coal Co., Cincinnati, Ohio ... 66.00

April 1, 1920:
I. H. Page, Page Needle Co., Chicopee Falls, Mass ... 55.50
F. W. Lee, Nonotuck Silk Co., Northampton, Mass ... 500.00
Walter C. Watson, L. S. Watson Manufacturing Co., Leicester, Mass ... 25.00

April 2, 1920:
John B. Kennedy, English & Mersick Co., New Haven, Conn ... 150.00
Frederick H. Stevens, O. B. North & Co., New Haven, Conn ... 195.00

April 3, 1920:
F. H. Chappell, F. H. & A. H. Chappell Co., New London, Conn ... 34.50

April 5, 1920:
Hugh Blythe, Harris Winthrop & Co., Chicago, Ill ... $25.00
H. H. Schwarting, J. H. Rice & Friedmann Co., Milwaukee, Wis ... 25.00
R. H. Smith, American Natural Gas Co., Pittsburgh, Pa ... 200.00
William Cordes, Florence Manufacturing Co., Florence, Mass ... 100.00

April 6, 1920:
J. M. Townsend, Townsend Co., New Brighton, Pa ... 300.00
C. L. McHenry, H. K. Porter Co., Pittsburgh, Pa ... 250.00
H. S. Snyder, H. S. & M. W. Snyder (Inc.), Peabody, Mass ... 25.00

April 8, 1920:
Republican National Committee (for extra copies of one week's issue) ... 2,000.00

April 12, 1920:
S. G. Patterson, Pittsburgh Valve, Foundry and Construction Co., Pittsburgh, Pa ... 130.00
Toledo Scale Co., Toledo, Ohio ... 34.00

April 14, 1920:
R. H. Coe, Jefferson Manufacturing Co., Jefferson, Mass ... 150.00

April 15, 1920:
Joseph W. Marsh, Standard Underground Cable Co., Pittsburgh, Pa ... 148.00
Republican National Committee (for extra copies of one week's issue) ... 1,000.00

April 16, 1920:
E. D. Clapp, the Clapp Manufacturing Co., Auburn, N. Y ... 40.00

April 17, 1920:
Republican National Committee (for extra copies of one week's issue) ... 1,000.00

April 19, 1920:
J. P. O'Neil, Western Foundry Co., Chicago, Ill ... 50.00
Theodore Regensteiner, Regensteiner Colortype Co., Chicago, Ill ... 25.00
Edwin B. Bartlett, Milwaukee Stamping Co., West Allis, Wis ... 25.00
J. E. Russell, Interstate Iron Steel Co., Chicago, Ill ... 50.00
Rathborne, Hair & Ridgway Co., Chicago, Ill ... 25.00
Republican National Committee (for extra copies of one week's issue) ... 1,000.00
Boye & Emmes Machine Co., Cincinnati, Ohio ... 50.00

April 21, 1920:
L. E. Armentrout, president Borderland Coal Sales Co., Cincinnati, Ohio ... 25.00
T. E. Houston, president Houston Coal Co., Cincinnati, Ohio ... 134.00

April 23, 1920:
J. E. Moss, J. E. Moss Iron Works, Wheeling, W. Va ... 105.00
Alex Glass, Whitaker-Glessner Co., Wheeling, W. Va ... 450.00

April 24, 1920:
R. S. Woodruff, C. I. Mersick Co., New Haven, Conn ... 100.00

April 26, 1920:
C. W. Pendock, Leltol Co., West Allis, Wis ... 25.00
C. L. Blanchard, Standard Paper Co., Milwaukee, Wis ... 50.00
J. M. Taft, Federal Rubber Co., Cudahy, Wis ... 50.00
C. A. Channell, Channel Chemical Co., Chicago, Ill ... 25.00
R. S. Crawford, Wheeling Mold & Foundry Co., Wheeling, W. Va ... 200.00
E. T. Hetchman Coal & Coke Co., Wheeling, W. Va ... 150.00
W. A. Dalzell, Fostoria Glass Co., Moundsville, W. Va ... 75.00

April 26, 1920:
Republican State Committee of Kansas ... 194.00

April 27, 1920:
D. A. Taylor, H. Northwood Co., Wheeling, W. Va ... 75.00
J. M. Sanders, United States Stamping Co., Moundsville, W. Va ... 150.00
J. Cecil Fee, Central Glass Works, Wheeling, W. Va ... 150.00

April 28, 1920:
J. B. Doan, president American Tool Works Co., Cincinnati, Ohio ... 50.00

April 29, 1920:
Edward Learned, jr., James & E. H. Wilson, Pittsfield, Mass ... 100.00
Harry L. Heinsteiman, Monongah Glass Co., Fairmont, W. Va ... 150.00

April 30, 1920:
Alex R. Watson, Diamont Operating Co., Fairmont, W. Va ... 150.00
Fred Helmick, Helmick Foundry & Machine Co., Fairmont, W. Va ... 60.00
E. R. Mellott, the Buckeye Traction Ditcher Co., Findlay, Ohio ... 100.00
W. E. Hitchcock, the Atlantic Wire Co., Brandford, Conn ... 108.00

May 3, 1920:
Delaware State Committee, subscriptions on account ... 86.07
Brunswick-Balke-Collander Co., 629 South Wabash Avenue, Chicago, Ill ... 50.00
Fred R. Miller Dresser Manufacturing Co., Bradford, Pa ... 88.00

May 4, 1920:
Jacob Sperber (Inc.), 20–28 West Thirty-fifth Street, New York, N. Y ... 100.00
Mr. Russell W. Wright, New England Butt Co., Providence, R. I ... 100.00
E. A. Beaman, Beaman & Smith Co., Providence, R. I ... 50.00

May 5, 1920:
Mr. R. C. Kirk, La Belle Iron Works, Steubenville, Ohio ... 500.00

May 6, 1920:
American Glue Co., Boston, Mass ... 139.00
William Grosvenor, Grosvenor-Dale Co., Providence, R. I ... 100.00
George W. Thornton, American Screw Co., Providence, R. I ... 150.00
Waite, Thresher Co., Henry C. Thresher, Pawtucket, R. I ... 100.00

May 7, 1920:
Col. Lyman Goff, Union Wadding Co., Pawtucket, R. I. $150.00
D. Goff, Goff & Son Co., Pawtucket, R. I. 100.00
William B. McCall, Lorraine Manufacturing Co., Pawtucket, R. I. 150.00
W. E. Hitchcock, Atlantic Wire Co., Branford, Conn. 25.00
May 8, 1920:
C. T. Keller, Walworth Manufacturing Co., Boston, Mass. 300.00
J. A. Block, Block Bros. Tobacco Co., Wheeling, W. Va. 75.00
May 10, 1920:
Otto Schenk, F. Schenk & Sons, 30 Market Street, Wheeling, W. Va. 50.00
I. M. Scott, Wheeling Steel & Iron Co., Wheeling, W. Va. 150.00
James S. Brody, Hazel-Atlas Glass Co., Wheeling, W. Va. 466.50
A. M. Weir, Weirton Steel Co., Weirton, W. Va. 150.00
William D. Reid, Pollansby Bros. Co., Pittsburgh, Pa. 100.00
Louis Allis, Mechanical Appliance Co., 133 Stewart Avenue, Milwaukee 50.00
Cyclone Fence Co., Waukegan, Ill. 25.00
J. H. Valentine, the Warren Woolen Co., Stafford Springs, Conn. 40.00
E. M. Pullingham, Republican State Committee of Ohio 439.00
May 11, 1920:
United Wire & Supply Co., Auburn, R. I. 50.00
F. W. Bowers, Bowers Pottery Co., Mannington, W. Va. 225.00
May 12, 1920:
H. C. Hoffman, West Park Glass Co., Clarksburg, W. Va. 50.00
May 13, 1920:
John Cavedon, Falls Yarn Co., Woonsocket, R. I. 60.00
Theo Guevin, Montrose Worsted Co., Woonsocket, R. I. 150.00
W. C. Harding, Tuna Glass Co., Clarksburg, W. Va. 100.00
F. W. Bell, Wooster Sanitary Co., Clarksburg, W. Va. 50.00
H. M. Greist, Breist Manufacturing Co., New Haven, Conn. 60.00
May 15, 1920:
W. G. Hammond, Royal Window Glass Co., Grafton, W. Va. 75.00
May 17, 1920:
D. E. McNicol, D. E. McNicol Co., Clarksburg, W. Va. 150.00
G. E. Jones, Thatcher Manufacturing Co., Clarksburg, W. Va. 75.00
May 18, 1920:
Joseph Grant, Crescent Window Glass Co., Weston, W. Va. 150.00
Republican National Committee, on account 129.59
May 19, 1920:
Lincoln League of Indiana 346.00
May 20, 1920:
C. E. Hutchinson, Hutchinson Coal Co., Fairmont, W. Va. 300.00
May 21, 1920:
Charles E. Purvear, Royal Weaving Co., Pawtucket, R. I. 100.00
Ida L. Maxey, George H. Fuller & Son Co., Pawtucket, R. I. 100.00
George T. Greenhalgh, Burgess Mills, Pawtucket, R. I. 100.00
Ralph C. Lunch, Lumb Knitting Co., Pawtucket, R. I. 42.00
M. Bauman, The Bauman Lumber Co., New Haven, Conn. 35.00
May 22, 1920:
Hazel-Atlas Glass Co., Wheeling, W. Va. 223.00
Daniel Howard, Central Fairmont Coal Co., Clarksburg, W. Va. 100.00
May 25, 1920:
J. M. Casell, Whitin Machine Works, Whitensville, Mass. 200.00
F. A. Welman, Welman Bros. Manufacturing Co., Derby, Conn. 25.00
May 26, 1920:
H. J. Zlackun, Goodyear Tire & Rubber Co., Akron, Ohio 150.00
H. A. Zeller, West Virginia Rail Co., Huntington, W. Va. 300.00
Republican State Central Committee, Raymond Benjamen (chairman), San Francisco, Calif. 561.00
May 27, 1920:
H. R. Wyllie, H. R. Wyllie China Co., Huntington, W. Va. 150.00
May 28, 1920:
Wade Gardner, American Rubber & Tire Co., Akron, Ohio 37.00
May 29, 1920:
William J. Pfeiffer, Miller Rubber Co., Akron, Ohio 150.00
Thomas F. Bailey, Banks Supply Co., Huntington, W. Va. 50.00
June 1, 1920:
H. E. Thatcher, Malleable Iron Fittings Co., Branford, Conn. 363.00
George E. Barber, Star Pin Co., Darby, Conn. 105.00
Lincoln League of Indiana 173.50
C. B. Allen, Philadelphia Rubber Works Co., Akron, Ohio. 150.00
June 3, 1920:
William O'Neil, General Tire & Rubber Co., Akron, Ohio. 300.00
F. H. Firey, Star Rubber Co., Akron, Ohio. 75.00
C. P. Baughman, Swinehart Tire & Rubber Co., Akron, Ohio. 75.00
Thomas H. Morris, Charles Boldt Glass Co., Huntington, W. Va. 150.00
June 7, 1920:
Jacob D. Cox, Cleveland Twist Drill Co., Cleveland, Ohio. 25.00
Lee Phillips, Pacific Mutual Life Insurance Co., Los Angeles, Calif. 50.00
June 8, 1920:
E. P. Root, New Haven Clock Co., New Haven, Conn. 100.00
W. D. Wells, Babcock Printing Press Manufacturing Co., New London, Conn. 193.00

June 11, 1920:
H. R. Junling, Bridgeport National Bank, Bridgeport, Ohio. $30.00
W. E. Thomas, Bridgeport National Bank, Bridgeport, Ohio. 50.00
June 18, 1920:
D. E. Hethington, Globe Malleable & Steel Co., Syracuse, N. Y. 151.50
June 19, 1920:
George C. Laub, George Laub's Sons, Buffalo, N. Y., 1051 Clinton Street. 25.00
June 21, 1920:
M. J. O'Donnell, Falls Rubber Co., Cuyahoga Falls, Ohio. 225.00
W. H. Jenks, Marathon Tire & Rubber Co., Cuyahoga Falls, Ohio. 150.00
C. W. Vaughn, Turner, Vaughn & Taylor, Cuyahoga Falls, Ohio. 150.00
H. H. Burwell, Whyel Coke Co., Uniontown, Pa. 50.00
June 23, 1920:
Charles H. Bliss, L. Hardy Co., Worcester, Mass. 100.00
P. J. McDonough, L. W. Pond Machine & Foundry Co., Worcester, Mass. 100.00
June 24, 1920:
George H. Coates, Coates Clipper Manufacturing Co., Worcester, Mass. 100.00
H. M. Naugle, National Pressed Steel Co., Massillon, Ohio. 375.00
H. E. Zuber, Enterprise Aluminum Co., Massillon, Ohio. 75.00
N. M. Scales, Chairman Republican State Committee, Guilford, Me. 172.00
June 25, 1920:
Harry C. Coley, Howard Bros. Manufacturing Co., Worcester, Mass. 75.00
Mr. Alden Reed, Reed & Prince Manufacturing Co., Worcester, Mass. 100.00
E. E. Russell, Transue & Williams Steel Forging Co., Alliance, Ohio. 100.00
Axtell J. Byles, Tide Water Oil Co., New York, N. Y., 11 Broadway. 25.00
June 26, 1920:
John L. Thomas, Corning Glass Works, Corning, N. Y. 1,761.50
E. N. Woodward, Woodward & Powell Planer Co., Worcester, Mass. 50.00
C. J. Sherer, Dayton Wright, General Motor Co., Dayton, Ohio. 50.00
Robert S. Snevily, Oil Seed Co., New York, N. Y. 40.50
June 29, 1920:
H. P. Coppus, Coppus Engineering Co., Worcester, Mass. 150.00
June 28, 1920:
A. W. Calkins, Kansas City Pump Co., Kansas City, Mo. 50.00
June 30, 1920:
G. A. Bridges, Williams & Bridges Co., Worcester, Mass. 150.00
Albert J. Heywood, Heywood Boot & Shoe Co., Worcester, Mass. 75.00
R. C. Phillips, American Rolling Mill Co., Middletown, Ohio. 250.00
E. R. Bailey, Grasselli Chemical Co., Cleveland, Ohio. 150.00
July 1, 1920:
T. P. Braun, Simplex Player Action Co., Worcester, Mass. 100.00
A. H. Tuechter, Cincinnati Bickford Tool Co., Cincinnati, Ohio. 25.00
H. K. McCauley, 1301 Sixth Avenue, Altoona, Pa. 25.00
July 2, 1920:
Charles Baker, Baker Box Co., Worcester, Mass. 105.00
Robert C. Olson, Olson Manufacturing Co., Worcester, Mass. 33.00
J. D. Phillips, No. 4 Park Street, Boston, Mass. 25.00
Charles Briggs, Calumet, Mich. 50.00
Francis H. Gates, Chittenango, N. Y. 50.00
July 3, 1920:
D. O'Connell, Sterling Worcester Mills, Worcester, Mass. 50.00
Ella W. Foye, Thomas Smith Co., Worcester, Mass. 35.00
E. C. Damor, Hudson Belting Co., Worcester, Mass. 36.00
Louis A. Wheeler, Galbert Last Co., Worcester, Mass. 25.00
Henry A. Wise, 15 William Street, New York City. 25.00
M. B. Snevily, 35 South William Street, New York City. 50.00
R. C. Caples, the Willys-Overland Co., Toledo, Ohio. 25.00
July 6, 1920:
Stanley A. Easton, Bunker Hill & Sullivan Mining & Concentrating Co., Kellogg, Idaho. 150.00
Leonard C. Hanna, jr., Leader News Building, Cleveland, Ohio. 25.00
Samuel M. Green, Samuel M. Green Co., Springfield, Mass. 25.00
F. A. Russ, Robert N. Bassett Co., New York. 25.00
Frank J. Hogan, Colorado Building, Washington, D. C. 25.00
O. S. Bergman, D. Bergman & Co., St. Paul, Minn. 25.00
A. G. Hubbard, Redlands, Calif. 25.00
James E. Brown, 316 Fourth Avenue, Pittsburgh, Pa. 25.00
H. K. Portner, Briarcliff Manor, N. Y. 25.00
July 7, 1920:
Miss Emma E. Miller, Goodbody & Co., 115 Broadway, N. Y. 25.00
July 8, 1920:
Fred G. Munson, W. M. Steel Co., Worcester, Mass. 50.00
M. H. Brown, Ivy Corset Co., Worcester, Mass. 100.00
Andrew G. Hildreth, Worcester, Mass. 50.00
John H. Dodge, Commercial Street, Lowell Wrench Co., Worcester, Mass. 25.00
Lewis C. Warner, Naugatuck, Conn. 30.00
Leonard S. Smith, American Laundry Machinery Co., Cincinnati, Ohio. 61.10
George F. Lee, 509 Wyoming Avenue, Kingston, Pa. 25.00
George C. Howe, Short Mills, N. J. 25.00
July 9, 1920:
George T. Blake, jr., Co., Worcester, Mass., E. Dodge. 35.00
Worcester Lawn Mower Co., Worcester, Mass. 25.00
H. A. Moody, 1162 Dean Street, New York. 25.00
Charles I. Thayer, 206 Equitable Building, Boston, Mass. 25.00

July 9, 1920—Continued
John M. Woolsey, 27 William Street, New York $50.00
A. C. Hough, Hough Shade Corporation, Janesville, Wis 25.00
F. L. Fay, Greenville Steel Car Co., Greenville, Pa 100.00
July 10, 1920:
M. S. Wright, M. S. Wright Co., Worcester, Mass 150.00
Lloyd Booth, Falcon Steel Co., Niles, Ohio 100.00
E. J. McClain, Greenfield, Ohio 50.00
B. B. Quillen, Cincinnati Planer Co., Oakley, Cincinnati, Ohio 25.00
July 13, 1920:
Dayton Malleable Iron Co., Dayton, Ohio 204.00
W. H. B. Ward, Trumbell Steel Co., Warren, Ohio 300.00
Dr. E. E. Smith, the Smith Yarn Co 50.00
W. T. Barbour, Detroit Stove Works, Detroit 25.00
L. G. Litchfield, Wilcox Comb Co., Keene, N. H 50.00
George I. Alden, Norton Co., Worcester, Mass 50.00
Adolphe De Bary, 55 Liberty Street, New York 200.00
W. C. Eustis, Oatlands, Va 200.00
T. W. Phillips, jr., T. W. Phillips Gas & Oil Co., Butler, Pa 25.00
Alex Whiteside, 30 State Street, Boston, Mass 25.00
H. C. N. Mosher, box 905, New Bedford, Mass 25.00
Frank T. Hulswit, 600 Crescent Street, Grand Rapids, Mich 25.00
Richard Whilelm, Eastern Tanners Glue Co., Gowanda, N. Y 25.00
Fred. E. Lee, Dowagiac, Mich 25.00
Charles H. Koopelman, Maryland Casualty Tower, Baltimore, Md 25.00
S. J. Herman, Diamond Power Specialty Co., Detroit, Mich 25.00
July 12, 1920:
William H. Avant, North Meridian Street, Indianapolis, Ind 25.00
W. B. Allbright, Southewestern Building, Chicago, Ill 25.00
George M. Mills, West Ontario Avenue, Philadelphia 25.00
W. E. Green, Denver & Rio Grande Railroad, Denver, Colo 25.00
G. W. Mudd, box 309, Norton, Va 25.00
July 14, 1920:
C. B. Loveless, Warren Iron & Steel Co., Warren, Ohio 150.00
W. A. Beckdil, the Borden Co., Warren, Ohio 150.00
George F. Konold, Warren Tool & Forge Co., Warren, Ohio 150.00
National Association of Window Glass Manufacturers, of Pittsburgh, Pa 95.00
William C. Marble, Curtis & Marble Machinery Co., Worcester, Mass 75.00
Lem. W. Bowen, D. M. Ferry & Co., Detroit, Mich 25.00
July 15:
James P. McGrady, Worcester Steel & Manufacturing Co., Worcester, Mass 45.00
John Jackson, the Simonds Manufacturing Co., Pittsburgh 25.00
F. F. Rigall, the Camp Glass Co., Hutington, W. Va 25.00
Larz Anderson, Bason Building, Boston, Mass 250.00
P. E. Thomas, Kempsmith Manufacturing Co., Milwaukee, Wis 25.00
F. D. McKay, 17 Adams Street, Brooklyn, N. Y 25.00
H. E. Folsom, Lyndonville, Vt 25.00
E. C. Roberts, U. N. Roberts Co., Davenport, Iowa 50.00
J. C. Hobart, Triumph Electric Co., Cincinnati, Ohio 25.00
July 16: Nothing.
July 17:
J. B. Estabrook, Warren, Ohio, the Sunlight Electric Manufacturing Co 150.00
Edw. L. Buckwalter, Springfield, Ohio 100.00
L. B. Miller, the Ansted & Buck Co., Springfield, Ohio 50.00
J. S. W. Holton, Chestnut Street, Philadelphia, Pa 25.00
Thomas Chatard, the Greenbrier, White Sulphur Springs, W. Va 25.00
William L. Hartman, Pueblo, Colo 25.00
July 19: J. Kirby, Dayton Manufacturing Co 225.00
July 20: Nothing.
July 21, 1920:
L. P. Walker, Stephenson Manufacturing Co., South Bend, Ind 50.00
R. G. Carter, Sibley Machine Co., South Bend, Ind 60.00
B. G. Williams, Mishawake Woolen Manufacturing Co., Mishawaka, Ind 100.00
E. A. Anderson, South Bend, Ind 25.00
Stephano Bros., 1014 Walnut Street, Philadelphia 50.00
J. W. Donnelly, Hotel Athenaeum, Chautauqua, N. Y 25.00
F & N Lawn Mower Co., Richmond, Ind. (H. L. Loutz) 25.00
George D. Crabbs, Philip Carey Manufacturing Co., Lockland, Ohio 150.00
July 22, 1920:
J. E. Keresey, 210 Mercer Street, Trenton, N. J 37.00
Lexington Motor Co., Connersville, Ind 25.00
Joseph A. Goodard Co., Muncie, Ind 25.00
Robert H. Ballon, Manhasset Manufacturing Co., Providence, R. I 25.00
A. L. Stetson, 117 Santa Fe Avenue, Los Angeles, Calif 25.00
July 23, 1920:
Edward H. Tekan Home Store, Springfield, Ohio 75.00
A. N. Shidler, Shidler Bros. Co., South Bend, Ind 50.00
Mr. B. Fox, Laporte Woolen Mills, Laporte, Ind 850.00
J. P. Marley, Bastain-Morley Co., Laporte, Ind 80.00
T. S. Chapman, 111 Monroe Street, Chicago 25.00
D. J. Haff, 906 Commerce Building, Kansas City, Mo 25.00
July 24, 1920:
H. B. Forennes, the Hobart N. Cable Co., Chicago 145.00
George H. Goodall, United States Slicing Machine Co., Laporte, Ind 225.00
William B. Maddock, John Maddock & Sons, Trenton, N. J 172.50
F. P. Hixon, Lacrosse, Wis 25.00
July 26, 1920:
B. K. Bowman, J. L. Mott Co., Trenton, N. J 225.00
John T. Manson, box 1685, New Haven, Conn 50.00
J. W. Bettendorf, Bettendorf Co., Bettendorf, Iowa 50.00
July 27, 1920:
W. H. Leonard, the Denver Rock Drill Manufacturing Co., Denver, Colo $100.00
J. V. Lambert, Acme Rubber Manufacturing Co., Trenton, N. J 150.00
J. P. Peterson, Cairo, Ill 25.00
July 28, 1920:
Charles L. Taylor, Hartford, Conn 37.50
Arthur Schwartz, Princeton Worsted Mills Co., Trenton, N. J 150.00
J. Greene, Bergougnan Rubber Co., Trenton, N. J 75.00
B. K. Wilbur, H. O. Wilbur & Sons, Philadelphia 25.00
Charles Ray, 88 Prospect Avenue, Milwaukee, Wis 25.00
July 29, 1920:
Thomas P. Woodhouse, Woodhouse Chain Works, Trenton, N. J 150.00
C. S. Joy, the New Departure Manufacturing Co., Bristol, Conn 500.00
D. M. Brown, the Rocky Mountain Fuel Co., Denver, Colo 100.00
Charles Fenn, Prince George Hotel, New York City 37.50
Mrs. Raymond Robins, 1437 West Ohio Street, Chicago, Ill 25.00
July 30, 1920:
William B. Swan, the James Swann Co., Seymour, Conn 63.00
J. W. White, Webster Springs, W. Va 100.00
July 31, 1920:
A. Karpen, S. Karpen & Bros., Chicago, Ill 150.00
August 2, 1920:
J. R. Mitchell, Mitchell-Bissell Co., Trenton, N. J 78.00
J. H. Reed, Pittsburgh, Pa 100.00
M. D. Thatcher, the Great Western Sugar Co., Pueblo, Colo 200.00
August 3, 1920:
J. Wallace Carrel, Lodge & Shipley Machine Tool Co., Cincinnati, Ohio 26.00
August 4, 1920:
C. R. Riley, the Norton Mfg. Co., Bristol, Conn 75.00
John T. Chidsey, J. C. Root Co., Bristol, Conn 52.50
J. A. Campbell, the Trenton Potteries Co., Trenton, N. J 225.00
J. B. Colvin, Packson Foundry, Worcester, Mass 50.00
August 5, 1920:
A. B. Comeee, Hamilton Rubber Mfg. Co., Trenton, N. J 150.00
H. D. Leavitt, Crossley Machine Co., Trenton, N. J 67.50
Louis A. Biddle, 85 Avenue Henri-Martin, Paris, France 250.00
Henry W. Banks, jr., 14 Wall Street, New York City 50.00
August 6, 1920:
Annie Norton Battelle, Columbus, Ohio 75.00
Arthur L. Beardsley, Dr. Mills Medical Co., Elkhart, Ind 50.00
August 7, 1920:
Republican State Committee of Delaware 45.35
Chas. Foultz, Lambertville Pottery Co., Lambertville, N. J 75.00
P. C. Kendall, Sedway Mercantile Co., Elkhart, Ind 50.00
August 9, 1920:
C. C. Bradley, C. C. Bradley & Sons Co., Syracuse, N. Y 62.00
G. A. Fletcher, Gossard Corset Co., Chicago, Ill 25.00
W. H. Sanders, Greensboro, N. C 28.05
August 10, 1920:
Geo. C. Clark, Pequabuck, Conn 30.00
F. N. & A. N. Monrass, Forrestville, Conn 25.00
H. B. Tobin, Woven Steel Hose & Rubber Co., Trenton, N. J 30.00
August 11, 1920:
Geo. L. Leonhard, the Paterson Parchment Paper Co., Passaic, N. J 387.00
Robt. Patterson, Dayton Trust & Savings Co., Dayton, Ohio 25.00
August 12, 1920:
Mr. Drescher, Bausch & Lomb Optical Co., Rochester, N. Y 500.00
Ambrose G. Dale, International Pottery Co., Trenton, N. J 37.50
Albion E. Lang, Windsor, Vt 90.00
A. W. Katterman, Katterman & Mitchell Co., Paterson, N. J 150.00
August 13, 1920:
F. F. Barnes, the Wallace Barnes Co., Bristol, Conn 345.00
August 14, 1920:
Thos. Maddox, Thos. Maddox Co., Trenton, N. J 150.00
Chas. E. Lotte, Colt Building, Paterson, N. J 225.00
Wm. Park, Wm. Park & Sons, Stafford Springs, Conn 30.00
August 16, 1920:
J. H. Cooledge, jr., the Telling-Belle Vernon Co., Cleveland, Ohio 500.00
Wm. H. Hayward, Industrial Trust Co., Providence, R. I 25.00
A. H. Evans, Choctaw Lumber Co., Silas, Ala 50.00
August 20, 1920:
George W. Oatley, Utica Knitting Co., Utica, N. Y 500.00
Raymond Doherty, Henry Doherty Silk Co., Paterson, N. J 112.50
G. S. Dunbar Federal Glass Co., Columbus, Ohio 50.00
August 23, 1920:
James Eastwood, Benjamin Eastwood Co., Paterson, N. J 40.00
E. G. Katterman, E. G. Katterman & Co., Dover, N. J 75.00
John Mulligan, Ulster Iron Co., Dover, N. J 75.00
August 24, 1920:
Paul Gunther, Dover, N. J 100.00
August 25, 1920:
John M. Claxton, Torrington, Conn 30.00
W. W. Mertz, W. W. Mertz & Co., Torrington, Conn 50.00
Howard Castle, The Torrington Building Co., Torrington, Conn 162.00
A. H. Bullard, Bullard Machine Tool Co., Bridgeport, Conn 600.00
A. B. Harper, American Silver Co., Bristol, Conn 56.25
P. J. Mamber, The Mamber Brick Co., Benton Harbor, Mich 25.00
Robert Barbour, Barbour Flax Spinning Co., Paterson, N. J 225.00
Lewis A. Howell, The Howell Lumber Co., New Brunswick, N. J 30.00
D. H. Moore, Athens, Ohio 25.00

August 26, 1920:	
George A. Schacht, G. A. Schacht Motor Truck Co., Cincinnati	$25.00
August 27, 1920:	
Vernon Rayle, John Rayle & Sons, Paterson, N. J	50.00
J. H. Whiting, The Franklin Moore Co., Winstead, Conn	50.00
George F. Drake, New England Pin Co., Winstead, Conn	35.00
August 28, 1920:	
J. C. Whitcher, The Dry Kold Refrigerator Co., Niles, Mich	37.50
M. Park, The National Standard Co., Niles, Mich	150.00
August 30, 1920:	
L. F. Roentz, 335 West Ontario Street, Chicago	25.00
Al Berkenstein, S. Berkenstein & Sons Co., Chicago	25.00
Isaac M. Bernstein, Monarch Leather Co., Chicago	25.00
P. E. Madden, International Tag Co., Chicago	25.00
E. E. White, Globe Casket Co., Kalamazoo, Mich	90.00
August 31, 1920:	
G. E. Matthier, The Seymour Manufacturing Co., Seymour, Conn	300.00
H. P. Carter, The H. C. Cook Co., Ansonia, Conn	37.50
September 1, 1920:	
L. A. Anschutz, the Ansonia Electrical Co., Ansonia, Conn	75.00
B. W. Doyle, treasurer the Viscolord Co., Fitchburg, Mass	250.00
R. W. Smith, Richardson Piano Case Co., Leominster, Mass	100.00
Maury C. Danion, the Danion Co., Leominster, Mass	25.00
Whitney & Co., Leominster, Mass	75.00
September 2, 1920:	
L. M. Crittsinger, Churchill-Morgan-Crittsinger, Worcester, Mass	35.00
W. H. Goodall, Goodale Comb Co., Leominster, Mass	25.00
William H. Cropper, F. H. Whitney Carriage Co., Leominster, Mass	100.00
J. Broughton, United Globe Rubber Co., Trenton, N. J	45.00
Fred E. Lee, the Bechwith Co., Dowagiac, Mich	697.50
September 3, 1920:	
C. A. Fox, secretary and treasurer Bryant Paper Co., Kalamazoo, Mich	750.00
John Mettler, Interwoven Stocking Co., New Brunswick, N. J	102.00
Howard H. Chase, Leominster Worsted Co., Leominster, Mass	150.00
A. C. Rockwell, Rockwell Woolen Co., Leominster, Mass	35.00
A. A. Tisdale, the Horn & Supply Co., Leominster, Mass	25.00
Wilmot Castle, Wilmot Castle Co., Rochester, N. Y	52.00
September 4, 1920:	
A. Lichtman, A. Lichtman & Sons Co., Newark, N. J	25.00
H. P. Walters, Consolidated Window Glass Co., Bradford, Pa	100.00
E. F. Green, Crompton & Knowles Loom Co., Worcester, Mass	375.00
Republican Headquarters, Clay, W. Va	67.00
September 7, 1920:	
Andrew Bennett, jr., secretary Republican State central committee, Phoenix, Ariz	100.00
H. Gail Davis, Oliver Chilled Plow Works, South Bend, Ind	70.00
September 8, 1920:	
A. C. Grimmel, Sneath Glass Co., Hartford City, Ind	25.00
September 9, 1920:	
K. B. Kenfield, Brown Bag Filling Machine Co., Fitchburg, Mass	50.00
W. B. Earl, treasurer W. B. Earl & Co. (Inc.), Leominster, Mass	112.50
C. G. Conn, C. G. Conn (Ltd.), Elkhart, Ind	150.00
B. G. Follansbee, Follansbee Bros. Co., Pittsburgh, Pa	50.00
D. C. Keller, president Dow Drug Co., Cincinnati, Ohio	100.00
September 10, 1920:	
John W. Ferguson, J. W. Ferguson & Co., Paterson, N. J	75.00
V. B. Clarkman, chairman Lane County Republican committee, Parker, S. Dak	37.50
September 13, 1920:	
Sanford F. Harris, Harris Mills & Co., Chicago, Ill	25.00
Otto Ellerman, chairman Republican central committee, Lead, N. Dak	25.00
September 16, 1920:	
Maurice Pushker, Cook County Paper Stock Co., Chicago, Ill	25.00
R. E. Carey, E. Lowitz & Co., Chicago, Ill	25.00
W. S. Barnes, Marine Iron Works, Chicago, Ill	25.00
C. F. Williams, Hobbs Manufacturing Co., Worcester, Mass	25.00
September 17, 1920:	
F. H. Belding, Belding Bros. & Co., Rockwell, Conn	60.00
Adolph C. Weiss, secretary and treasurer Mabley & Carew Co., Cincinnati, Ohio	100.00
Edw. H. Haefner, treasurer Alms & Doepke Co., Cincinnati, Ohio	100.00
September 18, 1920:	
Edwin J. Seward, Royal Worcester Corset Co., Worcester, Mass	108.00
H. B. Lindberg, Michigan Screw Co., Lansing, Mich	300.00
September 20, 1920:	
W. G. Sanders, W. G. Sanders & Co., Chicago, Ill	100.00
F. E. Chandman, C. H. Werner & Co., Chicago, Ill	25.00
September 23, 1920:	
W. R. Smith, Great Western Manufacturing Co., La Porte, Ind	200.00
H. N. Otto, Kaltenbach & Stephens (Inc.), Newark, N. J	250.00
J. J. Rhodes, J. J. Rhodes Lumber Co., Council Grove, Kans	40.00

Stockholders	Preferred shares held	Common shares held
George B. Lockwood, of Muncie, Ind., and Washington, D. C	235	617
Adam L. Beck, of Greencastle, Ind	30	15
John W. Weeks, of West Newton, Mass	50	25
James T. Carr, of Dubuque, Iowa	20	10
Alvah H. Martin (deceased), of Norfolk, Va	10	5
William B. McKinley, of Champaign, Ill	25	13
James A. Hemenway, of Boonville, Ind	40	20
William G. Irwin, of Columbus, Ind	15	7½
Charles D. Hillis, of New York City, N. Y	25	12½
John T. Adams, of Dubuque, Iowa	70	35
Wm. B. Thompson, of New York City, N. Y	190	95
A. T. Hert, of Louisville, Ky	10	5
Geo. W. Fairchild, of Oneonta, N. Y	10	5
J. Earl Fouts, of Muncie, Ind		1
Carl W. Riddick, of Lewistown, Mont		1
Total	730	867

The capital stock of the National Republican Publishing Co. is $200,000—1,000 shares of preferred stock, at $100 par value, and 1,000 shares of common stock, at $100 par value. There are still held in the treasury 270 shares of preferred and 133 shares of common stock. The above is a list of the stockholders, together with their addresses and the amount of individual holdings. The common stock was issued as a bonus.

This statement is made to supplement, and in some respects to correct, testimony of Mr. George B. Lockwood, given from memory as to stockholders, and is taken from the records of the company.

R. H. FULLER,
For the National Republican Publishing Co.

Mr. KING. Has the Senator any information as to whether the circulation of the paper is larger now than it was at that time?

Mr. NORRIS. No; I do not know.

Mr. KING. My information is that it has increased in circulation very considerably, and I was wondering if the Senator had any information as to who paid for the increased circulation or for the ordinary circulation?

Mr. NORRIS. I have not at the present time any information beyond the last date which I have mentioned, September, 1920.

Mr. KING. I suppose the Senator is one of the able Republicans who have been read out of the party by this Republican organ?

Mr. NORRIS. Oh, I suppose so; I have been told that is the case. I have not read it myself and do not care enough about it to read it.

Mr. WALSH of Montana. Is the Senator able to advise us whether, upon subscriptions of that character, 1,096 names sent in by one individual accompanied by a payment of $1,096, they should be legitimately counted as subscriptions for the purpose of entitling the paper to reduced postal rates?

Mr. NORRIS. I assume the various amounts contributed by the various corporations and companies and individuals and committees named in the list I have sent to the desk were contributions made for subscriptions. I understand the subscription price is $1 a year, and that for every dollar contributed a name was sent to the paper and the paper was sent to that name for a year. However, I may be in error in regard to it.

Mr. WALSH of Montana. That is a matter upon which I desired to get information. It has been represented to me that subscriptions of that character do not form a proper basis under the law for according to a paper the favored postal rates, and that this paper is enjoying those postal rates notwithstanding that method of securing subscriptions. I wonder if it would not be appropriate to refer the matter to the Committee on Post Offices and Post Roads for consideration?

Mr. NORRIS. I have no objection to referring it to the Committee on Post Offices and Post Roads, and, if the practice is contrary to the law and the Post Office Department has never before had any notice of it or found it out, I hope it will take notice of what has happened here to-day and will do its duty.

The PRESIDENT pro tempore. The papers presented by the Senator from Nebraska will be referred to the Committee on Post Offices and Post Roads.

REPORTS OF COMMITTEES

Mr. CUMMINS (Mr. WADSWORTH in the chair), from the Committee on the Judiciary, to which was referred the bill (H. R. 1869) for the incorporation of the Grand Army of the Republic, reported it without amendment.

Mr. SHORTRIDGE, from the Committee on the Judiciary, to which was referred the bill (S. 1042) to provide for the establishment of a probation system in the United States courts, except in the District of Columbia, reported it without amendment.

Mr. OVERMAN, from the Committee on the Judiciary, to which was referred the bill (S. 2178) to relieve United States district judges from signing an order admitting, denying, or dismissing each petition for naturalization, reported it without amendment.

Mr. PEPPER, from the Committee on Foreign Relations, to which was referred the bill (S. 2172) to amend section 1 of the act of June 4, 1920 (41 Stat. L. p. 750), and to provide fees for executing applications for passports and for issuing the same, reported it without amendment and submitted a report (No. 564) thereon.

Mr. LADD, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 3047) authorizing joint investigations by the United States Geological Survey and the Bureau of Soils of the United States Department of Agriculture to determine the location and extent of potash deposits or occurrence in the United States and improved methods of recovering potash therefrom, reported it without amendment.

He also, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 697) providing for the disposal of certain lands on Crooked and Pickerel Lakes, Mich., and for other purposes, reported it with amendments and submitted a report (No. 563) thereon.

Mr. BALL, from the Committee on the District of Columbia, to which was referred the bill (H. R. 3236) to regulate the practice of optometry in the District of Columbia, reported it without amendment.

Mr. HARRELD, from the Committee on Indian Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 2799) to provide for quarters, fuel, and light for employees of the Indian field service (Rept. No. 565); and

A bill (H. R. 5416) to authorize the setting aside of certain tribal lands within the Quinaielt Indian Reservation in Washington for lighthouse purposes (Rept. No. 566).

Mr. HARRELD also, from the Committee on Indian Affairs, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

A bill (S. 3111) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Stockbridge Indians may have against the United States, and for other purposes (Rept. No. 567); and

A bill (H. R. 4835) to pay tuition of Indian children in public schools (Rept. No. 568).

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FERRIS:

A bill (S. 3329) granting an increase of pension to Mary Edna Peirce; to the Committee on Pensions.

By Mr. DALE:

A bill (S. 3330) granting a pension to May H. Colby;

A bill (S. 3331) granting an increase of pension to Emma M. Bowman; and

A bill (S. 3332) granting an increase of pension to Melissa S. Lee; to the Committee on Pensions.

By Mr. CURTIS:

A bill (S. 3333) for the relief of Thomas W. Morgan (with accompanying papers); to the Committee on Claims.

A bill (S. 3334) granting a pension to Lizzie C. J. Cluett (with accompanying papers);

A bill (S. 3335) granting a pension to Ray D. Ingersoll (with accompanying papers);

A bill (S. 3336) granting a pension to Nettie J. Davis (with accompanying papers);

A bill (S. 3337) granting a pension to Lucresia Burley (with accompanying papers);

A bill (S. 3338) granting a pension to Harriett P. Trudell (with accompanying papers); and

A bill (S. 3339) granting a pension to Katherine Stapleton (with accompanying papers); to the Committee on Pensions.

By Mr. ELKINS:

A bill (S. 3340) for the relief of George B. Todd; to the Committee on Military Affairs.

A bill (S. 3341) granting an increase of pension to James A. Chalfant; to the Committee on Pensions.

By Mr. REED of Pennsylvania:

A bill (S. 3342) for the relief of Robert M. Foster; to the Committee on Claims.

By Mr. NORBECK:

A joint resolution (S. J. Res. 127) to provide that the powers and duties conferred upon the Governor of Alaska under existing law for the protection of wild game animals and wild birds in Alaska be transferred to and be exercised by the Secretary of Agriculture; to the Committee on Agriculture and Forestry.

By Mr. HOWELL:

A joint resolution (S. J. Res. 128) to limit the compensation that may be paid under the Federal farm loan act; ordered to lie on the table.

LEE BROCK

Mr. McKELLAR submitted the following resolution (S. Res. 228), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and is hereby, authorized and directed to pay, out of the appropriations for the contingent fund of the Senate, to Lee Brock, of Nashville, Tenn., the sum of $142.80 for expenses incurred in examination of witnesses in contested nomination of postmaster at Dickson, Tenn.

INVESTIGATION OF FEDERAL FARM LOAN SYSTEM

Mr. HOWELL submitted the following resolution (S. Res. 229), which was ordered to lie on the table:

Resolved, That the President of the Senate pro tempore is authorized to appoint a special committee of three members, which shall investigate the Federal farm loan system and the Federal Farm Loan Board and report its findings, together with recommendations for corrective legislation. The committee is authorized to hold hearings, to sit during the sessions and recesses of the Sixty-eighth Congress, and to employ a stenographer at a cost not to exceed 25 cents per hundred words. The committee is further authorized to send for persons and papers; to require by subpœna the attendance of witnesses, the production of books and documents; to administer oaths; and to take testimony

The expenses of the committee shall be paid from the contingent fund of the Senate.

URGENT DEFICIENCY APPROPRIATIONS

Mr. STERLING obtained the floor.

Mr. WARREN. Mr. President, I ask the Senator from South Dakota if he will yield until I may have considered a very short appropriation bill? I wish to say in this connection that unpaid bills are accumulating in the office of the financial clerk of the Senate on account of witness fees and other expenses.

Mr. STERLING. If the Senator from Wyoming is sure that the bill for which he desires consideration will not lead to any debate, I shall yield to him in order that he may secure its consideration.

Mr. WARREN. I ask unanimous consent that the Senate proceed to the consideration of the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes.

The PRESIDENT pro tempore. Is there objection?

Mr. ROBINSON. Mr. President, I do not object to the consideration of the bill, but I think the Senator from Wyoming should briefly explain its provisions, and particularly some of the amendments which I understand he intends to propose to the bill. I think in all probability it is necessary to consider the bill as soon as practicable.

Mr. WARREN. I shall endeavor to give a very brief explanation of the necessity for the passage of the bill and of the amendments which are proposed to it.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Appropriations with an amendment.

Mr. WARREN. Mr. President, the first item of $100,000 which is carried in the bill is for the contingent fund of the Senate, which not only is exhausted, but there are unpaid bills now in the office of the financial clerk of the Senate awaiting adjustment.

The bill also carries an appropriation for the United States courts. It is usual toward the close of the fiscal year for Congress to provide for certain expenses of the various courts of the United States.

There is also an amendment, which is reported to the bill by the Committee on Appropriations, providing for the settlement of an account. It will take no money out of the Treasury, but it relates to the assessment of the inheritance tax on a bequest to the Government through the Smithsonian Institution by Mr. Freer, deceased.

There is another amendment which I shall submit, made necessary by a supplemental estimate, providing for an appropriation of $16,000, seemingly very necessary for the Supreme Court of the District of Columbia which is in session with its different juries at work and the money is to be devoted to their payment. The whole amount carried by the bill is something over $2,000,000.

The PRESIDENT pro tempore. The bill is before the Senate as in Committee of the Whole and is open to amendment. The Secretary will state the amendment of the committee.

The READING CLERK. On page 2, after line 2, it is proposed to insert:

THE SMITHSONIAN INSTITUTION

That additional taxes amounting to $74,657.70, together with all penalties and other charges thereon, assessed by the Treasury Department against the estate of Charles L. Freer, deceased, late of Detroit, Mich., which estate has been closed, the executors discharged, and the residue paid over to the Smithsonian Institution as an endowment for the Freer Gallery of Art, presented to the Nation by the said Charles L. Freer, are hereby canceled and the Treasury Department is hereby authorized and directed to remit any further taxes, penalties, or charges which may hereafter be found due from the said estate.

The PRESIDENT pro tempore. Without objection the amendment is agreed to.

Mr. WARREN. I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The Senator from Wyoming offers an amendment which will be stated.

The READING CLERK. On page 2, after line 2, it is proposed to insert:

DISTRICT OF COLUMBIA COURTS

Supreme Court, District of Columbia: For fees of jurors, $16,000, 60 per cent of said sum to be paid out of the revenues of the District of Columbia and 40 per cent out of the Treasury of the United States.

The PRESIDENT pro tempore. Without objection the amendment is agreed to.

Mr. KING. Mr. President, I ask the Senator in charge of the bill to explain the item of $200,000, which is appropriated for in the bill for the Department of Justice. In a bill recently passed we appropriated $500,000 for the prosecution of war frauds, and a year ago, for the current year, we appropriated $500,000 for the prosecution of war-fraud cases. I believe that those who have made investigations are not satisfied with the results which have been achieved by the Department of Justice in the expenditure of these funds. I desire to ask the Senator from Wyoming whether the $500,000 appropriated for the current year has been exhausted?

Mr. WARREN. It will be exhausted before the 1st of July. The fact is, if I am correctly informed, its expenditure is already exhausted under the arrangements which have been made.

Mr. KING. Mr. President, is that the only explanation the Senator from Wyoming cares to give or can give in regard to this item?

Mr. WARREN. I have permission of the Senator from South Dakota to proceed with this bill only so long as it does not lead to any debate, and so I can not consider it necessary at this time to go back into the estimates for the $500,000 carried in the regular appropriation bills. We have the hearings, and I can send for them and have them read at some other time. The item, however, constitutes a real deficiency, and I know of no way to provide for it except by an appropriation.

As to the theory upon which the Department of Justice is operated, it is hardly the place, I think, on an appropriation bill, which is to meet necessary expenses, to go into the year's business of that department; but if the Senator desires it, of course, it may be done later on, as we are to have another deficiency appropriation bill before the session terminates.

Mr. KING. I do not think we should dispose of appropriation bills and deficiencies in this perfunctory way. I am not complaining of the attitude of the Senator from Wyoming, but the Senator knows that there has been dissatisfaction with the administration of the Department of Justice and with the results or lack of results in the prosecution of so-called war-fraud cases.

Mr. WARREN. The Senator also knows that there have been collected by the United States from prosecutions of fraudulent war contracts many times more than that amount expended for such purposes.

Mr. KING. No; I do not know that, Mr. President. I am advised that some recoveries were the result of an auditing of unsettled claims and accounts, and the Department of Justice was of no service in the matter.

Mr. WARREN. Those who have examined the matter do know it.

Mr. KING. I have examined the matter and I have some knowledge upon the subject. Of course, some suits have been instituted upon which recoveries have been made, but I repeat the results thus far have been disappointing.

Mr. STERLING. Mr. President, I yielded the floor on the condition that the bill would not lead to debate.

Mr. KING. I do not know what condition the Senator from South Dakota annexed to the consideration of the bill, but it is before the Senate now.

Mr. STERLNG. That is true; but I yielded only to that extent.

Mr. KING. If the Senator claims the floor to discuss the bill, I will be happy to yield to him.

Mr. STERLING. No; I do not wish to discuss the bill; but I had the floor for the purpose of presenting a report, and I yielded to the Senator from Wyoming on the condition that the bill would not involve debate.

Mr. WARREN. If the Senator from Utah desires to have the bill go over it will have to go over. I have stated what the deficiencies are and it does not seem necessary for me further to state the reasons, and I am not permitted the time. The investigation of the Department of Justice to which in a way the Senator from Utah refers is one reason why the contingent fund is out of money. In order to cover the expenses incurred it is necessary to appropriate more money. The bills are due and should be paid.

Mr. KING. I am making no comment now upon the item of $100,000 to meet the demands made upon the contingent expense account of the Senate; that may be the subject of comment at a later time.

I am now making an inquiry concerning the additional appropriation for the Department of Justice. I repeat, Mr. President, that a year ago we gave $500,000 for the prosecution of war-fraud cases and we gave $500,000, as I recall, to the War Department for additional auditors in order to examine the same accounts.

Mr. STERLING. Mr. President, I must object to further interruption.

Mr. KING. I have the floor.

The PRESIDENT pro tempore. The Senator from South Dakota yielded to the Senator from Wyoming to ask unanimous consent to bring forward the appropriation bill.

Mr. STERLING. I yielded on condition that the consideration of the bill would not provoke debate. That was the condition upon which I yielded. The bill seems to be provoking extended debate. Therefore, I am relying on my rights. I have been recognized by the Chair, and I yielded for that one purpose.

Mr. WARREN. I will say that that is true, and I will not ask the Senator's forbearance any longer. If it is the wish of the Senator from Utah to put the bill over, he has the power to do so.

Mr. KING. I will surrender the floor, then, to the Senator from South Dakota.

The PRESIDENT pro tempore. If there be no further amendment to be offered——

Mr. KING. Oh, no, Mr. President; the Chair does not understand my attitude. The Senator from Wyoming consented to withdraw the bill, and, upon that understanding, I resumed my seat and surrendered the floor to the Senator from South Dakota.

Mr. WARREN. I did not consent to withdraw the bill except to fulfill my promise to the Senator from South Dakota that I would not take the time if the bill involved debate.

Mr. KING. I do not care to enter into the reasons which prompted the Senator. He did withdraw the bill. With that understanding, I surrendered the floor to the Senator from South Dakota.

Mr. STERLING. Mr. President——

The PRESIDENT pro tempore. The Chair is in some doubt with regard to the proper procedure. The Senate has given unanimous consent to proceed to the consideration of this bill. The Chair, however, will solve the uncertainty by sending the bill to the calendar. The Senator from South Dakota is recognized.

Mr. BALL. Mr. President, will the Senator yield to me to present an amendment?

Mr. STERLING. I yield.

Mr. BALL. I send to the desk an amendment which I desire to propose to the urgent deficiency appropriation bill.

The PRESIDENT pro tempore. The amendment will be received and lie on the table.

SENATOR BURTON K. WHEELER

Mr. STERLING (reading):

As a member of the select committee appointed under Senate Resolution 206, I respectfully submit the following minority views.

The resolution is as follows:

Resolved, That a committee consisting of five Members of the Senate be appointed by the President pro tempore to investigate and report to the Senate the facts in relation to the charges made in a certain indictment returned against Senator BURTON K. WHEELER in the United States District Court for the State of Montana.

The language of the resolution is broad enough to include an inquiry not only as to whether there was probable cause upon which the Federal grand jury for the district of Montana might properly return an indictment against Senator WHEELER but also whether Senator WHEELER was in fact guilty of the charges laid in the indictment.

The view here expressed is limited to the first of these propositions, namely, as to whether the indictment was justified by the evidence before the grand jury. The second proposition, as to whether Senator WHEELER is in fact guilty of the crime, is not, in my opinion, a proper subject of inquiry by the committee, that being solely a matter for determination by the court in which the indictment is pending.

A grand jury is one of our time-honored institutions, and has special recognition in our Federal Constitution. Neither the Senate nor the President has any power to control the action of graud juries or in any way to overturn indictments returned by grand juries. When a valid indictment has been found, the party indicted must be put upon trial, unless the district attorney concludes, and the court concurs, that for some legitimate reason the indictment should be withdrawn. The legislative branch of the Government nor either House of Congress should attempt to exercise the power to determine, in advance of such trial, whether the defendant is in fact guilty, and its right or power so to determine is seriously questioned. Such determination not only encroaches upon the legal functions of the court but is likely so to prejudice public sentiment at the proper place of trial as to make it difficult and perhaps impossible for either the Government or the defendant to obtain a fair and impartial jury. Furthermore, when a committee of the Senate calls before it, in open session, all the witnesses of the prosecution and examines them before trial, the defendant Senator is accorded an advantage to which no other defendant is entitled under the law, an advantage to which he, merely because he is a Senator, is not entitled.

The complaint is here made that the indictment by the grand jury was obtained and found through improper motives and upon evidence insufficient in law to show probable cause for belief in the guilt of the accused. For the purposes of this case it may be conceded that the occasion is such as to justify an investigation by a committee of the Senate as to the motives which prompted the prosecution in its beginning, and the sufficiency of the evidence before the grand jury to sustain it. And yet, it is a matter of grave doubt whether the proceeding thus limited is not contrary to both law and a sound public policy.

At the outset of the committee's proceedings, the chairman indicated that "it might be well to read into the record the statute under which this charge is made." He then read into the record section 1782 of the Revised Statutes. It did not occur to the chairman, nor I think to the other members of the committee at the time, that section 1782 was repealed by the act of Congress of March 4, 1909, and by the same act, section 113 of the Criminal Code was enacted. Section 113 differs materially from the old statute and is considerably enlarged so as to include Senators from the time of their election and either before or after they have actually qualified. Section 113 is hereinafter set forth.

In the presentation of evidence before the committee, the customary order was reversed, and eight witnesses were heard who supposedly had been summoned at the instance of Senator WHEELER, with the view of refuting the charges laid in the indictment and of proving that Senator WHEELER was not guilty thereof. This was not in accord with my conception of the proper function of the committee, as above stated, but tended to extend the inquiry far beyond any legitimate scope. Indeed, from my viewpoint, the hearing might very properly have been entirely ex parte, to determine alone the question of probable cause. It may be granted, however, the course of procedure which was followed was perhaps justified by the emphatic assertions made by Senator WHEELER in his remarks on the floor of the Senate, that the indictment in Montana was the result of a "frame up" by his political enemies and that there was not "one scintilla of truth in the things with which" he was charged.

None of the witnesses thus called at the instance of Senator WHEELER had appeared before the grand jury, and obviously their testimony can serve no useful purpose in determining the question of probable cause. In the testimony of these witnesses, there is an utter lack of evidence in any manner substantiating the statement of Senator WHEELER that improper motives actuated the Government officers who either made the investigation or presented the evidence to the grand jury which returned the indictment. In other words, the charge of "frame up" failed entirely of proof. It may be stated further that several other witnesses were brought from Montana, at the instance of Senator WHEELER, but as none of them were called to testify, it is fair to assume that they had no information bearing upon the question.

In considering the question of probable cause—in other words, whether there was sufficient evidence before the grand jury reasonably to warrant the returning of an indictment against Senator WHEELER—a brief discussion of the evidence is necessary, and attention is invited first to the testimony of the witnesses who appeared before that body, together with the documentary evidence which the Attorney General supplied to the committee, with brief reference to the testimony on behalf of Senator WHEELER. Before entering into such a discussion of the evidence, however, it is important to give a brief outline of the indictment.

THE INDICTMENT

The indictment returned against Senator WHEELER by the Federal grand jury at Great Falls, Mont., early in April, recites that Gordon Campbell and his associates were engaged in Montana in the business of procuring, by application and by assignment and otherwise, permits to prospect for oil and gas in and upon the public lands of the United States situate in the State of Montana under the laws of the United States relating thereto, and that there were pending before the Department of the Interior and before the General Land Office various proceedings, in which the United States was interested, to determine the validity and priority of certain assignments of a number of such permits in which said Campbell and his associates had or claimed an interest, and that they were directly interested and concerned in the final decision, and in any decision, thereafter to be made by the Department of the Interior and the General Land Office in relation to such permits. The permits involved are described in the indictments and include, among others, the so-called Philip MacGowan and Lewis E. Lincoln permits.

The indictment then alleges that in January and February, 1923, after he had been elected to the Senate, Senator WHEELER entered into an agreement with Campbell and his associates to receive compensation in a large amount for services to be rendered by him in relation to the proceedings above mentioned before the Department of the Interior and the General Land Office. It is further charged in the two succeeding counts of the indictment that the defendant actually received from Campbell two payments of $2,000 each as compensation for such services.

The statute which it is claimed is violated by the facts alleged in the indictment is section 113 of the Criminal Code, which reads in part as follows:

SEC. 113. Whoever, being elected or appointed a Senator, Member of, or Delegate to Congress, or a resident commissioner, shall, after his election or appointment and either before or after he has qualified, and during his continuance in office, * * * directly or indirectly receive or agree to receive any compensation whatever for any services rendered or to be rendered to any person, either by himself or another, in relation to any proceeding, contract, claim, controversy, charge, accusation, arrest, or other matter or thing in which the United States is a party or directly or indirectly interested, before any department, * * * shall be fined not more than $10,000 and imprisoned not more than two years; and shall, moreover, thereafter be incapable of holding any office of honor, trust, or profit under the Government of the United States.

THE GOVERNMENT'S CASE

No question is made in the record before the committee regarding the fact as alleged in the indictment that there were pending in the Department of the Interior certain proceedings relating to permits in which Campbell and his associates claimed an interest. The ones particularly mentioned in the record are the so-called MacGowan permit and the Lincoln permit. The only question for consideration, therefore, is whether there was sufficient evidence of an agreement made between Campbell and

Senator WHEELER whereby the latter was employed for a compensation to be paid him to represent Campbell in connection with these matters in the Interior Department, to warrant the grand jury in finding that the statute had been violated.

The testimony of the witness, H. C. Glosser, is to the following effect:

He testified that he had been employed by Campbell as private secretary during the period of one year from November, 1922, to November, 1923; that about January 13, 1923, he was advised that Gordon Campbell was en route from his home in Seattle to Shelby, Mont., and that he was expected to drive to Shelby and meet Mr. Campbell and drive him by automobile into Great Falls, Mont. That Senator WHEELER was to be there to meet Campbell. He took Campbell to his own residence where Campbell advised him that he wanted him to telephone to W. W. Rhea, the field superintendent of the Campbell properties, to come into Great Falls for the purpose of having a conference with Senator WHEELER, whom Campbell said he had employed as his attorney. That on the 15th of January, he went to the Rainbow Hotel at Great Falls, at the suggestion of Campbell, and registered for room 212; went to the Park Hotel where Senator WHEELER was stopping, and brought him to the room of the Rainbow Hotel; then made another trip to the Park Hotel where Rhea had registered, and brought Rhea to the room to which he had taken Senator WHEELER. He then drove to his own home, got Campbell and brought him to this room, where all four engaged in a conference lasting an hour or two, during the evening of the day mentioned. At this conference, he testified, the principal subject of discussion was the condition of the Government permits held by Gordon Campbell and his associates. He mentioned particularly the Phil MacGowan permit which had been transferred by Campbell to Rhea, and which permit at that time was supposed to cover the most valuable acreage in the Kevin oil field. He further testified that Senator WHEELER advised Campbell and Rhea that they need not worry over the possibility of the annulment of these permits or of securing the approval of the Department of the Interior to the assignment to Rhea, for the reason that he had been elected United States Senator and had sufficient influence when he reached Washington to see that these matters were disposed of to the entire satisfaction of Mr. Rhea and Mr. Campbell. He further stated that Campbell had said at this conference that if Senator WHEELER was successful in getting Rhea's assignment allowed, he and Rhea could afford to give Senator WHEELER a big slice. He further stated in his testimony and in his affidavits, which are a part of the record, that Senator WHEELER made no particular reply to the suggestion made by Campbell that he (WHEELER) should receive a portion of the proceeds, but that Senator WHEELER repeatedly said that there was nothing to worry about, that the permits could be fixed up in Washington very easily by him, and that it was merely a matter of getting the details worked out through the department.

In these affidavits Glosser further asserted that Campbell had previously told him that he had employed Senator WHEELER to "put across" his contested permits before the Interior Department at Washington, and this was the reason for his agreeing to such a large sum as $10,000 for Senator WHEELER's services.

The testimony of the witness, W. W. Rhea, is to the following effect:

He corroborates Glosser's testimony in all its details relating to the meeting of January 15 in room 212 in the Rainbow Hotel, and specifically states that the conversation related principally to the matter of the permits and assignments of permits pending before the Department of the Interior at Washington, and that it was frequently said by Senator WHEELER that as soon as he arrived at Washington he would be able to straighten out all questions relating to the validity of the permits, and in particular would be able to secure approval for the assignment to Rhea of the Phil MacGowan permit. He further testified that when it was suggested by Campbell at this conference that in case the assignment to him was allowed by the department, they could afford to give Senator WHEELER a generous slice of the proceeds, he emphatically declined for the reason that he had employed his own attorney to look after his interests in the Interior Department. He further stated in an affidavit, which is part of the record before the committee, that a few days later Campbell informed him that as he was paying Senator WHEELER $10,000 to fix these permits, Campbell thought that he, Rhea, should pay a small part of the fee inasmuch as he was interested in one of the permits. He further states in this affidavit that after a settlement had been arrived at Campbell said to him that he thought he, Rhea, should give him some of the money to pay part of Senator WHEELER's fee, but this was refused.

THE DOCUMENTARY EVIDENCE

With the concurrence of all the members of the committee, the chairman requested the Attorney General to submit copies of the documentary evidence in his possession bearing upon the matter under inquiry, and in response to this request the Attorney General sent photostatic copies of a large number of documents which corroborated the testimony of the witnesses Glosser and Rhea. It is unnecessary to encumber this statement with the full text of these documents, but all of them are significant; in particular, attention is directed to the letter of Senator WHEELER to Gordon Campbell, dated March 8, 1923. This letter is on stationery of the United States Senate and contains the following paragraph:

I wish that you would have your office send me a detailed report of the condition of your permit that we discussed with the Standard Oil Co. of California in order that when I take it up with the Department of the Interior that I will be able to intelligently discuss the matter.

It is perfectly apparent from this letter that Senator WHEELER was interested in securing for Campbell some action, the character of which is not disclosed, in regard to the permit mentioned in the letter. The explanation made by Senator WHEELER in his testimony is, in my opinion, somewhat vague and unconvincing, particularly in view of the subsequent telegrams and correspondence.

A few days following the writing of this letter Senator WHEELER called at the office of Mr. Edwin S. Booth, then Solicitor of the Interior Department. Now, was it a legitimate inference by the grand jury that this visit was in furtherance of the plan of procedure outlined at the conference in the Rainbow Hotel at Great Falls and in pursuance of his employment by Campbell? It is obvious from Booth's testimony and from that of Senator WHEELER himself that he went to Booth's office for the purpose of discussing Campbell's affairs. This was on March 13, 1923, and there were exchanged between Senator WHEELER and Campbell's office at Great Falls six telegrams on the 13th and 14th which can bear but one construction, namely, that Senator WHEELER was interesting himself actively in securing favorable action upon the several permits which were in controversy. The first of these telegrams from Senator WHEELER requested Campbell to mail at once a complete list of his holdings, giving separate legal description and character of title. On the same day Campbell replied by wire, acknowledging receipt of Senator WHEELER's telegram, saying that the requested information was being sent, saying that Campbell would himself come to Washington to see Senator WHEELER personally, and also asking how long Senator WHEELER was expecting to be there. On the 14th Senator WHEELER answered this telegram, saying:

Leaving Saturday for Europe; have taken your matter up with parties, writing Baldwin; suggest see him.

It is apparent that when Senator WHEELER made the statement that he had taken the matter up "with parties" he meant that he had taken it up with Solicitor Booth, of the Interior Department. It is noted that this telegram was sent and paid for at ordinary commercial rates, as indicated on the face of the message. If Senator WHEELER had sent it in his official capacity as United States Senator, it would have gone at Government rates and been paid for as such.

In response to this telegram and on the same day, namely, March 14, Campbell replied as follows:

Please advise when you expect to return; believe matter of Lincoln permit vitally important. Is it possible you can discuss matter with solicitor, and I can come to Washington and discuss matter with him with view to satisfactory settlement even during your absence. Feel this permit should have prompt attention. Choteau well looking best.

This telegram again and more emphatically corroborates the testimony of Glosser and Rhea, and would indicate to the grand jury that Senator WHEELER's services in Washington in connection with these permits were within the scope of his employment.

Then follows Senator WHEELER's reply of the same date, as follows:

Have already discussed permit with solicitor, but did not have number. Wire that to me and I will arrange to have you see him in person if you come here.

Again, on the same day, Campbell replies to this last telegram, giving number of the permit requested, and concluding—

will be glad to see solicitor, Washington, any time convenient.

The purpose and effect of these telegrams is so clear that comment is unnecessary. It is important, however, to bear in mind that by means of these telegrams it was arranged that while Senator WHEELER should be in Europe, Campbell was to come to Washington and personally handle the matters directly with Solicitor Booth, and it is obvious that Senator WHEELER had arranged with Booth to meet Campbell and to give him more than ordinary consideration.

It next appears from the documentary evidence that Campbell came to Washington and on April 7 was in the office of Solicitor Booth discussing the various permits in which Campbell claimed an interest. On that date Booth wrote a letter, making several copies. The letter was addressed to Mr. L. V. Beaulieu, Helena, Mont., and Mr. James T. Baldwin, Butte, Mont., and copies were sent both to Mr. Beaulieu and to Mr. Baldwin, and another copy was sent to Senator WHEELER at his Washington office. Beaulieu was one of Campbell's attorneys, and Baldwin was Senator WHEELER's law partner at Butte. This letter mentions the fact that it was dictated in the presence of Mr. Campbell and gives in great detail all the steps necessary to be followed in order to perfect the titles to the permits mentioned, which are six in number, including both the Phil MacGowan permit and the Lincoln permit.

It is strange, indeed, that a high official of the Interior Department should write a letter of this character and then at the end of it add the clause, "This is only my unofficial view." But a fair inference from the whole letter and the mailing of copies to the persons named, is that Booth regarded the firm of Wheeler & Baldwin and Senator WHEELER personally as interested in all the steps taken and to be taken in perfecting the titles to these permits. It was Senator WHEELER who first enlisted Booth's interest in the matter.

Following this letter to Booth, the record contains a number of letters between Baldwin at Butte and Beaulieu at Great Falls, in regard to Booth's letter and also specific acknowledgment by Baldwin to Booth of the receipt of the letter of April 7. The inference is unescapable that the matters in Washington relating to these permits were being handled in Senator WHEELER's absence by his partner Baldwin and his friend Booth.

Following this exchange of correspondence, the record contains a number of letters dated May 2, from Beaulieu to Booth, each of which inclosed certain documents relating to the various permits, in compliance with specific suggestions made by Booth in his letter of April 7, for the purpose of clearing the titles to them.

Meanwhile, however, and on April 14, Booth again enters the picture wth a letter to Campbell inclosing copies of a protest made by one Stevenson against the assignment to Rhea of the Phil MacGowan permit, which shows the interest manifested by Booth in Gordon Campbell's affairs, and the conclusion may well be drawn that Senator WHEELER had left behind him an able representative during his absence in Europe.

On May 4 Campbell sent to Booth a telegram and a letter of confirmation in which, in the plainest terms, he refers to a previous conversation in which he had offered a bribe to Booth, and specifically repeating the offer. This not only gives a fair indication of Campbell's character and his business methods, but again confirms and corroborates the testimony of Glosser and Rhea, to the effect that the MacGowan permit, which was the subject of the May 4 letter, as well as of the conference in the Rainbow Hotel, was a matter of grave concern. Campbell showed his willingness, notwithstanding any agreement to pay Senator WHEELER $10,000 for these or for these and other services, to pay to Booth and to any other official of the Department of the Interior whom he might be able to corrupt an additional premium to secure results. It is further to be observed that both Booth and Senator WHEELER testified to the long acquaintance and friendship each with the other, and that the evidence indicates that for the purpose of perfecting these dubious titles Mr. Booth was the man who had been selected for the purpose by Senator WHEELER.

That Booth listened with interest and sympathy to Campbell's corrupt offer is evidenced by his telegram to Campbell of May 5, and by his letter of May 19, at which times Booth had left the Department of the Interior and was with the Department of Justice, but apparently having so recently severed his connection with the Interior Department that his influence still obtained.

There are a number of other letters in the record between Campbell on the one hand and both Baldwin and Senator WHEELER on the other which are perhaps significant in illuminating the relationship between them. It seems unnecessary, however, to make further comment regarding the documentary evidence, with the exception of the affidavit of E. M. Harvey, who testified at an early stage of the proceedings before the committee. His oral testimony was of no particular significance because of the limited range of the questions asked him.

The affidavit in question was taken at Great Falls, Mont., on April 9, 1924, and sets forth in considerable detail the circumstances surrounding the employment of Senator WHEELER by Gordon Campbell. Harvey was one of the trustees of the Gordon Campbell Kevin Syndicate, and in that capacity attended a meeting in Great Falls in January, 1923, of the unit holders of that organization. He states that the matter of the defects in the titles to the syndicate properties was discussed at this meeting, and that he was assured by Campbell that immediate steps would be taken to perfect them. He was further informed at that time by Campbell that the firm of Wheeler & Baldwin, of Butte, had been employed to defend a suit for receivership, and that that firm would also attend to the perfecting of these defective titles and would do any and all things necessary for the protection of the unit holders in the syndicate. Harvey states that it was stipulated at this meeting that the firm of Wheeler & Baldwin should receive an annual salary or retainer of $10,000, divided equally between the syndicate and Gordon Campbell individually. He states that he objected to the amount of the salary because he considerd it excessive, but was influenced by the fact that Mr. WHEELER had just been elected United States Senator, and was further influenced by remarks made by Senator WHEELER himself. He says he protested to Senator WHEELER personally, and that the latter replied, in substance, "You people have a great amount of valuable acreage, and if we can save just one 40 acres of that for you, we have paid our salary."

It is apparent from the entire record of this case that the difficulty regarding titles related to the permits and the fair inference from Harvey's statement is that Senator WHEELER in the statement quoted was referring to that subject. This is a further and emphatic corroboration of Rhea and Glosser taken from the statement of an official of Gordon Campbell's company who is obviously an impartial witness.

From the foregoing testimony of Rhea and Glosser, together with the documentary evidence, it would seem clear that the grand jury at Great Falls was justified in returning the indictment against Senator WHEELER; and from the view which has heretofore been expressed in this statement as to the proper functions of the committee it is unnecessary to discuss the testimony of the other witnesses further than to say that this testimony is all contradicted if not refuted by the documentary evidence herein referred to. The testimony of Senator WHEELER himself consists largely of a categorical denial of the charges made in the indictment and a denial of the statements of witnesses, qualified in some important instances by the statement that to the best of his recollection certain statements had not been made or certain things had not occurred.

It is with no sense of pleasure that I have felt impelled to make this minority report. Consulting my own inclinations, I would rather be in a position to exonerate than to charge with wrongdoing. It is only from a sense of duty under the facts as I view them, under the law and under a sound public policy as I interpret them, that I am obliged to dissent from the views of the majority and am persuaded that I would be derelict in the performance of that duty if I did not as a member of the committee give expression to this different view.

In the face of and contrary to what is believed to be sufficient evidence at least to warrant the action of the grand jury, the majority has specifically and definitely found that Senator WHEELER has not committed any act in violation of law. In doing this the majority have encroached upon the functions of the judicial branch of our Government. Their conclusions prejudice the issue made by the pending indictment and a plea of "not guilty" which it is assumed will be entered; and to this extent the majority report obstructs and interferes with the due administration of justice. In the face of the majority report, which will doubtless be given wide publicity in Montana, how can the Government hope to secure an unprejudiced jury to try the case? How can respect for the courts be maintained if their hands are to be tied and their freedom of action embarrassed by the unwarranted interference of a coordinate branch of the Government? The action of the majority of the committee in assuming to act as a petit jury to determine the guilt or innocence of the person accused, without the necessary orderly proceedings and restraints of a court of justice to safeguard the rights of the Government on the one hand and of the defendant on the other is altogether repugnant to our ideas of

justice. "Equality before the law" is one of the cherished principles of our free institutions; it must not be violated by recourse to a proceeding which gives to a United States Senator, when charged with an offense, a privilege not enjoyed by the humblest citizen of the land.

Senator WHEELER, having been charged by a Federal grand jury with the violation of a Federal statute, should be remitted to the proper forum where he will have full opportunity to explain, deny, or refute the charges made against him and where the Government likewise, through its counsel, will be accorded the right to present its case in a lawful and orderly way. That forum is the Federal District Court for the State of Montana; and before a jury duly impaneled and sworn to try the case according to the law and the evidence.

Mr. BORAH. Mr. President, I had intended, prior to the coming in of the veto message on the bonus bill, to discuss this matter in full to-day, but as it is understood that we are to take up the other matter at 2 o'clock I shall confine the few remarks I have to make to one particular phase of the question, and the necessity of that is emphasized by the peculiar view which the Senator from South Dakota [Mr. STERLING] takes with reference to the authority of the committee. The committee was acting under this resolution:

> That a committee consisting of five Members of the Senate be appointed by the President pro tempore to investigate and report to the Senate the facts in relation to the charges made in a certain indictment returned against Senator BURTON K. WHEELER in the United States District Court for the State of Montana.

The resolution defining the duties and prescribing the jurisdiction of the committee was brief and specific and it authorized us to report to the Senate the facts in relation to the charges made concerning the indictment. It might have been interesting to the Senate and might have been interesting to all parties who are concerned with reference to the matter had the Senator from South Dakota either undertaken to limit the authority of the committee or to have opposed the resolution entirely upon the grounds which he has stated to-day.

The committee was not authorized to find whether there was probable cause for the returning of an indictment. The committee was not authorized to delay action until the courts of Montana should have acted. The committee was specifically directed to find the facts and report them to the Senate touching the subject covered by the indictment. Indeed, Mr. President, if we had desired to encroach upon the authority of the court or if we had in any way ever sought to interfere with judicial proceedings, we would have accomplished that more perfectly and completely by following the course suggested by the Senator from South Dakota than in any other way.

I would not have sat upon a committee which was authorized to inquire as to whether a grand jury had probable cause for its action. That, in my judgment, is wholly beyond any authority which the Senate could confer upon any committee. That does not concern us at all as we sit here. But whether the facts which are the basis of that charge are sufficient to justify us in saying that the junior Senator from Montana shall or shall not hold his seat in the Senate is a matter the jurisdiction of which is given to this body and to this body alone. Even if a jury in Montana should proceed to the trial of Senator WHEELER and convict him, this body would still have devolving upon it the duty of determining whether or not Senator WHEELER should retain his seat in this body. If a jury in Montana should proceed to acquit him, this body would still have devolved upon it the duty of determining whether or not he should sit as a Senator in this body. But to send a committee of the Senate out to inquire whether or not a grand jury had probable cause for performing its function is a duty which no one who understands the obligations and duties of the Senate would ever think of conferring upon a special committee coming from this body.

The Senator from South Dakota has referred to the fact that some seven or eight witnesses were subpœnaed, as he supposes, at the suggestion of Senator WHEELER, and that we began at the wrong end of the controversy. Instead of inquiring whether or not the grand jury was justified or had probable cause for its action, he complains that we proceeded at once to inquire as to the facts. Now, as a matter of fact, the first thing which the chairman did after he was appointed was to send a telegram to the presiding judge of the court in Montana asking for the minutes of the grand jury proceedings, the names of the witnesses, and the documentary evidence which had gone before the grand jury. Some of the witnesses were suggested by Senator WHEELER, some of their names came from other sources, and from the reply to the telegram to which I have referred, and the names of some of the witnesses subpœnaed came from those with whose views the Senator from South Dakota is more in sympathy, from those who were interested in securing all the evidence possible against SENATOR WHEELER.

As chairman of the committee, I subpœnaed every witness, except one, to whom I will refer in a moment, and called for every piece of documentary evidence that was suggested by friend or foe of Senator WHEELER or that was suggested by the Senator from South Dakota. No evidence has been left out of the hearings, and anyone who intimates that there was any partiality anywhere in the proceeding did not follow the proceedings of the committee with any degree of fairness.

We called them all. How did we start? We began with the witness who initiated the making of the contract with Senator WHEELER. Where should we begin to get the facts? Hearsay testimony? That in my judgment was the fault of the grand jury or those who had charge of the proceedings. The men who made the contract, the men who knew the facts, the men who were in a position to know what was said and done when the contract was completed, never were called before the grand jury. As to why I leave to those who had charge of it to say, but it was certainly the duty of the committee to begin at the source of information, with those who knew the primary evidence, and we began with the witness who made the contract and called every witness who was in a position to know any facts concerning it.

So far as Senator WHEELER is concerned, permit me to say here that he did not undertake for a moment by suggestion or otherwise to limit the investigation in any respect whatever. When a piece of testimony was suggested from any source which might be or was supposed to be against him, Senator WHEELER was just as anxious to give the chairman of the committee the means of securing it and the witnesses as he was those whom he first suggested. If he has any consciousness of guilt, he certainly did not disclose it in the methods which he pursued in enabling the committee to get all the facts from whatever source, prejudiced or otherwise, that might come, and so we did.

Upon to-morrow, if we are through with the bonus bill, I shall take up the witnesses, beginning with the man who made the contract, those who were next in the contract, those who were interested in it, and follow it down to the end. In my opinion I shall be able to show, not by my interpretation of the evidence, not by a construction placed upon it by reading it as in the third person, but by reading the evidence itself to the Senate, that Senator WHEELER never at any time violated either the law or the spirit of the statute.

Now, I want to call attention to just one witness to show how utterly unfounded, as it seems to me, are the conclusions drawn by the Senator from South Dakota. But I digress for a moment. There was one witness, a man by the name of Paul, whose name was given to me. I called him over the telephone. He is a clerk at a hotel here. He told me that he had absolutely no knowledge concerning the matter in any way, shape, or form; that he did not know Gordon Campbell, did not know Senator WHEELER, did not know anybody else.

Mr. STERLING. Mr. President——

Mr. BORAH. Just wait a moment. I concluded that he was being called because somebody had approached him and asked permission to get a room next to the room where Blair Coan and his coterie of witnesses were staying, for the purpose, presumably, of spying upon them and listening to them. That kind of a transaction did not concern me in the least.

Mr. STERLING. Mr. President, just one word. Mr. Paul, or whatever his name was, was not called to the stand. I never saw him, never had a word with him in my life, and as to what he would have testified to I do not know.

Mr. BORAH. I only know what he said to me.

Mr. STERLING. His name was given to me. It was known that the committee might soon adjourn and the investigation be ended, and it was suggested to me that that name might be put down as one of the witnesses whom we might want to call. I never called him.

Mr. FLETCHER. I desire to make an inquiry of the Senator regarding the statement which is published in the National Republican of May 10. George B. Lockwood, secretary of the Republican National Committee, on last Monday issued the following statement:

> The convincing documentary evidence in the possession of the Department of Justice, within a short distance of the Capitol, has never even been looked at by the Senate committee engaged in investigating the case, and little of the oral evidence has reached the public. Witnesses who admit they know nothing of the facts have been heard in behalf of the defense, while those who do know have been heard in part only, under hostile questioning.

Mr. BORAH. My answer to that, Mr. President, is that, as I said a moment ago, when I was appointed chairman of the committee I telegraphed immediately to the judge and asked him for this documentary evidence. I think we were appointed on the 10th day of April, and if that is so the telegram was sent the next day. I received an answer from the judge stating that the documentary evidence had been impounded. I did not ask for the original evidence, but asked for a copy of it. I myself do not know of any reason why we should not have had a copy of the impounded evidence. Had I asked for the original there might have been a just reason for refusing it, but I asked for a copy, and I did not get the copy. The judge simply stated that it had been impounded, and he thought he could not go any further.

I came to the conclusion, however, that we would be able to get practically all the testimony that was in the documents from other sources, because we had copies of some of the telegrams and some of the letters. Then, later, on the motion of the Senator from Virginia [Mr. SWANSON], I addressed a letter to the Attorney General, asking him if he could secure us this documentary evidence. The Attorney General came to see me and stated that he did not have the original evidence, that he did not feel like interfering with the authority of the court, but that he had photostatic copies, which he would be glad to furnish, and he did so. They are all in the record, every one of them; there is nothing left out.

There is a great deal in the record in that documentary evidence, which, in my opinion, is pure hearsay, so far as Senator WHEELER is concerned; but it was permitted to be put in, because I thought, under all the circumstances, it had better, perhaps, be in the record for discussion.

So, Mr. President, all the witnesses have been called, and all the documentary evidence has been secured. It is all here; it is all printed; and it can be had by Senators whenever they want it.

I want to read the testimony of Mr. Rhea, because he has been relied upon as the star witness, and seems to be the witness upon whose testimony the Senator from South Dakota [Mr. STERLING] bases his argument that there was quite enough to show probable cause for the grand jury's action. Mr. Rhea testified as follows:

The CHAIRMAN. Do you know Senator BURTON K. WHEELER?

Mr. RHEA. I met him once.

The CHAIRMAN. When was that, Mr. Rhea?

Mr. RHEA. About January 15, 1923.

The CHAIRMAN. Where was the place of meeting?

Mr. RHEA. In the Rainbow Hotel, Great Falls, Mont.

The CHAIRMAN. Who were present?

Mr. RHEA. Senator WHEELER, Gordon Campbell, H. C. Glosser, and myself—

Upon the morrow I shall compare the testimony of Mr. Glosser and Mr. Rhea, who both narrated the same conversation. I have not time to do it to-day—

and there was another gentleman came to the room, but only stayed just a minute, and I am not sure but there were two—L. P. Jackson and John Cooper. I might be mistaken. There might have been only one of them.

The CHAIRMAN. Did they take part in the conversation, or stay during the conversation?

Mr. RHEA. They did not.

The CHAIRMAN. Who were present, then, as you say, and took part in the conversation?

Mr. RHEA. Mr. Campbell, Mr. Glosser, Senator WHEELER, and myself.

The CHAIRMAN. This was on the 15th day of January, 1923?

Mr. RHEA. 1923; about that date. I am not positive as to that date.

The CHAIRMAN. Did you hear Mr. Glosser testify?

Mr. RHEA. Well, part of it. I could not hear much. I was in the back of the room.

The CHAIRMAN. Is that the date to which he referred, the same date to which you are now referring?

Mr. RHEA. Yes, sir.

The CHAIRMAN. And the same conversation?

Mr. RHEA. Yes, sir.

The CHAIRMAN. You may state what, if anything, was said in this conversation with reference to any employment of Mr. WHEELER with reference to the business matters of Mr. Campbell.

Mr. RHEA. At this particular meeting?

The CHAIRMAN. Yes; we are just disposing of this meeting now, at this time.

Mr. RHEA. I can not just state the exact conversation, although it was understood that——

The CHAIRMAN. Now, state what he said. Of course, your understanding and somebody else's understanding might be different, you know, so that we would like to have the statement of facts.

Mr. RHEA. I can not say that Mr. Campbell said at that particular time that Senator WHEELER was employed, in that much language.

The CHAIRMAN. Can you recall, so as to be definite as to the conversation, what was said in regard to the matter of his employment at that time? Do you recall the conversation?

Mr. RHEA. Yes, sir.

The CHAIRMAN. Now, state what was said in the presence of Mr. WHEELER?

Mr. RHEA. The main conversation between Mr. Campbell and Mr. WHEELER and myself was in regard to the Phil MacGowan permit. Mr. Campbell said that Senator WHEELER, on his arrival in Washington, would be able to put this permit through—get it approved.

The CHAIRMAN. What did Mr. WHEELER say?

Mr. RHEA. He did not reply anything, except he said that we did not need to worry, that this would all be taken care of when he got back here.

The CHAIRMAN. Now, this is the same conversation which you say Mr. Glosser was present at?

Mr. RHEA. Yes, sir.

The CHAIRMAN. State any further conversation that was had between Mr. WHEELER and Mr. Campbell and yourself and Mr. WHEELER and Mr. Campbell.

Mr. RHEA. Mr. Campbell and Mr. WHEELER talked in regard to some other permits that he had in the Kevin field, but I did not pay a great sight of attention to those, because I was not interested.

The CHAIRMAN. Were you interested in the MacGowan permit?

Mr. RHEA. I was, sir.

The CHAIRMAN. To what extent, and how?

Mr. RHEA. It belonged to me.

The CHAIRMAN. It did belong to you?

Mr. RHEA. Yes, sir.

The CHAIRMAN. Did you have any talk with WHEELER yourself?

Mr. RHEA. Not any more than in the presence of Mr. Campbell and Mr. Glosser, as I have stated.

The CHAIRMAN. You have not stated, yet, anything that you said, at all. Did you say anything?

Mr. RHEA. Yes.

The CHAIRMAN. What did you say?

Mr. RHEA. Gordon Campbell suggested to me that in case Senator WHEELER—well, I am getting ahead of myself. I had an offer on this permit at that particular time, was dealing with some people in Colorado as to selling, and Mr. Campbell knew what I was to get for it—what I was figuring on getting for it. He told me that in case that this permit could be gotten through, we should be able to give Senator WHEELER quite a good slice of it. I believe that was the exact language.

The CHAIRMAN. Was that in the presence of WHEELER?

Mr. RHEA. Yes, sir.

The CHAIRMAN. What did WHEELER say to that?

Mr. RHEA. He did not reply, that I remember.

The CHAIRMAN. Was he taking part in the conversation?

Mr. RHEA. He had been, right along.

The CHAIRMAN. Did he not make any reply when the question of slicing the matter was discussed?

Mr. RHEA. I do not think he said a word.

The CHAIRMAN. Now, have you stated all that you said in this conversation with Mr. WHEELER?

Mr. RHEA. Not exactly.

The CHAIRMAN. State it all, Mr. Rhea.

Mr. RHEA. Gordon Campbell in this talk—I told him that I had my attorney employed to take care of this permit, and that I did not feel that I was entitled to pay anyone anything more.

The CHAIRMAN. Go ahead.

Mr. RHEA. I believe that was all of it.

The CHAIRMAN. What I am trying to find out, Mr. Rhea is what you said, if anything, to WHEELER.

Mr. RHEA. I did not say anything to Senator WHEELER in regard to taking any part.

The CHAIRMAN. Did he say anything to you?

Mr. RHEA. Yes; he says, "You don't need to worry. On my arrival in Washington this will all be taken care of."

The CHAIRMAN. He said that to you instead of to Campbell, did he?

Mr. RHEA. He said it to both of us.

The CHAIRMAN. Was it said in response to anything that you said to him?

Mr. RHEA. Well, I can't say. That is a long time ago, you know. A man can't remember just the exact words.

The CHAIRMAN. I am trying to get your best recollection, that is all.

Mr. RHEA. You have got it.

The CHAIRMAN. It seems so. The next conversation that you had with Mr. WHEELER was where?

Mr. RHEA. I have never had any.

The CHAIRMAN. That was the last?

Mr. RHEA. Yes.

The CHAIRMAN. Did you ever write to Mr. WHEELER?

Mr. RHEA. I did not.

The CHAIRMAN. Or telegraph him?

Mr. RHEA. No, sir.

The CHAIRMAN. Have you any communication from him?

Mr. RHEA. I have not.

The CHAIRMAN. Did he ever appear for you as an attorney in any way?

Mr. RHEA. He did not.

The CHAIRMAN. Did you ever employ him in any way?

Mr. RHEA. No, sir.

The CHAIRMAN. Did you ever pay him any compensation for any services rendered?

Mr. RHEA. I did not; no, sir.

The CHAIRMAN. Did you ever promise to pay him any?

Mr. RHEA. I did not.

The CHAIRMAN. Do you know of your own knowledge that Mr. WHEELER appeared before the land office in Montana in regard to this matter?

Mr. RHEA. I do not.

The CHAIRMAN. Do you have any knowledge of his appearing here in Washington in regard to it?

Mr. RHEA. I was not in Washington.

The CHAIRMAN. All you know in regard to this, then, so far as Mr. WHEELER'S relationship to it is concerned, is what you have stated as having taken place there in the Rainbow Hotel on the 15th day of January, 1923?

Mr. RHEA. Well, no.

The CHAIRMAN. Did you have a conversation with WHEELER as to that?

Mr. RHEA. I did not.

The CHAIRMAN. I am speaking now with reference to the knowledge that you have of Mr. WHEELER.

Mr. RHEA. All I have is what I talked to Gordon Campbell.

That relates, I presume, to what the Senator from South Dakota states that Campbell told him.

Again, on page 115, the Senator from South Dakota [Mr. STERLING] interrogating Rhea, asked:

Senator STERLING. Now, with reference to the contest against your claim, the Rhea claim, just what was said, as nearly as you remember?

Mr. RHEA. Well, Mr. Campbell told me that Senator WHEELER just being elected to the United States Senate, that with his influence he figured he could get most anything done through the Land Office that he wanted.

Senator STERLING. Was that, now, said during this conversation?

Mr. RHEA. Yes.

Senator STERLING. And in the presence of Mr. WHEELER?

Mr. RHEA. Yes.

Senator STERLING. And what reply, if any, did Mr. WHEELER make to that?

Mr. RHEA. Not any, that I heard.

Senator STERLING. Was anything said there about any compensation to be paid Mr. WHEELER for attending to the matter of this contest, or in the event of his success?

Mr. RHEA. Yes.

Senator STERLING. What?

Mr. RHEA. Mr. Campbell said to me that if this permit was put through, and if we got through with the deal which was then pending, we could afford to give Senator WHEELER quite a good slice out of it.

Senator STERLING. And Mr. WHEELER heard that statement?

Mr. RHEA. He must have. He was sitting within 2 or 3 feet of us.

Senator STERLING. And what reply, if any, did he make?

Mr. RHEA. Not any.

I quote further from page 119:

The CHAIRMAN. Do you know whether Mr. Beaulieu took this matter of the MacGowan permit up with a man by the name of Feely here in Washington?

That is the permit which they were discussing—

Mr. RHEA. Well, after Mr.—let me see. He took it up with some one. He had some one here that he was corresponding with in regard to them.

Senator CARAWAY. What was the name of your permit, Mr. Rhea?

Mr. RHEA. The Philip MacGowan permit.

The CHAIRMAN. The Philip MacGowan permit?

Mr. RHEA. Yes, sir.

The CHAIRMAN. Do you recall the number of that permit?

Mr. RHEA. I do not; no, sir.

I quote further from page 120:

The CHAIRMAN. Very well. Do you know the name of the attorney with whom Mr. Beaulieu corresponded here in Washington, or the firm name?

Mr. RHEA. I can not tell you. Mr. Beaulieu told me he was corresponding with some one here, and he may have told me at that time. That name "Feely" sounds familiar. It might not have been him, although it might have been him.

The CHAIRMAN. At any rate, you continued to do business through your attorney, Beaulieu?

Mr. RHEA. Absolutely. It was Mr. Beaulieu all the way.

The CHAIRMAN. And whatever Mr. Beaulieu did with reference to that MacGowan permit, he was acting as your attorney?

Mr. RHEA. Yes, sir; and I paid him for doing the work.

The CHAIRMAN. That is all.

Mr. President, construing the Rhea testimony in the most disadvantageous light possible to Mr. WHEELER, what happened? Mr. Rhea owned a permit known as the Philip MacGowan permit, which was not Mr. Campbell's permit at all. One day in the office of Mr. Campbell, Mr. Campbell made the statement in the presence of WHEELER that Mr. WHEELER had been elected Senator, and if he could get this thing straightened out we could afford to give him a good slice of it. Mr. WHEELER made no reply. Mr. Rhea immediately said, "I do not want Mr. WHEELER; I have an attorney of my own"; in other words, "I am not employing Mr. WHEELER." Mr. WHEELER made no statement in regard to it at all, but simply, apparently, if he heard it, listened to a conversation between Campbell and Rhea, in which Campbell seemingly wanted him to employ Mr. WHEELER and Mr. Rhea says, "I do not want him."

There the matter ended. He had his own attorney. The evidence shows that Mr. Beaulieu took up the matter through a Washington attorney; that the MacGowan permit was straightened out through a Washington attorney, and that Mr. Rhea paid his attorney, Beaulieu, for performing the services; and there we have the evidence, Mr. President, upon which it is claimed that WHEELER practiced before the Land Office at Washington.

Mr. STERLING. Mr. President——

The PRESIDING OFFICER (Mr. WADSWORTH in the chair). Does the Senator from Idaho yield to the Senator from South Dakota?

Mr. BORAH. I yield.

Mr. STERLING. It is not understood, and the claim never has been made, that Mr. WHEELER was a registered attorney there, an attorney of record, in the matter of any of these permits at all; but the contention is made that he used his influence, without appearing to be as of record an attorney for anybody. That was not necessary.

Mr. BORAH. Mr. President, every western Senator, particularly, goes to the Land Office and to the Interior Department almost every day of every week of the year. We go there for the purpose of having matters straightened out, if we can, for our constituents. When I came here, 79 per cent of my State was under the domination of the Federal Government. We were practically a colony; and every citizen who comes in contact with the Federal Government telegraphs to his Senator or Representative. There is no law upon the statute books which prevents any man from doing that. The only crime that is defined in the statute is the agreement to accept payment for it, or the acceptance of payment for it. This testimony of Mr. Rhea shows that Mr. WHEELER never had any agreement to accept payment, never accepted payment, never was employed, and never asked to go before the Land Office; and that is the testimony upon which they propose to convict Mr. WHEELER of practicing before the department.

Mr. STERLING. I just wish to say, Mr. President, if the Senator will permit an interruption, that that is not all of the testimony by any means. Reliance is not had, so far as that is concerned, upon the testimony of Mr. Rhea alone upon that particular point.

Mr. BORAH. I call attention to Mr. Rhea because he is altogether the most direct witness, and apparently the one upon whom they rely. To-morrow I shall discuss Mr. Glosser's testimony, which is even more flimsy than that of Mr. Rhea.

Now, Mr. President, just a word more, and I am not going to detain the Senate to-day. I only read that to show what a difference it makes when you read the testimony yourself and when you hear a construction placed upon it by some one else.

I read, Mr. President, the testimony of Governor Spry, at page 71 of the record. Governor Spry is the Commissioner of the Land Office, and I pause to say, Mr. President, that

Governor Spry is a pretty strong partisan, but all who know him know that neither partisanship nor anything else would induce him to color his testimony in the slightest. He has been twice governor of his State, and is a man of commanding character and unquestioned integrity. To-morrow, when I come to discuss this question, if I reach it to-morrow, I shall ask the Senate to consider the fact that the distinterested witnesses, the witnesses who can have no interest in this matter, the men who stand separate and apart either from prejudice or bias for one reason or another, may be taken of themselves and alone, and Mr. WHEELER could rest his case absolutely upon their testimony.

Mr. Spry testified as follows:

The CHAIRMAN. When did you first meet Senator WHEELER?

Commissioner SPRY. It was in the spring, as I remember it, of 1923.

The CHAIRMAN. Where?

Commissioner SPRY. In my office.

The CHAIRMAN. In whose company?

Commissioner SPRY. Solicitor Booth, of the Interior Department.

The CHAIRMAN. Did you have any conversation at that time with Senator WHEELER?

Commissioner SPRY. Just a brief conversation.

The CHAIRMAN. Did it relate to any business matters before the department?

Commissioner SPRY. Only in this way, Senator: After some pleasantry that we exchanged, as I remember it, Mr. Booth said—or, after I had tendered the services of the bureau to Senator WHEELER, as I would to any other Senator, Mr. Booth made the remark—that Senator WHEELER was interested in a certain case of one Gordon Campbell. The Senator replied and said that his interest was only to the extent of seeing that Gordon Campbell got proper treatment and a fair deal. I assured him that that would be accorded him, as we accorded to everybody else. That is the extent of the conversation. I do not think either one of the gentlemen stayed long enough to be seated.

The CHAIRMAN. Did you afterwards meet Senator WHEELER?

Commissioner SPRY. I have met him incidentally once or twice since then.

The CHAIRMAN. Is that the only appearance that Senator WHEELER has ever made in your department?

Commissioner SPRY. No; the Senator has been there once or twice since, in the Land Office. I do not know about the department.

I have had some correspondence, of course, with the Senator, as I do with all Senators and Representatives.

The CHAIRMAN. Has the Senator ever appeared in the department before you or in your office with reference to any of these controversies with reference to these permits that have been referred to, that you know of?

Commissioner SPRY. I do not remember any controversy that the Senator has interested himself in.

The CHAIRMAN. Is there anything further, Commissioner Spry, that you could state that would throw any light upon the relationship, of your knowledge, of Senator WHEELER to any business matters before your department?

Commissioner SPRY. No, sir; so far as I know the Senator has interested himself only as to his constituents.

Senator CARAWAY. That is common with all the Senators, is it not?

Commissioner SPRY. Yes, sir.

Senator CARAWAY. His appearance has been nothing different from that of any other Senator?

Commissioner SPRY. Simply in the interests of their constituents.

The Senator from South Dakota [Mr. STERLING] then asked some questions:

Senator STERLING. Did you have any correspondence with him relative to any of these permits at all that are referred to?

Commissioner SPRY. Not that I recall.

Senator STERLING. You say that the Gordon Campbell business was mentioned when you first saw Mr. Wheeler?

Commissioner SPRY. Yes.

Senator STERLING. When he was introduced to you?

Commissioner SPRY. Yes.

Senator STERLING. And that he expressed himself as interested in Mr. Campbell, and expressed the hope that he would have fair treatment?

Commissioner SPRY. Yes, sir.

Senator STERLING. And you assured him that he would have fair treatment?

Commissioner SPRY. Yes.

Senator CARAWAY. Let me ask you this: He would have gotten the same treatment if Mr. WHEELER had not made that statement?

Commissioner SPRY. Oh, yes; those things come in the natural course of business.

Senator CARAWAY. Certainly; it is just like saying at the close of a letter, "Sincerely yours"?

Commissioner SPRY. Yes, sir.

Upon page 74, I read the following testimony:

The CHAIRMAN. Governor, will your records disclose in all instances in which parties appeared before your department, in regard to any controverted matter, as attorneys?

Commissioner SPRY. Yes; every attorney notes his appearance, or his appearance is noted upon the record—the individual record.

The CHAIRMAN. If a party should appear in the capacity of an attorney before your department with reference to any matter, either he would cause himself to be recorded or you would make a note of it?

Commissioner SPRY. He would cause it himself to be recorded and it would be recorded upon the case, so that as to any future action that might be taken the attorney could be notified direct from the office.

The CHAIRMAN. Have you caused your records to be searched or surveyed to see whether or not Mr. WHEELER had ever appeared as attorney in any way before your department?

Commissioner SPRY. I do not know that we have gone into the matter specifically on Mr. WHEELER'S account. I think not.

The CHAIRMAN. If you, before these hearings close—which I trust will not be long—can have that matter ascertained and if you find there is any communication on the record at any place with reference to his appearing at any time, will inform us, we will be obliged.

Commissioner SPRY. Certainly.

Later, Governor Spry sent in this letter, a single paragraph of which I will read:

DEPARTMENT OF THE INTERIOR,
COMMISSIONER OF THE GENERAL LAND OFFICE,
Washington, April 30, 1924.

Hon. WILLIAM E. BORAH,
United States Senate.

MY DEAR SENATOR: Pursuant to my promise to you a few days ago, I have to advise you that a search of the records of this office fails to disclose any appearance as attorney in public-land cases in the name of Hon. BURTON K. WHEELER.

Then the letter proceeds to discuss other subjects.

Mr. President, without taking too much of the time to-day, I will state that in the first part of January and February, 1923, Mr. WHEELER was employed by Gordon Campbell to look after a large amount of litigation in the State of Montana, some 19 or 20 lawsuits. At one time, I believe they stated, he had as high as 40 lawsuits. He was developing an oil field, and every western Senator knows that when a mining region or an oil field is discovered, it never amounts to anything until it gets thoroughly into litigation. They had some 30 or 40 lawsuits at one time, 19 or 20 of importance. Mr. Campbell desired to employ Mr. WHEELER. We will disclose by testimony, which in my judgment is not interested, that when they went to employ Mr. WHEELER he told them that he would attend to no matters except those which related to the litigation in Montana; that Mr. Gordon Campbell had another attorney, his regular attorney—he might be called his office attorney—by the name of Beaulieu; that Mr. Beaulieu attended to the permit titles, and to the questions which related to the titles; that that was particularly, apparently, his business as his attorney, although he took part in other matters; and that Mr. WHEELER did appear in this State litigation.

When Mr. WHEELER came on here to Washington it is true that he called upon Mr. Booth, the details of which I will go into to-morrow; but Mr. Beaulieu took up all these permits with a Mr. Feely, a Washington land attorney, and the entire matter was straightened out and dealt with between Mr. Beaulieu and Mr. Feely, and both Mr. Beaulieu and Mr. Feely—certainly men who would have no occasion to warp their testimony—testified that Mr. WHEELER never was consulted in regard to the land titles here in Washington, or before the Land Office, and that he was not advised with, and had nothing whatever to do with them.

Mr. President, to my mind this record is perfectly clear and unimpeachable upon the proposition that Mr. WHEELER was employed in good faith to attend to matters of litigation in the State of Montana; that he with care and caution pursued that course, and that matters which he could not properly attend to by reason of the statute were from the first eschewed, disregarded, and denied; that they were turned over to land attorneys; that the land attorneys attended to them; and, as we said in our report, that he observed not only the letter but the spirit of the law.

Mr. STERLING. Mr. President, just one word.

I shall perhaps have something to say after the Senator from Idaho has presented the case more at length, as he proposes to do, but I want to read just a little bit further from the

testimony of Governor Spry, because it is significant; and the Senator from Idaho, having put into the RECORD much of Governor Spry's testimony, I think it is fitting that this excerpt also should go into the RECORD.

Immediately following the last question asked Governor Spry by the chairman of the committee I asked him as follows:

Senator STERLING. Governor, there might be correspondence with others in the land office, in the bureau there, between heads of divisions of the bureau and some one outside, that you would not know about?

Commissioner SPRY. Of course, the heads of divisions are not allowed to receive any correspondence relating to the work of the office. All communications are addressed to the commissioner and referred by the commissioner to the division where the work is undertaken.

I hardly know how Governor Spry could say that all these communications are addressed to the commissioner. He knows that certain ones are addressed to the commissioner, of course, and referred to the proper heads of divisions, and so forth.

I read a little further:

Senator STERLING. What was Mr. Booth's position at the time that he introduced Mr. WHEELER to you?

Commissioner SPRY. Mr. Booth at that time, as I remember it, was Solicitor of the Interior Department.

Senator STERLING. Just what were his duties as solicitor?

Commissioner SPRY. To pass upon the legal questions of the department, which includes all of the bureaus connected with the department; not necessarily the Land Office.

Senator STERLING. Could there have been correspondence between Mr. WHEELER or Mr. Campbell and Mr. Booth, and which was not brought to your attention or knowledge?

Commissioner SPRY. Oh, yes.

Senator STERLING. That is all.

The CHAIRMAN. That is all.

Mr. CARAWAY. Mr. President, without discussing the so-called Wheeler case at any length, I want to make one observation: I am a member of the committee appointed to investigate the Wheeler case, as is the Senator from South Dakota [Mr. STERLING]. We were appointed under the resolution which was read a moment ago, in which we were empowered and directed to inquire into but one question, and that was as to the facts with reference to Mr. WHEELER's relation to a transaction in Montana that led to an indictment. I shall read the resolution again, because I want to comment upon it:

Resolved, That a committee consisting of five Members of the Senate be appointed by the President pro tempore to investigate and report to the Senate the facts in relation to the charges made in a certain indictment returned against Senator BURTON K. WHEELER in the United States district court for the State of Montana.

Everyone, whether he is lawyer or layman, knows that the only question under that resolution was whether Mr. WHEELER was guilty of an offense, not whether the grand jury in Montana had been imposed upon by the Republican National Committee. No man could go on that committee with any other idea in view than of passing upon that question, and I want to say—and the record will bear me out—that from beginning to end that was the only question inquired into. For the Senator from South Dakota now to contend that that was not a proper question, and was not a question upon which the committee was to report, is going outside of the record for a statement, because, whatever he may say to the contrary, he knew that was the only question he was empowered to inquire into; and if he did not mean to do it, he should have then said, "I will not accept an appointment as a member of that committee," because that was the only question he had been directed to investigate.

To show that he knew it, and that this other is an afterthought, every page of the record shows that the evidence was directed to that one purpose and that one purpose only, and the Senator from South Dakota never undertook to propose the theory which he now presents to the Senate, that we were inquiring into whether the grand jury had probable cause for indicting Senator WHEELER.

Mr. STERLING. Mr. President——

Mr. CARAWAY. I yield.

Mr. STERLING. Did I not state at the executive meeting of the committee that that was the theory on which I thought the committee should consider this case before making its report?

Mr. CARAWAY. Oh, yes; after the evidence was all in, after the case was concluded, for the first time the Senator from South Dakota said, "I do not want to report on that question." If the Senator wants to go into what occurred in the executive meetings, I hope he will do it, and when de does it I purpose to do it also. There was no evidence as to that, no evidence was offered, none was asked for, and the Senator knew he had not directed his inquiry to that question. He knew there was not a line of evidence along that line. He knew that the committee had no power to make such an inquiry, and that was the first time he ever suggested that he was going to discuss that theory.

Mr. STERLING. Did not the question of ascertaining whether the grand jury had reasonable cause to believe the defendant guilty of the matter charged involve an inquiry into at least some of the facts?

Mr. CARAWAY. No; there is not a line of it. The only time it was offered to inquire into what was before the grand jury the Senator from South Dakota objected to it—would not hear it.

Mr. STERLING. No; the Senator from South Dakota objected to what was palpably a wrong thing to do——

Mr. CARAWAY. Of course! The question was as to what the grand jury acted upon, and the Senator objected to it.

Mr. STERLING. The proposition was made, Mr. President, that we find out from members of the grand jury who were here as to how many ballots the grand jury took.

Mr. CARAWAY. Yes; and the Senator's language is in the record, that we had nothing to do with it.

Mr. STERLING. Yes——

Mr. CARAWAY. And he never suggested that we have anything to do with it.

Mr. STERLING. Of course, I would object to that in any proceeding.

Mr. CARAWAY. Of course the Senator would, because the idea of making this alibi had not then been suggested to the Senator.

Incidentally, since we are going to discuss that sort of thing—and we are going to do it at length—the Senator sat there in the committee with records handed to him by somebody, and would not even reveal the source from which he got his information.

Mr. STERLING. Will the Senator name one?

Mr. CARAWAY. I will read the Senator's exact language.

Mr. STERLING. The affidavits of Rhea and Glosser? Does the Senator refer to them?

Mr. CARAWAY. I will read the Senator's own statement. He evidently does not know anything about what he did.

Mr. STERLING. I wish the Senator would.

Mr. CARAWAY. I will read from page 55 of the second volume of the printed hearings. Beaulieu was before the committee and was testifying, and the Senator from South Dakota, who acted as if he thought he was employed on the other side—I do not say he was, but I say he acted as if he were—was heckling him as you would heckle a witness in a police court, and reading from a document.

Mr. STERLING. From what page is the Senator reading?

Mr. CARAWAY. I am going to read on page 55. Of course, I presume after a while the Senator will state that the record does not recite the facts. We were talking about Rhea:

Senator STERLING. He got that assignment from Mr. Campbell, did he not?

Mr. BEAULIEU. I do not remember that he did.

Senator STERLING. Do you know whether there was more than one assignment of that MacGowan lease?

Mr. BEAULIEU. I do not know.

Senator STERLING. By Mr. Campbell?

Mr. BEAULIEU. I do not know whether Mr. Campbell ever made an assignment of it or not.

Senator STERLING. You do not know whether he made an assignment?

Mr. BEAULIEU. I do not know. I do not remember.

Senator STERLING. Might there have been an assignment and you not know of it?

Incidentally, that "might there not have been something you did not hear" was the way the Senator was trying to convict some one, in the testimony, of doing something—that some one might have written a letter to the department which Governor Spry did not know about.

Who ever heard, in a civilized country, of putting on the defendant the burden of proving a negative, to prove that he did not write a letter, that somebody might have gotten a letter that nobody ever heard of? Yet that is as fair as he was from the beginning to the end of this whole controversy.

Mr. BEAULIEU. I do not know. I do not remember.

Senator STERLING. Might there have been an assignment, and you not know of it?

Why should you ask a witness that? Of course, if he did not know about it, he could not testify about it. Everybody knows that but the Senator from South Dakota, and he evidently never suspected it.

Mr. BEAULIEU. There might have been.

Of course, everybody knows there might have been something. Maybe the Senator knows, but he has not told; I do not know.

Senator STERLING. Do you know anything about a letter written by Mr. Booth of the land office to WHEELER and Baldwin, giving a list of nine claims of Gordon Campbell Kewin Syndicate No. 1, and giving a description of each permit, and what should be done to straighten matters out at the land office?

The CHAIRMAN. Mr. STERLING, if you have that letter, we think it ought to be produced.

Everybody knows that except the Senator from South Dakota. The Senator from South Dakota said:

I am asking him if he knows anything about it.

The CHAIRMAN. I know; but you are asking for the contents of a letter. Now, we want the letter.

Who is trying suppress evidence?

Senator STERLING. I think perhaps you can have it.

Perhaps we may. Perhaps we can have it if he decides later on that we may.

The CHAIRMAN. That is just what we want.

Senator STERLING. I can not produce it right now, but during the course of these proceedings.

Mr. BEAULIEU. Now, there was some letter written by some one, I am not sure whether Mr. Feely or Mr. Booth or who wrote it, I remember, naming some permits; but I would not say, without seeing it, whether it was addressed to them, or to whom it was addressed. It is possible it was. I do not remember.

Senator CARAWAY. You did not receive it?

Mr. BEAULIEU. I may have received a copy of it.

Senator CARAWAY. It was not addressed to you?

Mr. BEAULIEU. I do not think it was. Now, I might be wrong on that. I do not think it was.

Senator STERLING. But you remember having heard something about such a letter?

"Heard about it"; not that he saw it, not that he knows what its contents are, but "You remember hearing some whisper somewhere on the street about such a letter?"

Mr. BEAULIEU. Yes; I do.

Senator STERLING. Do you know anything of a letter written by Mr. Campbell in which he suggested that he would give the lease rights to 40 acres of the land, worth $26,000—

That from a man who loves competent evidence—

The CHAIRMAN. Wait a moment. You are asking for the contents of a letter.

Senator STERLING. I am describing the letter. I am characterizing the letter.

When a man at one time reads law and is examined and has a license to practice law he knows that if he has a letter he ought to produce it. You would not try a nigger for selling whisky and hold a letter and ask him if he had not written such a letter or had not heard about such a letter. The Senator said, "I am characterizing the letter." He was characterizing more than a letter. I continue reading:

The CHAIRMAN. You are asking for the contents of a letter, and I insist that that letter be produced, if you have it; and, so far as I am concerned as a member of this committee, I am not going to permit primary evidence to be produced in this way. You ask for the contents of a letter. You evidently have the letter, or you would not know what the contents of it are.

Senator CARAWAY. I would suggest that when any member of this committee is furnished anything, it ought to be furnished to the whole committee. If any information is furnished to any member of the committee, the whole committee must have it.

Senator STERLING. I have not seen any such letter.

Senator CARAWAY. The Senator has a memorandum. Would he mind producing that?

As the Senate will see, he was there reading from some paper furnished by somebody, of which he got possession somehow. I read further:

Senator STERLING. I have a memorandum of such a letter.

Senator CARAWAY. Would you mind furnishing it to us?

Senator STERLING. No. I shall mind saying who furnished it to me, of course. That is not material to this inquiry—as to who furnished me this memorandum.

Now, then, I hope the Senator has read it. That is what occurred. He sat there with the information furnished by somebody interested in this case, withheld it from the committee, and asked questions about it.

Of course, I am not the keeper of the Senator's course of conduct. He can disclose his own character by his own acts, and whatever pleases him pleases nobody else but him.

There are a lot of interesting things in this record, Mr. President, which I never expected to discuss, but since now it has become a matter of more or less public information and public curiosity, I am going to discuss it in full, and if the Senator wants to go into the question of probable cause, and who furnished the probable cause, and the conspiracy, and who were the conspirators, and who were the helpers and aiders and abettors of it, I am going to gratify his desire to his heart's content.

TARIFF ON BUTTER

Mr. JOHNSON of Minnesota. Mr. President, I wish at this time to call up the resolution submitted by me last Saturday, and I ask for its adoption.

The PRESIDING OFFICER. The Secretary will read the resolution.

The resolution (S. Res. 226) was read and agreed to, as follows:

Whereas in the general depression from which agriculture has been suffering, particularly in the grain-growing sections of the Nation, some agreeable relief has been experienced from the gradual but marked expansion of the dairy industry; and

Whereas the future of the region hereinabove specifically referred to depends in no small degree upon the growth of that industry to which the soil and climate thereof is peculiarly adapted; and

Whereas, with the sanction and approval of the President of the United States, an effort is being made to finance and promote therein the further development of the dairy industry; and

Whereas during the months of January and February, 1924, butter was imported into the United States amounting to 9,500,000 pounds, almost one-half of the total importations for the year 1923, and the highest monthly average ever recorded, resulting in a rapid decline of the price of that commodity on the New York market until it now commands a price little if any above the cost of production: Therefore be it

Resolved, That the United States Tariff Commission be, and it hereby is, requested forthwith to institute an inquiry under the provisions of section 315 of the act approved September 21, 1922, concerning the cost of the production of butter in the United States and in those countries from which our importations thereof come, and to report its findings to the President of the United States with a view to the increase in the duty on imports of butter should such increase be warranted by the facts found.

AMENDMENT OF INTERSTATE COMMERCE ACT

The PRESIDING OFFICER. The hour of 2 o'clock having arrived the Chair lays before the Senate the unfinished business, Senate bill 2327.

The Senate as in Committee of the Whole resumed the consideration of the bill (S. 2327) to amend section 4 of the interstate commerce act.

The PRESIDING OFFICER. The pending question is on the amendment submitted by the Senator from Idaho [Mr. GOODING] to the amendment reported by the Committee on Interstate Commerce.

ADJUSTED COMPENSATION—VETO MESSAGE

Mr. CURTIS. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside. I will state that I make this request for the purpose of calling up the veto message of the President of the United States on the adjusted compensation bill. I do not think the request is necessary, and if it is not granted I shall then ask for the consideration of the bill and veto message under the rule.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

Mr. REED of Pennsylvania. Mr. President, I ask the Senator to withhold his request for a moment because I would like to submit a request for unanimous consent that the disposition of the veto message on the bonus bill go over until Saturday of this week. The matter was suggested on last Saturday and two Senators objected, but both of them tell me now that they can arrange it and that that date will be satisfactory to them.

Mr. ASHURST. Mr. President, to save debate I will object to that request. I object to any day other than to-day.

The PRESIDING OFFICER. Objection is made to the request of the Senator from Pennsylvania. Is there objection to temporarily laying aside the unfinished business for the

purpose stated by the Senator from Kansas? The Chair hears none. The Chair lays before the Senate the message from the President of the United States which will be read.

The reading clerk read the message as follows:

To the House of Representatives:

Herewith is returned, without approval, H. R. 7959, a bill "to provide adjusted compensation for veterans of the World War, and for other purposes."

The bill provides a bonus for the veterans of the World War and dependents of those who fell. To certain of its beneficiaries, whose maximum benefits do not exceed $50, this bonus is to be paid immediately in cash. To each of its beneficiaries who are not to receive such immediate cash payments there is to be provided free insurance under a 20-year endowment plan. The face value of each policy will be based upon the military service, the average amount being at least $962, payable at the expiration of 20 years or at death prior thereto. After the lapse of two years the holder of a policy may borrow thereon from banks at reasonable rates of interest. If amounts so borrowed are not repaid by the veteran, the Government is obligated to pay to the banks this indebtedness, which ultimately reduces the maturity value of the policy.

An appropriation of $146,000,000 for the fiscal year 1925 will be required to provide the prorated annual cost of the insurance and to meet cash payments to those not receiving such insurance. This does not include administrative costs, which will amount to approximately $6,500,000 the first year. For the fiscal year 1926 an appropriation of $155,500,000 will be required, and the annual appropriations for the 20-year period will aggregate, according to the lowest estimate, $2,280,758,542. These and the other figures herein are from the Veterans' Bureau, but the Treasury estimates are materially more.

That part of the annual appropriation not required to meet the cash bonus or to pay policies maturing on account of death will be invested in Government bonds. The face value of the bonds thus acquired plus the interest thereon reinvested will equal during the 20-year period the maturity value of the insurance policies, aggregating at the lowest estimate $3,145,000,000.

The money spent for the acquisition of these bonds manifestly can not be spent for any other purpose, no matter how urgent our other requirements may be. In other words, we will be committing this Nation for a period of 20 years to an additional average annual appropriation of $114,000,000. This of itself should require most serious reflection, but if we are to have such commitment it should be in some form which would be in harmony with recognized principles of Government finance. The provisions of this bill are not so in harmony. Under it the Government will not have in the fund in 1945 two and a half billions of dollars. All it will have will be its own obligations, and it will owe two and a half billions of dollars cash. It will then be necessary to sell to the public this two and a half billions of bonds—a major operation in finance which may be disastrous at that time and may jeopardize the value of Federal securities then outstanding.

We have no money to bestow upon a class of people that is not taken from the whole people. Our first concern must be the Nation as a whole. This outweighs in its importance the consideration of a class, and the latter must yield to the former. The one compelling desire and demand of the people to-day, irrespective of party or class, is for tax relief. The people have labored during the last six years under a heavy tax burden. This was necessary to meet the extraordinary costs of the war. This heavy assessment has been met willingly and without complaint. We have now reached a financial condition which permits us to lighten this tax burden. If this bill becomes law, we wipe out at once almost all the progress five hard years have accomplished in reducing the national debt. If we now confer upon a class a gratuity such as is contemplated by this bill, we diminish to the extent of the expenditures involved the benefits of reduced taxes which will flow not only to this class but to the entire people. When it is considered that less than $40 a year would pay for the average policy provided by this bill, there is strong ground to assume that the veterans themselves would be better off to make that small payment and be relieved of the attendant high taxes and high living costs which such legislation would impose on them. Certainly the country would. We have hardly an economic ill to-day which can not be attributed directly or indirectly to high taxes.

The prosperity of the Nation, which is the prosperity of the people, rests primarily on reducing the existing tax burden. No other action would so encourage business. No other legislative enactment would do so much to relieve agriculture. The drastic executive campaign for economy in Government expenditure has but one purpose—that its benefits may accrue to the whole people in the form of reduction in taxes. I can not recede from this purpose. I am for the interests of the whole people. The expenditures proposed in this bill are against the interests of the whole people. I do not believe they are for the benefit of the veterans.

The running expenses of the Government for services and supplies must be met. Certain other obligations in the nature of investments for improvements and buildings are necessary and often result in a saving. The debts of the Nation must be paid. The sum of all these is a tremendous amount. At the present rate it is nearly $35 for each resident of our country, or $175 for each average family every year, and must be for some time. This bill calls for a further expenditure in the aggregate of nearly $35 for each inhabitant and lays nearly $175 more on each family, to be spread over a period of 20 years. No one supposes the effort will stop here. Already suggestions are made for a cash bonus in addition, to be paid at once. Such action logically would be encouraged if this bill becomes law. Neither the rich nor the profiteers will meet this expense. All of this enormous sum has to be earned by the people of this country through their toil. It is taken from the returns of their production. They must earn it; they must pay it. The people of this country ought not to be required by their Government to bear any such additional burden. They are not deserving of any such treatment. Our business is not to impose upon them but to protect them.

If this bill be considered as insurance, the opportunity for such a provision has already been provided. Nearly $3,000,000,000 of war risk and Government life insurance is now outstanding, and over $500,000,000 has been paid on such policies. When this provision was made in 1917 it was on the explicit understanding of the Congress that such insurance was to relieve the Government of subsequent contributions. The then Secretary of the Treasury said in relation to the proposed insurance act: "It ought to check any further attempts at service pension legislation by enabling a man now to provide against impairment through old age, total disability, or death resulting from other causes, and to give all this protection to those kindred who may be dependent upon him and who do not share in the Government compensation." This opportunity was afforded all those who entered the service. It was distinctly understood that it covered every obligation on the part of the Government. The intent of this bill now to provide free insurance lacks both a legal or moral requirement and falls into the position of a plain gratuity.

Considering this bill from the standpoint of its intrinsic merit, I see no justification for its enactment into law. We owe no bonus to able-bodied veterans of the World War. The first duty of every citizen is to the Nation. The veterans of the World War performed this first duty. To confer upon them a cash consideration or its equivalent for performing this first duty is unjustified. It is not justified when considered in the interests of the whole people; it is not justified when considered alone on its own merits. The gratitude of the Nation to these veterans can not be expressed in dollars and cents. No way exists by which we can either equalize the burdens or give adequate financial reward to those who served the Nation in both civil and military capacities in time of war. The respect and honor of their country will rightfully be theirs forevermore. But patriotism can neither be bought nor sold. It is not hire and salary. It is not material, but spiritual. It is one of the finest and highest of human virtues. To attempt to pay money for it is to offer it an unworthy indignity which cheapens, debases, and destroys it. Those who would really honor patriotism should strive to match it with an equal courage, with an equal fidelity to the welfare of their country, and an equal faith in the cause of righteousness.

I am not unmindful that this bill also embraces within its provisions the disabled of our veterans and the dependents of those who fell. To state that the disabled veterans and these dependents are entitled to this additional gratuity is to state that the Nation is not meeting its obligation to them. Such a statement can not truthfully be made. The Nation has spent more than $2,000,000,000 in behalf of disabled veterans and dependents of those who died. It is now spending for compensation, training, insurance, and hospitalization more than $400,000,000 annually. Solicitude for the disabled veterans and the dependents of those who lost their lives is the Nation's solicitude. To minister to their every need is a sacred obligation, which will be generously and gratefully met. The Nation stands ready to expend any amount needed for their proper care. But that is not the object of this bill.

America entered the World War with a higher purpose than to secure material gain. Not greed but duty was the impelling

motive. Our veterans as a whole responded to that motive. They are not asking as a whole, they do not want as a whole, any money recompense. Those who do seek a money recompense for the most part, of course, prefer an immediate cash payment. We must either abandon our theory of patriotism or abandon this bill. Patriotism which is bought and paid for is not patriotism. Our country has maintained the principle that our Government is established for something higher and finer than to permit those who are charged with the responsibility of office, or any class whose favor they might seek, to get what they can out of it. Service to our country in time of war means sacrifice. It is for that reason alone that we honor and revere it. To attempt to make a money payment out of the earnings of the people to those who are physically well and financially able is to abandon one of our most cherished American ideals. The property of the people belongs to the people. To take it from them by taxation can not be justified except by urgent public necessity. Unless this principle be recognized our country is no longer secure, our people no longer free. This bill would condemn those who are weak to turn over a part of their earnings to those who are strong. Our country can not afford it. The veterans as a whole do not want it. All our American principles are opposed to it. There is no moral justification for it.

CALVIN COOLIDGE.

THE WHITE HOUSE, *May 15, 1924.*

Mr. CURTIS. Mr. President, I think Senators have their minds made up as to how they intend to vote on this question, and, so far as I am concerned, I do not intend to take up any time in discussing the veto message, and am ready for a vote.

Mr. ROBINSON. Mr. President, I know of no reason why the vote should not be immediately taken.

Mr. NEELY. Mr. President, I arise to submit a question of privilege. I wish to read for the information of the Senate an article of extraordinary prominence which appears in this morning's Washington Herald, and which constitutes an outrageous attack upon the intelligence, the independence, and the very manhood of 10 Republican Members of this body.

The article in question is as follows:

BONUS ADVOCATES, KEEP YOUR EYE ON THESE 10 SENATORS

Propagandists for rejection of the soldier bonus bill are concentrating their efforts on 10 Republican Senators who voted for the measure and were reported yesterday to be wavering. Friends of the bonus, keep your eye on these Senators to see how they vote on the final roll call: FESS, Ohio; WARREN, Wyoming; CAMERON, Arizona; COLT, Rhode Island; ELKINS, West Virginia; KEYES, New Hampshire; MCLEAN, Connecticut; PHIPPS, Colorado, SPENCER, Missouri; WILLIS, Ohio.

Mr. President, could Sapphira have imagined or Ananias have uttered a more pernicious libel against these distinguished Senators?

Of course, every Democratic Member knows that not one of these Republican Senators could be induced by the flattery of plutocracy, or coerced by the great political power of the President, in this crisis to sacrifice his manhood, outrage his conscience, and desert the World War veterans by changing his vote on the soldiers' adjusted compensation bill.

Mr. FESS. Mr. President, will the Senator yield to me?

Mr. NEELY. I gladly yield to the distinguished Senator from Ohio.

Mr. FESS. The most conclusive answer to that slander will be to vote right away, and see how those Senators will vote.

Mr. NEELY. I know how my honorable and courageous friend from Ohio, with whom I served eight years in the other House, will vote. I know that no Wall Street subsidized newspaper or even powerful presidential propaganda can prevent the Senator from Ohio from voting for this bill, just as he voted for it when it was first passed by the Senate. I know that every one of these 10 Senators will prove, when his name is called, that he is "not a pipe for" even the President's "finger to sound what stop he please," but, on the contrary, that he is as—

> Constant as the northern star,
> Of whose true-fix'd and resting quality
> There is no fellow in the firmament.

Mr. President, we shall soon have additional cause to be proud of the Senate; we are about to furnish the country conclusive proof that the Members of this body are unterrified, and that they stand for the right as steadfastly as Casibianca stood upon the burning deck.

We all know that these 10 Senators whom the Herald has so basely libeled will, when their names are called, again vote for the adjusted compensation bill, and thus prove not only to the vast and intelligent audience in the galleries but to all the world that they are not spineless creatures, that they are not pliant tools in the President's hands, but that every one of them is "every inch a man."

The PRESIDENT pro tempore. The question is, Shall the bill pass, the objections of the President to the contrary notwithstanding? Upon that question the Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. NORRIS (when Mr. LA FOLLETTE's name was called). I was requested to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent on account of illness. If he were present, on this question he would vote "yea." I have not been able to secure a pair for him.

The roll call was concluded.

Mr. REED of Pennsylvania. I have been asked to announce that the Senator from Indiana [Mr. WATSON] is unavoidably absent, but that if present, he would vote "yea."

Mr. ROBINSON. The Senator from Missouri [Mr. REED] and the Senator from Kentucky [Mr. STANLEY] are necessarily absent. If they were present, they would vote "yea."

I also desire to announce that the Senator from Oklahoma [Mr. OWEN], if present, would vote "yea."

I desire further to announce that the senior Senator from Mississippi [Mr. HARRISON] and the junior Senator from Mississippi [Mr. STEPHENS] are necessarily absent. They are paired with the Senator from Louisiana [Mr. RANSDELL]. If they were present, the Senator from Louisiana [Mr. RANSDELL] would vote "nay" and the two Senators from Mississippi would vote "yea."

Mr. GERRY. I wish to announce that the Senator from Massachusetts [Mr. WALSH], if present, would vote "yea." I wish further to announce that he is on a train returning from keeping an engagement in his home State yesterday. He expected the debate would lead to a vote not being reached until a later hour in the day.

Mr. CURTIS. I desire to announce that the Senator from Illinois [Mr. MCCORMICK] and the Senator from Michigan [Mr. COUZENS], if present, on this question would vote "yea."

The roll call resulted—yeas 59, nays 26, as follows:

YEAS—59

Adams	Ferris	Jones, Wash.	Ralston
Ashurst	Fess	Kendrick	Robinson
Brandegee	Fletcher	Ladd	Sheppard
Brookhart	Frazier	Lenroot	Shipstead
Broussard	George	Lodge	Shortridge
Bursum	Gerry	McKellar	Simmons
Cameron	Gooding	McLean	Smith
Capper	Hale	McNary	Spencer
Caraway	Harreld	Mayfield	Stanfield
Copeland	Harris	Neely	Trammell
Cummins	Heflin	Norbeck	Walsh, Mont.
Curtis	Howell	Norris	Warren
Dale	Johnson, Calif.	Oddie	Wheeler
Dill	Johnson, Minn.	Overman	Willis
Elkins	Jones, N. Mex.	Pittman	

NAYS—26

Ball	Edwards	McKinley	Sterling
Bayard	Ernst	Moses	Swanson
Borah	Fernald	Pepper	Underwood
Bruce	Glass	Phipps	Wadsworth
Colt	Greene	Reed, Pa.	Weller
Dial	Keyes	Shields	
Edge	King	Smoot	

NOT VOTING—11

Couzens	McCormick	Reed, Mo.	Walsh, Mass.
Harrison	Owen	Stanley	Watson
La Follette	Ransdell	Stephens	

The PRESIDENT pro tempore. Upon this question the yeas are 59, the nays 26; so the bill is passed the objections of the President to the contrary notwithstanding. [Applause in the galleries.]

The PRESIDENT pro tempore. The Sergeant at Arms will clear the galleries—if there be further manifestations of pleasure or displeasure.

Mr. HARRISON subsequently said: Mr. President, I merely wish to make an explanation. I understood that the veto message of the President would be called up at 2 o'clock to-day, and I was led to believe that there would be some discussion of the message, which might be prolonged several hours. I had a very dear friend who passed away and was buried in Arlington Cemetery this afternoon at 2 o'clock. In company with my colleague, the junior Senator from Mississippi [Mr. STEPHENS] and the senior Senator from Louisiana [Mr. RANSDELL], I left to attend the funeral. During our absence of about 45 minutes, the vote on the veto message was taken. I am very sorry that I was not here to cast a vote. I was paired with the Senator from Louisiana [Mr. RANSDELL] and my colleague [Mr. STEPHENS] was also paired with him. If my colleague and I had been present, we would have voted to override the President's veto and the Senator from Louisiana would have voted to sustain the veto.

Mr. WALSH of Massachusetts subsequently said: Mr. President, I desire to make a brief explanation because of my absence when the vote was taken this afternoon on the question of overriding the President's veto.

An engagement, long ago made, necessitated my presence in Massachusetts yesterday. It was physically impossible for me to return before 3 o'clock this afternoon. When I returned at 3 o'clock the vote had been taken, though it was generally believed when I left on Saturday that a vote would not be reached till late to-day. Had I been present, I should have voted "yea," sustaining the position I have taken on all other occasions, favoring the adjustment of our war veterans' compensation.

INTERNATIONAL RELATIONS—PERSONAL EXPLANATION

Mr. SHIELDS. Mr. President, the League of Women Voters in convention at Knoxville on the 9th of May invited me to address them on our "International relations," and not being able to do so on account of the revenue bill being before the Senate that day, I sent them a telegram briefly stating my views upon the live questions concerning our relations with foreign countries.

This telegram has been so misunderstood and in some respects garbled that I desire to place it in the RECORD, so that my views upon these important questions may not be misunderstood. I ask unanimous consent for that purpose.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

WORLD COURT FAVORED BY DEMOCRATS AND REPUBLICANS

WASHINGTON, D. C., *May 9.*

MRS. JOHN M. KENNY,

President of the League of Women Voters, Knoxville, Tenn.:

Will you express to the convention of the League of Women Voters of Tennessee my great appreciation of their kind invitation to address them upon our international relations and my sincere regrets that at the last hour I am detained in Washington? The final vote upon the Federal tax reduction bill is imminent, and it is believed that it will be had to-day or to-morrow. I felt that I should forego my inclination, personal pleasure, and interests and remain here to vote upon this important measure, the division of the Senate being very close. Our international relations are nonpartisan, and the subject is one singularly suitable for consideration for your organization.

It is a pleasant subject of discussion. The United States is at peace with all the world. We have no controversies with any nation likely to lead to war. We have treaties of peace, amity, and commerce with all civilized nations and entangling alliances that would likely embroil us in war with none. We have treaties with 50 sovereign nations, including the great powers, providing for conciliation and peaceful arbitration of all differences that may arise between the signatories of such treaties.

PERMANENT COURT OF ARBITRATION

The Permanent Court of Arbitration, with its seat at The Hague, Holland, was organized with ample procedure and jurisdiction for the peaceful adjustment of all international disputes and the promotion of peace and prevention of war and has settled many controversies threatening war and is now successfully functioning. The United States was chiefly instrumental in creating this court and is obligated by numerous treaties to submit differences with other nations to it.

We therefore have almost unlimited facilities for peaceful settlement of all disputes with other nations which can be arbitrated and adjudicated. We have no cause to fear a foreign enemy. There is no foreign nation that can conquer and subdue America. The whole world was astonished when in the recent war we raised and placed in the field, armed and equipped for battle with ample supplies, 4,000,000 men, and provided a formidable Navy, all within a limited time. We so demonstrated our great resources of men and wealth and the splendid efficiency, fortitude, and courage of our soldiers that no nation will ever dare to attempt to invade our country or conquer our people.

The Permanent Court of International Justice, also sitting at The Hague, established by the League of Nations in 1921, now functioning, has heard and determined one controversy and given eight advisory opinions to the league. The Permanent Court of Arbitration and the Permanent Court of International Justice are both courts of arbitration and have little or no resemblance to courts of judicature.

They have no compulsory jurisdiction over nations or subject matter and can only hear cases voluntarily submitted to them. There is no sanction for their decrees but public opinion. They are practically of equal dignity and power and functioning in the same city concurrently and harmoniously. The Permanent Court of Arbitration is open to all nations and the Permanent Court of International Justice to the members of the League of Nations and three other nations, including the United States, assenting to its jurisdiction. The chief difference between the courts is the method of election of the arbitrators or judges, the parties to controversies in the Permanent Court of Arbitration having a larger per cent of the selection than the parties to the controversies submitted to the Permanent Court of International Justice.

President Harding, when in life, favored the United States adhering to the Permanent Court of International Justice, and President Coolidge concurs with him, both asking the advice and consent of the Senate to do so, with reservations withholding and excluding legal relations to the League of Nations. Senator CLAUDE A. SWANSON, ranking Democratic member of the Committee on Foreign Relations, after a conference with other Democratic Senators, some time since offered a resolution in the Senate providing that the Senate advise and consent to the United States adhering to this court with reservations absolutely excluding the United States from all legal relations and connections with the League of Nations. Senator W. H. KING, Democrat, has offered a similar resolution.

Senator THOMAS J. WALSH, also a Democratic member of the Committee on Foreign Relations, in a speech made at the recent convention of women voters at Buffalo, advocated the United States adhering to the permanent court for the moral support it would give to Europe, stating that the majority of the Democratic Senators favored it, and at the same time saying:

> "This is not a plea for the entrance of the United States into the League of Nations. Events transpiring since 1920 affect quite materially the view one must take of the problem of our relations with that organization we have so often been assured is dead, but which somehow refuses to stay dead and which is in fact very much alive and is considered by the nations of Europe as a most valuable agency for the adjustment of constantly recurring matters of difference among them.
>
> "I do not plead for a reversal of the verdict through which the United States declined membership in the league. I plead for the active participation by our Government in any effort which may be made through it or any other channel to bring about a restoration of normal industrial activity to Europe and to establish a state of actual peace among them in every case in which it is reasonably safe to do so without entangling ourselves in their quarrels."

This statement of conditions and facts demonstrates that the American people and the majority of the members of the two great political parties, recovering from the emotions caused by the horrors of war and regaining their national soul, are now uniting in the policies of our Government in international matters and considering them from an American and nonpartisan standpoint, as Americans have done in the past from the foundation of our Government.

There should be no prejudice against the Permanent Court of International Justice because it was organized by the league, provided the United States continues absolutely unobligated and free from the political provisions of the covenant of the league likely to embroil it in the feuds and wars of other nations. While the Permanent Court of Arbitration and arbitration treaties seem ample to settle all international disputes, yet if adherence to the World Court by the United States will give it moral support and contribute to the peace and tranquillity of Europe, it should do so. The United States has always advocated peace at home and abroad, and by a policy of nonentangling alliances and nonintervention in foreign affairs held itself in a neutral position to offer its good offices to all countries involved in disputes, and by arbitration and settlement has prevented many wars.

FAVORS SWANSON'S RESOLUTION

In the cause of humanity and in the advancement of the material interest and commerce of its citizens, it should continue this policy where it can do so without prejudice to the interest of our people. The resolution of Senator SWANSON with the reservations proposed by him with those which the United States made in becoming signatory to the convention creating the Permanent Court of Arbitration, preserving our traditional policies in dealing with the other nations and withholding all questions involving vital interest, independence, and honor, which have never been the subject of arbitration or adjudication, should be adopted at the present session of the Congress, and I hope that it will be promptly done. The common understanding is that both of the great national conventions to be held next month will so express the will of the party which they respectively represent, and favor our adherence to the Court of International Justice under conditions hereinabove stated.

This will happily end the only great political dissensions among the American people concerning our foreign relations and the President and the Congress can give their undivided attention to legislation for the relief of the industrial and agricultural interests and other domestic matters so long suffering and neglected. I favored peaceful settlement and arbitration of all international disputes in my speeches in the discussion of the League of Nations as appear in the CONGRESSIONAL RECORD, and the probable policies of both parties are in full accord with the views I entertain.

JOHN K. SHIELDS.

Mr. SHIELDS. Mr. President, I announced my views concerning the foreign policies of the United States relating to international courts and conferences in an address I made in the

Senate on November 19, 1919, when the League of Nations was under discussion, and they appear in the record of the proceedings of that day.

I then said that I believed in peace and hated war and the horrible suffering that it brings to mankind; that I would favor great conferences of free, sovereign, and independent nations where all differences and grievances could be discussed and, if possible, compromised and amicably settled upon just principles and inherent rights of men. I also said I would favor a great international court of justice of voluntary jurisdiction, where justiciable controversies of nations could be heard and determined and impartial justice administered without delay and without price upon the principles of righteousness and international law to be enforced by enlightened public opinion; and that I thought such arrangements were feasible without surrendering the sovereign rights of any government and without obligating any people to sacrifice themselves for the exclusive benefit of others. These are still my views concerning our international relations.

The United States should continue its interest in world affairs. We should with proper regard for the interest of our people, by economic conferences and arrangements with other nations, do what we can to restore tranquillity to the peoples of all countries. This will contribute alike to the cause of humanity and the economic interests and prosperity of all peoples.

While doing these things we must guard our country against internationalism. We must maintain our sovereign independence. We must not lose our love of country, our pride in our institutions, and our patriotism. Nationalism will preserve all these, but internationalism will destroy them.

The Permanent Court of Arbitration is ample in its jurisdiction and availability to settle all controversies likely to lead to war, and through our membership of it and our arbitration treaties we have every facility for peaceful settlement of our disputes with other nations, and membership in another court will contribute little, if anything, to our peace and security.

But it is believed and earnestly insisted by some of our people that the adherence of the United States to the Court of International Justice would give it moral support and enable it to exercise greater influence in the preservation of peace in Europe. Our adherence to this court with the reservations proposed can do us no harm.

I will support the resolution of Senator SWANSON authorizing that the President adhere to the protocol and consent to the voluntary jurisdiction of the court with the reservations proposed and others if deemed advisable when the resolution comes before the Senate for adoption.

This committal is made with the understanding that the resolution is acted on before the Democratic National Convention in New York in June next, for I will be governed by the platform adopted by the Democratic Party. I have always supported the candidates nominated by the Democratic Party and have followed and abided by the platforms adopted, with the exception of the State election in 1910, when the party was divided. When matters have come before the United States Senate since I have been a Member I have been governed by and followed the platform pronouncements of the Democratic Party and by the conferences of the Democratic Senators. When there was no such platform pledge or caucus action, I have been governed by the fundamental principles, policies, and traditions of my party and my conscientious judgment of what was my duty as a Senator and the interests of the great people whom I represent in this body. Continuing this course, I will support and be governed by the pronouncements of the next National Democratic Convention upon our international relations, which I hope will be as I have above indicated.

Mr. President, the Senator from Massachusetts [Mr. LODGE] has recently introduced into the Senate a joint resolution requesting the President of the United States to call a conference of nations at The Hague for the establishment of a third court, styled the "world court of international justice," and it is pending before the Committee on Foreign Relations.

I have examined the statute incorporated in this resolution creating this new world court and find nothing in it, with the exception of the manner of choosing the arbitrators or judges, which is not to be found in the constitutions of the Permanent Court of Arbitration or the Permanent Court of International Justice, unless it be mere matter of procedure and practice, for which ordinarily the court should by proper rules provide. The jurisdiction of nations and of subject matter and the provisions for enforcing the decrees and judgments of the court are about the same as those courts. The Permanent Court of Arbitration is expressly recognized and part of its machinery used in organizing the World Court. The provisions for the election of judges contemplate two bodies, organized like the council and assembly of the League of Nations, the majority of both of which is necessary for an election. The five great powers are given control of the smaller body, as in the council, and there is the same objection of imperialism in their control of the court. I will not support the joint resolution providing for it.

This would be the third court with the same jurisdiction sitting at The Hague. There is no national or international demand for it, and it seems to me that the only possible effect it can have is of unnecessary delay and expense. It could not be organized, if at all, in less than two years, and perhaps a greater time.

The Permanent Court of Arbitration and the Permanent Court of International Justice are both functioning. I can see no reason for creating a third court with practically the same jurisdiction. It would have a tendency to confuse and complicate international relations and subserve no good purpose.

AMENDMENT OF INTERSTATE COMMERCE ACT

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2327) to amend section 4 of the interstate commerce act.

Mr. GOODING. Mr. President, the amendment offered by me to Senate bill 2327 is the same as the amendment that was before the Senate all of last week. It has been thoroughly discussed, and as far as the friends of the measure are concerned I do not know of anyone who cares to discuss it and delay the Senate any longer in the matter.

This amendment was drawn up after consulting with members of the Interstate Commerce Commission and is proposed for the purpose of clarifying the language so as to make certain that time will be given to the Interstate Commerce Commission to readjust any violations of the fourth section that may be in effect that will not be permitted by the bill if it becomes a law.

The PRESIDENT pro tempore. The bill is before the Senate as in Committee of the Whole. The Secretary will state the amendment proposed by the committee.

The READING CLERK. On page 3 the committee proposes, in line 2, to strike out the proviso down to and including the word "competition" in line 15, and to insert certain words. The junior Senator from Idaho [Mr. GOODING] proposes to insert in lieu of the matter proposed by the committee the following words:

> Where any common carrier has, or common carriers have, in effect any rate, fare, or charge which is less for the longer than for the shorter distance between two points (the shorter being included within the longer distance), and which has been authorized by the commission or as to which application was filed with the commission on or before February 17, 1911, and not yet acted upon by it, such rate, fare, or charge shall not become unlawful (except by order of the commission) until after 12 months following the passage of this amendatory act; nor shall such rate, fare, or charge in effect via a circuitous rail carrier or rail carriers become unlawful if it shall have been authorized by order of the commission, after public hearing, based on no less a showing than that upon which the commission is herein authorized to grant relief: *And provided further*, That nothing in this section contained shall prevent the commission from authorizing or approving departures from the provisions of this section in so far as applicable to import or export rates, including rates applicable to traffic coming from or destined to a possession or dependency of the United States or to a block system of express rates established by order or with the approval of the commission or permitted by it to be filed.

It is also proposed to repeal paragraph 2 of section 4.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment offered by the Senator from Idaho to the amendment of the committee.

Mr. FLETCHER. Mr. President, I do not feel that I quite understand this amendment just offered and read. It may be that this is a wise measure to adopt. I have some very grave doubts about it. I think, in the first place, it would be a mistake to undertake to change section 4 as provided in this amendment so far as the Atlantic ports are concerned and perhaps so far as the Gulf ports are concerned; but that would not influence me to vote against the bill if it were a good measure for the whole country. I should be inclined to support it, notwithstanding its adverse effect on Atlantic ports, if such effect were not too serious.

I am not impressed, in the first place, as to the great need for this legislation. We have had some inquiry made of the Interstate Commerce Commission regarding the long and short distance hauls, and that commission on February 13, 1924, reported to Congress, as shown by a document, No. 50, in which they went quite fully into the situation regarding the enforcement

of section 4, the applications for departure from it, their action on those applications, and the reasons therefor.

We are all familiar, of course, with the original section 4, prohibiting a greater charge for a shorter than for a longer distance over the same line, qualified as it was by the words "under substantially similar circumstances and conditions." The Supreme Court in construing this language practically nullified the interpretation which had been placed on section 4. Then in the act of June 18, 1910, these words were eliminated. The amendatory act of June 29, 1906, made no change in section 4 as originally enacted, but in June, 1910, these words were eliminated. Since then a number of applications were made to the Interstate Commerce Commission for relief from the operation of section 4. That report, Senate Document No. 50, without discussing it further than simply to call attention to it, deals with the subject quite fully.

So far as the application of the existing section is concerned, there has not been any real observance of it, as I understand. I hold in my hand a communication dated October 23, 1923, from the Jacksonville traffic bureau, Jacksonville, Fla., in which they state:

By freight tariffs which became effective on the 17th instant the all-rail class rates from a large number of important southeastern points, Ohio and Mississippi River crossings, Gulf ports, and points north of the Ohio River were greatly increased to Jacksonville and other south Atlantic ports. These increases were allowed to become effective by the Interstate Commerce Commission over the protests of this bureau and a large number of other civic bodies, shippers' organizations, and individual shippers throughout the origin and destination territories affected by the increases.

They had at Jacksonville water competition. They were entitled to all the advantages and benefits of that competition. They had a reduced rate under section 4; but it seems that the Interstate Commerce Commission has disregarded the matter, so far as any preferential in favor of the port of Jacksonville is concerned.

Mr. PITTMAN. Mr. President, I will state that that is customary. Whenever the railroads ask to lower the rates, they lower them. Whenever the railroads ask to put them up, they put them up; so the Senator need not worry about that.

Mr. FLETCHER. They say:

As previously announced, this bureau, upon receipt of tariffs publishing the increased rates, filed a formal petition with the Interstate Commerce Commission for suspension and investigation of the objectionable schedules, but, as above stated, the commission refused to exercise its authority to suspend the publications, and the increased rates are now being applied by the railroads on freight tendered for transportation subsequent to October 16.

So that there does not seem to be any real need for any change of the law. They are actually disregarding the old section 4, and section 4 as amended they are construing so as to deny preferential rates where water competition exists.

Mr. PITTMAN. They do that in Jacksonville, and then they will turn around the next day——

The PRESIDING OFFICER (Mr. MOSES in the chair). Does the Senator from Florida yield to the Senator from Nevada?

Mr. FLETCHER. I yield to the Senator.

Mr. PITTMAN. I did not want to interrupt the Chair; that was the reason why I did not address the Chair.

They do that, as I was saying. They will lower the rates in Florida, and then they will raise the rates somewhere else. The proposition is this: It is not so much what they do to-day or to-morrow; it is the constant threat that water competition has when we know what they have done, the applications that are pending, and what they probably will do.

Mr. FLETCHER. Of course, if by legislation we can make the thing certain and definite, I think that will be an improvement; but I am simply showing that at present the commission seems to construe the law as if there is ample authority for denying any preferential rate where water competition exists.

This statement says:

It should be remembered that while the railroads have effected huge increases in all of Jacksonville's class rates from the territory described, no changes have been made in the rates to the majority of Florida points located south of the line of the Seaboard Air Line Railway, Jacksonville to River Junction. As through rates to the down-State points have heretofore been made on the full Jacksonville combination, our jobbers could bring their goods into Jacksonville by rail and later reship to the down-State points at the same total rates as would have obtained had the goods moved direct from the original point of origin to the final destination. The situation is changed very materially under the October 17 revision by reason of the railroads having continued as proportional rates to Jacksonville, for constructing through rates to down-State points, the former rates which applied to both Jacksonville proper and for beyond, but established much higher rates to apply on Jacksonville proper traffic.

* * * * * * *

The Jacksonville jobber competing for down-State business moving at all-rail-class rates is, therefore, at a disadvantage in the all-rail rates with the shipper making direct shipments to down-State points to the extent of the full increases which have been made in the rates to Jacksonville proper.

They say:

Our jobbers can overcome this disadvantage on the all-rail adjustment by taking advantage, wherever possible, of the much lower rate available by rail and water routes.

What I am impressed with is this, if this bill passes it will enable the railroads to increase their rates to the competitive water points and not lower them to the intermediate points.

Let us consider the situation in the West. The transcontinental lines may be forced, under the provisions of this bill, either to lower their intermediate-territory rates or raise the Pacific coast rates, and what they will do will be to continue the rates as they exist at present on the short distances and raise the rates on the long distances.

Mr. PITTMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Nevada?

Mr. FLETCHER. I yield.

Mr. PITTMAN. That might be very possible providing we admit that the Interstate Commerce Commission is not doing its duty. I called attention to one or two instances where they were not. This might be another. As a matter of fact, this bill is an endeavor to equalize the rates so far as they can.

Another thing the act provides is that in a sense the railroads shall be assured a fair return on their entire property by a freight rate which shall reach everywhere. Of course, if the rate is only paying cost of transportation at one point it must be higher at another point, because they must be assured a fair return. If they equalize and raise the rate somewhat at the point where it is too low, it will enable the Interstate Commerce Commission to reduce at another point where it is too high. Whether they will do their duty or not, I will say to the Senator from Florida, I am not prepared to say, but they have to-day all the power necessary to do it.

The only objection to this one proviso which the commission has stated is that it has taken out of their hands the discretion in the matter. They have said, "You propose that we shall give railroad competition with water, and the only way we can do it is to let them slip to competitive points at cost." If they had properly interpreted the act to mean that we had given them authority to have railroads compete with water, that would be true; but Congress never did that.

Mr. FLETCHER. Of course we are necessarily obliged to leave this tremendous question of rates and rate adjustments with the Interstate Commerce Commission. I do not claim to understand the subject of rates at all. I doubt if there is any Member of the Senate who would be classed as an expert on that subject. It is a vast question. Entering into it are many matters challenging consideration, not merely distance. You can not make a rate based upon mileage alone. You have to take into consideration other matters, and I believe that those points which enjoy water competition will have to receive the recognition of their natural advantages, because otherwise the railroads can not do business at those points successfully. They must lower the rate at competing points or be in position to do so as conditions may require, in order that they may be able to carry any traffic at all. For that reason I do not think we should deny by legislation the enjoyment of the natural advantages which exist under natural law and which can not be destroyed by a mere act of Congress. I believe interior points should have fair and just treatment, also free from discrimination.

Mr. PITTMAN. That is exactly what we are all fighting for. The railroads will carry certain kinds of freight always, because carriage by railroad is more expeditious, is faster, and safer. That kind of freight no boats can take away from them. There are other kinds of freight, such as lumber, which goes slowly, where time is not the essence of the matter, where safety is not considered, where it is natural the freight should move by water. What we want is to keep the two things separate. Let the boat have what naturally belongs to it, and let the railroad have what naturally belongs to it.

There is no law that will help water transportation get anything from the railroads, but there is a construction put upon the law by the Interstate Commerce Commission which attempts by rule to allow railroads to compete with water where they could not compete naturally with if it were not for that rule. We are

trying simply to do nothing on earth except to remove that artificial power, nothing else.

Mr. FLETCHER. I favor, generally, the development, the growth, the promotion, of all means of transportation that we can devise in this country. I think it is a most important thing. Adequate, economical transportation enters into all our affairs. It relates directly to trade and commerce and has a vital bearing on production and distribution and industry as well.

Mr. GOODING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Idaho?

Mr. FLETCHER. I yield.

Mr. GOODING. I would ask the Senator if he thinks it is possible to encourage any one to invest money in any kind of water craft as long as a railroad is permitted to make rates that would destroy the business which such craft might enjoy or get? Capital will not invest in any town where there is discrimination in freight rates. We can not even start to develop our rivers unless we can first assure capital that their investments in river boats will not be destroyed by the Interstate Commerce Commission permitting the railroads to make lower rates for the longer haul than for the shorter haul.

Mr. FLETCHER. I understand that.

Mr. GOODING. I would like to say to the Senator, too, that we are not objecting to paying the same rates to the coast points, although the haul in some cases is from 1,000 to 2,000 miles longer; what we are fighting against is a discrimination against the interior, where our rate is higher than theirs.

Mr. FLETCHER. I quite understand the Senator's position. I am in favor of competition between rail and water, and of competition being maintained. I am utterly opposed to railroads having the power to drive off the boats from the waterways, as far as that is concerned. Each of those means of transportation has its place and function. Both are needed. In full vigor, efficiently and energetically, both should operate in order that the public may be served properly.

Mr. GOODING. The railroads have already driven the boats from the rivers. They can not come back unless we protect them so that the railroads can not again destroy them. They will not come back, because capital will not invest in a river boat with even a danger of discrimination against the freight they would carry.

Mr. FLETCHER. I would like to proceed long enough to make just a statement in a sort of a connected way, if I can, with regard to this matter.

My recollection is, and I think the Senator will find, on the particular point to which he refers, that by an amendment to the Panama Canal act we undertook to cure that trouble which he mentions by providing that when a railroad company competing with a waterway reduced its rates it would not be allowed to raise those rates again without the consent of the Interstate Commerce Commission. That was intended to prevent railroad companies from stifling water competition, or destroying shipping on the waterways, because they can not, if they once reduce their rates, raise them again, under the law, without the consent of the Interstate Commerce Commission.

We provided another thing, that the railroad companies could not own ships passing through the Panama Canal in connection with their transcontinental lines. That was done so that there might be competition. If a transcontinental line owned its own boats on the Pacific that line would be in position to carry the freight by rail or water, just as might be determined, at its own rates. If it could not carry the freight by rail, according to the rate fixed for the railroad, it could put its boats into operation and carry the freight by water. So that eventually there would be no competition between rail and water if the same concern which owned the railroad also owned the ships.

Mr. SMITH. Mr. President, the old law provided that where a railroad reduced its rate to where it was destructive of water competition it might not raise it, but under the present transportation act we specifically charged the commission with the duty of creating rate groups, and so adjusting fares and tariffs that each group might earn, as near as may be, 5½ per cent. If a railroad ran parallel to a coast and took a rate that was equal to the water rate, then the earning capacity of the road was reduced to such a point that it would reflect almost an intolerable burden on the shippers inland, because their rates on other roads would have to be raised so very high. Therefore that provision of the law does not obtain in the present transportation act. It is for that reason that we have attempted to differentiate in this proposal between the water transportation and the rail.

I want to call the Senator's attention to another point. I think we get our definitions mixed up. The Senator has been speaking, as all of us have, about the competition between water and rail. Giving each one its free, untrammeled domain, there can not be any such competition. Railroads can not compete with water, and freight can be moved so much cheaper by water that unless the railroads are allowed to recoup in other places than in the competition with water, they can not live at all. There can be no competition between water and railroads unless we artificially create a condition by which the railroads can recoup themselves in the helpless communities that have no water facilities.

Mr. FLETCHER. I can not agree with the Senator that there can be no competition between water and rail lines, because I contend that there is a certain class of freight, the bulky, heavy freight, which water can move and should move cheaper than it can be moved by rail, freight which it therefore naturally ought to move; whereas there are other classes of freight, the higher classes of freight, that it pays more for the railroad companies to handle and that kind of quick-moving freight ought to be handled by the railroad companies.

I see no reason why we can not keep both our means of transportation, both the waterways and the railroads, busy in this country, both having practically all that they can do to handle the business that is growing and increasing all the while.

Mr. SMITH. The Senator has spoken of the advantage of transportation by railroad on account of the quickness and safety of such service, but it costs more, and therefore a shipper ought to be allowed to determine whether he is willing to pay more and use the railroad or pay less and use the water. Under our present system, without this amendment, he is denied any chance to carry his freight by water, for there is no such means. The railroads have lowered their rates to such a point that the shipper gets all the advantage of expedition and safety, and pays no more than by the water routes.

Mr. FLETCHER. As I stated previously, I want to see every possible means of transportation developed in the country. There are some advantages which the railroads have over the water lines. They have terminals; they have connections with the warehouses; they can haul a trainload of freight right up against the warehouse and unload it into the warehouse, whereas if the freight moves by water it must be unloaded and reloaded, and all at more or less additional expense. There are disadvantages on one side, and there are advantages on the other side in the way of less cost of operation, less cost for the service by way of water. Depending on the different classes of freight, the business ought to be reasonably adjusted, so that both the waterways and the railways would be able to take care of the business offered by the public.

There are two things always to be kept in mind. One is that the transportation line is a public utility and has the right to earn a fair return on its property. The other rule obtains also that the rate must be reasonable. Both rules must be kept in view. With reference to the great western area, we know perfectly well that if the railroads that pass through those States were dependent on the business of those States they could not live. They live on the business that runs through those States.

Mr. McLEAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Connecticut?

Mr. FLETCHER. I yield.

Mr. McLEAN. The rate must not only be reasonable, but it must be compensatory and must be nondiscriminatory.

Mr. FLETCHER. Precisely.

Mr. McLEAN. How we could establish a fairer rule than that I can not see. The trouble with the situation is that some of the rulings of the Interstate Commerce Commission are considered to be discriminatory. That affects the administration of the law only.

Mr. FLETCHER. That is true. As I said, I really do not see any need for the legislation, because I think under the law as it exists the Interstate Commerce Commission, which is a great rate-making, rate-fixing body, has the authority and the power to base it upon the known principles connected with the operation of transportation.

Mr. McLEAN. I will say to the Senator that I was not able to attend all the hearings that were held upon the bill before the Interstate Commerce Committee, but I know that the Interstate Commerce Commission sent a statement to the committee, which was approved by 10 out of the 11 members of the commission, in opposition to the measure. It is simply finding fault with the courts. The law is mandatory. As often happens in such cases, interests that lose their case in court find fault with the judge and try to get an amendment of the law. The law is mandatory and covers every possible contingency.

Mr. FLETCHER. I am not a member of the Committee on Interstate Commerce. I have, however, introduced one or

two proposed amendments to the interstate commerce act, to one of which I propose to refer in a moment, which I think would accomplish more helpful results than the pending bill. I do not want to delay action on the bill. We have discussed it nearly a week and have thrashed it out thoroughly. I am not seeking to delay action. In fact, except for the interruptions, I would have finished long ago what I have to say. I find no fault with the interrnptions, but they simply took time that I did not intend to consume.

My iden was to suggest that in amending the law as is provided for in the pending bill, the friends of the measure might defeat the very purpose they have in mind, and that is to give better and more favorable rates to the intermediate region between the Pacific coast and the Mississippi River, for instance.

The transcontinental lines are thoroughly well equipped and splendidly managed so far as I can see. I had some opportunity last summer to travel on one of them. I noticed that we might travel a whole day on that passenger train without picking up a passenger or without observing that a pound of freight had been offered on the line, and the freight trains which we did pass were solid trains of sealed cars usually bearing the label "California Fruit Co. refrigerator cars," showing that the freight originated on the coast and merely passed through those States. We do not want to strangle those great lines, because they mean everything to the States across which they operate, and at the same time there is no good to be accomplished for those States by forcing the lines to increase their rates at the seacoast; for instance, at San Francisco, Portland, and Seattle.

It may be that the railroad companies are earning sufficient to warrant lowering the rates for the shorter distances. If so, I would like to have that done. I have a statement called "Business conditions weekly," New York, May 17, 1924, from which I quote as follows:

Last year Southern Pacific earned nearly $13 per share, more than twice the $6 dividend. It could very well have paid a dividend of $8 per share. The total dividends disbursed were slightly over $20,000,000, as against $44,000,000 of net income. Usually it is safe for a railroad to pay out about two-thirds of its net income in dividends. On this basis Southern Pacific, with over $44,000,000 of net income, could very well have paid $28,000,000 in dividends, which would have been around 8 per cent. In 1922, however, the net income was only $32,600,000, so that the 6 per cent dividend was just about right, as it absorbed nearly two-thirds of the net income.

These figures indicate that the 6 per cent dividend is well protected. In fact, they suggest that Southern Pacific could manage comfortably to pay 7 per cent. However, it is not likely that the dividend will be increased unless earnings for 1924 and prospects for 1925 indicate that the average earning will equal 12 per cent or more.

I take it that the Southern Pacific Railroad is one of the roads affected by this proposed legislation. It certainly does seem to be in a very good condition financially at this time. That raises the point suggested by the Senator from South Carolina, about which principally I arose to offer some views.

Mr. President, I never favored section 15a, for reasons which appealed to me when the bill was pending, and I have had no occasion to change the opinion then formed. Therefore I introduced an amendment to the act providing for its repeal, and would, as now advised, still favor its repeal. I will as briefly as possible state my reasons therefor.

Section 15a consists of 18 paragraphs, covering many important features. Among the more important ones are the following:

1. Giving power to the commission to—

initiate, modify, establish, or adjust—

Rates so—

that carriers as a whole (or as a whole in each of such rate groups or territories as the commission may from time to time designate) * * * will earn an aggregate annual net railway operating income equal as nearly as my be to a fair return upon the aggregate value of the railway property of such carriers held for and used in the service of transportation. * * *

2. Giving the commission power to determine what percentage of such aggregate property value constitutes a fair return thereon, which percentage shall be uniform for all rate groups or territories which may be designated by the commission.

In Reduced Rates, 1922 (68 I. C. C. 676), at page 734, the commission fixed 5½ per cent of such value as constituting such fair return on and after March 1, 1922.

3. It is provided that any carrier earning an income in excess of the fair return thus fixed holds it as trustee for, and shall pay it to, the United States. Any net earnings in excess of 6 per cent are to be paid one-half into the reserve fund of the carrier and the remainder into a general railroad contingent fund.

Then follows provisions as to the reserve fund, the determination and recovery of excess income, and so forth.

4. The railroad contingent fund is to be a revolving fund to be administered by the commission and to be used by it in the furtherance of the public interest in railway transportation, either in making loans or refunding maturing securities, and so forth.

In connection with what I have to say, the other provisions of this section need not be referred to.

A criticism is frequently urged by shippers against the provisions of this section generally termed the guaranty, fixing the return the roads are entitled to. While in law it is not a guaranty, it is generally referred to as such.

However, to many minds it has some of the characteristics of a guaranty in this, that the commission is directed to prescribe just and reasonable rates so that the carrier will earn an annual net railway operating income that will amount to the percentage fixed by the commission as a reasonable return not only on a road whose earnings are already on this basis but for all roads in a group, without regard to whether such roads are weak or strong. The test most commonly used both in debate and otherwise is whether the road is a so-called "weak one," without much regard as to the cause of the weakness. Under this section the return and not the reasonableness of the rates seems to be of primary importance, and the decisions of the commission seem to justify this conclusion. In the case of Reduced Rates from New York Piers (81 I. C. C. 312, 331) the commission says:

We are required by section 15a of the act to initiate rates which will yield as nearly as may be a fair return to the carriers as a whole or as a whole by such rate groups as may be fixed.

In the case of Adriatic Mining Co. v. Chicago & North Western Railway Co. (78 I. C. C. 611, 632) the commission said:

It may also be pointed out that Congress in enacting section 15a of the interstate commerce act, directing that rules should be so fixed as to give the carriers as a whole a fair return on the aggregate value of their railway property, recognized the right of individual carriers to earnings in excess of that return in permitting them to retain one-half of their excess income above 6 per cent.

In the Transcontinental Cases of 1922 (74 I. C. C. 48, p. 71) the commission inter alia said:

Moreover, it must be borne in mind that where the out-of-pocket theory is used for a rate basis there is evidently thrown upon the rest of the traffic the task of providing the bulk of the net return contemplated in section 15a.

And again, at page 81:

Should they concede the probability of a net loss in revenue to the carriers as a whole, we should have to consider whether such a shrinkage would adversely affect the return at which we are required to aim under section 15a.

It is sometimes said that these provisions but express the decided rule of law that a public-service corporation is entitled to a fair return upon its property devoted to public use. This is a generalization which does not fully state the rule; for coupled with it is another principle that is quite as important—that a rate must be reasonable and just. In other words, while the return must be fair, the rate must be just and reasonable.

Keeping in mind that the railroads are now private property and the object is to continue them as such; that it is desired that private investments keep pace with the country's transportation requirements; that their rates are subject to complete control; that the public is entitled to be charged just and reasonable rates and such as do not meet those tests are condemned, I can not see reasons for some of the provisions of this section. As illustrative, I can not see the justification in taxing the public through rates to maintain and pay returns on unwise, improvident, or unnecessary investments simply because through speculation, commercial rivalry, jealousy, or otherwise such an investment turns out to be a losing one. In no other business of which I have knowledge does the Government make such provision or guaranty. The rest of us have to take our chances and have the extravagant or unwise expenditure trimmed down or squeezed out through a receivership or otherwise. While I certainly do not want losses to come to anyone, the rule has always been that the public did not guarantee investments in railroads. This is not to say that the railroads should not be permitted to earn a fair return. In my experience I have known of but a few instances where anyone felt otherwise. Indeed, I am quite sure that the records will disclose the fact that the regulative authorities

generally have always kept this purpose in mind. It also has been my observation that most of the so-called adverse legislation reflects the reaction of the public to railroad policies and administration. I think this could be demonstrated from the history of the evolution of the act to regulate commerce. I am very certain that in fixing rates the commission always has in mind and considers expenses of every kind in arriving at a conclusion, and I certainly have no objection to a congressional declaration of a national railroad policy.

This question is closely allied to the treatment of the so-called "weak" roads, which may be "weak" from many causes. They may be "weak as a result of mistakes in policy, unsound financing, or bad management, and many because building in the first instance never was justified by the traffic obtainable." Yet "all weak roads are put in the same category * * * regardless of the cause of their condition or the public necessity for more service than they are now performing."

The establishing of rates and the return are directly connected with the recapture clause. Laying aside the right of the public to reasonable rates over the road on which it ships, waiving the fact that through development and growth over a series of years a business has been built up that will justify lower rates than a competing road, and that the public should be entitled to the fruit of its labor in rates as well as in other economies or improvements, let us look the question squarely in the face from the standpoint of the investor.

I think anyone would admit, with the element of gain or profit resulting from one's labors eliminated, with individual effort unrecognized, with one deprived of the benefit of his foresight, his judgment, and his labor, one would not expect much in the way of investment.

No particular reward is offered for new railroad investments. If one through his efforts, his intelligence, his energy, and his judgment succeed under reasonable rates in earning more than 6 per cent, one-half of the excess must be surrendered to the Government to be used in maintaining other railroads which, on account of location, management, or financing or for other reasons do not succeed. How will a law of this kind encourage investments? How long will it be before, with all incentive gone, the "weak" road will pull down the "strong" road and both be on a dead level of mediocrity? Certainly the credit of the "strong" road will not be maintained for long if it is to be used to support the "weak" road which has no credit. In a word investors will not take all the risks and forego the profits. Where is the justice—not considering the law—in taking earnings from stockholders which in many cases represent years of toil and waiting? In what way will this course serve to encourage investment? If a railroad, on a reasonable rate, earns a return of 7 per cent, why should it not keep it? Who is to judge the economies practiced, the efficiency developed, the excellence of the operation to bring about the result? Take away the incentive of gathering the fruits of one's labors and it will not be long until all the roads are "poor" with high expenses and operating results that will demand and continue to demand higher and higher rates.

I really do not see if private ownership is to continue why the road which secures its income under reasonable rates should not keep it. If not, the net result may be that the road which earns the revenue can not keep it, the man who pays the freight will not receive rates to which he is entitled and the law says he shall have, and the weak road which does not earn it will get the revenue. How this can encourage private investment or meet with the approval of the public, I can not see.

For these reasons, Mr. President, I think that section 15–A ought to be repealed, and I think that such action would mean more to the Intermountain States and to the other States and to the country at large than legislation of the character which is now proposed.

Mr. McLEAN. Mr. President, the pending measure has been discussed for several days, and I can not add anything to the able presentation of those who are opposed to it. The Senator from Maryland [Mr. BRUCE] presented an argument which, it seems to me, is unanswerable, and I heartily agree with everything that the Senator from Florida [Mr. FLETCHER] has said.

If I lived in one of the intermountain States, I should vote against this amendment, and I should vote against it because I believe conditions which would arise because of it would necessitate an increase in the existing rates to the intermountain sections of the country.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Utah?

Mr. McLEAN. I should like to finish one sentence.

Mr. KING. Does the Senator mean an increase in existing rates from coast to coast——

Mr. McLEAN. I mean just what I said.

Mr. KING. Or to intermediate points?

Mr. McLEAN. I mean to the intermountain section.

Mr. KING. But not from coast to coast?

Mr. McLEAN. That would depend upon circumstances.

Mr. President, this amendment is nothing more nor less than an attack, or at least a reflection, upon the integrity of the members of the Interstate Commerce Commission or their competency. The existing law is mandatory. All rates must be reasonable; they shall be compensatory, and they shall be nondiscriminatory. It so happens that Senators living in the intermountain section believe that existing rates are discriminatory. In other words, they are finding fault with the decision of the court. As I suggested a few moments ago when I interrupted the Senator from Florida [Mr. FLETCHER], the Interstate Commerce Commission have given serious consideration to this question, and 10 out of 11 of them are opposed to this amendment.

This situation arises frequently whenever an important matter goes to court and is tried. The unsuccessful party immediately finds fault, and in many instances he comes to the lawmaking body and wants the law amended. Precisely the same question is involved in this controversy as would be involved and has been involved many times in the interpretation of the antitrust act as to what constitutes restraint of trade.

The same question arose when we created the Federal Trade Commission and prohibited unfair competition. I remember that when we were debating that bill a good many Senators insisted that the expression "unfair competition" should be interpreted by the Congress; but every lawyer knows that when you lay down a general principle of law it is as far as you can safely go. If you undertake to establish a state of fact which will in every case violate the principle, you immediately find that it is impossible.

The Senator from Utah [Mr. KING], in his discussion of the question the other day, in his very opening sentence admitted that there were two sides to this question. The fact is, there are thousands of sides. Every time there is a question as to whether or not the rate is reasonable or discriminatory that question goes to the Interstate Commerce Commission. There are thousands of these cases that come to their attention, and it is for this court to say whether the rate is reasonable or not. It is for this tribunal to say whether it comes within the provisions of the law or not. I do not understand that any of the proponents of the measure find fault with the law, and yet they are urging Congress to set up a condition of fact under which no departure can be allowed, no matter whether that departure is compensatory or not. My opinion is that if they succeed in doing this they will be the first to suffer.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Utah?

Mr. McLEAN. Yes.

Mr. KING. I do not want to disturb the continuity of the Senator's splendid argument; but does the Senator think that the proponents of this measure are seeking to have rates adopted that are noncompensatory? We are complaining because the proposition is to haul freight from coast to coast, or from intermediate points between the Pacific and the Atlantic to the Pacific, at out-of-pocket cost, or perhaps less than cost, in order to compete with water rates. We want the railroads to have a compensatory rate from ocean to ocean, or from interior points to the ocean.

Mr. McLEAN. That is the law. That is precisely my point. The law is mandatory. Rates should be compensatory. If the Senator were in the railroad business, he would know that an out-of-pocket cost may in many instances be compensatory. If the operation of this law should deprive that road of freight which it otherwise would carry and thus diminish its net income, that would have to be made up by an increase in rates to the intermediate points. There is no question about that.

Mr. KING. Mr. President, may I suggest to the Senator, without concurring in the last observation, that with the facilities which the railroads now have and the facilities which they will be permitted to create in addition to those they now have in the next four or five years they will have more freight

from ocean to ocean than they can properly carry without the adoption of the policy for which the Senator is contending and against which we are inveighing.

Mr. McLEAN. On the contrary, it is my judgment that if this amendment passes, with the restrictions that are now placed upon the earnings of the carriers, it will be exceedingly difficult to secure the additional railroad facilities which the intermountain section need and which they will get if they will allow the transcontinental roads to add to their income every dollar that they can get in the long-distance haul.

Mr. GOODING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Idaho?

Mr. McLEAN. I yield to the Senator.

Mr. GOODING. Does the Senator think that his beautiful city of Bridgeport would have developed and grown if it had had discrimination in freight rates such as the transcontinental railroads are now asking against the interior of the West?

I want to say to the Senator that if you will let me fix the freight rates, I will destroy any town or any industry in America in one short year. The bats will be flying through your institutions; and what we are fighting for is that we shall not have discrimination against the interior and our institutions—nothing more. You have not any discriminations; you never had any; but you want to force them on the interior of the West and the interior of the Southern States.

Mr. McLEAN. The trouble with the Senator—and I have been trying to make it clear to the Senate—is that he insists that the Interstate Commerce Commission are violating the law; otherwise there would be no ground whatever for his position. The law says that the rates shall not be discriminatory. If there is discrimination, it is not the fault of the law; it is the fault of the court; and he is, as I have said is frequently the case when a man is unfortunate in losing his cause, finding fault with the court.

Mr. GOODING. When the court continually permits these violations in which there is a discrimination, then I ask to have the law amended so that it is absolute, so that they can not make that discrimination; that is all.

Mr. McLEAN. That is just the trouble. When you do that, conditions will arise in which you will regret the fact that you have undertaken to lay down a principle and then set up a condition of fact which shall violate that principle.

When we come to administer this law it must be interpreted by a judicial body which will inquire into the facts. Whenever Congress undertakes to do that in advance, to anticipate conditions of fact which may violate that principle, as I have said, it is utterly impossible.

Mr. GOODING. Mr. President, if the Senator will yield again——

The PRESIDING OFFICER. Does the Senator from Connecticut further yield to the Senator from Idaho?

Mr. McLEAN. I do.

Mr. GOODING. I will ask the Senator if he will accept discriminations against the cities in his State, or his institutions of any kind, even for as much as one penny a hundred, while in the West they are asking for discrimination that is equal to 48 cents a hundred?

Mr. McLEAN. Mr. President——

Mr. GOODING. Will the Senator answer that question? Will he accept discriminations as against his own people and his own State and his own institutions?

Mr. McLEAN. The trouble with the Senator from Idaho is that he argues himself out of court. He insists every time that there is a discrimination. If there is, it is unlawful and the fault is with the commission.

Mr. ADAMS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Colorado?

Mr. McLEAN. I do.

Mr. ADAMS. I desire to ask, really, two questions, if I may. One is as to whether or not these through rates which the railroads seek to put into effect are the character of rates which the Interstate Commerce Commission could compel the railroads to put into effect? In other words, my doubt is this: Are not those rates so low that if the railroads ordered to put them into effect by the Interstate Commerce Commission should object, the court would say that they do not return a reasonable income upon the investment? That is, I am really inquiring as to whether we are not permitting the railroads to establish a rate which the courts and the Interstate Commerce Commission could not compel to be established?

Mr. McLEAN. I think the assumption that the carriers of the country are philanthropists is a very violent assumption. My impression is that the railroads usually charge all that the traffic will bear, all that the Interstate Commerce Commission will approve; and I can not conceive that a transcontinental railroad would take freight from Chicago to the Pacific seaboard at a loss when the Interstate Commerce Commission will permit them to charge enough to return a profit.

Mr. ADAMS. Then if in fact the rates are compensatory, within the meaning of our Supreme Court decisions, the rates from the interior points must exceed that point. In other words, if you start your through train running from New York, and you carry it on to Denver, and at that point you put on an additional freight car, the situation is that you are charging more to carry a freight car from Denver to San Francisco than you are to carry the same freight car from New York through Denver to San Francisco, and that is the type of operation. Now, it may not be discrimination in the sense in which the term is used, but the suggestion that I have is that if that is a practice to which the Congress objects it is entirely proper that they should say to the Interstate Commerce Commission: "We object to that particular practice; we wish it stopped, regardless of whether it is technically a discrimination or not."

I am entirely willing to concede that the Interstate Commerce Commission has been acting entirely in good faith, has been correct in its interpretation. If Congress, the law making body, wishes to change the rule of law, it is entirely appropriate that they should do so. It appeals to those of us in the West that there should be an additional regulation to prevent what we call discriminations, though the Interstate Commerce Commission does not so designate them.

Mr. McLEAN. If I understand the Senator's point, I can answer it by calling his attention to the fact that there is a great variety of commodities. It might be desirable to ship to the Pacific seaboard a great many things which would not be wanted at the present time in Montana or Idaho or some other State. I can imagine that special machinery or many other articles that might be very desirable on the Pacific coast could not at the present time, and would not, be of any use in the intermountain section. Nevertheless, there might be an instance where somebody would want a very small order of a similar commodity, but 99 per cent of it might be entirely through freight.

If you prevent the carrier from putting his rate low enough to meet water competition, assuming, of course, that it must always remain compensatory, you deprive him of a certain portion of his income, which must be made up by increased charges upon transportation to the intermediate section. I can take no other view of it. That is the view that has been maintained with regard to this subject ever since the transportation act was passed, and it seems to me that it would be much better to let the law remain as it is, because my impression is, and I think the facts will show, that departures which cause any discrimination upon which any complaint can be well founded are exceedingly rare.

The Senator understands, as well as I do, that the railroad-rate structure is exceedingly intricate. It is a paramount problem. It is the result of years of growth, and the Senator himself says that he thinks the Interstate Commerce Commission is acting in good faith. The Senator from Idaho does not agree with him. He says they are deliberately discriminating and trying to ruin the intermountain country. I say the position of the Senator from Idaho is not tenable. The very life of railroads, as the Senator from Colorado knows, depends upon their building up their patronage at intermediate points.

So, I say, in many instances it might be wise to let this through freight from the East go to the coast at a lower rate.

Mr. ADAMS. If the Senator will recall, the other day one of the Senators in discussing the matter stated that the western Senators were complaining against God and against nature. Our situation is rather this, that as a part of the taxpayers of the Nation we helped to build the Panama Canal. We put the eastern seaboard 10,000 miles nearer the western seaboard than God and nature had put it. We were entirely willing to do that; but the point to which we object is that, we have put the eastern seaboard 10,000 miles nearer than it was by nature, now they wish, from the standpoint of railroad rates, to put the eastern seaboard nearer to the Pacific by land as well as by water; in other words, practically, from a rate standpoint, to set New York and the other eastern cities to the west of Kansas City and of Denver when they come to making up rates. That is, it seems to me, we have gone a long way to give a beneficial water-route rate, and it ought not to be inverted and applied to our disadvantage.

Prior to the construction of the Panama Canal we did not meet that problem. Then it was purely a question of compe-

tition between railroad points—that is, except the extreme traffic that went around the Horn.

Mr. McLEAN. Of course, the Senator knows that there is no economic distinction between competition furnished by water and that furnished by rail. The other day the Senator from South Carolina very entertainingly described the two great systems of transportation, one natural and the other artificial. My impression is that if there is anything natural about the land, the water is also natural, and if a mogul engine is artificial, I think a steamboat is artificial. The Senator from South Carolina elaborated his argument by calling our attention to the great Mississippi River. He called it "Nature's highway." I think that depends upon whether a man wants to swim or walk. If he has no boat—no artificial assistance—he will find that the natural highway which will be to his advantage will be the one that he can use with his legs.

The Senator will remember that years ago we created a Waterways Commission, and I think ex-Senator BURTON was chairman of that commission, one of the ablest men who ever occupied a seat in this Chamber. He gave years of study to this question, and my recollection is that he came to the conclusion that what the American people want is the cheapest and the most efficient method of transportation they can get, regardless of the fact that it might develop that the railroads could carry freight from New York to San Francisco cheaper than it could go by boat. The American people want the lowest rate they can get, and that is precisely what the railroads are giving them. But that rate must be compensatory, it must be nondiscriminatory, and if that law is complied with, no harm can result to the interior points.

Mr. ADAMS. May I make this one suggestion, and I will not interrupt the Senator further: I am thinking, in part, in terms not of transportation companies but in terms of the manufacturer and the man shipping the commodities. For instance, in the community in which I live we have a steel works manufacturing steel rails and other steel products, constituting heavy traffic upon the railroads. We are apparently confronted with the condition that under the present regulation of railroad rates steel rails may be shipped from the seaboard by rail through our community to the Pacific for substantially less than the rate at which we can ship them.

The quantity of the shipments does not vary between the two. Under the rates adopted by the railroads we have been put to a disadvantage which did not exist prior to the opening of the Panama Canal, so that we are wondering how we are to receive the benefits the Senator thinks will be secured by permitting this lower-than-cost rate on the long haul and the more than compensatory rate for the short haul.

Mr. McLEAN. If they can not fix a rate that will compete with the water competition they lose so much business, and that loss of revenue must be made up by raising the rate to intermediate points. I can not see any other conclusion.

Mr. ADAMS. Our situation is this, that under normal rates we can compete from our State to the Pacific coast. They prevent us from competing by substantially raising our rates in order that the man who has 2,000 miles farther to go may compete. That is the thing of which we are complaining.

Mr. McLEAN. Mr. President, I did not intend to occupy the time of the Senate five minutes in discussing this question. Years ago, when it was under discussion, I took pains to investigate it with some care.

Mr. WALSH of Montana. Mr. President, the statement made by the Senator in opening his remarks challenged my attention, namely, that were he a resident of one of the intermountain States he would take the position he does. I merely want to inquire of the Senator whether he recalls any Senator from the intermountain section of the country, in the course of his service in this body, who ever took that position?

Mr. McLEAN. I think there are a good many influences out there——

Mr. WALSH of Montana. What is that?

Mr. McLEAN. I think there are a great many important issues in the intermountain States that are pending all the time, and, as the Senator from Utah said, we are influenced largely by our environment, and properly so. I do not question the good faith of the Senators who represent those States, but if I lived in one of those States I should disagree with them on this question.

Mr. WALSH of Montana. I am simply asking the Senator whether he knows of any Senator from that part of the country who ever did take that position?

Mr. McLEAN. No.

Mr. WALSH of Montana. Does the Senator know of any public man from that section of the country who ever took that position, whether he was in the Senate or out of the Senate?

Mr. McLEAN. I was about to call the attention of the Senate to the views of Professor Johnson on this subject.

Mr. WALSH of Montana. From where?

Mr. McLEAN. Professor Johnson is——

Mr. WALSH of Montana. Of Philadelphia?

Mr. McLEAN. Professor of transportation and commerce in the University of Pennsylvania.

Mr. WALSH of Montana. I was inquiring of the Senator about the public men who speak the views of the people of that section.

Mr. McLEAN. I say to the Senator from Montana that he will not find in this country—I have not been able to find—the opinion of an unprejudiced, impartial student of the subject who does not agree with me.

Mr. WALSH of Montana. Of course, the Senator will make his own case, but I was endeavoring to bring out, if I could, the attitude of the people of that part of the country who have studied the question with reference to their own individual interest. I take it that the Senator does not know of anyone, or he would have made it clear. Then I want to inquire of the Senator, under those circumstances, what conclusion we must arrive at—that those people out there do not know their own business, do not know their own interests.

Mr. McLEAN. I will say to the Senator that with regard to most of these important questions, as far as I am concerned, I always try to ascertain the views of men who are not candidates for the United States Senate; men who are interested solely in ascertaining the soundness or the unsoundness of the question at issue.

I have a great many times in my own experience had very strong prejudices. As I said the other day, when this question was up in the Connecticut Legislature 40 years ago, I was enthusiastically in favor of it, but we tried it, and it did not work as we expected.

Mr. WALSH of Montana. The long-and-short-haul proposition?

Mr. McLEAN. Yes. It did not work as we expected. For that reason and fortified as I am by the almost unanimous opinion of the Interstate Commerce Commission and by the writers upon the subject who have no interest to serve except the integrity of their views, I can not vote for the bill. I am not criticizing any Senator who disagrees with me. It is my way generally, when I have one of these important questions before me, to find out what the experts think about it.

Mr. WALSH of Montana. I understand perfectly well the Senator's views on the subject. For 30 years this matter has been a subject of debate all through our section of the country. Up to the present time, so far as my present information goes, no public man has ever taken any other position upon the question——

Mr. McLEAN. Mr. President——

Mr. WALSH of Montana. I mean from that part of the country—and yet, the Senator tells us if he lived in that section of the country he would take a different view.

Mr. McLEAN. Yes; and I repeat the statement. It is true the attempt has been made again and again to repeal the departure provision in the fourth section of the interstate commerce act, but up to date, for some reason, Congress has declined to accept the views of the gentlemen who come from the intermountain section. My opinion is that the reason why Congress has declined to accede to those views is because they would prove to be disappointing if they were ever enacted into law. My impression that the enactment of this bill—I expect the bill will pass—is largely due to its continual coming, and so forth. If gentlemen in the West want the experience, let them have it. Some people learn from the experience of others. Some people learn from their own experience. I have always tried, as far as I could, to take advantage of the experience of others.

I want to quote from Mr. Johnson's work on "American Railway Transportation" an opinion which seems to me to be sound:

> Section 4 of the statute makes it "unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers or of like kinds of property, under substantially similar circumstances and conditions, for a shorter than for a longer distance over the same line in the same direction, the shorter being included within the longer distance." This "long-and-short-haul clause" of the act was inserted in the law because of the prominence in this country of the particular form of discrimination against which it was directed. The large volume of long-distance traffic competed for by rival railroads brought about such reductions in the charges for through traffic as to make the local rates for shorter distances much higher than those on competitive

business. There was much difference of opinion regarding the advisability of including this section in the law. The House of Representatives favored its inclusion in the law and its enforcement under all circumstances, but the Senate foresaw that unless the provisions of the law were made less rigid, carriers might frequently lose their traffic at competitive points and be obliged because of the law to depend even more largely for their income upon the receipts from the local traffic. The enforcement of a long-and-short-haul clause under these conditions would injure both the local shipper and the carrier. For this reason the Interstate Commerce Commission established by the act was given power to suspend the operation of section 4 for certain carriers in special cases after an investigation of the conditions of competition. The commission has exercised this power in several instances.

The Interstate Commerce Commission submitted to the Committee on Interstate Commerce a communication in relation to this bill. It seems to me that the views of the commission are well founded, but they cover many pages, and I realize that reading them would have no effect upon the vote which is about to be taken. The question is more or less complicated, as is the bill, but in view of the fact that the bill must go to the House and meet with the approval of the Interstate Commerce Committee of the House, I ask to have the statement printed in the RECORD without reading.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The statement is as follows:

INTERSTATE COMMERCE COMMISSION,
Washington, March 19, 1924.

Hon. ELLISON D. SMITH,
Chairman Committee on Interstate Commerce,
United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: Pursuant to your request the Interstate Commerce Commission has considered S. 2327, a bill to amend section 4 of the interstate commerce act, on which hearings have been held recently by your committee, and now transmits its following report thereon. The references in this report are to the printed text of that bill as introduced by Senator GOODING in the Senate on February 1, 1924, and for convenience a print of that bill is attached on which the changes thereby proposed from the text of the present law are indicated in red ink.

These changes will be discussed in their order.

Sheet 1, line 8: The bill inserts the word "a" before "like kind of property." This perhaps is through inadvertence No need appears for the insertion.

Sheet 2, lines 4, 5, and 6: The bill proposes to substitute the words—

> "*Provided*, That upon application to the commission a common carrier by rail may, after public hearing, be authorized by the commission to charge less for"—

In place of the words in the existing act reading—

> "*Provided*, That upon application to the commission such common carrier may in special cases, after investigation, be authorized by the commission to charge less for"—

The word "such" in the existing law refers back to the words "any common carrier subject to the provisions of this act" (sheet 1, lines 5 and 6) and the words "any common carrier within the terms of this act" (sheet 2, line 3). The original act to regulate commerce of February 4, 1887, provided in its first section that its provisions should apply to—

> "any common carrier or carriers engaged in the transportation of passengers or property wholly by railroad, or partly by railroad and partly by water when both are used, under a common control, management, or arrangement for a continuous carriage or shipment from one State or Territory of the United States, or the District of Columbia, to any other State or Territory of the United States." * * *

The amendments made to section 4 in 1910 to 1920 have retained the original words "such common carrier," thus referring to common carriers partly by railroad and partly by water when both are used under a common control, management, or arrangement for a continuous carriage or shipment, as well as common carriers wholly by railroad. The scope of the words "such common carrier," in the existing fourth section, was enlarged by the inclusion in section 1 under the Hepburn Act of June 29, 1906, of pipe lines, express companies, and sleeping-car companies, as carriers subject to the provisions of the act.

It follows that the effect of the proposed substitution on sheet 2, line 5, of the words "a common carrier by rail" in place of the words "such common carrier" now in the law, is to exclude from the operation of the proviso carriers of passengers or property partly by railroad and partly by water when both are used under a common control, management, or arrangement for a continuous carriage or shipment, a type of carrier which has always been subject to the proviso, and to also exclude pipe lines, express companies, and sleeping car companies, which have been subject to the proviso since June 29, 1906. These other types of carriers will, if this bill is enacted, remain subject to the prohibition which precedes this proviso making it unlawful for them to charge or receive any greater compensation in the aggregate for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through rate than the aggregate of the intermediate rates subject to the provisions of the act, but all carriers except common carriers by rail will be excluded from any relief under the proviso. In other words, as to all common carriers except common carriers by rail the prohibition of the fourth section will become inflexible and absolute.

The warrant for so fundamental a change in what has been for 37 years the policy of Congress as declared in the fourth section is not apparent. The hardship which it will work in case of the so-called differential water and rail lines which are so much used by New England, to use but one illustration, is obvious. Another illustration will be found in the similar water and rail routes from New York and other North Atlantic ports to Baltimore or South Atlantic ports and thence by rail to interior destinations. Still another illustration is the ocean and rail route of the Southern Pacific, New York to Galveston, ocean, Galveston to San Francisco, rail.

Pipe lines and sleeping-car companies have not sought or obtained fourth-section relief. Express companies have, and since the zone and block system of making express rates was prescribed by the commission express companies are more than ever in need of such relief, since the express rate from one block or subblock to another is the same by whatever route moved, and one or more out of several routes from the same origin to the same destination may be so located that a train carrying the express matter will move through a higher-rated block or subblock on its way to the common destination. Over these rail routes the express company has no control. It did not locate them, does not maintain them, and could only obviate such seeming fourth-section departures by restricting the routing of express matter to a rail line so located as not to pass through any higher-rated block or subblock.

Indeed, there are many instances where no route would be available unless either the rates should be reduced at intermediate points below the block basis or, at the more distant point, increased to a basis higher than that prescribed by us, for in many instances the only routes reaching certain points pass through higher-rated blocks in reaching lower-rated blocks. The direct route might have only 1 passenger train a day each way and the circuitous route 5 or 10 passenger trains each way daily. The conveniences for handling express matter in the passenger stations at origin or destination of the circuitous route might greatly exceed corresponding facilities by the direct route. The rigidity of the rule which will become operative under this bill would deprive shippers of conveniences in expedited service, to which they are accustomed and of which they should not be deprived, and, indeed, might make it necessary to largely discard the block system of express rates throughout the country, a system devised only after long and painstaking investigation by us, generally adopted by State commissions, and proven by experience to be highly satisfactory to shippers as well as to the express companies. As the act now reads, express companies are subject to the fourth section, and under the bill they will be denied any relief from the prohibition of that section, including existing relief after six months following the passage of this bill.

The words "in special cases," which are omitted by the bill, have been in the act since its original enactment.

The reason for this change does not appear.

The substitution of "public hearing" for "investigation" will carry with it consequences which can hardly have been foreseen in the drafting of this bill.

Neither section 4 nor any other section of the original act or of any supplemental act has made the holding of a public hearing a prerequisite of the exercise by the commission of the powers and duties conferred upon it in the administration of section 4.

The commission has never denied a hearing on a fourth-section application when hearing was sought by any party interested. During the six months' period expiring February 17, 1911, over 5,000 applications for fourth-section relief were filed with the commission. These covered practically every mile of rail in the United States and embraced transportation of passengers as well as property. The departures covered by such applications were by the 1910 amendment of the fourth section protected by this proviso:

> "*Provided further*, That no rates or charges lawfully existing at the time of the passage of this amendatory act shall be required to be changed by reason of the provisions in this section prior to the expiration of six months after the passage of this act, nor in any case where application shall have been filed before the commission in accordance with the provisions of this section until a determination of such application by the commission."

The applications for relief as to passenger service were promptly disposed of, most of them within one year. It has long been our custom to set down portions of original fourth-section applications for hearing in connection with cases on complaint as well as in all cases where violation of the fourth section was expressly alleged by the complainants. In decision of these cases it is believed that, ex-

cept in southern territory, most of the hurtful departures from the rule of the fourth section have been disposed of in one way or another. In the excepted territory all the remaining applications as to class rates have been heard and are soon to be decided. For more than 13 years rates reflecting such departures have been subject to attack by anyone believing himself to be injured thereby.

The original applications only covered the rates then existing. Any change in those rates necessitated further application and the granting or denial by the commission of the relief sought in respect of such change. So also change in packing requirements, such as the use of paper board cartons where wooden containers had previously been designated in the tariffs or the use of sacks instead of barrels as containers for flour. In brief, any change in the description or the rate covered by the original application necessitated fresh application for relief, but the making of such new application did not and does not protect the departure. There has thus grown up a usage of according without hearing what is termed temporary relief in situations analogous and closely allied to those covered by the original applications, this relief to continue until the original application, or that portion of it to which the new application is allied, should be ultimately disposed of in one way or another.

The rate adjustment in this country is not and never has been static. To have arrested all change in rate or description or charge for services incidental or accessorial to transportation service until hearing could be had on the formal docket and reports and orders could be made based on the record in such hearings would have been of immeasurable detriment to the producers and shippers throughout the United States, and would have restricted and obstructed that free flow of commerce which it was the object of the act to promote. Moreover, the requirement of hearing as a prerequisite would have delayed our according fourth-section relief in so far as necessary to comply with our decisions in the Five Per Cent case and the Fifteen Per Cent case, with general order No. 28 of the Director General of Railroads, and with our decisions in Increased Rates, 1920, and Reduced Rates, 1922, and would have further postponed the general readjustment of rates authorized or required in these cases, to say nothing of the reduction of rates on farm and ranch products in the West which became effective January 1, 1922, or the compliance with our order in rates on grain, grain products, and hay or with our decision that rates on long hauls of livestock in the West should be reduced, but not below 50 cents per 100 pounds.

No permanent relief has ever been granted by us upon the original application except after hearing, for the reason that those applications did not so fully supply the needed information as subsequent applications have done under our more specific detailed requirements. During the first 10 months of 1923 hearings were had on 209 original applications. There were only 31 appearances by persons other than carriers, only 8 witnesses appeared on behalf of shipping interests or localities, and of these only 2 opposed the relief. In considering applications filed since February 17, 1911, permanent relief has generally been granted or denied without a hearing where circuitous lines seek authority to meet short-line competition and all the facts as to the degree of circuity, the rates involved, and other essential matters were presented in or with the application. To require a hearing on each of these applications would greatly delay their disposition, as well as interfere with other matters requiring our attention. Most of such applications can now be disposed of in a few days, whereas if hearings were required much time must elapse before final action could be taken on them. In addition, the expense to the commission and to the interested carriers would be materially increased, and it has been our experience that little or no interest is taken in such hearings by anyone except the applicant. In orders granting relief the following clause is always inserted:

> "The commission does not hereby approve any rates that may be filed under this authority, all such rates being subject to complaint, investigation, and correction if in conflict with any provision of the act."

As illustrative of our consistent interpretation of our duty under the statute "to investigate in such manner and by such means" as we shall deem proper, attention is invited to fourth-section circular No. 6, issued by division 2 under date of October 27, 1922, a copy of which is hereto attached marked "Appendix A."

It may be added that no fourth-section relief has ever been granted in respect to transcontinental rates, and the rate relation of intermountain points to Pacific coast terminals, except upon hearing.

In brief, the commission has exercised and, if the act be left unchanged in this particular, will continue to exercise its judgment in such way as to discharge its duty under section 13 to "investigate the matters complained of in such manner and by such means as it shall deem proper" and appropriate to the case before it.

The rigid and inflexible requirement of a public hearing in every case before relief can be granted, in our opinion, is not in the public interest.

Sheet 2, lines 8–11. The bill proposes to strike out from the existing act the words—

> "and the commission may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section"—

And to substitute therefor the words—

> "only in a case where the route via the applicant rail carrier or rail carriers is longer than via the route of some other rail carrier or rail carriers between the same points."

The words thus omitted were the subject of consideration in the Intermountain cases (21 I. C. C. 329 and 21 I. C. C. 400). In the former of these cases the commission, speaking through Commissioner Lane, said, among other things:

> "If now we have apprehended aright the intent of Congress there comes before us upon an application for permission to deviate from the prohibitive clause of the fourth section the inclusive question whether by such deviation any provision of the act will be violated, and the burden rests upon the carrier to satisfy our minds that no such result would be effected by the granting of such permission—that no injustice will be done to the intermediate point with relation to the more distant point, * * * and when Congress says that this commission 'may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section,' it means to lodge with this body, if it means anything at all, the power to pass in judgment upon the effect of a railroad policy which departs from the intendment of the law. A community is entitled to something more than a reasonable rate; it is entitled to a nondiscriminatory rate. A carrier may not say, 'We will give to this community a reasonable rate' and meet the full requirement of the law. It must view its rates as a whole and see to it that they effect no advantage or preference to one community over another which does not arise necessarily out of the transportation advantages which the one has over the other."

Based on these and other considerations the commission found that the transcontinental carriers serving Reno and other main-line points on the Central Pacific should make no higher charge upon any article carrying a commodity rate than was contemporaneously in effect from Missouri River points, such as Omaha and Kansas City, to coast terminal points; that traffic originating at Chicago and in Chicago territory moving under commodity rates might have a rate 7 per cent higher to Reno, etc., than to the coast terminals; that from Buffalo-Pittsburgh territory the rates to intermediate points might exceed those to the coast terminals by 15 per cent, and from New York and trunk-line territory by 25 per cent. In the other case, brought by the city of Spokane et al., the report was written by Commissioner Prouty, and similar conclusions were reached. The following is quoted from the headnote:

> "6. In determining whether the carrier shall be permitted to make the higher intermediate charge the commission can not act arbitrarily, but must apply the principles which control it in the administration of the other portions of the act. It must inquire whether the maintenance of the higher intermediate rate will result in unreasonable charges or unjust discriminations. If so, the permission must be refused; otherwise it must be granted.
>
> "7. The commission may prescribe in any way that is definite and certain the extent to which the intermediate rate may exceed the long-distance rate in cases where this is necessary to prevent unreasonable rates or unjust discriminations."

These cases were both decided June 22, 1911, after full hearings held in Washington.

In our twenty-fifth annual report to the Congress, being for the year 1911, beginning at page 27, we developed at some length the situation leading up to our fourth-section transcontinental orders in these two cases, reported that these orders had been enjoined by the Commerce Court, and explained the difference in the views of that court and of the commission. Thus, at page 31 we said:

> "It is our duty to inquire with respect to each application whether, if the carrier is allowed to make the higher charge at the intermediate point, it will result in rates which are unreasonable or unduly discriminatory.
>
> "The section also authorizes the commission to prescribe the extent to which the carrier may be relieved from the rule of the section. We understand this to mean that if the commission reaches the conclusion that some higher charge might properly be imposed at the intermediate point, but that the present discrimination is too great, then it may fix the extent to which the rate at the short-distance point may exceed that at the long-distance point.
>
> "The Commerce Court agrees that it is the duty of the commission to examine each application, but only, apparently, for the purpose of ascertaining whether there are competitive conditions at the more distant point which do not exist at the intermediate point. If such conditions exist, then it is the duty of the

commission to permit the charging of the lower rate at the more distant point, without reference to the intermediate rate, except in so far as that rate may be found to be unreasonable in and of itself.

"In the opinion of the Commerce Court, if we find competitive conditions at the more distant point which do not obtain at the intermediate point we must grant relief, and can only inquire whether the intermediate rate is reasonable. In the opinion of the commission we must go further, and must inquire, not only whether competitive conditions do exist at the more distant point, but also whether those conditions justify the discrimination against the intermediate point evidenced by the rates in force. If we find that those competitive conditions do exist, but do not justify a discrimination of the degree now in force, then it is our duty to prescribe the extent to which the discrimination may go, if at all.

In 1914 the Supreme Court reversed the decrees of the Commerce Court and sustained the validity of the commission's orders from a fourfold viewpoint, namely, (1) meaning of section 4 as amended, (2) its constitutionality, (3) the jurisdiction of the court, and (4) the validity of our orders in the light of the statute as interpreted. These decisions are reported in United States et al. v. Atchison, Topeka & Santa Fe Railway Co. et al. (234 U. S. 476), and United States et al. v. Union Pacific Railroad Co. et al. (234 U. S. 495), opinion by Mr. Chief Justice White, the court stating the carriers' objections to the validity of our orders and answering them in this language:

* * * "The main insistence is that there was no power after recognizing the existence of competition and the right to charge a lesser rate to the competitive point than to intermediate points to do more than fix a reasonable rate to the intermediate points; that is to say, that under the power transferred to it by the section as amended the commission was limited to ascertaining the existence of competition and to authorizing the carrier to meet it without any authority to do more than exercise its general powers concerning the reasonableness of rates at all points. But this proposition is directly in conflict with the statute as we have construed it and with the plain purpose and intent manifested by its enactment. * * * As the prime object of the transfer was to vest the commission within the scope of the discretion imposed and subject in the nature of things to the limitations arising from the character of the duty exacted and flowing from the other provisions of the act with authority to consider competitive conditions and their relation to persons and places, necessarily there went with the power the right to do that by which alone it could be exerted, and therefore a consideration of the one and the other and the establishment of the basis by percentages was within the power granted."

It thus appears that the bill proposes to wipe out of the statute provisions which have been sustained by the Supreme Court as not only constitutional but within the powers delegated to this commission, in harmony with the other provisions of the act, and apt for the purpose of carrying that act into effect. It does not appear why it is thought to be in the public interest that power be withdrawn from the commission to prescribe the extent of relief from operation of the section or to do so from time to time as occasion arises under the existing provisions of the law.

Under fourth-section applications and after investigation relief heretofore has been granted carriers in appropriate cases, within the following general situations, to charge lower rates for longer than for shorter distances over the same line or route in the same direction, the shorter being included within the longer distance:

(1) Where a circuitous line or route is in competition with a shorter line or route.

(2) Where rail lines are in competition with water carriers. For example, relief has been granted the rail line operating between San Francisco, Calif., and Portland, Oreg., points between which there is actual water competition, to charge lower rates than those maintained to and from intermediate points north of San Francisco.

(3) To meet commercial or market competition, as where a carrier serving a section whose products are in competition with those of other sections desires to establish rates to a common market which will enable producers on its line to compete in that market with producers in the other sections. Relief in these cases is granted only where the line or route seeking relief is at a substantial disadvantage as compared with the lines or routes serving competitive points or sections of production.

The adequacy of market competition to support fourth-section relief under the amendment of 1910 has been recognized by the Supreme Court.

In United States v. A. T. & S. F. Ry. Co. et al., 234 U. S. 476, Mr. Chief Justice White said, among other things:

"Almost immediately after the adoption of the act to regulate commerce in 1887 * * * the Interstate Commerce Commission, in considering the meaning of the law and the scope of the duties imposed on the commission in enforcing it, reached the conclusion * * * that competition which materially affected the rate of carriage to a particular point was a dissimilar circumstance and condition within the meaning of the act. * * * In considering the act comprehensively it was pointed out that the generic provisions against preference and discrimination expressed in the second and third sections of the act were all embracing and were therefore operative upon the fourth section as well as upon all other provisions of the act. But it was pointed out that where within the purview of the fourth section it had lawfully resulted that the lesser rate was charged for a longer than was exacted for a shorter haul such exaction being authorized could not be a preference or discrimination and therefore illegal.

* * * "These comprehensive views announced at the inception as a matter of administrative construction were subsequently sustained by many decisions of this court, and to the leading of such cases we refer in the margin. We observe, moreover, that in addition it came to be settled that where competitive conditions authorized carriers to lower their rates to a particular place the right to meet the competition by lowering rates to such place was not confined to shipments made from the point of origin of the competition, but empowered all carriers in the interest of freedom of commerce and to afford enlarged opportunity to shippers to accept, if they chose to do so, shipments to such competitive points at lower rates than their general tariff rates: A right which came aptly to be described as 'market competition' because the practice served to enlarge markets and develop the freedom of traffic and intercourse. * * * As the statute as thus construed imposed no obligation to carry to the competitive point at a rate which was less than a reasonable one, it is obvious that the statute regarded the rights of private ownership and sought to impose no duty conflicting therewith. It is also equally clear that * * * the statute lodged in the carrier the right to exercise a primary judgment concerning a matter of public concern broader than the mere question of the duty of a carrier to carry for a reasonable rate on the one hand and of the right of the shipper on the other to compel carriage at such rate, since the power of primary judgment which the statute conferred concerned in a broad sense the general public interest with reference to both persons and places, considerations all of which therefore in their ultimate aspects came within the competency of legislative regulations. It was apparent that the power thus conferred was primary, not absolute, since its exertion by the carrier was made by the statute the subject both of administrative control and ultimate judicial review. * * *

"With the light afforded by the statements just made we come to consider the amendment (of 1910). * * * From the failure to insert any word in the amendment tending to exclude the operation of competition as adequate under proper circumstances to justify the awarding of relief from the long-and-short-haul clause and there being nothing which minimizes or changes the application of the preference and discrimination clauses of the second and third sections, it follows that in substance the amendment intrinsically states no new rule or principle, but simply shifts the powers conferred by the section as it originally stood; that is, it takes from the carriers the deposit of public power previously lodged in them and vests it in the commission as a primary instead of a reviewing function."

(4) To carriers in poor financial condition whose cost of operation due to conditions over which they have no control are unusually high, to meet the competition of stronger lines whose traffic, operating, and financial conditions are more favorable and who, therefore, are able to maintain a lower basis of rates. For example, the Tennessee Central Railroad runs through a sparsely settled and mountainous territory. Its costs of operation are unusually high on account of these conditions, and it has been granted relief to maintain the same rates to and from Nashville, Tenn., as the stronger line of the Louisville & Nashville Railroad, although such rates are lower than the rates charged at intermediate points.

It is hard enough at best for such carriers to continue in operation at all. If fourth-section relief can be granted to enable them to meet the rates of standard lines between competitive points and maintain higher rates to and from points on their own lines, they will lose such competitive traffic as they now have, and many of them will no doubt be forced to suspend operation, with consequent great loss to towns and farming communities served by them.

The case of the Tennessee Central is not an isolated case. Others like it exist in almost every State in the Union, particularly throughout the South, as, for instance, the Georgia, Florida & Alabama, the Gulf & Ship Island, the Kansas City, Mexico & Orient, and the Missouri & North Arkansas. In all probability the two lines last named would not be in operation now if we had not been able to grant them fourth-section relief, so that they might obtain traffic to competitive points without reducing rates to and from points on their own lines. Both of these roads serve extensive agricultural regions and many important communities.

Dozens of similar instances might be cited. In many States the State authorities, recognizing the situation, have permitted such lines to charge higher intrastate rates to their local stations than to competitive points. The results to many short lines in various sections of the country will probably be disastrous if they are prohibited from applying higher rates to intermediate points than to more distant points except where their routes are circuitous.

(5) To carriers operating under disadvantage due to conditions other than circuity, as for example, where carriers forming a joint route are in competition with a carrier having a single-line haul between competitive points. In such cases there is frequently an extra expense incurred by the joint-line route in transferring traffic from one to another which is not incurred by a single-line route and the joint-line route has been granted relief on account of this condition. Thus, in Memphis-Southwestern investigation, 77 I. C. C. 473, distance rates were prescribed for general application in southern Missouri, Arkansas, and western Louisiana over single lines with differentials to be added where joint-line hauls were involved.

In many instances the rate over the single line between competitive points is less than the rate established over the joint line for its distance with a joint line differential added. In such cases the joint lines have been accorded relief to meet the rates of a single line and to maintain higher rates at intermediate points provided that such rates do not exceed rates based on the distance mileage scale plus the joint line differentials found to be reasonable.

There may also be included in this group certain differential rail and water routes in competition with all-rail routes which make rates between competitive points somewhat lower than those established by the all-rail lines.

(6) To meet emergency situations due to drought, flood, and other abnormal conditions. For example, during the summer and fall of 1922, there was a serious drought in New Mexico and other southwestern States which resulted in such a widespread destruction of the crops that livestock in that section was threatened with starvation. The carriers agreed to establish rates on food products shipped into these States on a basis generally not in excess of 50 per cent of the normal rates provided that they were not required to reduce their normal rates to intermediate points unaffected by the drought conditions. Upon application relief to establish the reduced rates under the conditions mentioned was granted for a temporary period.

Similar relief has also been granted temporarily to relieve congestion. For example, during the fall and winter of 1922–23 a serious condition of this kind existed on the lines of many of the eastern carriers and in New England, and there was delay and difficulty in handling traffic over these routes. One of the commodities especially affected by this condition was cotton, large quantities of which were on hand at some of the larger southern points. This was badly needed in New England but could not be handled by the all-rail lines without much delay and over some routes could not be handled at all. At this time there were several hundred thousand bales of cotton at Memphis, Tenn., which merchants at that point were anxious to dispose of and mills in New England to secure, but which the all-rail lines were unable to handle with any degree of certainty or regularity. Upon application of the interested carriers the necessary fourth-section relief was granted to permit movement through the port of New Orleans and thus relieve the emergency. The cotton was promptly forwarded to the New England mills.

(7) Applications are now pending before us for relief from the fourth section to permit carriers to meet port competition. Temporary relief has been granted pending the hearings and determination of such applications. The carriers operating between central freight association territory and the south Atlantic and Gulf ports now have in effect rates applicable on export traffic from central territory to the south Atlantic and Gulf ports established to equalize those in effect on like traffic from the same territory to New York. Similar rates are in effect from south Atlantic and Gulf ports to central territory applicable on import traffic. Many of these rates were established during the period of Federal control, and the carriers serving the south Atlantic and Gulf ports are asking for relief to continue them in order that the southern ports may be kept on a parity with the north Atlantic ports. The rates from the northern and eastern portions of central territory to New York are lower than the rates from points on the Ohio River to New York. The application of the New York rates from points in this territory on export traffic to southern ports therefore results in lower rates from northern and eastern points in central territory, such as Cleveland, Ohio, than from Ohio River cities, such as Cincinnati, and routes from Cleveland to southern ports are operated through Cincinnati, the higher-rated point.

Prohibition of relief to enable south Atlantic and Gulf ports to meet competition of north Atlantic ports will, no doubt, seriously hamper the former and lessen their export and import traffic. If the bill is to be enacted, we think that an additional proviso substantially to the following effect should be inserted at an appropriate place, as, for instance, on sheet 2, after the word "points," in line 21:

> "*Provided further*, That upon application to the commission common carriers subject to the provisions of this act may in special cases, after investigation, be authorized by the commission to charge less for longer than for shorter distances over the same line or route in the same direction, the shorter being included within the longer distance, for the transportation of passengers or property moving to or from a foreign country or a dependency of the United States."

Except in certain cases of emergency referred to hereafter the elimination from the existing act of the words:

> "And the commission may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section"—

And the substitution therefor of the words—

> "only in a case where the route via the applicant rail carrier or rail carriers is longer than via the route of some other rail carrier or rail carriers between the same points"—

would confine the granting of relief to one case, and one case only; that is, where the route via the applicant rail carrier or rail carriers is longer than via the route of some other rail carrier or carriers between the same points. So far as this provision goes, no relief can be granted except to rail carriers competing between the same points and then only on the ground of circuity.

Distance is but one of the transportation obstacles which must be overcome in serving the public. Relief is confined here to a consideration of distance by rail between the same points. It seems to be assumed that the applicant rail carrier or carriers will have only one route, and that some other rail carrier or rail carriers will have only another route. The applicant rail carrier or rail carriers may have several of these routes and participate in many of them under an agency tariff. Some of these routes may be longer and others shorter than some of the other routes. The provision here substituted in the bill gives us no clear guide as to how to deal with applications in case of such multiplicity of routes, except upon the basis of distances alone, and does not indicate as to whether we may grant such relief to a single carrier which has alternative routes of varying distances.

It has long been a general practice throughout the United States to establish rates on a group or zone system; that is to say, by making the same rate or rates from and to all points within a certain group or zone, which usually apply over all routes. This is the system which is now employed in publishing rates between eastern points and the Pacific coast. The territory lying generally east of the Rocky Mountains is divided into a number of large groups, and the rates from all points in each of such groups are generally the same to all points in California.

A similar plan is followed in publishing rates between points in central territory and points in trunk-line and New England territory. This method of stating rates is simple and convenient, and in some cases is of great advantage to the public at large where it is desirable to maintain the producers of the same territory on a substantial equality in marketing their products. Thus mines in coal fields covering a considerable area and served by different lines, or shipping points in a lumber or wheat producing section, also served by different lines, are accorded the same rate to a common consuming territory. This is true of large industrial centers, such as Chicago, Pittsburgh, St. Louis, and others, which in many cases are grouped with the territory immediately surrounding them for rate-making purposes. Often the rates to and from points within the sweep of a long radius from these centers are the same, generally speaking, over all routes. Many of these groups can not be maintained without fourth-section relief.

This bill disregards the commercial and industrial conditions which have led to the establishment of these groups. It makes circuity or distance by rail lines the sole ground upon which relief may be granted from the absolute provisions of the fourth section, and then only upon condition that the relief shall not apply at "intermediate points as to which the haul of the petitioning line or route is not longer than that of the direct line or route between the competitive points." Under this bill it will be impossible to maintain many of these groups and at the same time preserve the equality of rates over all reasonable routes which now prevails. There can be no doubt that the general practice of extending the blanket rate to and from all points in a given group, as in the case of Chicago, has been instrumental in spreading the zone of industrial and commercial activity in these groups. It is also undoubtedly the truth that if these groups are required to be split up and rates made solely with relation to distance there will result a greater centralization of industries at points having the most favorable location. If the effect of splitting up these groups and making rates solely with relation to distance is a greater concentration of industry at points having the most favorable location, this will add to the congestion at these points, which already is a matter of serious concern.

In practice the effect of denying relief under the fourth section is often to transfer the discrimination or prejudice to the intermediate

territory. For example, for years carriers have maintained lower rates from Chicago, St. Louis, and other northern points to Texas Gulf ports than to intermediate points in northern Texas and in Oklahoma and Arkansas in order to meet the competition of traffic coming by rail and water from North Atlantic States. Assume a rate of 50 cents from Chicago to Galveston when the rate to Oklahoma City is 55 cents and to Dallas 60 cents. If relief is denied, the carriers will be forced either to cease meeting the rail and water competition at Galveston or to reduce rates on the direct lines from Chicago to a basis not exceeding 50 cents. If the latter, a 50-cent rate will apply at points in Oklahoma and north Texas on direct lines from Chicago, but probably the carriers would not reduce the rates below the present basis to points not on direct lines. Dallas and Fort Worth, on the direct line, would obtain a 50-cent rate. Wichita Falls, Tex., in close proximity to both, is not on any direct line from Chicago and would continue to pay 60 cents. Similar situations are likely to exist in numerous parts of the country, with lower rates projected through territories on direct lines leading to other territories beyond, thus creating even worse prejudice and discrimination between contiguous points than would result from fourth-section departures.

As already observed, carriers by rail and water and express companies are entirely excluded from this provision. The competition encountered at destination from all-water routes, as, for example, through the Panama Canal, and market competition, which has been recognized by the Supreme Court in the cases above cited as a valid ground for relief, are also excluded.

Sheet 2, line 15: The bill omits the words "because of such circuity," which appear in the existing law before the words "granted authority," etc., manifestly for the reason that under the bill no relief could be granted except because of circuity.

Sheet 2, line 16: The bill inserts "rail" before "line" and "rail" before "route" in the words of the statute now reading "a more direct line or route." This is to accord with the restriction to rail lines already noted, as created by the bill.

Sheet 2, line 21: The bill omits the following words, which form part of the existing act:

> "and no such authorization shall be granted on account of merely potential water competition not actually in existence: *And provided further*, That rates, fares, or charges existing at the time of the passage of this amendatory act by virtue of orders of the commission or as to which application has theretofore been filed with the commission and not yet acted upon shall not be required to be changed by reason of the provisions of this section until the further order of or a determination by the commission."

The words so omitted were inserted by the amendment of 1920, and the provision as to merely potential water competition put in statutory form what had become the practice of the commission in dealing with the fourth section. The proviso constituting the remainder of the portion now omitted was necessary to preserve the status of adjustments which had been passed upon by the commission under preexisting law or were still protected by the original applications and was and is a necessary interim provision.

Sheet 2, line 21: In place of the words thus omitted the bill substitutes a new proviso, reading:

> *"Provided further*, That the commission may, with or without hearing, upon its own motion or upon application of carriers or shippers, in cases of emergency such as drought or disaster, authorize during the continuance of said emergency any common carrier or carriers to charge or receive a greater compensation for a shorter than for a longer distance."

This provision, it will be observed, embraces all common carriers, irrespective of whether they are rail carriers or not. In so far as emergencies are concerned, it adds nothing to what is already within the power of the commission, a power which has been exercised repeatedly in recent years, but the bill limits the cases of emergency to "such as drought or disaster" and leaves out cases of traffic congestion and the many and varied other kinds of emergency which may properly call for the exercise of remedial power by an administrative tribunal in the interest of producers, shippers, and consumers quite as much as in the interest of the carriers. Without pausing to develop this further, attention is next directed to another new proviso.

Sheet 3, lines 2 to 8: The bill introduces into the fourth section the following new proviso:

> "*Provided further*, That after six months following the passage of this amendatory act, no common carrier shall charge less for longer than for shorter distances for the transportation of passengers or property, except by authority of an order of the commission entered in compliance with the provisions of this amended act."

Of this it may be said that, however construed, it is absolutely unworkable. Assuming that when this proviso says "shall charge less for longer than for shorter distances" there is meant a shorter within a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, it is manifest at a glance that after six months from the passage of this bill all relief which has been granted by us since 1910 in the thousands of situations already investigated will be rescinded, and that the departures in such situations, and in other situations protected by original applications filed pursuant to the 1910 amendment which have not yet been investigated and passed on by us, must be removed except where new orders shall be entered after hearing as provided in the bill and under the conditions thereof. Humanly speaking, it is manifest that we would not have men enough, or money enough, to hold the required public hearings within the six months. Nor could we ourselves consider and pass upon all of these situations within the six months. The result would be that every carrier in the United States, whether by rail or otherwise, must bring its rate structure into strict conformity with the fourth section at peril of incurring prosecution and the penalties provided by section 10 of the interstate commerce act. If it attempted to do this by increasing all rates to more distant points so as to clear the intermediate rates, numberless protests from shippers must be anticipated, with the inevitable result that many of the tariffs would have to be suspended by us under the provisions of section 15 of the act. This would place on our docket hundreds of suspension cases, which it would be impossible to dispose of within the 6-months' period following the passage of this act, even under the most favorable circumstances. But during the same period we must pass upon the innumerable situations where fourth-section departures now exist which, under this bill, carriers may upon application and after hearing be authorized to continue.

Our present work, moreover, demands our full time and attention. Any serious effort to dispose of the tremendous amount of extra work which would be thrust upon us by the passage of this bill could be made only by discontinuing work on complaints and other matters involving adjustments of rates now pending before us. It is manifest that the additional work placed upon us by this bill would greatly increase the expense of administering the act and call for additional appropriation, even though a longer period than six months be allowed for the removal of fourth-section departures. Again, our power to suspend rates is limited to a period of 150 days, or approximately five months, and as it would be utterly impossible for us within that period to dispose of the enormous number of suspension cases which must inevitably result from the passage of this bill, many increased rates would necessarily become effective.

Incidentally there are serious tariff difficulties and complexities to be taken into consideration. It is more than doubtful whether the carriers could make even a recheck and revision of their rates within the six months' period, to say nothing of the compilation of such rates in suitable form for printing; and a considerable time would be required to print and post and file the thousands of schedules to be reprinted after the work has progressed to the point where the printing may be commenced.

The effect of such a wholesale revision upon the business of the country would undoubtedly be disturbing and cause general unsettlement. Every industry in the country would be caught in the turmoil and the relationship of rates, so important a consideration to all producers, manufacturers, and other shippers, would be thrown into such confusion and uncertainty as to arrest the commerce of the United States, both domestic and foreign. There is nothing in the situation of any particular section of the country which could possibly warrant such profound disturbance of the commerce of this country. During the year 1923 it aggregated nearly 50,000,000 carloads.

If it still be the purpose of Congress, in considering this bill, to promote, foster, and develop the free flow of commerce among the States and with foreign nations, and to provide the people of the United States with adequate transportation, then it must be recognized that this proviso, taken by itself, and in connection with the other new provisions of the bill, is incompatible with that purpose and must defeat it.

In what precedes an interpretation has been placed on the words "no common carrier shall charge less for longer than for shorter distances" more favorable than can be accorded to the words themselves. If this bill is enacted it certainly will be contended that the principle of the Cashman Act in Minnesota has become the law of the land and that under this proviso no common carrier, of whatever type, shall charge less for a longer distance, wherever that may be, or in whatever direction, than for shorter distances, wherever they may be and in whatever direction, for the transportation of passengers or property. This would make the lowest existing charge maintained or participated in by any carrier, under any conditions, on any route or any line of rails, the maximum charge which could be made by it, or by it and its participants in any joint rates, for a corresponding distance, in any direction, at any place on that route or those rails. The only relief from that situation, after the six months shall have expired, would be by authority of an order of this commission, entered after public hearing, in compliance with and subject to the limitations of the provisions of this bill, and then only to a rail carrier or carriers having a circuitous route as compared with another rail carrier, or other rail carriers. The effect of such a provision upon commerce, industry, and agriculture would be revolutionary and in many cases disastrous to carriers, shippers, and communities.

Sheet 3, line 9: The only change here made is one already referred to, the substitution by the bill of the word "whenever" for the word "wherever" now in the act.

For the reasons above outlined we are unable to express approval of the bill.

HENRY C. HALL, *Chairman.*

Commissioner Campbell dissents.

Mr. McLEAN. I will say that this statement was sent to the committee before the committee made certain modifications and removed or eliminated some of the objectionable features which were contained in the original measure. I wrote to the chairman of the Interstate Commerce Commission, and asked his opinion, or criticisms if he had such to offer, upon the bill as finally reported to the Senate.

I have a reply, signed by the chairman of the commission, which calls attention to the bill which is now pending, suggesting certain complications that would arise, and I shall ask to have it printed in the RECORD in order that the House committee may have an opportunity to read it when they come to consider the bill. There are appended to the communication some very interesting statistics, which are in the nature of a reply to some of the claims made by the Senator from Idaho [Mr. GOODING] as to the effect of the discriminations upon the growth of the intermountain section. I think they indicate very positively that the Intermountain States have grown, and grown rapidly, notwithstanding the fact that the transcontinental lines have been permitted to charge less for the longer haul than for the shorter when the rate was compensatory. I ask that these may be printed in the RECORD at the conclusion of my remarks.

Mr. WALSH of Montana. Is that an official communication from the Interstate Commerce Commission?

Mr. McLEAN. Yes; signed by the chairman of the Interstate Commerce Commission, Mr. Hall.

Mr. WALSH of Montana. Is the Interstate Commerce Commission authorized to give its views concerning the wisdom of legislation pending before Congress?

Mr. McLEAN. They have not hesitated to express their views to the Interstate Commerce Committee as to the effect of legislation, and I should hope the time would never come when that committee would hesitate to call upon the Interstate Commerce Commission for their views.

Mr. WALSH of Montana. Who is the present chairman of the Interstate Commerce Commission?

Mr. McLEAN. Mr. Hall.

The PRESIDENT pro tempore. Without objection, the request of the Senator from Connecticut is granted.

The letter and statistics are as follows:

INTERSTATE COMMERCE COMMISSION,
Washington, April 14, 1924.

Hon. GEORGE P. McLEAN,
United States Senate.

MY DEAR SENATOR: Under date of March 27 you addressed to me as chairman of the Interstate Commerce Commission a letter, acknowledged March 28, requesting expression of views as to the amendment, approved March 19 by the Senate Committee on Interstate Commerce of which you are a member, to the original bill, S. 2327, introduced by Senator GOODING, on which we had reported to that committee on March 19. You also invited expression of views on statements contained in the committee report, No. 302, which accompanied the amended bill as reported to the Senate on March 24.

Compliance with your request has necessitated a study of this amendment by the legislative committee of this commission, and I am authorized by it to transmit the following reply, supplementing as it does the report to your committee, which was made by the commission on March 19, Commissioner Campbell dissenting. The time available has not permitted consideration of this reply by the commission, but we believe it to be consonant with the commission's view, Commissioner Campbell excepted.

On pp. 28 et seq. of our report of March 19, 1924, to Chairman Smith of the Senate Committee on Interstate Commerce, we discussed a new proviso, which would be inserted in paragraph (1) of the fourth section by S. 2327 as introduced by Senator GOODING on February 1, 1924, reading:

> "*Provided further*, That after six months following the passage of this amendatory act, no common carrier shall charge less for longer than for shorter distances for the transportation of passengers or property, except by authority of an order of the commission entered in compliance with the provisions of this amended act."

By amendment approved by the committee on March 19, 1924, this proviso was replaced by two new provisos, and paragraph (2) which followed the replaced proviso in the original bill was omitted, doubtless because that bill purports to amend only paragraph (1) of section 4.

For convenience in reference the text of the two provisos thus substituted by amendment for the proviso above quoted will be reproduced as they appear in the amended bill reported March 24 (calendar day, March 25), 1924, beginning on sheet 3 of that print at line 16 and ending on sheet 4 at line 12. They thus follow in direct sequence the proviso of the original bill relating to cases of emergency, such as drought or disaster, upon which we made brief comment on p. 28 of our report to the committee dated March 19. All of our report down to and including the comment last referred to still stands as the view of the commission and is applicable to the amended bill except as the two new provisos about to be considered may change the effect of that part of the bill which precedes them, and such change will be discussed in considering the two new provisos.

The first of these provisos, beginning at sheet 3, line 16, of the amended bill, reads:

> "*Provided further*, Where a carrier by rail now has in effect any rate, fare, or charge which is less for the longer than for the shorter distance between two points (the shorter being included within the longer distance), and which has been authorized by the commission or as to which application has been filed with the commission and not yet acted upon, it shall not be required to change such rate, fare, or charge within 12 months after the passage of this amendatory act, nor thereafter if either before the commencement of or within the said 12 months' period such rate, fare, or charge shall have been authorized by order of the commission, after hearing, and entered in compliance with the provision of this act as hereby amended, and such order shall not be temporary in character for the purpose of allowing such carrier by rail to meet the competition of another carrier by rail whose route is shorter between said points."

By the amendment this proviso becomes the third which qualifies the opening prohibition of section 4 in the existing law, as well as in the original and amended bills. The first in both bills provides for cases of circuity as between rail lines, excluding other carriers subject to the act and to the prohibition; the second in both bills provides for temporary relief in such cases of emergency as are there designated, "with or without hearing," and embraces "any common carrier or carriers," whether by rail or not.

The new proviso, which becomes the third in sequence, deals only with carriers by rail, and consequently leaves unaffected carriers "engaged in transportation partly by railroad and partly by water when both are used under a common control, management, or arrangement for a continuous carriage or shipment," to quote from paragraph (1) (a) of section 1 of the interstate commerce act. Such rail and water carriers are now protected in some instances by original applications made prior to February 17, 1911, not yet fully disposed of, and in other instances by outstanding orders, temporary or final, of this commission. The bill does not continue the protection, either under original applications or under our orders, now afforded by the proviso in the existing act, omitted at sheet 2, line 21, of the Gooding bill as it was before amendment, and referred to on page 27 of our report as being a "necessary interim provision" of the existing law. The state of such rail and water carriers is thus left in uncertainty, to say the least. The new proviso provides that where a carrier by rail now has in effect (lines 16–17) any rate, fare, or charge which is less for the longer than for the shorter included distance between two points, and which has been authorized by the commission, or as to which—

> "application has been filed with the commission and not yet acted upon, it shall not be required to change such rate, fare, or charge within 12 months after the passage of this amendatory act," (lines 20–24).

Under existing law applications filed with the commission since February 17, 1911, do not protect any departure from the fourth section. Under this amendment they would do so for 12 months after passage of the bill, a result which is probably not intended. Moreover, the effect of this amendment would seem to be that no rail carrier can be required by us, or by any other tribunal, to change any rate, fare, or charge "now in effect and covered by such application or order," whether attacked for unreasonableness, unjust discrimination, undue prejudice, fourth-section departure, or any other violation of the act, in proceedings already decided, now pending or hereafter brought, until the 12 months shall have expired. This result also can hardly have been intended. But assuming, if we may, that a legislative intent can be deduced to confine this exemption from required change to rates, etc., as affected by the fourth section, the result will still be to arrest and hold in abeyance all action by us in pending or future fourth-section applications, or in proceedings on complaint where fourth-section departures are attacked by complainants as unlawful, unless such action would be to sanction the rates now in existence. Put in another way, we could grant relief, but we could not deny it if that denial involved change in existing rates.

The new proviso then proceeds—

> "nor thereafter if either before the commencement of or within the said 12 months' period such rate, fare, or charge shall have

been authorized by order of the commission, after hearing, and entered in compliance with the provision of this act as hereby amended, and such order shall not be temporary in character." (Sheet 3, line 24, to sheet 4, line 4.)

This reference to "such rate, fare, or charge, is to the rate, fare, or charge "now" in effect. Under this provision the rate now in effect can not be changed by us at any time after the 12 months if before or during the 12 months such existing rate shall have been authorized by our order. That rate would thus become immutable so far as we are concerned and beyond our power to change with changing conditions.

This order must have been made "after hearing." We have discussed in our report the practical objections to that requirement and the sufficiency of the existing statutory requirement that we act "after investigation." This order must have been entered in compliance with the act as amended by this amended bill. Orders entered prior to passage of that bill could hardly satisfy this requirement, and yet the provision last above quoted contemplates orders entered prior to such passage. Furthermore, the order must not have been temporary in character. The propriety of temporary relief was touched upon in pages 7 and 8 of our report of March 19 to the committee.

The new proviso then qualifies the provisions last above quoted by adding:

"for the purpose of allowing such carrier by rail to meet the competition of another carrier by rail whose route is shorter between said points."

This reiterates the limitations that relief shall only be accorded to rail carriers and further limits that relief to cases where competition is encountered from another rail carrier whose route is shorter. It excludes from consideration the compelling force, recognized by the Supreme Court, of other forms of composition. It further assumes that the other rail carrier will have only one route. That carrier may have several routs and may participate in hundreds, some longer and some shorter than one or more routes of the applicent rail carrier, or the many routes in which the applicant participates. Such a statutory limitation imposes use of a criterion which, in practical application, would in many cases be found more perplexing than helpful.

It will be observed from this analysis of the first new proviso that nothing in it calls for modification of what was said in our report to the Senate committee except, beginning on page 28, as to the proviso in the original bill which is in part replaced by this first new proviso.

The second of the new provisos, beginning at sheet 4, line 7, of the amended bill reads:

"*And provided further*, That nothing in this section contained shall prevent the commission from authorizing or approving departures from the provisions of this section in so far as applicable to import or export rates or to a block system of express rates established by order or with the approval of the commission, or permitted by it to be filed."

The words "nothing in this section" will embrace the two paragraphs which compose it, viz, paragraph (1), here under amendment, and paragraph (2), left unchanged by this bill. They include the prohibitions as well as the requirements contained in both paragraphs. The effect of this second new proviso will be to cure the exclusion of express rates by the original bill, commented upon at pages 4 and 5 of our report of March 19, 1924. It will also provide for such situations as those discussed on pages 21 and 22 of our report with reference to export rates, maintained for the purpose of equalizing ports. It does not cover rates to or from possessions or dependencies beyond seas of the United States. That traffic is important but does not ordinarily come within the definition of foreign commerce. No reason appears why such traffic should not fare as well as export or import traffic with foreign countries. No mention is made in this second new proviso of fares for the transportation of passengers, which remain covered by the prohibitions and requirements of the section, or of charges, such as demurrange, storage, and other, incident to the movement of export and import traffic, which seemingly also remain covered by the other provisions of the section.

With these exceptions, the matters laid before the Senate committee in our report appear to be still pertinent and appropriate for consideration.

Passing from this somewhat detailed analysis of the amendment made on March 19, some observations more general in character may next merit your attention.

The number of published rates now in existence will never be known. They almost surpass computation and would certainly not repay it. They cover almost without exception the movement of every article from any station to any other station on the railroad system of the United States. The system embraces some 250,000 miles of road, and the number of railroad stations named or designated in the tariffs may range anywhere from 50,000 to 100,000. The latter figure was recently mentioned in argument before us. It follows that the number of railroad rates available for use by the shipping public must run into the billions. No one will ever count them. But if only one in a thousand presents some fourth-section departure, the number of such rates would necessarily run into the millions. These exceptional rates are in use all over the United States, probably on some line or lines of every important carrier. Many of them are used on important and extensive traffic and are in effect under the statutory relief afforded by applications filed prior to February 17, 1911, or by order made by this commission. Under the wording of the first new proviso substituted by the amendment of March 19, 1924, apparently the commission will not only be prevented for a year from requiring the removal of any such fourth-section departures but will also be prevented from requiring reductions in any of such rates, from dealing with their reasonableness or unreasonableness, and from removing any undue or unreasonable preference or advantage in any respect whatsoever, which may exist with respect to any of such rates. There are no doubt now pending before us a number of formal proceedings involving many such rates which can not, under the amendment, be disposed of for a year, thus depriving complainants of the relief to which they may be entitled under the provisions of the act. The 12-month period now substituted for the 6-month period in the original bill is not open to all the criticism of the latter in our report, but still affords inadequate time, under any construction, for the many important adjustments which would become necessary if the amended bill should be enacted.

You also invite an expression of views with regard to statements contained in the committee report (No. 302) as to the hardships suffered under existing law and the attendant arguments in favor of the proposed change.

Our report of March 19 to the committee is so wholly at variance with the committee report to the Senate that analysis in detail of the latter would seem unprofitable if indeed it be appropriate under the circumstances. To what extent the committee report reflects the whole record made at the hearings before it can better be determined by the members of that committee. It portrays a situation of hardship and oppression in the interior of the South and West which, in the judgment of the commission, does not exist.

Two fundamentals seem to have been overlooked in that report.

1. At least 85 to 90 per cent of all relief granted by the commission and still in force covers solely the meeting by circuitous lines or routes of the competition of direct lines or routes. If the indirect routes are not so circuitous as to result in wasteful transportation, no shipper, community, or section of the country is adversely affected to any material extent by relief granted on account of circuity. Certainly no undue prejudice or undue preference as between shippers results from such relief, and certainly the growth or development of no community or section of the country has been appreciably affected by such relief. That this is so is evidenced by the fact that for many years shippers have had the right to file formal complaints with the commission seeking correction of their grievances against carriers, and I know of no single one of the more than 15,000 complaints filed which attacked rates solely or primarily upon the ground that fourth-section relief on account of circuity existed with respect to such rates, whether that relief had been granted by the commission or by the statute itself.

2. The only form of relief which in all fairness could be said to affect the growth or development of communities or sections of the country is relief over the direct or "rate-making" lines. Practically only two forms of such relief exist, (a) to meet water competition, and (b) to meet the competition of carriers leading to or from other markets or sources of supply. Little relief of either kind, particularly the latter, has been granted since 1920, but, as explained in our report of March 19, in some instances seriously detrimental effects upon certain carriers will undoubtedly result if relief can not under any circumstances be granted on these grounds. Such detriment to the carriers will in most instances be reflected in detriment to the communities and shippers served by those carriers. If the railroads are not prosperous their condition is apt to be reflected in the territory served by them.

I may be pardoned if I refer to one sweeping affirmative statement in the committee report. This reads:

"The West and South are treated differently than the East in the matter of fourth-section applications; in the East no fourth-section relief is granted on account of water competition, notwithstanding in the East there are great waterways and intense water competition. In the West there are practically no inland waterways and the railroads of the West always have been permitted to charge more for the short than for the long haul to meet water competition."

It is true that practically no fourth-section relief to meet water competition is now extant in the eastern territory, but this is because of two important factors, (1) the volume of traffic is so much greater there than in the West or South that it is not a matter of so much moment to rail carriers whether water lines deflect traffic from them, (2) the level of the rail rates, because of greater density of traffic and consequent lower operating expense per unit of traffic, is lower in the East than in the West or South, particularly the West, and there

is little necessity for reducing the standard rail rates to meet the competition of water carriers. In other words, the rail carriers obtain without relief a fair share of the traffic as against the water carriers, and accordingly little or no such relief is in force. It should further be said that, with respect to fourth-section relief on account of water competition, the commission has not pursued a different policy in the East from that which it has followed in other sections of the country.

There is in fact little relief on account of water competition in the West. The only important instances are between ports on the Pacific coast, as between Portland and San Francisco, or between northern points on the one hand and the Gulf coast country on the other, to meet the competition of water lines from the Atlantic seaboard or from foreign countries. Since the early part of 1918, or during a period of about six years, there has been absolutely no water-competition relief or any relief other than that based on circuity as described above and similar to that prevalent throughout the country, including the East, on westbound traffic which involves the intermountain country. There is practically no relief on eastbound transcontinental traffic through the intermountain country. Wool is the only important commodity on which such relief exists, and the existence of that relief at this time is directly due to the suspension, at the request of the intermountain people themselves, of tariffs which the carriers filed when we denied relief and which would have corrected the existing departures.

Throughout the committee's report in this matter there is frequent reference to the "interior" as a territory against which unjust discrimination and undue prejudice have been created by the manner in which we have administered the fourth section. This term in its broadest meaning would apply to all of the interior of the United States, but it probably refers to the territory intermediate to the Pacific coast, or the so-called intermountain territory, and the interior of the South. I have already called attention to the fact that for the past six years there has been practically no fourth-section relief to and from the intermountain territory except to circuitous lines in order to enable them to meet the rates on direct lines, and whatever conditions may exist at present in that region can not be said to be due to fourth-section relief.

In the South there are important situations where all of the rates have not yet been adjusted so as to conform to the provisions of the fourth section. These are being corrected as rapidly as possible. The commission has for a number of months past been actively investigating the entire class-rate structure in the South with a view to a general revision which will remove all existing fourth-section departures therein except upon the ground of circuity and will dispose of all pending applications in so far as they involve class rates, the class-rate readjustment to be followed as promptly as possible by a similar readjustment of all commodity rates, thus disposing of all applications in the South.

It has not come to our attention that any portion of the population of any particular community has been constrained to migrate to other sections where lower freight rates prevail because of fourth-section relief either granted or existing by reason of applications not passed upon. On the contrary, as is well known, there has been a steady movement of the population from the rural sections and towns to the larger cities for a number of years past. This phenomena, nation-wide, has probably been as marked in the East and Middle West, where there are comparatively few fourth-section departures, as in the South and far West. What, if any, part fourth-section relief has played in this general tendency toward centralization of population in larger cities is problematical, to say the least. I am unable to perceive that it has been a factor to any appreciable extent. I attach two tables, marked "Appendix A" and "Appendix B," showing growth in population of representative cities in the intermountain States beginning with 1890 and growth in value of manufactured products for five-year periods beginning with 1889. The statistics are taken from reports of the United States Bureau of the Census and need no comment.

For the reasons above outlined, supplementing those set forth in our report to the committee, we are unable to express approval of the bill as amended.

H. C. HALL, *Chairman.*

APPENDIX A

POPULATION

Representative cities of Intramountain States

	1920	1910	1900	1890
ARIZONA				
Bisbee	9,205	9,019	6,090	1,533
Phoenix	29,053	11,134	5,544	2,152
Tucson	20,292	13,193	7,531	5,150
COLORADO				
Colorado Springs	30,105	29,078	21,085	11,140
Grand Junction	8,665	7,754	3,503	2,020
Pueblo	43,089	41,747	28,157	24,558
IDAHO				
Boise	21,392	17,358	5,958	2,311
Moscow	3,956	3,670	2,464	2,861
Wallace	2,816	3,660	2,265	878
MONTANA				
Anaconda	11,668	10,134	9,453	3,975
Billings	15,100	10,031	3,221	536
Bozeman	6,183	5,107	3,419	2,143
Butte	41,611	39,165	30,470	10,723
Kalispell	5,147	5,549	2,539	
NEW MEXICO				
Albuquerque	18,157	11,020	6,238	3,785
Santa Fe	7,236	5,072	5,603	6,185
UTAH				
Ogden	32,804	25,580	16,313	14,889
Provo	10,303	8,925	6,185	5,159
Salt Lake City	113,110	92,777	53,531	44,843
WYOMING				
Cheyenne	13,829	11,320	14,087	11,690
Laramie	6,301	8,237	3,207	6,388
Sheridan	9,175	8,408	1,559	281
WASHINGTON				
Spokane	104,437	104,402	36,848	19,922

APPENDIX B

VALUE OF MANUFACTURED PRODUCTS

Intramountain States

[Comparative summary: 1919, 1914, 1909, 1904, and 1899]

	1919	1914	1909	1904	1899	Per cent of increase			
						1914-1919	1909-1914	1904-1909	1899-1904
Arizona	$120,769,112	$64,089,510	$50,258,694	$28,083,192	$20,488,987	88.4	27.5	79.0	37.4
Colorado	275,022,335	136,839,321	120,044,312	100,148,999	89,067,879	101.4	5.2	20.9	12.4
Idaho	80,310,749	28,460,797	22,399,860	8,768,743	3,001,442	183.0	27.0	155.5	192.2
Montana	166,664,518	84,446,136	75,271,793	66,415,452	52,744,997	97.4	15.3	10.3	25.9
New Mexico	17,856,622	9,320,067	7,897,756	5,766,880	4,060,924	91.6	18.0	38.4	40.5
Utah	166,982,071	87,112,380	61,989,277	38,926,464	17,981,648	80.2	40.5	59.2	116.5
Wyoming	81,445,304	11,223,415	6,249,078	3,523,260	3,208,556	625.7	79.6	77.4	7.8

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Idaho [Mr. GOODING] in the nature of a substitute for the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. PITTMAN. For the purpose of having the bill conform to the amendment that was disposed of on Saturday, I offer the following amendments: On page 2, line 5, after the word "carrier," I move to strike out the words "by rail"; in line 9, after the word "applicant," to strike out the word "rail," and after the word "or" strike out the word "rail"; and in line 10, after the word "some," strike out the word "other."

The PRESIDENT pro tempore. The amendments will be stated.

The READING CLERK. On page 2, line 5, after the word "carrier," strike out the words "by rail"; in line 9, after the word "applicant," strike out the word "rail"; in line 9, before the

word "carriers," strike out the word "rail"; and in line 10, after the word "some," strike out the word "other," so as to read:

That upon application of the commission a common carrier may, after public hearing, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property only in a case where the route via the applicant carrier or carriers is longer than via the route of some rail carrier or rail carriers between the same points, etc.

The PRESIDENT pro tempore. The question is on agreeing to the amendments proposed by the Senator from Nevada.

Mr. McLEAN. I think the Senator ought to explain briefly the purpose of the amendments. I do not know that it will make any difference in the vote, but sometimes it is advisable when we are amending the transportation act to know what the author of the amendment considers will be the effect.

Mr. PITTMAN. The proposition is simply this: The act itself defines what is a common carrier under the act. A common carrier under the act is a rail carrier or a joint rail-and-water carrier under the same management or control, or acting together with joint rates. The term "common carrier" covers the definition.

The PRESIDENT pro tempore. The question is on agreeing to the amendments submitted by the Senator from Nevada.

The amendments were agreed to.

Mr. KING. What is before the Senate?

The PRESIDENT pro tempore. There is nothing before the Senate except reporting the bill from the Committee of the Whole.

Mr. KING. I shall wait until the bill is passed, and then shall ask the Chair to recognize me.

The PRESIDENT pro tempore. If there be no further amendment to be proposed to the bill as in Committee of the Whole, it will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDENT pro tempore. The question is, Shall the bill pass?

Mr. BRUCE. I call for the yeas and nays.

Mr. MOSES. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Clerk will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Edge	Jones, Wash.	Ransdell
Ashurst	Edwards	Kendrick	Reed, Pa.
Ball	Elkins	Keyes	Robinson
Bayard	Ernst	King	Sheppard
Borah	Fernald	Ladd	Shipstead
Brandegee	Ferris	Lodge	Simmons
Brookhart	Fess	McKellar	Smith
Broussard	Fletcher	McKinley	Smoot
Bruce	Frazier	McLean	Spencer
Bursum	George	McNary	Stanfield
Cameron	Glass	Moses	Sterling
Capper	Gooding	Neely	Swanson
Caraway	Hale	Norbeck	Trammell
Colt	Harreld	Norris	Walsh, Mass.
Copeland	Harris	Oddie	Walsh, Mont.
Cummins	Harrison	Overman	Warren
Curtis	Heflin	Pepper	Weller
Dale	Howell	Phipps	Willis
Dial	Johnson, Minn.	Pittman	
Dill	Jones, N. Mex.	Ralston	

The PRESIDENT pro tempore. Seventy-eight Senators have answered to their names. There is a quorum present. The question is, Shall the bill pass? On that question, the yeas and nays have been demanded.

The yeas and nays were ordered, and the roll was called.

Mr. LODGE. I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. Not knowing how that Senator would vote, I withhold my vote. If allowed to vote, I should vote "nay."

Mr. WILLIS. My colleague [Mr. FESS] is unavoidably absent on this roll call. I am informed, however, that if he were present he would vote "nay."

Mr. ELKINS. I have a pair with the Senator from Oklahoma [Mr. OWEN]. I transfer that pair to the Senator from Ohio [Mr. FESS], and vote "nay."

Mr. EDGE. Mr. President, I wish to get the floor at the conclusion of this business. I have already voted.

The PRESIDENT pro tempore. The result has not as yet been announced.

Mr. WALSH of Montana. I desire to announce that my colleague [Mr. WHEELER] is necessarily absent on business of the Senate. If present, he would vote "yea."

The result was announced—yeas 54, nays 23, as follows:

YEAS—54

Adams	Dill	King	Reed, Pa.
Ashurst	Edwards	Ladd	Robinson
Bayard	Ernst	McKellar	Sheppard
Borah	Ferris	McNary	Shipstead
Brookhart	Frazier	Neely	Simmons
Broussard	Gooding	Norbeck	Smith
Bursum	Harreld	Norris	Smoot
Cameron	Harrison	Oddie	Spencer
Capper	Heflin	Overman	Stanfield
Caraway	Howell	Pepper	Sterling
Copeland	Johnson, Minn.	Phipps	Wadsworth
Cummins	Jones, N. Mex.	Pittman	Walsh, Mont.
Curtis	Jones, Wash.	Ralston	
Dial	Kendrick	Ransdell	

NAYS—23

Ball	Elkins	Harris	Trammell
Brandegee	Fernald	Keyes	Walsh, Mass.
Bruce	Fletcher	McKinley	Warren
Colt	George	McLean	Weller
Dale	Glass	Moses	Willis
Edge	Hale	Swanson	

NOT VOTING—19

Couzens	La Follette	Owen	Stephens
Fess	Lenroot	Reed, Mo.	Underwood
Gerry	Lodge	Shields	Watson
Greene	McCormick	Shortridge	Wheeler
Johnson, Calif.	Mayfield	Stanley	

So the bill was passed.

EXECUTIVE SESSION

Mr. EDGE, Mr. WARREN, Mr. KING, and Mr. LODGE addressed the Chair.

Mr. KING. I had the floor a moment ago, Mr. President, as I understood.

Mr. EDGE. Mr. President, I think the Presiding Officer recognized the Senator from New Jersey. I so understood.

Mr. LODGE. Mr. President——

Mr. WARREN. I claim the floor.

Mr. LODGE. Mr. President, I rise to a question of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LODGE. There is a unanimous-consent agreement to go into executive session to-day, I think.

The PRESIDENT pro tempore. There is a unanimous-consent agreement to hold an executive session before the day is over.

Mr. LODGE. I thought it was for 4 o'clock.

Mr. KING. I think it was.

Mr. LODGE. I thought the hour was fixed.

The PRESIDENT pro tempore. The hour was not fixed in the unanimous-consent agreement.

Mr. EDGE. Mr. President, if I may——

Mr. LODGE. Then, Mr. President, I move that the Senate proceed to the consideration of executive business.

Mr. EDGE. Mr. President, I move, as an amendment to that motion, that the Senate now proceed to the consideration——

Mr. LODGE. The Senator can not offer an amendment to that motion. In the first place, it is a privileged motion.

Mr. EDGE. I will withhold my motion, then.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Massachusetts that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 1 hour and 50 minutes spent in executive session the doors were reopened.

EXTRADITION WITH LITHUANIA

In executive session this day, the following treaty was ratified, and on motion of Mr. LODGE the injunction of secrecy was removed therefrom:

To the Senate of the United States:

To the end that I may receive the advice and consent of the Senate to ratification, I transmit herewith a treaty for the extradition of fugitives from justice, signed between the United States and Lithuania at Kovno on April 9, 1924.

CALVIN COOLIDGE.

THE WHITE HOUSE, *May 7, 1924.*

THE PRESIDENT:

The undersigned the Secretary of State has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, a treaty for the extradition of fugitives from justice, signed by the plenipotentiaries of the United States and Lithuania, at Kovno, on April 9, 1924.

CHARLES E. HUGHES.

DEPARTMENT OF STATE,
Washington, May 5, 1924.

The United States of America and Lithuania, desiring to promote the cause of justice, have resolved to conclude a treaty for the extradition of fugitives from justice between the two countries and have appointed for that purpose the following plenipotentiaries:

The President of the United States of America:

Frederick W. B. Coleman, envoy extraordinary and minister plenipotentiary of the United States of America;

The President of the Republic of Lithuania:

Ernestas Galvanauskas, Prime Minister and Minister of Foreign Affairs;

Who, after having communicated to each other their respective full powers, found to be in good and due form, have agreed upon and concluded the following articles:

ARTICLE I

It is agreed that the Government of the United States and the Government of Lithuania shall, upon requisition duly made as herein provided, deliver up to justice any person, who may be charged with, or may have been convicted of, any of the crimes specified in Article II of the present treaty committed within the jurisdiction of one of the high contracting parties, and who shall seek an asylum or shall be found within the territories of the other; provided that such surrender shall take place only upon such evidence of criminalty, as according to the laws of the place where the fugitive or person so charged shall be found, would justify his apprehension and commitment for trial if the crime or offense had been there committed.

ARTICLE II

Persons shall be delivered up according to the provisions of the present trenty, who shall have been charged with or convicted of any of the following crimes:

1. Murder, comprehending the crimes designated by the terms parricide, assassination, manslaughter when voluntary, poisoning, or infanticide.

2. The attempt to commit murder.

3. Rape, abortion, carnal knowledge of children under the age of 12 years.

4. Abduction or detention of women or girls for immoral purposes.

5. Bigamy.

6. Arson.

7. Willful and unlawful destruction or obstruction of railroads, which endangers human life.

8. Crimes committed at sea:

(a) Piracy, as commonly known and defined by the law of nations, or by statute;

(b) Wrongfully sinking or destroying a vessel at sea or attempting to do so;

(c) Mutiny or conspiracy by two or more members of the crew or other persons on board of a vessel on the high seas, for the purpose of rebelling against the authority of the captain or commander of such vessel, or by fraud or violence taking possession of such vessel;

(d) Assault on board ship upon the high seas with intent to do bodily harm.

9. Burglary, defined to be the act of breaking into and entering the house of another in the nighttime with intent to commit a felony therein.

10. The act of breaking into and entering the offices of the Government and public authorities, or the offices of banks, banking houses, savings banks, trust companies, insurance and other companies, or other buildings not dwellings with intent to commit a felony therein.

11. Robbery, defined to be the act of feloniously and forcibly taking from the person of another goods or money by violence or by putting him in fear.

12. Forgery or the utterance of forged papers.

13. The forgery or falsification of the official acts of the Government or public authority, including courts of justice, or the uttering or fraudulent use of any of the same.

14. The fabrication of counterfeit money, whether coin or paper, counterfeit titles or coupons of public debt, created by national, State, provincial, territorial, local, or municipal governments, bank notes or other instruments of public credit, counterfeit seals, stamps, dies, and marks of State or public administrations, and the utterance, circulation, or fraudulent use of the above-mentioned objects.

15. Embezzlement or criminal malversation committed within the jurisdiction of one or the other party by public officers or depositaries where the amount embezzled exceeds $200 or Lithuanian equivalent.

16. Embezzlement by any person or persons hired, salaried, or employed, to the detriment of their employers or principals, when the crime or offense is punishable by imprisonment or other corporal punishment by the laws of both countries, and where the amount embezzled exceeds $200 or Lithuanian equivalent.

17. Kidnaping of minors or adults, defined to be the abduction or detention of a person or persons, in order to exact money from them, their families, or nay other person or persons, or for any other unlawful end.

18. Larceny, defined to be the theft of effects, personal property, or money, of the value of $25 or more, or Lithuanian equivalent.

19. Obtaining money, valuable securities, or other property by false pretenses or receiving any money, valuable securities, or other property knowing the same to have been unlawfully obtained where the amount of money or the value of the property so obtained or received exceeds $200 or Lithuanian equivalent.

20. Perjury or subornation of perjury.

21. Fraud or breach of trust by a bailee, banker, agent, factor, trustee, executor, administrator, guardian, director, or officer of any company or corporation, or by anyone in any fiduciary position where the amount of money or the value of the property misappropriated exceeds $200 or Lithuanian equivalent.

22. Crimes and offenses against the laws of both countries for the suppression of slavery and slave trading.

23. Willful desertion or willful nonsupport of minor or dependent children.

24. Extradition shall also take place for participation in any of the crimes before mentioned as an accessory before or after the fact, provided such participation be punishable by imprisonment by the laws of both the high contracting parties.

ARTICLE III

The provision of the present treaty shall not import a claim of extradition for any crime or offense of a political character, nor for acts connected with such crimes or offenses; and no person surrendered by or to either of the high contracting parties in virtue of this treaty shall be tried or punished for a political crime or offense. When the offense charged comprises the act either of murder or assassination or of poisoning, either consummated or attempted, the fact that the offense was committed or attempted against the life of any sovereign or head of a foreign state or against the life of any member of his family shall not be deemed sufficient to sustain that such crime or offense was of a political character, or was an act connected with crimes or offenses of a political character.

ARTICLE IV

No person shall be tried for any crime or offense other than that for which he was surrendered.

ARTICLE V

A fugitive criminal shall not be surrendered under the provisions hereof when from lapse of time or other lawful cause, according to the laws of the place within the jurisdiction of which the crime was committed, the criminal is exempt from prosecution or punishment for the offense for which the surrender is asked.

ARTICLE VI

If a fugitive criminal whose surrender may be claimed pursuant to the stipulations hereof be actually under prosecution, out on bail, or in custody for a crime or offense committed in the country where he has sought asylum, or shall have been convicted thereof, his extradition may be deferred until such proceedings be determined and until he shall have been set at liberty in due course of law.

ARTICLE VII

If a fugitive criminal claimed by one of the parties hereto shall be also claimed by one or more powers pursuant to treaty provisions on account of crimes committed within their jurisdiction, such criminal shall be delivered to that State whose demand is first received.

ARTICLE VIII

Under the stipulations of this treaty neither of the high contracting parties shall be bound to deliver up its own citizens.

ARTICLE IX

The expense of arrest, detention, examination, and transportation of the accused shall be paid by the government which has preferred the demand for extradition.

ARTICLE X

Everything found in the possession of the fugitive criminal at the time of his arrest, whether being the proceeds of the crime or offense, or which may be material as evidence in making proof of the crime, shall so far as practicable, according to the laws of either of the high contracting parties, be delivered

up with his person at the time of surrender. Nevertheless, the rights of a third party with regard to the articles referred to shall be duly respected.

ARTICLE XI

The stipulations of the present treaty shall be applicable to all territory wherever situated, belonging to either of the high contracting parties or in the occupancy and under the control of either of them, during such occupancy or control.

Requisitions for the surrender of fugitives from justice shall be made by the respective diplomatic agents of the high contracting parties. In the event of the absence of such agents from the country or its seat of government, or where extradition is sought from territory included in the preceding paragraphs, other than the United States or Lithuania, requisitions may be made by superior consular officers. It shall be competent for such diplomatic or superior consular officers to ask and obtain a mandate or preliminary warrant of arrest for the person whose surrender is sought, whereupon the judges and magistrates of the two governments shall respectively have power and authority, upon complaint made under oath or in any other judicially prescribed form, to issue a warrant for the apprehension of the person charged, in order that he or she may be brought before such judge or magistrate, that the evidence of criminality may be heard and considered, and if on such hearing the evidence be deemed sufficient to sustain the charge, it shall be the duty of the examining judge or magistrate to certify it to the proper executive authority, that a warrant may issue for the surrender of the fugitive.

In case of urgency, the application for arrest and detention may be addressed directly to the competent magistrate in conformity to the statutes in force.

The person provisionally arrested shall be released, unless within two months from the date of arrest in Lithuania, or from the date of commitment in the United States, the formal requisition for surrender with the documentary proofs hereinafter prescribed may be made as aforesaid by the diplomatic agent of the demanding government or, in his absence, by a consulate officer thereof.

If the fugitive criminal shall have been convicted of the crime for which his surrender is asked, a copy of the sentences of the court before which such conviction took place, duly authenticated, shall be produced. If, however, the fugitive is merely charged with crime, a duly authenticated copy of the warrant of arrest in the country where the crime was committed, and of the depositions upon which such warrant may have been issued, shall be produced, with such other evidence or proof as may be deemed competent in the case. In either case a duly authenticated text of the law under which the charge is made shall be attached.

ARTICLE XII

In every case of a request made by either of the high contracting parties for the arrest, detention, or extradition of fugitive criminals, the appropriate legal officers of the country where the proceedings of extradition are had shall assist the officers of the government demanding the extradition before the respective judges and magistrates by every legal means within their power, and no claim whatever for compensation for any of the services so rendered shall be made against the government demanding the extradition: *Provided, however,* That any officer or officers of the surrendering government so giving assistance who shall, in the usual course of their duty, receive no salary or compensation other than specific fees for services performed, shall be entitled to receive from the government demanding the extradition the customary fees for the acts or services performed by them, in the same manner and to the same amount as though such acts or services had been performed in ordinary criminal proceedings under the laws of the country of which they are officers.

ARTICLE XIII

The present treaty shall be ratified by the high contracting parties in accordance with their respective constitutional methods and shall take effect on the date of the exchange of ratifications, which shall take place at Kaunas as soon as possible.

ARTICLE XIV

The present treaty shall remain in force for a period of 10 years, and in case neither of the high contracting parties shall have given notice one year before the expiration of that period of its intention to terminate the treaty, it shall continue in force until the expiration of one year from the date on which such notice of termination shall be given by either of the high contracting parties.

In witness whereof the above-named plenipotentiaries have signed the present treaty and have hereunto affixed their seals.

Done in duplicate at Kaunas this 9th day of April, 1924.

[SEAL.] F. W. B. COLEMAN.
[SEAL.] GALVANAUSKAS.

TRAVELING SALESMEN IN COSTA RICA

In executive session this day, the following convention was ratified, and on motion of Mr. LODGE the injunction of secrecy was removed therefrom:

To the Senate:

To the end that I may receive the advice and consent of the Senate to ratification, I transmit herewith a convention to facilitate the work of traveling salesmen, and a protocol supplementary thereto, both signed by the plenipotentiaries of the United States and Costa Rica at San Jose on March 31, 1924.

CALVIN COOLIDGE.

THE WHITE HOUSE, *May 14, 1924.*

The PRESIDENT:

The undersigned the Secretary of State has the honor to lay before the President, with a view to their transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, a convention to facilitate the work of traveling salesmen, signed between the United States and Costa Rica at San Jose on March 31, 1924, and a supplementary protocol, signed on the same day.

Respectfully submitted.

CHARLES E. HUGHES.

DEPARTMENT OF STATE,
Washington, May 14, 1924.

CONVENTION CONCERNING COMMERCIAL TRAVELERS

The United States of America and the Republic of Costa Rica, being desirous to foster the development of commerce between them and to increase the exchange of commodities by facilitating the work of traveling salesmen, have agreed to conclude a convention for that purpose and have to that end appointed as their plenipotentiaries:

The President of the United States of America, Mr. Roy T. Davis, envoy extraordinary and minister plenipotentiary of the United States in Costa Rica, and the President of Costa Rica, Prof. don Miguel Obregon Lizano, Minister of Public Education, in charge of the Portfolio of Foreign Relations of Costa Rica, who, having communicated to each other their full powers, which were found to be in due form, have agreed upon the following articles:

ARTICLE I

Manufacturers, merchants, and traders domiciled within the jurisdiction of one of the high contracting parties may operate as commercial travelers either personally or by means of agents or employees within the jurisdiction of the other high contracting party on obtaining from the latter, upon payment of a single fee, a license which shall be valid throughout its entire territorial jurisdiction.

In case either of the high contracting parties shall be engaged in war, it reserves to itself the right to prevent from operating within its jurisdiction under the provisions of this convention, or otherwise, enemy nationals or other aliens whose presence it may consider prejudicial to public order and national safety.

ARTICLE II

In order to secure the license above mentioned the applicant must obtain from the country of domicile of the manufacturers, merchants, and traders represented a certificate attesting his character as a commercial traveler. This certificate, which shall be issued by the authority to be designated in each country for the purpose, shall be visèed by the consul of the country in which the applicant proposes to operate, and the authorities of the latter shall, upon the presentation of such certificate, issue to the applicant the national license as provided in Article I.

ARTICLE III

A commercial traveler may sell his samples without obtaining a special license as an importer.

ARTICLE IV

Samples without commercial value shall be admitted to entry free of duty.

Samples marked, stamped, or defaced in such manner that they can not be put to other uses shall be considered as objects without commercial value.

ARTICLE V

Samples having commercial value shall be provisionally admitted upon giving bond for the payment of lawful duties if they shall not have been withdrawn from the country within a period of six (6) months.

Duties shall be paid on such portion of the samples as shall not have been so withdrawn.

ARTICLE VI

All customs formalities shall be simplified as much as possible with a view to avoid delay in the dispatch of samples.

ARTICLE VII

Peddlers and other salesmen who vend directly to the consumer, even though they have not an established place of business in the country in which they operate, shall not be considered as commercial travelers, but shall be subject to the license fees levied on business of the kind which they carry on.

ARTICLE VIII

No license shall be required of:

(a) Persons traveling only to study trade and its needs, even though they initiate commercial relations, provided they do not make sales of merchandise.

(b) Persons operating through local agencies which pay the license fee or other imposts to which their business is subject.

(c) Travelers who are exclusively buyers.

ARTICLE IX

Any concessions affecting any of the provisions of the present convention that may hereafter be granted by either high contracting party, either by law or by treaty or convention, shall immediately be extended to the other party.

ARTICLE X

This convention shall be ratified, and the ratifications shall be exchanged at Washington or San José within two years, or sooner if possible.

The present convention shall remain in force until the end of six months after either of the high contracting parties shall have given notice to the other of its intention to terminate the same, each of them reserving to itself the right of giving such notice to the other at any time. And it is hereby agreed between the parties that, on the expiration of six months after such notice shall have been received by either of them from the other party as above mentioned, this convention shall altogether cease and terminate.

It testimony whereof the respective plenipotentiaries have signed these articles and have thereunder affixed their seals.

Done in duplicate, at San José, Costa Rica, this 31st day of March, 1924.

[SEAL.] ROY T. DAVIS.
[SEAL.] M. OBREGON L.

PROTOCOL

For the better fulfillment of the provisions of the convention concerning commercial travelers, signed to-day, the undersigned, Mr. Roy T. Davis, envoy extraordinary and minister plenipotentiary of the United States of America, and Prof. don Miguel Obregon Lizano, Minister of Public Education, in charge of the Portfolio of Foreign Relations of Costa Rica, representing their respective countries, have agreed as follows:

ARTICLE I

Regulations governing the renewal and transfer of licenses and the imposition of fines and other penalties for any misuse of licenses may be made by either of the high contracting parties whenever advisable within the terms of the present convention and without prejudice to the rights defined therein.

If such regulations should permit the renewal of licenses the corresponding fee will not be greater than that charged for the original license.

If such regulations should permit the transfer of licenses upon satisfactory proof that transferee or assignee is in every sense the true successor of the original licensee and can furnish a certificate of identification similar to that furnished by the said original licensee, he will be allowed to operate as a commercial traveler pending the arrival of the new certificate of identification, but the cancellation of the bond for the samples shall not be effected before the arrival of the said certificate.

ARTICLE II

It is the citizenship of the firm that the commercial traveler represents, and not his own, that governs the issuance to him of a certificate of identification.

In order to obtain practical results the high contracting parties agree to empower the local customs officials to issue the said licenses upon surrender of the certificate of identification and authenticated list of samples, acting as deputies of the central office constituted for the issuance and regulation of licenses. The said customs officials shall immediately transmit the appropriate documentation to the said central office, to which the licensee shall thereafter give due notice of his intention to ask for the renewal or transfer of his license, if these acts be allowable, or cancellation of his bond, upon his departure from the country. Due notice in this connection will be regarded as the time required for the exchange of correspondence in the normal mail schedule, plus five business days for purposes of official verification and registration.

ARTICLE III

It is understood that the traveler will not engage in the sale of other articles than those embraced by his lines of business; that is to say, he may sell his samples, thus incurring an obligation to pay the customs duties thereupon, but he may not sell other articles brought with him or sent to him, which are not reasonably and clearly representative of the kind of business he purports to represent.

ARTICLE IV

Advertising matter brought by commercial travelers in appropriate quantities shall be treated as samples without commercial value. Objects having a depreciated commercial value because of adaptation for purposes of advertisement, and intended for gratuitous distribution, shall, when introduced in reasonable quantities, also be treated as samples without commercial value. It is understood, however, that this prescription shall be subject to the customs laws of the respective countries.

ARTICLE V

If the original license were issued for a period longer than six months, or if the license be renewed, the bond for the samples will be correspondingly extended. It is understood, however, that this prescription shall be subject to the customs laws of the respective countries.

ARTICLE VI

Samples accompanying the commercial traveler will be dispatched as a portion of his personal baggage; and those arriving after him will be given precedence over ordinary freight.

In witness whereof the respective plenipotentiaries have signed this protocol and have affixed their seals.

Done in duplicate, in English and Spanish, at San José, Costa Rica, this 31st day of March, 1924.

[SEAL.] ROY T. DAVIS.
[SEAL.] M. OBREGON L.

ADJOURNMENT

Mr. LODGE. I move that the Senate adjourn.

The motion was agreed to; and (at 6 o'clock and 25 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, May 20, 1924, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 19, 1924

GENERAL APPRAISER OF MERCHANDISE

George M. Young, of North Dakota, to be general appraiser of merchandise, vice Eugene C. Hay, retired.

MEMBERS OF RENT COMMISSION OF THE DISTRICT OF COLUMBIA

The following-named persons to be members of the Rent Commission of the District of Columbia for a term beginning May 23, 1924, and ending May 22, 1925:

William F. Gude, of the District of Columbia.
Richard S. Whaley, of the District of Columbia.
Mrs. Clara Sears Taylor, of the District of Columbia.
Oliver Metzerott, of the District of Columbia.
Thomas R. Peeney, of Delaware.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 19, 1924

PRINCIPAL DELEGATES ON THE PART OF THE UNITED STATES TO THE MEETING OF THE INTER-AMERICAN COMMITTEE ON ELECTRICAL COMMUNICATIONS TO BE HELD IN MEXICO CITY, MEXICO

Charles Beecher Warren.
Wallace H. White, jr.
Allen H. Babcock.

COAST AND GEODETIC SURVEY

To be aid

Roger Cushing Rowse.

To be junior hydrographic and geodetic engineers

Frederick Gurnee Outcalt.
Edwin Jay Brown.
Henry Arnold Karo.
Jack Chester Sammons.
George Livingston Anderson.
Isidor Rittenburg.

PROMOTIONS IN THE ARMY

Frank McIntyre to be Chief, Bureau of Insular Affairs.
William Henry Waldron to be colonel, Infantry.
Walter Campbell Baker to be lieutenant colonel, Chemical Warfare Service.
Resolve Potter Palmer to be major, Adjutant General's Department.
Charles Hart Danforth to be lieutenant colonel, Air Service.
George Jefferson McMurry to be chaplain.

POSTMASTERS

ALABAMA

Minnie W. O'Hara, Hurstboro.

ALASKA

William J. Shepard, Cordova.

COLORADO

Irving P. Beckett, Craig.
George Haver, Eckley.
James L. Allison, Woodmen.

CONNECTICUT

Edward S. Coulter, Essex.
James F. Holden, Forestville.
William T. Crumb, Jewett City.
Clarence L. Clark, Lyme.
John A. Ayer, Saybrook.

IDAHO

Frank Dvorak, Aberdeen.
Hugh D. Stanton, Kendrick.
Robert N. Molloy, Orofino.
Albert E. White, Payette.
Amando O. Holmes, Plummer.
Floyd E. Reynolds, Richfield.
Charles J. Shoemaker, Sandpoint.
Lester J. Holland, Shelley.

ILLINOIS

Stephen C. Galecner, Eldorado.
Samuel A. McCullough, Irvington.
Mark Simpson, Waterman.

IOWA

Patience Felger, Afton.
Charles G. Wiley, Bonaparte.
William W. Jamison, Brighton.
Lloyd S. Meyers, Columbus Junction.
John F. Dicus, Griswold.
Charles E. L. See, Laurens.
Frank E. Moravec, Oxford Junction.
William H. Ward, Ryan.
Hazel A. Coltrane, Stockport.
Clair A. Sodergren, Wayland.
Jesse A. Stump, Wellman.

KANSAS

Herbert L. Fryback, Colby.
Merton M. Fletcher, Glasco.
James L. Reeves, Gridley.
Sherman F. Lull, Linn.
George F. Gibson, Lyons.
Eldon C. Newby, Randolph.

LOUISIANA

Edward S. Rogers, Berwick.
John A. Marchand, Gonzales.
Mattie B. Peyton, Keatchie.
Lillian P. Witherow, Lake Providence.
Ector R. Gammage, Westlake.

MAINE

Gustavus A. Young, Island Falls.
Lawrence H. Allen, South Windham.
Carleton E. Young, Winterport.

MASSACHUSETTS

Charles H. Sawyer, Northampton.
Joseph L. McGrath, Sharon.
Herbert E. Buxton, Shrewsbury.
Walter B. Currier, South Acton.
Nancy S. Harley, South Hanson.
Wendell F. Gurney, Whitman.
Charles W. Swift, Yarmouth.

MISSOURI

Sullivan Brigman, East Prairie.
Isaac P. Hopkins, Edgerton.
Ruby M. Ratcliff, Matthews.

NEBRASKA

Edward F. Farley, jr., Bancroft.
Harry B. Clayton, Central City.
Orin J. Schwieger, Chadron.
May Roberts, Nemaha.

NEVADA

Lillie A. Wist, Manhattan.

NEW HAMPSHIRE

Thomas H. Dearborn, Dover.
Leston F. Eldredge, Durham.
William T. Lance, Meredith.

NEW JERSEY

George Coleman, Delanco.
Lyle W. Morehouse, Little Falls.
William A. Reeves, New Lisbon.
Ida H. Collom, Pemberton.
Harry B. Mason, Pompton Lakes.
Charles Herrmann, South River.
Belle H. Smith, Springfield.

NEW YORK

Margaret M. Senecal, Champlain.
Daniel T. Evans, Chittenango.
Berton G. Johnson, Cooperstown.
Walter N. Durland, Hurleyville.
Lulu B. Morehouse, Marathon.
William P. McConnell, Marlboro.
William W. Carpenter, Monticello.
Perry Deyo, New Paltz.
Copeland E. Smith, Olean.

NORTH CAROLINA

Perry T. Roane, Kelford.

OHIO

Hosea A. Spaulding, Delaware.
Olive G. Randall, Hubbard.
John W. Kramer, Maumee.
Charles R. Finnical, Newton Falls.
Frank J. Eckstein, Salem.

OKLAHOMA

Clifton J. Owens, Mill Creek.
Howard E. Sowle, Vici.
Henry C. Cashon, Webbers Falls.
Fred Godard, Wellston.

PENNSYLVANIA

Laura C. Ehler, Shippensville.

PORTO RICO

Carlos F. Torregrosa, Aguadilla.
Jose M. Alcover, Arecibo.
Moises Jordan, Utuado.

UTAH

William S. Anderson, Moroni.

VERMONT

Reginald W. Buzzell, Newport.

VIRGINIA

Ray L. Barlow, Buckner.
Thomas T. Weddle, Floyd.
Thaddeus Y. Price, Green Bay.
Nannie L. Curtis, Leehall.
McClung Patton, Lexington.
Frank G. Jones, Montvale.
John J. Ward, Nassawadox.

REJECTION

Executive nomination rejected by the Senate May 19, 1924

POSTMASTER

William C. Harbach to be postmaster at Des Moines, Iowa.

HOUSE OF REPRESENTATIVES

MONDAY, *May 19, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father, who art in heaven, hallowed be Thy name. Give us a grateful and happy sense of all our blessings and help us to look on the bright side of all situations. May we remember all Thy benefits by yielding our hearts to Thee. In all our ways help us to acknowledge Thee and to be deeply conscious of the truth that unto the upright there ariseth a light in the darkness, and the path of the just is as a shining light that shineth more and more unto the perfect day. Amen.

The Journal of the proceedings of Saturday was read and approved.

CONFERENCE REPORT

Mr. SHREVE. Mr Speaker, I present a conference report on the bill H. R. 8350 for printing under the rules.

The SPEAKER. The gentleman from Pennsylvania presents a conference report on the bill H. R. 8350, which the Clerk will report by title.

The Clerk read as follows:

Conference report to accompany H. R. 8350, a bill making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes.

The SPEAKER. Ordered printed under the rules.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Welch, one of its clerks, announced that the Senate had passed with amendments the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes; in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed without amendments the bill (H. R. 8905) to authorize the settlement of the indebtedness of the Kingdom of Hungary to the United States of America.

The message also announced that the Senate had passed bill of the following title; in which the concurrence of the House of Representatives was requested.

S. 3272. An act granting the consent of Congress to the Panola-Quitman drainage district to construct, maintain, and operate a dam in Tallahatchie River.

The message also announced that the Senate had agreed to the amendment of the House of Representatives to the bill (S. 2922) to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army.

The message also announced that the Senate had passed with amendments bills of the following titles; in which the concurrence of the House of Representatives was requested:

H. R. 5325. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes;

H. R. 6355. An act to authorize the Secretary of the Interior to issue certificates of citizenship to Indians;

H. R. 5855. An act to fix the salaries of officers and members of the Metropolitan police force and the fire department of the District of Columbia; and

H. R. 3104. An act granting 160 acres of land to the Western State College of Colorado at Gunnison, Colo., for the use of the Rocky Mountain biological station of said college.

The message also announced that the Senate had disagreed to the amendments of the House of Representatives to the bill (S. 1765) for the relief of the heirs of Agnes Ingels, deceased; had asked a conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. CAPPER, Mr. SPENCER, and Mr. CARAWAY as the conferees on the part of the Senate.

The message also announced that the Senate had disagreed to the amendments of the House of Representatives to the bill (S. 365) for the relief of Ellen B. Walker; had asked a conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. CAPPER, Mr. SPENCER, and Mr. TRAMMELL as the conferees on the part of the Senate.

SENATE BILLS REFERRED

Under clause 2 Rule XXIV Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated:

S. 1834. An act for the relief of the legal representative of Robert Dillon, deceased; to the Committee on War Claims.

S. 1013. An act for the relief of Gordon G. MacDonald; to the Committee on Naval Affairs.

S. 953. An act for the relief of William Kaup; to the Committee on the Public Lands.

S. 1976. An act for the relief of the Commercial Union Assurance Co. (Ltd.), Federal Insurance Co., American & Foreign Marine Insurance Co., Queen Insurance Co. of America, Fireman's Fund Insurance Co., St. Paul Fire & Marine Insurance Co., and the United States Lloyds; to the Committee on Claims.

S. 819. An act prescribing certain qualifications of postmasters of offices of the first, second, and third class; to the Committee on the Post Office and Post Roads.

S. 698. An act for the relief of the Great Lakes Engineering Works; to the Committee on Claims.

S. 1174. An act authorizing the Secretary of the Interior to consider, ascertain, adjust, and determine claims of certain members of the Sioux Nation of Indians for damages occasioned by the destruction of their horses; to the Committee on Indian Affairs.

S. 1975. An act for the relief of the Commercial Union Assurance Co. (Ltd.), Federal Insurance Co., American & Foreign Marine Insurance Co., Queen Insurance Co. of America, Fireman's Fund Insurance Co., United States Lloyds, and the St. Paul Fire and Marine Insurance Co.; to the Committee on Claims.

S. 2052. An act to carry out the decree of the United States District Court for the Eastern District of Pennsylvania in the case of United States of America, owner of the steam dredge *Delaware*, against the steamship *A. A. Raven*, American Transportation Co., claimant, and to pay the amount decreed to be due said company; to the Committee on Claims.

S. 2138. An act for the relief of First Lieut. Harry L. Rogers, jr.; to the Committee on Claims.

S. 2397. An act to provide refunds to veterans of the World War of certain amounts paid by them under Federal irrigation projects; to the Committee on Irrigation and Reclamation.

S. 2455. An act to authorize the payment of an indemnity to the Government of Nicaragua on account of damages alleged to have been done to the property of Salvador Buitrago Diaz by United States marines on February 6, 1921; to the Committee on Foreign Affairs.

S. 2526. An act providing for an allotment of land from the Kiowa, Comanche, and Apache Indian Reservation, Okla., to James F. Rowell, an intermarried and enrolled member of the Kiowa Tribe; to the Committee on Indian Affairs.

S. 2457. An act to authorize the payment of an indemnity to the Government of Nicaragua on account of the killing or wounding of Nicaraguans in encounters with the United States marines; to the Committee on Foreign Affairs.

S. 2593. An act for the extension of Rittenhouse Street in the District of Columbia; to the Committee on the District of Columbia.

S. 2669. An act for the relief of J. R. King; to the Committee on Claims.

S. 2975. An act validating certain applications for and entries of public lands, and for other purposes; to the Committee on the Public Lands.

S. 2693. An act in reference to writs of error; to the Committee on the Judiciary.

S. 2826. An act for the relief of the Italian Government; to the Committee on Foreign Affairs.

S. 2905. An act to amend section 25 (a) of the act approved December 23, 1913, known as the Federal reserve act; to the Committee on Banking and Currency.

S. 2919. An act to extend the provisions of the national bank act to the Virgin Islands of the United States; to the Committee on Banking and Currency.

S. 3025. An act to authorize the construction of a bridge across the Oostanaula River in Gordon County, Ga.; to the Committee on Interstate and Foreign Commerce.

S. 3211. An act authorizing the sale of Gasparilla Island Military Reservation; to the Committee on Military Affairs.

S. 1699. An act authorizing Dominic I. Murphy, consul general of the United States of America, to accept a silver fruit bowl presented to him by the British Government; to the Committee on Foreign Affairs.

S. 116. An act to amend section 196 of the Code of Laws for the District of Columbia; to the Committee on the District of Columbia.

S. J. Res. 90. Providing an extension of time for payment by entrymen of lands on the Fort Assiniboine Abandoned Military

Reservation in the State of Montana; to the Committee on the Public Lands.

S. 3272. An act granting the consent of Congress to the Panola-Quitman drainage district to construct, maintain, and operate a dam in Tallahatchie River; to the Committee on Interstate and Foreign Commerce.

LEAVE OF ABSENCE

The SPEAKER. The gentleman from Michigan [Mr. CRAMTON], who presided over the Committee of the Whole two weeks ago, requests leave of absence on account of illness. Is there objection?

There was no objection.

ARBITRATION OF RAILROAD DISPUTES

Mr. BARKLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of H. R. 7358.

Mr. JOHNSON of South Dakota. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. Will the gentleman from Kentucky suspend a moment so the gentleman from South Dakota may state his parliamentary inquiry?

Mr. JOHNSON of South Dakota. Mr. Speaker, I assume that this morning a motion would be made to go into Committee of the Whole on the Howell-Barkley bill. If that motion should be voted down, would it be in order to-day to move to suspend the rules to bring up S. 2255 or H. R. 8869, a bill providing legislation for disabled ex-service men?

The SPEAKER. That raises a question which the House may be called upon some day to decide and perhaps the Chair had better state his views.

Mr. BLANTON. Mr. Speaker, I make the point of order that the views should be heard by a larger membership than is present, and therefore I make the point of no quorum.

The SPEAKER. The gentleman from Texas makes the point of order that no quorum is present.

Mr. BARKLEY. Mr. Speaker, would a roll call revert on my motion which has been made to go into the Committee of the Whole?

The SPEAKER. No; it would not. It is clear there is no quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll; when the following Members failed to answer to their names:

Anderson	Drane	Luce	Sites
Bacharach	Dyer	Madden	Stengle
Beck	Fish	Moore, Ill.	Sullivan
Boies	Fleetwood	Morin	Ward, N. Y.
Buckley	Garber	Mudd	Ward, N. C.
Burdick	Howard, Okla.	O'Brien	Wason
Cable	Hudson	Park, Ga.	Weller
Clark, Fla.	Hull, Tenn.	Peavey	White, Me.
Collins	Kahn	Perlman	Williams, Tex.
Cramton	Langley	Quayle	Wilson, Miss.
Curry	Larson, Minn.	Reed, W. Va.	Winter
Deal	Leavitt	Rogers, N. H.	Zihlman.
Doyle	Little	Sanders, Ind.	

The SPEAKER. Three hundred and eighty-two Members have answered to their names; a quorum is present.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The doors were reopened.

The SPEAKER. When the point of no quorum was made the Chair was answering a parliamentary inquiry which was made by the gentleman from South Dakota [Mr. JOHNSON], to know whether, if the motion to go into Committee of the Whole House on the state of the Union to consider the Barkley bill was voted down, it would be in order for him to move to suspend the rules and pass the disabled veterans' bill.

This may not be important at present, but it raises a question in the construction of this rule which may some day be important, and the Chair will state just how it lies in his mind.

The rule provides that when a bill is brought up the first day, if the question of consideration is voted down—and the Chair stated two weeks ago he thought that the question of consideration in a bill on the Union Calendar like this could be raised by moving to go into Committee of the Whole House on the state of the Union—if that was voted down the rule provides that the bill goes onto the ordinary calendar; but if it is not voted down it becomes a privileged question. The Chair is inclined to think now, subject to suggestions by Members, and, of course, subject always to the decision of the House, that after the day when a bill first comes up, if the House has decided to consider it, after that when it is called up, either as at present to go into the Committee of the Whole or if the question of consideration should be raised in the case of a bill that was not on the Union Calendar, the Chair is disposed to think if that motion should be voted down that the bill would not lose its privilege; that it has attained its privilege the first day by consideration being given, and that instead of going to the calendar it would still be privileged business on the days provided in the rule—the first and third Mondays; and reverting to the exact question to-day, if the motion to go into committee should be voted down, then this bill would be in order again two weeks from to-day, just as it is to-day, and would not lose its privilege and go to the calendar, and therefore the Chair will answer the question in the affirmative.

Mr. BARKLEY. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. BARKLEY. The Chair is not passing definitely on that?

The SPEAKER. No.

Mr. BARKLEY. I gather from the Chair's remarks that, if a motion to go into Committee of the Whole to-day is voted down, that disposes of the matter for this day.

The SPEAKER. The Chair would think so, and that the suspension of the rules and Consent Calendar would then come up.

Mr. BARKLEY. The provision in the rules with relation to the exception of the last six days would exempt it from consideration two weeks from to-day, if in the meantime adjournment had been decided on for June 7.

The SPEAKER. The Chair would say offhand, no; that it would be privileged two weeks from to-day. The Chair had not thought of adjournment.

Mr. BARKLEY. The rule excepts the last six days of the session.

The SPEAKER. The last six days of the session are never determined on in the long session until near the close of the session. We never know when the last six days are until the concurrent resolution is passed providing for the adjournment. Unless that has been passed before two weeks from to-day, the Chair thinks it would still be privileged.

Mr. BARKLEY. I do not care to enter into an argument with the Chair on that now, but I reserve all rights when that question is raised.

Mr. JOHNSON of South Dakota. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. JOHNSON of South Dakota. Then I understand that, if the motion to go into Committee of the Whole House on the state of the Union to consider the Barkley bill is voted down, it will be in order for me to move to suspend the rules and pass the bill with reference to the disabled veterans' legislation.

The SPEAKER. Yes.

Mr. BARKLEY. It would not be any more in order for that bill than it would for any other Member of the House to make a motion with reference to some other bill.

The SPEAKER. No.

Mr. JOHNSON of South Dakota. Mr. Speaker, I now prefer a unanimous-consent request. I ask unanimous consent that the privileged business before the House, which is in order, the Barkley bill, be postponed temporarily so that I may ask to be recognized to suspend the rules and pass the disabled veterans' legislation.

Mr. NELSON of Wisconsin. Reserving the right to object, the gentleman from South Dakota has brought the disabled soldiers before us every day, and it is clearly for the purpose of filibustering, and I object.

Mr. JOHNSON of South Dakota. They should be ahead of you.

Mr. BARKLEY. Mr. Speaker, I renew my motion that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7358.

The SPEAKER. The gentleman from Kentucky renews his motion to go into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7358.

The question was taken; and on a division (demanded by Mr. BARKLEY) there were 188 ayes and 146 noes.

Mr. BARKLEY. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 203, nays 180, answered "present" 4, not voting 46, as follows:

YEAS—203

Abernethy	Aswell	Beck	Box
Allen	Ayres	Berger	Boylan
Allgood	Bankhead	Black, N. Y.	Brand, Ga.
Almon	Barbour	Bloom	Briggs
Arnold	Barkley	Bowling	Browne, Wis.

Browning	Gasque	McNulty	Sanders, Tex.
Buchanan	Geran	McReynolds	Sandlin
Bulwinkle	Gilbert	McSwain	Schafer
Busby	Glatfelter	McSweeney	Schall
Byrnes, S. C.	Greenwood	Major, Ill.	Schneider
Byrns, Tenn.	Griffin	Major, Mo.	Seger
Campbell	Hammer	Martin	Shallenberger
Canfield	Hastings	Mead	Sherwood
Cannon	Hayden	Michaelson	Sinclair
Carew	Hill, Ala.	Miller, Wash.	Sites
Carter	Hill, Wash.	Minahan	Smithwick
Casey	Holaday	Montague	Spearing
Celler	Hooker	Mooney	Stengall
Clancy	Howard, Nebr.	Moore, Ga.	Stedman
Collier	Huddleston	Moore, Va.	Sumners, Tex.
Connally, Tex.	Hudspeth	Morehead	Summers, Wash.
Connery	Hull, Iowa	Morgan	Swank
Cook	Hull, Tenn.	Morrow	Swing
Cooper, Ohio	Jacobstein	Nelson, Wis.	Tague
Cooper, Wis.	James	Nolan	Taylor, Colo.
Crisp	Jeffers	O'Connell, N. Y.	Taylor, Tenn.
Croll	Johnson, Tex.	O'Connell, R. I.	Taylor, W. Va.
Crosser	Johnson, W. Va.	O'Connor, La.	Thomas, Ky
Cullen	Jones	O'Connor, N. Y.	Thomas, Okla.
Cummings	Keller	O'Sullivan	Thompson
Davey	Kelly	Oldfield	Tillman
Davis, Minn.	Kent	Oliver, Ala.	Tucker
Denison	Kindred	Oliver, N. Y.	Underwood
Dickinson	King	Parks, Ark.	Upshaw
Dickstein	Kopp	Peery	Vinson, Ga.
Doughton	Kvale	Porter	Vinson, Ky.
Dowell	LaGuardia	Pou	Volet
Eagan	Lampert	Prall	Watkins
Evans, Mont.	Lanham	Quin	Weaver
Favrot	Lankford	Ragon	Wefald
Fisher	Lazaro	Rainey	Williams, Ill.
Foster	Lilly	Raker	Wilson, Ind.
Frear	Lindsay	Rankin	Wilson, La.
Fulbright	Lineberger	Rathbone	Wilson, Miss.
Fulmer	Logan	Reed, Ark.	Wingo
Funk	Lowrey	Reid, Ill.	Wolff
Gallivan	Lozier	Richards	Woodruff
Garber	Lyon	Robsion, Ky.	Woodrum
Gardner, Ind.	McClintic	Romjue	Wright
Garner, Tex.	McKeown	Rosenbloom	Wurzbach
Garrett, Tex.	McLeod	Rubey	

NAYS—180

Ackerman	Faust	Lehlbach	Sanders, N. Y.
Aldrich	Fenn	Linthicum	Scott
Andrew	Fitzgerald	Little	Sears, Fla.
Anthony	Fredericks	Longworth	Sears, Nebr.
Bacon	Free	Luce	Shreve
Beedy	Freeman	McDuffie	Simmons
Beers	French	McFadden	Sinnott
Begg	Frothingham	McKenzie	Smith
Bell	Fuller	McLaughlin, Mich.	Snell
Bixler	Garrett, Tenn.	McLaughlin, Nebr.	Snyder
Black, Tex.	Gifford	MacGregor	Speaks
Bland	Goldsborough	MacLafferty	Sproul, Ill.
Blanton	Graham, Ill.	Madden	Sproul, Kans.
Boyce	Graham, Pa.	Magee, N. Y.	Stalker
Brand, Ohio	Green, Iowa	Magee, Pa.	Stephens
Britten	Greene, Mass.	Manlove	Strong, Kans.
Browne, N. J.	Griest	Mapes	Strong, Pa.
Brumm	Hadley	Merritt	Sweet
Burtness	Hardy	Michener	Swoope
Burton	Harrison	Miller, Ill.	Taber
Butler	Haugen	Milligan	Thatcher
Chindblom	Hawes	Mills	Tilson
Clague	Hawley	Moore, Ill.	Timberlake
Clarke, N. Y.	Hersey	Moore, Ohio	Tincher
Cleary	Hickey	Moores, Ind.	Tinkham
Cole, Iowa	Hill, Md.	Murphy	Treadway
Cole, Ohio	Hoch	Nelson, Me.	Tydings
Colton	Hull, Morton D.	Newton, Minn.	Underhill
Connolly, Pa.	Hull, William E.	Newton, Mo.	Vaile
Corning	Humphreys	Paige	Vare
Crowther	Johnson, Ky.	Parker	Vestal
Dallinger	Johnson, S. Dak.	Patterson	Vincent, Mich.
Darrow	Johnson, Wash.	Perkins	Wainwright
Davis, Tenn.	Jost	Phillips	Watres
Deal	Kearns	Purnell	Watson
Dempsey	Kendall	Ramseyer	Welsh
Dickinson, Iowa	Kerr	Ransley	Wertz
Dominick	Ketcham	Rayburn	White, Kans.
Drewry	Kiess	Reece	Williams, Mich.
Driver	Kincheloe	Reed, N. Y.	Williamson
Edmonds	Knutson	Roach	Winslow
Elliott	Kunz	Robinson, Iowa	Wood
Evans, Iowa	Kurtz	Rogers, Mass.	Wyant
Fairchild	Lea, Calif.	Rouse	Yates
Fairfield	Leatherwood	Sanders, Ind.	Young

ANSWERED "PRESENT"—4

Christopherson	Larsen, Ga.	Lee, Ga.	Salmon

NOT VOTING—46

Anderson	Dyer	Morris	Sullivan
Bacharach	Fish	Mudd	Temple
Boies	Fleetwood	O'Brien	Ward, N. Y.
Buckley	Gibson	Park, Ga.	Ward, N. C.
Burdick	Howard, Okla.	Peavey	Wason
Cable	Hudson	Perlman	Weller
Clark, Fla.	Kahn	Quayle	White, Me.
Collins	Langley	Reed, W. Va.	Williams, Tex.
Cramton	Larson, Minn.	Rogers, N. H.	Winter
Curry	Leavitt	Sabath	Zihlman
Doyle	Mansfield	Stengle	
Drane	Morin	Stevenson	

So the motion was agreed to.

The Clerk announced the following pairs:

On the vote:

Mr. Boies (for) with Mr. Christopherson (against).
Mr. Salmon (for) with Mr. Gibson (against).
Mr. Lee of Georgia (for) with Mr. Fleetwood (against).
Mr. Peavey (for) with Mr. Hudson (against).
Mr. Howard of Oklahoma (for) with Mr. Burdick (against).
Mr. Clark of Florida (for) with Mr. Temple (against).
Mr. Rogers of New Hampshire (for) with Mr. Wason (against).
Mr. Park of Georgia (for) with Mr. Kahn (against).
Mr. Larsen of Georgia (for) with Mr. Cable (against).
Mr. Stengle (for) with Mr. Cramton (against).
Mr. Ward of North Carolina (for) with Mr. Drane (against).
Mr. Curry (for) with Mr. Mudd (against).
Mr. Sullivan (for) with Mr. Morris (against).
Mr. Quayle (for) with Mr. Leavitt (against).
Mr. Doyle (for) with Mr. Bacharach (against).
Mr. Fish (for) with Mr. Winter (against).
Mr. Sabath (for) with Mr. Ward of New York (against).

Until further notice:

Mr. Dyer with Mr. Weller.
Mr. Anderson with Mr. Buckley.
Mr. White of Maine with Mr. Collins.
Mr. Larson of Minnesota with Mr. O'Brien.
Mr. Morin with Mr. Mansfield.
Mr. Zihlman with Mr. Stevenson.
Mr. Perlman with Mr. Williams of Texas.

Mr. CHRISTOPHERSON. Mr. Speaker, having paired with the gentleman from Iowa, Mr. BOIES, who would have voted "aye" if he were present, I desire to withdraw my vote of "no," and vote "present."

Mr. LEE of Georgia. Mr. Speaker, I am paired with the gentleman from Vermont, Mr. FLEETWOOD. I voted "aye." I withdraw my vote of "aye" and vote "present."

Mr. LARSEN of Georgia. Mr. Speaker, the gentleman from Ohio, Mr. CABLE, was called out of the city on account of the death of his father. I am paired with him, and withdraw my vote of "aye" and vote "present."

Mr. SABATH. Mr. Speaker, I desire to vote "aye."

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. SABATH. I had just stepped out.

The SPEAKER. The gentleman must take the responsibility of answering affirmatively, whether he was listening when his name was called.

Mr. SABATH. I am obliged to admit that I did not listen.

The SPEAKER. The gentleman does not bring himself within the rule.

The result of the vote was announced as above recorded.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 7358) to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes between carriers and their employees and subordinate officials, and for other purposes, with Mr. TILSON in the chair.

The Clerk reported the title of the bill.

Mr. WINSLOW and Mr. BARKLEY rose.

The CHAIRMAN. For what purpose does the gentleman from Kentucky rise?

Mr. BARKLEY. Mr. Chairman, I desire to propound a request for unanimous consent.

The CHAIRMAN. The Chair will recognize the gentleman for that purpose.

Mr. BARKLEY. Mr. Chairman, I ask unanimous consent that the time which has been fixed for debate, three hours, be divided equally, one-half for and one-half against the bill.

Mr. LONGWORTH. Mr. Chairman, I am sorry the gentleman did not make that request before we went into the committee, because it is too late now.

Mr. BARKLEY. Oh, no; it is not.

Mr. LONGWORTH. It can not be done in Committee of the Whole.

Mr. BARKLEY. It can be done either in the House or in the Committee of the Whole.

Mr. SANDERS of Indiana. Mr. Chairman, the time can not be divided. The control of the time can be determined in the committee if the division is made as a part of the action of the House, but when the House has fixed the time and done nothing else, you can not divide the time in the committee, because it is controlled by the rules of the House.

Mr. BLANTON. You could by unanimous consent.

Mr. SANDERS of Indiana. Not in the committee.

Mr. BARKLEY. I am asking that the control of the time be fixed. It can be done either in the House or in the committee.

Mr. SANDERS of Indiana. Mr. Chairman, the motion that was made did not divide the time equally for and against, and the time is not equally divided for and against. The time is controlled under the general rules of debate in the Committee

of the Whole House on the state of the Union, and while it is true that ordinarily before we go into the committee we have either in a rule or by unanimous consent divided the time, in the absence of such action when there is a direct motion to close debate, the rule then is that recognition must first be accorded alternately hour by hour to those for and against; when there has been debate on the one side the other side is next entitled to recognition. It is not equally divided at all.

Mr. GARRETT of Tennessee. Mr. Chairman, I call the attention of the Chair to the fact that when the Cape Cod Canal bill came up under the rule we provided three hours of general debate. The control of the time was not fixed in the House; and after the House had gone into the Committee of the Whole House on the state of the Union I suggested that it seemed quite desirable that there should be a control of the time. I was doubtful myself whether that could be agreed to in the Committee of the Whole, but it was suggested by a gentleman on the majority side of the Chamber, and I think the present Chairman was one of those who made the suggestion that the control could be arranged in the Committee of the Whole, and it was so arranged by unanimous consent.

Mr. SANDERS of Indiana. Mr. Chairman, the gentleman from Tennessee undertakes to state that accurately, but there is this difference, and I call attention to it: When we were considering the Cape Cod bill we had adopted a rule which divided the time equally for and against, which we had the right to do in the House. We fixed the division of the time, and it was only a question of who should control it. The gentleman from Tennessee suggested that perhaps that could not be done in the committee. I interrupted the gentleman from Tennessee and said that when the time was fixed in the House and divided in the House, that then it could be controlled by unanimous consent in the committee.

Mr. LONGWORTH. Mr. Chairman, will the gentleman from Kentucky yield?

Mr. BARKLEY. Yes.

Mr. LONGWORTH. So far as I am concerned, I am willing to make any arrangement with the gentleman, but it can not be done now; and, for one, I would not oppose a motion to rise and immediately go back into the committee.

Mr. BANKHEAD. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BANKHEAD. The Chair recognized the gentleman from Kentucky for the purpose of submitting a request for unanimous consent. The gentleman from Kentucky up to this time has not had the opportunity to submit that request, so that properly he ought to be recognized for that purpose; and then if a point of order is made the Chair can decide the matter.

Mr. LONGWORTH. Oh, the gentleman went far enough with his request to allow me to ascertain that it was for a division or control of the time. Personally, I regret that the request was not made at the proper time, but it can not be arranged now.

Mr. BARKLEY. Two weeks ago, when I moved in the House to limit debate, all I could do was to move to limit. It was impossible to make a motion to divide the time, to control it, and I eliminated that part of my motion. It would have been in order for me to make this request in the House, and it is in order to make it in the Committee of the Whole, because it is a request for the control of the time, and the division of the time between the two sides is a part of the request for the control of the time.

The CHAIRMAN. That is not entirely accurate.

Mr. LONGWORTH. The only trouble about that is that under the agreement, under which we are now acting, there is no arrangement for a division of the time whatever, and none for the control of the time.

The CHAIRMAN. If the time had been divided by the rule, the Chair is clear that it would be in order for the committee to arrange as to the control of the time, but the division as well as the control of the time having been left under the general rules of the House by the House itself, the impression of the Chairman is that it would not be in order to now fix the control of that time in such a way that it would make a division of the time, which the House itself did not make.

Mr. BARKLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BARKLEY. Under the rules any gentleman who is recognized would be entitled to an hour.

The CHAIRMAN. That is correct.

Mr. BARKLEY. And he may yield any of that time he sees fit to other Members.

The CHAIRMAN. The Chair so understands.

Mr. WINSLOW. Mr. Chairman——

Mr. BARKLEY. Mr. Chairman, I ask recognition.

The CHAIRMAN. The Chair will recognize the gentleman from Massachusetts.

Mr. WINSLOW. Mr. Chairman, I ask recognition in opposition to the bill.

The CHAIRMAN. The gentleman from Kentucky has been recognized as the proponent of the bill, and has occupied an hour or such part as he saw fit to use.

Mr. BARKLEY. Of course, I reserve the rest of my time if I have been recognized for an hour.

The CHAIRMAN. The Chair thinks at this time the recognition should pass to the gentleman from Massachusetts and recognizes him.

Mr. BARKLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Massachusetts yield for a parliamentary inquiry?

Mr. WINSLOW. I do not know that I have any authority to yield for a parliamentary inquiry.

The CHAIRMAN. Yes; the gentleman has.

Mr. BARKLEY. Does the Chair hold my recognition to make a unanimous-consent request is a recognition within the rule that entitles me to an hour?

The CHAIRMAN. No; the gentleman was recognized for a specific purpose and the Chair so stated at the time.

Mr. BARKLEY. The Chair does not hold that would bar me from recognition for the hour during the three hours' debate?

The CHAIRMAN. The Chair makes no ruling of that kind.

Mr. LONGWORTH. Mr. Chairman, a parliamentary inquiry.

Mr. GARRETT of Tennessee. Mr. Chairman, a parliamentary inquiry.

Mr. LONGWORTH. Will the gentleman yield to me for a parliamentary inquiry for information for myself and the committee in regard to the situation? The gentleman from Kentucky [Mr. BARKLEY] was recognized for an hour in general debate, and consumed, if I recall, 20 minutes. Now would the gentleman understand that these three hours of general debate are to the exclusion of the remainder of his former hour?

Mr. BARKLEY. Yes; that is my understanding.

Mr. LONGWORTH. Then would the gentleman think it was fair under those circumstances that this side be given the benefit of the extra 20 minutes?

Mr. BARKLEY. I have no objection to that.

Mr. BLANTON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. Under the rules of the House where general debate has been fixed and a portion of that time has been used on a certain day that portion is taken from the whole time. The 20 minutes used the other day is taken from the three hours. There is no question about that being chargeable to the three hours.

The CHAIRMAN. The Chair thinks there is a very serious question about that.

Mr. BLANTON. Of course that has been the rule of the House for a long time.

Mr. CHINDBLOM. I make the point of order that the question is not before the House, and I call for the regular order.

The CHAIRMAN. The point of order of the gentleman from Texas is overruled. The Chair recognizes the gentleman from Massachusetts [Mr. WINSLOW] for one hour. [Applause.]

Mr. WINSLOW. Mr. Chairman and gentlemen of the committee, the bill which we have before us for consideration was introduced and referred to the Committee on Interstate and Foreign Commerce comparatively late in the present session. The committee then undertook to get information as usual from the departments in interest and otherwise prepare itself for consideration of the bill. Before a reasonable time had elapsed with the other important legislation before the committee, there suddenly came a volcanic action designed to pull the bill from the committee and pass it upon the floor of this House. That action prevailed, and after more or less delay we have the bill before us to-day, and we are supposed in three hours, plus the time occupied under the five-minute debate, to settle the provisions of a bill than which no more intricate bill has ever been brought before this House for consideration.

We propose on sight to consider and act on a bill than which no more difficult bill to understand has ever been brought before Congress. We propose here by a vote of this body to run it through in 4, 5, 6, or 10 hours, no matter about enlightenment, no matter about information on the bill, no matter about hearings from which we might learn something, we propose with our eyes shut, possibly not with our ears shut, as we might wish, but with our eyes shut we are supposed to settle this bill here and now, and why are we doing it? Is it because Members in their great wisdom are incompetent to act? No one suggests that. Is it because the great masses of our people have asked our action to-day and now? No; nobody suggests

that. Is it asked that we do it in the interest of all the people after due deliberation? No; absolutely no. Then why are we doing it? Because organized labor represented by four great brotherhoods plus a lot of little labor organizations are saying, "We want it, that is enough; we will have it."

We ought to get in possession of a little knowledge on some of the methods by which it is proposed to rush through this bill. Those who favor the bill have urged in one way and another that a great propaganda of the great interests are flooding Congress with suggestions and statements that they do not want the bill passed. They say that opponents of this bill are putting forth their influence here and there. It is not denied, I assume, the right of a citizen or an organization to do such a thing, but we do not want people who are forcing this bill along to undertake to make the public believe that they are the fair-haired boys who would not exert legislative influence, and that the men who have the money involved are the wicked devils who are trying to postpone the consideration of the bill. I ask the Clerk to read this communication which came into the hands of at least one Member of this House.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

BROTHERHOOD OF LOCOMOTIVE ENGINEERS,
BROTHERHOOD OF LOCOMOTIVE FIREMEN AND ENGINEMEN,
Cleveland, Ohio, May 9, 1924.

To all Grand Lodge Officers, General Chairmen, Chairmen of State Legislative Boards, Officers and Members of Divisions, and Subordinate Lodges.

SIRS AND BROTHERS: Senators and Congressmen are receiving scores of telegrams and letters daily protesting against enactment of the railway labor bill. The convention of the United States Chamber of Commerce at Cleveland, May 8, went on record as opposing enactment of the bill, which doubtless will result in many more protests by various interests.

This action can be counteracted only by the sending of additional telegrams by our officers and members to their Senators and Congressmen urging their full support of our railway labor bill and assuring them that the class of people most directly concerned and affected are heartily in favor of the enactment of this legislation. Where your Congressman is on record as having voted to discharge the House committee from further consideration of the bill, he should be complimented for such action, so that he will know that he is being supported by his constituency in the position thus taken.

While many of our officers and members have wired their Senators and Congressmen upon the subject, such telegrams have not been of sufficient quantity, as compared to the great number received from opposing interests, to properly indicate the extent to which railroad employees are demanding this legislation, and this fact is observed to the extent that it is being freely commented upon in Washington. This will indicate to you that a deluge of telegrams from now until May 19 will do much to strengthen our position and our opportunity for the enactment of this bill.

The sending of these telegrams should not be restricted to general and local officers, but individual members in large numbers should be prevailed upon to also assist us by sending similar telegrams. Copies of such telegrams and responses received should be filed with the grand chief and the international president.

Yours fraternally,

W. S. STONE,
Grand Chief Engineer, Brotherhood of Locomotive Engineers.
D. B. ROBERTSON,
President Brotherhood of Locomotive Firemen and Enginemen.

Mr. WINSLOW. It may be that the great interests, and the railroads, the executives, and the others have approached Members of Congress and have asked for some sort of support of their own views on this proposition, but it comes with bad grace for those who are trying to rush the bill through to complain of the activities of their opponents when they flood their own membership with appeals, if not orders, of that character of the general order as just read by the reading clerk.

To show that it is not all one-sided, in spite of the pronunciamento that you have just heard, here is a significant bunch of petitions [exhibiting] from independent orders of railway employees indicative of opposition to this legislation.

Mr. BLANTON. How large a bunch of protests is that?

Mr. WINSLOW. You mean by measure?

Mr. BLANTON. The RECORD does not show anything about what you exhibit.

Mr. WINSLOW. About 2 inches by 15 inches by 9 inches solid. [Laughter.]

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. NEWTON of Minnesota. The gentleman refers to "operatives." The gentleman refers to operating employees?

Mr. WINSLOW. Quite so; employees connected with the operating and clerical deparments of railroads.

We have also available unnumbered communications from little railroad employees' organizations which have been ignored by this proposed legislation put forward by the four great brotherhoods, and although we have the brotherhoods holding out in a pleasant kind of way that they will look after the chickens later on, the chickens distrust the old hen. They do not want to submit their lives and fortunes to the great brotherhoods, and they are opposed to this legislation for that reason. It is not my purpose to occupy all this time.

We have another letter, one which shows the friendly (?) attitude of those who are proponents of this bill, and gives evidence of the fact that they really want a careful consideration of this bill, and that they approve of the old Democratic-Republican Republic idea of things, that this is a Government of reason, and that we are supposed to know something of what we do. However, in spite of that, they send to us as Members a letter, which I ask to be read. I will withhold the name of the Member who received this letter, but if anybody objects and calls for the name of the Member I will give it. It is addressed to a Member of Congress.

The CHAIRMAN. Without objection, the Clerk will read.

The Clerk read as follows:

PENNSYLVANIA SYSTEM LINES,
SUPREME FEDERATION NO. 90,
Harrisburg, Pa., May 16, 1924.

* * * * * * *

HONORABLE SIR: Under date of May 5, by majority action, the Committee on Interstate and Foreign Commerce was discharged from further handling of the bill known as H. R. 7358, or commonly called the Barkley bill. We note in the CONGRESSIONAL RECORD that you were listed as voting against this motion or absent or not voting; for that reason we are communicating with you for the purpose of expressing our dissatisfaction in the action taken by you and sincerely hope that when H. R. 7358 comes up for action May 19, 1924, that you change your position from May 5 and be found on the list with those voting in favor of the measure as introduced.

The men this office represent are constituents of yours and have been on strike against the Pennsylvania Railroad since July 1, 1922. The main cause of this strike was and is the flagrant violation of the transportation act by the Pennsylvania Railroad Co., and through the action of said company it is clearly demonstrated that the labor provisions of said act have proven failure and mainly the United States Railroad Labor Board.

Your failure to comply with this request will make it necessary for this office to notify each voter that we represent in your district of your action and thereby point out to them just where you failed to represent them when you had an opportunity to do so.

Sincerely trusting that we will have the pleasure of informing our members that you are willing to give them a square deal, I am,

Sincerely yours,

A. J. BURGER, *President.*

Mr. WINSLOW. It would be a waste of time to undertake to suggest or even state the purpose of that letter. It is "Hands up!" That is all there is to it.

Now, a query in my mind is whether or not this Congress, regardless of the merits of the bill, is prepared on four or five hours of vocal utterance, with no deliberation, no investigation, no hearings, to say to the people of the United States, "We will pass this most complicated and intricate labor bill, and we will put all the affairs of the railroads in this country subject to our legislative conclusions" under such circumstances.

Mr. FAIRCHILD. Mr. Chairman, will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. FAIRCHILD. As I heard the reading of that last letter, it was signed "A. J. Burger, president." President of what?

Mr. WINSLOW. It is a labor organization. It appears at the head of the letter.

Mr. FAIRCHILD. If the gentleman will permit me, I for one think it is unfair to the members of the labor unions in my district to have a letter of that nature appear in the RECORD without its showing what State or district it appears from.

Mr. WINSLOW. I see the point. To relieve your mind, I will say it is headed from the Pennsylvania System Lines and represents—

Supreme Federation No. 90, Railroad Employees' Department, A. J. Burger, president.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. BAKER. I think in all fairness to the House, somebody gave you that letter. If he had the courage to give it to you he ought to have the courage to give his name. He ought to have that courage.

Mr. WINSLOW. I can answer you without a speech. It was the gentleman from Michigan [Mr. MAPES].

Mr. MAPES rose.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. WINSLOW. In just a moment. I will yield first to the gentleman from Michigan [Mr. MAPES].

Mr. MAPES. I think perhaps it would clear up this situation a little if I made this statement. This morning, in talking with the chairman about this legislation, I showed him this letter, and he suggested that he might like to have it read. I said that so far as I was concerned it was a matter of indifference to me whether he asked me to read it here or not. I suppose every Member of the House received one like it.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. BLANTON. I happen to know that the Members from a certain Southern State who saw fit to vote against taking this matter up received just such a letter; Members from one of the oldest Southern States of this Union. After all, is it not a fact that the American people are interested in this bill, because the railroads are not the only people at interest?

Mr. WINSLOW. Yes. I had the letter read so that the American people could know what was going on and not so much for the enlightenment of Members of the House. They all know of these things.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Does the gentleman from Kentucky wish to claim an hour?

Mr. BARKLEY. Yes; I desire to be recognized for an hour.

The CHAIRMAN. The Chair will recognize the gentleman from Kentucky now.

Mr. BARKLEY. Mr. Chairman, I yield 30 minutes of that time to the gentleman from Wisconsin [Mr. NELSON].

The CHAIRMAN. The gentleman from Wisconsin is recognized for 30 minutes.

Mr. NELSON of Wisconsin. Mr. Chairman, the gentleman from Massachusetts [Mr. WINSLOW] has just told us about the activities of labor organizations. That is true, but they are appearing in the open, they are doing it directly, and they are presenting their case to Congress in a straightforward way. I wish to show what propaganda is being carried on by the railway interests under cover. We know, of course, that certain great railroads are opposed to the Howell-Barkley bill, but all do not know that they are directing the whole stupendous propaganda. We get letters from business men and chambers of commerce in a stereotyped way and without discussing the merits of this proposition, and all instigated by these gentlemen. We get all kinds of correspondence from labor unions, dummy unions, and the gentleman from Massachusetts [Mr. WINSLOW] referred to some of them, but the record shows that they are financed and directed by the railway interests and simply communicate that which they are told to communicate.

Mr. MILLS. Will the gentleman yield?

Mr. NELSON of Wisconsin. Yes.

Mr. MILLS. How many of the total number of railroad men are represented by the unions demanding this bill.

Mr. NELSON of Wisconsin. Oh, about 90 per cent, or 95 per cent.

Mr. MILLS. I will say to the gentleman it is nearer 50 per cent.

Mr. NELSON of Wisconsin. No; I differ from the gentleman. Supply concerns that fatten out of fat contracts with the railroads are organized and are pushing this thing. I am going to give you some of the proof. It is easily subject to proof, and I would like to have the North and South Dakota Members listen to some of the telegrams, and so on, as it may be interesting to them to find out where this propaganda comes from.

On April 23, Mr. M. L. Countryman, general counsel for the Great Northern Railway, sent the following telegram to Mr. H. E. Judge, of Sioux Falls, S. Dak.:

House bill introduced by Barkley abolishes Labor Board and puts national labor unions in very powerful position as against railroads. Under new rules bill has been called out of committee for consideration by House and comes up on or about May 5. Please confer with other railroad counsel in your State and see whether through cooly plaster and mattings in your stroll abide by leech craft cars drunk time rebuke chide * * *. At conference of railroad counsel to-day all agreed if any useful results are possible they will be obtained through remit stoles thinly by sex filch.

It may be well not to attempt to translate this secret message, but to wait and see what translation the railroad will offer of these mysterious instructions for influencing the Congress of the United States. By "cooly plaster and mattings" great results are evidently to be achieved. By "leach craft" and "cars drunk" it is apparently intended to "rebuke" and "chide" the servants of the public. Eminent railroad lawyers meeting in counsel on the basis of their long experience in defeating legislation in the public interests have agreed that "useful results" are only possible through the "remit." Of course, we should not assume that this means through remitting money. The railroads, since the wicked days when Mr. Huntington spent millions of dollars in Washington and was exposed, have repeatedly assured the public that direct bribery of public servants is no longer their practice. Better and safer methods of obtaining votes have been found. It is an interesting speculation as to what is to be accomplished by "sex filch." To save misconstruction it should be pointed out that the words are not "sex filth" but "sex filch."

Of course, the railroads should not be judged too hastily by these peculiar instructions in secret code. We may be informed that they were only urging that the Interstate Commerce Committee should be asked to hold hearings so that they could talk the bill to death or that a filibuster should be staged by their dear friends in order to prevent the House from exercising its constitutional right to legislate.

It will be helpful, however, to follow the activities of Mr. Judge after he received this code message. In the Sioux Falls Press of April 30 we find the following item:

There was a meeting of the Sioux Falls Traffic Bureau at the chamber of commerce on April 29, and the Sioux Falls Press reports as follows:

"H. E. Judge in a brief talk before the bureau severely criticized the Howell-Barkley bill, now pending in Congress, which would abolish the present Labor Board and place in its stead commissions composed of members of union organizations with a lesser representation of employees of the railroads and employers. The cost of the proposed change would roughly be $1,000,000 a year, according to Mr. Judge, which burden would be added to the taxpayers' load. A resolution was made and unanimously approved to telegraph the South Dakota Congressmen urging that they vote against the measure, and that they seek other opposition to the bill. Individual members of the bureau voted to send personal telegrams to the Congressmen, stating their opposition to the proposed bill."

It appears that Mr. Judge discussed the merits of the bill with as little regard for its actual provisions as that shown by the Republican leader in the debate of May 5. Probably Mr. Judge did not bother to read the bill, but took his statements regarding it from Mr. Countryman, because we read in the Minneapolis Journal of April 29, on the authority of Mr. Countryman and other railroad attorneys, the following statement:

The bill provides for elimination of the Railroad Labor Board and the substitution of a series of so-called adjustment boards, to consist of members of nationally organized railroad unions and railroad officials. These boards would consider all disputes.

The article in the Minneapolis Journal continues as follows:

The bill eliminates public representation on the present Labor Board, and this public representation is something which the public and all the shippers should be interested in, M. L. Countryman, general counsel for the Great Northern Railroad, said.

The telegram and newspaper articles quoted show plainly that it is no accident that business associations and newspapers generally have flatly misrepresented the provisions of the Howell-Barkley bill and have protested against eliminating the public by a bill which substitutes a board of five public members for a present board of three public members and six partisans. It is also interesting to note that upon the first roll call of May 5 all three Members of Congress from South Dakota voted against consideration of the bill.

It does not seem unfair to translate the mysterious code telegram as including instructions that useful results can only be obtained by telling untruths about the Howell-Barkley bill and then getting misinformed business men to telegraph their ignorant opposition to Members of Congress, in the hope that they, being equally ignorant regarding the bill, will vote upon prejudice instead of upon facts.

Let us take up now an example of the activities of other gentlemen who are financially interested in influencing Members of Congress. Here is a telegram, dated May 6, from Mr. A. H. Mulliken, chairman legislative committee, Railway Business Association, to Mr. Charles A. Symington, chairman

membership committee of that association. It should be understood that the Railway Business Association is an organization of the principal railway supply companies in the country, all of whom are greatly interested in keeping rates up and wages down, so that the railroads can waste as much money as possible in giving contracts for supplies to supply companies in which the railroad officers themselves are financially interested. The relationship of these railway supply companies to the railroads has been fully exposed in the hearings before the Senate Committee on Interstate Commerce on Senate Resolution No. 23, in the second session of the Sixty-seventh Congress. Here is Mr. Mulliken's telegram:

Organized labor yesterday demanded of House, and by 194 to 181 obtained discharge of standing committee from consideration of Howell-Barkley bill, upon which no hearings had been held. With parties nearly equal and no caucus on either side, 27 Democrats voted "no," but 40 Republicans voted "yes" and 59 Members did not vote. In House or Senate or White House this bill must be beaten, if possible. In strongest fight of our 16 years as an association we were not strong enough. As proof to Congress that American industry approves policy urged by us, and as reinforcements in our intensive field campaign, earnestly recommend membership committee undertake to enroll at once 100 members. Time presses. Suggest eligible concerns be asked to authorize enrollment by wire for publication here, stating why they are joining.

Mr. Mulliken's telegram was inclosed in a letter of May 10, sent by Mr. Symington to railway supply concerns, which reads as follows:

See Mr. Mulliken's telegram. The Howell-Barkley bill is scheduled for a three-hour debate May 19, after which the parliamentary struggle to prevent its immediate passage by the House will be resumed. Will you be among the 100 concerns to respond with your enrollment and say that you do so to show approval of our course in resisting the exactions of the labor organizations? Telegraph authority to record your membership. Application and check can follow.

State delegations—in forming which our officers and members are everywhere active—are carrying directly to Members of Congress assurance of industrial need in their districts for a let-up in legislative experiment affecting railways. Busy men of large affairs are spending time and strength to protect you and all of us against class legislation forced upon Congress by a well-organized labor minority.

You believe, do you not, that the adjustment of railway wages is fair to labor already?

You believe, do you not, that the intention of organized labor in forcing a change in the law is to speed up wage advances?

You believe, do you not, that the purpose of this bill is to restore nation-wide strikes as a weapon of menace?

You believe, do you not, that under this bill, through unjustified wage increases and wasteful regulations, the tendency of railway operating cost would be turned upward again?

Have you any doubt that in consequence:

(1) Freight rates would be higher and service impaired?

(2) Net railway income would decline, with a consequent loss of confidence in railway securities and neglect to provide sufficient facilities for future traffic?

(3) Business recession would be intensified by keeping railway purchases below normal?

If you do believe all these things, we are sure you will help avert the calamity in the way suggested by Mr. Mulliken.

The application blank calls for check for $100, covering dues for 12 months from date of application.

It will be noted that this efficient organization kills two birds with one stone. In stirring up opposition to the Howell-Barkley bill the association seeks to drag in additional members at $100 a year by terrifying supply companies with a fear that if the railroads are annoyed by regulation in the public interest they will not be able to give as many fat contracts to their friends in the railway supply business. How these railway supply companies profit at public expense was clearly shown by the decisions of the Interstate Commerce Committee on March 7, 1922, when the commission reported that the Pennsylvania Railroad could have saved $3,000,000 in one year by making repairs in its own shops on some 200 locomotives which it sent to the Baldwin Locomotive Works, and that in the same year the New York Central could have saved some $3,000,000 on its contracts for locomotive repairs made through the American Locomotive Co. and the Baldwin Locomotive Works. It was shown that this work was sent out to favored contract shops when the railway employees, who are supporting the present bill, were being laid off by the hundreds in the railroad shops and denied a chance to earn a living.

The Baldwin and American locomotive companies pay $500 a year for five memberships each in the Railway Business Association, but when they are conducting what they call an "intensified field campaign" in the Halls of Congress they do not explain their real reason and their financial interest in opposing legislation to promote the continuity and efficiency of labor in the transportation industry. The membership roll of the Railway Business Association shows a very large membership all over the United States, including practically all the principal concerns engaged in furnishing railway supplies. It appears from this membership roll that they must have an income of something like $75,000 a year from memberships alone, and it is quite evident that they can put a very large amount of money into opposition to legislation, such as the present bill, and that they can bring enormous pressure to bear upon business associations and newspapers all over the country for the purpose of convincing Members of Congress that there is widespread opposition to any legislation which their railroad clients desire to oppose.

Here is another example of how supposed public sentiment is created by the railroads. On March 7, 1924, the following letter was sent by the Missouri Pacific Railroad Co. to surgeons along the line of the railroad dependent upon the railroad for professional employment:

ATCHISON, KANS., *March 7, 1924.*

To all local surgeons:

A meeting was held in the office of the general solicitor of the Atchison, Topeka & Santa Fe at Topeka with reference to the situation at Washington.

The situation at Washington indicates that there is danger of legislation in the Senate and House striking at the transportation act of 1920, and there is so much activity in the direction mentioned as to make it necessary to intensify our efforts to defeat the same without delay.

It was decided at the meeting to call on all local surgeons to proceed at once and secure letters from business men, farmers, and others, directed to the Congressmen of their districts, setting forth, briefly, why the transportation act should not be repealed or amended but given a fair trial.

I am sending you herewith the following documents:

Memorandum dated Chicago, January 21, prepared by S. T. Blodsee, Santa Fe general solicitor.

Letter from Earl H. Ellis, Santa Fe solicitor for Colorado, to Mr. Gardiner Lathrop, dated January 18, 1924.

Points to be used in the letters above referred to.

I am also inclosing a copy of an editorial article entitled "The transportation act," from the Kansas City Star, December, 1923, which argues against the amendment of the transportation act.

It is of supreme importance that we get as many letters as possible forwarded promptly to our Congressmen and Senators. We do not expect them all to be in the same form. This should be avoided. I am asking you, therefore, to give preferred attention to the subject matter of this letter and lose no time in getting as many letters as possible and having them sent to our Senators and Congressmen.

If you are put to any expense in this matter, such as automobile hire in going to other towns to secure these letters, let me know amounts thereof and I will make vouchers to cover. I shall thank you, within the next 10 days, to send me a list of persons who have written letters at your request. You can assist the writers of these letters in preparing the form, having them as different as possible, and not of a rubber-stamp, stereotyped character. Immediate attention to this matter is specially requested.

If you can get a few prominent farmers to send in such letters, it would be of much benefit.

Please regard this communication as confidential and not for publication.

Yours truly,

W. P. WAGGENER, *General Attorney.*

In connection with the employment of surgeons, it may be worth while to refer for a moment to the interest of the public and the employees in the maintenance of harmonious labor conditions on the railroads. The rules and working conditions which the employees seek to have established are, in many instances, designed to protect their lives and health, and in the protection against accidents in the transportation service the public itself has an immediate interest. In the year 1922, 32,434 employees were injured and 1,298 were killed on the steam railroads. Forty-seven thousand nine hundred and eighty-nine passengers and other nontrespassers were injured and 5,851 were killed. Bad working conditions in the shops are directly reflected in defective equipment or inefficient operation. Neither the railroad managements nor the general public has anything like the vital interests that railroad employees have in maintaining efficient and safe conditions, in

preventing overwork and unfair strains upon human beings that result in accidents. Payment of insufficient wages and the establishment of unfair working conditions are reflected directly in diminished efficiency and safety of transportation service.

Mr. MICHENER. Will the gentleman yield?

Mr. NELSON of Wisconsin. I am sorry I can not at this time.

Mr. MICHENER. Will not the gentleman please discuss the bill?

Mr. NELSON of Wisconsin. I want to finish this, and the gentleman should have this information.

Yet when the railroad employees come forward with a program to require conferences for the consideration of their interests, to require a settlement of technical disputes through competent boards of technicians, to require that the public shall have the right and power to mediate any disputes over wages and working conditions, and that unsettled disputes shall be submitted to impartial arbitration, they are met with a barrage of falsehood and misrepresentation proceeding apparently from the persons disassociated from the railroads, but in fact being merely secret agents of railroad managements. Perhaps the most unfair use of secret methods of opposition has been the employment by the railroads of the officers of so-called company unions to protest to Members of Congress against legislation for the benefit of all railroad employees. It is the grossest hypocrisy for these company union officers to pretend to represent the employees whom they are hired to betray. It was admitted on cross-examination before the Senate subcommittee in hearings on this bill by Mr. Anderson, of the Union Pacific Railroad, who claimed to represent 140,000 employees, that he had been assisted in his presentation by the management (p. 382), and was shown in Mr. Richberg's statement (p. 210) that on the Union Pacific and other railroads men are compelled to join the company unions, the expense being paid either by dues deducted from wages or by the company direct.

Mr. MILLS. Will the gentleman yield?

Mr. NELSON of Wisconsin. I would rather not yield at this time.

Mr. MILLS. Would the gentleman mind giving me that citation?

Mr. NELSON of Wisconsin. Page 382 and page 210.

Mr. MILLS. I do not find any such citation; 364 is the last page.

Mr. NELSON of Wisconsin. It was admitted by Mr. Peterman, claiming to represent the Pennsylvania shopmen, that the company union officers were paid for service and expenses by the company (p. 300); and Mr. McDonald, claiming to represent the clerks, insisted that "it is perfectly legitimate for the company to assume the expense of this work." In other words, it is well recognized that company union officials are paid agents of the managements. Probably few Members of Congress realize that almost all the company unions are mere paper organizations; that the employees do not have any local craft organizations or lodge meetings, or the form of organization whereby their so-called representatives are required to express the wishes of their membership. These company unions are simply set up so that the company can make the pretense of entering into agreements with the employees, when, as a matter of fact, the company is represented by its own agents on both sides of the table. The officers of the national labor organizations and some Members of Congress have received numerous letters from railway employees protesting against other misrepresentation by company union officers; protesting against being compelled to sign petitions of opposition to this bill in order that they might not be discharged. Any Member of Congress who assumes that the protest of a company union officer represents the sentiment of railway employees is simply ignorant of the facts in the case.

Time will not permit an indefinite exposure of all the devious means by which the railroads have sought to mislead Congress; but the day is not far distant when Members of Congress and the country at large will be more fully advised of the methods adopted to prevent the passage of this bill. Many Members are undoubtedly ignorant of the sources of pressure and influence that has been brought to bear upon them. They do not know why and how this bill has been misrepresented by a campaign of organized falsehood. They do not know the means that have been used to write fabrications into the editorial and news columns of the daily papers. But it is well to utter a word of warning here and now that the day is approaching when these things will be brought into the light. There were some Members of the House who resented the statement made on the floor that the vote made upon this measure would be a test vote. But it may be a more important test vote than many realize. It may turn out to be a test vote, not only of friendliness to the men who do the hard manual labor that moves interstate commerce, but it will be a test of the ability of many a new Member of Congress to withstand the pressure of powerful corrupting influences that are using falsehoods and appeals of self-interest to persuade Members of Congress to violate their duty to give legislation a careful and impartial consideration and then to vote as public servants, not as the deceived or willful agents of private interests.

The proponents of this legislation have worked in the open. They have sent their representatives here to give information, to furnish statistics, to persuade by all honorable means the representatives of the people that this bill is a measure in the public interest and is worthy of support. They have openly asked the men on the trains and in the shops to write their appeals to Members of Congress so that they may know that this legislation is really desired by the railway employees. The American Federation of Labor has joined vigorously in this effort to convince the Members of Congress that all organized labor regards the Howell-Barkley bill as a constructive measure to maintain peace and harmony in a most essential national industry.

The opponents of this bill have worked under cover, through secret agents. They have insinuated their false statements into the newspapers through secret channels of influence. They have operated through concealed agents, using unfair pressure and misrepresentation as the means for misleading and coercing Members of Congress to defeat this bill by any means, but particularly through parliamentary strategies and tricks, through suppression of discussion and filibuster, through any means except the honorable means of fair and open debate upon the merits. As a result, the issue on this bill has become even greater than that of the merits of the bill itself. It has grown to be an issue of the integrity and dignity of the exercise of legislative power by the Congress of the United States. [Applause.]

Mr. Chairman, I yield back the balance of my time.

Mr. BERGER and Mr. MICHENER rose.

The CHAIRMAN (Mr. GRAHAM of Pennsylvania). Does the gentleman yield; and if so, to whom?

Mr. NELSON of Wisconsin. There are so many crowding for time that I do not like to take more time.

Mr. BERGER. Just a short question.

Mr. MICHENER. I hope the gentleman will yield for a question. The gentleman has talked for 25 minutes and has not mentioned the bill. I would like to hear what the gentleman thinks about the provisions of this bill.

Mr. NELSON of Wisconsin. I shall discuss the bill on its merits subsequently this afternoon. I wanted the gentleman to know the sort of propaganda that is behind some of the letters you are receiving.

Mr. BERGER. Is not the gentleman also of the opinion that this propaganda will continue and must continue as long as the railroads are in private hands?

Mr. NELSON of Wisconsin. I rather think so.

Mr. SANDERS of Indiana. Then the gentleman is in favor of Government ownership?

Mr. NELSON of Wisconsin. No; I am not.

Mr. BERGER. The gentleman is not?

Mr. NELSON of Wisconsin. No; I am not. [Laughter.]

Mr. MAPES. Mr. Chairman, at the suggestion of the gentleman from Massachusetts [Mr. WINSLOW] I yield the gentleman from Illinois [Mr. MADDEN] 10 minutes out of his time.

The CHAIRMAN. The gentleman from Illinois is recognized for 10 minutes. [Applause.]

Mr. MADDEN. Mr. Chairman and gentlemen, I am sure every Member of the House will join me in expressing thanks for the lucid explanation of the bill by the gentleman from Wisconsin [Mr. NELSON], who has just closed his speech. [Applause.] I was deeply interested from line to line to discover when he was going to talk about the bill, and I regretted exceedingly to see him yield the floor without mentioning it.

Now, I want to talk about what the gentleman from Kentucky [Mr. BARKLEY] said about the bill when he made his celebrated speech a few days ago.

Mr. BARKLEY said in his speech of the 5th of May that—

the bill makes no radical changes in existing law.

Well, does it? Does not it provide that four different boards consisting of about 40 men, equally divided among the railroads and the unions of the brotherhoods, shall be selected by them, named by the President, and paid for by the public? Is there any such provision as that in the existing law? I think no one will say there is.

These boards are authorized to employ such help as they may think proper and fix the pay of such help. There appears to be no restriction on the number who may be employed nor the pay they may receive, but the public is to pay the bill and I suppose nothing else matters. Yet my friend from Kentucky says there is no radical change from existing law. The poor public. It becomes the football of every plunderbund. How it survives I am at a loss to understand. It seems an unusual demand to make that the people shall be required to pay the expenses without limit of boards whose only functions are to adjust grievances between themselves under contracts between themselves in which the people have no voice whatever.

It is true that these boards have to deal only with grievances between the men and the railroad companies; that they have nothing to do with fixing wages or making contracts of employment. What they have to do is to adjust differences between a single individual employed by a railroad and the railroad, or between groups of individuals and the railroads. The purpose of the boards is to adjust working conditions; to settle disputes between superintendents and the men. The public is not represented on these boards, except as it is connected with them through the Treasury of the United States.

I would like to ask Mr. BARKLEY, or anybody else, why the Government should pay an unknown sum annually as compensation to such boards. They are not transacting any business for the Government. The business they are transacting is for the unions and for the railroads. Why should not the unions and the railroads pay them? Why should the general public be taxed to meet their expenses?

Mr. MILLS. May I suggest that that is in entire harmony with the general proposition of this bill, which legalizes the unions, gives them legal recognition, and, therefore, it is appropriate, under the circumstances, that the United States should pay the expenses of the unions.

Mr. MADDEN. Of course.

Mr. BARKLEY. Will the gentleman yield?

Mr. MADDEN. I decline to yield further.

The gentleman from Kentucky, Mr. BARKLEY, says that the appointment of these boards, if you pay them out of the public Treasury, will almost certainly insure against strikes. How does he know that? How does anybody know it? Who can say what will cause a strike, or when it will be caused, or what course it will take?

The gentleman from Kentucky says that the last railroad strike cost the Government, through the Department of Justice, about $2,000,000. It is true it did, and it cost the railroads and the public a very large sum; nobody knows what. All strikes do that, but this bill does not insure against strikes. The provisions he describes give no assurance against strikes. Mr. BARKLEY says the bill does provide for a public board of mediation and conciliation. True it does, but what is there that this board could do? When do they get into action; how do they get into action? Who puts them into action? They can not function except when the railroads and the men agree between themselves that a matter should be referred to the Board of Mediation and Conciliation. Mind you there must be an agreement between the other people first. There is no place anywhere in this bill that gives the Board of Mediation and Conciliation original jurisdiction to begin to function. It can do nothing until asked, and can not do anything until everybody agrees, and when everybody agrees, of course, there is nothing to adjust. It has already been adjusted or there would be no agreement.

The gentleman from Kentucky, Mr. BARKLEY, says that these boards are national boards. Well, what of it? What is the difference between being national or local? If they do not represent anybody but themselves they might just as well be international as national or local. The boards are organized to protect their own interests and not in any way to represent the public.

The gentleman says:

> the objection that was made to the original bill providing that the expenses of these groups of men on each side should be paid for by the respective sides was that as long as their expenses and their salaries are paid for by private interests and out of private funds that they would still hold that they were representative to the last degree and they would never cross over and agree with the other side, and, as a result, making them Government officials makes it easier for these men, with equal representation on both sides, to agree.

So the gentleman thinks that although these men have no Government function to perform that they will be more complacent and less interested in the preservation of their own rights and less insistent upon the terms of their contracts than they would if they were merely railroad representatives or union representatives, as the case might be.

Of course there is no logic in such a statement, and there is no one who stops to consider the question who would be willing to agree with the conclusions drawn by the gentleman from Kentucky.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MADDEN. I wonder whether I could have three minutes more.

Mr. WINSLOW. Mr. Chairman, I yield the gentleman three additional minutes.

The CHAIRMAN. The gentleman from Illinois is recognized for three additional minutes.

Mr. MADDEN. The gentleman says that the objection to the boards that were proposed in the existing law, but which in fact were not incorporated into the law, was that by setting up these equipartisan boards and having their employees on respective sides it took away from them perhaps that degree of impartiality that might enable them, or at least some of them, to agree with those on the other side in arriving at a conclusion.

Well, if the matter was not so serious this would be a laughable reason for authorizing the unions and the railroads to appoint their own men and have the President name them after they appointed them and have the public pay them after all this detail had been gone through with.

Of course we know that the boards do not deal with the question of wages; that they have no jurisdiction over increases or decreases. That is a matter left entirely with the employers and the employees under this bill. I do not object to the matter of wages being left to the employer and the employee.

I think that is the way it should be. I was not for the Railroad Labor Board when it was provided for in the present law, and I would not care if it were abolished now, but I would not set up in its stead the boards that this bill provides. Whatever chance the public has with the existing Labor Board on which the public is represented it will have no chance at all with the proposed boards. The public is out if this bill passes. God help the public! If this bill passes nearly half of the men employed by the railroads will be out, because there are only a little more than half that have the selection of the men for these boards, and these men are human, and they will be appointed by their friends who are human, and their job will be to see that those who appointed them are protected against their fellow workmen who are not of the brotherhoods.

I think it might be just as well now to call attention to the insistent demand on the part of the agricultural sections of the country for reduced freight rates. I notice that some of the people from agricultural districts here are voting for all the provisions of this bill. If this bill passes and becomes law the door of opportunity is forever shut in the faces of those who are looking for lower freight rates. Their dreams of relief are ended. They might as well know it now as any other time.

If there is anybody anywhere in the agricultural regions of the United States who believes for a minute that there will ever come a time, if this bill becomes a law, when his agricultural constituents will ever have any chance whatever to get reduced freight rates, let him quit his pipe dream now. [Applause.]

Mr. LONGWORTH. Mr. Chairman, I ask for recognition in opposition.

The CHAIRMAN (Mr. TILSON). Does the gentleman from Massachusetts reserve the balance of his time?

Mr. WINSLOW. Yes.

The CHAIRMAN. The Chair will recognize the gentleman from Ohio.

Mr. LONGWORTH. Mr. Chairman, in order that the debate shall be equally balanced between the proponents and opponents of this measure I shall be glad to yield 20 minutes to the gentleman from Kentucky [Mr. BARKLEY] and I reserve the remainder of my time.

Mr. BARKLEY. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. RATHBONE].

Mr. RATHBONE. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. RATHBONE. Mr. Chairman, it is with regret that I find myself in opposition to the distinguished gentleman from Illinois [Mr. MADDEN], who has just addressed you, and to the majority of my colleagues on the Republican side of this House.

This is not a party question, but if it were I maintain that those who are supporting the Howell-Barkley bill are at the same time maintaining the true principles of the Republican Party. I deny that adherence to the discredited Railroad Labor Board is a test of Republicanism.

How shall we determine whether or not a measure should be regarded as true Republican doctrine? Undoubtedly by ascertaining if the principles embodied in such a bill have been approved in the national platforms of the party or by the utterances of its acknowledged leaders. Let us apply these tests to the present transportation act and to the Howell-Barkley bill now under consideration.

There are three essential elements in the bill before us. First, it provides for collective bargaining. In the national Republican platform of 1920 we find the following:

> We recognize the justice of collective bargaining as a means of promoting good will, establishing a closer and more harmonious relation between employers and employees, and realizing the true ends of industrial justice.

What is the meaning to be given to these words? The word "collective" implies unity. On the one hand the stockholders united in their corporate organization and on the other hand the workers united in their labor unions are to be the parties to the transaction in question.

The word "bargaining" implies freedom of contract. No one can be said to bargain when under restraint.

This important feature, therefore, of the Howell-Barkley bill is supported by the distinct expression of the last Republican National Convention.

It has been well said that the progress of humanity is from status to contract. The creation of the Railroad Labor Board was reactionary because it was designed to make the employment of the workers dependent upon status. It sought arbitrarily to fix their wages and the working conditions of their employment. This was a step backward in the direction of involuntary servitude.

The bill before us is a progressive measure in that it accepts contract and not status as the true principle to be followed in such legislation. It gives to the railroads and the workers alike the right to determine wages and working conditions by mutual agreement.

Second, the bill provides for mediation and conciliation. The proponents of the Howell-Barkley bill contend that the Labor Board has been a failure and that the previously tried machinery of Federal mediation was a success, and that therefore the Labor Board should be abolished and the Board of Mediation restored. Let us examine the records of the past 4 years' operation of the Labor Board and then the records of the previous 20 years of mediation.

Perhaps it would be well first to explain the principles of mediation in order that it may be clearly understood why the Labor Board as an attempt at combination of mediation and arbitration failed, and will continue to fail, to preserve peace.

The development of the principle of mediation has been one of slowly and steadily improving efficiency. During the eight and a half years following the passage of the first mediation law, the Erdman Act in 1898, the law was used only once, when the trainmen requested mediation and the railroads refused to enter mediation proceedings. From 1907 to 1913 the use of mediation increased and 61 cases were settled under the Erdman Act, affecting over 250,000 employees.

It should be borne in mind that the Erdman and Newlands Acts only provided mediation for controversies involving the train-service men, and that labor disturbances on the railroads prior to the passage of the Transportation Act not affecting the train-service men can not be charged up as failures of mediation.

The technique developed by Federal mediators improved as their experience grew, and the result was an increasing disposition of both carriers and employees to invoke mediation. It is desirable to understand this technique in order to see clearly why the present Labor Board can not operate as a body of mediators.

The Federal mediators never called both of the parties before them for either public or private hearings. In fact, they learned very soon that they must keep the parties separated in order to mediate successfully. If one mediator were acting, he would vibrate between the opposing groups. If two mediators were acting, one might work with one group and the other with the opposing party. It was absolutely necessary for the mediators to enjoy confidential relations and for both parties to be assured that confidences would not be violated. Thus, a mediator could argue vigorously against unjust demands and obtain concessions which he would be very careful not to communicate to the other side. So by an adroit combination of pleading and pressure the mediators would be able to narrow the dispute down to a few issues, with perhaps slight differences between the parties in the end, and determine how far each party would be willing to go in making concessions to the other.

The majority of mediations under the Erdman and Newlands Acts resulted in settlements by the mediators. Where arbitration was necessary, the mediators had been able to narrow the issues and also to force the parties into a position where neither could afford to reject the arbitration proposal. Then the mediators were able to exercise their final function of naming neutral arbitrators where the parties were unable to agree upon such neutrals, which was usually the case.

The success of arbitration always lay in the fact that the parties agreed to abide by the award, and provision was made, as in the proposed law, for entering a judgment upon the award, if necessary for its enforcement.

The Labor Board was constituted as a board of arbitration, being composed of three partisans of each side and three neutrals. But its composition violated two fundamental principles of successful arbitration. In the first place, as parties were compelled to submit disputes to the board, its decisions could not be made enforceable without the result being compulsory arbitration. The principal value of arbitration lies in the voluntary agreement of the parties to submit their controversy and to abide by the award.

In the second place, the board, being a permanent board, was unsuited for arbitration. Inevitably a permanent board of arbitration will become in fact partisan to one side or will be forced by the logic of events to render so many decisions offensive to one or both parties that one or both parties will lose confidence in it.

This is one reason why trial by jury has obtained such public confidence, particularly among English-speaking people. A man has always the opportunity to have an issue of fact tried by a newly formed tribunal, against which he has acquired no prejudice and which has no prejudices against him. The permanent officers of court, the judges, are supposed to be limited to determining issues of law; but issues of fact, upon which a man may be deprived of liberty or property, are to be submitted in each instance to a new tribunal chosen for that purpose.

This analogy to trial by jury may show clearly why a board for the arbitration of industrial disputes to determine the property rights, the working conditions, and other matters of grave importance to thousands of men and to the owners of vast properties should be constituted anew for each controversy. And again it may be pointed out that the very fact that a dispute must ultimately be decided by such an unknown board, which must be especially created, will exercise a powerful influence upon the parties under pressure of Government mediators to adjust their disputes in conference between themselves, if possible.

The transportation act offended against all these sound principles for the mediation and arbitration of industrial disputes. Since the Labor Board could not make enforceable awards, its function must be essentially that of a body of mediators. But to put three partisans of each side upon a mediation board was a manifest absurdity. For the board then to appear to be a court—and with even more formal procedure than that of an arbitration board—was to insure its failure as a mediating body. Perhaps the most tragic example of the inevitable failure of the Labor Board is found in its utter failure to cope with the shopmen's strike.

The record of governmental mediation as a means for the peaceful adjustment of disputes affecting the train service employees is one of exceptional success. Two sentences from the official report of the Government mediators of December 8, 1917, are significant:

> In no instance has a strike followed the intervention of the board, some plan of adjustment having always been agreed to by the contending parties. When account is taken of the numerous and distressful strikes that have occurred in the industrial field and on street railroads it is a noteworthy fact that the interruption of interstate railway service caused by labor disputes has been almost negligible during the entire period mentioned.

The board concluded that the law seemed to be the—

> best plan yet devised for bringing to a peaceful settlement the disputes which most frequently occur, and which otherwise would be likely to result in serious consequences to the public.

The person who studies without bias the records of the development and success of Federal mediation and conciliation and arbitration for the settlement of railway labor controversies, and reviews with similar lack of bias the failure of the provisions of Title III of the transportation act to promote

the continuity and efficiency of transportation service, must come to this conclusion: The organized railway employees have presented to this Congress not a new and radical proposal but, on the contrary, urge that the radical experiment of the creation of the Railroad Labor Board was a legislative blunder and that conservative counsel should approve of the abandonment of a machinery of proven failure and the return to a machinery of proven success.

Every advantage has been taken in the proposed bill of the lessons of experience. Improvement has been made in the old machinery of mediation and arbitration. Revisions of former legislation have been made to remedy defects which developed in the use of the former mechanism of mediation and arbitration, but the essential principles that have been tried and found true are the underlying principles of the Howell-Barkley bill.

The value and importance of mediation were long ago recognized by the Republican Party. In its platform of 1908 we find the following:

> The successful exercise of the power of mediation and of arbitration between the officials of railroads and their employees * * * were the most commendable accomplishments of the present administration.

Third, the most important principle of arbitration is clearly recognized in the Howell-Barkley bill as the one which should finally govern in cases of industrial disputes. This is also sound Republican doctrine, for in that party's platform of 1920 we read:

> The Government should take the initiative in inviting the establishment of tribunals or commissions for the purpose of voluntary arbitration and of investigation of disputed issues.

Compulsory arbitration is a failure. Wherever it has been tried this fact has been demonstrated. Over 20 years ago its adoption by the Government was heralded as a wonderful step forward in New Zealand, but in his latest work "Modern Democracies" James Bryce practically condemns it as a failure.

Liberty of contract, including contract of employment, is essential to the maintenance of civilization. Employers must be free to employ or not to employ and employees must be free to work or not to work. Coercion is un-American and is repugnant to all the fundamental principles of our institutions.

This bill leaves both parties free until they have submitted to arbitration. After that they are morally and legally bound to abide by the award. This is in line with all experience and enlightened progress.

If the intention of the framers of the transportation act was to coerce the workers, then it was not only abortive but wrong. The Transportation Act was apparently intended to compel the railroad workers to submit to the jurisdiction of the Labor Board but not to its decisions, whereas the proposed bill makes their submission to arbitration voluntary, but their abiding by the award compulsory.

The Transportation Act has been severely criticized by the leaders of the Republican Party. The late President Harding on December 8, 1922, in his address to Congress, said:

> In a previous address to the Congress I called to your attention the insufficiency of power to enforce the decisions of the Railroad Labor Board. Carriers have ignored its decisions, on the one hand; railway workmen have challenged its decisions by a strike on the other hand. * * * It is now impossible to safeguard public interest, because the decrees of the board are unenforceable against either employer or employees.
>
> The labor board itself is not so constituted as best to serve the public interest. With six partisan members on a board of nine, three partisans nominated by the employees and three by the railway managers, it is inevitable that the partisan viewpoint is maintained throughout hearings and in decisions handed down.
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> * * * * * * *
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> It need not be surprising that there is dissatisfaction over delayed hearings and decisions by the present board when every trivial dispute is carried to that tribunal. The law should require the railroads and their employees to institute means and methods to negotiate between themselves their constantly arising differences, limiting appeals to the Government tribunal to disputes of such character as are likely to affect the public welfare.

Secretary Herbert Hoover, addressing the National Transportation Conference, composed of representatives from all the groups directly interested in the railroads, held in Washington, January 9, 1924, said in part:

> The present set-up of labor adjustment has not given entire satisfaction and in considerable degree this is due to inherent faults in the construction of the board and in its authorities.
>
> We have in this board confused four different functions in labor relationship. The board has in parts the machinery for collective bargaining, for arbitration, for conciliation, and judicial determination.

Secretary James J. Davis, in his annual report for 1923 to the President, as head of the Department of Labor, said, in part:

> Apparently the differences between the management of the railroads and their employees have been increased and complicated rather than diminished by the operation of the machinery provided by section 300 of the law—transportation act. The practical operation of that plan brings about unreasonable delays in the adjustment of minor disputes and accentuates to the dignity of a contest petty differences with reference to wages and conditions of labor.
>
> The machinery has proved unwieldy. It seems to me that some machinery less complicated and less cumbersome should be set up to provide for the equitable and expeditious settlement of these disputes through well-known and oft-used channels in order that our transportation system may function at its highest rate of efficiency in the interest of the country.

The fatal defect in the conception and construction of the Railroad Labor Board was and is that it sought to combine things essentially incompatible, force and persuasion. It could not employ either to good advantage. It turned its back on persuasion and yet stopped short of compulsion.

The representation of the public on the board is of no advantage, for it constitutes a minority of the membership, it controls nothing, and it is swept aside by partisanship or soon becomes partisan itself. It is an innovation, a misfit tribunal without power, a court without authority, an alleged board of conciliation that does not conciliate.

It was condemned to failure from the beginning. It was hatched in eight days in a conference room behind closed doors. It was never debated in public. It was never held up to inspection in the light of day. It was not in the original Esch bill nor the original Cummins bill. It was the result of hasty compromise. It is an ill-considered experiment without historic background, without proper evolution; a futility, as has been clearly proven by four years of continuous friction and failure. It has not brought industrial peace, but resentment, resistance, industrial strife, and a great nation-wide strike, resulting in enormous loss to the railroads and the public. It can not bring peace in the future, because its basic conception is essentially unsound. Emerson was right when he said, "Nothing can bring you peace but the triumph of principles."

It must cause humiliation to every true American to see any agency of this great Government, such as the Railroad Labor Board, flouted, scorned, and repudiated, as it has been. For 30 years before the Transportation Act there was no nation-wide railroad strike. Let us return to the methods and principles of the Newlands and Erdman Acts, under which the Nation enjoyed industrial peace in transportation service. Let us return to the paths of our fathers, where we can neither stumble nor wander, and march steadily forward to peace and prosperity.

Mr. BARKLEY. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman has remaining 43 minutes.

Mr. WINSLOW. Mr. Chairman, I yield five minutes to the gentleman from Michigan [Mr. WILLIAMS].

Mr. WILLIAMS of Michigan. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. WILLIAMS of Michigan. Mr. Chairman, I was very much interested in what the preceding speaker had to say upon this subject. He quoted Warren G. Harding, for whose memory, of course, all of us have the greatest respect, but when Warren G. Harding pointed out a possible deficiency in the present railway act, that did not in any way mean that if he were alive to-day, he would favor the proposition which is now before this House.

I want to say to the gentleman from Illinois [Mr. RATHBONE] that I would a good deal rather take the handiwork of men who sat upon the committees of the two Houses of Congress, who heard all of the testimony and the evidence that was produced there, and then, finally, after debates in each House and the whole matter had been thoroughly gone over in conference, decided upon the present Railway Labor Board feature, than I would to take the results of the work of attorneys of the railway labor brotherhoods, who worked in secret to produce something that they were willing to present to Congress. Naturally, when they did that work, they were looking at these matters largely from a prejudiced and partisan standpoint.

It would be too much to expect these attorneys representing the brotherhoods and doing their work in secret without consulting the railroad executives, without referring to the thought of

the country on this subject, to produce a bill which would protect the public in every respect in which the public should be protected.

Mr. RATHBONE. Will the gentleman yield?

Mr. WILLIAMS of Michigan. I can not yield, I have not the time. The time has passed when it should be made possible for executives of the railroads and men working upon the railroads to get together and arrange without scrutiny a schedule of pay and the other things which mean expense and must necessarily be passed on to the public and be borne by them. So I say to my friend from Illinois that rather than tear to pieces the Railroad Labor Board, would it not be better at this time to amend the act where necessary? [Applause.]

It is needless to say that the subject of railroad legislation in all its aspects is one with reference to which I have a great deal of concern. I am well aware of the fact that the transportation act of 1920 is not fully satisfactory in every respect, either to the management of the railroads or to the men who are employed by the roads. This is not surprising in view of the fact that the legislation was necessary to meet the many complicated situations growing out of Government operation and in connection with the return of the roads to the former owners, and the fact that the legislation was along new lines. Even assuming that it was well based fundamentally, it would take a considerable number of years to correct features that experience under it would indicate should be changed.

The questions touched upon in the law dealing with railroads are of the most vital importance not only to the investors in railroad securities and the men who are employed on the roads, but to the general public as well, which is compelled to pay the bill through transportation charges. We should not approach the consideration of these questions from a prejudiced or narrow viewpoint.

The Howell-Barkley bill proposes to repeal the entire labor section of the present transportation act, do away with the United States Railroad Labor Board, and substitute therefor a number of so-called adjustment boards and a board of mediation and conciliation.

The unfortunate part of the present situation is that this bill was introduced in the House on the 28th of February, and in about six weeks proceedings were started to withdraw it from the committee, which could not previously take it up because of precedence having first been given to other measures. It is now being brought up for consideration by the House as a whole without any opportunity for hearings at which could be voiced the various and conflicting views that would necessarily exist with reference to such an important and far-reaching subject. I feel that those who are sponsoring this legislation are acting ill-advisedly in attempting to force it through Congress without a full opportunity not only for hearings and the expression of views by those who have studied and have had actual experience with the subject, but without a full reaction upon the part of the public generally. I believe that if this legislation should be forced through Congress at this time it would create a very adverse public opinion and would be viewed as was the Adamson law at the time it was adopted. It seems to me that every real friend of the railroad workers must now feel that it was a mistake to have given the Adamson proposal the appearance of having been forced through Congress so abruptly and without an opportunity for full discussion and consideration, even though the Adamson law may have been proper in itself.

Fortunately the present proposal is not being advanced by any threat of strike, but when all is said and done it is rather distasteful to be forced to consider and vote upon a matter which has not been thoroughly thrashed out, as can only be done in the regular way before a committee of Congress. With a large membership such as we have in this House, it is impossible to consider thoroughly and properly or rewrite on this floor a bill as comprehensive as the one now before us. It took the attorneys for the railroad brotherhoods 18 months to write this bill in the first instance. No one is so brilliant as to be able to produce a bill of this importance that would not be subject to many proper suggestions and changes, which can only be brought out by committee hearings and discussions. Neither can it be presumed that attorneys representing the railroad men's organizations alone could or would write the bill in such form as to protect other interests, including that of the public.

In this, as in all other matters, I propose to do the best I can under the circumstances and try to reach a fair and just conclusion and understanding of the subject without prejudice and without fear or favor, keeping in mind the best interests of our entire population.

As one who has gone through life only by the route that has involved constant struggle and effort, I have the greatest sympathy for workers in every line of activity.

While I regret that we are compelled to pass upon this matter with so little real definite information bearing upon it pro and con, yet in the light of present information on the subject I am compelled to say that I do not approve in several vital respects the measure which is now before us, and it will be impossible therefore to give it my support in its present form.

I would not so seriously object to the entire elimination of the Railroad Labor Board so as to leave the matter in such shape that through a board of mediation and conciliation, or otherwise, opportunity would be given for the employees of each road to adjust with the management of such road their difficulties and problems as they arise, either by direct negotiation or by arbitration. I believe, however, that it would be better not even to take that step at this time, but to retain the present Labor Board and add two members representing the public, so that the board would stand with five instead of three public representatives, two representing the railroads and two representing the employees. This would leave the matter of decision in the hands of the public representatives on the board, and I think that such an arrangement would give the decisions of the board greater weight with the country as a whole and with the railroads and their employees in particular.

In passing, permit me to say that I have not approved of the action of certain of the railroads in disregarding the decisions of the Labor Board as it is now constituted. I think such conduct is ill advised and should be severely condemned. My notion about these matters is that when we have a law, it does not make any difference what it is, everyone should live up to it and do his very best under it so long as it stands upon our statute books.

I can not approve the number or nature of the adjustment boards which are provided for under the Howell-Barkley bill. Forty board members, each with a salary of $7,000 per year, together with many attendant expenses, all to be paid out of the Public Treasury, seem to be entirely unnecessary. The work that these adjustment boards are supposed to do, in my opinion, can be better done by representatives of the men and management on each road, who can look after and attend to such matters as might come up on any given road at a nominal expense and without any charge upon the Government. That is the way that these matters are being handled at the present time, as I understand it, and I can see no reason for changing to the method proposed under this bill. The adjustment boards provided for by the bill would find it exceedingly difficult to arrive at decisions, because each party to a controversy would be equally represented on such boards. They are made up of an equal number of representatives of certain crafts from all of the railroads of the country and of the railroad managers generally. Two of these boards have 14 members each and two of them 6 members each. I do not believe that the plan proposed under the Howell-Barkley bill will do other than to accentuate in a nation-wide way controversies that may arise between the workers and railroad managers. It must be remembered that in addition to these boards there is also a proposed board of mediation and conciliation of five members, each with a salary of $12,000 per year. This board has no power to make decisions, and the only way that a controversy can be finally worked out, except by mutual agreement, is by arbitration boards chosen from time to time. The decisive factors on such arbitration boards would not have familiarity with railroad matters as would a permanent board. Furthermore, the adjustment boards provided for under the bill are named in effect by certain railway labor unions. These unions do not represent much, if any, more than one-half of the railway employees of the country. I can not approve of the idea of taking such steps as will obviously tend to force all railway employees either to have no representation upon these boards or to become affiliated, whether they desire to do so or not, with the unions that have the right to make such appointments.

The present transportation act does not apply to interurban or suburban electric railways not operating as a part of the general steam railroad system of transportation. The Howell-Barkley bill, on the other hand, is made expressly to apply to interurban and suburban electric railways operating as independent units or as a part of the general railroad system of transportation, and the bill under discussion also includes boats, barges, tugs, bridges, ferries, and other transportation facilities owned and operated by electric, gas, or steam railways. What is the purpose of including these instruments of

transportation which were excluded by the act of 1920? As I view it, this has been done by the authors of the Howell-Barkley bill for the purpose of drawing into the railway labor unions all of the workers engaged in any way in transportation in this country, so that when in the future any controversy may arise the entire transportation system of every kind may be subject to be tied up by a general strike. Such a plan as this can not meet with my approval or support, although I have the most kindly feeling for the workers upon the railroads and wish to see them given full justice in every respect.

There are a number of other features of this bill which should not escape our attention. It is impossible for me to refer to all of the objections that should be made to this proposal. I do, however, wish to refer to the very disastrous effect upon the short-line railroads of the country if this proposal should be enacted into law. These small railroads, as a rule, are having a very difficult time to avoid bankruptcy. Anything that will add to their burdens or cause them greater financial difficulties will force many of them to cease operations entirely, to the detriment of the people they are now serving.

The nature and scope of this bill is such that it will unquestionably bring all of the employees upon these short-line roads to a standard of wage and activity which will apply to the larger roads of the country. As it is now, on these smaller roads most of the employees do anything that they may be called upon to do in connection with the operation of the road. Their work is light, as a usual thing, and they are glad to do this. To force upon these weaker roads the practices with reference to employees that are made to apply to the stronger roads can only result in a great and serious detriment to the sections of the country through which they run.

This proposal is one which should not have been brought before Congress in its present form, in my judgment, and, being here, should not receive the sanction of a majority of the Members of this House.

Mr. WINSLOW. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. NEWTON].

Mr. NEWTON of Minnesota. Mr. Chairman and gentlemen, the gentleman from Illinois [Mr. RATHBONE], in sponsoring the bill that is before us, quoted the late President Harding to sustain him in his position on this question. I was reminded as he quoted from his speech of some of the testimony that has been given before the committee of another body in reference to the attitude of men who have passed on.

Of course, there can be no question but what the views of President Harding on a question of this importance should carry considerable weight, although it would not be controlling. It would seem to me that the proponents of this bill before bringing in their character witnesses should at least prove their main facts by discussing the detailed provisions of the bill. So far in this debate this has not been done. But, Mr. Chairman, if the proponents choose to rely only on quoting the opinion of others they at least ought to be careful whom they quote and quote them correctly. I deny that President Harding ever advocated the passage of this bill or the general principles upon which it was drawn.

The President appeared before Congress on December 8, 1922, and called the attention of the people of this country to transportation conditions in general and the labor conditions in particular. He reminded us that the Railroad Labor Board, after hearing from the carriers, employees, and the general public and following a thorough investigation, had made a decision; that that decision had not been complied with and that the board was powerless to enforce it. The burden of his message to Congress, as any man reading it, reading it in its entirety, could tell, was the necessity for amending the law, not for the purpose of striking it out, not for the purpose of going back to the provisions that we had before, but by inserting some sort of a provision which would make their decisions effective.

Let me quote also from the same page given by the gentleman from Illinois:

> Only the public group of three is free to function in unbiased decisions. Therefore the partisan membership may well be abolished, and decisions should be made by an impartial tribunal. [Applause.]

He still speaks of the decision. There is nothing in the Barkley bill for a decision excepting through a mutual agreement arrived at through voluntary conference, voluntary adjustment, or voluntary arbitration. Then, even if both parties have agreed to submit the matter to arbitration, the decision only binds the carriers. It does not bind the individual workmen to abide by the award nor prevent them from conspiring or agreeing with others to break the award.

Let me read further:

> The substitution of a labor division in the Interstate Commerce Commission, made up from its membership, to hear and decide disputes relating to wages and working conditions which have failed of adjustment by proper committees created by the railways and their employees offers a more definite plan. [Applause.]

Mr. NELSON of Wisconsin. Will the gentleman yield?

Mr. NEWTON of Minnesota. No; I can not. The gentleman took 25 minutes and did not discuss one single provision of the bill. [Applause.] I do not want to be discourteous, but I want to try and have this bill here considered as if we were in a deliberative assembly and not doing business at the instance of any group, whether it is the propaganda the gentleman from Wisconsin referred to or at the instance of the propaganda to which the gentleman from Massachusetts referred to. [Applause.] I think it is time that the House of Representatives was doing business as a deliberative body free from the influence of propaganda from either of two selfish interests. [Applause.]

I would like to inquire why the gentleman from Illinois [Mr. RATHBONE] did not read this paragraph to the Members when he quoted President Harding as approving the principles of the Barkley-Howell bill?

Mr. RATHBONE. All right; I presume the gentleman yields, then; does he not? He has asked me a question. Does the gentleman want me to answer it?

Mr. NEWTON of Minnesota. Yes.

Mr. RATHBONE. Very well. It is because what I read was sufficient condemnation for any fair-minded man, and stamped the bill with the approval of the President, and it was not necessary to read volumes to know where he stood.

Mr. NEWTON of Minnesota. We will let the Members decide as to that question. Let me read further for the benefit of the gentleman and the House:

> Public interest demands that ample power shall be conferred upon the labor tribunal, whether it is the present board or the suggested substitute, to require its rulings to be accepted by both parties to a disputed question.

He wanted something that would require a compliance with the rulings of the board. There is not one single provision in this Barkley bill admitting of any such construction, nor is it contended by its advocates that there is any such provision. I read further:

> Let there be no confusion about the purpose of the suggested conferment of power to make decisions effective. There can be no denial of the constitutional rights of either railway workmen or railway managers. No man can be denied his right to labor when and how he chooses, or cease to labor when he so elects; but, since the Government assumes to safeguard his interests while employed in an essential public service, the security of society itself demands his retirement from the service shall not be so timed and related as to effect the destruction of that service.

Further:

> We have assumed so great a responsibility in necessary regulations that we unconsciously have assumed the responsibility for maintained service; therefore, the lawful power for the enforcement of decisions is necessary to sustain the majesty of government and to administer to the public welfare.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. NEWTON of Minnesota. No. Mr. Chairman, here was the President of the United States calling for a tribunal which would have the power to enforce its decisions. Yet the gentleman from Illinois [Mr. RATHBONE] cited this speech to the House as an example of his approving the provisions of a bill which has no enforcement power back of it excepting that it is enforceable as against the carrier.

I have referred to this not that I am in accord with all of the views expressed, but for the purpose of refuting the claim made by the gentleman from Illinois [Mr. RATHBONE], that President Harding approved the provisions of this bill.

Mr. Chairman, I have been of the opinion for some time that the labor provisions were in need of substantial amendment. I doubted the wisdom of some of the provisions when they were under consideration here. A great many railway employees have been of like opinion. Their experienced representatives and able lawyers, after 18 months' deliberation, have finally agreed upon the provisions of this bill. Any bill so introduced in good faith should have the careful consideration of this House. In this connection it must be borne in mind that there are substantial groups of employees who are not included in these nationally organized crafts who have

protested against the passage of this bill. The bill has the opposition of practically all the railway managements. Then there is the general public, interested incidentally in the employees, interested incidentally in the carrier, but interested primarily in obtaining transportation at a reasonable cost. Neither these groups of employees, the railway managements, nor the general public in any way participated in the 18 months' deliberations of those who drafted this measure.

This bill should first have been heard by a committee where all parties concerned could be heard. The public especially should have been given this opportunity, and it is the great mass of the public generally whom we in the House of Representatives primarily represent. [Applause.]

Mr. RATHBONE. Mr. Chairman, will the gentleman yield?

Mr. NEWTON of Minnesota. I can not yield, I am sorry to say. An opportunity ought to be given to hear from each and every one of these parties. As a member of the Committee on Interstate and Foreign Commerce, no representative of any carrier or employee ever came to me and even intimated a desire to have a hearing upon this bill. Mr. Chairman, we can not have representative government without deliberation, and we can not have deliberation without information coming from a congressional committee. [Applause.]

Mr. WINSLOW. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Chairman, I was one of those who voted to put teeth in the decisions of the present Railway Labor Board I fought against and voted against the passage of the Esch-Cummins bill, but in the end when it became clearly apparent that there were but two alternatives, namely, to vote either for the conference report or to accept the unthinkable, vicious Plumb plan, I accepted the lesser evil.

When that bill was being considered, I then called attention to its worthless, expensive board members, and I predicted it would be condemned just as it is now by everybody, because it had no teeth. I voted for the Webster amendment which would have made it worth while, but in a mood the House created such a board as we have now, and you are preparing by this bill to create not one but five boards just as worthless, and each one far more extravagant, four of them with 40 members drawing $7,000 a year each, with the public having no representation upon them at all. The only board on which the public is represented is a little fifth board which has no jurisdiction at all, unless all of the parties agree to come before it. It can not function unless they all agree to come before it, and I know and you know they will never agree to come before it. Let us analyze this bill just for a moment.

We are reliably informed that this bill of 35 pages of printed matter was prepared by one class of people in the United States. We are reliably informed that it was specially prepared by representatives of the railroad employees. We may presume, therefore, if we knew nothing more about it, that it specially represents their interest; that it represents their views as they may be antagonistic to the views of all other classes of people that live in this country.

When the able and distinguished gentleman from Kentucky [Mr. BARKLEY] first discussed this bill for an hour before it was taken from the committee, he said that to prevent the bill from being a partisan measure, on the same day he introduced it in the House it was also introduced in the Senate by a Republican. He being a Democrat and it being introduced in the Senate by a Republican was to keep it from being partisan. His idea of a partisan measure therefore seemed to be confined to a political standpoint. He thought if a Republican could introduce it in the Senate and a Democrat in the House there would be no partisanship about it. Well, there are several kinds of partisanship. Partisanship is not confined merely to politics. There could be a partisanship that would favor one class over another. And there is such partisanship in this bill to a superlative degree. While the distinguished gentleman from Kentucky was speaking he kindly yielded to me. I then said to him that he had intimated that the ideal situation on the settlement of disputes between railroad employers and employees was for them to sit across the table, the railroad employers on one side and the railroad employees on the other, with no other parties present, and for them to settle it in that way. I then asked him what about the other very important and very vitally affected third party to the transaction, the public, the 110,000,000 people of the United States, who had a just right to be at that settlement table, and what was going to be done in respect to them? I asked him why they, too, should not be at that council table, when their interests above all others are mostly involved, because they are the ones for whose benefit all railroads are operated and who pay the traffic tolls that are inaugurated and fixed by the Interstate Commerce Commission. They are the ones who pay the bills. The gentleman from Kentucky said, "I will discuss that a little later." But he devoted only one short sentence to a discussion of the public's rights. I want to show you what his discussion was. I have looked through his entire speech for a reference to the public, and find just one line, and here is what he says:

> There are some here who may think that the public only has an interest.

He stopped there and said nothing else. That is as far as he went in his argument concerning the rights and interests of the American people, and that is just as far as the 35 printed pages of his Barkley bill go with reference to the interests and rights of the 110,000,000 American people.

Let me show you just what this Barkley bill does, which 154 of you colleagues have taken from a committee of Congress, and which you are going to force on the floor of this House for passage without due consideration by any committee. Do you remember that petition which a member of the Republican steering committee, Mr. DARROW, brought in here, which covered that stand there, from 350,000 actual dirt farmers scattered all over the United States, telling you that they did not want you to create any more boards; telling you that they did not want you to create any more commissions; telling you that they did not want you to raise any more salaries or expenses of Government; telling you that they demanded that the expenses of the Government should be reduced? Do you remember that petition? It will pay us to remember it. Keep that in mind when you consider what this Barkley bill does, which was specially drawn up by the representatives of only one class of employees in the United States—certain employees of railroads, and for their especial benefit. It creates an adjustment board No. 1, to consist of 14 members, 7 railroad employers and 7 railroad employees. There is no public interest represented, no place whatever is made for the public, although it is most concerned; there is no looking after and providing for the interests of the general public at that round-table session. It is only a two-sided table, with the railroad employees on one side and the railroad empoyers on the other, and both willing to let the general public pay the bill. Each one of those 14 members of that adjustment board No. 1 is to receive a salary of $7,000, aggregating $98,000 alone for that one board. They are given a secretary at $4,000 a year, and they are given the right to employ just as many employees, including private secretaries, clerks, stenographers, and janitors, and messengers for each, as they want, and they are further given the authority to fix their salaries at whatever sum they deem expedient.

The bill also provides that these 14 members of this adjustment board No. 1 shall have a central office at Chicago, but that they may sit anywhere in the United States they desire. They may junket into every one of the 48 States. They can divide themselves up and sit anywhere over this big Nation at your expense and at mine.

Then there is also provided an adjustment board No. 2, likewise with 14 members, 7 from the railroad employers and 7 from the railroad employees. The public has been given no representation at all; the public has no representation whatever at this second two-sided counsel table or in its settlements. Each one of these 14 members of adjustment board No. 2 is to receive a salary of $7,000 a year, or an aggregate of $98,000. A secretary is provided for them also, at $4,000, and they, too, can employ just as many employees, including secretaries, clerks, stenographers, janitors, and messengers as they want and fix their salaries at will without any limitation whatever as to salary or number. They, too, can sit anywhere in the United States that they want to and junket regularly into every one of the 48 States at will.

Then we have provided in this bill an adjustment board No. 3, composed of six members, three railroad employers and three railroad employees. Again the public has no representation. The public has no look in; the public has not a right to say a word about their deliberations or settlements, although it will pay the bill. Each one of these members of adjustment board No. 3 is to receive a salary of $7,000 per year, or an aggregate of $42,000. They are also supplied with a secretary, at $4,000 a year, and may employ all the private secretaries, clerks, stenographers, janitors, and messengers they want at salaries they fix, and they can sit anywhere in the United States and junket regularly into all of the 48 States of the Union at public expense. We have to pay the bill out of the tax money in the Treasury

that we levy upon the already tax-burdened people of our country.

Then there is provided in this Barkley bill an adjustment board No. 4, to be composed of six members, three railroad employers and three railroad employees, with the American public again given no representation whatever. The public is given no voice in the settlements, yet it will pay the bill. Each one of these members of adjustment board No. 4 is to receive a salary of $7,000 per year, or an aggregate of $42,000. They are given a secretary at $4,000 a year and they, too, are given all of the employees, including private secretaries, clerks, stenographers, janitors, and messengers, they want at salaries fixed by them. There is no limitation as to salary and no limitation as to kind or class or number of employees. It is within their discretion alone, and they, too, can sit anywhere in the United States that they desire and junket regularly into all of the 48 States at will, at the expense of the taxpayers of the country.

Do they stop there? Do you know how many members of boards that already makes? That already makes 40 high-salaried members of these various boards, and their salaries alone amount to $280,000 per annum, not counting the salaries of the army of their employees and their expenses. Do you not know that every one of these 40 commissioners will have to have a private secretary? That means 40 private secretaries; and don't you know that when they are not restricted as to fixing salaries they will pay them at least $5,000 a year each, which will amount to $200,000 more?

Then each one of these 40 commissioners of these four adjustment boards will have to have a clerk or two, and a stenographer or two, and a messenger or two, and a janitor or two to sit outside of their front door. I say to you that before you get through, under the provisions of this bill, you will be putting at least 500 new, high-salaried employees on the pay roll of this Government, with a pay roll ranging up to several million dollars.

That is not all. The Barkley bill then provides for a board of mediation and conciliation to consist of five members. Their salary is fixed at $12,000 a year each, or $4,500 more than a United States Senator receives, which is $60,000 per year for this board, and ultimately to hold office for seven years. It is provided that this board shall have authority "to employ and fix the compensation of such attorneys, assistants, special experts, clerks, and other employees" as they deem necessary, without any limitation whatever by Congress either as to number of employees or the amounts of their salaries. You will have another Shipping Board situation, with an army of high-salaried, worthless employees. You will have another Department of Justice situation, with an army of high-priced attorneys and worthless employees on the pay roll that even they themselves can not count and keep up with.

After you appoint them all, what has been accomplished? Absolutely nothing! I was rather interested in the speech of the gentleman from Kentucky [Mr. BARKLEY]. He is a very distinguished Member of this House. He is an able man, and when he speaks on this floor he speaks with authority; but I say to him concerning this bill he has introduced for one class of employees only, that if he would carefully study this bill he would not force it to be passed here without due consideration, no matter how many railroad employees there are demanding its passage. I gathered from what he said that we were going to have a workable means of adjustment that would force a final settlement; that would force a settlement upon all these men, employers and employees, with the public safeguarded; but when I looked through this bill and gave it careful study I found it was simply a makeshift, a sham, something that is as useless and worthless and decisionless, far more so than even the present board which we have. There is no improvement whatever.

It does not prevent strikes. On the contrary, just as many strikes as ever are possible under it. And in providing them these five boards, 40 of whom draw $7,000 and 5 of whom draw $12,000 each per year, we are granting to these railroad employees about ten times as many ways and means of forcing their will upon the railroads, which means forcing their will upon the public, for the public eventually and ultimately pays the full bill every time. When there is a raise in salary it is always passed on to the public. When there is an added expense put on the railroads it is always passed on to the public. It is the public, the 110,000,000 American people, who have to pay the bill.

FOUR ADJUSTMENT BOARDS ABSOLUTELY WORTHLESS

When controversies are submitted to any of these four adjustment boards, and they decide the issue, there is no way whatever to enforce the decision against the employees. It is possible that it could be enforced against the railroads. But it is very clear that the employees are given the privilege of disregarding and disobeying it at will. So what is the use of having these four boards of 40 members, each drawing $7,000 per year and each having a horde of high-salaried employees, and each authorized to incur huge expenses against the Government each year, when a decision made by any of them is absolutely worthless in that it is not enforceable against any employee? It is buncombe, pure and simple.

But when any of these four boards fail to decide a controversy submitted to them, which in ninety-nine cases out of every hundred they would do, as no board composed equally of railroad employees and railroad employers would ever agree, unless they could pass the burden of the agreement on to the public, the bill provides that in such cases such board would so notify the parties. And that is an end of action by such four boards of 40 members. A notice is sent to the parties that the board has failed to decide the issue.

AND THEN THE FIFTH BOARD FUNCTIONS

When the notice is given that the adjustment board has failed to decide the controversy, then the parties submit the matter to the Board of Mediation and Conciliation, and through all of its gyrations provided for in the bill, in the end there is no way whatever to force any employee to abide by any decision. He is allowed to disregard and disobey any decision at will. No penalty whatever is placed on him.

AMPLE MEANS OF ESCAPE PROVIDED

And throughout the bill, where means of arbitration are provided, whenever the employees become dissatisfied with the deciding arbiter they are given many ways to have him sidetracked before final decision is made.

COURT APPEALS PROVIDED ARE FARCICAL

And the provisions in the bill providing for appeals to courts are futile and worthless, as the only thing the court decides is whether a decree is upheld or not, and when upheld the decree is not worth anything, as it can not compel any employee to abide by it, and employees will disregard and disobey it at will, as there is no penalty provided.

ATTEMPT TO CONTROL INTRASTATE AFFAIRS

In line 24, on page 2, and line 1, on page 3, the expression "or between points in the same State" is used in defining what "commerce" as controlled by this bill means, and such term clearly embraces intrastate railroads. And this would specially affect practically every short-line railroad in the United States.

WOULD MAKE RAILROADS HELPLESS UNDER STRIKE

In subdivision (2) on page 3 the following language is used:

> It shall be deemed a violation of the obligations herein imposed upon carriers for any carrier or its officers or agents to interfere with or attempt to influence or control, directly or indirectly, the organization of employees, or participate in the functioning thereof, or the designation of employees.

And so forth.

The above could be construed to prevent railroads from attempting to run their trains with other employees during strikes, and would make railroads absolutely helpless whenever a strike occurred. This would allow employees to force their will upon railroads, and thus force the public in the end to bear the burden and expenses of all forced settlements.

EACH AND ALL OF THE 40 MEMBERS GIVEN UNUSUAL POWERS

Subdivision (f) on page 12 has the following provisions:

> (f) When necessary to the efficient administration of the functions vested in any adjustment board created by this act, the board or any member thereof shall at any time, for the purpose of examination, require the production of, or have access to and the right to copy any book, account, record, paper, correspondence, or memoranda relating to any matter which the board is authorized to consider or investigate. Any person who upon demand refuses any member of any adjustment board such right of access or copying, or hinders, obstructs, or resists him in the exercise of such right, shall upon conviction thereof be liable to a penalty of $500 for such offense. Each day during any part of which such offense continues shall constitute a separate offense.

There will be 20 representatives of railroad employees on these four adjustment boards, and any one of them, and every one of them, is given the right to force every railroad and every railroad officer to turn over to them upon demand every book, account, record, paper, correspondence, or memoranda that any one of said 20 members might be seized with some insane desire to see, and would provoke endless worry, expense, dissatisfaction, annoyance, and trouble, all of which ultimately is visited upon the suffering public, which has to pay the bill and all expenses.

PRESENT PAY FIXED AS MINIMUM

Under section 6 the present pay to employees is fixed as the minimum, and can not be changed except by decision of the board provided for in this bill. And note that subdivision (B) of section 6 provides the following:

(B) Any attempted change of rates of pay, rules, or working conditions by the carrier without notice, or prior to final action as heretofore provided, shall be void, and the offender shall be liable in damages to each and every party aggrieved to the amount of double any loss occasioned by such unlawful action. Such damages shall be recoverable by appropriate proceedings in the United States district court for the district wherein the offense was committed, which proceeding may be brought by individuals or by representatives of classes of individuals aggrieved.

You will note that a penalty is fixed by the bill, should the carrier attempt to change the rates of pay, rules, or working conditions, but no such penalty is fixed on the employees, who may attempt any changes they desire, when, where, and how they desire, with no penalty against them whatever. We did not have to be told that this bill was specially drawn by representatives of certain railroad employees. Even a casual reading of it would reveal who drew it.

ARBITRATION ONLY BY AGREEMENT

Section 7 provides that there shall be arbitration only by agreement. As stated the other day by the distinguished gentleman from Maine [Mr. HERSEY], parties now can arbitrate by agreement without all these expensive 45 commissioners drawing salaries from $7,000 to $12,000 each. We do not have to have these expensive boards to make parties arbitrate "by agreement." They can do that now. What we need is a board to make them arbitrate, whether they want to or not, when the rights and interests of 110,000,000 people are vitally involved. And note the following proviso in section 7:

Provided, however, That the failure or refusal of either party to submit a controversy to arbitration shall not be construed as a violation of any legal obligation imposed upon such party by the terms of this act or otherwise.

The above clause alone ought to condemn this bill as a makeshift, a sham, and absolutely worthless.

MORE ADDITIONAL EMPLOYEES

In addition to the army of employees already mentioned as provided for in this bill, note that the following subdivision (7) of section 7 provides more employees and lets the board fix the salaries:

(7) The board may employ such assistants as it deems necessary and proper in carrying on the arbitration proceedings and fix the compensation of such employees. Whenever practicable, the board shall be supplied with suitable quarters in any Federal building located at its place of meeting or at any place where the board may conduct its proceedings or deliberations.

INDICATION OF WHAT THIS BILL WILL COST

In violation of the rules of the House, this bill attempts to make an appropriation. That is subject to a point of order. Just to cover the time between when the bill becomes a law and June 30, 1924, this bill appropriates $500,000 as an initial appropriation, which indicates what it is to cost hereafter.

In the first place, you can not force these men to arbitrate unless they want to. It is a voluntary matter with them. It is a matter that they can do or not do, according to their own preference. And then, after they submit to arbitration, and a decision is rendered, and all the appeals are gone through that they are given a right to resort to at great expense to the public, before the decision becomes final, the decision is not worth anything after it is rendered, as it carries with it no penalty.

Listen to this last paragraph. Let me read to you the last paragraph, which absolutely makes it a nullity. It says:

Nothing in this act shall be construed to require an individual employee or subordinate official to render labor or service without his consent, nor shall anything in this act be construed to make the quitting of his labor or service by an individual employee or subordinate official an illegal act, nor shall any court of the United States or of any State issue any process to compel the performance by any employee or subordinate official of such labor or service without his consent.

And that is the kind of a measure now offered the country, when it effects nothing but added expense. We are to provide five boards of 45 members, drawing salaries from $7,000 to $12,000 each, and given unlimited authority to employ all the employees they want and pay them all the salaries they want and go to all the expense they want, and have their vouchers paid on their own signatures, without acts of Congress; and then it is all worthless after we provide it. The decision is absolutely worthless.

I know that the public is not fairly represented here. The 110,000,000 people of the United States are not organized. They have not any newspaper that comes to us telling us what we shall do.

Mr. SCHAFER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I regret that I can not yield, as I have only a few minutes. They have no organization to send us letters telling us that if we do not do so and so what will be done to us. They have no organized representatives to come and sit in the galleries to watch us on this momentous occasion. They are at home depending upon us, their Representatives in Congress, to do their voting and in their interests. Many of you who voted against taking this bill from the committee got just such a letter as was placed in the RECORD this morning by the gentleman from Massachusetts [Mr. WINSLOW]. Ask your colleagues from Virginia who voted against taking this bill up and they will tell you that they received one. Ask your colleagues from Kentucky who voted against taking it up and they will tell you that they received one. What does that letter say? "If you do not come in here and vote to take this bill up and pass it to-day, they are going to put the matter before every voter in your district." I know how that appeals to you. I know that it is lots safer politically for us to take the path of least resistance, the easy path. The people back at home may not know anything about it, but these organized boys in the gallery do know about it. Their editors know about it, their newspapers and their officers know about it, and they are going to send them to our districts against us if we oppose them.

Three weeks ago I spoke against this bill. Three weeks ago my speech went into the RECORD. Two weeks ago to-day, I voted against taking this bill from its proper committee. What has happened? They are operating on me already. The last 10 days my opponent has spent here in Washington, not coming near me, but going from organization to organization in Washington, and from colleague to colleague seeking adverse statements against me to take to my district, to try to put me out of office. That is what happens to you when you oppose them.

I can hardly blame you. They can make it awfully unpleasant for you. They can influence newspapers against you, and cause them to place you in a bad light before the country. They can send delegates all over your district like they have done in mine in the years past. My district is as closely organized right now as any district in the United States. If I do not get 40 per cent of the labor vote of my district, I could not come to Congress. I want to say this to you—and I want to say this to the 1,200,000 railroad men who are pushing this bill through the Congress—I want to say to the numerous railroad representatives now in the gallery watching us, if everyone of you go to my district and work against me from now until the primary election, you can not put me out of Congress [applause], because my loyal people, many of whom are worthy members of union labor, know me better than you do, better than they know you, and you could not make them believe I am an improper person to send here to represent them. You could not do it. [Applause.] Let me tell you, colleagues, something. If you, colleagues, stood upon this floor and talked to them like I do, you would feel better. [Applause.]

I know that your union railroad constituents have wired you. They have wired me, too. Let me quote just a few of their telegrams:

SWEETWATER, TEX.

THOMAS L. BLANTON, *Washington, D. C.:*

Speaking for 2,000 members maintenance of way employees on the Texas & Pacific Railway, we urge you to work, vote, and do everything possible to bring about the passage of the Howell-Barkley railway bill.

R. A. FARRIS, *General Chairman.*

SWEETWATER, TEX.

T. L. BLANTON, *Washington, D. C.:*

Sweetwater Lodge 675, maintenance of way, composed of 100 members, earnestly urge that you get right and work and vote for passage of Howell-Barkley bill.

J. D. WEBSTER, *President.*

SWEETWATER, TEX.

THOMAS L. BLANTON,
Washington, D. C.:

Texas & Pacific bridge gang No. 2, foreman and eight men urge you to work, vote, and do everything possible to bring about the passage of the Howell-Barkley railway bill.

W. A. SMITH.

BROWNWOOD, TEX.

Congressman THOMAS L. BLANTON,
Washington, D. C.:

The Maintenance of Way Lodge desires you to support the Howell-Barkley bill, S. 2646.

Yours truly,

W. D. ANGELL, *Secretary.*

BALLINGER, TEX.

THOMAS L. BLANTON,
Washington, D. C.:

This is to advise that we ask you to support the Howell-Barkley bill, S. 2646.

Yours truly,

W. R. WHITWORTH,
Secretary Local 1864, Ballinger, Tex.

The foregoing is a fair sample of them. But I am thinking more of the interests of the 315,000 people living in my district. Let me quote you one telegram from their organization. The West Texas Chamber of Commerce is composed of farmers, stockmen, merchants, laborers, lawyers, doctors, dentists, judges, preachers, teachers, bankers, clerks, editors, and every other class of persons living west of Fort Worth, Tex.:

BROWNWOOD, TEX., *May 15, 1924.*

T. L. BLANTON, M. C.,
Washington, D. C.:

West Texas Chamber of Commerce, which is being attended by 20,000 people from all sections in annual convention assembled, Brownwood, May 13 to 15, by unanimous vote passed resolutions condemning Barkley labor bill and urge defeat of this measure. West Texas in dire need of more railroad facilities and feel that legislation of this nature will be detrimental, and besides organization expressed sentiments that public has rights that should remain inviolate. Hope to have your opposition to such a measure.

PORTER A. WHALEY, *Manager.*

I am thinking of the farmers who work all the year and make only $500 to $1,000 for their year's work. I am thinking of the worthy women and little girls who plow all day in the hot sun in Texas, Mississippi, and many other States, to make crops to feed city people, and then have to pay more in freight rates to get their crops to market than their products are worth.

Let railroad employees compare earnings with farmers, preachers, teachers, and clerks in stores and banks, and they will see how very favored they now are. I am for the really poor people of the country first. I am no better than you colleagues are; I am no braver than you colleagues are; it is just because I believe that I know the pulse of the people of my district a little better than you know the pulse of the people of your district that I am willing to disobey these unions. Why, some of the strongest union-labor men in my district will back me up when I get home, because I am going to take this bill home and explain it to them. I am going to tell them about these five extravagant boards of 45 members being placed on the pay roll.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. Forty-five men to be paid from $7,000 to $12,000 a year out of the Treasury. I am going to tell them what that means to them in taxation. I am going to show them that in opposing this bill that I am representing the 110,000,000, and not the little 1,200,000 that are interested in this bill. Oh, they say, it is going to prevent strikes.

What is in the bill to prevent strikes? What is in the bill to make a man work if he says, "I am not going to work"? Not a thing. On the contrary, there is a provision in this bill which says that not a decision that could be rendered by any one of these boards could make any man work unless he says, "I am willing to work." That is the condition of this bill. Now, if you will substitute a proper bill here, if you will help the distinguished gentleman from Ohio [Mr. COOPER]—and there is not a better friend of organized labor in the world than COOPER of Ohio—pass his substitute bill, H. R. 9298, it would be far better. He has fought their troubles here on this floor; he knows what is good for them; he has got the bravery to stand up here and fight for what he believes is right, and he is a very able and worthy citizen of the United States who has good judgment; he has spent 17 years in an engine cab, and if you help him pass his bill that he has here for an alternative for these worthless boards, a bill that will protect the railroad men and at the same time protect the public, I will vote for his bill, I will vote with you to help pass it.

Mr. WEFALD. He voted to get this bill before the House.

Mr. BLANTON. Yes; do you blame him? So did you.

Mr. WEFALD. I did.

Mr. BLANTON. He has the same kind of constituents at home you have, probably——

Mr. WEFALD. And I am proud of it.

Mr. BLANTON. Except they are a little different. [Laughter.] What are you going to do about this bill? Are you going to let this organization, strong that it is—I know it is strong—force the passage of this bill? In its weekly paper it has already sent our names to our districts. Those who did not vote to take this bill up have been put on a blacklist. Those of you who have voted to take it up have been put on the white list. Your constituents have been told about it. They have been told to reward you and to punish us, and there is a slogan here in Washington that organized union labor stands by and reelects its friends and it fights and defeats its enemies. That is the slogan.

Mr. WEFALD. Will the gentleman yield?

Mr. BLANTON. If they will give me more time.

Mr. WEFALD. What about organized capital?

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. I have not any more use for it than I have for organized anything else. I am for the 110,000,000 people of the United States and not for any class. [Applause.]

Mr. BARKLEY. Mr. Chairman, I yield five minutes to the gentleman from Mississippi [Mr. QUIN]. [Applause.]

Mr. QUIN. I do not know, Mr. Chairman, of any bill that has been before this House since the gentleman from Texas [Mr. BLANTON] arrived that was for the benefit of the men and women who toil but what the gentleman did not oppose it. He has been against the poor woman, the poor child, and the poor man of this country from the first speech he has made until this hour. [Applause.] Of course, we can not have a bill introduced here for any employees in any department of the service of the Government or on the farms or in the industries of this country that would suit the gentleman from Texas. Whom he represents I do not know; but I do know that he appeals to the great, wealthy manufacturing classes of this country to contribute to his campaign in order that he may be here to misrepresent the toiling people of the United States. [Applause.] He complains now of this bill and every other one that helps laboring people. He says the public is not represented. What portion of the public does he represent? According to the statistics, 85 per cent of the people of the United States are laboring people, and he fights them all the time in their legislation. This bill is in many respects a good measure. The Labor Board ought to be abolished and this measure substituted in its place. It has in it the Board of Mediation and Conciliation, which represents the public. Where is the public represented in the iniquitous Esch-Cummins bill?

You know that 2,000 cases have been absolutely ignored which the Labor Board passed on. You know that that very bill was framed by the owners of railway securities, represented by their attorney, Mr. Thom. It was framed at the instance of the railroad owners in the United States, and the public was not considered at all. I want to say to the gentleman from Illinois [Mr. MADDEN] that of course the agricultural people of this country—the farmers and the workers who get their freight on the railroads—are not represented in the Esch-Cummins measure. They are overcharged from one end of the United States to the other. They are overcharged on the fertilizer that they must have, the freight rate in the South being 116 per cent higher than it was in 1914; and in some portions of the North and West it rises some 200 per cent more. Yet the gentleman says here that that is a fine measure.

Yes; gentlemen from the agricultural districts are going to get some help for the farmers. We are asking you now to help us pass this bill and sign up the petition to secure the consideration of a bill to repeal section 15a, to allow the farmers to get decent freight rates. That is all we ask. We can not get one piece of legislation through by itself. We are bound to work together as farmers and laboring friends. These laboring people are entitled to relief and the farmers of the country are entitled to relief, and it can not come from the gentleman who heads the important Committee on Interstate and Foreign Commerce or from the gentleman who heads the important Committee on Appropriations. It must come from that part of the House which represents the farmers and laboring people.

The great Chamber of Commerce of the United States, with its magnificent marble-front building here on Pennsylvania Avenue, had propaganda sent all over the United States not to molest the transportation act. The Chamber of Commerce of the United States claims that the operation of that act is so fine that it must not be interfered with. They started that propaganda back in December. What for? They wanted to impress upon every Member of Congress that that act was working finely.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. QUIN. May I have three minutes more?

Mr. BARKLEY. I yield the gentleman one minute more.

Mr. QUIN. They said the transportation act was working so finely for the railroads and for the holders of railroad securities that it must not be molested or interfered with. Not one of that group ever said that the freight rates were too high. None of them ever said, "We will stand by your farmer friends to get freight rates lowered." They never intended that amendments to the railroad bill should be brought up, and none could be considered by the House if it were not for a revision of the rules. [Applause.]

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. WINSLOW. Mr. Chairman, will the Chair kindly advise me how many minutes remain on this side?

The CHAIRMAN. The gentleman from Massachusetts has 26 minutes remaining, and the gentleman from Ohio 20 minutes, and the gentleman from Kentucky 40 minutes.

Mr. WINSLOW. Mr. Chairman, I yield one minute to the gentleman from Maine [Mr. HERSEY].

Mr. HERSEY. Mr. Chairman, I can not get the time properly to present this matter to the House here, and I would like to ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. HERSEY. Mr. Chairman, in the few moments given me I shall attempt to call the attention of the House to a few plain facts that it seems to me should guide us in our vote upon this bill entitled:

A bill to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes between carriers and their employees and subordinate officials, and for other purposes.

This title sounds good, but I shall attempt to show that this is a bill to fool the people, to deceive the farmers, to injure the laboring man, to burden the taxpayers, and to inevitably bring upon this country the waste and destruction of Government ownership of railroads.

It has been said by the proponents of this bill that it is not a party measure, and yet we find lined up in this House in support of the measure the solid Democratic Party together with its allies, the so-called Farm-Labor Republican radicals.

Three weeks before the national election in 1916 it was understood and believed all over the country that Hon. Charles E. Hughes, now Secretary of State, would be elected President. The Democratic Party was in desperate straits. They had no issues and no record to which they could successfully appeal to the people.

In this crisis organized labor, more particularly railroad-organized labor, induced Representative Adamson, then Democratic chairman of the Interstate Commerce Committee, to introduce a bill, drawn by organized union-railroad labor, that would raise the wages of the employees all along the line; and they insisted as a price for their votes that the Democratic Party should be delivered to them in the passage of that bill, or they would strike on the eve of the election. President Wilson and his party joined hands with the great railroad organizations throughout the country, passed the bill, and Hughes was defeated.

We did not understand it at that time as anything more than a political move on the part of certain politicians which was successful, but we now know it was the first step in this railroad-labor program to obtain Government ownership of railroads. That Adamson Act forced upon this country the 8-hour day upon railroads and the increase in the railroad-labor bill by $271,000,000 in 1917 over the previous year.

Then came the great World War when the railroad employees, whose forces had been doubled and whose wages had been greatly increased, united with the administration to force Government control during the war. And then during the period of four years they raised wages from $271,000,000 in 1917 to more than eight times, or $2,230,000,000 in 1920.

Further, the Government operation of railroads during the war was conducted by labor with the intent and purpose to force this Government, under the Plumb plan, to take over the railroads and put them under Government ownership for the future. Under Government control there was combined against the railroads, war-time wages, war-time taxes, increased employees, increased taxes, until in 1920 the taxes alone for that year against the railroads amounted to $279,000,000, whereas the return to the railroads on the capital invested in that year amounted to only $62,000,000.

In 1920 the railroads were returned to their owners in accordance with the contract we made with them when they were placed under Government control. In that year the wages paid by the railroads in this country exceeded in amount the total gross earnings of the railroads in 1916. In other words their gross earnings in 1916 were $3,596,865,766, while the wages they paid in 1920 were $3,698,216,351, an excess of $101,350,585.

Director General James C. Davis of the United States Railroad Administration during the war said that when the books were finally closed they showed that Government operation cost the taxpayers of the Nation practically $2,000,000,000.

In 1920, the war having come to an end, the Congress in carrying out its agreement in its contract with the railroads returned them to their owners under the transportation act of 1920, and under the act, which has since been in operation, a Labor Board was provided.

The provisions of that Labor Board were as extensive and their authority as unlimited as the bill before us. Section 301 laid down this injunction upon the carriers and their employees:

It shall be the duty of all carriers and their officers, employees, and agents to exert every reasonable effort and adopt every available means to avoid any interruption to the operation of any carrier growing out of any dispute between the carrier and the employee or subordinate officials thereof. All such disputes shall be considered and, if possible, decided in conference between representatives designated and authorized so to confer by the carriers, or the employees or subordinate officials thereof, directly interested in the dispute. If any dispute is not decided in such conference, it shall be referred by the parties thereto to the board which, under the provisions of this title, is authorized to hear and decide such dispute.

This Railroad Labor Board is composed of nine members, three constituting the labor group representing the employees and subordinate officials of the carriers, three constituting the management group representing the carriers, and three members constituting the public group representing the public, all appointed by the President. No fairer court for the settlement of disputes could be devised by the human mind.

Of course, it is well known that there is no such thing in law as compulsory arbitration. In other words, by all the decisions of the courts Congress could not provide by law that the railroads and their employees should be compelled to submit their disputes to any tribunal, and even the bill before us does not attempt to provide for such court or board of arbitration.

The present Labor Board has been functioning from 1920 to the present time. It has not been wholly satisfactory to the public. Its decisions have not always been approved by the railroad owners nor agreed to by the railroad employees. It could not be expected to satisfy everybody, having no power to enforce its judgments and decrees. And yet everything that can be done under this bill could be done under the present Labor Board in the settlement of disputes between the carriers and their employees.

A multitude of decisions have been rendered by the present Labor Board, both for and against the railroads and for and against the employees, of minor matters, grievances, and conditions growing out of the work. The only real, serious disputes coming before the board have been the matter of wages, which this bill can not settle any more than the present Labor Board.

Immediately after the passage of the Esch-Cummins law returning the railroads to their owners and organizing this Labor Board union labor accepted the law at once and made application for a wage increase in addition to the amount allowed them during Government control, upon the ground that the cost of living had risen to a point where it was necessary to receive more wages.

In July, 1920, the board gave a hearing to both parties and then decided that the railroad employees and railroad union workers should be granted an increase of more than 20 per cent—in the whole aggregating $600,000,000 per year. This was under a decision of the nine members—three representing the railroads, three the railroad workers, and three the public—and no one questioned the increase to the workmen; the railroads accepted it, and every interest abided by that decision.

This increase of wages continued until 1921, when the railroads proposed a decrease in wages by reason of the decrease in the cost of living, and the board, after full hearing of both sides, ordered a 12 per cent reduction effective July 1, 1921. This would be an annual saving to the railroads of four hundred millions per year.

This continued until 1922, when the Interstate Commerce Commission ordered a cut in the railroad freight rates of about $400,000,000 per year, thus wiping out the savings of the

railroads in July, 1921. The railroads then applied to the Railroad Labor Board for a further reduction of wages that they might meet the reduction in freights, and the board after full hearings rendered a decision announcing a cut of forty-eight millions per year from the pay of the 400,000 maintenance-of-way workers. On June 6 it ordered a reduction of about sixty millions in wages of the 400,000 shopmen. On June 16 it ruled that there should be a decrease of $26,500,000 annually in the pay of clerical and station forces. This would then leave to the men sixty-five millions of the six hundred millions increase in 1920.

These decisions of the Railroad Labor Board were not accepted by the railroad employees, and they at once ordered a strike of the 400,000 shopmen.

I have not time to review that terrible strike of 1922, which was a deliberate attempt on the part of union railroad labor to tie up the transportation systems of this entire country, and for a time they succeeded.

Under Federal laws locomotives could not be used without daily inspection and examination as to their safety and repair. Repairs could only be efficiently made by the shopmen, and they had refused to work. The striking shopmen went further than this. They used force to prevent workers outside of their organizations taking the place of the strikers. They went further than this, and all over the country set about to injure and make defective every locomotive and endanger the lives of the public when traveling as passengers and thus bringing transportation to a standstill in the Nation.

The Attorney General of the United States, in behalf of the Government, quickly obtained evidence of over 50,000 violations of law by the strikers who had attempted by force to put out of commission and destroy the rolling stock of the railroads. With this evidence he appeared before the Federal courts and obtained a temporary injunction preventing further violations and criminal acts of the strikers against the transportation of the country.

On a hearing to make the injunction permanent the railroad strikers appeared by their attorneys and a full hearing was had. The court decided against the strikers and made the injunction permanent. This, of course, destroyed the strike, for without the weapon of violence the strike is always ineffective.

This rail strike cost our Government over one and one-half million dollars. The loss of wages during the strike has been estimated at over $2,000,000, while the cost to the public, both the consumer and the producer, reached a much higher figure.

This action of the Government made it almost impossible to make effective any strike in the future. This defeat of the unions in their attempt to hold up the Government and to challenge the authority and decisions of the Labor Board greatly incensed organized railroad labor, and they at once set about to obtain Government ownership of railroads.

The first move was to organize a propaganda against the Railroad Labor Board and to prejudice its work and decisions for the future and to seek its repeal.

In the congressional elections of 1922 organized labor made an issue before the people of the injunction obtained under the Republican administration against strikes. They formed a combination with certain radical farm organizations, socialists, and discontented, defeated politicians, claiming that the Harding administration was opposed to labor and the farmer and that these two should join in a Farm-Labor bloc to obtain their own Representatives in the next Congress.

The Democratic Party, then in a hopeless minority in Congress, readily formed a combination and fusion with these Farm-Labor organizations and railroad unions and sent to this Congress a large number of so-called independent Farm-Labor bloc Representatives and many Socialists.

So effective has been the work of the Labor Board and this injunction against the strike that for the last two years there has been no strike upon any railroad. The employees and the railroad executives have made their agreements between themselves, settled their differences by mutual understandings, until 75 per cent of all the railroads in the country to-day have no need of any Labor Board of any kind to settle their disputes.

This has not, however, satisfied certain groups of organized railroad labor leaders, who, recognizing the fact that a national election is near at hand and the Members of the Sixty-eighth Congress are soon to go home for reelection, have cunningly and craftily entered upon a political move to secure Government ownership of railroads at this time.

At the opening of the Sixty-eighth Congress it was very apparent to all that the Democrats in Congress had formed a fusion and coalition with leaders of radical railroad unions and these independent Farm-Labor bloc Members of Congress for the purpose of putting over the program of the so-called radicals, to wit, this Barkley bill and the McNary-Haugen price-fixing agricultural bill, and at the same time preventing the Republican administration from carrying out successfully its policy of legislation.

In the organization of the House of Representatives this Farm-Labor bloc, so called, brought about a deadlock for Speaker, and it became evident that the Democrats were willing to prevent the organization of the House by voting for their own candidate and encouraging the radicals to have a candidate of their own. The only way to prevent a deadlock and to elect a Republican Speaker was to make a compromise with the 17 so-called Farm-Labor bloc Members, who were voting and acting with the Democrats on every occasion. The price of this compromise was an agreement on the part of the Republicans to immediately bring before the House a revision of the rules of the House. This broke the deadlock and a Republican Speaker was elected by a few votes.

When the question of rules came before the House the Democrats and these radical Republicans or Farm-Labor Members again formed a majority against the regular Republicans in the revision of the rules. Their first act was the repeal of the rule adopted by the Democrats in the first Wilson administration that prevented the putting of amendments on revenue bills in the House, which rule was made necessary to pass revenue legislation. The result of this legislation was to open the late tax bill to disastrous amendments that defeated the Republican administration in the House.

The next move of this Democratic Farm-Labor combination was to adopt a rule that on application of 150 Members any bill in any committee might be immediately brought to the floor of the House and without debate put upon its passage. At that time no intimation was made that this combination on the part of the Democrats and the radical Republicans was formed for the purpose of bringing into the House and passing the radical railroad legislation contained in this bill; but that was no doubt the object of the rule.

Immediately after the adoption of this new rule to take bills from the committee without consideration and to pass them without consideration, the gentleman from Kentucky [Mr. BARKLEY], Democrat, took the floor and announced that railroad union labor had prepared a bill that would abolish the Railroad Labor Board and would form five new railroad labor boards, and that bill had been sent by him to the Committee on Interstate and Foreign Commerce and had not been considered by that committee, and that he intended to immediately file at the Clerk's desk a petition signed by 150 Members under this new rule, for the purpose of at once bringing this bill out of the committee without a hearing and to force it through the House without consideration.

In presenting this bill to the House the gentleman from Kentucky [Mr. BARKLEY] attempted to explain it as a great measure that would settle forever all railroad labor disputes on wages and every other matter arising between carriers and their employees and subordinate officials, and in the course of his remarks—RECORD of April 15—he said:

> If Congress shall enact this bill into law it will do more to restore the confidence of the great body of the public and of the working people of the United States in the agencies of government to adjust their disputes than any other legislation which has been proposed since I have been a Member of Congress. * * * When this motion has been submitted, I trust if the committee to which it has been referred does not take action upon it the House will, and having taken that action it will pass the bill and send it to the Senate, so that the Senate may enact it into law and we may complete what I believe to be one of the most constructive pieces of legislation that has ever been submitted to the Congress of the United States for the settlement of the problems of labor and those who employ labor.

Immediately on the filing of this motion to take this bill from the committee without hearing and pass it under this new rule, Members of Congress were flooded with labor propaganda to pass this bill without hearings, with the threat that if the bill was defeated the Members of Congress voting against this measure would also be defeated in the coming election.

An examination of this bill (H. R. 7358) discloses at once its serious and revolutionary nature. It repeals the present Railroad Labor Board of 9 members, composed of 3 members representing the carriers, 3 representing the employees, and 3 representing the public, and then substitutes for this board two adjustment boards of 14 members each and two of 6 members each, 40 members in all, at salaries of $7,000 per year; also 4 secretaries at $4,000 per year, and many other employees to be paid by the Government, their compensation to be fixed by the boards.

Then there would be a separate board of five members at $12,000 per year each with assistants and attorneys, and so forth, making in all an estimated cost of about $1,000,000 per year.

These four boards of adjustment are to be made up of an equal number from the railroads and from the railroad employees. The public or the Government is not mentioned or represented except in the paying of the bills.

By the provisions of the bill more than half of the railroad employees of the country are shut out from its provisions, and in its final decisions the railroads are bound but the railroad unions are not bound.

The main purpose of the bill is to put the arbitration of all disputes into the hands of the organized unions and to bring about Government ownership of railroads. Unless the parties agreed to arbitrate their differences under these adjustment boards these several boards have no authority or power to force the parties to arbitration, and without this agreement they have no authority to enforce their judgments and awards.

The true purpose of the Barkley bill was disclosed by an item in the last Sunday papers, which reads as follows:

THIRD PARTY SUPPORTED—KANSAS FARMER-LABORITES BACK UNITED STATES RAIL OWNERSHIP

SALINA, KANS., May 17.—The Kansas Farmer-Labor Party, at its convention here to-day, voted approval of the national third-party movement. A resolution was adopted which recommends affiliation with the national Farmer-Labor Party. Other resolutions favored the repeal of the Esch-Cummins Transportation Act and advocated Government operation of railroads.

Shortly before his death President Harding discussed at Kansas City the railroad-transportation question, the burden of high rates upon the farmer, and many other factors in the transportation problem. He spoke of the demand in some quarters for Government ownership and operation, and as to the former he said:

I believe it would be a colossal blunder, which would destroy initiative, infect us with political corruption, create regional jealousies, and impose incalculable loss upon the Public Treasury.

This complicated, ill-considered, revolutionary Barkley bill before us has been held out to the laboring man and the farmer as a great relief from financial troubles and a great benefit to the public in general. Why fool ourselves or attempt to fool the people? This bill is here for election purposes only. This combination between Democrats and radical Republicans is, first, for the purpose of obtaining new Members of Congress in the House and Senate at the next election that will fight the present administration, consolidate labor within the Democratic Party, bring about Government ownership of railroads, and destroy the great transportation systems of this country.

Do not let us further attempt to fool the public. Railroad rates could not be fixed or adjusted by this bill. That is done by the Interstate Commerce Commission. This bill is to give the railroad employees higher wages and shorter hours than that given in any other employment. There can be no natural or business alliance for the benefit of the public between railroad unions and farm blocs.

The farmer wants lower freight rates, but he can not receive lower freight rates when the million or more railroad employees are to receive higher wages. A raise in the present wages of the railroad employees—which are higher to-day than that of any other industry—must of necessity raise the freight rates upon the railroads.

An adjustment of the wages of railroad employees on an equality with wages received in other employments would mean lower freight rates for the farmer. The only way to obtain Government ownership of railroads and give them over to the railroad unions to operate is to wreck the railroads, raise the wages of the employees, burden the roads with new regulations, and handicap them by the methods proposed in this bill.

I represent a farming constituency, but I realize that my constituents receive no benefits but only higher taxes and freight rates from the passage of this bill. My farmers are interested in receiving regular and good service upon the railroads, and especially reasonable freight rates. They can not obtain these under Government ownership, which has been a failure in every country in this world where it has been tried, and which ruined almost beyond redemption the wonderful railroad system we built up in this country prior to the war.

Increased railroad wages must come out of the farmers as well as the great public outside of the railroad employees. No railroad company has a dollar with which to pay wages except it has to collect it from the public. Under the present Railroad Board and the injunction, strikes upon the railroads have become impossible.

My farmers do not believe that the same men who forced upon this country the Adamson law of 1920, who ordered the shopmen strike in 1922, have now framed a bill for the public and the farmers' interests.

As one who has always stood for the best interest of organized labor, as one who is not influenced by any organization or combination of capital or labor, as one who represents no interest but that of the people of the whole country and their welfare, I protest against the passage of this bill, which can only bring disputes, grievances, labor wars, and disaster upon this peaceful industrious Nation.

The CHAIRMAN. The gentleman from Maine yields back half a minute.

Mr. WINSLOW. Mr. Chairman, I yield five minutes to the gentleman from Kansas [Mr. SPROUL].

The CHAIRMAN. The gentleman from Kansas is recognized for five minutes.

Mr. SPROUL of Kansas. Mr. Chairman and gentlemen of the committee, it seems to me we get very much wrought up over the question of propaganda; to my way of looking at it, unnecessarily so. Under the Constitution I believe that we all have the right, wherever we may be in this United States, to petition Congress, to memorialize Congress. Hence why get so wrought up, as some of us do, over this question of propaganda? It not only is not wrong for us to receive the views of the public, but I think it is perfectly right, both for and against these bills; and why throw one fit after another over this propaganda? [Applause.]

Now it seems to me that in this committee we should consider the bill before us thoughtfully and considerately, in connection with the ideals and principles of our Government. It has been said that this bill is undemocratic; that it is unrepublican. Whether it is or not, in my candid judgment it is un-American.

We find in this country about 1,500 or more lines of railroad, and we find that the employees engaged in the operation of these lines of railroad number about 1,200,000—in other words, about 1 per cent, perhaps, of the total population of our country. And we find that the gross receipts of these great transportation arteries of our country, without which the Nation could not live, are about six and a quarter billion dollars a year. Think of it! Six and one-quarter billion dollars a year are paid to the railroad companies, to be paid out very much in wages. Now this six and one-quarter billion dollars is exacted from the 109,000,000 of people without their consent, without their representation on the boards provided for by this bill. I have reference to the four boards. The bill provides for the payment, by the 110,000,000 of people in the United States, of three or four hundred thousand dollars per year without representation.

Now if I remember correctly, about the years 1774–1776 the people of this country were very much opposed to the idea of taxation without representation. It was plain then, as I think it is now, that it is unfair and unjust and wrong to tax the people without representation. So we find to-day involved in this bill the policies of King George that were used against the people of this country in 1776. We said then that we would revolt against it; that we would not stand for taxation without representation. And so we revolted, as I think we should revolt against this bill. It calls for taxing the people of this country three or four hundred thousand dollars per year without their representation. Before railroads can be operated there must be contracts made between the employees and the railroad companies. There must be at least two parties to every legal contract. The contract made in this instance between the employees and the roads ignores a proper party that should be a party to the contract.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. SPROUL of Kansas. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. WINSLOW. Mr. Chairman, I yield 10 minutes to the gentleman from South Dakota [Mr. WILLIAMSON].

The CHAIRMAN. The gentleman from South Dakota is recognized for 10 minutes.

Mr. WILLIAMSON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from South Dakota asks unanimous consent to revise and extend his remarks in the

RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. WILLIAMSON. Mr. Chairman and gentlemen of the House, the gentleman from Wisconsin [Mr. NELSON] a little while ago went out of his way to call attention to the manner in which the North and South Dakota delegations voted when the motion was made in this House to discharge the Committee on Interstate and Foreign Commerce from further consideration of the bill now before us. Then he spent a great deal of time telling us all about the propaganda originating in South Dakota and intimated that the South Dakota delegation had been influenced by that propaganda in its vote here in this House. I want to say to the gentleman that I have not received a single communication from any responsible official of the railways in my State since I came to Congress asking me to vote upon any proposition in favor of the railways. Those gentlemen know my record too well, during the 10 years I served upon the bench, to seek any favors from me as a Member of Congress outside of what I believe they are justly entitled to. [Applause.]

Mr. Chairman, they are not swamping me with propaganda; they are not asking me to support this, that, or any other kind of legislation. But, Mr. Chairman, there is another class in my district that has written me in regard to this bill. That class is made up of some of the boys I know personally who are working upon the railways in various capacities. I have a whole stack of letters and telegrams from those fellows, and if it were not for cluttering up the RECORD I would ask leave to insert them here to show you that not everybody in the railway service is in favor of this kind of a bill.

Mr. Chairman, I am one of those who believe that on any kind of board of adjustment to settle railway disputes there should be representation on the part of all the employees and not simply representation on the part of the nationally organized crafts. [Applause.]

As soon as it became evident that an effort was to be made to force the Howell-Barkley bill out of the Interstate and Foreign Commerce Committee without a hearing and without a report upon the measure having been submitted for the information of the Congress by any committee of either body, I at once procured a copy of the bill and made a study of its provisions. By the time this study was completed I had become convinced that the House ought not to undertake its consideration without a full hearing upon its merits and without the assistance of a report by the committee in charge of the bill. The chairman of the committee, during the discussion had in connection with the discharge motion, assured the House that hearings upon the bill would be proceeded with at an early date. The same assurance was given by other members of the committee. In view of the situation as it then stood, I refused to join in signing the discharge motion. The required signatures, however, were obtained, and on a close vote it was decided to discharge the committee and take the bill up for immediate consideration under the general rules of the House. Since then a tremendous propaganda has been conducted by the nationally organized crafts representing the various railroad brotherhoods, and a large number of paid lobbyists of such brotherhoods have personally visited practically every Congressman in this House in an endeavor to stampede and browbeat them into the support of this bill. Regardless of the merits of the measure, the methods adopted by the paid representatives of organized labor are wholly without justification and are of a character not designed to appeal to the judgment and conscience of the Members of Congress, but are calculated and intended to scare them into the support of the measure regardless of its merits and in total disregard of how the public might be affected by its provisions.

SAMPLES OF LETTERS RECEIVED

Let me give you a few samples of the character of communications sent to Members of Congress. The first ones received, while couched in respectful language, generally contained veiled threats. Of these the following is a fair sample:

[System Federation No. 76. Jurisdiction, Chicago, Milwaukee & St. Paul Railway. Leased and operated lines. Affiliated with the railway department, American Federation of Labor]

MILWAUKEE, WIS., *May 1, 1924.*

To the Hon. W. WILLIAMSON,
Care House Office, Capitol Building,
Washington, D. C.

DEAR SIR: We have just received a record of those Representatives in Congress who signed the motion to discharge the House of Representatives' Committee on Interstate and Foreign Commerce from further consideration of House bill No. 7538, which is more commonly known as the Howell-Barkley bill.

We are very sorry to note the absence of your name from the record of those who supported the motion to discharge the committee, and as your constituency in the State you represent contains many voters who are associated with the organizations we represent, who are vitally interested in the enactment of the above-mentioned Howell-Barkley bill, the undersigned, speaking as their representatives, sincerely hope that you will give this bill your whole support when it comes up for consideration, because it must be obvious, beyond question or doubt, that the labor portion of the transportation act of 1920 is entirely incompetent to function as it was intended, as was evidenced by the utter incompetency of the United States Railroad Labor Board to adequately deal with the disputes between the railroad managements and their employees in 1922 and subsequently.

* * * * * * *

We trust that you may be disposed to explain your attitude toward the proposed legislation in such a manner as to restore the dissolving confidence of the members of your constituency who depend upon the undersigned for advice and counsel.

* * * * * * *

Yours very truly,

JOHN JOHNSON.
JOHN PELKOFER.
JAS. H. GUTRIDGE.
JOHN KOLANDA.
GEO. H. PEDERSEN.
W. C. SCHROEDER.

All of the above signers are members of the executive board of Federation No. 76.

Note the language in the concluding paragraph:

We trust that you may be disposed to explain your attitude toward the proposed legislation in such a manner as to restore the dissolving confidence of the members of your constituency who depend upon the undersigned for advice and counsel.

Clearly the purpose of this is to put Members of Congress on notice that unless they fall in line and pass the bill their reelection will be contested by the organizations represented by those who have joined in signing the communication.

Another one, under date of May 13, written on the letterhead of the Joint Federation of Shop Craft Employees, Northwest Railroads, and sent to Members of Congress from the Northwestern States, reads in part as follows:

ST. PAUL, *May 13, 1924.*

To the Senators and Congressmen, Northwest States.

GENTLEMEN:

* * * * * * *

If you are one of those who heard the call of special privilege and big business and voted against the bill [Howell-Barkley], when you return home tell your constituents the truth; say, "I represented you when big business told me that I could." In view of this, can you consistently ask for their suffrage again, or will you be satisfied to be placed in the discard or assigned to the lame-duck division?

However, it is not too late to mend your ways. Perhaps you made an error in not voting for the bill; if so, make the correction when it comes up for a vote and thereby place yourself in the position of a true representative of the people.

To the progressives who have carried the fight for proper legislation over the opposition of the reactionaries, much credit is due, and rest assured, honorable sirs, the folks back home are mighty proud of you and will show their appreciation at the ballot box by a decisive majority in favor of the true representatives of the people, such as yourselves.

With best wishes for your success in putting into effect legislation in the interest of humanity, we are,

Very truly yours,

John Williams, secretary-treasurer Federated Shop Crafts, Northwest Railways (general chairman carmen); Arthur Corrigan, general chairman Sheet Metal Workers' District Council; Albert Brown, general chairman Firemen and Oilers; F. H. Wibel, general chairman Blacksmiths, district 25; R. A. Henning, chairman Federated Shop Crafts, Northwest Railways; W. A. Parranto, general chairman Boilermakers, No. 25; C. J. McGlojan, general chairman Electrical Workers, regional council; S. L. Gipple, general chairman Railway Carmen, district 1.

The grotesque assumption that all Members of Congress who voted against the discharge rule are aligned with big business and special privilege is so patently false and unfair that no answer is required. The further charge that such Congressmen are reactionaries is equally unfounded. According to these

men, who, in my judgment, misrepresent labor as a whole, any man who does not abjectly bow to their every command and who has the courage to stand up for his convictions and the rights of the people is a reactionary. On the one hand, we who represent the great Northwest are charged by big business as being radicals, and on the other we are denounced by the votaries of labor as reactionaries. Verily, he who comes here imbued with the idea that he is to represent the whole people must be a most skilful pilot if he is to keep the ship of his constituents from being wrecked by the Scylla of big business on the one hand or the Charybdis of militant labor leaders on the other.

On Saturday I received the following pungent communication from a man who claims to represent a good many constituents of mine:

BROTHERHOOD OF LOCOMOTIVE FIREMEN AND ENGINEMEN,
SOUTH DAKOTA STATE LEGISLATIVE BOARD,
Marmarth, N. Dak., May 13, 1924.

Hon. C. A. CHRISTOPHERSON,
Hon. ROYAL C. JOHNSON,
Hon. WILLIAM WILLIAMSON (South Dakota),
House of Representatives, Washington, D. C.

GENTLEMEN: This board technically represents not only about 350 members of the Brotherhood of Locomotive Firemen and Enginemen in South Dakota but voices the sentiment of every railroad worker in the State.

I have before me a record of your vote on the motion to discharge the committee on the Howell-Barkley bill. You are all running true to form; you have been on the wrong side on every issue that concerned us all the time. We take this occasion to tell you just what we think of you.

It occurs to us that each of you must aspire to become eligible for a Cabinet appointment in the near future. Be advised that the members of this board and this organization will spare no effort to make a "lame duck" out of each of you next fall if you do not see fit to change your "religion" when the Howell-Barkley bill is finally presented for passage in the House.

Yours very sincerely, HAROLD W. SCOTT,
Secretary-Treasurer.

P. S.: The writer is a resident of Mobridge, S. Dak.; is registered as a Republican voter in Walworth County; located temporarily at the above address account occupation.

H. W. S.

This last communication was intended as a knockout blow to the entire South Dakota delegation in this body. After recovery from this all but fatal shock, it is expected that we will execute a somersault on the double quick, yell "The farmers and general public be damned," and swallow the bill at one gulp.

Now, this is not the only letter of this character I have received. Gentlemen, if they think, or if anybody thinks, that the delegation from our young State can be browbeaten in that manner, they have their dog barking up the wrong tree. [Applause.]

COMMUNICATIONS DO NOT REPRESENT VIEWS OF LABOR AS A WHOLE

Other communications warn us that the bill must be adopted without an amendment and threaten us with political extinction if we dare change it. We are told that the representatives of the nationally organized crafts, in conjunction with skilful attorneys, spent 18 months in drafting this extraordinary measure. In whose interest were these people working during these long, weary months? Can anyone doubt in whose interest they were laboring so assiduously after reading the communications received and listening to their paid lobbyists? Were any representatives of the shippers and the fellows who pay the freight consulted? What officers of our farm organizations were called in to assist? Did anyone representing the consuming public get his head in under the tent? No; certainly not. It was not intended that the public interest should be consulted.

Judging from the letters I have received from many of the railroad workers themselves in my State, they neither subscribe to the methods being used by the so-called nationally organized crafts nor to the bill which they are trying to ram down the throat of Congress without either proper opportunity for study or adequate discussion upon this floor.

LABOR ENTITLED TO A SQUARE DEAL

I do not believe anyone can honestly say, after a study of my record here, that I have shown a disposition to favor big business or the special interests as against organized or any other kind of labor. On the contrary, the entire South Dakota delegation in this chamber has consistently fought and voted against every grab by such interests in whatever guise or form they have presented themselves, as is well known to every member of this body. My environment, training, and disposition have led me in every contest to espouse the cause of the ordinary man as against the powerful and rich.

Labor must and shall have a square deal, but in the end the interests of labor are wrapped up in the general welfare. That state of society is the best and happiest where industry and thrift are adequately rewarded no matter in what field they may be employed. The man who labors with his hands and who is willing to do a day's work for a day's pay is entitled to a fair and just compensation. This is not only in his own best interest and that of his family, but in the interest of society as a whole. Any man who would deny him this is unworthy to sit in this body or to serve in any other place of responsibility.

Mr. BLANTON. Will the gentleman yield?

Mr. WILLIAMSON. Yes.

Mr. BLANTON. But this is the fact: That any man who gives less than 100 per cent obedience to labor's orders is their enemy. You have got to give 100 per cent obedience.

Mr. WILLIAMSON. Well, regardless of its attitude, I am going to give labor a square deal as long as I serve in this body, but I propose at the same time to protect the interests of the public. [Applause.]

NOT CONTEST BETWEEN EMPLOYEES AND CARRIERS

This is not a contest, as I view it, between the railways on the one hand and labor on the other. It matters little to the railways what may be the hours of labor or its wages so long as they can successfully pass on the operating cost to the public.

The questions of policy and procedure involved in the pending measure are too important to be decided by the snap judgment of Congress, and certainly too important to be made the football of politics on the eve of a national election. The bill is so manifestly unfair to the public and railway workers outside of the nationally organized crafts that if enacted at all it must be largely rewritten. The place to do this is in committee after full hearings, and not upon this floor after three hours of debate.

BOARDS OF ADJUSTMENT

In brief, the bill proposes to repeal Title III of the transportation act of 1920, which, among other things, creates the railway labor board. In lieu of this it proposes to establish four adjustment boards, each representing particular divisions of railway employees. The first two of these are composed of 14 members each, and the last two of 6 members each.

Board numbered 1 is composed of 14 members, 7 members constituting the labor group, representing the employees, and 7 members constituting the management group, representing the carriers. The labor group of 7 is to be appointed by the President from not less than 14 nominees, whose nominations shall be made by the employees and subordinate officials from among the membership of the nationally organized crafts entitled to representation on this board. The 7 representing the carriers are to be chosen in the same manner from a list of not less than 14 selected by the railways.

The other three boards are made up in the same manner. In other words, each of these four boards is made up of members representing only the employees and carriers, and, for all practical purposes, of men of their own choosing. Notwithstanding that the public has no representation whatever upon any of these boards, the bill provides that their salaries, at the rate of $7,000 each per annum, shall be paid out of the Public Treasury. In addition to this, each board is allowed to select a secretary at an annual salary of $4,000, and it is further provided that each board "shall employ and fix the salaries of such employees as may be necessary." Wide powers are given to each board, and provision is made that it may sit anywhere in the United States for the purpose of making any investigation it may deem proper, all at public expense.

BOARD OF MEDIATION AND CONCILIATION

In addition to these boards the bill provides for a board of "mediation and conciliation," consisting of five members at a salary of $12,000 each annually. Not only are these men to enjoy a fat salary, but this board—

shall have authority to employ and fix the compensation of such attorneys, assistants, special experts, clerks, and other employees as it may from time to time find necessary for the proper performance of its duties.

The above provision takes the lid off. No restraint from any source upon the expenditures the board may make exists, the sky and contents of the Federal Treasury alone excepted. And what are the functions of this board?

If any dispute arising only out of grievances or out of the application of any agreement concerning rates of pay, rules, or working conditions is not decided by the appropriate adjustment board, or if any

proposed change in rates of pay, rules, or working conditions is not decided in conference between the parties, either party may invoke the services of the board of mediation and conciliation created by this act for bringing about an amicable adjustment of the controversy.

BOARD CAN ONLY CONSIDER CONTROVERSIES VOLUNTARILY SUBMITTED

It will be noted that this board can only consider such disputes as may be voluntarily submitted to it. It has no power to intervene and dispose of a controversy on its own initiative. Even where such a controversy is submitted and disposed of by it, it is left powerless to enforce its decisions.

ARBITRATORS HAVE LIKE LIMITATIONS

Finally, arbitrators are provided for in certain contingencies, but only such questions can be considered by the arbitrators as are voluntarily submitted by the employees or carriers. So far from making arbitration of controveries compulsory the bill expressly provides—

That a failure or refusal of either party to submit a controversy to arbitration shall not be construed as a violation of any legal obligation imposed upon any party by the terms of this act or otherwise.

No authority is provided for anywhere to enforce any award that may finally be entered. On the contrary, it is expressly provided "that nothing in this act shall be construed to make the quitting of labor or service by an employee or subordinate official an illegal act." The power of the courts to compel performance is denied. Even the salutary provision of the present law providing for enforcement by an appeal to the forum of public opinion is repealed.

AUTHORITY TO ENFORCE FINDINGS OF BOARDS OR ARBITRATORS DENIED

While the carriers are made subject to heavy penalties for any attempt to change rates of pay, rules, or working conditions without complying with the provisions of the bill, no reciprocal penalties are provided for against strike leaders or employees for failure on their part to carry out agreements. On the contrary, such penalties are prohibited.

After the establishment of all this vast and complicated machinery, the public in the end is left absolutely helpless either in the matter of the enforcement of agreements or in compelling the continuance of traffic upon the railways. The whole bill is a carefully worked out plan, not only to exclude the public from any voice in the fixing of wages and working conditions, but to exclude from representation in the settlement of these matters all railway employees who are not affiliated with the nationally organized crafts referred to in the bill. Instead of putting an end to strikes, it legalizes them. In place of discouraging controversies, it encourages them by making settlements impossible by creating boards upon which the employees and carriers have equal representation. Arbitration is voluntary only, and even where decisions are reached are not susceptible of enforcement. What conceivable purpose can be served in the public interest by the passage of such a bill?

To pay for the expense of this vast organization an appropriation of $500,000 annually is provided for. In all probability this will be insufficient to pay the salaries of the numerous officials and the expenses incident to providing quarters, secretaries, attorneys, experts, and other employees, to say nothing of the cost of elaborate hearings and for traveling expenses.

Mr. Chairman, we are not here to create endless jobs for useless officeholders. Neither are we here to set up new private bureaus and boards at public expense to settle private controversies, and more especially are we not called upon to create the machinery called for by this bill when it appears conclusively that such machinery is not in the public interest.

When the bill is fully understood by the people of the country, it will receive the condemnation it deserves. So far from denouncing those who to-day have the courage to stand up for their convictions and who are fighting the battle of the people back home, I have every confidence that the vast majority of the American people will give them their unqualified support. Regardless, however, of what may be the political aspect of this or any other question, it is our most solemn duty to stand like flint against all legislation that does not have as its basis justice and a sound public policy. It is infinitely more important that we shall have preserved the rights of the whole people than that we shall be returned here.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. WINSLOW. Has the gentleman from Kentucky more than one speaker?

Mr. BARKLEY. Yes.

Mr. WINSLOW. I have but one more, and it seems to me the gentleman should use some time.

Mr. BARKLEY. Mr. Chairman, I yield five minutes to the gentleman from South Carolina [Mr. STEVENSON].

Mr. STEVENSON. Mr. Chairman, the solicitude of the railroad people of this country for the public has become pathetic. When the Esch-Cummins bill was jammed through here with a provision that an earning should be provided for in the rates prescribed of 5¾ per cent of the total investment of all the railroads, watered stock and all, and the authority to levy taxes was thereby assigned to the railroads to make up an earning of 5¾ per cent upon all the investment of the railroad people in their property, I did not hear any of these gentlemen who are now weeping around here about the people not being represented raising their voices in the wilderness. [Applause.]

This was the only time that the right of taxation has ever been assigned to anybody except the protected manufacturers, and they wrote it into the law, and I said so at the time, and it has been cried out against by the constituents of the gentleman out in South Dakota ever since that the right of taxation has been assigned to the railroads and the commission has been ordered to fix rates so as to give them a certain return. The commission is compelled to do that under the law, and they are thereby given the right of taxation without even coming to Congress at all. Then they come here and weep about the people not being represented in this bill. Let us look at it for a moment. That is the only propaganda I have seen, and I do not care anything about propaganda anyway. But they have got it circulated in the newspapers of my State that the people have no representation on these boards. Let us see about that for a moment.

The boards of adjustment are boards to which are submitted controversies as to whether agreements as to pay or as to working conditions are being carried out. If a dispute arises about those matters, adjustment boards are created for the purpose of settling those disputes, and they are composed only of railroad laboring men and railroad men because they are peculiarly cognizant of all the details and can settle such matters without taking a year to hear testimony in order to become educaed on the subject. So much for that phase of it. If they do not settle these disputes, then they go to the Board of Mediation and Conciliation, and that board has some considerable influence in settling those questions, and in addition to that, in determining the question of the recasting of contracts whereby rates of pay and working conditions are revised and rehabilitated.

This board is made up of people who can not be either of the laboring class or of the railroad ownership class. They are made automatically to go off of that board at the moment they get into either one of those classes. Therefore the public absolutely controls it, and in the law we are repealing the public has only 3 out of 9 members—being 3 laborers, 3 railroad owners, and 3 representing the public.

Then there is another feature in which they are represented. If the boards of adjustment do not agree and the craft and the railroad company go into an arbitration, the railroad company selects one, the craft selects one, and the board of conciliation selects the third, who is the umpire in the controversy, and is selected by people who are exclusively from the public, and he can not be taken from either the railroad people or from the railroad employees.

Therefore I stand for this bill. I am not like the gentleman from Texas. I am not always having to get up here and tell people how my opponents down in my district are after me about this, that, or the other. I have never had an opponent since I have been here. I have tried to conduct myself so that my people send me here regardless of whether I am for the railroads or for labor or anything of the kind.

For 18 years I represented one of the great systems in my State as State counsel. I have tried hundreds of cases for them. I know the inside of both the fights, and of all the men with whom I have been associated in a lifetime of work, one of the highest class men, without any exception, have been the engineers and the conductors who run the great trunk-line trains of this country, upon whom you can rely to tell the truth, and who are the most loyal, straightforward, and truthful body of men with whom I have ever associated, and I am not afraid of their misusing any power that they may be given in this bill. [Applause.]

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. BARKLEY. Mr. Chairman, I yield four minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. LAGUARDIA. Mr. Chairman and gentlemen, I do not feel the effect of all this labor propaganda complained of by

various gentlemen to-day. In fact, I do not believe I have a single railroad man living in my congressional district. But why all this talk about propaganda on one side or propaganda on the other side? Certainly that is nothing new. It seems to me that the complaint from the opposition to this bill is directed toward the source of the propaganda rather than from the propaganda itself. It is amusing that after all we have been through in the last two or three Congresses that most of us are not yet propaganda proof. I do not object to getting information on any bill from both sides of any question. I do not object to people writing me that they will seek to defeat me if I do not agree with them. That is their privilege, and it is just that it should be so. We are approaching the day, however, gentlemen, where the people will really decide what kind of Representatives they desire to have here to speak for them; and the trouble is, permit me to say frankly, that the money powers and great interests who in the past could put thumbs down on any Member are fast losing their power, and know that we are inevitably approaching the time when Members of Congress will vote according to their best judgment and conscience, regardless of what may happen. Personally, I am responsible to my constituents and to them alone. In this instance, as I have stated, I have no railroad men in my district. Surely I can not be charged with giving way to pressure or to the covered threats suggested on the floor to-day. I believe in this bill because I feel that it will do a great good. Some of the gentlemen have talked about the drastic provisions of the bill. I venture the suggestion that it is the most conservative bill ever backed by organized labor. It is constructively conservative and conservatively constructive. If the same provisions, gentlemen, had been brought before this House in a bill sponsored and approved by the railroad magnates of the country, I am inclined to believe we would not have the organized opposition with which we are confronted to-day. In fact, the various provisions of this bill were approved by a committee of railroad executives. The great railroad brotherhoods saw that it would provide the machinery for the settlement of trade disputes, and, let it be said to their credit, got back of it and are now sponsoring it. I see no wrong in that.

It was intimated on the floor to-day and in previous debate that some of us had not yet seen the bill and have been only recently converted to it. I do not think that is a fair charge. Most Members of this House do their work conscientiously. There has been considerable publicity about this bill. It is the first bill brought before us under the new rule for which many of us fought hard. I have read the bill, I have studied the bill, and I am willing to credit my colleagues with having done likewise. I might say that over 30 years ago I made up my mind to vote for a bill of this kind if I ever had an opportunity.

I recall distinctly as a small boy out in Arizona when my father's regiment was ordered out in heavy marching order with ball cartridges to protect the railroads in the great Pullman strike. This made a profound impression upon my mind as a boy—that disputes of employees of the railroads had to be settled by ball and cartridges. Perhaps there are people who would want to see machine guns and bullets used to crush labor. I do not believe that there are many so wrong-minded as to believe that men can be forced to work, regardless of conditions, without a protest. We have made great progress since that great railroad strike that tied up communications in the entire country. But why should we not make progress for the benefit of labor as speedily as progress is made for the protection of capital? This bill is a step in the right direction.

There seems to be unanimous agreement that the present Railroad Labor Board is ineffective and should be abolished.

President Coolidge, in his annual message to this Congress on December 6, 1923, said:

> The settlement of railroad labor disputes is a matter of grave public concern. The Labor Board was established to protect the public in the enjoyment of continuous service by attempting to insure justice between the companies and their employees. It has been a great help, but is not altogether satisfactory to the public, the employees, or the companies. If a substantial agreement can be reached among the groups interested, there should be no hesitation in enacting such agreement into law.

That is all that this bill does. It provides an agreement among the groups interested. It does so simply, directly, and effectively. The Labor Board has not been a success. The Labor Board has been a complete failure. Therefore let us proceed to abolish it. The chief opposition to the proposed boards of the Barkley bill is the cost of the boards. Why, you appropriate millions of dollars every year for the courts and the Department of Justice for the adjustment of lawsuits between private parties. Here we provide the means of adjustment of labor disputes. A great deal has been said that the decisions of these boards are not enforcible. Why the decisions of your present board are not enforcible. What happens now if the decision is against the railroads; they simply ignore the decision. If it happens to be against the employees, and they refuse to obey it, the railroad orders a lockout. I do not believe there is a man on the floor of this House who would advocate compelling any man to work against his will. Labor of a human being is not a commodity or an article of commerce; it can never be treated as such. It should be permanently established in National and in State laws that human labor can not be treated like merchandise or chattels. It is quite true that no one can be compelled to labor. It is quite true, and no one will argue to the contrary, that if an individual leaves an employment anyone willing to take that individual's place has a right to do so. But when all of the labor of an industry find that conditions become intolerable and exhaust every remedy for proper adjustment with the capital side of the industry and are compelled to go on strike, then a different situation is created and must be differently considered. After all, labor constitutes the greater part of any industry.

The labor side of the industry acquires rights just as the capital side of an industry acquires rights. The law should, therefore, protect the rights of labor as fully as the property rights. It is often said, and perhaps properly, that capital and labor form a partnership and the two together are necessary to any industry or production. Suppose two partners own a business and disagree and one partner is compelled to leave. He may go to court and the court will protect his interest in the business, using the entire force of the State, if necessary, to protect his share of property in that business. Neither the law nor the court says to him "Well, you disagreed with your partner and you have walked out, now you must not interfere with anyone else going in and using your property." The law gives full protection to the money investment of any industry, yet when the "labor partner" is compelled to strike to protect his rights, their investment of a life devoted to work is in no way protected. The law instead of protecting labor investment is at present inclined to protect others compelled under the stress of need and poverty to usurp their rights. For example, if the railroad employees should go on strike their interests should be protected. These men have devoted their entire lives to the railroad industry of the country; collectively they have a vested interest in the railroads; without them there could be no railroads. Is it right to say that if they go on strike anyone desiring to take their place can do so, and as employees they have no more rights in the matter? If one of the stockholders of a railroad living in London or Paris or New York should feel that the company is not treating his interests fairly and impartially, he could go in the court and have his rights protected. Surely laws which will protect property and money should be sufficiently broad to protect human lives and human labor invested in an industry.

I will say frankly, I would not take the right of striking away from any man. That is labors' legitimate weapon. That right has been permanently established in this country. The great immortal Lincoln, the greatest and truest Republican of them all, in his speech at New Haven, Conn., on May 6, 1860, said:

> I am glad to see that a system of labor prevails in New England under which laborers can strike when they want to, where they are not obliged to work under all circumstances, and are not tied down and obliged to labor whether you pay them or not.

Lincoln was a great economist, he saw the economic troubles of his time, he predicted the economic issues of the future. Gentlemen, almost every question upon which there is difference in this House is an economic question, and in voting for this bill whereby we provide the machinery for the settlement of technical trade disputes, where we provide a board of mediation and conciliation, where we provide for arbitration, I say that we are doing the right thing in the right way. Why we do it for the benefit not only of the employees and the railroad, but for the benefit of the public. If we can prevent a strike we benefit the public. If we can adjust these matters amicably and speedily the public is benefited. Yes, and if we look out for the welfare of the million railroad employees—partners in the railroads, if you please—I say that we legislate for the benefit of the railroads, employees, and the public.

Mr. MAPES. Will the gentleman yield?

Mr. LAGUARDIA. Not now; I have only a few minutes.

I say the employees of the railroads who have contributed their lives to the great railroad systems of this country have an equal vested interest in the property of the railroads with the bondholders and the stockholders.

Mr. MAPES. Will the gentleman yield now?

Mr. LaGUARDIA. Not now.

Objection is made that certain unorganized employees or independent organizations are not specifically mentioned in the bill, and I will say to the unorganized employees of the railroad and to the independent organizations that whatever progress has been made in better wages and in better conditions for the employees of the railroads has been due entirely to the splendid organizations of the four big brotherhoods of railroad employees. Unless labor in this country is well organized to protect its own interests nobody else is going to protect them.

The railroad brotherhoods are splendid labor organizations. They have rendered great service to the labor movement in this country. I hope all the independent organizations will soon join with these great organizations.

I hope there will be no more filibustering on this bill. I am ready to vote for it now. A majority of this House have signified their intention of voting for it in no less than 20 roll calls. Let us get down to business and bring this bill to a final vote without further delay.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BARKLEY. Mr. Chairman, I yield four minutes to the gentleman from Wisconsin [Mr. BROWNE].

Mr. BROWNE of Wisconsin. Mr. Chairman, the Barkley bill, H. R. 7358, proposing to amend the Esch-Cummins law, was introduced in the House of Representatives on the 28th day of February, 1924.

A Senate bill similar to the Barkley bill was introduced in the Senate by Senator HOWELL.

In the Senate extensive hearings were had before the Senate Committee on Interstate Commerce from March 18 to April 7, 1924. Witnesses representing the railroads, the labor organizations, Labor Board, and many business associations testified at great length. These hearings were given great publicity by the press. They were printed and make a book of 364 pages. Every Representative could procure as many of these hearings as he desired and all those who have been interested in the subject have undoubtedly made themsives familiar with the evidence before the Senate committee.

When Representative BARKLEY, a Member of the Interstate and Foreign Commerce Committee, was unable to get a hearing on his bill, it was evident to every fair-minded person that the only way to get a hearing on this bill was to get the matter before the House of Representatives by discharging the committee. A petition was filed with the Clerk of the House in compliance with the rule on the 15th day of April, and soon received more than the 150 signatures required by the rule. If there was ever a case where there was justification for the rule, this was such a case. The rule providing the discharge of committees was passed in this Congress by a vote of 253 yeas to 114 nays—more than a two to one vote. It is a fair rule and so considered by the House.

PROCEDURE

It was not necessary to duplicate the hearing held by the Senate committee.

When the Esch-Cummins bill passed the House and went to the Senate, it was practically rewritten by the Senate and was then sent into conference and so changed that when the bill again appeared in the House its authors would not have recognized it. The bill was in conference eight days, no one knowing anything about the changes that were made in conference, as reported by the conference committee, except the conferees.

The bill contained 190 pages and the House was compelled to vote upon the bill after a comparatively short discussion.

The Barkley bill, which seeks to amend one provision in the Esch-Cummins law, a provision which President Harding stated in his Kansas City speech on June 26, 1923, should be amended, and which the President of the United States, Mr. Coolidge, in his first message to Congress, admitted should be amended, has had a great deal more consideration already than the Esch-Cummins bill that became a law. The bill has been before the House of Representatives for consideration 14 days since it was voted out, and very few bills have been studied and considered as much.

I do not care about going into the question as to whether the Interstate and Foreign Commerce Commitee have had time to consider this bill or not. The fact is they did not consider it and, according to the statement of the chairman, Mr. WINSLOW, of Massachusetts, as to the amount of business before the committee and the chairman opposed to the bill, there would, of course, be a very small chance of getting a consideration of the bill. The committee, during the pendency of this bill, has considered a great many other bills of very much less importance. It has considered and reported favorably on the bill appropriating money out of the United States Treasury to purchase the Cape Cod Canal in Massachusetts. It has not, however, seemed to have the time or inclination to consider the Barkley bill affecting over 1,000,000 laboring people. Neither has it had the time or inclination to consider the Treadway bill, which deals with the important anthracite-coal situation that affects millions of people.

LABOR BOARD

The Railroad Labor Board was a failure from the beginning. After 30 years of practically uninterrupted transportation, with not a single nation-wide strike, we have witnessed more discord and strife in the four years under the Esch-Cummins law than in the entire history of our country.

The Erdman Act, under which the railroad employees and the officers of the railroads sat around the table at conferences and settled their grievances, gave excellent satisfaction for over 20 years. Under this act all differences between the railroads and the employees of the railroads were settled amicably and the best of feeling prevailed between employer and employee.

The Newlands amendment to the Erdman Act provided for a conciliation or adjustment board when the railroads and their employees could not agree. It provided for grievance committees that took up the grievances arising between employer and employee in all parts of the country. In case their grievances could not be adjusted, the matter was taken up by the adjustment board, composed of the railroads and their employees, and settled. Both the railroads and their employees carried out the agreements, and there were no strikes or lockouts. This form of adjustment and settlement between the railroads and their employees went on for nearly 30 years without a strike or lockout of any consequence during that time. The Barkley bill under consideration is patterned after these laws.

FAILURE OF LABOR BOARD

The first decision of any importance that was made against the railroad company was questioned. The Pennsylvania Railroad Co. refused to obey the decision and obtained an injunction, and was successful in overruling the decision of the Labor Board. Judge Page ruled that the decision of the Labor Board in regard to wages or rules was only advisory. After that the railroads violated the decisions of the board at will. In a statement by Chairman Hooper, of the United States Railroad Labor Board, he stated that between April 15, 1920, and December 15, 1922, the first two years of the law, 58 of the 201 class 1 railroads and 56 of the 892 short-line railroads had violated the decisions of the board. These violations of the decisions of the Railroad Labor Board by the Pennsylvania Railroad, involving over 200,000 workers, and the New York Central violations, affecting agreements with all classes of employees on that railroad (except the train and engine service organizations) were instrumental in bringing on the strike of 1922.

On July 31, 1922, during the strike, President Harding sent to the railroad executives and their employees, among other things, a proposal—

that both sides should agree to recognize the validity of all decisions of the Railroad Labor Board and to faithfully carry out such decisions as contemplated by law.

The railroad employees agreed to do this, but the railroad executives refused. President Harding, in a speech at Kansas City on the 26th day of June, 1923, argued in favor of amending the law regarding the Railroad Labor Board. President Coolidge, December 6, 1923, advocated the amendment of the provision of the Esch-Cummins Act creating the Railroad Labor Board, and said it was a matter of great public concern "the Labor Board is not altogether satisfactory to the public, the employees, or the companies."

Secretary of Labor James L. Davis, as head of the Department of Labor, in his annual report for 1923 to the President of the United States said, in part:

Apparently the difference between the management of the railroads and their employees has been increased and complicated rather than diminished by the operation of the machinery provided by section 300 of the transportation act.

Judge George W. Anderson, judge of the circuit court of appeals, formerly a member of the Massachusetts Public Service

Commission and Interstate Commerce Commission, testified December 20, 1922, at the hearings of the committee on the railroad consolidation in Boston as follows:

Turning to the labor provisions of the transportation act, the situation is still blacker. A large part of the dominant managerial forces did not accept in good faith the labor provisions of the act, etc. How the scheme would have worked if it had been accepted in good faith by practically all the railroad management, no one can say. It was not so accepted. The shopmen's strike of last July was the result. The general result is that the mass of railroad employees were, in my opinion, never so embittered and so distrustful of the railroad management as now * * *. The labor provisions of the transportation act are effectually discredited; so is the Labor Board.

LABOR BOARD NOT FUNCTIONING

Further failure of the Labor Board to function is shown by its inability to decide many cases and the delay in deciding others at the present time. The four organizations—Locomotive Engineers, Locomotive Firemen, Order of Railway Conductors, and Railroad Trainmen—have 845 undecided cases before the Labor Board which have been pending from three months to three years.

It was thought by those who voted for the Esch-Cummins Act that the board of adjustments, which was voluntary and whose creation depended upon the railroads and their employees in agreeing to it, would relieve the Labor Board and would decide many of the smaller disputes. The railroads refused to join with the employees in creating boards of adjustment, except in a very limited number of cases, and nothing was settled in conference, and every petty grievance was referred to the one national board, the Railroad Labor Board, which was overwhelmed with work, which was just what the railroad companies desired.

The record of the Labor Board's hearings on January 31, 1921, reveals a statement by Mr. Atterbury that the railroads would flood the board with cases; and they did so.

THE RAILROAD EXECUTIVES BULLIED THE RAILROAD LABOR BOARD

They first obtained injunctions restraining them from enforcing their decisions. They also carried on an extensive propaganda criticizing their decisions and attempted in every possible way to bring public opinion against their decisions which in any way favored the employees.

An exceptionally frank statement of this purpose of the railroads was made to the Labor Board by the Buffalo & Susquehanna Railroad in demanding that wage reductions be put into effect. The representatives of this railroad said:

The Buffalo & Susquehanna Railroad really expects your board to put into effect the rates proposed by it, and your failure to do so can have only one of two results—the sending away of the work to other shops where cheaper labor is employed, or in leasing the shops to outside parties, with the requirement that the total cost, including overhead, will not be more than the wages as proposed by the railroad. Therefore an adverse decision of the United States Railroad Labor Board can have one of two effects—that of either throwing these employees totally out of work, or reducing their wages from 10 per cent to 30 per cent more than is proposed by the railroad in order to absorb the overhead.

This policy was adopted by an increasing number of railways, including some of the most important systems, and bid fair to spread throughout the entire transportation industry, until a vigorous protest by the employees to the Labor Board resulted after 15 months' delay in decision No. 982. This case involved the Indiana Harbor Belt Railroad Co., a subsidiary of the New York Central. The importance of the question is well presented in the following quotation from the decision of the Labor Board, from which I quote the following:

No more important dispute has ever come before the Labor Board for adjudication. It goes to the vitals of the transportation act. If the carrier can legally do the thing which has been done under these contracts, then the entire transportation act can be nullified and the will of the Congress of the United States set at naught. If one class of employees can thus be taken from under the application of the act, there is no sound reason why each and every railroad employee in the United States can not be given like treatment.

HUMAN ELEMENT IN RAILROADING

President A. H. Smith, of the New York Central, stated before the Senate Interstate Commerce Committee, May 20, 1921, that—

95 per cent of this railroading is human. The other 5 per cent is merely coal and steel, and it is not worth anything if you do not get good men with it.

The railway employees are insisting that the 95 per cent human element of the transportation industry shall be made up of properly nourished, competent, energetic workers. Such workers can only be obtained through adequate wages and reasonable working conditions. Such workers are necessary for efficient and safe transportation service, which is essential to the general welfare and to national prosperity. [Applause.]

Mr. BARKLEY. Mr. Chairman, I yield eight minutes to the gentleman from Pennsylvania [Mr. CASEY].

Mr. CASEY. Mr. Chairman and members of the committee, I had not intended to speak on this bill to-day and would not have done so were it not for the fact that there have been so many misstatements made with reference to it. I shall support the Barkley bill because I believe it is workable. I believe it will do more, if enacted into law, to prevent strikes on the railroads of the country than any law that has ever been passed by the Congress. When the Esch-Cummins bill was before the House for consideration I did all I could to have stricken from the bill the paragraph providing for the continuation of the Board of Mediation and Conciliation, believing as I did that its retention in the bill if it became a law would provide the means of "passing the buck," so to speak, between the Railway Labor Board and the Board of Mediation and Conciliation. I predicted at that time that the Railway Labor Board provided in the Esch bill would not solve the problem nor would it prevent strikes on the railroads. I wanted at that time to centralize all authority with reference to railroad disputes in the Railway Labor Board, believing as I did that the board was not properly constituted; therefore it could not be expected to function in such a way as to prevent strikes on the railroads of the country. We never had a nation-wide strike on the railroads in the United States until the Railway Labor Board was created by the Esch-Cummins law.

The Railroad Labor Board as at present constituted can not, in my judgment, prevent strikes but will tend to bring on strikes on the railroads in the country more than anything I know of.

Now, what are the facts in connection with the Barkley bill? We are told that by the creation of the bipartisan boards provided for in this bill, upon which the employees and the companies are represented, there is opportunity for conspiracy against the public. The fallacy of this contention is immediately met when we take into consideration how the present Railway Labor Board is constituted. The railroads and the employees have 6 votes to the public's 3, and at any time they could enter into a conspiracy against the public if they so desired. But there is no danger of any such thing taking place. Statements of this kind are made to misrepresent the bill and mislead and frighten the public.

Now, let us examine into the question of the adjustment boards provided for in this bill. They say the public is not represented on these boards. In my judgment the public has no business being represented on these adjustment boards. The adjustment boards have nothing to do with the question of wages or working conditions. The adjustment boards have only to do with the interpretation and administration of contracts voluntarily entered into by the employees and the railroad companies, or awards resulting from the arbitration of disputes submitted to arbitration as provided for in the bill. Let me illustrate if I may. Board No. 1: The grievances pertaining to engineers, firemen, conductors, and so forth, shall go to that board for investigation and settlement. Experts representing both employees and the carriers are appointed on this board to settle the particular difficulties that are peculiar to this particular occupation. We find that on Board No. 2 experts are appointed as representatives of the machinists, boiler makers, and so forth. These experts on this board handle questions submitted to them similar to Board No. 1. Board No. 3 handles the grievances of clerks and other miscellaneous crafts similar to Board No. 1 and Board No. 2. Board No. 4 in a like manner handles the grievances of the water-transportation workers. Instead of taking the grievances of locomotive engineers and firemen to the water-transportation board composed of captains, marine engineers, and longshoremen, the bill provides that grievances of this character shall go to a board upon which there are locomotive engineers and firemen who know something about this particular grievance. These boards are created solely for the interpretation and administration of contracts voluntarily entered into by the railroads and the employees or awards made by boards of arbitration to which has been submitted disputes between the employees and the carriers.

Let me impress upon the members of the committee, if I may, that the purpose of this bill is to get back to conditions where the railroads and their employees shall by negotiation

and voluntary contract settle their difficulties without outside interference. Those opposing this bill say the public is not represented on any of these boards.

The Board of Mediation and Conciliation, which is the important board of the whole machinery intended to be set up by this bill, represents only the public. There are no representatives of the railroad companies or the employees on this board, the members of which are appointed by the President of the United States and confirmed by the Senate. They represent the public in all efforts to mediate and conciliate any differences that may exist between the employees and the railroads in their efforts to negotiate a contract.

If the parties interested do not agree, then this board acts. Anybody who has had anything to do with mediation and conciliation knows that it is their function to use every means within their power; every governmental activity is brought into use to bring both parties together in an effort to prevent a strike. I have had some experience in this work. During the war I devoted the greater part of my time to the question of mediation and conciliation, both for the United States Department of Labor and the Emergency Fleet Corporation. I was a commissioner of mediation and conciliation for the Department of Labor. I was also the director of labor for the Emergency Fleet Corporation, United States Shipping Board. It was my duty to keep the industrial plants, with which the Emergency Fleet Corporation had contracts, and the shipyards going by preventing strikes. I believe I know something about the question of mediation and conciliation, and I am trying to give you gentlemen the benefit of my views. When I say I believe this bill is workable I say to you in all sincerity that I believe it will do more to prevent strikes on the railroads of this country than any bill ever enacted into law by the Congress of the United States. Oh, but some say, there is no compulsion in this bill; we can not compel the railroad employees to work against their will. I would like to see any Member of this House who claims to be a red-blooded American that will stand up in his place and say that Congress should pass any law to compel any person to work against their will in violation of the Constitution of the United States. [Applause.] Some gentlemen talk about doing this, and others talk all around it. But that is what is in the back of the heads of some of those opposed to this bill: They want to get a law through Congress to force the railroad employees, in violation of the Constitution of the United States, to work for the railroad companies.

Let us examine more carefully into the provisions of the railway labor bill (H. R. 7358) and see what we find.

Most of the arguments produced on the floor of the House against the Barkley bill have been composed of allegations, couched in general terms, and in not one single instance have the opponents of this bill undertaken to point out in detail a legal or practical defect in the machinery intended to be created by the provisions of the bill. General allegations as to the probable effect upon the railroad industry by the enactment of the railway labor bill (H. R. 7358) and the abolition of the Railroad Labor Board only serve to befog the issue and to prevent the facts concerning the real intent and purpose of the bill from being understood by the Members of Congress who are expected to give it consideration and to intelligently vote for or against its adoption.

I shall undertake to further explain, as best I can in simple terms, the practical operation of the machinery intended to be created by this bill, but, before taking up the matter in detail, it is, perhaps, appropriate to say that for many years I have been closely associated with the workers and have had considerable experience, and, consequently, have acquired knowledge of their working conditions and, as already stated, I have had the experience of serving as a Government mediator under a law, the general provisions of which were almost identical with the mediation provisions of the Barkley bill now under consideration by the House of Representatives. In my experience as a mediator and as a student of economics and the general problems confronting the workers of this country, I have long since learned that the railroad industry differs materially in many respects from other industries of the country, consequently the conditions under which both management and men are required to work also differ proportionately as compared with the duties imposed upon employers and employees of other industries. The public has long since recognized that the railroad industry of this country is a public-service industry, and for many years Congress has recognized the public interest in the railroads by providing for certain regulation of the railroads by law.

Since 1888 Congress has legislated for the settlement of railway labor disputes, although such legislation has never heretofore been generally supported by labor; in fact, the railway workers have in the past been generally opposed to legislation which restricted their right to negotiate terms of employment and to utilize their economic power to protect themselves against injustice at the hands of their employers. In this respect the railway workers have always felt that they should be permitted to exercise the same unrestricted rights and privileges for their protection as are exercised by the employees in other industries. However, in recent years the general trend of thought has been in favor of some kind of legislation which would provide for the settlement of railway labor disputes and thus prevent interruption of interstate commerce. The railway workers have themselves gradually yielded to public opinion in the matter of railway labor legislation, and after four years' experience under the labor provisions of the transportation act of 1920 they have come to Congress with a program which may not be perfect but is, without question, the most constructive piece of legislation upon this subject that has ever been presented to Congress, for the reason that it is a practical plan.

Statements have been made by Members of Congress and others concerning the probable effect upon the railroad industry if Congress were to substitute the provisions of the Barkley bill for the labor provisions—Title III—of the transportation act, 1920. Some of the statements that have been made clearly indicate that they have been made either through an attempt to deliberately misrepresent or because of a misunderstanding of the bill.

It should be understood that the bill simply provides for the repeal of the labor provisions—Title III—of the transportation act and thus abolishes the Railroad Labor Board. It creates a separate railroad labor act without interfering with any other provision of the transportation act.

Some of the Members of Congress seem to have gained a wrong impression in the matter of the public's representation on a board which primarily takes the place of the Railroad Labor Board and which will have jurisdiction over all disputes involving changes in wages and working conditions, which, by the way, are the major disputes the settlement of which are likely to affect operating expenses. In this connection it may be well to point out that disputes of this character will be handled by a board of mediation composed of five public members appointed by the President. Neither the railroads nor the employees have representation on this board, and should it subsequently develop that a member of this board is in any way connected with either the railroads or the organizations representing the employees he shall at once become ineligible for further membership upon the board of mediation. Before the board of mediation takes jurisdiction over any dispute the law makes it a duty of all carriers and their employees to meet in conference and exert every reasonable effort to adjust their difference. If a dispute involves an increase or a decrease in the wages of the employees or a change in the working rules which would increase operating expenses, and such dispute is not settled in conference between representatives of the carrier and the employees involved, the services of the Board of Mediation may be invoked by either party or the board may proffer its services. For example:

Should the employees on any railroad initiate a request upon the management for an increase in wages or a change in their working conditions, the provisions of the Barkley bill would require that representatives of both parties meet and, across the conference table, undertake to reach an adjustment. There is no limit fixed as to the length of time that may be consumed in conference. Days or weeks or even months may be consumed, according to the magnitude of the question, in discussing its various angles and attempting to reach a settlement satisfactory to both sides. As indicated above, should the parties be unable to reach a settlement in conference they may, separately or jointly, invoke the services of the board of mediation which, under the Barkley bill, is substituted for the present Railroad Labor Board. Should neither party invoke the services of the board, then the board is empowered to proffer its services, in which event the mediators would immediately go to the point where the controversy exists and would confer and arrange to meet with the parties separately for the purpose of investigating the dispute and learning from each side their respective views as to the merits of such controversy.

The records of the United States Board of Mediation and Conciliation, under the Erdman and Newlands Acts, in effect 1898 to 1920, show that the length of time consumed in mediating railroad controversies varied from a few days to several weeks, and the same records show that a solution of all controversies was always found when the services of the Board of Mediation and Conciliation were utilized. That both the railroads and the employees appreciate the responsibility that

attaches to them in controversies which threaten the interruption of interstate commerce is evidenced by the records of the United States Board of Mediation and Conciliation, 1913 to 1919, which show that out of a total of 148 cases recorded the services of the board were requested and accepted as follows:

By the railroads, 29 cases; employees, 74 cases; jointly by railroads and employees, 27 cases; and by the public, 2 cases. The services of the board were tendered to railroads and employees jointly in 16 cases. In the total of 148 cases handled by the board during the period mentioned there were involved 586 railroads and 620,810 employees.

In the case of request for increases in wages, cited above, should the Board of Mediation—which, it should be kept in mind, is composed entirely of representatives of the public—fail to effect a settlement by bringing the parties together in agreement, as its final action it is required to propose that the parties arbitrate the controversy. In this connection statement has been made that there is no compulsion in the matter of arbitration. But let us see what has happened in the past when a Government board of mediation has taken jurisdiction over disputes which threaten the interruption of interstate commerce, with the possible exception of one case—the details with which the Members of Congress are evidently not familiar—arbitration proposed by a Government board of mediation has always been accepted by both parties.

In the exceptional case referred to, the President of the United States, himself finally acting as the sole mediator in the eight-hour controversy, proposed that the eight-hour day be granted, and that the controversy involving the payment of time and one-half for overtime be made the subject of investigation. To this the employees agreed, but the railroads declined to accept the proposal and the President requested Congress to legislate upon the subject, resulting in the enactment of the Adamson eight hour law. The records concerning this dispute show that the railroads themselves were the first parties to propose carrying the controversy to Congress, although they have since attempted to place this responsibility upon the employees.

Having accepted arbitration, the provisions of the Barkley bill would require that the carrier and the employees each name one arbitrator. Should the two arbitrators thus chosen fail to agree upon the third arbitrator within five days, such third arbitrator would be named by the Board of Mediation, and the provisions of the bill would require that such third or "neutral" arbitrator, who is the representative of the public, be entirely free from interest in or connection with any carrier or organization of employees. However, the carriers and employees may agree upon an arbitration board of six members, similarly chosen, on which the public, the carrier, and the employees have equal representation. The board of arbitration thus chosen would meet and arrange for hearing, giving the parties to the controversy a full and fair hearing, including an opportunity to present evidence in support of their claims, and the opportunity to argue their case in person or by counsel. The agreement to arbitrate would contain a provision fixing a period from the beginning of the hearings within which the board of arbitration should make and file its award, although a provision is made for an extension of this period if the parties so agree. The agreement to arbitrate would also provide that both parties accept the award as final and binding.

The agreement to arbitrate would further provide for the date from which the award would become effective and fix the period during which the award would continue in force. Having reached an award, same would be filed in the clerk's office of the district court of the United States in the district where the controversy arose or the arbitration was entered into, and when so filed such award would constitute the full and complete record of the arbitration. The award when filed would be conclusive as to the merits and facts of the controversy submitted to arbitration, and the court would enter judgment on the award, which judgment would be final and conclusive on the parties and be enforcible in the same manner as other judgments, contracts, and agreements.

If a controversy subsequently arose as to the meaning of the award, the bill provides that the same arbitrators would interpret the award and thus definitely dispose of any controversy that arose in connection therewith. What has been said herein concerning the method of handling a dispute involving a request for increases in wages would apply on any railroad, whether it be a "Class I" railroad or a "short-line" railroad. There is no difference in the application of the provisions of the Barkley bill to railroads coming within the scope of the interstate commerce law. The same machinery available to deal with disputes involving increases in wages is also available and applies in exactly the same manner in the treatment of cases involving decreases in wages. Although it is fair to assume that controversies involving increases in wages are initiated by employees, it is also fair to assume that controversies involving decreases in wages are initiated by the carriers. But in either event neither party is given any advantage under the terms of the Barkley bill, and in both instances the public is the only party represented on the Board of Mediation and it has equal representation in all questions of arbitration, which finally decides the controversy.

The statement has been made that on some railroads where certain classes of employees have been organized into what is known as "company unions" the provisions of the railway labor bill would discriminate against employees holding membership in such "company unions." In other words, an attempt has been made to create the impression that unless railway employees take membership in one of the 20 generally recognized standard railway labor organizations which have indorsed the railway labor bill their interests would not be protected in the same manner and to the same degree as would the interests of employees who hold membership in the standard railway labor organizations.

The railway labor bill does not discriminate, but, on the contrary, specifically provides that both the carriers and the employees shall each choose their own representatives without interference, influence, or coercion being exercised by either party over the other. There is an absolute guaranty to the employee, whether members of a "company union" or a so-called "standard railway labor organization," that they will be represented by men of their own choosing.

Should members of a "company union" initiate a request for an increase in wages it would be the duty of the representatives of the carrier and representatives of the employees interested to meet in conference for the purpose of considering and attempting to adjust the matter. Failing to reach a settlement in conference the representatives of the "company unions" or the carrier could invoke the services of the Board of Mediation or the Board of Mediation could proffer its services and the controversy would be handled in exactly the same manner as though the employees interested were members of one of the so-called standard railway labor organizations. Arbitration could be adopted if mediation failed and the representatives of the "company union" would be privileged to name one of the arbitrators, the carrier would also name one arbitrator, and the third or "neutral" abitrator would be named by the Board of Mediation if the two arbitrators chosen by the representatives of the "company union" and representatives of the carrier failed to agree upon the selection of the third or "neutral" man. The award of the board of arbitration would be binding on the carrier and employees—members of the "company union"—in the same manner and to the same extent that any arbitration award under the act would be binding on the employees, members of any other union.

I will now take up a more detailed discussion of the boards of adjustment, as created by the railway labor act, the purpose of which seems to be entirely misunderstood and in connection with which gross misrepresentation has been made by opponents of the bill with regard to representation of the public thereon. Members of Congress who oppose the creation of adjustment boards and who seem to be desirous of creating the impression that adjustment boards are something new and entirely experimental, appear to have overlooked the fact that adjustment boards, although voluntary, are provided for in the present transportation act, section 302, as follows:

> Railroad boards of labor adjustment may be established by agreement between any carrier, group of carriers, or the carriers as a whole, and any employees or subordinate officials of carriers or organization or group of organizations thereof.

It will be noted that section 302 of the transportation act provides for the creation of adjustment boards through voluntary agreement. The very fact that the creation of adjustment boards was made voluntary under the transportation act has alone prevented the establishment of such boards, except in the specific case involving but four of the organizations, a very limited number of employees, and only a portion of the roads in the eastern, western, and southeastern territories. Failure on the part of the railroads to voluntarily agree to the establishment of adjustment boards resulted in the Railroad Labor Board being swamped with grievances, resulting in the time of the board being consumed in considering and adjusting grievances of a minor nature, and making it impossible for the board to give immediate consideration to controversies of major importance.

It will also be noted that in the creation of adjustment boards under section 302 of the transportation act no provision

is made for representation of the public on such boards. That many, including Members of Congress, have gained a wrong impression concerning these adjustment boards, and that the importance of representatives of the public on such adjustment boards is being exaggerated by opponents of the bill is evidenced by some of the speeches made on the floor of the House and in much of the propaganda with which Congress is being deluged by opponents of the bill. Perhaps a word or two concerning adjustment boards and the character of disputes that would ordinarily be referred to these boards for consideration and decision would be helpful.

For example, take the case of men engaged in engine service. When a man enters the service of a carrier in the capacity of a locomotive fireman he is immediately required to exert considerable mental and physical effort in order to qualify to assume the responsible duties of a locomotive engineer when there is need for additional engineers on the division where he is employed. A vast majority of the public perhaps do not know that the records of master mechanics' conventions and conventions of other railroad officials bear record of admissions by railroad officials that the work of a locomotive fireman on the great, modern locomotives of to-day has passed almost beyond the limit of human endurance. However, in addition to discharging the duties imposed upon him as a fireman, he is required to spend most of his leisure time, and frequently is required to lose time, in order to prepare for the most exacting and extensive examination on mechanics, combustion, locomotive running repairs, the air brake, train-operating rules, the electric-signal system, and the physical characteristics of the railroad over which he will be required to operate as an engineer when promoted.

The perfectness with which the machine of this great moving industry—the railroads—operates is evidence of the time and study that has been devoted to it by the men directly interested in and responsible for its operation. The operating rules governing train movements and railroad operation generally, and with which the employees in the transportation service must be familiar, have been formulated and are revised from time to time by an authoritative committee appointed by the American Railway Association. Likewise, rules governing the train-signal system, the operation of the automatic air brake, and so forth, are the result of years of study and preparation by men whose lives have been devoted to this work. Several days, and in many cases weeks, are required in conducting examinations of a locomotive fireman for promotion to the position of engineer, and the same is true to a greater or lesser degree in so far as promotions are concerned in other classes of railroad service. Upon entering the service of the railroad an employee must be in perfect physical condition, including normal vision. In qualifying for promotion he is also required to undergo another severe physical examination in order to assure the public, the carrier, and the employees that the highest possible degree of efficiency shall be maintained in the transportation industry. To this end periodical examinations are also conducted.

I have mentioned a few of the technical phases of the railroad situation for the purpose of showing the probabilities for controversies of the most highly technical character arising with regard to the operation of trains. The slightest violation of one of the many hundreds of rules would be sufficient cause for investigation and perhaps the administration of discipline, with the possible dismissal from service, of an employee. It sometimes happens that an honest difference of opinion arising with regard to the execution of a highly technical rule may give rise to a dispute. Occasionally a dispute arises because of the method adopted by a locomotive engineer in hurriedly repairing his engine, which may have broken down en route, thus delaying the train.

Working under severe strain and pressure in an effort to open the main track and thus prevent the congestion of traffic, a question may arise as to whether some particular, technical rule had been complied with. All such disputes growing out of train operation must necessarily be decided in conference or by some tribunal qualified to consider and decide same if we are to have peace upon the railroads of this country. It is for the purpose of deciding such disputes and also minor disputes which may arise in connection with the application of agreements entered into in conference between the railroads and the employees that boards of adjustment have been found necessary and are to be created under the provisions of the Barkley bill, H. R. 7358. In this connection it may be appropriate to say that many of the rules contained in agreements governing rates of pay and working conditions of railway employees do not involve expense to the railroads, but are designed to protect against hardship or injustice. In many instances certain local conditions are covered in agreements which involve the comfort and convenience of the employees and protection of the interests of the railroads.

As stated above, the boards of ajustment are created under the Barkley bill to deal with these technical problems that, although of vital importance to the railroads, the employees, and to the railroad industry itself, are of little direct interest to the public. Surely no one will contend that a representative of the public unfamiliar with the technical phases of railroad operation could assist in an intelligent and just determination of such questions. No such contention has ever heretofore been made by the public, the railroads, or the employees. In fact, there appears to have been unanimity of opinion as between these three interests in the matter of adjustment boards being composed only of men technically qualified to deal with the technical operating questions. It is for these reasons that the proponents of the Barkley bill have not provided for representation of the public on the boards of adjustment contemplated under the provisions of the bill.

Chairman Ben W. Hooper, a public representative on the United States Railroad Labor Board, in his testimony before the Senate subcommittee of the Committee on Interstate Commerce—page 256—advocated the creation of boards of adjustment, and, although he has had three years' experience in dealing with these technical railroad problems, he did not recommend that the public be represented on such boards of adjustment.

It has been stated by opponents of the Barkley bill that the creation of adjustment boards as contemplated therein will interfere with certain methods for adjustment of grievances which have been adopted as a result of mutual understanding between representatives of the shopcraft "company unions" and the managements of certain railroads. Such statement is entirely erroneous, as there is nothing in the bill that will interfere with local arrangements, as a result of mutual agreement, which have been adopted for the purpose of adjusting grievances. In fact, such arrangements are merely a continuation of conference and confine the consideration of the problems to the specific property on which same originate.

In order to create prejudice against the Barkley bill it has been alleged by the opponents of the bill that, for example, members of the shopcraft "company unions" employed on the Pennsylvania Railroad could not be expected to appeal a grievance to an adjustment board created under the Barkley bill for the reason that the "company unions" would have no direct representative thereon. The Barkley bill permits any nationally organized craft to submit nominations to the President for appointments on adjustment boards.

If any "company union" becomes a nationally organized craft the members thereof will have the right, under the provisions of the Barkley bill, to submit nominations to the President for appointment on these boards. The facts are, however, the theory upon which the "company unions" are organized in itself is opposed to national organization, because when nationally organized they are no longer system or "company unions." What has been said with regard to the effect that nationalization would have upon "company unions" would also apply if the members of these so-called unions were to assert their independence and take advantage of their right under the law to appeal a dispute to the present Railroad Labor Board. That these "company unions" are absolutely controlled by the management is admitted by the representatives of these "unions" themselves. On page 282, hearings before a subcommittee of the Committee on Interstate Commerce of the United States Senate, will be found the following colloquy between Senator HOWELL and Mr. Anderson, the latter representing a "company union," opposing the bill:

Senator HOWELL. Who were the other gentlemen who cooperated with you in preparing this report?

Mr. ANDERSON. Mr. Fleck is one of them; Mr. Gibbons is another, that I see here to-day; Mr. Reynolds is still another; and suggestions came from different ones on the management side as well, where we were seeking information.

From the statement of Theodore H. Davis, representing the shopcraft "company unions" on the Pennsylvania Railroad (p. 287, Senate subcommittee hearings), speaking of the representatives of the "company unions," Mr. Davis said:

They will be provided with the necessary transportation, and the company will reimburse them for time lost and for reasonable expenses while on this service.

Other statements made by representatives of "company unions" before the Senate subcommittee in hearings on the Howell-Barkley bill are quoted as follows:

We maintain that it is perfectly legitimate for the company to assume the expense of this work * * *. (Mr. MacDonald, p. 298.)

The council of the proponents of this bill designated the representatives as paid agents of the company, and we wish to say that the Pennsylvania Railroad system representatives to-day are not paid agents of said company but an elected representative body of men who have voluntarily consented to act as representatives of the various crafts and are simply made whole for time lost and the return of expenses as traveling, hotel, and any other regular expense incurred. (Mr. Peterman, p. 300.)

That the representatives of "company unions" are merely acting as paid agents of the railroads is clearly proven by the above statements of the representatives themselves. Surely no Member of Congress would contend that any real bona fide labor union exists where the management absolutely controls the actions of the representatives of these so-called unions and pays all expense incurred for time lost and hotel expenses, and so forth, of the representatives. Furthermore, is it not a fair assumption that so long as the railroads meet all of the expenses connected with the maintenance of a "company union" and pay the expenses of the representatives that there will be no grievances appealed to any tribunal not created by and connected with the railroad itself? The facts are, if the members of a "company union" would to-day appeal grievances to the Railroad Labor Board, and thereby assert their right under the law, their "company union" would soon be abolished by the railroad management.

This assertion is justified for the reasons already stated, and is supported by the fact that representatives of the so-called "company unions" have never appealed a dispute to the Railroad Labor Board, nor has any dispute affecting members of a "company union" ever been appealed to any tribunal not created by or connected with the railroad. So long as the employees, members of "company unions," are satisfied to restrict the handling of disputes, if any arise, to their respective railroads, there is nothing in the railroad labor bill that will require a change in the method adopted by the so-called "company unions" for the handling of disputes on their respective systems. Their method of adjustment is simply adjustment by conference, which method is provided for in the railway labor bill.

There is therefore no grounds upon which the opponents of this bill are justified in attempting to create a wrong impression in the minds of the public concerning the underlying intent and purpose of the railway labor bill. A careful reading of the bill should be all that is necessary to eliminate any misunderstanding as to its real purpose, and to show that, beyond any question of doubt, it is the most constructive measure that has ever been introduced in Congress as a means for the promotion of peace on the railroads of this country. Ignorance as to the provisions of the bill or a direct attempt to misrepresent the facts must be responsible for some of the misstatements that have been made by its opponents. One of the most deliberate misrepresentations of the facts concerning the Howell-Barkley bill will be found on page 23 of a "Summary of the Twelfth Annual Meeting of the Chambers of Commerce of the United States," held at Cleveland, Ohio, May 6-8, 1924, wherein it is contended that—

This bill would eliminate representation of the public as a party in interest in the determination of controversies between the railroads and their employees, threatening interruption of traffic; would do away with the requirements for public investigation of such controversies; would tend to force railroad employees, regardless of their individual wishes, into particular labor organizations and establish closed-shop conditions on railroads by law.

It does not seem necessary to dwell further upon the question of the extent to which the public is represented under the provisions of the Barkley bill. As already stated, the Board of Mediation is composed entirely of public representatives, appointed by the President of the United States and confirmed by the Senate, without nomination being made by either the employees or the carriers. On every board of arbitration the public has equal representation with the carriers and employees to the same proportion as the public is now represented on the present Railroad Labor Board.

There is not one line in the railway labor bill which tends to force any railroad employee into any particular labor organization, neither is an employee required to join any labor organization. In fact, section 3a of the bill makes it possible for the employees to select their own representatives without interference, influence, or coercion being exercised over them by anyone. There is not a line in the bill that even refers to the matter of employees taking membership in any labor organization. Neither are there any organizations named in the bill.

As to the establishment of "closed-shop conditions on railroads by law," the railway labor bill neither establishes a "closed shop" nor an "open shop." That the chamber of commerce, itself a bitter opponent of the bill, has adopted the "open-shop" program is evidenced by the following excerpt from page 23 of its twelfth annual report, under the caption "Industrial relations":

The chamber's position, taken through referendum in 1920, is in favor of the "open shop."

It may be of interest to the Members of the House and to the public to know that the railway labor organizations themselves do not maintain a so-called "closed shop." It is not unusual to find a nonunion brakeman working on the same train with a union brakeman. Neither is it unusual to find a nonunion fireman working with a union engineer, and the same is true all through the various occupational classes. Of course, it is safe to say that most of the classes are fairly well, even completely, organized; but this complete organization is not due to the adoption of a "closed-shop" policy. It is largely due to the fact that the railway labor organizations for many years have protected the interests and improved the working conditions of railway employees. They also have established extensive insurance organizations for the purpose of furnishing insurance at cost to this vast army of employees who are engaged in the most hazardous occupation in the world. Extensive provisions for payment of disability claims for injuries received in the service have also been adopted. In fact, these railway labor organizations have become vast benevolent institutions through which great burdens of expense and responsibility have been lifted from society and are now being borne exclusively by the membership of these organizations.

Hundreds of thousands of dollars yearly are being paid to the widows and orphans of the employees killed in railroad service and almost an equal amount is being paid out in disability claims on account of injuries received by employees engaged in this great, moving industry of the country. There is now no compulsion upon a railway employee to join an organization representing his craft, nor is there any such compulsion contained in the Barkley bill. The hazards of employment, the necessity for collective bargaining, and the protection of himself and his loved ones against misfortune are the great, impelling forces which prompt railroad men to seek membership in the organization which represents their respective crafts.

Although the Chamber of Commerce of the United States attempts to pose as the "protector" of the public interest, nothing could be more detrimental to the public welfare and contribute more toward the creation of discord and general dissatisfaction on the railroads of this country than to deluge Members of Congress with absolute misrepresentations of facts concerning the underlying purposes of the railway labor bill.

That the present situation on the railroads of this country requires sober and deliberate thought, with a view to applying a remedy that will accord justice and fair treatment to all parties interested, is quite evident, and it ill becomes the National Chamber of Commerce or any other organization purporting to represent the public viewpoint to deluge Congress with statements containing deliberate misrepresentations of facts concerning a matter of such vital importance to the people. That the railroads and employees have lost faith in the Railroad Labor Board as a tribunal to be utilized in the adjustment of railroad labor disputes is evidenced by the fact that only recently an agreement was reached between representatives of railroads and train-service employees, involving 85 per cent of the mileage in the western territory, whereby it was provided that disputes arising in connection with a settlement, which was at that time negotiated, would be considered and decided by a committee composed of two representatives of the employees and two representatives of the railroads, thus providing a means for settling their disputes without going to the Railroad Labor Board. Furthermore, in a recent conference between representatives of 90 railroads in the western territory and engine-service employees, negotiations extended over a period from April 23 to May 13, inclusive, during which time an effort was made to adjust a number of changes involving wages and working conditions of those employees. Failing to reach a settlement the employees returned to their respective railroads, electing to depend upon their ability to further negotiate with their respective managements in preference to appealing to the United States Rail-

road Labor Board, in which they have absolutely no faith, and the decisions of which are openly flouted by the railroads.

The railway labor bill is the first constructive measure for the promotion of peace on the railroads that has gained the unanimous support of the employees of the 20 standard railroad labor organizations directly interested. It has taken years of study and consideration of the railroad problem to convince railway employees that legislation such as contemplated in the railway labor bill should be enacted in the interests of the public and for the promotion of peace on the railroads. These railway workers have come to Congress with such a program and are ready to join in the adopting of a program, the successful operation of which will largely depend upon the sincerity and cooperation of the railroads, the employees, and the public representatives. The integrity and honor of these railway labor organizations are on trial to see that the underlying purpose of the railway labor bill is not defeated.

Is the judgment of Congress to be influenced by misrepresentations that are without foundation in fact and which can not be supported either directly or by inference in the language of the railway labor bill? Shall Congress take advantage of this first opportunity offered by the railway employees of this country to insure the promotion of peace on the railroads, or shall a minority in Congress be permitted to deliberately prevent the consideration of such a program on its merits, thus closing the door of Congress in the face of this vast army of employees and allow the present admittedly unsatisfactory and chaotic condition to continue?

A favorite inquiry from critics of this bill is: Why should the public pay the expense of these boards if the public is not represented on them? The answers to this inquiry are many.

First. The public is represented by every one of the appointees of the President who constitutes these boards. It is the duty of each member to act to protect the public interest by seeing that the disputes presented are decided.

Second. The public has the same interest in providing tribunals to administer justice in interpreting railroad labor contracts that it has in providing courts to administer justice in interpreting commercial contracts.

Third. On account of the refusal of the railroads to establish these boards by agreement it has become necessary in the public interest to establish them by law.

Fourth. These adjustment boards can not be established by law except by making them public bodies supported by the Government. Unless they are made public bodies the railroads can continue to refuse to establish them. If they are made public bodies, their members, as public officers, must be paid by the Government.

Fifth. A law which ordered these boards to be created and attempted to compel the parties to pay salaries and expenses would be held unconstitutional, as the Government can only compel the payment of money under the power of taxation, and such a payment has been held not to be a tax.

Therefore the public is asked to pay for the cost of these boards because only in this way can they be created by law, and it is in the public interest to see that justice is done to 2,000,000 railroad employees and that peace prevails in the transportation industry.

1. This bill does not eliminate the public from representation in the settlement of railway labor disputes.

It does increase the public representation from three out of nine members of the present Railroad Labor Board to all five members of the proposed board of mediation.

2. This bill does not set up a new machinery of adjustment boards from which the public are excluded.

It does establish the same sort of adjustment boards which are provided for in the transportation act, wherein there is no provision for public representation on these boards which settle minor and technical disputes.

3. This bill does not standardize wages and rules or require national agreements.

It does require each railroad and its employees to exert every reasonable effort to make and maintain agreements for wages and rules governing employment on that road.

4. This bill does not grant special privileges to certain national labor unions.

It does permit all national craft unions to make nominations to the President for appointments to national boards of adjustment, and permits local unions to establish local boards, thus granting all labor organizations equal opportunity to participate in organizing the machinery which they desire for settlement of disputes.

5. This bill does not prevent any change in present rates of pay or working conditions, unless the parties agree to a change.

It does prevent an arbitrary change of wages or rules without notice or opportunity for conference, after which, if an agreement can not be reached, the parties are free to act independently.

6. This bill does not require any increase in transportation rates or make rate reductions impossible.

It does provide a machinery to insure harmonious industrial relations, which should decrease present operating charges and increase net revenues, thereby making possible rate reductions.

7. This bill does not increase the cost of operation of either short-line railroads or the great trunk-line railroads.

It does provide for all railroads a less expensive machinery for adjustment of labor disputes, which should reduce operating expenses.

8. This bill does not leave disputes undecided unless the parties agree.

It does make all decisions of adjustment boards binding on the parties and enforceable just as arbitration awards are enforceable, whereas no decisions of the present Labor Board are enforceable.

9. This bill does not increase indefinitely the public cost of the present law.

It does decrease the total cost of the establishment of the complete machinery of adjustment boards and the Labor Board provided for in the present law and limits the total public cost to only $100,000 more than the present cost of the Labor Board alone.

10. This bill does not legalize strikes or encourage strikes.

It does make agreements resulting from conference, mediation, or arbitration enforceable equally against the railroads and organizations of employees, and binds both parties to comply with the law and so exert every reasonable effort to make and maintain agreements and to settle disputes arising out of the application or interpretation of such agreements.

This bill gives ample protection to all public and private interests involved in the transportation industry. It preserves freedom of contract and insures enforcement of all obligations of contract—contract is the sure and just basis for maintaining peace and insuring cooperation in industry under a democratic organization of society.

Mr. NEWTON of Minnesota. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BARKLEY. Mr. Chairman, I yield three minutes to the gentleman from New Jersey [Mr. MCNULTY].

Mr. MCNULTY. Mr. Chairman and colleagues, there seems to be a misrepresentation floating about this chamber to the effect that there are only four organizations involved in this question. For the edification of all I desire to say that there are 17. Every time a colleague gets up to speak in the interest of organized labor, opposition comes from those who do not understand what labor stands for. Some have expressed themselves as though organized labor were a bunch of bandits. Organized labor tries to keep the peace. There is not a labor institution in this country that does not try to maintain peace. Why do the lawyers organize? Why do the doctors organize? Why do the dentists organize? Why do the manufacturers organize? Why do the farmers organize? And so forth. It is to protect their own interests; and were it not for the organization of labor, God would have to help the workingman and his family, for the average employer would not do so in the way of paying fair wages. Through organized labor it has come to pass that conditions have been created that have made it possible for a workingman and his family to live nearly as God intended that men and women and children should live. I am saddened at times to hear men get up and oppose labor organizations when they have no sound reasons for doing so. I am sure if they would study what labor aims to do in the interest of humanity they would become labor's friends instead of remaining its enemies.

The whole structure of this law is based on the foundation of voluntary service and agreement, the whole intent being to eliminate the present condition that makes of the parties litigants before a tribunal, each clinging tenaciously to the grounds of their maximum demands always with the view of getting the most possible out of any compromise decision that might be rendered by that tribunal.

This law will remove the political complexion from the agency for adjustment of disputes, thus creating a greater degree of confidence by the parties most directly affected.

American workmen will always resent compulsory or coercive methods. Their heritage of freedom is their most pre-

cious possession, and they will hold that possession to the limit of their endurance.

In this case the workmen, through their accredited representatives, protested to the last minute the enactment of the present railroad labor bill. When they found their strength insufficient to prevent its enactment, they, as good Americans, said: "This is the law; we do not like it, have no reason to believe that we can secure justice under it; but it is the law, and we propose to comply fully with it." This was their expression individually and collectively. Now they say to the lawmaking body of our Nation: "Years of operation have proved that this law is an abject failure. As good American citizens, we come to you for relief from the intolerable conditions that lopsided enforcement possible under this law has imposed." They are entitled to this relief. In the name of common decency, let us grant it.

The industrial life of the Nation has been beset time and again with ills that might well have been avoided and would not have been imposed had not pernicious legislation given hope of advantage to those who feel themselves strong enough to impose their will, regardless of the equity or justice of their position.

It is the time now for this body to say: "This seems equitable. This seems just. This should bring a condition where the greatest possible degree of harmony will be engendered by direct contact of the parties directly interested. Let us sit down and reason together. Let us have peace." [Applause.]

Mr. BARKLEY. Mr. Chairman, I yield three minutes to the gentleman from Wisconsin [Mr. SCHAFER].

Mr. SCHAFER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SCHAFER. Mr. Chairman, I note with a great deal of interest some statements by my colleague, Mr. BLANTON, of Texas. He struts forth to-day as the champion of labor. From all his activities since I have been a Member of Congress and all his activities which I read about before I was a Member I fail to see where in one instance he championed the cause of the workingman. He asked one of the speakers if it was not a fact that if a man did not get behind labor organizations' legislative programs 100 per cent they would mark him unfavorably. I do not believe that my colleague [Mr. BLANTON] ever got behind the program of a labor organization even one-half of 1 per cent. Perhaps he may have thought he was getting behind them one-half of 1 per cent when he supported the Volstead law.

I wish to call attention to the RECORD. On May 14, on page 8784, in the remarks by the distinguished gentleman from Kansas [Mr. TINCHER], who is one of the steering committee of the majority party, there are some things which I wish to direct your attention to, because I believe he has by a rather careless handling of the facts or inadvertently put us under a false impression. He pictures a block in his district. There is a widow who lives upon it and a fireman and a pharmacist and a bank cashier, and so forth. The pharmacist is making $120 a month and the fireman is making $11.25 per day, so he says. The fireman that he claims is receiving $11.25 a day for eight hours' work is defined in the decision of the Railroad Labor Board as an outside hostler for the railroads. If the railroad is paying that outside hostler $11.25 a day for eight hours' work, that should be one reason why the present labor section of the transportation act should be repealed, because under the recent decision of the Labor Board that railroad corporation could pay that man only $5.60 a day. I suppose these remarks were inserted in the RECORD so that he could send some of these statements to his farmer constituents to justify his stand as voting against the Howell-Barkley bill.

I insert the following table showing the wages of the railroad employees in the engine service. The facts will show that the railroad employees are underpaid:

Comparative statement of daily wage rates of engineers, firemen, and hostlers (western roads), 1915 to 1923

Classification of locomotives(weight on drivers)	1915 Western arbitration award, May 11, 1915				1918 General Order No. 27, United States Railroad Administration, Jan. 1, 1918				1919 Supplement No. 13 to General Order No. 27, United States Railroad Administration, Jan. 1, 1919			
	Engineer	Fireman		Electric helper [1]	Engineer	Fireman		Electric helper [1]	Engineer	Fireman		Electric helper
		Coal	Oil			Coal	Oil			Coal	Oil	
Passenger service:												
Less than 80,000 pounds	$4.30	$2.50	$2.50	$2.50	$4.78	$3.22	$3.22	$3.22	$5.60	$4.00	$4.00	$4.00
80,000 and less than 100,000 pounds	4.30	2.55	2.50	------	4.78	3.28	3.22	------	5.60	4.08	4.00	4.00
100,000 and less than 140,000 pounds	4.40	2.60	2.50	------	4.90	3.35	3.22	------	5.68	4.16	4.00	4.00
140,000 and less than 170,000 pounds	4.40	2.70	2.55	------	4.90	3.48	3.28	------	5.76	4.32	4.16	4.00
170,000 and less than 200,000 pounds	4.45	2.85	2.70	------	4.95	3.67	3.48	------	5.84	4.40	4.24	4.00
200,000 and less than 250,000 pounds	4.45	3.00	2.85	------	4.95	3.86	3.67	------	5.92	4.48	4.32	4.16
250,000 and less than 300,000 pounds	4.65	3.20	3.05	(1)	5.17	4.12	3.93	(1)	6.00	4.48	4.32	4.16
300,000 and less than 350,000 pounds	4.80	3.40	3.25	------	5.34	4.38	4.18	------	6.08	4.56	4.40	4.16
350,000 and less than 400,000 pounds	4.80	3.60	3.45	------	5.34	4.64	4.44	------	6.16	4.64	4.48	4.16
400,000 and less than 450,000 pounds	4.80	3.60	3.45	------	5.34	4.64	4.44	------	6.24	4.72	4.56	4.32
450,000 and less than 500,000 pounds	4.80	3.60	3.45	------	5.34	4.64	4.44	------	6.32	4.80	4.64	4.32
500,000 pounds and over	4.80	3.60	3.45	------	5.34	4.64	4.44	------	6.40	4.88	4.72	4.32
Mallets regardless of weight	5.00	4.00	3.85	------	5.56	5.15	4.96	------	6.60	5.20	5.00	------
Freight service:												
Through and irregular freight; pusher; helper; mine-run or roustabout; belt-line or transfer; work; wreck; construction; snowplow; circus; milk trains (exclusive); other unclassified service—												
Less than 80,000 pounds	4.75	2.75	2.75	2.75	5.40	3.69	3.69	3.69	6.08	4.24	4.24	4.24
80,000 and less than 100,000 pounds	4.80	2.85	2.75	------	5.54	3.83	3.69	------	6.16	4.32	4.24	4.24
100,000 and less than 140,000 pounds	4.85	3.00	2.85	------	5.60	4.06	3.83	------	6.24	4.48	4.32	4.24
140,000 and less than 170,000 pounds	5.10	3.20	3.05	------	5.89	4.30	4.09	------	6.48	4.64	4.48	4.24
170,000 and less than 200,000 pounds	5.30	3.45	3.30	------	6.12	4.63	4.43	------	6.64	4.80	4.64	4.24
200,000 and less than 250,000 pounds	5.45	3.70	[2] 3.55	(1)	6.29	4.97	[2] 4.77	(1)	6.80	4.97	[2] 4.80	4.40
250,000 and less than 300,000 pounds	5.60	3.80	3.80	------	6.47	5.10	5.10	------	6.94	5.12	5.12	4.40
300,000 and less than 350,000 pounds	5.75	4.00	4.00	------	6.64	5.37	5.37	------	7.08	5.37	5.37	4.40
350,000 pounds and over	5.75	4.00	4.00	------	6.64	5.37	5.37	------	7.28	5.44	5.44	4.40
Mallets, less than 275,000 pounds	6.00	4.00	4.00	------	6.93	5.37	5.37	------	7.78	5.44	5.44	------
Mallets, 275,000 pounds and over	6.50	4.25	4.25	------	7.51	5.71	5.71	------	8.09	5.75	5.75	------
Yard service:												
Less than 140,000 pounds	4.25	2.70	2.70	------	5.40	3.81	3.81	------	5.60	4.16	4.16	4.16
140,000 and less than 200,000 pounds	4.40	2.75	2.75	------	5.53	3.88	3.88	------	5.76	4.28	4.28	4.16
200,000 and less than 300,000 pounds	4.40	2.75	2.75	(1)	5.53	3.88	3.88	(1)	5.92	4.40	4.40	4.16
300,000 pounds and over	4.40	2.75	2.75	------	5.53	3.88	3.88	------	6.08	4.56	4.56	4.32
Mallets, less than 275,000 pounds	5.15	4.00	4.00	------	6.17	5.20	5.20	------	6.68	5.28	5.28	------
Mallets, 275,000 pounds and over	5.40	4.00	4.00	------	6.32	5.20	5.20	------	6.92	5.32	5.32	------
Hostling service:												
Outside or main-line hostlers	4.20				5.36				5.36			
Inside hostler	3.00				4.23				4.23			
Hostler helper	(3)				(3)				3.60			

[1] No rates provided for helpers in electric service except minimum rate as shown.
[2] Oil differential does not apply on engines over 215,000 pounds on drivers.
[3] No rate provided for hostler helper.

Comparative statement of daily wage rates of engineers, firemen, and hostlers (western roads), 1915 to 1925—Continued

Classification of locomotives (weight on drivers)	1920 Decision No. 2, United States Railroad Labor Board, May 1, 1920				1921-1923 Decision No. 147, United States Railroad Labor Board, July 1, 1921				Increase, 1923 over 1915			
	Engineer	Fireman		Electric helper	Engineer	Fireman		Electric helper	Engineer	Fireman		Electric helper
		Coal	Oil			Coal	Oil			Coal	Oil	
Passenger service:												
Less than 80,000 pounds		$6.40	$4.80	$4.80	$4.80	$5.92	$4.32	$4.32	$4.32	$1.62	$1.82	$1.82
80,000 and less than 100,000 pounds		6.40	4.88	4.80	4.80	5.92	4.40	4.32	4.32	1.62	1.77	1.82
100,000 and less than 140,000 pounds		6.48	4.96	4.80	4.80	6.00	4.48	4.32	4.32	1.60	1.86	1.82
140,000 and less than 170,000 pounds		6.56	5.12	4.96	4.80	6.08	4.64	4.48	4.32	1.68	1.94	1.93
170,000 and less than 200,000 pounds		6.64	5.20	5.04	4.80	6.16	4.72	4.56	4.32	1.71	1.87	1.86
200,000 and less than 250,000 pounds		6.72	5.28	5.12	4.96	6.24	4.80	4.64	4.48	1.79	1.80	1.79
250,000 and less than 300,000 pounds		6.80	5.28	5.12	4.96	6.32	4.80	4.64	4.48	1.67	1.60	1.59
300,000 and less than 350,000 pounds		6.88	5.36	5.20	4.96	6.40	4.88	4.72	4.48	1.60	1.48	1.47
350,000 and less than 400,000 pounds		6.96	5.44	5.28	4.96	6.48	4.96	4.80	4.48	1.68	1.36	1.35
400,000 and less than 450,000 pounds		7.04	5.52	5.36	5.12	6.56	5.04	4.88	4.64	1.76	1.44	1.43
450,000 and less than 500,000 pounds		7.12	5.60	5.44	5.12	6.64	5.12	4.96	4.64	1.84	1.52	1.51
500,000 pounds and over		7.20	5.68	5.52	5.12	6.72	5.20	5.04	4.64	1.92	1.60	1.59
Mallets regardless of weight		7.40	6.00	5.80		6.92	5.54	5.32		1.92	1.54	1.47
Freight service:												
Through and irregular freight; pusher; helper; mine run or roustabout; belt-line or transfer; work; wreck; construction; snowplow; circus; milk trains (exclusive); other unclassified service—												
Less than 80,000 pounds	$7.12	5.28	5.28	5.28	6.48	4.64	4.64	4.64	1.73	1.89	1.89	
80,000 and less than 100,000 pounds	7.20	5.36	5.28	5.28	6.56	4.72	4.64	4.64	1.76	1.87	1.89	
100,000 and less than 140,000 pounds	7.28	5.52	5.36	5.28	6.64	4.88	4.72	4.64	1.79	1.88	1.87	
140,000 and less than 170,000 pounds	7.52	5.68	5.52	5.28	6.88	5.04	4.88	4.64	1.78	1.84	1.83	
170,000 and less than 200,000 pounds	7.68	5.84	5.68	5.28	7.04	5.20	5.04	4.64	1.74	1.75	1.74	
200,000 and less than 250,000 pounds	7.84	6.01	[1] 5.84	5.44	7.20	5.37	[1] 5.20	4.80	1.75	1.67	1.25	
250,000 and less than 300,000 pounds	7.98	6.16	6.16	5.44	7.34	5.52	5.52	4.80	1.74	1.72	1.00	
300,000 and less than 350,000 pounds	8.12	6.41	6.41	5.44	7.48	5.77	5.77	4.80	1.73	1.77	1.77	
350,000 pounds and over	8.32	6.48	6.48	5.44	7.68	5.84	5.84	4.80	1.93	1.84	1.84	
Mallets, less than 275,000 pounds	8.82	6.48	6.48		8.18	5.84	5.84		2.18	1.84	1.84	
Mallets, 275,000 pounds and over	9.04	6.79	6.79		8.40	6.15	6.15		1.90	1.90	1.90	
Yard service:												
Less than 140,000 pounds	7.04	5.60	5.60	5.60	6.40	4.96	4.96	4.96	2.15	2.26	2.26	
140,000 and less than 200,000 pounds	7.20	5.72	5.72	5.60	6.56	5.08	5.08	4.96	2.16	2.33	2.33	
200,000 and less than 300,000 pounds	7.36	5.84	5.84	5.60	6.72	5.20	5.20	4.96	2.32	2.45	2.45	
300,000 pounds and over	7.52	6.00	6.00	5.76	6.88	5.36	5.36	5.12	2.48	2.61	2.61	
Mallets, less than 275,000 pounds	8.12	6.72	6.72		7.48	6.08	6.08		2.35	2.08	2.08	
Mallets, 275,000 pounds and over	8.36	6.96	6.96		7.72	6.32	6.32		2.32	2.32	2.32	
Hostling service:												
Outside or main-line hostlers		6.24				5.60				1.40		
Inside hostler		5.60				4.96				1.96		
Hostler helper		5.04				4.40				----		

[1] Oil differential does not apply on engines over 215,000 pounds on drivers.

My friend from Texas [Mr. BLANTON] speaks about the paper of the workers. He does not say anything about 90 per cent of the newspapers and magazines which are opposed to labor.

Mr. BLANTON. Oh, I am cursing them all of the time.

Mr. SCHAFER. Thank God, the man who toils for a living has a national paper, properly called "Labor," published in Washington and which is not prostituted to the big business advertisers and owners. Labor is a paper which fearlessly prints the truth and is a bulwark of strength to this Republic and the principles of representative government. Labor brings to the light of day the record of public officials.

Give the people light and they will find the way to make our Government of the people, for the people, and by the people in fact as well as in name. I sincerely hope that everyone who labors in this great Nation will in the near future have an opportunity to read each issue of Labor, so that they will be able to obtain true information on men and measures.

The Barkley bill is a measure in the interest of labor, the railroads, and the general public. [Applause.]

The CHAIRMAN. The time of the gentlemn from Wisconsin has expired.

Mr. WINSLOW. Mr. Chairman, I yield 30 minutes to the gentleman from Ohio [Mr. COOPER].

Mr. COOPER of Ohio. Mr. Chairman and Members of the House, the declared purpose of the bill which is before us today, known as the Howell-Barkley bill, is to insure peaceful settlement of railroad labor disputes. I believe that any such proposition is worthy of the consideration of Congress, because it is vital to the Nation that the operation of our railroads be uninterrupted and that the pay and working conditions of their employees be adequate and just, in order to avoid disputes interfering with efficient operation of our transportation systems and the safe and competent handling of freight and passenger service on the great arteries of commerce in the United States.

But after weeks of careful study and investigation I have been forced to the conclusion that I can not support some of the provisions in the Barkley bill, and a little later I shall give my reasons for taking this position.

I believe it would have been preferable to have considered the Barkley bill in the Committee on Interstate and Foreign Commerce, of which I am a member, and to which the bill was referred when it was first introduced. When the question came before the committee as to whether or not we would take up the Barkley bill I voted for its consideration. But because of circumsances into which it is not necessary to go at this time it was not possible to secure committee consideration, and I have voted to take the bill up for consideration by the House. I am ready to meet the issue and dispose of it here and now.

SHOULD ABOLISH RAILROAD LABOR BOARD

I have for some time believed that the Railroad Labor Board has not stood the test of experience and should be abolished. When the Labor Board was first established by the transportation act of 1920 I told Congress that I doubted if it would prove satisfactory, and that it would create friction between managers and men rather than prevent trouble. It is generally admitted that under the Railroad Labor Board both sides to disputes have been "passing the buck," and for a time it was only a storm center of trouble and dissension between the operators and workers on the railroads.

Recently the board has been ignored and the railroad companies and their employees have in many instances settled their own differences locally and across the table, which is as it should be.

At its best the Railroad Labor Board is an unnecessary and expensive ornament to the Federal Government, and at its worst it has been a serious trouble maker in the industrial relations of the country.

In the last Congress I introduced a bill to abolish the Railroad Labor Board and to reestablish the provision for the settlement of railway labor disputes by mediation, conciliation, and arbitration, as provided for in the Newlands Act.

WOULD AMEND BARKLEY BILL

The provisions of the Barkley bill which I can not subscribe to and will not support are those in section 3 of the bill, which establishes four national boards of adjustment to which would

be referred disputes arising between carriers and the railroad employees.

I have prepared an amendment which I shall offer at the proper time as a substitute for the Barkley bill.

I offer the amendment as a substitute for the entire bill for the reason that the Barkley bill is drafted in such a way as to make it impossible to strike out the four national boards of adjustment without rewriting the entire bill.

WORSE THAN LABOR BOARD

In the speech which the gentleman from Kentucky [Mr. BARKLEY] delivered in the House April 15 in support of his bill he referred to certain persons and organizations outside of the railroad labor organizations who were in favor of abolishing the Railroad Labor Board.

In answer to that statement I want to say that not one of the persons or organizations thus referred to as being in favor of abolishing the Railroad Labor Board has indorsed or approved the Barkley bill. As a matter of fact, the most powerful organization to which he referred, the National Industrial Traffic League, representing several hundred thousand shippers, appeared before the Senate committee during its hearings and opposed the Howell-Barkley bill on the ground that the proposed national adjustment boards provided for in the bill would create conditions far worse than those existing at the present time.

Let me quote what Mr. J. H. Beck, executive secretary of the National Industrial Traffic League, said when he appeared before the Senate committee in opposition to the Howell-Barkley bill. On page 192 of the printed hearings he said:

> We believe it impracticable for a central governmental agency to determine the needs and conditions on every division of railroad in the country without doing an injustice to one side or the other.

He made it plain that this statement applied especially to the proposed national adjustment boards to be established under the provisions of the Howell-Barkley bill.

PRESIDENT COOLIDGE'S POSITION

In this same speech Mr. BARKLEY quoted from the address of President Coolidge in his message, which he delivered to a joint session of Congress December 6 last, in which the President said:

> The settlement of railroad labor disputes is a matter of grave concern. The Labor Board is not altogether satisfactory to the public, the employees, or the companies. If a substantial agreement can be reached among the groups interested there should be no hesitation in enacting such agreement into law.

You will note that the President stated that an agreement should be reached before we attempted to change the present law. But what do we have before us in the Barkley bill? Is it a plan that has been worked out and agreed upon by representatives of the public, the railroad employees, and the operators? Not at all. On the contrary, we find one group composed of railway labor organizations fighting with all the power at their command for the passage of the bill, and another group composed of the railway operators vigorously protesting against it. The representatives of the labor organizations say that if we make the Barkley bill law it will provide the means for the friendly settlement of railroad labor disputes.

But there can be no friendly settlement of a dispute unless the parties to the dispute agree amicably to settle.

The representatives of the railroad operators have appeared before the Senate committee during hearings on the Howell-Barkley bill, and protested against this measure on the ground that it would not settle anything.

MR. DANIEL WILLARD'S VIEWS

Among the railway operators who opposed the bill before the Senate committee was Mr. Daniel Willard, president of the Baltimore & Ohio Railroad. Mr. Willard is one of the most respected and best loved railway operators in the country. Railroad employees respect and honor him for his fairness and interest in their welfare. On page 57 of the printed hearings of the Senate committee Mr. Willard, in speaking in opposition to the Howell-Barkley bill, said:

> If, however, Congress should determine to change the present act, I am convinced that the plan proposed in the bill—

The Howell-Barkley bill—

> under consideration by this committee would not only not work better than the existing provisions but would fall short of obtaining the results which the public at least has a right to expect from legislation of this character. The provisions in the Howell bill for four national boards of adjustment * * * as proposed, in my opinion, would offer a cumbersome and inflexible agency far less likely to get satisfactory results either for the companies or the workers than could be expected from the adjustment boards already provided for.

So, Mr. Chairman, the position that Congress finds itself in to-day, so far as the Barkley bill is concerned, is between the devil and the deep blue sea. We are asked to pass a bill carrying an appropriation of $500,000, which is strongly supported on the one side by certain railroad labor officials and bitterly opposed by the railway operators and managers on the other hand, while the general public stands on the side lines watching the battle powerless to take any part in the game.

RIGHTS OF PUBLIC FIRST

It is high time that Congress considered the rights of the public in matters of such great importance. [Applause.] The transportation systems of our country are the arteries through which flow the lifeblood of our Nation. Whatever legislation is enacted on this great subject, it should first of all take into consideration the welfare of all of the 110,000,000 people in the United States. [Applause.]

Mr. SCHAFER. Will the gentleman yield?

Mr. COOPER of Ohio. I can not yield. The chief criticism of the Barkley bill concerns the proposed national boards of adjustment. Section 3 of the bill provides for the establishment of four such boards, consisting of 40 members, who will receive from the Federal Government salaries of $7,000 apiece annually.

OBJECTIONS TO NATIONAL ADJUSTMENT BOARDS

The supporters of the bill point to the work of the national adjustment boards during Federal control of the railroads as an argument why the proposed boards would work satisfactorily. During Government control there existed three national boards of adjustment, and I want to say that these boards did splendid work and settled many disputes.

But an altogether different condition existed at that time. The railroads were nationalized into one big system. They were under the control of one man, William G. McAdoo, the director general. The salaries of the members of the adjustment boards were paid by the railway operators and the labor organizations. It was easy to do things on a national scale during the war. It made no difference to the operators what it cost to run the railroads, because the Government was guaranteeing the roads a fixed return provided for by an act of Congress.

The setting up of four national boards of adjustment as provided for in the Barkley bill would nationalize certain functions in the operation of the railroads of the country, which are now under separate private control and management. The provisions in the bill for the national boards of adjustment will create two powerful national organizations, the carriers on the one hand and the employees on the other. Such a policy is bound to establish more firmly national organizations of employees and in a like manner will consolidate the railway executives. National organizations mean national agreements.

Now, I would have no objection to such a principle if the railroads were under Government control and operation. But so long as the railroads are under private operation and management, I believe Congress should consider the question carefully before passing any law creating national boards of adjustment as is provided for in the Barkley bill. [Applause.]

THE SHOPMEN'S STRIKE

At the time of the shopmen's strike, two years ago, there were two powerful organizations in the fight, the national organization of the shop employees and a like organization composed of railway executives. During the shop strike both the organizations of employees and the railway executives took the position that there would be no settlement of the strike unless all the railroads settled on the same basis.

There were many railroad systems and their employees that were ready to get together and settle the strike as far as it concerned those particular systems of railroads. But both sides were determined to stand as a unit, and the result was that there was great suffering and the loss of hundreds of millions of dollars before the strike ended; and when settlement was made it was with individual railroads and their employees. The president of one of the largest and best railroad systems in our country, in conversation with me during the shop strike, stated that he was ready to make a settlement with the shopmen on his lines, and that the employees were ready to make a settlement with him, but both parties could not do so by reason of the national agreement made by the railway executive and the shop employees. Of course, I think it only fair to say that in the first instance the shop strike was brought about by the decision of the Railroad Labor Board in reducing the wages of the shopmen all over the country. The reduction in wages by the board was national in its scope, affecting all the railway shopmen in the country. The decision of the Railroad Labor Board in reducing the wages of the shopmen on all the railroads in the country again shows the danger of national boards undertaking to interfere with

or settle disputes which might arise between carriers and the railway employees. [Applause.]

It will be said that there is nothing in the Barkley bill that compels the carriers and their employees to submit disputes to the national boards of adjustment. There is nothing in the present law that compels them to submit disputes to the Railroad Labor Board, and yet there are hundreds of cases of disputes pending for settlement before that tribunal to-day. The very existence of the national boards of adjustment will be a standing invitation for the railway employees and operators to submit every kind of grievance to the boards for settlement, just as they were to the Railroad Labor Board when it was first created.

BARKLEY BILL EXPENSIVE

The Barkley bill abolishes the present Railroad Labor Board of nine members, with a total salary expense to the Federal Government of $95,000 per year, and sets up five boards at a total salary expense for its members of $360,000 per annum.

The gentleman from Kentucky [Mr. BARKLEY] has referred to the adjustment boards provided for in the Esch bill as it was reported from the committee in 1920. Now, the gentleman from Kentucky [Mr. BARKLEY] knows that coupled with the national boards in the Esch bill was a provision for compulsory arbitration. The railroad labor organizations fought the labor provisions of the Esch bill and were bitterly opposed to the same. It is true the Anderson amendment, which was adopted by the House, provided for boards of adjustment. I supported the Anderson amendment for the reason that I had to take my choice between that, compulsory arbitration or the Webster antistrike amendment.

The record will show that when the Esch bill was reported out of our committee I reserved the right to oppose the labor provisions of the bill on the floor of the House. The boards of adjustment established by the Anderson amendment were much different from the boards proposed in the Barkley bill. For instance, in the Anderson amendment the salaries of the members of the boards would have been paid by the railroad companies and the employees whom they would represent, and under the Barkley bill the Federal Government would pay the board members. The adjustment boards which I would establish in my substitute bill are much more like the boards proposed in the Anderson amendment than are the boards proposed in the Howell-Barkley bill.

ADJUSTMENT BOARDS NOW IN EFFECT

Title 3 of the transportation act provides for the creation of adjustment boards. Section 302 of title 3 reads:

Railroad boards of labor adjustment may be established by agreement between any carrier or group of carriers, or the carriers as a whole, and any employees or subordinate of carriers or organization or groups of organizations thereof.

A great deal has been said by the proponents of the Barkley bill about the railroads refusing to agree with the employees to establish adjustment boards as provided for in title 3 of the transportation act. And they have used that as an argument why they want the national boards of adjustment as provided for in the bill which we are now considering.

I say that many railroad boards of adjustment have been established under the present law by agreement between carriers and employees, notwithstanding what has been said to the contrary. Boards of adjustment have been established and are now functioning successfully in the eastern, southeastern, and western sections of our country.

I have had prepared an analysis of the work of the adjustment boards now in operation throughout the country and actually handling disputes arising between railroad employers and employees. This analysis indicates conclusively that agreements have been reached satisfactorily, without any national adjustment boards, on 90 per cent of the class 1 roads, representing approximately 219,000 miles of railroads.

HUNDREDS OF SETTLEMENTS MADE

From January 1, 1923, to May 1, 1924, no less than 539 settlements were made on the important railroads of the country between the representatives of the managers and the men without resort to the Railroad Labor Board. This does not include settlements reached with representatives of the small or miscellaneous groups of employees, such as stationary firemen and oilers and marine-department employees. Agreements to continue existing rates of pay for a definite period were considered as wage settlement, and therefore such agreements are included in this statement.

The agreements include those made with engineers, firemen and hostlers, conductors, trainmen and switchmen, telegraph employees, show employees, clerical and station employees, maintenance-of-way employees, and signalmen. During the period there were 217 settlements in the eastern territory, 201 on the railroads in the western territory, and 121 in the southeastern territory. Last April an agreement was reached between the railroads in the western territory and the conductors and trainmen providing for regional agreements involving more than 90 roads. At the present time a concerted movement involving a majority of the roads in the western territory is under way with the locomotive engineers and firemen.

During the latter part of 1922 agreements were reached with train and engine service employees to continue the then existing rates for definite periods, usually one year, on practically every large class 1 road. These settlements are not included in the figures given above, because they were made prior to January 1, 1923.

NATIONAL BOARDS NOT NEEDED

Surely these figures show that it is not necessary for Congress to establish national boards of adjustment to insure peaceful settlement of railroad labor disputes. Peaceful relations exist now between the railroads and their employees without national boards and by both sides ignoring the existence of the Railroad Labor Board.

A further analysis of the existing method of settling railroad labor disputes by local and regional boards of adjustment set up voluntarily by the railroads and their employees show that from January 1, 1923, to May 1, 1924, a grand total of 1,400 decisions were rendered by train-service boards of adjustment for the eastern, western, and southeastern sections and by similar boards on the Pennsylvania and Philadelphia & Reading Railroads. These decisions invoked matters of pay, discipline, seniority, and other miscellaneous questions which arose. Of this total number 696 were settled in favor of the railroads, 427 in favor of the employees, 139 were remanded, 50 were compromised, 80 withdrawn, and there were only 8 deadlocks, all in the southeastern section.

Why, in view of the conditions at present existing, should Congress establish more Government boards, paid by the taxpayers, to complicate matters?

Such railroads as the Baltimore & Ohio, the Boston & Albany, the Boston & Maine, the Cleveland, Cincinnati, Chicago & St. Louis, the Cincinnati Northern, the Lake Erie & Western, the Michigan Central, New York Central, Pittsburgh & Lake Erie, Toledo & Ohio Central, Zanesville & Western, Pennsylvania, Philadelphia & Reading in the east, and the important western and southeastern roads all have existing boards of adjustment or similar machinery established by mutual agreement between the managements and employees, the decisions of which are final and binding on both parties.

Let me cite to the House some other authorities which show that adjustment boards have been set up and are now functioning successfully at this time.

ROBERTSON SAYS PRESENT PLAN WORKS WELL

On pages 15 and 16 of the printed hearings before the Senate committee on the Howell-Barkley bill you will find the statement of Mr. David Robertson, president of the Brotherhood of Locomotive Firemen and Enginemen, who said:

It requires boards of adjustment to decide disputes not settled in conference. All the railroads during the war and most of the great systems to-day utilize such boards or similar machinery.

Further on he says:

At the present time equipartisan adjustment boards are functioning successfully in the eastern, western, and southeastern regions.

On page 18 of the printed hearings appears the statement of Mr. Donald Richberg, counsel for the organized railway employees. In speaking of the adjustment boards, he said:

Such boards have been established by individual roads and by groups of carriers.

It should be remembered that Mr. Robertson and Mr. Richberg are the chief supporters and sponsors of the Howell-Barkley bill who appeared before the Senate committee. They agree that local boards of adjustment are working successfully to-day throughout the country.

SHOULD CONGRESS INTERFERE?

So, Mr. Chairman, on 90 per cent of the class I railroads to-day the managers and employees are making contracts on wage agreements and settling their differences without Government interference. They have established adjustment boards to decide disputes. Is it a wise thing for Congress to interfere with the friendly and successful relation that are existing between the railroad operators and employees to-day? I want you to consider this important matter carefully before you take any action on this question. Will it be good statesmanship

on the part of Congress to pass a law at this time establishing four national boards of adjustment at a great cost to the taxpayers, which I believe would interfere with the boards which are now functioning, at least to some degree of success?

Now, Mr. Chairman, in closing I desire to say that in a way I regret that I am compelled to take the position I have taken to-day. No one knows better than I that the Barkley bill has the indorsement and support of many of the labor organizations in our country.

I had hoped that some way could be found whereby the Barkley bill could be changed so that it would receive the support of many Members of Congress who desire to abolish the Railroad Labor Board. The supporters of the bill whom I conferred with insisted they would not agree to any change, especially in regard to the national boards of adjustment.

I reluctantly informed them that I could not support the bill with this provision in it.

I regret exceedingly that I can not support the representatives of the railroad employees in this matter. They have been my friends for many years. I have tried to be their friend.

The gentleman from Alabama [Mr. HUDDLESTON] stated on the floor a few days ago that your vote on this bill would be the test as to whether or not you were for or against labor.

Mr. Chairman, as far as I am concerned I am ready to meet the test. I meet it with malice toward none and with a clear conscience and deep conviction that I have done my duty as I see it. [Applause.]

Mr. BARKLEY. Mr. Chairman, how much time have I remaining? [Applause.]

The CHAIRMAN. The gentleman has 10 minutes remaining.

Mr. BARKLEY. Mr. Chairman and gentlemen of the committee, I would not undertake in 10 minutes to discuss in any degree of detail the provisions of the bill nor the remarks which have been made by those who have opposed it. I have the highest personal regard for the gentleman from Ohio [Mr. COOPER], with whom I have served on the Committee on Interstate and Foreign Commerce ever since he has been a Member, and, I think, ever since I have been a Member of the House, and I am unable to understand the vicious opposition which he seems to harbor against this measure, peculiarly because he objects to the national adjustment boards to which he refers. As I said a few days ago when the Esch bill was reported originally from the committee of which we are both members, it provided for these very national boards, and the gentleman from Ohio voted to report that bill out to the House. During the consideration of that bill on the floor of the House the gentleman from Minnesota [Mr. ANDERSON] offered an amendment to Title III of the bill which provided for three national boards of the same character and type as provided in this bill, and even though he had voted for the original provision of the bill as reported by the committee, the gentleman from Ohio voted for the Anderson amendment, which provided for national boards as created in this bill. Of course, the gentleman from Ohio has the right to change his mind upon the question of national boards, but it does offer some curiosity to me, at least, why, after having voted twice on this before the present Esch-Cummins law was passed for the creation of national boards of adjustment, now he finds it so impossible to support the very same thing which he twice voted on in former Congresses. The gentleman referred to Daniel E. Willard, for whom I have the greatest respect and who has been before our committee a number of times. When the present transportation act was passed it became a question of whether the voluntary provisions of the law should be carried into effect by the creation of these voluntary adjustment boards, and the question arose as to whether they should be regional adjustment boards or national adjustment boards, and the association of railway executives, composed of 101, I believe, of the railway presidents, appointed a labor committee of nine, of which Daniel E. Willard was a member. He helped to write and sign the report of that committee of nine in favor of the creation of national adjustment boards like those in the bill which has been under consideration, and the only man who voted against it was Mr. Atterbury, of the Pennsylvania Railroad, and his purpose was deliberately to break down every railroad organization in the United States, and there was no secret about it at the time.

Mr. COOPER of Ohio. Will the gentleman yield?

Mr. BARKLEY. I can not, I have only a few minutes. Now, the gentleman from Illinois [Mr. MADDEN] and the gentleman from Ohio [Mr. COOPER] and other alleged friends of labor say that they are in favor of abolishing the present Railroad Labor Board. In other words, they are in favor of abolishing the machinery that is now already in existence, but they are unwilling to set up any other machinery that may be resorted to in order to settle disputes that may arise on the railroads of the country. Criticism has been offered by certain gentlemen against the so-called standard railroad organizations because of their activity in behalf of this proposition. Neither the standard organizations nor the independent organizations, if there were any at the time, nor unorganized employees nor anybody else representing any employees asked for the Railroad Labor Board. Everybody knows, and especially those on the conference committee know, the present provision for a railroad labor board as incorporated in the transportation act was never considered by any committee. It was not even deliberately considered by the committee on conference. It came there one day out of a clear sky because the railroads were to be turned back in a few days to private ownership, and it was accepted by many as the best thing that could be obtained.

Mr. BECK. Will the gentleman yield?

Mr. BARKLEY. I can not yield.

Mr. BECK. I wondered if the public was represented?

Mr. BARKLEY. The public was not represented in the conference committee, except in so far as the conference committee itself represented the public. Now, the gentleman from Illinois [Mr. MADDEN] said that he was in favor of the abolishment of the Railroad Labor Board, but he does not want anything put in its place. Are you going to leave the railroad men without recourse to any tribunal when they find they can not adjust their disputes by private conference? There is nothing that prevents the adjustment of disputes by private conference. Every railroad, big and little, long and short, has the right and power to confer together with their employees, to use every possible means to settle their own disputes, and in doing that they can establish their own system of local adjustment boards if they desire to do so. They can enter into any kind of a contract and set up any kind of machinery that they and their employees desire to set up to settle disputes without reference to the machinery of this bill. Suppose they can not do that. Suppose, having exhausted all other resources, now that they have created a system, have conferred across the table, and they are still unable to settle their disputes. Are you going to say that there shall be no tribunal, no machinery, no force that can be brought to bear bringing those two contending parties together?

It is unthinkable that any man who is really pretending to be a friend of the public and does not want strikes to come would say that he is in favor of abolishing the machinery that now exists, but is unwilling to create anything in its place.

Objection has been made to the provision that these boards are to be paid by the public. In the report by Mr. Willard, and other members of the committee of nine, his reason was that the creation of national boards would get the disputants away from the local atmosphere and away from the local prejudice, and make it easier to enter into settlements. So far as I am concerned, I am not very much concerned whether these adjustment boards are paid by the Government or by private interests. But I would like to know how you can create a public officer and provide that he shall be paid by private interests. If you are to have national boards, as I believe you ought to have, they should be Government employees, and paid out of the Treasury, and not depend upon any private interests for the stipend they will draw, which would make them simply partisans of the two sides and prevent that impartiality which is necessary in enabling both sides to reach agreements.

The gentleman has referred to the independent and unorganized railroad employees. If there were any way by which the unorganized employees of the railroads could get together in the way of submitting names to the President of the United States, it might be considered. But their unorganized condition precludes the possibility of their submitting names, because otherwise every community, every voting district, might submit names for the President's appointment, and when submitted they would not be representatives of the employees as a whole, but representatives of community or local interests, and they can not divest themselves of that community interest or local interest.

I intend to offer an amendment at the proper place in connection with the creation of board No. 4, which it is proposed to divide, so as not only to allow national organizations provided for in the bill—and that does not mean merely the standard national organizations that now exist; they may go out of business next year; they may all cease to exist at any time—but any organization that covers sufficient territory to make it fairly representative, so that they may have the right to submit names to the President, in order that the interests of those organizations, through these appointees on the adjustment boards that do not deal with wages or conditions of

labor, but grievances, may be preserved. During the years of the Government Railroad Administration over 6,000 of these disputes were settled by these adjustment boards, and only 12 of them ever reached the Director General. I will offer an amendment to allow any representative organization to submit names to the President for appointment on board No. 4, so that they will not be able to claim that they have no representation. [Applause.]

The CHAIRMAN. The time of the gentleman from Kentucky has expired. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc.,

PRELIMINARY

SECTION 1.

(A) DEFINITIONS

When used in this act—(1) The term "carrier" includes any express company, sleeping-car company, private car company, and any carrier by railroad subject to the interstate commerce act, including interurban and suburban electric railways operating as independent units or as a part of the general railroad system of transportation, including all bureaus, associations, committees, and institutions of whatsoever kind or character maintained or supported by or existing in furtherance of the interest of carriers, and including all floating equipment, such as boats, barges, tugs, bridges, ferries, and other transportation facilities owned and operated by electric, gas, or steam operated railways, and any receiver or any other individual or body, judicial or otherwise, when in the possession of the business of employers or carriers covered by this act.

Mr. NEWTON of Minnesota. Mr. Chairman, will it be in order to offer an amendment to this particular subdivision, or must the whole section be read before an amendment is in order?

The CHAIRMAN. The entire section must be read for amendment unless it is determined otherwise by the committee.

Mr. BLANTON. I ask unanimous consent, Mr. Chairman, that the bill may be read by paragraphs.

Mr. NEWTON of Minnesota. I ask unanimous consent that, in view of the length of the bill and the novel features of it, which are entirely new and have not had the consideration of the committee, the bill be subject to amendment paragraph by paragraph. I make that request.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent that the bill be subject to amendment paragraph by paragraph. Is there objection?

Mr. NELSON of Wisconsin. I object.

The CHAIRMAN. The Clerk will proceed with the reading of the bill for amendment.

The Clerk read as follows:

(2) The term "adjustment board" means one of the boards of adjustment created by this act;

(3) The term "board of mediation and conciliation" means the board of mediation and conciliation created by this act;

(4) The term "commerce" means commerce among the several States or between any State, Territory, or the District of Columbia and any foreign nation, or between any Territory or the District of Columbia and any State, or between any Territory and any other Territory, or between any Territory and the District of Columbia, or within any Territory or the District of Columbia, or between points in the same State but through any other State or any Territory or the District of Columbia or any foreign nation;

(5) The term "officer" means all persons engaged in the service of carriers included in the "executive officer group," "general officer group," "division officer group," and "official staff assistant group," as these groups are established in the order of the Interstate Commerce Commission dated April 18, anno Domini 1921, effective July 1, anno Domini 1921, and entitled "Rules governing the classification of steam railway employees and reports of their service and compensation";

(6) The terms "employees" and "employees and (or) subordinate officials" mean all persons engaged in the service of carriers not included in the "executive officer group," "general officer group," "division officer group," and "official staff assistant group" as those are established in the order of the Interstate Commerce Commission dated April 18, anno Domini 1921, effective July 1, anno Domini 1921, and entitled "Rules governing the classification of steam railway employees and reports of their service and compensation," including all persons in the employ of bureaus, associations, committees, and institutions of whatsoever kind or character maintained or supported by or existing in furtherance of the interest of carriers;

(7) For the purposes of this act the occupational classification established by the Interstate Commerce Commission in its order dated April 18, anno Domini 1921, effective July 1, anno Domini 1921, and entitled "Rules governing the classification of steam railway employees and reports of their service and compensation," is hereby amended to include, and adopted as the legal classification of, all persons engaged in any capacity in the service of carriers, including all those persons included within the terms "employees" and "subordinate officials": *Provided*, That the occupational classification of any position shall not be changed from that established by the aforesaid occupational classification until such change of classification shall have been first approved by the Interstate Commerce Commission, after due notice and hearing to the carriers, the employees and subordinate officials of carriers, and organizations thereof directly to be affected by such change of classification: *And provided further*, That such occupational classification shall not be construed to define the crafts according to which railway employees are organized by their voluntary action nor shall the jurisdiction of such national craft organizations be regarded as in any way limited or defined by the provision of this act.

(8) This act may be cited as the railway labor act.

(B) CONSTRUCTION

(1) If any clause, sentence, paragraph, or part of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgments shall have been rendered.

(2) The definitions of terms made in this act shall not be construed as limitations on the nature of the meaning of the terms herein defined.

(C) REPEAL

All acts and parts of acts in conflict with the provisions of this act are hereby repealed; and particularly Title III of the transportation act, 1920, which is sections 300 to 316, inclusive, of the act entitled "An act to regulate commerce," approved February 4, 1887, as amended, and the acts approved July 15, 1913, providing for mediation, conciliation, and arbitration.

Mr. SANDERS of Indiana rose.

Mr. BLANTON. Mr. Chairman, I offer a preferential motion.

The CHAIRMAN. The gentleman from Indiana is recognized.

Mr. BARKLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Indiana yield for that purpose?

Mr. SANDERS of Indiana. No; I refuse to yield for that purpose.

I move, Mr. Chairman, to strike out the enacting clause.

The CHAIRMAN. The gentleman from Indiana moves to strike out the enacting clause. The gentleman from Indiana is recognized.

Mr. SANDERS of Indiana. Mr. Chairman, after listening to the able argument of the gentleman from Ohio [Mr. COOPER], I can not help but believe that the membership of this House who have followed the question of the national boards of adjustment are convinced that the Barkley bill will not solve the railroad troubles, and that the national boards of adjustment set up by the Barkley bill would bring the country back to a strike-inviting situation.

It is true that there were national boards of adjustment during the war, but they were not governmental tribunals, as provided here. It is true that there have been adjustment boards before which have been by agreement of the parties. But that does not mean these national boards of adjustment which are proposed to be created by this measure, which would set the country back, so far as the settlement of railroad disputes is concerned, to the point where we used to have strikes every year.

Mr. Chairman, if we could give the proper study to the Cooper bill this committee might be willing to substitute it for the pending bill. But I think the thing to do is to strike out the enacting clause of this specious measure and then give consideration to the Cooper measure as a separate and independent act. And therefore, Mr. Chairman, I think this is the time to kill this bill and settle the whole thing. [Applause.]

Mr. NELSON of Wisconsin rose.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin in opposition to the amendment.

Mr. NELSON of Wisconsin. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. NELSON of Wisconsin. Mr. Chairman, I hope this motion will not prevail.

There are four features of the Esch-Cummins Act that are very unsatisfactory. These are: Section 15a, regulating freight rates; the taking away so largely of intrastate power from State railway commissions; the book-value basis of valuation; and Title III, setting up a Labor Board.

The Barkley bill deals with Title III. This part of the Esch-Cummins Act has failed to insure or even promote industrial peace. It was the result of hasty compromise. It has satisfied neither the employers, the employees, nor the public.

Under the Erdman Act, the Newlands Act, and Federal control there were 30 years practically without interruption of transportation service. Under Title III we have seen four years of discord, strife, and the only national strike in our history.

This fruitage was inevitable. The present law is faulty in principle and weak in administration. It is in the nature of things that all compromises on principle work out badly. The present law attempts to reconcile the irreconcilable—compulsion and persuasion.

The administration is weak because a tribunal is set up without power either to end disputes or to enforce decisions. It pretends to set up mediators who are soon compelled to decide disputes, and so quickly lose their standing as mediators and the confidence of contending parties, without which mediation is impossible.

The Esch-Cummins law gives the Labor Board no power to impose its decisions upon the parties. Such power would not be conducive of peace. Therefore force in any form should be eliminated entirely from the law. Everything should be done to bring about agreement by persuasion.

The result of four years' experience with Title III is therefore that the Labor Board has been roundly condemned by carriers, employees, shippers, and Government. President Harding suggested its abolishment to Congress.

The purpose of the Barkley bill is industrial peace. This purpose is stated clearly in the beginning, where it is made the general duty of railways and employees—

> to exert every reasonable effort to make and maintain agreements concerning rates of pay, rules, and working conditions and to settle all disputes arising out of the application of said agreements.

Clearly the object is right, and because it is right, making for industrial peace, progressives support it irrespective of party.

Moreover, it is sound in principle. This fact runs through it from first to last, that railway employees ask for no one thing that is not fully accorded also to the railway employers. Equity is the test of justice and a guaranty of fairness.

The working machinery set up is as simple as it is scientific. In every detail this machinery reflects the simplicity of wisdom and the wisdom of simplicity. Between the original grievance or cause for complaint on the part of either party and the final adjustment of the grievance and removal of the cause of complaint there are four stages, each based on the principle of equity, justice, and fairness, where the parties are brought together face to face.

The first stage is conference. The law enjoins and affords every practical means to encourage and bring about conferences between the employer and employee. It makes it a legal duty for them to confer in the first instance with the view of a peaceful settlement of any controversy.

The next stage is adjustment before an adjustment board. Here grievances arising out of the interpretation of agreements only or out of disciplinary punishments will be considered by the chosen representatives of both parties. These grievances will be discussed pro and con across the table, in the light of past interpretations of practices. I can conceive of no wiser or simpler method that can be devised.

Then comes the stage of mediation and conciliation. Five mediators, who are also conciliators, selected without favoritism and without prejudice toward either party from the public, are in duty bound under the law to do everything possible to persuade railways and workers to come to an agreement. I know of no more simple, no more wise method that can be brought to bear by law to accomplish the purpose of industrial peace.

And, finally, we come to the last stage—a reference of a contested question of wages, working conditions, or interpretation of agreements to arbitration. Each party is to choose a representative arbitrator, they to choose a third, and if they can not agree on anyone, the Board of Mediation and Conciliation is to name the third impartial arbitrator from the public. And before arbitration, the parties are to specify the subject matter, the methods, and to agree to be bound by the award. Again, I say, I can think of no more simple nor wise method of eliminating causes for strife, discord, bitterness, and war, for strikes are nothing but warfare machinery carefully designed to secure the inestimable benefits of industrial peace to capital, to labor, and to the public.

Our confidence that the Barkley bill when enacted will prove more effective for purposes of industrial peace than the present Title III of the Esch-Cummins Act is grounded fundamentally on the basis of common sense.

LASTING PEACE CAN NOT BE COMPELLED

It must be brought about peacefully by bringing the contending parties face to face. Such machinery was a part of the Esch-Cummins Act, but was so badly constructed that it failed to operate. The railways refused to set up adjustment boards. This bill corrects that weakness. Adjustment boards are set up by it, around which common table day after day these contending parties—railway employer and the railway employee—will discuss grievances, interpretations, and penalties. There is no better way that can be suggested than bringing parties face to face to discuss with each other the causes of dispute. Moral suasion is the sister of common sense.

We have confidence in this machinery, because it aims to bring knowledge, light, to the contending parties sitting around the adjustment table. Both sides will select experts having detailed experience with the subject matter in all its technical details, men chosen who are level-headed, trained, and experienced railway men. Such persons will quickly be able in the light of the knowledge they have of the practical conditions of railroading to determine readily the merits or demerits of any grievance or penalty.

Our confidence is further based on the knowledge of the compelling power of self-interest. The carrier is interested in avoiding conflict, litigation, strife. So are the organizations of labor, both standng to lose thousands or hundreds of thousands, millions or hundreds of millions. Self-interest, when the parties are face to face with each other, will impel them to adjust grievances rather than let them run on and result in strife and strikes with the loss of both wages and dividends.

We have confidence in the machinery of this bill, because it eliminates the main source of trouble, the intermeddling third party. It is humanly impossible for the third party to eliminate preference either for the railway corporations or for the railway employees. This is remarkably noticeable in the case of the present Labor Board. These so-called public representatives were not impartial and soon indicated their leaning toward the railway side of questions in dispute. And even if they tried to be fair, it is inevitable that they will be suspected, and therefore confidence will be lost. Of course, whether they are suspected or they are in fact biased, they lose the confidence of at least one of the contending parties and their usefulness for purposes of mediation and conciliation is at an end.

This is perfectly apparent in the present Labor Board, where, as a result of this introduction of the third party, the board has worked at cross purposes. Neither the railway employer nor the employee has any confidence in it. Both sides ignored or defied it, and this is especially true of the carriers.

The same disturbing influence would result if third parties were put upon the adjustment boards. Besides the natural tendency to lean to one side or the other, and the consequent effect of suspicion or lack of confidence on the part of one or the other of the parties at interest, the public representatives have not the knowledge of the technicalities of railway operation; and the self-interest of the public representative is usually merely political.

In the light of these fundamental facts, so clearly evidenced if one will but read the bill without prejudice, let us consider the stock objections.

These really come from one source, the railroad lawyers, but make their appearance publicly in various forms in the hearings, where first the railway lawyers give them utterance.

Next they are urged upon us by the so-called short lines, who are really under coercion of the larger systems.

Then we have the dummy railroad unions who present them.

And finally, the public special-interest agencies—the chambers of commerce, the biased press, the influenced business men, or the railroad representatives in Congress.

Consider first the objections made by these public agencies of the railroads.

CLASS 1. CHAMBERS OF COMMERCE, SHIPPERS, ETC.

OBJECTION A. PUBLIC LEFT OUT

Answer. The Barkley bill gives the public entire membership of Board of Mediation and Conciliation. Also third member in every dispute referred to arbitration. The President, representing the public, selects members of the adjustment boards

out of recommendations made. The power of the Interstate Commerce Commission to protect the public against increased freight rates remains unaffected.

Finally, the whole scheme is so arranged as to bring the full force of public opinion and public sentiment to bear on disputes between contending parties. Under present law the public representation of the Labor Board is only one-third of the membership. It is therefore not sufficient to be effective, but just enough to be a disturbing factor and therefore harmful.

OBJECTION B. EXPENSE ITEM. A FAVORITE MISREPRESENTATION IS THAT IT WILL BE A MILLION DOLLARS A YEAR

Answer. The truth is that the bill itself limits the expense to $500,000. All the proposed law contemplates is $80,000 for the Board of Mediation, $30,000 for arbitration, $366,000 for boards of adjustment, or a total of $476,000.

Contrast this with the present law. The Labor Board alone costs $380,000. The machinery of adjustment boards contemplated by that law were not set up. Had they been, this would have added $366,000, a total of $746,000.

In other words, had the machinery of the present law been fully set up, it would have cost at least $300,000 more than the machinery of the proposed law.

But even without that machinery, the cost is $380,000; or, in other words, the proposed law would cost less than $100,000 more.

Now, what a pitiful argument. In one strike the railroad employers and the railroad employees each lost over one hundred millions, and the damage suffered by the public was incalculable.

Money spent on the present Labor Board is a waste of funds. If we are not to have an efficient board, let us do away with the Labor Board entirely and save at least $380,000.

OBJECTION C. HIGH RAILWAY WAGES WILL BE MAINTAINED OR BOOSTED

Answer. There is absolutely nothing in the Barkley bill to justify this objection. Adjustment boards do not change wages. When wage changes are proposed 30 days' notice must be given and opportunity for conference and conciliation. If this fails, there is no bar to railroads reducing wages. The Board of Mediation and Conciliation has the function of representing the public when change of wage is involved. The Interstate Commerce Commission must pass on any effort to increase rates as a result of any wage change. Therefore the public is amply protected.

SHORT LINES

OBJECTION A. SHORT-LINE EMPLOYEE CAN NOT GET HIS GRIEVANCE HEARD

Answer. There is nothing in the proposed measure to prevent local adjustments whenever they wish. They can not suffer, because craft representative on adjustment board will not make precedent that will prove injurious to any employee. Adjustment boards are to interpret standard agreements generally.

OBJECTION B. EMPLOYEE ON SHORT LINE CAN NOT BE APPOINTED ON ADJUSTMENT BOARD

Answer. There is no prohibition upon appointment of any employee who represents nationally organized craft. If employees will organize nationally, they may make recommendations to the President.

The President is to make the rules and regulations determining nominations. Obviously it would be unfair that some employee representing a group of, say, 500 should be selected and another group of employees representing 75,000 or 100,000 should be ignored.

Common sense must determine this matter. It would be impracticable for the President to select from a large number of small groups, and, moreover, the danger would be that these small groups would be merely dummies for the railroads, which would introduce discord and strife, the very thing that should be avoided.

OBJECTION C. BARKLEY BILL TENDS TO STANDARDIZE WAGES OR AGREEMENTS

Answer. This is impossible, because there is no power to do this under the proposed machinery. Every case will be decided upon its own merit, based on specific contract on any individual road. The Board of Mediation has no power to change agreements. The mediators try to bring the parties together who make the changes, and therefore they can not standardize anything. Nor will the arbitrators standardize anything, because they, too, deal with a specific case on its merits. These decisions are not permanent. They change constantly.

Present Labor Board does change agreements and wages, and the tendency is constantly to standardize wages and working agreements according to needs of the trunk lines and their employees. Therefore precedent made for trunk line will be made to apply to short line. The short lines are therefore protesting, contrary to their best interests, and are acting under pressure of the big roads.

OBJECTION D. SHORT LINES WILL BE COMPELLED TO DEAL WITH NATIONAL ORGANIZATIONS

Answer. This complaint means nothing more than that these short lines refuse to deal with national unions and, furthermore, that they desire to keep their employees in subjection, giving them no redress.

OBJECTION E. COST OF ADJUSTING GRIEVANCES WILL BE INCREASED

Answer. Under the Barkley bill the short lines deal directly with their employees in conference, and only bring in public mediator for their local problems. The mediator will come to the short-line road, and it will be relieved of expense of going to Chicago to Labor Board, as at present.

OBJECTION F. THE BILL INVOLVES UNNECESSARY EXPENSE

Answer. The answer is that they ought not to be objecting to this proposed law which permits them to deal with their own employees without interference. They ought to object then to the Labor Board of the present law when it is required to settle wage disputes. This Labor Board fixes wages which are standard. The Labor Board can not decide one thing in one case and one thing in another, but makes uniform decisions, and they are standard conditions, preventing the very thing that these short-line roads say they would like to have the power to do.

Under the Barkley bill the short lines deal with their employees directly, and only bring in a public mediator for their local problems. They can be more readily relieved of burdens than if they are required to go to the present Labor Board which would be bound by its precedents.

OBJECTION G. SHORT LINES AND THEIR EMPLOYEES ON A HAPPY, PEACEFUL BASIS

Answer. The proposed law makes it a duty for employer and employees to maintain such friendly relations. There is nothing in the proposed measure to prevent the short lines from making agreements with their employees. If they get along without trouble, there is no occasion for going before any of the boards, but if there is real complaint on the part of the employees of the short-line roads, this law gives them redress, and that is in the interest of the public as well as of justice.

DUMMY ORGANIZATIONS

OBJECTION A. BARKLEY BILL WILL BENEFIT AND PROTECT NATIONAL ORGANIZATIONS, BUT WILL BE UNFAIR TO INDEPENDENT ORGANIZATIONS

Answer. If independent organization is really an employees' organization, this bill protects its members just as it protects members of national organizations, because boards of adjustment can not and will not establish precedents injurious to any member of a craft.

OBJECTION B. BARKLEY BILL MEANS COMPLETE EXTERMINATION OF INDEPENDENT ORGANIZATIONS

Answer. There is nothing in the bill compelling independent organizations to identify themselves with national unions.

OBJECTION C. REPRESENTATIVES OF ADJUSTMENT BOARDS HAVE POWER TO EXAMINE ANY PAPERS OR RECORDS

Answer. This objection is proof that these independent organizations of employees are fostered by the carriers and members join under compulsion, their dues being deducted from wages. They merely reflect the views of their masters, the railroads.

OBJECTION D. THESE BOARDS WILL ENTAIL HEAVY EXPENSE

Answer. There is no expense to members of these independent organizations. This is really an objection made by the railroads themselves through these organizations. Even though slightly more expensive than present Labor Board, the results attained by having the proper machinery will justify the small additional expense.

OBJECTION E. SMALL ORGANIZATIONS HAD NO PART IN PREPARING BARKLEY BILL

Answer. The bill was drafted by the representatives of 16 standard railway organizations with the aid of the American Federation of Labor. The object of the bill is the welfare of all employees wherever employed.

OBJECTION F. BARKLEY BILL WILL RESULT IN REPUDIATION OF EMPLOYEES WHO REMAINED LOYAL DURING THE STRIKE OF 1922

Answer. There is nothing whatever in the bill to justify this objection.

ADVANCED BY RAILROAD ATTORNEYS

OBJECTION A. CLASSIFICATION OF EMPLOYEES BY THE INTERSTATE COMMERCE COMMISSION BEING MADE OFFICIAL

Answer. This is made necessary because the railroads would change classifications to evade decisions of adjustment boards

just as they have shifted employees under the present labor board. It is necessary to avoid confusion. Official classification does not prevent a man being employed and doing more than one job. He will simply get another classification.

OBJECTION B. THAT 20 DAYS' NOTICE REQUIRED IS TOO SHORT

Answer. This notice only applies to beginning the conference. It is intended to prevent the present practice of the railroads in delaying conference two or three months, sometimes indefinitely, resulting in bad feeling. There is no limitation whatever as to the time the conference may consume.

OBJECTION C. CARRIERS ARE NOT PERMITTED TO PASS ON CHARACTER OF EMPLOYEES APPOINTED TO ADJUSTMENT BOARDS

Answer. Why should they? Each group should select its own representatives without interference or dictation from the contending party. The trouble is that the railroads have in the past tried to control even the representatives of the railroad employees. This, and this only, is prohibited by this bill. The railroad employees have never had the privilege to thus dictate who the railroad representatives should be.

OBJECTION D. THAT THESE PARTISAN BOARDS WILL NEVER COME TO AGREEMENT

Answer. These boards are not intended even to make or change contracts. The adjustment boards merely interpret agreements. Being made up of technical experts, they will soon convince the contending parties to agree by pointing out the correct procedure.

OBJECTION E. WITHOUT COMPULSORY ARBITRATION NOTHING WILL COME OF THIS LAW

Answer. Compulsory arbitration would not be conducive of peace. Industrial peace can only be had through agreement, without resort to force, but upon the foundation of justice and good will.

In conclusion, the progressives are for the Howell-Barkley bill because they know that these words embody the spirit of truth, justice, and patriotism. I quote from a pamphlet submitted to Congress by the railway brotherhoods:

It has been found necessary to establish a public machinery to compel the railroads to treat the public fairly in furnishing service and in making charges. Likewise, it has been found to be necessary to establish a public machinery to compel the railroads to treat their employees fairly in fixing working conditions and rates of pay. This proposed machinery is required for the public interest as urgently as the machinery of rates and service regulation. It is opposed by selfish private interests in the railroads just as they have always opposed every exercise of public authority to protect public interests. It is sponsored by the genuine representatives of "the overwhelming majority of the railroad employees and subordinate officials, stated by those who are in a position to speak with confidence and authority to be more than 90 per cent."

The organized railway employees bring forward a tried and successful program for industrial cooperation with the encouragement and support of governmental authority. It is submitted as the most effective measure ever presented to Congress to eliminate strikes from the American railroads. It will be absolutely effective, if railroad managements cooperate, particularly because the employees will be pledged to the public and to each other to prove that their constructive program to solve labor problems in the transportation industry is in truth a program of peace.

We are for this measure because it is right. It stands for industrial peace. It embodies the principle of justice, fairness, and equity. It has in it the virtue of the simplicity of wisdom and the wisdom of simplicity and will prove to be effective because it is founded on common sense, knowledge of conditions and details, the best self-interests of contending parties, and is justified by experience. Industrial peace can only be had through agreement, whether effected by personal conference, by adjustment, by mediation and conciliation, or by arbitration, without resort to force, but upon the foundation of justice and good will.

The following correspondence will abundantly demonstrate the need of the Barkley bill in setting up adjustment boards to adjust grievances:

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES,
SYSTEM BOARD OF ADJUSTMENT, GREAT NORTHERN RAILROAD,
St. Paul, Minn., June 24, 1921.

Mr. J. A. COCHRANE,
Assistant to Vice President, Great Northern Railway,
St. Paul, Minn.

DEAR SIR: Following is statement of grievances now pending in addition to several others upon which individual letters have been written to you recently requesting a conference for the purpose of closing them up one way or the other.

Some of these cases have been under consideration by you for over six months and we have been promised a conference to dispose of them for over three months.

It is such apparently unwarranted delays which cause much dissatisfaction among the employees whom we represent and is bound to reflect in the services rendered. Will therefore thank you to set a date for conference as quickly as possible, and oblige,

Yours very truly,

E. W. ANDERSON, *General Chairman.*

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1. Claim in favor of Mr. Owen Cunningham, employed at Clearwater Junction yard, filed with you December 17, 1920. You advised under date of March 23: "I would be glad to discuss this case with you and will fix a date for doing so at my earliest opportunity."

2. Bulletining position of assistant chief clerk in the general superintendent's office at Great Falls, filed with you on January 6, 1921. You advised under date of March 25: "I am agreeable to submitting this to the Labor Board and will arrange to meet you at my earliest opportunity for the purpose of agreeing upon a statement of facts."

3. Claim in favor of Mr. C. J. Ruttkie, employed at Grand Forks, N. Dak., and filed with you on December 16, 1920. You advised under date of April 6: "I will be pleased to discuss this case with you and will set a date at my earliest opportunity."

4. Claim in favor of Mr. J. W. McConville, employed at Minneapolis Junction, filed with you on January 31, 1921. You advised under date of April 16: "I will arrange to meet you at my earliest opportunity for the purpose of discussing this case."

5. Rates of pay of janitors at Minot and Rugby, filed under date of March 8, 1921. Our request was declined in your letter of April 18, and will therefore thank you to set a date for conference to dispose of the case.

6. Rates of pay for train and engine crew callers at Minot and Williston, filed with you on February 3, 1921. Our request declined, and therefore requested a conference for disposing of the case in my letters of April 16 and May 12, 1921.

7. Application of Decision No. 2 for the station helpers at Towner and Granville, filed with you on January 13, 1921. You advised under date of April 20, 1921: "I will set a date to meet you for the purpose of discussing this case at my earliest opportunity."

8. Claim in favor of B. Theo. Olson, employed in the office of the auditor capital expenditures, St. Paul, filed with you under date of March 29, 1921. You advised under date of April 21: "There are quite a number of cases on which you have requested conference and this case can be discussed along with the others."

9. Claim in favor of Mr. J. E. Healey, employed at Great Falls, filed with you under date of February 24, 1921. You advised under date of April 22: "There are a number of other cases which I will arrange to go over with you at my earliest opportunity, and we can discuss this case at that time."

10. Claim in favor of Mr. Adolph Anderson, employed at Superior yard, filed with you under date of December 18, 1920. You advised under date of April 22: "There are a number of other cases which I will arrange to go over with you at my earliest opportunity, and we can discuss this case at that time."

11. Proper rate of pay for train and engine crew callers at the terminals division, filed with you under date of November 15, 1920. To date you have failed to acknowledge receipt or render a decision. Will therefore thank you to set a date for conference to definitely dispose of the case.

12. Claim in favor of baggageman, janitors, etc., employed at the Minneapolis passenger station, filed with you under date of November 11, 1920. We requested date for conference on April 7. To date you have not acknowledged receipt or complied with our request.

13. Claim in favor of extra gang timekeepers employed at the terminals division and other points on the system, filed with you under date of November 15, 1920. Under date of April 7 we requested you to consider the case further, and if you could not see fit to comply with our request that you set a date for conference for the purpose of disposing of it. You advised under date of April 25 as follows: "Effective as of May 1, 1921, the railway will discontinue the application of this rule to extra gang timekeepers and apply the daily rates to these positions." And on June 15 you advised: "Your request to make this retroactive is respectfully declined." As you have complied with only part of our original request, will you kindly set a date for conference as requested in my letter of April 7?

14. Claim in favor of perishable freight inspectors, icing foremen, and heater men throughout the system, filed with you under date of December 27, 1920. Under date of March 17 we furnished you "statement of facts" for signature to submit case to Labor Board and requested date for conference in case you took any exceptions to our "statement." You have failed to return signed "statements" with your letter of April 6, wherein you advise this is a matter of schedule revision. Our request is not a matter of schedule revision but a proposition of complying with agreement reached during negotiations on our present schedule. Will therefore thank you to set a date for conference as previously requested.

15. Claim in favor of Mr. E. A. Douglas, employed in the office of the superintendent motive power, St. Paul, filed with you under date of February 24, 1921. Under date of May 9 we requested a date for conference be set for the purpose of disposing of this case.

16. Claim in favor of train and engine crew callers at Hillyard, filed with you under date of April 16, 1921. Have received no acknowledgement or decision and will thank you to set a date for conference to definitely dispose of the case.

17. Claim in favor of George Haase, employed at Raymond, filed with you under date of March 17, 1921. In my letter of May 9 I requested favorable decision, or date for conference to dispose of it. You advised on June 13 our claim is again declined. Will you kindly set a date for conference as requested?

18. Claim in favor of Mr. Ed. Gehrmann, employed at the Dale Street store, filed with you under date of May 6, 1921. In my letter of May 27 I requested a favorable decision, or a date for conference to dispose of the case. You advised on June 13 our claim is again declined. Will you kindly set a date for conference as requested?

19. Claim in favor of train and engine crew callers employed on Kalispell division, filed with you under date of April 15, 1921. Our request for compensation on the daily basis is declined in your letter of June 13. Will therefore thank you to set a date for conference to dispose of the case.

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES,
SYSTEM BOARD OF ADJUSTMENT GREAT NORTHERN RAILROAD,
St. Paul, Minn., August 20, 1921.

Mr. G. R. MARTIN,
Vice President, Executive Department, Great Northern Railway Co., St. Paul, Minn.

DEAR SIR: Inclosed herewith is copy of letter written to Mr. J. A. Cochrane, assistant to vice president, under date of June 23, 1921, in connection with grievances pending at that time. Mr. Cochrane replied to this letter on July 6, 1921, advising as follows:

"With reference to yours of June 20 regarding conference in connection with the 19 cases listed:

"My time for several months has been fully taken up in connection with revision of agreements pursuant to decision No. 119, and with wage-rate adjustment matters, but I expect to be able to confer with you within a short time and will advise you definitely as soon as it is possible for me to do so."

Since that time the following additions should be made:

20. Claim of Walter Bruning, at Great Falls, for compensation for time lost from January 2, 1921, account being deprived of the right to exercise his seniority as provided in our schedule. On July 6 Mr. Cochrane advised as follows: "I think it would be well to add this case to the others listed in your letter of that date in connection with which you ask for conference."

21. Claim in favor of storehouse and material yard employee at St. Cloud store for proper increases under decision No. 2, which was effective May 1, 1920. On July 6 Mr. Cochrane advised as follows: "I think it would be well to add this case to the 19 others listed in your letter of the same date, on which you ask for conference."

22. Claim for proper seniority date of J. H. Carpenter, employed in the superintendent's office at Wolf Point, Mont. Mr. Cochrane, on July 27, advised as follows: "I have added this case to the list of those for discussion received with your June 28 letter."

23. Claim for time off account vacation in December, 1920, in favor of C. F. Burns, employed in the superintendent's office at Breckenridge. On August 10 Mr. Cochrane advised as follows: "I have added this case to the list of cases on which we are expecting to confer."

24. Claim in favor of A. W. McCarthy, formerly employed as chief clerk in the general agent's office at Seattle, Wash., for the 13 cents per hour increase as provided under decision 2 instead of the flat $25 per month increase as granted. This case was referred to Mr. Cochrane on March 16, 1921. We traced for replies on April 21, May 9, and June 20, and to date have received no acknowledgment from Mr. Cochrane.

25. Claim in favor of certain freight checkers at Great Falls for proper rate of pay, which was referred to Mr. Cochrane on April 23, 1921, and no acknowledgment to date.

26. Claim in favor of freight checkers at Great Falls and Havre for an additional 1 cent per hour account increased only 12 cents under decision No. 2. This case was referred to Mr. Cochrane on April 28, 1921, and no decision rendered to date.

27. Claim in favor of elevator operators in the general office building at St. Paul account required to work eight hours in a spread of ten instead of eight hours, exclusive of the meal period, as provided in our schedule. On April 15, 1921, we requested Mr. Cochrane to set a date for conference in order that this matter may be discussed, and, if necessary, a joint submission made to the Labor Board for decision. We traced Mr. Cochrane for a reply on May 12, which has not been received to date.

28. Claim in favor of E. L. Braun, employed in office of auditor passenger receipts, for refund of cash fare paid by him from St. Paul, Minn., to La Crosse, Wis., and return account serious illness of his sister. This case was referred to Mr. Cochrane on May 16, 1921, and to date he has failed to render a decision.

29. Claim in favor of W. E. Wentsel, employed in the Minneapolis freight office, for proper rate of pay on the position of rate clerk account rates having been shifted. On March 16, 1921, we requested Mr. Cochrane to either allow the claims on our statement of facts or hold an investigation to fully determine all the facts. We traced Mr. Cochrane for a reply on May 9, which he has failed to render to date.

30. Claim in favor of Miss E. L. Rausch, employed nine and one-half years in office of general superintendent of transportation, for free foreign transportation for her dependent mother. This case was discussed quite thoroughly with Mr. A. L. Bergfeld, general superintendent of transportation, and no legitimate reason was given for declining to grant the transportation. The case was referred to Mr. Cochrane, who, on July 14, 1921, advised as follows: "The granting of transportation to employees by the railway is purely complimentary, and not subject to handling as a grievance, for which reason I can not comply with your request." Mr. Cochrane's statements were true prior to the time the employees of our craft were organized and negotiated a schedule; but our schedule fully provides for just such cases, so I called at Mr. Cochrane's office the morning of July 19 for the purpose of adjusting the matter. I was advised that Mr. Cochrane was out of town, and shortly afterwards I passed Mr. Cochrane on the street. It was necessary for Miss Rausch to pay railroad fare for her mother, and we now have request in for refund.

You will undoubtedly recollect our exchange of correspondence during February and March, 1921, with reference to the unwarranted delay in obtaining a decision from Mr. Cochrane on the case of the 69 employees in the Minneapolis passenger station who were being improperly paid under the "intermittent service" rule, your file 4299. Mr. Cochrane rendered a decision on March 18 denying our claim; and, as you will note, this is one of the cases upon which we are still waiting a conference.

We also desire that you refer to our exchange of correspondence during November, 1920, your file 8497, in connection with designating the highest official to whom appeals may be made as provided in our schedule, and particularly to my letter of November 19, 1920, reading in part as follows: "In my opinion it would be presumptuous on my part to designate who we do or do not desire designated as the company's representative. We will endeavor to transact our business with whoever may be designated, but of course we do desire that whoever is designated give these matters the prompt consideration they merit."

We dislike very much to trouble you with such matters and do so only as a last resort, as it is absolutely impossible for us to continue on the present basis. Not only have final settlements on these cases been delayed beyond any reasonable period, but it apparently has been done deliberately. The employees whom we represent can not understand such an attitude otherwise than of being very antagonistic, and you can appreciate what the natural result of such an attitude will be.

We feel that Mr. Cochrane's attitude does not represent that of the management of the Great Northern Railway Co., neither do we believe the management expects those delegated to represent them to misrepresent the facts, and we therefore request that Mr. Cochrane be instructed to immediately arrange a conference to dispose of all unsettled grievances or that some one else be designated to represent the railway company who will do so—preferably the latter. Will you please advise what we may expect, and oblige,

Yours very truly,

E. W. ANDERSON, *General Chairman.*

GREAT NORTHERN RAILWAY CO.,
EXECUTIVE DEPARTMENT,
St. Paul, Minn., August 27, 1921.

Mr. E. W. ANDERSON,
General Chairman—Clerks, St. Paul, Minn.

DEAR SIR: Answering yours of the 20th instant in regard to grievance claims which have been presented to Mr. Cochrane for consideration.

The past few months have been very busy ones for those who have had to do with labor matters. Mr. Cochrane thinks now that he can give attention to the clerks' claims about October 1. Will this not be satisfactory to you?

Yours truly,

G. R. MARTIN,
Vice President.

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES,
SYSTEM BOARD OF ADJUSTMENT GREAT NORTHERN RAILROAD,
St. Paul, Minn., September 8, 1921.

Mr. G. R. MARTIN,
Vice President Great Northern Railway Co.,
St. Paul, Minn.

DEAR SIR: Replying to yours of August 27 with reference to grievances presented to Mr. J. A. Cochrane for consideration:

While it undoubtedly is true that those who have had to do with labor matters have been very busy the past few months, I am sure you will agree that no other business of the railway company would be delayed or neglected as badly as this particular part has been without some very definite action taken with those responsible for such delays or neglect and a remedy applied.

It is not our intention to say how these matters should be handled or who is to handle them, but there is absolutely no question in my mind that a conference on these cases has been delayed beyond any reasonable period, and it would seem if Mr. Cochrane really has not had sufficient time to properly handle these cases, some other arrangements would have been made so they would have been handled within a reasonable period.

You can undoubtedly appreciate that the date (about October 1) designated for a conference is rather indefinite, and especially so in view of receiving the same kind of information from Mr. Cochrane since about January, 1921, and we would therefore prefer a definite date be set, and it also appears a conference could be held before the proposed date of October 1, as that is approximately a whole month from now, and I certainly can not conceive of any legitimate reason for such a long delay in disposing of these cases, and especially so in view of many of them being considered by Mr. Cochrane for from six to ten months already.

After giving this matter further consideration, I am confident you will agree we are not unreasonable in requesting a conference be held on or before September 15, 1921, for the purpose of disposing of these many cases, either with Mr. Cochrane or such other representative of the railway company as may be designated.

Will you kindly advise if this will be arranged, and oblige,

Yours very truly,

E. W. ANDERSON, *General Chairman.*

GREAT NORTHERN RAILWAY CO.,
EXECUTIVE DEPARTMENT,
St. Paul, Minn., September 15, 1921.

Mr. E. W. ANDERSON,
General Chairman—Clerks, St. Paul, Minn.

DEAR SIR: Answering yours of the 3d instant about arrangement for conference with reference to grievances:

Mr. Cochrane is away on his vacation, and I do not see that anything better can be arranged for than about October 1, as per my letter of August 27 to you.

Yours truly,

G. R. MARTIN, *Vice President.*

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS, AND STATION EMPLOYEES,
SYSTEM BOARD OF ADJUSTMENT GREAT NORTHERN RAILROAD,
St. Paul, Minn., October 14, 1921.

Mr. G. R. MARTIN,
Vice President Great Northern Railway Co.,
St. Paul, Minn.

DEAR SIR: Referring to your letter of September 15, file 8497, with reference to arranging a conference covering various grievances which have been pending with Mr. J. A. Cochrane for several months, wherein you advise that Mr. Cochrane was away on his vacation and therefore nothing better could be arranged for a conference than about October 1.

Wish to advise that to date I have received no information from Mr. Cochrane as to setting a date for conference.

I believe that you will agree that we have been very patient in this matter and have endeavored to adjust these cases with our local management. However, if it is impossible to obtain a conference on these cases, it will necessitate submitting them to the United States Railroad Labor Board and arguing our cases before that board rather than adjusting them with the management of the Great Northern Railway Co., which I think you will agree is much preferable.

Will you kindly advise further, and oblige,

Yours very truly,

E. W. ANDERSON,
General Chairman.

GREAT NORTHERN RAILWAY CO.,
EXECUTIVE DEPARTMENT,
St. Paul, Minn., October 19, 1921.

Mr. E. W. ANDERSON,
General Chairman—Clerks, St. Paul, Minn.

DEAR SIR: Referring to yours of the 14th instant about conference with Mr. Cochrane covering various grievances.

Have you taken up with him the question of a date for a conference? If not, I would suggest that you do so.

Yours truly,

(Signed) G. R. MARTIN,
Vice President.

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES,
SYSTEM BOARD OF ADJUSTMENT, GREAT NORTHERN RAILROAD,
St. Paul, Minn., October 25, 1921.

Mr. J. A. COCHRANE,
Assistant to Vice President Great Northern Railway Co.,
St. Paul, Minn.

DEAR SIR: As per your telephone request, I am inclosing herewith copy of my letter of June 21 addressed to you and my letter of August 20 addressed to Mr. G. R. Martin, vice president, listing 30 grievances which were pending, awaiting a conference with you for final disposition.

In addition to the 30 cases listed, the following cases are still unsettled, awaiting conference.

31. Claim in favor of John Ekblad for compensation for eight hours per day from January 31 to February 14, 1921.

32. Claim in favor of John Ekblad, account making application for position of oil-house foreman at Jackson Street.

33. Claim in favor of John Ekblad, account making application for position of section stockman at Dale Street.

34. Claim in favor of Frank Trupka for the rate of store attendant at Breckenridge Store.

35. Claim in favor of Harry Clemens, to be assigned to the position of freight checker at Vancouver, British Columbia.

36. Claim in favor of George Batson for time lost as trucker at Tacoma, Wash.

37. Claim account changing the assigned hours of service of Hamline Transfer.

38. Claim in favor of material handlers at Whitefish Store and other points for proper rate of pay.

Yours very truly,

E. W. ANDERSON, *General Chairman.*

GREAT NORTHERN RAILWAY CO.,
OPERATING DEPARTMENT,
St. Paul, Minn., January 14, 1922.

Mr. E. W. ANDERSON,
General Chairman—Clerks,
366 Jackson Street, St. Paul, Minn.

DEAR SIR: I am inclosing herewith two copies, proposed statements of fact in the cases listed by you and discussed in our conferences November 15, 16, 17, and 18, except cases 13, 24, 26, and 36.

Case 26 is not included for the reason that there is no definite information as to who the employees are in whose behalf the claim is made, which information you agreed to furnish. Case 13 is the subject of my letter of the 12th instant to you. Claim in case 24 has been paid, and the claim in case 36 will be paid.

I have no file regarding case 11 listed by you, but it covers the application of Rule 50 to call boys on the terminals division, and the decision in cases 6, 16, and 19 would apply to the same facts in case 11.

If you will kindly indicate your O. K. on one of the copies and return it to me, I will make enough copies for submission to the board.

Yours very truly,

J. A. COCHRANE,
Assistant to Vice President.

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES,
SYSTEM BOARD OF ADJUSTMENT, GREAT NORTHERN RAILROAD,
St. Paul, Minn., January 16, 1922.

Mr. J. A. COCHRANE,
Assistant to Vice President Great Northern Railway Co.,
St. Paul, Minn.

DEAR SIR: This will acknowledge receipt of your letter of January 14, 1921, with which you inclose your version of "statement of facts" in the many claims we have pending.

You will recollect our understanding at the conference on January 12, at which time I informed you I would advise you on Monday, January 16, 1922, as to whether or not the "statement of facts" as pre-

sented by you would be acceptable or not, and those which I could not subscribe to I would rewrite, furnishing you our proposal, and we would then have a conference on Monday the 16th to dispose of any differences.

I therefore wish to advise you I can not subscribe to any of the "statements of facts" as proposed by you, and am inclosing herewith "statements of facts" in each case, except cases Nos. 11, 12, 13, 19, 21, 25, 26, and 38, which I will forward to you as quickly as possible, which I trust will meet with your approval.

If they meet with your approval, I shall be pleased if you will have sufficient copies made for submission to the Labor Board, or, if you will approve them and return to me, I will have the required number of copies made. We require 21 copies for our files and the Labor Board.

If you can not subscribe to these "statements of facts," I will thank you to telephone me immediately, so we can dispose of any differences.

Yours very truly,

E. W. ANDERSON, *General Chairman.*

GREAT NORTHERN RAILWAY COMPANY,
OPERATING DEPARTMENT,
St. Paul, Minn., January 23, 1922.

Mr. E. ANDERSON,
General Chairman Clerks, 366 Jackson Street, St. Paul, Minn.

DEAR SIR: With reference to yours of 16th instant advising that you decline to agree to statements of fact I submitted, and inclosing statements which you ask me to approve covering your cases 1 to 40, inclusive, except 11, 12, 13, 19, 21, 25, 26, and 38, all of which were subject of our conference, and, in addition, a case you have numbered 41:

Your statements contain no facts as to conditions and circumstances surrounding the cases and convey no information as to what the facts are. Except where a misleading effort is made, they are merely a recital that you have a grievance and that the railway has refused to concede it. I will not sign any statement purporting to be one of facts covering a case which does not set forth the facts or which is in any way misleading; for that reason I can not approve your statements.

In accordance with understanding reached in conference, I submitted to you statements covering the relevant facts which you have declined to subscribe to, and until or unless you are willing to join in statements correctly and properly covering the cases, it is futile for me to make any further effort in that direction.

Yours very truly,

(Signed) J. A. COCHRANE,
Assistant to Vice President.

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES,
SYSTEM BOARD OF ADJUSTMENT, GREAT NORTHERN RAILROAD,
St. Paul, Minn., January 28, 1922.

Mr. J. A. COCHRANE,
Assistant to Vice President, Great Northern Railway Co.,
St. Paul, Minn.

DEAR SIR: This will acknowledge receipt of your letter of January 23, 1922, with reference to the many grievances which have been pending for months, wherein you take exception to our proposed "statement of facts."

On June 21, 1921, I wrote you listing 19 grievances, many of which had then been pending with you for over six months waiting for a conference. On August 20, 1921, it was necessary to write Mr. G. R. Martin, executive vice president, advising him of the delays we were experiencing and listing 11 more grievances. On October 25, 1921, I wrote you, inclosing copy of my letter of June 21 and August 20, as per telephone request from your office, and listed 8 additional grievances which had been pending for months.

During the period from January 1, 1921, to October 25, 1921, we made many requests for conferences to dispose of these grievances, but were invariably presented with only a promise for a conference some time in the future. On October 31, 1921, you set a date for conference for 9.30 a. m., Monday, November 7. On November 5 we were advised you could not meet with us until Tuesday or Wednesday. On Wednesday, November 9, we were advised you were out of town and would not be back before the end of the week, and finally on November 14, 1921, a conference was arranged for Tuesday morning the 15th.

We were in conference on November 15, 16, 17, 18, 21, 22, and 23, discussing these many grievances and failed to agree on any of them. At the beginning of the conference on these cases it was agreed we would go through them all first and any we could not agree on would be set aside and a couple of days or whatever time was necessary would be devoted to preparing joint "statement of facts" for submission to the United States Railroad Labor Board.

You failed to grant us another conference on these cases until January 12, 1922, at which time you proposed to again go through all these cases and set aside those we could not agree on, which, you will recollect, we declined to do, as it had been previously agreed at the November conference to prepare joint statements of facts on any cases we could not agree on at that time, and that was the purpose of the conference of January 12, and the plan you proposed would only result in further delay. We were agreeable to discussing these cases further, but insisted we could close up each case individually, either by reaching an agreement or preparing a statement of facts for submission to the Labor Board, which you declined to do. It was finally agreed you would submit your proposal for joint statement of facts on these cases and any we could not agree to; we would prepare our proposals and submit them to you with the understanding further conference would be held on Monday, the 16th, to dispose of any differences as to the facts in these cases.

We could not subscribe to any of the "statements of facts" as prepared by you, as they are very misleading and do not represent the actual facts, though you do state in your letter of January 23 that "I will not sign any statement purporting to be one of facts covering a case which does not set forth the facts or which is in any way misleading." The statements above referred to carry your personal signature.

On January 16 I wrote you, inclosing our proposals on these grievances, reminding you of our understanding of the 12th, that a conference would be held to dispose of any differences as to the facts, and requested in my letter that "If you can not subscribe to these 'statements of facts' I will thank you to telephone me immediately so we can dispose of any differences."

Instead of complying with the procedure agreed upon you still continue your dilatory tactics, which you have been very consistently for many months in your dealings with us.

It is very apparent you are not sincere in your stated desire to expedite the final disposition of these cases nor comply with agreements reached as to methods of procedure for their disposition. It is quite evident any further effort on our part to dispose of these cases with you is wasted time and effort, and I am therefore preparing ex parte submissions to the United States Railroad Labor Board on the cases referred to in my letter of January 16, 1922.

Yours very truly,

E. W. ANDERSON, *General Chairman.*

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES,
SYSTEM BOARD OF ADJUSTMENT GREAT NORTHERN RAILROAD,
St. Paul, Minn., June 18, 1923.

Mr. J. A. COCHRANE,
Assistant to Vice President Great Northern Railway Co.,
St. Paul, Minn.

DEAR SIR: Wish to advise Mr. J. C. Rankine, superintendent of telegraph, was requested to allow back pay in favor of Mr. Emil Johnson, amount $254.75, which request has been declined.

Mr. Rankine has declined this claim on the grounds that Mr. Johnson gained no railroad experience while employed as a check clerk.

It will be noted from the statement of Mr. Johnson's experience that he was employed as messenger and clerk from September 8, 1919, to July 15, 1920; as senior check clerk from July 16, 1920, to May 16, 1921; and from May 16, 1921, to August 8, 1921, as labor and pay-roll clerk; and August 8, 1921, to November 1, 1921, as senior check clerk; and has been employed as clerk continuously since November 1, 1921.

We disagree with Mr. Rankine's statement that the experience gained by Mr. Johnson during the period he was employed as check clerk and messenger did not in any way qualify him for a clerical position. It is very apparent that he was qualified for the position in view of the fact that he was twice promoted to labor and pay-roll clerk, once on May 16, 1921, and again on November 1, 1921, which in itself is evidence of the fact that he was qualified for the position.

In view of the fact that Mr. Johnson had had over two years' experience when he was promoted to the position of clerk the second time on November 1, 1921, we contend he is entitled to the maximum rate of pay from that time on, and will be pleased if you will instruct accordingly.

Yours very truly,

E. W. ANDERSON,
General Chairman.

Care of Mr. W. W. RICKARD, *Division Chairman.*

Mr. J. C. RANKINE:
This will serve as notice of appeal.

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES,
SYSTEM BOARD OF ADJUSTMENT, GREAT NORTHERN RAILROAD,
St. Paul, Minn., February 28, 1924.

Mr. C. O. JENKS,
Vice President Great Northern Railway Co.,
St. Paul, Minn.

DEAR SIR: Wish to advise I wrote Mr. J. A. Cochrane in connection with the claim of Mr. Emil Johnson under date of June 18, 1923,

and have traced for replies to this communication on June 28, September 6, September 29, and February 4, 1924, and up to the present time I have received no reply from Mr. Cochrane.

It will be appreciated if you will issue such instructions as will assure us receiving replies to our communications within a reasonable period. Will you please advise what we may expect in this connection and oblige.

Yours very truly,

E. W. ANDERSON, *General Chairman.*

Care of Mr. J. A. COCHRANE,
Assistant to Vice President.

(On carbon copy to: Mr. Joseph Staeheli, division chairman, Spokane, Wash.; Mr. Emil Johnson, 1206 West Augusta Avenue, Spokane, Wash.)

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES,
SYSTEM BOARD OF ADJUSTMENT, GREAT NORTHERN RAILROAD,
St. Paul, Minn., March 28, 1924.

Mr. RALPH BUDD,
President Great Northern Railway Co., St. Paul, Minn.

DEAR SIR: Wish to advise I wrote Mr. C. O. Jenks, vice president, in charge of operation, on February 28, 1924, as follows:

"Wish to advise I wrote Mr. J. A. Cochrane in connection with the claim of Mr. Emil Johnson under date of June 18, 1923, and have traced for replies to this communication on June 28, September 6, September 29, and February 4, 1924, and up to the present time I have received no reply from Mr. Cochrane.

"It will be appreciated if you will issue such instructions as will assure us receiving replies to our communications within a reasonable period. Will you please advise what we may expect in this connection, and oblige."

Up to the present time I have not received a reply to this letter from Mr. Jenks, nor have I received a decision from Mr. Cochrane on this case. It will be noted that this matter has been pending with Mr. Cochrane for over 10 months without a reply, and I think you will agree that there can not possibly be any justification for such delay.

I am confident that this manner of handling these matters reacts very unfavorably with the management and can be avoided. I sincerely trust that you will take such action as may be deemed necessary or advisable to remedy this condition in so far as it applies to the employees whom we represent, and oblige.

Yours very truly,

E. W. ANDERSON,
General Chairman.

Mr. C. O. Jenks, vice president; Mr. J. Cochrane, assistant to vice president; Mr. Joseph Staeheli, division chairman; Mr. Emil Johnson; all division chairman.

GREAT NORTHERN RAILWAY CO.,
EXECUTIVE DEPARTMENT,
St. Paul, Minn., April 2, 1924.

E. W. ANDERSON, Esq.,
General Chairman Brotherhood of Railway and Steamship Clerks, 366 Jackson Street, St. Paul, Minn.

DEAR SIR: Replying to your letter of March 28 about the claim of Mr. Emil Johnson:

I am advised by Mr. Cochrane's office, that this was one of the matters that was left for consideration in conference; that conferences are now being held with you, and that this case will be reached very soon.

Yours truly, RALPH BUDD.

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES,
SYSTEM BOARD OF ADJUSTMENT, GREAT NORTHERN RAILROAD,
St. Paul, Minn., April 7, 1924.

Mr. RALPH BUDD,
President Great Northern Railway Co., St. Paul, Minn.

DEAR SIR: Referring to your letter of April 2 in reply to mine of March 28 with reference to claim of Mr. Emil Johnson:

Wish to advise we discussed the matter of conferring with Mr. Cochrane on a number of claims which have been pending for several months which Mr. Cochrane has advised that he would not allow.

If it is not intended to allow this claim, then it would seem proper that we be advised to that effect, and the claim could then be included along with the others; but if it is intended to allow the claim, then there would be no need for us to confer about it.

You perhaps have been informed of the proposed revision of the labor sections of the transportation act, 1920, which would make it compulsory upon the railway management to handle matters of this kind within certain time limits, and it is such delays as this which we have experienced a number of times that undoubtedly causes such changes in the law to be advocated.

I sincerely trust that the necessity for bringing such matters to your attention will be eliminated in the future.

Yours very truly,

E. W. ANDERSON, *General Chairman.*

GREAT NORTHERN RAILWAY CO.,
EXECUTIVE DEPARTMENT,
St. Paul, Minn., April 8, 1924.

E. W. ANDERSON, Esq.,
General Chairman Brotherhood of Railway and Steamship Clerks, 366 Jackson Street, St. Paul, Minn.

DEAR SIR: Your letter of April 7 is received in Mr. Budd's absence. I assume you are following the matter along with Mr. Cochrane.

Yours truly,

J. A. LENGBY.

ST. PAUL, MINN., *April 14, 1924.*

Mr. J. A. COCHRANE,
Assistant to Vice President Great Northern Railway Co., St. Paul, Minn.

DEAR SIR: Referring to my letter of June 18, 1923, and various tracers with reference to the claim of Mr. Emil Johnson, employed in the office of assistant superintendent telegraph at Spokane, Wash., for proper compensation under interpretation 2 to decision 147 while employed as clerk in that office.

I trust you are now in a position to advise me of your decision in this case.

Yours very truly, E. W. ANDERSON,
General Chairman.

(Mr. Ralph Budd, president; Mr. C. O. Jenks, vice president.)

NOTE: We have received no decision on this case to date.

E. W. ANDERSON.

CONDENSED ANALYSIS AND STATEMENT OF RAILWAY ACT

"The railway labor act" repeals Title III of the Esch-Cummins law and thereby abolishes the Railroad Labor Board.

This bill establishes a machinery for settling disputes as follows:

1. It is made a duty for employers and employees to "exert every reasonable effort to make and maintain agreements" concerning wages and working conditions.

2. It is made a duty to confer when disputes arise. Representatives are to be chosen by each party without any interference by the other party. If disputes are not decided in conference they are carried forward according to their classification as

(a) Grievances covering the application of existing agreements.

(b) Changes of existing agreements, establishing new wages or working conditions.

GRIEVANCES

3. If grievance disputes are not decided in conference, they must be referred to a board of adjustment for decision.

4. There are four boards of adjustment on which employers and employees have equal representation to adjust disputes covering—

(1) Train service men.

(2) Shopmen.

(3) Clerks, stationary firemen, and maintenance-of-way men.

(4) Marine workers.

The members are nominated by the carriers and employees and appointed by the President.

5. If the board of adjustment does not decide a dispute, it may be referred to the Board of Mediation and Conciliation, or the board may proffer its services.

6. The Board of Mediation and Conciliation is composed of five impartial men appointed by the President.

7. If mediation is unsuccessful, the board shall propose arbitration.

8. If the arbitration proposal is accepted, boards of arbitration are to be created as under the Newlands Act, and the agreement to arbitrate requires acceptance of the award.

CHANGES

9. If changes are not agreed upon in conference, either party may call upon the board of mediation or the board may offer its services and in the event of failure of mediation arbitration shall be proposed.

10. The compulsory features of the bill are mainly—

(a) That grievance disputes must be considered in conference and submitted to a board of adjustment if they are not decided in conference.

(b) That changes in wages and working conditions can not be put in effect until the machinery provided has been employed to bring about agreement.

THE RAILWAY LABOR ACT

The purpose of the proposed railway labor act is to insure continuity and efficiency in the transportation system of the country by providing means whereby the management and the employees, through representatives of their own choosing, shall confer on the problems of the "human side" of railroading and through such conferences, first, enter into collective agreements respecting wages and working conditions, and, second, adjust differences of all kinds. To carry out this purpose a duty is imposed on both parties "to exert every reasonable effort to make and to maintain agreements concerning rates of pay, rules, and working conditions." Disputes over proposed changes of rules or rates of pay or over the application of agreements are to be settled in conference, if possible, and the machinery of boards of adjustment and a board of mediation and conciliation or reference to arbitration is to be resorted to only when a conference can not produce an agreement.

The proposed legislation utilizes the successful provisions of former acts (the act of 1886, the Erdman law, the Newlands law, and Title III of the transportation act) and seeks to avoid the weaknesses that developed in the practical operation of those laws.

MACHINERY PROVIDED

The proposed act provides four ways in which differences between the men and the management can be adjusted:

(1) CONFERENCES

The primary emphasis is laid on conferences. Sections 3 (A) (1) imposes a mandatory duty upon the parties involved in a dispute to confer. Such conferences must be held whether a dispute is one "arising out of grievances or the application of agreements concerning rates of pay, rules, or working conditions or proposed changes in rates of pay, rules, or working conditions." While there is no duty upon the parties to decide such disputes in such conferences, the parties, through their representatives, must meet and endeavor to agree.

The framers of this bill, which has been drafted by practical railroad men, have provided that in these all-important conferences the workers shall have genuine representation; otherwise such conferences are useless. If a management is permitted to exert pressure to influence the choice of conferees or to refuse to meet conferees whom it does not select or approve, the satisfactory results of conferences are impossible, and autocratic dictation is made doubly offensive by the pretense of democratic cooperation. The much-censured conduct of certain railroads in seeking to control the choice of representatives of its shop and clerical forces shows that the effectiveness of the conference system depends entirely on this principle of independence.

The bill therefore provides (sec. 3 (A) (2)) that the representatives shall be designated by the parties in such manner as their own organization shall decide, "without interference, influence, or coercion exercised by either party over the self-organization or designation of representatives by the other, and it shall be deemed a violation of the obligation herein imposed upon carriers for any carrier * * * to interfere with or attempt to influence or control, directly or indirectly, the organization of employees or subordinate officials, or participate in the functioning thereof or the designation of employee or subordinate official representatives." It is because voluntary agreements between the parties immediately concerned is the foundation of the entire bill that so much emphasis is placed upon this matter of noninterference by one party in the selection of the representatives of the other. Moral and legal obligations to fulfill a contract arise only when the parties are bound by their self-chosen representatives.

(2) BOARDS OF ADJUSTMENT

If a dispute—except disputes involving changes of rules or wages—can not be disposed of to the satisfaction of the parties in a conference, the act imposes upon the parties the duty to refer such disputes to the appropriate board of adjustment, where the controversy will, if possible, be decided.

(The boards of adjustment have nothing to do with changes of rules or working conditions. Controversies over such questions may be settled (1) in conference; (2) through mediation, or (3) by arbitration. The boards of adjustment are, therefore, concerned solely with questions of operation under existing agreements. It is hence appropriate and desirable that they should be composed exclusively of practical railroad operators.)

The members of the boards of adjustment are Government officers, appointed by the President by and with the advice and consent of the Senate. However, these boards are not third-party tribunals, but are an extension of the conference plan on a national scale, where men skilled in railroading, representing both managements and the employees, can try to adjust the human problems of their common business.

There are four such boards, divided roughly as follows:

Board No. I. Train service men.

Board No. II. Shop and mechanical workers.

Board No. III. Clerical and station workers and maintenance-of-way men.

Board No. IV. Marine workers.

The organization of board No. I is typical. This board is composed of 14 members. Seven are representatives of management, appointed by the President from not less than 14 names presented by the carriers. Seven are representatives of labor, appointed by the President likewise from a list of not less than 14 nominees, each of the "nationally organized crafts" within the classifications embraced by board No. I being authorized to nominate two men.

Again it should be emphasized that these are not third-party tribunals or boards of arbitration. The members are not expected to stand "impartially" between those who bring controversies before them for adjustment. There is no "public member" or "neutral" or "umpire." Long experience has convinced railroad men—employers as well as employees—that the continuity of railroad service can most often be secured not through referring technical problems to individuals enjoying so-called "impartiality" (individuals unfamiliar with the problem of the engine cab, the yard, and the machine shop) but rather through providing disputants with a full and fair opportunity to present their claims before an equi partisan board. The successful operation of just such boards for years on various railroads and covering all railroads during Federal control and some of the gratifying results of similar machinery in Canada in recent years have demonstrated the effectiveness of this method of settling controversies.

The bill provides in addition for the exceptional situation where the parties may be unable to adjust their differences within the industry itself either in conference or before the appropriate equi partisan board of adjustment. In that event (a) the board of mediation and conciliation may be invoked or may intervene; or (b) there may be submission of the dispute to arbitration.

(3) BOARD OF MEDIATION AND CONCILIATION

The composition and the function of this board is quite different from the intraindustry machineries heretofore discussed. This board is made up of five commissioners, appointed by the President. They are all to be impartial and not associated in interest with either the carriers or the unions. Unlike the present Railroad Labor Board, this board is not an impotent court, authorized to "decide" cases, but without power to make its decisions effective. The creation of this board would inaugurate a return to the successful mediation provisions of the Erdman and Newlands Acts.

The functions of the commissioners are threefold:

(a) The board may try by mediation to induce the parties to settle all disputes as to the application of agreements which can not be adjusted either in conference or before the proper board of adjustment. The board may act either on the request of either party or on its own initiative.

(b) The board may take similar action in the case of proposed changes of rules or wages which have not been agreed upon in conference between the parties.

(c) If conferences, adjustment, mediation, and conciliation have all failed to result in an agreement, the board shall endeavor to induce the parties to submit their differences to arbitration, under the conditions provided in the bill; and if this effort succeeds the board shall help to organize the arbitration proceedings.

(4) ARBITRATION

The bill provides for voluntary arbitration of either class of disputes which have not been settled in conference, (1) of disputes regarding the application of agreements which have not been settled in conference or by a board of adjustment or after mediation, or (2) of disputes regarding changes of rules or wages which have not been settled directly in conference or after mediation. In either event, if the board of mediation has failed to bring about an amicable adjustment "the said board shall at once endeavor, as its final required action, to induce the parties to submit their controversies to arbitration" (sec. 5–A). The board of arbitration may consist of three or six persons, as may be stipulated in the arbitration agreement. If a board of three is provided, each party shall choose one; if a board of six, each party shall choose two. If the parties fail to agree upon the third arbitrator or upon the fifth and sixth arbitrators for a board of six, it is the duty of the board of mediation to choose the one or two disinterested arbitrators (sec. 5–D). The form and contents of the agreement to arbitrate are set forth in section 7–C and comprise a restatement of the best provisions of arbitration agreements under previous laws. In this agreement it is provided that the parties shall agree to faithfully execute the award and that it shall be filed with the clerk of the appropriate district court and judgment shall be entered upon it: *Provided, however,* That the court shall have power to set aside the award only upon the three grounds:

(a) That the award or the proceedings were not in conformity with the act; or

(b) That the award does not conform to the agreement to arbitrate; or

(c) That there was fraud or corruption which affected the result of the arbitration.

These provisions of the agreement to arbitrate whereby the parties expressly limit the power of judicial interference are for the purpose

of preventing the delays or harassments of litigation whereby the purposes of arbitration are defeated. This marks an important advance over previous legislation.

(5) GENERAL PROVISIONS

There are certain provisions of considerable importance not covered in the previous description of the machinery provided in the act, which should be briefly described.

(a) Section 6 requires 30 days' written notice of any changes of rules or wages and an opportunity for consideration of such changes in conference and for the use of the services of the board of mediation before such changes may be made effective, imposing a penalty that in cases of changes without notice or prior to fulfilling the requirements of the act such changes shall be void and the offender liable in damages to double the amount of the loss occasioned by such unlawful action. Section 4–B provides for an interpretation by a board of adjustment of any decision concerning the application of which a controversy may arise, and section 5–C makes a similar provision regarding interpretations by the board of mediation of any agreements reached through mediation. These provisions are intended to prevent the reopening of controversies which have been presumably settled and to prevent either party from destroying the value of a settlement through an unfair interpretation of the agreement of settlement.

Section 7–A (2) specifically provides that the refusal of a party to submit to arbitration shall not be considered as a violation of a legal obligation in order to prevent attempts to force parties into arbitration by judicial action. It is the underlying principle of the entire act that if opportunity is provided for ample hearing and fair consideration of matters in disagreement the representatives of employers and employees can be relied upon to adjust amicably their differences, as they are more vitally interested than any other persons can be. The use of coercive methods to force agreements or to compel men to serve under unacceptable conditions is not only opposed to American principles but has been shown to be destructive of, and not productive of, harmonious industrial relations.

In like manner, although arbitration awards are binding upon the parties thereto, it is especially provided in section 7–D (8) that nothing in the act shall be construed to require an individual employee to render compulsory service. It should be obvious that although organizations properly may be bound by their contracts and the members equally bound while rendering voluntary service no individual can be compelled to render service so long as the Constitution of the United States forbids involuntary servitude.

The railway labor act is presented as a constructive measure for the adjustment of industrial controversies that affect the transportation service in such a manner as to promote the cooperative efforts of employers and employees, to insure harmony in and to improve the efficient operation of the American railroads.

Mr. BURTNESS rose.

The CHAIRMAN. For what purpose does the gentleman from North Dakota rise?

Mr. BURTNESS. For the purpose of striking out the last word.

The CHAIRMAN. That motion is not in order.

Mr. BLACK of Texas. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. As the Chair has already stated, that motion is not in order. [Cries of "Vote!" "Vote!"]

Mr. BURTNESS. Mr. Chairman, I ask unanimous consent to proceed out of order.

Mr. BLANTON. Mr. Chairman, I make the point of order that debate is exhausted.

The CHAIRMAN. The Chair has already stated that fact.

Mr. NEWTON of Minnesota. Mr. Chairman, I make a point of order. The gentleman from North Dakota [Mr. BURTNESS] preferred a unanimous-consent request.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota [Mr. BURTNESS]?

Mr. KENT. I object.

Mr. NEWTON of Minnesota. Who made the objection?

Mr. KENT. I made it and will make it again if necessary.

Mr. NEWTON of Minnesota. It seems to me we ought to have some debate on this measure.

Mr. BLANTON. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The regular order is the question of agreeing——

Mr. LONGWORTH rose.

The CHAIRMAN. For what purpose does the gentleman from Ohio rise?

Mr. LONGWORTH. I ask unanimous consent to proceed for one minute in order to ask the gentleman from Kentucky [Mr. BARKLEY] a question.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to proceed for one minute in order to ask the gentleman from Kentucky a question. Is there objection?

Mr. RAKER. Reserving the right to object, on what subject does the gentleman want to talk?

Mr. LONGWORTH. I did not ask the gentleman's permission to make a speech. I desire to ask the gentleman from Kentucky a question.

Mr. RAKER. The gentleman need not fly off if I object. The gentleman did the same thing Saturday night.

Mr. MAPES. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

Mr. KELLER. I object.

Mr. NELSON of Wisconsin. Mr. Chairman, I would like to prefer a unanimous-consent request.

Mr. BLANTON. Mr. Chairman, I demand the regular order.

Mr. NEWTON of Minnesota. Mr. Chairman, I ask unanimous consent to proceed for five minutes upon this motion.

Mr. LILLY. I object.

Mr. NELSON of Wisconsin. I would like to ask unanimous consent that the floor leader be permitted to ask that question of the gentleman from Kentucky. Surely that should be granted.

Mr. RAKER. Reserving the right to object——

[Cries of "Regular order!"]

Mr. BARKLEY rose.

The CHAIRMAN. For what purpose does the gentleman from Kentucky rise?

Mr. BARKLEY. I ask unanimous consent that the gentleman from Ohio [Mr. LONGWORTH] have a minute in order to ask me a question.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that the gentleman from Ohio [Mr. LONGWORTH] have a minute in order to ask him a question. Is there objection? [After a pause.] The Chair hears none. [Applause.]

Mr. LONGWORTH. Objection having come from that side of the House to what I regard as a reasonable time to discuss this amendment, I desire to ask the gentleman if it is his disposition to prevent reasonable discussion of amendments from now on?

Mr. BARKLEY. No; indeed. I will say to the gentleman from Ohio it is not my disposition to prevent reasonable discussion of amendments.

Mr. LONGWORTH. I am quite sure the gentleman himself would not and I hope the gentleman has sufficient control over other Members on his side to enable proper discussion.

Mr. BARKLEY. I can not prevent objections being offered by any Member. Objection has been made on both sides of the aisle.

Mr. LONGWORTH. The objection to the request of the gentleman from North Dakota came from that side of the House. I desire to know in advance what the gentleman's disposition is.

Mr. BARKLEY. It is not my disposition to cut off reasonable debate, but I do hope the House will not seek to interminably debate irrelevant amendments.

Mr. LONGWORTH. I wil say to the gentleman that so far as I am concerned I will offer no opposition to the orderly procedure of this bill, but we do demand, and we shall insist on having, reasonable time to discuss amendments.

Mr. BARKLEY. I will say that is what I desire. I desire that shall prevail and that the House may have reasonable time to debate legitimate amendments offered in good faith, but I do not think it ought to waste time on this motion to strike out the enacting clause.

Mr. LONGWORTH. It seems to me we ought to be permitted more than 10 minutes on that question. The gentleman himself does not think it is fair to limit debate to 10 minutes upon so important an amendment as that, does he?

Mr. BARKLEY. I think that would not be unreasonable if unanimous consent can be granted for it, and I would have no objection myself to 10 minutes, but I have not any control over other Members. [Cries of "Vote!" "Vote!"]

Mr. NEWTON of Minnesota. Mr. Chairman, I renew my request.

Mr. LONGWORTH. Will the gentleman yield?

Mr. NEWTON of Minnesota. I yield.

Mr. LONGWORTH. Mr. Chairman, I ask unanimous consent that there may be 20 minutes' debate upon this motion—one-half to be controlled by the gentleman from Kentucky [Mr. BARKLEY] and one-half by the gentleman from Massachusetts [Mr. WINSLOW].

Mr. KELLER. Reserving the right to object, two weeks ago——

Mr. NEWTON of Minnesota. Regular order, Mr. Chairman.

Mr. KELLER. I object, then.

Mr. WOLFF. I object.

Mr. BANKHEAD. Mr. Chairman, the gentleman over there objected.

The CHAIRMAN. The gentleman from Minnesota [Mr. KELLER] objects.

Mr. MAPES. Mr. Chairman, in order that the record may be complete, the gentleman from Alabama [Mr. HUDDLESTON] also objected.

Mr. HUDDLESTON. I did not object, Mr. Chairman. The gentleman ought not to presume to make such a statement.

Mr. MAPES. If the gentleman says he did not object, I, of course, accept his statement.

Mr. HUDDLESTON. I can speak for myself and make my own objections.

Mr. MAPES. The gentleman is perfectly right about that.

Mr. HUDDLESTON. The gentleman should attend to his own matters and I will attend to mine.

Mr. RAYBURN. Mr. Chairman, I call for the regular order.

The CHAIRMAN. The question is on agreeing to the motion of the gentleman from Indiana to strike out the enacting clause.

The question was taken; and the Chair being in doubt, the committee divided, and there were—ayes 104, noes 97.

Mr. BARKLEY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. SANDERS of Indiana and Mr. BARKLEY as tellers.

The committee again divided; and the tellers reported—ayes 144, noes 134.

So the motion to strike out the enacting clause was agreed to.

The committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 7358) to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes between carriers and their employees and subordinate officials, and for other purposes, and had directed him to report the same back to the House with the recommendation that the enacting clause be stricken out.

Mr. LONGWORTH. Mr. Speaker, I move to refer the bill to the Committee on Interstate and Foreign Commerce, upon which I demand the previous question, and, pending that, I move that the House do now adjourn.

Mr. BARKLEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 170, nays 211, answered "present" 2, not voting 50, as follows:

YEAS—170

Ackerman	Fenn	Longworth	Sears, Nebr.
Aldrich	Fitzgerald	Luce	Simmons
Andrew	Fredericks	McDuffie	Sinnott
Anthony	Free	McFadden	Smith
Bacon	Freeman	McKenzie	Snell
Beedy	French	McLaughlin, Mich.	Snyder
Beers	Frothingham	McLaughlin, Nebr.	Sproul, Ill.
Bell	Fuller	MacGregor	Sproul, Kans.
Bixler	Garner, Tex.	MacLafferty	Stalker
Bland	Gifford	Madden	Stephens
Blanton	Goldsborough	Magee, N. Y.	Strong, Kans.
Brand, Ohio	Graham, Pa.	Magee, Pa.	Strong, Pa.
Britten	Graham, Ill.	Manlove	Sweet
Browne, N. J.	Green, Iowa	Mansfield	Taber
Brumm	Greene, Mass.	Mapes	Thatcher
Buchanan	Hadley	Merritt	Thompson
Burtness	Hardy	Michener	Tilson
Burton	Haugen	Mills	Timberlake
Butler	Hawes	Moore, Ill.	Tincher
Chindblom	Hawley	Moore, Ohio	Tinkham
Christopherson	Hersey	Moores, Ind.	Treadway
Clague	Hickey	Morris	Tydings
Clarke, N. Y.	Hill, Md.	Murphy	Underhill
Cleary	Hoch	Nelson, Me.	Valle
Cole, Iowa	Hull, Morton D.	Newton, Minn.	Vare
Cole, Ohio	Hull, William E.	Newton, Mo.	Vestal
Colton	Humphreys	Paige	Vincent, Mich.
Connolly, Pa.	Johnson, Ky.	Parker	Wainwright
Corning	Johnson, Wash.	Patterson	Ward, N. Y.
Crowther	Kearns	Perkins	Watres
Dallinger	Kendall	Phillips	Watson
Darrow	Kerr	Purnell	Welsh
Dempsey	Ketcham	Ramseyer	Wertz
Dickinson, Iowa	Kiess	Ransley	White, Kans.
Dominick	Kincheloe	Reece	Williams, Mich.
Drewry	Knutson	Reed, N. Y.	Williamson
Driver	Kunz	Roach	Wilson, La.
Edmonds	Larsen, Ga.	Robinson, Iowa	Winslow
Elliott	Larson, Minn.	Rogers, Mass.	Wood
Evans, Iowa	Leatherwood	Rouse	Wyant
Fairchild	Lehlbach	Sanders, Ind.	Young
Fairfield	Linthicum	Sanders, N. Y.	
Faust	Little	Scott	

NAYS—211

Abernethy	Aswell	Beck	Bowling
Allen	Ayres	Berger	Box
Allgood	Bankhead	Black, N. Y.	Boyce
Almon	Barbour	Black, Tex.	Boylan
Arnold	Barkley	Bloom	Brand, Ga.
Briggs	Gilbert	McSweeney	Salmon
Browne, Wis.	Glatfelter	Major, Ill.	Sanders, Tex.
Browning	Greenwood	Major, Mo.	Sandlin
Bulwinkle	Griffin	Martin	Schafer
Busby	Hammer	Mead	Schall
Byrnes, S. C.	Harrison	Michaelson	Schneider
Byrns, Tenn.	Hastings	Miller, Wash.	Sears, Fla.
Campbell	Hayden	Milligan	Seger
Canfield	Hill, Ala.	Minahan	Shallenberger
Cannon	Hill, Wash.	Montague	Sherwood
Carew	Holaday	Mooney	Sinclair
Carter	Hooker	Moore, Ga.	Sites
Casey	Howard, Nebr.	Moore, Va.	Smithwick
Celler	Huddleston	Morehead	Speaks
Clancy	Hudspeth	Morgan	Spearing
Collier	Hull, Iowa	Morrow	Steagall
Collins	Hull, Tenn.	Nelson, Wis.	Stedman
Connally, Tex.	Jacobstein	Nolan	Stevenson
Cook	James	O'Connell, N. Y.	Summers, Wash.
Cooper, Ohio	Jeffers	O'Connell, R. I.	Sumners, Tex.
Cooper, Wis.	Johnson, Tex.	O'Connor, La.	Swank
Crisp	Johnson, W. Va.	O'Connor, N. Y.	Swing
Croll	Jones	O'Sullivan	Tague
Crosser	Keller	Oldfield	Taylor, Colo.
Cullen	Kelly	Oliver, Ala.	Taylor, Tenn.
Cummings	Kent	Oliver, N. Y.	Taylor, W. Va.
Davey	Kindred	Parks, Ark.	Thomas, Ky.
Davis, Minn.	King	Peery	Thomas, Okla.
Davis, Tenn.	Kopp	Perlman	Tillman
Denison	Kvale	Porter	Tucker
Dickinson, Mo.	LaGuardia	Pou	Underwood
Dickstein	Lampert	Prall	Upshaw
Doughton	Lanham	Quayle	Vinson, Ga.
Dowell	Lankford	Quin	Vinson, Ky.
Eagan	Lazaro	Ragon	Voigt
Evans, Mont.	Lea, Calif.	Rainey	Watkins
Favrot	Lilly	Raker	Weaver
Fisher	Lindsay	Rankin	Wefald
Frear	Lineberger	Rathbone	Williams, Ill.
Fulbright	Logan	Rayburn	Wilson, Ind.
Fulmer	Lowrey	Reed, Ark.	Wilson, Miss.
Funk	Lozier	Reid, Ill.	Wingo
Gallivan	Lyon	Richards	Wolff
Gardner, Ind.	McClintic	Robsion, Ky.	Woodruff
Garrett, Tenn.	McKeown	Romjue	Woodrum
Garrett, Tex.	McLeod	Rosenbloom	Wright
Gasque	McNulty	Rubey	Wurzbach
Geran	McReynolds	Sabath	

ANSWERED "PRESENT"—2

Connery	Lee, Ga.

NOT VOTING—50

Anderson	Dyer	Langley	Sullivan
Bacharach	Fish	Leavitt	Swoope
Begg	Fleetwood	McSwain	Temple
Boies	Foster	Miller, Ill.	Ward, N. C.
Buckley	Garber	Morin	Wason
Burdick	Gibson	Mudd	Weller
Cable	Griest	O'Brien	White, Me.
Clark, Fla.	Howard, Okla.	Park, Ga.	Williams, Tex.
Cramton	Hudson	Peavey	Winter
Curry	Johnson, S. Dak.	Reed, W. Va.	Yates
Deal	Jost	Rogers, N. H.	Zihlman
Doyle	Kahn	Shreve	
Drane	Kurtz	Stengle	

So the motion to adjourn was defeated.

The Clerk announced the following additional pairs:

On the vote:

Mr. Gibson (for) with Mr. Salmon (against).
Mr. Fleetwood (for) with Mr. Lee of Georgia (against).
Mr. Hudson (for) with Mr. Peavey (against).
Mr. Burdick (for) with Mr. Howard of Oklahoma (against).
Mr. Temple (for) with Mr. Clark of Florida (against).
Mr. Wason (for) with Mr. Rogers of New Hampshire (against).
Mr. Kahn (for) with Mr. Park of Georgia (against).
Mr. Cable (for) with Mr. Doyle (against).
Mr. Cramton (for) with Mr. Stengle (against).
Mr. Drane (for) with Mr. Ward of North Carolina (against).
Mr. Mudd (for) with Mr. Curry (against).
Mr. Shreve (for) with Mr. Sullivan (against).
Mr. Griest (for) with Mr. Fish (against).
Mr. Leavitt (for) with Mr. Boies (against).
Mr. Begg (for) with Mr. Connery (against).

General pairs:

Mr. Dyer with Mr. Weller.
Mr. Anderson with Mr. Buckley.
Mr. White of Maine with Mr. McSwain.
Mr. Morin with Mr. Deal.
Mr. Swoope with Mr. O'Brien.
Mr. Johnson of South Dakota with Mr. Williams of Texas.

Mr. CONNERY. Mr. Speaker, I voted "no." I have a pair with the gentleman from Ohio, Mr. BEGG. I wish to withdraw my vote and answer "present."

Mr. LEE of Georgia. Mr. Speaker, I am recorded as voting "no," and paired with the gentleman from Vermont, Mr. FLEETWOOD. If he were here he would vote "aye" and I therefore withdraw my vote and answer "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the motion of the gentleman from Ohio that the bill be referred to the Committee on Interstate and Foreign Commerce, and on which he moves the previous question.

The question was taken, and the previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Ohio to refer the bill to the Committee on Interstate and Foreign Commerce.

The question was being taken, when Mr. BARKLEY demanded the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 181, nays 201, answered "present" 4, not voting 47, as follows:

YEAS—181

Ackerman	Faust	Lehlbach	Scott
Aldrich	Fenn	Linthicum	Sears, Fla.
Andrew	Fitzgerald	Little	Sears, Nebr.
Anthony	Fredericks	Longworth	Simmons
Aswell	Free	Lowrey	Sinnott
Bacon	Freeman	Luce	Smith
Beedy	French	McDuffie	Snell
Beers	Frothingham	McFadden	Snyder
Bell	Fuller	McKenzie	Speaks
Bixler	Garrett, Tenn.	McLaughlin, Mich.	Sproul, Ill.
Black, Tex.	Gifford	McLaughlin, Nebr.	Sproul, Kans.
Bland	Goldsborough	MacGregor	Stalker
Blanton	Graham, Ill.	MacLafferty	Stephens
Boyce	Graham, Pa.	Madden	Strong, Kans.
Brand, Ohio	Green, Iowa	Magee, N. Y.	Strong, Pa.
Britten	Greene, Mass.	Magee, Pa.	Sweet
Browne, N. J.	Hadley	Manlove	Taber
Brumm	Hardy	Mapes	Thatcher
Buchanan	Harrison	Merritt	Thompson
Burtness	Haugen	Michener	Tilson
Burton	Hawes	Mills	Timberlake
Butler	Hawley	Moore, Ill.	Tincher
Chindblom	Hersey	Moore, Ohio	Tinkham
Christopherson	Hickey	Moores, Ind.	Treadway
Clague	Hill, Md.	Morris	Tydings
Clarke, N. Y.	Hoch	Murphy	Vaile
Cleary	Hull, Morton D.	Nelson, Me.	Vare
Cole, Iowa	Hull, William E.	Newton, Minn.	Vestal
Cole, Ohio	Humphreys	Newton, Mo.	Vincent, Mich.
Colton	Johnson, Ky.	Paige	Wainwright
Connolly, Pa.	Johnson, S. Dak.	Parker	Ward, N. Y.
Corning	Johnson, Wash.	Patterson	Watson
Crowther	Jost	Perkins	Welsh
Dallinger	Kearns	Phillips	Wertz
Darrow	Kendall	Purnell	White, Kans.
Davis, Tenn.	Kerr	Ramseyer	Williams, Mich.
Deal	Ketcham	Ransley	Williamson
Dempsey	Kiess	Rayburn	Wilson, La.
Dickinson, Iowa	Kincheloe	Reece	Winslow
Drewry	Knutson	Reed, N. Y.	Wood
Driver	Kunz	Roach	Wyant
Edmonds	Kurtz	Robinson, Iowa	Yates
Elliott	Larsen, Ga.	Rogers, Mass.	Young
Evans, Iowa	Larson, Minn.	Rouse	
Fairchild	Lea, Calif.	Sanders, Ind.	
Fairfield	Leatherwood	Sanders, N. Y.	

NAYS—201

Abernethy	Fisher	Lozier	Romjue
Allen	Foster	Lyon	Rosenbloom
Allgood	Frear	McClintic	Rubey
Almon	Fulbright	McKeown	Sabath
Arnold	Fulmer	McLeod	Sanders, Tex.
Ayres	Funk	McNulty	Sandlin
Bankhead	Gallivan	McReynolds	Schafer
Barbour	Garber	McSwain	Schall
Barkley	Gardner, Ind.	McSweeney	Schneider
Beck	Garner, Tex.	Major, Ill.	Seger
Berger	Garrett, Tex.	Major, Mo.	Shallenberger
Black, N. Y.	Gasque	Mansfield	Sherwood
Bloom	Geran	Martin	Sinclair
Bowling	Gilbert	Mead	Sites
Box	Glatfelter	Michaelson	Smithwick
Boylan	Greenwood	Miller, Wash.	Spearing
Braud, Ga.	Griffin	Milligan	Stengall
Briggs	Hammer	Minahan	Stedman
Browne, Wis.	Hastings	Montague	Stevenson
Browning	Hayden	Mooney	Summers, Wash.
Bulwinkle	Hill, Ala.	Moore, Ga.	Sumners, Tex.
Busby	Hill, Wash.	Moore, Va.	Swank
Byrns, Tenn.	Holaday	Morehead	Swing
Campbell	Hooker	Morgan	Tague
Canfield	Howard, Nebr.	Morrow	Taylor, Colo.
Cannon	Huddleston	Nelson, Wis.	Taylor, Tenn.
Carew	Hudspeth	Nolan	Taylor, W. Va.
Carter	Hull, Iowa	O'Connell, N. Y.	Thomas, Ky.
Casey	Hull, Tenn.	O'Connell, R. I.	Thomas, Okla.
Celler	Jacobstein	O'Connor, La.	Tillman
Clancy	James	O'Conner, N. Y.	Tucker
Collier	Jeffers	O'Sullivan	Underwood
Collins	Johnson, Tex.	Oldfield	Upshaw
Connally, Tex.	Johnson, W. Va.	Oliver, Ala.	Vinson, Ga.
Cook	Jones	Oliver, N. Y.	Vinson, Ky.
Cooper, Ohio	Keller	Parks, Ark.	Voigt
Cooper, Wis.	Kelly	Peery	Watkins
Crisp	Kent	Perlman	Weaver
Croll	Kindred	Pou	Wefald
Crosser	King	Prall	Williams, Ill.
Cullen	Kopp	Quayle	Wilson, Ind.
Cummings	Kvale	Quin	Wilson, Miss.
Davis, Minn.	LaGuardia	Ragon	Wingo
Denison	Lampert	Rainey	Wolff
Dickinson, Mo.	Lanham	Raker	Woodruff
Dickstein	Lankford	Rankin	Woodrum
Doughton	Lazaro	Rathbone	Wright
Dowell	Lilly	Reed, Ark.	Wurzbach
Eagan	Lindsay	Reid, Ill.	
Evans, Mont.	Lineberger	Richards	
Favrot	Logan	Robsion, Ky.	

ANSWERED "PRESENT"—4

Connery	Lee, Ga.	Salmon	Underhill

NOT VOTING—47

Anderson	Dominick	Leavitt	Sullivan
Bacharach	Doyle	Miller, Ill.	Swoope
Begg	Drane	Morin	Temple
Boies	Dyer	Mudd	Ward, N. C.
Buckley	Fish	O'Brien	Wason
Burdick	Fleetwood	Park, Ga.	Watres
Byrnes, S. C.	Gibson	Peavey	Weller
Cable	Griest	Porter	White, Me.
Clark, Fla.	Howard, Okla.	Reed, W. Va.	Williams, Tex.
Cramton	Hudson	Rogers, N. H.	Winter
Curry	Kahn	Shreve	Zihlman
Davey	Langley	Stengle	

So the motion to refer the bill to the Committee on Interstate and Foreign Commerce was rejected.

The following additional pairs were announced:

On the vote:

Mr. Dominick (for) with Mr. O'Brien (against).
Mr. Gibson (for) with Mr. Salmon (against).
Mr. Fleetwood (for) with Mr. Lee of Georgia (against).
Mr. Hudson (for) with Mr. Peavey (against).
Mr. Burdick (for) with Mr. Howard of Oklahoma (against).
Mr. Temple (for) with Mr. Clark of Florida (against).
Mr. Wason (for) with Mr. Rogers of New Hampshire (against).
Mr. Kahn (for) with Mr. Park of Georgia (against).
Mr. Cable (for) with Mr. Doyle (against).
Mr. Cramton (for) with Mr. Stengle (against).
Mr. Drane (for) with Mr. Ward of North Carolina (against).
Mr. Mudd (for) with Mr. Curry (against).
Mr. Shreve (for) with Mr. Sullivan (against).
Mr. Griest (for) with Mr. Fish (against).
Mr. Leavitt (for) with Mr. Boyce (against).
Mr. Underhill (for) with Mr. Byrnes of South Carolina (against).
Mr. Begg (for) with Mr. Connery (against).

General pairs:

Mr. Dyer with Mr. Weller.
Mr. White of Maine with Mr. Buckley.
Mr. Morin with Mr. Davey.
Mr. Bacharach with Mr. Williams of Texas.

Mr. UNDERHILL. Mr. Speaker, I am paired with the gentleman from South Carolina, Mr. BYRNES, on this and subsequent votes. I voted "aye." I wish to withdraw that vote and answer present.

The result of the vote was announced as above recorded.

Mr. MAPES. Mr. Speaker, I ask for recognition.

Mr. BARKLEY. The previous question having been ordered——

The SPEAKER. The Chair thinks he should state the question before the House. The question is, Will the House concur in the recommendation of the Committee of the Whole House on the state of the Union to strike out the enacting clause.

Mr. BARKLEY. On that, Mr. Speaker, I move the previous question.

Mr. MAPES. I ask to be recognized, Mr. Speaker.

The SPEAKER. Of course, the motion for the previous question is a preferential motion.

Mr. MAPES. But the gentleman from Kentucky can not take me off my feet.

The SPEAKER. The Chair will ask the gentleman from Kentucky for his views on the point of order as to whether he or the gentleman from Michigan is entitled to recognition.

Mr. BARKLEY. I consider a fair interpretation of the rule under which we are operating is that I am entitled to recognition to make the motion I have made. I think under a fair interpretation of the rule I stand in the attitude of the chairman of a committee who would have reported out the bill, and as such, being in charge of the bill, I am entitled to the same recognition that I would be if I were chairman of a reporting committee.

The SPEAKER. That is undoubtedly true until the House in Committee of the Whole has stricken out the enacting clause. The question in the Chair's mind is whether the House having done that it does not transfer the right from the gentleman from Kentucky to the Committee on Interstate and Foreign Commerce.

Mr. BARKLEY. I do not think it does, because so far as the House is concerned that committee has no rights whatever.

The House has discharged that committee from the consideration of this bill, and it has no more to do with it than it would have had if it had never been referred to it, so that from a parliamentary and a legislative standpoint the Committee on Interstate and Foreign Commerce has no more rights in the consideration of this bill than has the Committee on Appropriations or the Committee on Public Buildings and Grounds, because that committee has been discharged. The House in succession has voted down a motion to adjourn and a motion to refer the bill back to the Committee on Interstate and Foreign Commerce, so that the committee as such has no rights whatever, and that motion was made, not by the friends of the bill, but by the enemies of the bill. When the gentleman from Michigan [Mr. MAPES] rose, the Chair asked for what purpose he rose,

and he said he rose to ask recognition, but he was never recognized, and has not been recognized until this moment for any purpose.

The SPEAKER. That is just the question. Whom should the Chair recognize as being entitled to recognition?

Mr. BARKLEY. Of course this is an unusual situation.

The SPEAKER. The Chair is in doubt.

Mr. BARKLEY. I think the Chair is desirous of doing the fair thing, and I think the Chair wants to rule fairly on the point, and that is why I am appealing to him. If this bill had been reported by a committee and that committee had been in charge of the bill in Committee of the Whole, and on a motion made by an enemy of the bill the enacting clause had been stricken out, and we had gotten back into the House, the chairman of that committee would have been entitled to recognition, because of his position on the committee.

The SPEAKER. That is just the issue, whether he would or not.

Mr. BARKLEY. On a proposition of this kind, Mr. Speaker, the control of the House goes to the side that wins in a contest like this. On two votes we have won, and therefore are entitled to have charge of the House at this time in the disposition of this bill, and for that reason I think I am entitled to recognition to move the previous question as against any other Member, an enemy of the bill, whose side has been consistently voted down on a roll call in the House. Although the gentleman from Michigan [Mr. MAPES] is a member of the committee on Interstate and Foreign Commerce, that committee having no jurisdiction and no rights and no status now with reference to this bill, no right attaches to him by reason of his membership on that committee.

The SPEAKER. The Chair thinks that as to that point the Chair was in error, probably. If the gentleman from Michigan is to be recognized, it is not particularly as a member of the committee, but as a representative of the side that struck out the enacting clause.

Mr. WINGO. Mr. Speaker, if the proposition laid down by the Chair is correct, then the gentleman from Indiana [Mr. SANDERS], who made the motion, would be entitled to preference. I want to remind the Speaker of a situation that arose once before. I think it is conceded that the gentleman from Kentucky [Mr. BARKLEY] is in the attitude of a man in charge of a bill. He is in the same attitude as the chairman of the committee of conference or the chairman of any committee that has charge of a bill on the floor. The Speaker will recall that in the Sixty-sixth Congress the gentleman from New York, Mr. Platt, brought in a conference report on a bill amending the Federal farm loan act. I opposed the adoption of the conference report, and the House sustained my opposition and voted down the report. Then I demanded recognition for the purpose of making a preferential motion. The point was raised that the favorable vote did not transfer the control of the measure from the gentleman from New York to myself, and that proposition was very ably supported by the ex-Speaker of the House, who was then on the floor, Mr. Champ Clark, as the Chair will recall. The Speaker at that time—and I think there were some precedents cited—held that the precedents were against any such contention, and even though the House had voted with me and had voted adversely against the conferees, led by the gentleman from New York, yet I was not entitled to the floor and that the gentleman from New York still had the right to make whatever preferential motion he desired. I think that is a case in point. In any event I call it to the attention of the Speaker.

The SPEAKER. The Chair does not remember, but it has been suggested to the Chair that the question at issue at that time was whether the gentleman from Arkansas should be appointed chairman of the committee of conference.

Mr. WINGO. Oh, no; I wanted to be recognized to make a motion that the House insist on its disagreement to amendments of the Senate.

The SPEAKER. The Chair does not remember.

Mr. WINGO. I am clear on that. I asked for recognition to make the motion, and the point was made that the gentleman from New York, who was on his feet, had a right to be recognized. I argued that in view of the fact that the House had just voted with me, the control of the bill had passed to me as leading the opposition. Mr. Clark supported that contention, but, as I now recall, the present Speaker was able to cite a precedent to the effect that the rejection of a conference report leaves the matter in the position it occupied before the conference was asked, and that the minority had no special privilege as to conferences. That decision was on March 2, 1920. I submit it for what it is worth in the consideration of the pending point of order.

Mr. LONGWORTH. Mr. Speaker, the question of control in this case depends not, as the gentleman from Kentucky [Mr. BARKLEY] has suggested, upon the success of the motion to adjourn or the motion to recommit. It depends upon the success of the motion to strike out the enacting clause. The gentleman from Indiana [Mr. SANDERS] offered that motion. It prevailed in the committee, and the control passed from the gentleman from Kentucky [Mr. BARKLEY] to the gentleman from Indiana [Mr. SANDERS] or any other man who wanted to support the motion.

Now, let me call the attention of the Chair to paragraph 739, bottom of page 323 of the Manual:

> When an essential motion made by the Member in charge of the bill is decided adversely the right to prior recognition passes to the Member leading the opposition to the motion. The control of the measure passes under this principle when the House disagrees to the recommendation of the committee reporting the bill, when the Committee of the Whole reports a bill adversely, and in most cases when the House disagrees to a conference report.

This is a case adversely reported; therefore it seems clear to me that the control of the measure, so far as the motion to strike out the enacting clause, has passed from the gentleman from Kentucky, and that the Chair, if it was insisted upon, should recognize the gentleman from Indiana or any other gentleman similarly situated.

Mr. NELSON of Wisconsin. Mr. Speaker, I desire to be heard on the point of order.

Mr. MAPES. Mr. Speaker, I think what the gentleman from Ohio [Mr. LONGWORTH] has said is strictly correct. I submit this to the further consideration of the Speaker. I submit that the matter of recognition is entirely within the discretion of the Speaker. The Speaker asked me as I rose for what purpose I rose, and I said that I asked for recognition. Mr. Speaker, I was on my feet; I was recognized by the Speaker. I am on the prevailing side of this motion. I think no one need call the attention of the Speaker to the fact that when a motion to strike out the enacting clause prevails in the Committee of the Whole that the man representing the prevailing side is invariably recognized by the Speaker when the committee gets back into the House.

The SPEAKER. There is no question about that.

Mr. MAPES. I recall, Mr. Speaker, very distinctly during my first term in Congress, when the committee rose after consideration of a piece of legislation, the gentleman from South Dakota, Mr. Burke, asked for recognition from the Speaker before the previous question was ordered, and Speaker Clark recognized the gentleman from South Dakota, Mr. Burke, for an hour, and he proceeded to discuss the legislation. In this case it is, I think, entirely within the discretion of the Speaker as to whether he recognizes the gentleman from Kentucky or myself, but I submit as a matter of proper procedure that I, being on the prevailing side, being on my feet first, and having been recognized by the Speaker, that I should be recognized now to debate the motion. It was not at all necessary for the Speaker to ask for what purpose I rose, but he could have recognized me if he had seen fit to do so, and I could have taken the floor and proceeded to debate the question for an hour, and I desire to renew my request now for the purpose of debating the motion.

Mr. NELSON of Wisconsin. Mr. Speaker, I desire to be heard on the point of order. The gentleman from Michigan asked for recognition out of order. The Speaker had not declared the question, had not declared the matter before the House——

Mr. MAPES. Will the gentleman yield?

Mr. NELSON of Wisconsin. No; let me state my case. Now, then, the Speaker is the organ that causes the will of the House to function. The Speaker has been present two days when an organized filibuster has been conducted——

The SPEAKER. The Chair is not aware of that fact. The gentleman says two days. Does the gentleman refer to two weeks ago?

Mr. NELSON of Wisconsin. Yes. The Chair is aware of the fact that Monday two weeks ago there were something like 16 roll calls——

The SPEAKER. But the gentleman said two days.

Mr. NELSON of Wisconsin. The Chair is aware that we did not go into the committee until we had another roll call. The Chair is aware the leader of the House made a motion to adjourn and recommit the bill, and the Chair knows the House has twice voted down the proposition. The Chair knows that Mr. BARKLEY is in charge of this bill, that the House is with

him trying to legislate, and here comes the gentleman from Michigan making another effort at delay——

Mr. MAPES. Will the gentleman yield?

Mr. NELSON of Wisconsin. Now, the previous question is intended as a means to stop this very thing, and so we are asking that the Speaker assist us in enforcing the rules of the House and getting the business done.

The SPEAKER. The Chair wishes the gentleman would confine himself to the point of order.

Mr. CRISP. Mr. Speaker, I shall only take a moment. I know the Speaker is absolutely fair and wants to rule as he sees the right of the proposition. Now, in my judgment, when the House votes on a measure the control passes to the side that wins that vote. Now, the Committee of the Whole decided to strike out the enacting clause of this bill. The chairman of the committee reported that to the Speaker. The gentleman from Kentucky [Mr. BARKLEY] was on his feet demanding recognition, and gentlemen opposed to the bill were on their feet demanding recognition, and the Speaker probably recognized the gentlemen of the opposition because the vote in the Committee of the Whole had been favorable to them and against the bill, and there had been no vote taken which showed the sentiment of the House against the gentlemen recognized who moved to adjourn and to recommit the bill to the Committee on Interstate and Foreign Commerce.

The Chair, as I stated, properly recognized those gentlemen, and the opposition made two motions, one to adjourn and one to refer the bill to the Committee on Interstate and Foreign Commerce. The House has just voted on both of those motions, urged and advocated and proposed by the opponents of the bill, which showed clearly that the majority of the House was not with that side, but against it. Then the gentleman from Kentucky [Mr. BARKLEY], who is the proponent of the bill and in charge of it, was asking recognition at the hands of the Speaker for the purpose of making a motion which tended to expedite the consideration of the bill, to wit, demanding the previous question. The gentlemen of the opposition were seeking recognition at the hands of the Speaker. It seems to me under these conditions, in view of the two votes just had, where the House had rejected the motion of the opposition, that the gentleman from Kentucky [Mr. BARKLEY], who was in charge of the bill and who by the two votes of the House is shown to be the representative of the majority will of the House, is entitled to recognition.

Mr. SANDERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. CRISP. Yes.

Mr. SANDERS of Indiana. The gentleman has suggested that the motion to adjourn and the motion to refer being defeated, therefore the right of recognition passes to the gentleman from Kentucky. Is there anything in these two votes to indicate that the people who now want to end this thing by rejecting the bill would not have voted down those motions upon rejecting the bill?

Mr. CRISP. I think this House is a very intellectual House, and I know that every man who voted to recommit was opposed to the bill, and I know the Speaker wishes to rule fairly.

The SPEAKER. The Chair is aware of one gentleman whom he knows was against the bill who voted against the motion to adjourn. There may be others.

Mr. CRISP. Well, there are exceptions to all rules. That does not change the rule.

Mr. GRAHAM of Illinois rose.

The SPEAKER. The Chair will hear the gentleman.

Mr. GRAHAM of Illinois. Mr. Speaker, the only question here is on the merits of the proposition. The Committee of the Whole House made an adverse finding on this bill, and adopted a motion to strike out the enacting clause. There has been nothing since that time that expressed the views of the House in any different way. The first motion that was made was a motion to adjourn, and that was decided adversely. Now, in what way did that show that the will of the House had changed on the matter of striking out the enacting clause? It might well be that a Member would vote against adjourning who would be in favor of striking out the enacting clause.

The next motion was to recommit the bill to the committee. That did not decide the question which is now before the House, namely, whether the enacting clause of the bill should be stricken out, because it might well be that there are those here who do not desire to recommit this bill to the committee and at the same time might be in favor of striking out the enacting clause.

Mr. SANDERS of Indiana. Is it not true that, so far as the House is concerned, this motion has not had one single sentence of debate, and would it not be a hardship to deprive anybody in the House of an opportunity to discuss that?

Mr. GRAHAM of Illinois. Yes. I am speaking on the question of which side should be recognized, those favoring the striking out of the enacting clause or the friends of the bill. The proponents of the motion to strike out the enacting clause have not been heard. The last expression of the House was in favor of that motion, and until the House expresses itself otherwise on that question the proponents of that motion are entitled to recognition. When two gentlemen rise, one who was in favor of that motion and the other against it, the one in favor of it ought to be recognized.

Mr. CHINDBLOM. The very motion to refer to the committee would give the bill further life, would keep it still further before the House for consideration.

Mr. GRAHAM of Illinois. Yes. I think the gentleman from Michigan [Mr. MAPES] ought to be recognized.

Mr. BLANTON. Mr. Speaker, I desire to be heard for a moment.

The SPEAKER. The Chair will hear the gentleman.

Mr. BLANTON. Mr. Speaker, may I cite a precedent to the Chair?

The SPEAKER. Yes.

Mr. BLANTON. A bill in the last Congress coming from the Committee on the District of Columbia, to make Lincoln's birthday a legal holiday in the District of Columbia was pending in the Committee of the Whole House on the state of the Union. Mr. Mann, of Illinois, moved to strike out the enacting clause, and when we came back into the House Mr. Mann demanded recognition to make the same motion. There was an attempt on the part of Mr. Focht, then chairman of the Committee on the District of Columbia, to take recognition away from Mr. Mann, and the Speaker then held in favor of Mr. Mann, and recognized him, he having succeeded in striking out the enacting clause in committee.

The SPEAKER. There is no question about that.

Mr. MAPES. Mr. Speaker, I am asking for recognition.

Mr. COOPER of Wisconsin. Mr. Speaker, may I say a word, and only a word?

The SPEAKER. The Chair will hear the gentleman from Wisconsin.

Mr. COOPER of Wisconsin. Mr. Speaker, the House two weeks ago voted to take the bill away from the Committee on Interstate and Foreign Commerce. By that vote, under rule 27, the House voted immediately to consider the bill. The House then took charge of the bill, and the Chair recognized the gentleman from Kentucky [Mr. BARKLEY], representing the House, to have control of the measure. Only a few moments ago the House voted down the motion to send that bill back to the Committee on Interstate and Foreign Commerce. The motion was to send the bill back to the Committee on Interstate and Foreign Commerce, and the House refused to do it.

Now, having twice refused to leave the bill in the control of the Committee on Interstate and Foreign Commerce, what motion has been passed to send it to any committee? None whatever. It is still in the House, under the rule. How, then, does any member of the Interstate and Foreign Commerce Committee have a preferential right to make a motion concerning this bill? The opposition control was in Committee of the Whole. But we are now in the House, and the House having by those two votes shown its determination to keep the bill in the House that would seem to decide who has the right to have charge of it.

Mr. SINNOTT. Mr. Speaker, when the Speaker took the chair and the Chairman of the Committee of the Whole House reported to the House, the proposition before the House was the motion to strike out the enacting clause. Now, the friends of that motion were certainly entitled to take charge, but their right was deferred by a preferential motion under the rules, to wit, the preferential motion to refer the bill to the committee, a right given under the rules. That motion has been disposed of and put out of the way, so, necessarily, the House recurs to the proposition that was before the House and which was delayed by the preferential motion, to wit, the motion to strike out the enacting clause, and therefore we are back to the motion to strike out, and the friends of that motion are certainly entitled to take control of the motion.

The motions which were defeated—the motion to adjourn and the motion to recommit—were not such essential motions under the rule pertaining to the motion to strike out as would

cause the friends of the motion to strike out to lose control of the proposition to strike out.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. SINNOTT. Yes.

Mr. NEWTON of Minnesota. It might very well happen that some one voting against the motion to adjourn and some one voting against the motion to refer might like an opportunity to vote now on the question of striking out the enacting clause.

Mr. SINNOTT. Certainly.

The SPEAKER. The Chair is ready to rule. There are certain questions about which there can be no doubt. When the enacting clause of a bill has been stricken out by the committee, there is no question but that when the bill comes back into the House the side which favored the striking out of the enacting clause is entitled to control and to take it away from the proponents of the bill, who before had control. It does not always follow that when a motion is defeated the parliamentary control changes. A great many times a committee is beaten or a side is beaten, and the control does not pass, but there is no question that in this case—as the Chair thinks everyone will admit—control does pass.

Now, what has happened since? And, by the way, adverting to the remarks one gentleman has made, as if filibustering affected this question. To the Chair's knowledge there has not thus far been the slightest indication of filibustering. Filibustering would have been very easy on the original motion to go into Committee of the Whole and before that; time could have been consumed indefinitely, but none has been up to date, and the Chair feels he ought to state he has not seen any evidence of it. Just now on the motion for the previous question no roll call was demanded. The rule of the House provides that—

> Whenever a bill is reported from a Committee of the Whole with an adverse recommendation, and such recommendation is disagreed to by the House, the bill shall stand recommitted to the said committee without further action by the House, but before the question of concurrence is submitted, it is in order to entertain a motion to refer the bill to any committee, with or without instructions.

Now, when the committee came back with the recommendation to strike out the enacting clause, the gentleman from Ohio [Mr. LONGWORTH] moved that the House adjourn. That was defeated. It does not seem to the Chair that it could ever be held that the decision of a motion to adjourn could have any effect upon the passing of the control of the bill. Moreover, the Chair in this instance is ruling not for this particular case, because the Chair in this particular case has a decided opinion as to who are the friends and who are the opponents of this bill, and if he took that into consideration exclusively his ruling might be different; but it is important that this ruling should be made for the future, because the Chair finds no direct decisions upon the question as to whether this motion to refer, which the rule allows, is such a motion as transfers control from one side to the other, according to the result of the vote, and the Chair thinks that question is important.

When a motion to strike out the enacting clause prevails, it unquestionably changes control. Now, just consider the rule: There shall be allowed before the House acts on that recommendation of the committee one motion to refer with or without instructions. Now, it might very well be in the future—the Chair does not think it was so in this case—that the motion to recommit is made not by the persons who favored the striking out of the enacting clause but by their opponents. The presumption would be that, having succeeded in the committee, they would also succeed in the House and would wish to come to an immediate decision; and apparently the provision for a motion to refer was inserted so that the friends of the original bill might avert its permanent death by referring it again to the committee, where it could again be considered in the light of the action of the House. In such a case, which would seem to be the natural and normal one, it would be most unreasonable to hold that when the motion to refer was defeated the contest should go back to the sponsors of the bill. And even if the Chair should be of opinion that in this case those who moved to refer were hostile to the bill, yet the question whether the defeat of the motion to refer changes the parliamentary control ought not to depend upon the opinion which the Chair holds of the motives of gentlemen but should be a definite, settled rule. The Chair, therefore, thinks, which is contrary to his original inclination, that the gentleman from Michigan [Mr. MAPES] is entitled to recognition.

Mr. MAPES. Mr. Speaker——

Mr. WINGO. Mr. Speaker, if the gentleman will permit a parliamentary inquiry, a good many of the Members, as a matter of convenience, whichever side they are on, would like to know what to expect, and if the Chair would not object, I would like to raise an inquiry which will facilitate the comfort and convenience of the Members. As I understand it, the gentleman who now has the floor has one hour——

The SPEAKER. The gentleman is entitled to an hour.

Mr. WINGO. Yes. The gentleman can hold the floor for an hour——

The SPEAKER. If he wishes to.

Mr. WINGO. The gentleman can do either one of two things, as I understand. He can either use all of that hour himself or yield part of the hour to others who may want to speak. Will the Speaker hold that he can speak for five minutes, as an illustration, and then yield five minutes to some one else and prevent the gentleman from Kentucky from being recognized in the interim?

The SPEAKER. The Chair thinks so. Of course, if he should make a motion, that would end it. If he simply debates the matter, the Chair thinks the gentleman could either use his time or yield it.

Mr. WINGO. The contention will be made, I might state to the Chair, that if the gentleman speaks for five minutes and then seeks to yield to some one else, that the gentleman from Kentucky would then be entitled to recognition or some one else opposed to the motion.

The SPEAKER. Certainly.

Mr. WINGO. That question is bound to come up and it would facilitate the convenience of Members to know what the situation will be.

The SPEAKER. The Chair has already told the gentleman from Kentucky that he would recognize him whenever the gentleman from Michigan yields the floor, and at the end of an hour at any rate.

Mr. WINGO. The gentleman from Michigan may proceed for five minutes, for instance, and then say, "Mr. Speaker, I yield five minutes to the gentleman from Ohio and reserve the balance of my time," and the gentleman from Kentucky will contend that the debate should alternate.

The SPEAKER. Oh, no; the Chair thinks the gentleman from Michigan is entitled to one hour, to be used either by himself or to yield.

Mr. WINGO. Well, there are some mighty good Republicans who want to go to dinner.

The SPEAKER. Perhaps the gentleman from Michigan could notify the House how much time he expects to use.

Mr. WINGO. I think it would be for the convenience of Members on both sides if the gentleman would state whether he is going to use the one hour.

Mr. MAPES. Mr. Speaker, I had intended to submit the same parliamentary inquiry that the gentleman from Arkansas [Mr. WINGO] has submitted as soon as quiet was restored. Personally, I shall take but a few minutes, but there are some Members opposed to this bill who did not have a chance to debate it, to whom I would like to yield the balance of my hour.

The SPEAKER. The Chair thinks the gentleman would be entitled to do that.

Mr. MAPES. I imagine we will consume the major part of the hour.

Mr. BLANTON. Mr. Speaker, I make the point of order we have not a quorum. We ought to have a quorum here.

The SPEAKER. Does the gentleman insist on his point?

Mr. BLANTON. I insist on it. We ought to have a quorum here. The Constitution requires it.

The SPEAKER. It is clear there is not a quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

Aldrich	Connery	Howard, Okla.	Madden
Anderson	Cramton	Hudson	Magee, Pa.
Bacharach	Crowther	Hull, Morton D.	Michaelson
Bankhead	Curry	Hull, William E.	Miller, Ill.
Barbour	Dickinson, Mo.	Humphreys	Miller, Wash.
Begg	Dominick	Johnson, S. Dak.	Moore, Ill.
Bland	Doyle	Jones	Morin
Boies	Drane	Kahn	Morris
Britten	Dyer	Kent	Madd
Buchanan	Fairfield	Kerr	Nelson, Me.
Buckley	Fish	Kincheloe	Nelson, Wis.
Bulwinkle	Fitzgerald	Knutson	Nolan
Burdick	Fleetwood	Lampert	O'Brien
Burton	Frear	Langley	Park, Ga.
Butler	Fredericks	Larson, Minn.	Parks, Ark.
Byrnes, S. C.	Garber	Leatherwood	Peavey
Cable	Gibson	Leavitt	Ramseyer
Clague	Gifford	Logan	Rayburn
Clark, Fla.	Hersey	McClintic	Reed, Ark.
Clarke, N. Y.	Hill, Md.	McDuffie	Reed, W. Va.
Cleary	Holaday	McKenzie	Robinson, Iowa
Connally, Tex.	Howard, Nebr.	McKeown	Rogers, N. H.

Rouse	Stengle	Timberlake	White, Me.
Rubey	Strong, Kans.	Treadway	Williams, Tex.
Sabath	Strong, Pa.	Underhill	Wilson, La.
Schall	Sullivan	Ward, N. Y.	Winter
Sherwood	Sweet	Ward, N. C.	Wood
Shreve	Swoope	Wason	Wurzbach
Snell	Taylor, Colo.	Watson	Zihlman
Snyder	Temple	Weller	
Spearing	Thomas, Okla.	Welsh	

The SPEAKER. Three hundred and eleven Members have answered to their names; a quorum.

Mr. MAPES. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

Mr. MAPES. Mr. Speaker, so far as I am concerned, I recognize the hour, and I also recognize the fact we are likely to be here for some time this evening, and I am satisfied to proceed with the number who are here. I have no desire to have anyone, so far as I am concerned, make a point of no quorum while I am occupying the time that I will occupy. I hope that no one will.

I had no idea when I asked the Speaker for recognition to debate this motion that any point of order would be made or that anything further would happen than that I would be permitted to discuss this bill for a few minutes and put into the RECORD a few things going to the merits of the legislation which I think ought to be considered by the Members of the House.

I think this procedure this afternoon has disclosed the folly of attempting to consider a piece of legislation of this importance on the floor of the House of Representatives without any consideration by a committee. This is a bill going to the very vitals of the railroad-labor section of the transportation act.

Mr. FREE. Mr. Speaker, I think it is quite evident there is not a quorum present, and I make the point of no quorum.

Mr. MAPES. I hope the gentleman will not do that.

Mr. FREE. Then I move we adjourn.

Mr. MAPES. Mr. Speaker, I do not yield the floor for that purpose.

The SPEAKER. The gentleman from California [Mr. FREE] can not make that motion.

Mr. BLANTON. Mr. Speaker, I make the point of order there is not a quorum present, and there ought to be one here. The Constitution says so.

Mr. BARKLEY. Mr. Speaker, I make the point that the roll call has just demonstrated that a quorum is present.

Mr. BLANTON. It is very evident there is not a quorum here now.

Mr. MAPES. I hope the gentleman from Texas will not insist on that point.

Mr. BLANTON. It is a constitutional right.

Mr. MAPES. The gentlemen who have left the Chamber have evidently gone to their dinner.

Mr. BLANTON. I insist on the constitutional right of the House to have a quorum here.

Mr. MAPES. I would like to make a brief statement and then I will yield part of my time to other gentlemen who want to discuss this question.

Mr. BLANTON. That is not going to do any good unless there are more on the floor of the House than the small crowd that is here at this time and I insist on the point of order.

Mr. FREE. I am going to insist on the point of order. If some of us are going to be punished, let us all be punished.

The SPEAKER. The gentleman from Texas makes a point of order there is not a quorum present. As to the point made by the gentleman from Kentucky [Mr. BARKLEY] there have been rulings that points of order of no quorum can not be made one after another, but the Chair thinks those rulings always apply to cases where, in the opinion of the Chair, a quorum is present. Everybody knows that there is no quorum present, and if the gentleman from Texas insists——

Mr. BLANTON. I insist, Mr. Speaker. It is a constitutional right.

The SPEAKER. The Chair will have to decide there is no quorum present.

Mr. MAPES. Mr. Speaker, I move a call of the House.

Mr. BARKLEY. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Aldrich	Beedy	Bowling	Busby
Anderson	Beers	Britten	Byrnes, S. C.
Anthony	Begg	Browne, N. J.	Cable
Bacharach	Black, N. Y.	Buckley	Clague
Bankhead	Boies	Burdick	Clark, Fla.
Collins	Hawley	Michaelson	Snyder
Colton	Hersey	Miller, Ill.	Spearing
Connally, Tex.	Hill, Md.	Mills	Stengle
Connery	Hoch	Moore, Ill.	Strong, Kans.
Corning	Holaday	Morin	Sullivan
Cramton	Howard, Okla.	Mudd	Sweet
Curry	Hudson	Murphy	Swing
Deal	Hull, Iowa	Nelson, Wis.	Swoope
Dominick	Hull, William E.	Newton, Minn.	Taylor, Colo.
Drane	Humphreys	Nolan	Temple
Doyle	Johnson, Ky.	O'Brien	Thomas, Okla.
Driver	Johnson, W. Va.	O'Connor, La.	Treadway
Dyer	Johnson, S. Dak.	Oliver, N. Y.	Underhill
Edmonds	Jost	Paige	Upshaw
Fairchild	Kahn	Park, Ga.	Ward, N. C.
Fairfield	Knutson	Peavey	Ward, N. Y.
Fish	Langley	Perkins	Wason
Fitzgerald	Larson, Minn.	Porter	Watres
Fleetwood	Lea, Calif.	Quayle	Watson
Frear	Leavitt	Rainey	Wefald
Fredericks	Lehlbach	Raker	Weller
Freeman	Lilly	Ramseyer	White, Kans.
French	Lindsay	Reed, W. Va.	White, Me.
Frothingham	Lyon	Richards	Williams, Mich.
Fulmer	McDuffie	Rogers, N. H.	Williams, Tex.
Gibson	McKenzie	Sabath	Wilson, La.
Graham, Pa.	McSwain	Sanders, Ind.	Winslow
Green, Iowa	MacLafferty	Schall	Wright
Greene, Mass.	Madden	Shreve	Zihlman
Griffin	Magee, Pa.	Snell	

The SPEAKER. Two hundred and ninety-six Members have answered to their names. A quorum is present.

Mr. MAPES. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

Mr. MAPES. Mr. Speaker, as I was saying before the point of no quorum was raised, I asked for recognition for the purpose of bringing out a few points in regard to the bill which I think have not been clearly brought out before. I submit that it is not an unreasonable request to ask to discuss an important measure of this kind for a few moments on a motion to strike out the enacting clause. That was my only purpose in asking for recognition.

It seems to me it is folly to attempt to compare the board of mediation and conciliation proposed to be set up in the Barkley bill with the present Railroad Labor Board. The present Railroad Labor Board has power to arbitrate labor disputes. The board of mediation and conciliation provided for by the Barkley bill has no power except to extend its good offices and to coax the employees and employers to arbitrate if they will. We know from experience how difficult that is. Different Presidents of the United States, with all the prestige of their high office back of them, have failed whenever a critical labor dispute has arisen to get the two sides to arbitrate. What more reason have we to expect the board of mediation and conciliation will be able to succeed than has the President in other cases?

I think a good deal of the criticism of the present Railroad Labor Board, or a good deal of the reason for that criticism, was brought out by the brief statement of the chairman of the board before the subcommittee of the Senate. He called attention to the fact that the representatives of these brotherhoods never were in sympathy with the legislation and have never given their moral influence to make it a success. To quote the language of Mr. Hooper, he said:

> The whole truth of the matter is that most of the leaders of the organizations are so strongly opposed to the theory upon which the labor section of the transportation act of 1920 is predicated that they have never been able to assume a fair attitude toward the board, and neither the board as constituted at present, nor any board that may hereafter be constituted. * * *
>
> They opposed the enactment of this provision and have fought it unceasingly ever since. If they had been contented to go along with the law and the board, and occasionally to say a good word for the board to their membership when it had rendered decisions of great importance and benefit to the men, the sentiment among the employees would have been vastly different. But from the hour the law went into effect no opportunity has ever been lost by these leaders to belabor the board and the law to their membership.

Mr. JACOBSTEIN. Will the gentleman yield?

Mr. MAPES. Yes.

Mr. JACOBSTEIN. In that same testimony does not Mr. Hooper say that the railroads were guilty in violating the decision and the union had only violated the decision once?

Mr. MAPES. No; I do not think that he says that the union had only violated the decision once, but he does say that the railroads have violated it. He says the Pennsylvania and the Erie railroads violated it, and, I think, all unbiased students must admit that the Pennsylvania and the Erie companies were subject to severe condemnation for not abiding by the decisions of the board, but they have exercised their

right to go into the court and determine whether the board was within its jurisdiction or not. President Hooper says that the Railroad Labor Board itself has issued stronger condemnation of the railroads for their violation of the decisions of the board than it has of the employees.

Mr. JOCOBSTEIN. Is it not a fact——

Mr. MAPES. I do not yield any further.

Mr. BLANTON. I would like to ask the gentleman a question.

Mr. MAPES. I yield.

Mr. BLANTON. When the Committee of the Whole by a majority of 10 votes has voted to strike out the enacting clause in this bill, and it is very evident that the Congress can not pass it over the veto of the President, it being such a bad bill that the President would veto it, what is the use of wasting the time of the Congress on it?

Mr. MAPES. The bill is before Congress, and those of us who think it ought to be considered have not had any choice to determine whether the time of Congress would be wasted or not.

Mr. BLANTON. Because they have not given us a chance to consider it.

Mr. MAPES. They will not give us a chance to consider it. In further answer to the question of the gentleman from New York, the president of the Railroad Labor Board suggested some amendments to the present transportation act which might eliminate some of the objections which have been made against it.

Mr. JACOBSTEIN. Has the gentleman a copy of the hearings there?

Mr. MAPES. I have.

Mr. JACOBSTEIN. Look at page 257 and the gentleman will find that Mr. Hooper says in one instance only the employees of one railroad ignored this imperative requirement of law and went on strike.

Mr. MAPES. I do not recall his testimony on that point, but if the gentleman makes the positive statement I will not——

Mr. JACOBSTEIN. There it is.

Mr. MAPES. If the gentleman will pardon me, I do not care to yield further.

Mr. BLANTON. If the gentleman is not going to yield further, I am going to make a point of no quorum present.

Mr. MAPES. I am not advocating all the provisions in this law——

Mr. BLANTON. The Constitution says there shall be a quorum here all the time, and I am asking that the Constitution be enforced.

Mr. LONGWORTH. I hope the gentleman will not insist on it.

Mr. BLANTON. I make the point of order there is no quorum present, and evidently there is not.

Mr. HOWARD of Nebraska. Will the gentleman yield for a unanimous-consent request?

Mr. BLANTON. We have to get a quorum first.

The SPEAKER. The Chair will count. Does the gentleman insist on his point of order?

Mr. BLANTON. I insist on the point of order, it is constitutional.

The SPEAKER. But the gentleman is not obliged——

Mr. BLANTON. I insist on it.

The SPEAKER. Ninety-four gentlemen are present, not a quorum.

Mr. BARKLEY. Mr. Speaker, I move a call of the House.

The SPEAKER. The gentleman from Kentucky moves a call of the House.

Mr. TYDINGS. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The gentleman from Maryland moves that the House do now adjourn.

Mr. BARKLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BARKLEY. Can that motion be made after the motion is carried?

The SPEAKER. Oh, no; not after it is carried, but the gentleman made it before the Chair had taken one side. It is a preferential motion. The Chair thinks the gentleman was in time to make it.

Mr. BARKLEY. I make the point of order on the motion that the gentleman from Michigan [Mr. MAPES] had the floor and can not be taken off his feet.

The SPEAKER. The misfortune is that he could not be taken off his feet by a motion to adjourn, but the gentleman from Texas made a point of order that there was no quorum present. That took the gentleman from Michigan off the floor, and when the point of no quorum is made there are only two motions, one is to adjourn and the other is a call of the House, and the motion to adjourn has precedence.

Mr. BARKLEY. I make the point of order the motion to adjourn is dilatory.

Mr. TYDINGS. No, sir; it is not dilatory with me, I want to go home. [Laughter.]

Mr. BLANTON. There has not been a motion to adjourn for two hours.

The SPEAKER. The Chair does not know which side the gentleman who made the motion is on.

Mr. BARKLEY. If the Chair wants roll calls——

The SPEAKER. The Chair desires to escape roll calls. The Chair does not think a motion to adjourn made at this hour of the evening, half past 7, is dilatory.

Mr. BARKLEY. It has not been a half hour, Mr. Speaker, since the motion was made and defeated.

The SPEAKER. It must have been two hours.

Mr. JOHNSON of Kentucky. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. JOHNSON of Kentucky. Has the Chair found that there was no quorum present?

The SPEAKER. The Chair announced that 94 Members were present.

Mr. JOHNSON of Kentucky. Inasmuch as no business can be transacted without a quorum, can a motion to adjourn under those circumstances be considered to be dilatory?

The SPEAKER. Only two motions can be made; one for a call of the House and the other to adjourn. The Chair thinks the motion to adjourn can not be dilatory. The Chair does not think he can be justified in calling it dilatory.

Mr. BARKLEY. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER. Obviously a sufficient number, and the yeas and nays are ordered.

The question was taken; and there were—yeas 132, nays 169, answered "present" 6, not voting 126, as follows:

YEAS—132

Ackerman	Fairfield	McFadden	Simmons
Andrew	Faust	McLaughlin, Mich.	Smith
Aswell	Fenn	McLaughlin, Nebr.	Snell
Bacon	Fisher	MacLafferty	Speaks
Beers	Free	Magee, N. Y.	Sproul, Ill.
Bell	French	Magee, Pa.	Sproul, Kans.
Black, Tex.	Fuller	Manlove	Stalker
Bland	Garner, Tex.	Mapes	Stephens
Blanton	Goldsborough	Mercitt	Strong, Pa.
Brand, Ohio	Graham, Ill.	Mills	Sweet
Brumm	Graham, Pa.	Moores, Ind.	Taber
Buchanan	Green, Iowa	Morris	Thatcher
Burtness	Hadley	Murphy	Tilson
Butler	Hardy	Nelson, Me.	Timberlake
Chindblom	Hawes	Newton, Minn.	Tincher
Christopherson	Hawley	Newton, Mo.	Tinkham
Clague	Hickey	Parker	Tydings
Cleary	Hill, Md.	Patterson	Vare
Cole, Iowa	Hoch	Purnell	Vestal
Cole, Ohio	Humphreys	Ramseyer	Wainwright
Colton	Johnson, Ky.	Ransley	Watres
Connolly, Pa.	Johnson, Wash.	Rayburn	Watson
Crowther	Kearns	Reece	Welsh
Dallinger	Ketcham	Reed, N. Y.	Wertz
Darrow	Kiess	Roach	White, Kans.
Deal	Knutson	Robinson, Iowa	Williams, Mich.
Dempsey	Larsen, Ga.	Rogers, Mass.	Williamson
Dickinson, Iowa	Larson, Minn.	Rouse	Winslow
Drewry	Leatherwood	Sanders, Ind.	Winter
Driver	Linthicum	Sanders, N. Y.	Wood
Edmonds	Longworth	Scott	Wyant
Elliott	Luce	Sears, Nebr.	Yates
Evans, Iowa	McDuffie	Seger	Young

NAYS—169

Abernethy	Celler	Gardner, Ind.	Keller
Allen	Clancy	Garrett, Tenn.	Kelly
Almon	Collier	Garrett, Tex.	Kent
Arnold	Collins	Gasque	Kindred
Ayres	Cook	Gilbert	Kopp
Barbour	Cooper, Wis.	Glatfelter	Kurtz
Barkley	Croll	Greenwood	Kvale
Beck	Crosser	Griffin	LaGuardia
Berger	Cullen	Hammer	Lampert
Black, N. Y.	Cummings	Hastings	Lanham
Box	Davey	Hayden	Lankford
Boyce	Davis, Minn.	Hill, Ala.	Lazaro
Boylan	Dickinson, Mo.	Hill, Wash.	Lea, Calif.
Brand, Ga.	Dickstein	Holaday	Lilly
Briggs	Doughton	Hooker	Lineberger
Browne, Wis.	Dowell	Howard, Nebr.	Logan
Browning	Evans, Mont.	Huddleston	Lowrey
Bulwinkle	Favrot	Hudspeth	Lozier
Busby	Foster	Hull, Tenn.	Lyon
Byrns, Tenn.	Fulbright	Jacobstein	McClintic
Canfield	Fulmer	James	McKeown
Cannon	Funk	Jeffers	McLeod
Carter	Gallivan	Johnson, Tex.	McNulty
Casey	Garber	Jones	McReynolds

McSweeney	O'Connor, N. Y.	Rubey	Taylor, Tenn.
Major, Ill.	O'Sullivan	Sanders, Tex.	Taylor, W. Va.
Major, Mo.	Oldfield	Sandlin	Thompson
Martin	Oliver, Ala.	Schafer	Tillman
Mead	Oliver, N. Y.	Schall	Tucker
Michaelson	Parks, Ark.	Schneider	Underwood
Miller, Wash.	Peery	Sears, Fla.	Vinson, Ga.
Milligan	Perlman	Shallenberger	Vinson, Ky.
Montague	Pou	Sherwood	Watkins
Mooney	Quin	Sinclair	Weaver
Moore, Ga.	Rainey	Sites	Wefald
Moore, Va.	Raker	Smithwick	Wilson, Ind.
Morehead	Rankin	Steagall	Wilson, Miss.
Morgan	Rathbone	Stedman	Wingo
Morrow	Reed, Ark.	Stevenson	Woodrum
Nolan	Reid, Ill.	Summers, Wash.	Wurzbach
O'Connell, N. Y.	Richards	Sumners, Tex.	
O'Connell, R. I.	Romjue	Swank	
O'Connor, La.	Rosenbloom	Swing	

ANSWERED "PRESENT"—6

Carew	Salmon	Treadway	Woodruff
Ragon	Tague		

NOT VOTING—126

Aldrich	Doyle	King	Rogers, N. H.
Allgood	Drane	Kunz	Sabath
Anderson	Dyer	Langley	Shreve
Anthony	Eagan	Leavitt	Sinnott
Bacharach	Fairchild	Lee, Ga.	Snyder
Bankhead	Fish	Lehlbach	Spearing
Beedy	Fitzgerald	Lindsay	Stengle
Begg	Fleetwood	Little	Strong, Kans.
Bixler	Frear	McKenzie	Sullivan
Bloom	Fredericks	McSwain	Swoope
Boies	Freeman	MacGregor	Taylor, Colo.
Bowling	Frothingham	Madden	Temple
Britten	Geran	Mansfield	Thomas, Ky.
Browne, N. J.	Gibson	Michener	Thomas, Okla.
Buckley	Gifford	Miller, Ill.	Underhill
Burdick	Greene, Mass.	Minahan	Upshaw
Burton	Griest	Moore, Ill.	Valle
Byrnes, S. C.	Harrison	Moore, Ohio	Vincent, Mich.
Cable	Haugen	Morin	Voigt
Campbell	Hersey	Mudd	Ward, N. Y.
Clark, Fla.	Howard, Okla.	Nelson, Wis.	Ward, N. C.
Clarke, N. Y.	Hudson	O'Brien	Wason
Connally, Tex.	Hull, Morton D.	Paige	Weller
Connery	Hull, William E.	Park, Ga.	White, Me.
Cooper, Ohio	Hull, Iowa	Peavey	Williams, Ill.
Corning	Johnson, S. Dak.	Perkins	Williams, Tex.
Cramton	Johnson, W. Va.	Phillips	Wilson, La.
Crisp	Jost	Porter	Wolff
Curry	Kahn	Prall	Wright
Davis, Tenn.	Kendall	Quayle	Zihlman
Denison	Kerr	Reed, W. Va.	
Dominick	Kincheloe	Robsion, Ky.	

So the motion was rejected.

The Clerk announced the following additional pairs:

On the vote:

Mr. Gibson (for) with Mr. Salmon (against).
Mr. Fleetwood (for) with Mr. Lee of Georgia (against).
Mr. Hudson (for) with Mr. Peavey (against).
Mr. Burdick (for) with Mr. Howard of Oklahoma (against).
Mr. Temple (for) with Mr. Clark of Florida (against).
Mr. Wason (for) with Mr. Rogers of New Hampshire (against).
Mr. Kahn (for) with Mr. Park of Georgia (against).
Mr. Cable (for) with Mr. Upshaw (against).
Mr. Cramton (for) with Mr. Stengle (against).
Mr. Drane (for) with Mr. Ward of North Carolina (against).
Mr. Mudd (for) with Mr. Curry (against).
Mr. Shreve (for) with Mr. Sullivan (against).
Mr. Griest (for) with Mr. Fish (against).
Mr. Greene of Massachusetts (for) with Mr. Doyle (against).
Mr. Leavitt (for) with Mr. Boies (against).
Mr. Dominick (for) with Mr. O'Brien (against).
Mr. Begg (for) with Mr. Connery (against).
Mr. Underhill (for) with Mr. Byrnes of South Carolina (against).
Mr. Strong of Kansas (for) with Mr. Frear (against).
Mr. Treadway (for) with Mr. Tague (against).
Mr. Madden (for) with Mr. Carew (against).
Mr. Corning (for) with Mr. Thomas of Kentucky (against).
Mr. Burton (for) with Mr. Woodruff (against).
Mr. Jost (for) with Mr. Johnson of West Virginia (against).
Mr. Little (for) with Mr. Stevenson (against).
Mr. Kerr (for) with Mr. Ragon (against).
Mr. Britten (for) with Mr. Connally of Texas (against).
Mr. McKenzie (for) with Mr. Prall (against).
Mr. Bixler (for) with Mr. Campbell (against).
Mr. Frothingham (for) with Mr. McSwain (against).

Until further notice:

Mr. Swoope with Mr. Bloom.
Mr. Aldrich with Mr. Eagan.
Mr. Denison with Mr. Allgood.
Mr. Bacharach with Mr. Sabath.
Mr. Fredericks with Mr. Browne, of New Jersey.
Mr. Kendall with Mr. Taylor of Colorado.
Mr. Michener with Mr. Wilson of Louisiana.
Mr. Paige with Mr. Davis of Tennessee.
Mr. Williams of Illinois with Mr. Crisp.
Mr. Phillips with Mr. Geran.
Mr. Anthony with Mr. Minahan.
Mr. Perkins with Mr. Kincheloe.
Mr. Clarke of New York with Mr. Buckley.
Mr. Johnson of South Dakota with Mr. Bankhead.
Mr. Freeman with Mr. Spearing.
Mr. Beedy with Mr. Williams of Texas.
Mr. Cooper of Ohio with Mr. Kunz.
Mr. Gifford with Mr. Thomas of Oklahoma.
Mr. Dyer with Mr. Weller.
Mr. Porter with Mr. Wright.
Mr. Sinnott with Mr. Harrison.
Mr. Morin with Mr. Lindsay.
Mr. Lehlbach with Mr. Wolff.
Mr. Moore of Illinois with Mr. Mansfield.
Mr. William E. Hull with Mr. Quayle.
Mr. Moore of Ohio with Mr. Bowling.

Mr. WOODRUFF. Mr. Speaker, did the gentleman from Ohio, Mr. BURTON, vote? If he did not, I withdraw my vote of "no" and answer "present."

Mr. BANKHEAD. Mr. Speaker, I was not in the Hall listening, but I would like the privilege of being recorded as "present."

The SPEAKER pro tempore. The gentleman is not entitled to be recorded.

Mr. NELSON of Wisconsin. Mr. Speaker, I desire to be recorded.

The SPEAKER pro tempore. Was the gentleman in the Hall listening?

Mr. NELSON of Wisconsin. I was on the first call, but some one was talking to me on the second call and I was out.

Mr. THATCHER. Mr. Speaker, I wish to vote "aye."

The SPEAKER pro tempore. Was the gentleman in the Hall listening?

Mr. THATCHER. I was at the door.

The SPEAKER pro tempore. Was the gentleman in the Hall listening?

Mr. THATCHER. I can not say that I was. I was in the room, but did not hear my name.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. Does the gentleman from Michigan desire to insist upon his motion for a call of the House?

Mr. MAPES. No; I withdraw the motion.

The SPEAKER pro tempore. The gentleman from Michigan is recognized.

Mr. MAPES. Mr. Speaker, the Committee on Interstate and Foreign Commerce, as we all know, has not had an opportunity to consider this bill and hear the different sides of this question. I have some statements here which are highly contradictory to some that have been made on the floor of the House. I am not sure which side is correct, but I call the attention of Members of the House to some of the statements that have come to me. For example, I have a letter here which I received from the shop employees' association of the Union Pacific system. I suppose every Member of the House received a similar one. This letter states that there are 700,000 employees of railroads that are not represented by the national organizations which sponsor this bill. Seven hundred thousand is over a third of the total of the employees of the railroads of the United States, as I am informed.

Mr. BROWNE of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. MAPES. Yes.

Mr. BROWNE of Wisconsin. In the Esch-Cummins law which passed the House we did not provide for any representation of any organized labor.

Mr. MAPES. I am willing to take the gentleman's statement for that. I am not arguing the merits of the Esch-Cummins law nor the merits of this statement or its correctness, but I say that the House of Representatives ought to have an opportunity to find out for itself the truth of the conflicting statements which have come to us. I am not arguing the merits. I am simply saying that the House of Representatives has not had an opportunity of its own to make any investigation to enable it to form any intelligent judgment on the question.

Mr. BROWNE of Wisconsin. It is a fact that the Esch-Cummins law did not have, and that point was not raised by the gentleman or anyone else, and yet the gentleman voted for that bill.

Mr. MAPES. I voted for the Anderson amendment, but the Esch-Cummins law was put through this House after months of consideration by the committee and by the House and after months of discussion by the country of the railroad labor provisions in it, whether it was advisable to have compulsory arbitration or not. Nobody can say that any particular group forced through this House the Esch-Cummins law. I can not yield any further.

Mr. BLANTON. I would like to ask the gentleman one question.

Mr. MAPES. I can not yield.

Mr. BLANTON. If the gentleman will not yield, then I make the point of order that there is no quorum present.

Mr. MAPES. Oh, I hope the gentleman will not do that.

Mr. BLANTON. We want to find out something about this bill, and I make the point of order that there is no quorum present, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and thirty-eight Members present, not a quorum.

Mr. BARKLEY. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER pro tempore. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Fish	Little	Sites
Anthony	Fitzgerald	McLaughlin, Nebr.	Snyder
Bacharach	Fleetwood	McLeod	Spearing
Begg	Frear	McSwain	Stengle
Boies	Fredericks	Madden	Strong, Kans.
Britten	Geran	Mansfield	Sullivan
Browne, N. J.	Gibson	Michaelson	Swoope
Buckley	Greene, Mass.	Miller, Ill.	Taylor, Colo.
Burdick	Griest	Minahan	Temple
Burton	Howard, Okla.	Morin	Thomas, Ky.
Byrnes, S. C.	Hudson	Mudd	Thomas, Okla.
Cable	Hull, Iowa	Nolan	Underhill
Clark, Fla.	Hull, Morton D.	O'Brien	Upshaw
Connally, Tex.	Hull, William E.	Paige	Vinson, Ga.
Connery	Johnson, S. Dak.	Park, Ga.	Ward, N. Y.
Corning	Johnson, W. Va.	Peavey	Ward, N. C.
Cramton	Jost	Peery	Wason
Curry	Kahn	Perkins	Weller
Dominick	Kerr	Phillips	White, Me.
Doyle	Kincheloe	Porter	Williams, Ill.
Drane	Kunz	Reed, W. Va.	Williams, Tex.
Dyer	Langley	Rogers, N. H.	Wilson, La.
Eagan	Leavitt	Sears, Nebr.	Zihlman
Edmonds	Lehlbach	Shreve	

The SPEAKER pro tempore. Three hundred and twenty-nine Members have answered to their names, a quorum.

Mr. VESTAL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

Mr. MAPES. Mr. Speaker, among the other statements contained in this letter from the shop employees' association of the Union Pacific system is one which says:

> The bill proposes adjustment boards which are made up of an equal number of men, respectively, from the managements of railroads and from the nationally organized crafts. In this connection I would beg to draw your attention to the fact that there are, as far as the crafts mentioned in boards No. 2 and No. 3 are concerned, a greater number of men that are not members of the nationally organized crafts than those that are.

If that statement is correct, a minority of the employees is going to make up the membership of these two boards, Nos. 2 and 3, and the majority will be deprived of representation altogether. In the existing law the employees of railroads who are on the Railroad Labor Board are chosen from all of the employees, regardless of whether they are members of the nationally organized crafts or not, in accordance with rules and regulations laid down by the Interstate Commerce Commission.

A great deal has been said about the work of the present Railroad Labor Board, and I want to say that I do not think the work of that board has been perfect, but no one here has come to its defense, and I wish to put in a statement made about its work by the chairman of the board, Mr. Hooper. He said:

> The board's calendar was not a matter of gradual growth; it commenced business with an extremely congested docket.
>
> From April 15, 1920, to April 1, 1924, 12,543 disputed questions were referred to the Railroad Labor Board. Of these, 11,228 have been disposed of. Of the total number of disputes, 865 did not reach the status of regular docketed cases. The cases regularly docketed, as in a court, number 11,678. Of these, 10,430 have been disposed of. In some instances cases involving the same general question of wages or rules were consolidated under one docket and decision number.

You hear it stated by some that the Railroad Labor Board has decided only 1,000 cases. It is true it has rendered only a little over 1,000 decisions, but those decisions in some instances have involved a number of docketed cases, so that altogether it has decided over 11,000 of the cases out of 12,000 that have been brought before it. As President Hooper said, the work done certainly does not show that the board has been slothful in the disposition of the questions submitted to it.

Now, what does this Barkley bill propose to do? It proposes to take off the arbitration board entirely all the public representatives.

Mr. MILLS. Mr. Speaker, will the gentleman yield there?

Mr. MAPES. I dislike to yield, because every time I have yielded somebody makes the point of no quorum; but I yield to the gentleman.

Mr. MILLS. Before the gentleman leaves the question of the failure of the present labor board and the disregard of its decisions by the carriers, is it not a fact that Mr. Hooper testified that only four class 1 roads had violated the decisions of the board and only three short lines had violated them in 1924?

Mr. MAPES. Yes.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. MAPES. Yes; I yield.

Mr. BLANTON. I was wondering whether the distinguished gentleman from Michigan had not read carefully the splendid substitute prepared and introduced in the House day before yesterday by our colleague from Ohio [Mr. COOPER], known as the bill H. R. 9298? Has the gentleman read that substitute?

Mr. MAPES. I have read it, but I can not say I have read it very carefully.

Mr. BLANTON. If the gentleman from Kentucky [Mr. BARKLEY] would accept that substitute, I believe he could pass that bill to-night, because it is a splendid bill. It provides a means of mediation and conciliation. Hoping that somebody will discuss that bill to-night and have an audience, Mr. Speaker, I now make the point of order that there is no quorum present.

Mr. HOWARD of Nebraska. Mr. Speaker, will the gentleman withhold that?

Mr. BLANTON. No. I insist on the point of order. Evidently there is no quorum present.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and seventy-nine are present—not a quorum.

Mr. BARKLEY. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Edmonds	Leavitt	Stengle
Bacharach	Fish	Little	Strong, Kans.
Begg	Fitzgerald	McSwain	Sullivan
Black, Tex.	Fleetwood	MacGregor	Sweet
Boies	Funk	Madden	Swoope
Britten	Gibson	Moore, Ill.	Taber
Buckley	Griest	Morin	Taylor, Colo.
Burdick	Hammer	Mudd	Temple
Burton	Hickey	Newton, Minn.	Thomas, Ky.
Byrnes, S. C.	Howard, Okla.	Newton, Mo.	Thomas, Okla.
Cable	Hudson	O'Brien	Underhill
Clark, Fla.	Hull, Iowa	Park, Ga.	Upshaw
Connally, Tex.	Hull, Tenn.	Peavey	Ward, N. C.
Connery	Hull, William E.	Phillips	Wason
Corning	Humphreys	Porter	Weller
Cramton	Johnson, S. Dak.	Quayle	White, Me.
Curry	Johnson, W. Va.	Reed, W. Va.	Williams, Tex.
Deal	Jost	Rogers, N. H.	Wilson, La.
Dominick	Kahn	Shreve	Zihlman
Doyle	King	Sinclair	
Drane	LaGuardia	Spearing	
Dyer	Langley	Sproul, Kans.	

The SPEAKER. Three hundred and forty-eight Members have answered to their names—a quorum.

Mr. MAPES. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

The doors were opened.

Mr. MAPES. Mr. Speaker, we have been notified that there will be one amendment made to this Barkley bill before the consideration of the bill is completed, and it affords an illustration of who is doing the legislating on the bill. Some one referred here this afternoon to the fact that, so far as this bill is concerned, this body was not a deliberative, legislative body. In the May number of the American Federationist, the official magazine of the American Federation of Labor, which comes to the desks of all of us, we have been notified that the bill was introduced prematurely, at least before it was acceptable to all the members of the national crafts. However, they have reached an agreement, and the dissenting organizations are now satisfied. But the Congress of the United States, which must take the responsibility for the legislation, was not consulted, and no concession has been made to the Congress of the United States.

Mr. McKEOWN. Mr. Speaker, will the gentleman yield?

Mr. MAPES. I am sorry, but I can not yield.

On page 420 of the American Federationist for May, in the discussion of the railroad labor problem, there is this statement:

> After the introduction of the bill it was discovered that certain provisions did not meet with the approval of the Amalgamated Association of Street and Electric Railway Employees and the International Brotherhood of Teamsters, and after conferences this was rectified.

I am not going to take any further of the time of the House, except to read from a statement from the president of the Railroad Labor Board. I read:

The labor article of the transportation act, 1920, is predicated upon the sound theory that the American people have too much at stake in efficient and uninterrupted railway transportation to allow railroad managements and men unobstructed freedom to fight out their labor controversies at the expense of the lives and property of innocent people. The act does not, however, undertake to prohibit strikes. It merely provides that a tribunal equally representing the carriers, the employees, and the public shall openly hear the full contentions of both parties, render a public decision, and then, if that decision is disobeyed by either party, publish the fact of such disobedience to the people. The only penalty is that of the condemnation of public opinion. And yet the power of an enlightened public sentiment to prevent strikes and to quell the few that do occur has proven so efficacious that Congress is now being asked to enact a bill that carefully excludes the public from all participation in or supervision over railroad labor controversies and sets up an elaborate and expensive system of five boards, without jurisdiction or power and without the possibility of bringing to bear a potent public sentiment. Under the proposed legislation the public would be required to pay enormous sums of money from the Federal Treasury for the privilege of having its eyes bandaged, its ears stuffed, its voice stifled, and its hands bound whenever a strike is threatened, so that it might never see, hear, understand, speak, or act.

Those who hold the view that the public has no right to try to prevent transportation tie-ups resulting from strikes can not be reconciled to the transportation act, because it does assert such a right in a moderate and conservative way. No board could so function under this law as to please those who condemn the law itself because it throws obstacles in the way of railroad strikes.

Although the principles underlying the present law are based upon sound public policy, it is not surprising that its execution has disclosed certain weaknesses. None of the defects, however, are inherent in the law itself or in the policy upon which it is predicated. Most of them have been developed by efforts of a small number of carriers to evade certain requirements that seem to have been plainly intended by Congress. In one instance a similar evasion has been practiced by two labor organizations. The Railroad Labor Board has frequently declared in official orders and decisions its disapproval of such evasion. The representatives of certain of the labor organizations have emphasized these matters before the Senate Subcommittee on Interstate Commerce. It would be a comparatively simple undertaking to meet every meritorious criticism along these lines by amendments to the present law that would compel the few delinquent carriers and labor organizations to adopt the orderly procedure that has been pursued by all others. If this were done, I am sure that the employees in general would be much better satisfied with the law, that very few carriers would complain, and that the interests of the public would be correspondingly subserved.

But this Congress has had no opportunity to consider the amendments offered by President Hooper and the members of the Railway Labor Board, and it seems to me that in self-defense the only thing this Congress can do is to vote to sustain the recommendation of the Committee of the Whole and strike out all after the enacting clause of this bill.

Mr. Speaker, I yield 15 minutes of my time to the gentleman from North Dakota [Mr. BURTNESS].

The SPEAKER. The gentleman from North Dakota is recognized for 15 minutes. [Applause.]

Mr. BURTNESS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER. The gentleman from North Dakota asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Mr. Speaker, a point of order. Before the gentleman begins, I make the point of order that there is no quorum present.

Mr. SHALLENBERGER. Mr. Speaker, I make the point of order that that motion is dilatory.

The SPEAKER. The only time when a point of no quorum is dilatory is when it is clear that there is not a quorum present. The Chair is uncertain whether there is a quorum present or not, and the Chair will count.

Mr. SHALLENBERGER. I would like to read the Chair some precedents upon the question of dilatoriness. This is from page 365 of Volume V of Hinds' Precedents. The first case was upon a motion made by Mr. UNDERWOOD that no quorum was present when a division had been had and the division showed there was no quorum present. Later, Mr. Sereno E. Payne of New York, moved a recess. A division being taken on ordering the previous question, there were—ayes 169, noes 5. Mr. UNDERWOOD made the point of order that no quorum was present, and the Speaker said:

The Chair is obliged to overrule the point of order, for the reason that a recent call of the House shows that there was a quorum present, and it is well settled by the rules that the point of no quorum can not be made when a recent call of the House shows the presence of a quorum.

Now, we have had six roll calls during the 45 minutes the gentleman has been speaking; that is, he has been speaking 45 minutes, and we have had six roll calls during that time. A little later, on the 28th of February, a division showed 173 ayes and 4 noes. Mr. UNDERWOOD made the point of no quorum, and Mr. Payne made the point of order that the point was dilatory, stating:

Every roll call we have had to-day has shown that there was a quorum present.

Now, later Mr. John Sharp Williams, of Mississippi, made the point of order that a quorum was not present. The Speaker ruled:

Under the practice, a vote having just been taken by the yeas and nays, the most accurate way of taking it, has disclosed a quorum. * * * The Chair overrules the point of order.

Three times on one page the Chair declared that it was a dilatory motion when the roll calls just preceding had shown a quorum present. Although a division taken had shown that there was apparently not a quorum present, the Speaker held the motion was dilatory.

Mr. BLANTON. Mr. Speaker, I ask to be heard a moment.

The SPEAKER. The Chair does not care to hear the gentleman from Texas. This is a question to which the Chair has given considerable consideration at various times. The mere fact that a division shows that there is no quorum voting does not establish the fact that a quorum is not present. The question is whether there is a quorum present in the House.

Now, any Member has a constitutional right to insist that a quorum shall be present. Of course that is not obligatory upon any gentleman, but upon the insistence of any Member it is necessary that a quorum be present for the conduct of the business of the House. Now, the fact that a count had just been made and showed a quorum present, in the opinion of the Chair, would prevent a point of no quorum being made immediately afterwards. Nobody can keep raising the point of no quorum when it is manifest to the Chair and to the House that a quorum is really present, and that is the only occasion, it seems to the Chair, when a point of no quorum can be dilatory. It often happens, as we know, that a roll call is had, and when the roll call is over there is, in fact, no quorum present, and the Chair feels that the only time when a point of no quorum is dilatory is when it is obvious that a quorum is present. Just now the Chair is uncertain as to whether there is a quorum present or not. The Chair thinks it is pretty close, but the Chair can not hold it dilatory.

Mr. SHALLENBERGER. At that time, Mr. Speaker, Mr. John Sharp Williams, of Mississippi, was evidently carrying on a filibuster, which was well known in the House.

So the ruling of the Speaker had to do not with the question of his judgment as to whether or not a quorum was present but whether the motion was purely dilatory, and I think under the situation confronting us now, with no intervening time of more than 5 or 10 minutes between these motions, we have a right to a ruling that this is dilatory.

The SPEAKER. The Chair thinks that very often it is perfectly obvious that the motion is dilatory in the sense that it is made to consume time, but any Member has a right to insist that a quorum shall be present, whether it is to consume time or whether it is to procure an audience, and the Chair does not think he has any discretion in deciding that.

Mr. BLANTON. Mr. Speaker, at the request of the minority leader, I withhold the point a moment, as he desires to interrogate the gentleman from Ohio.

Mr. GARRETT of Tennessee. Mr. Speaker, may I have the attention of the gentleman from Ohio? Why should we not vote now on the motion to strike out the enacting clause? That brings the matter to an issue. The issue is perfectly clear here. The bill can not be amended to meet the approval of those who drew it.

Mr. CHINDBLOM. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. Unless the gentleman yields, the gentleman can not interrupt with a parliamentary inquiry.

Mr. CHINDBLOM. I simply wanted to ask whether the gentleman from North Dakota has yielded the floor or is losing it.

The SPEAKER. No; the gentleman from North Dakota is not losing the floor. The gentleman from Texas made the point of

no quorum and temporarily withdrew it to allow the gentleman from Tennessee to ask a question. Nobody will lose his rights.

Mr. GARRETT of Tennessee. I do not see any reason why the matter should not be brought to an issue on a vote to strike out the enacting clause.

Mr. LONGWORTH. I will say to the gentleman that so far as I am concerned I am ready at any time to vote upon the question of striking out the enacting clause. However, there are some gentlemen who desire to debate it, and for the time being debate should be had. The gentleman from North Dakota [Mr. BURTNESS] has been attempting to get the floor on this subject for some time. I will be very glad a little later to ask some of the gentlemen on this side if they are not willing to dispense with further debate, I will say to the gentleman. The gentleman from Tennessee will recall that I asked unanimous consent for only 20 minutes to debate the motion to strike out the enacting clause. It was objected to. The gentleman from North Dakota at that time was ready to speak. He is ready now. He is a member of the committee, and was unable to get time in general debate. I think the gentleman from North Dakota ought to be heard. I will say I have no personal objection to having a vote as soon as possible on that question, and I will confer with gentlemen on this side, and will be glad to take the matter up later with the gentleman.

Mr. BLANTON. Mr. Speaker, I renew my point of order.

The SPEAKER. The gentleman from Texas makes the point of order that no quorum is present. The Chair will count. [After counting.] Two hundred and seven members present; not a quorum.

Mr. BARKLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The Chair can not entertain a parliamentary inquiry after a point of no quorum.

Mr. BARKLEY. I was just wondering if the 36 Members out in the lobby can be counted.

The SPEAKER. The Chair can not entertain any inquiry after a point of no quorum.

Mr. MAPES. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

Aldrich	Doyle	Lilly	Sweet
Anderson	Drane	Little	Swoope
Bacharach	Dyer	McLaughlin, Nebr.	Taylor, Colo.
Begg	Edmonds	McLeod	Temple
Black, Tex.	Fish	Madden	Thomas, Ky.
Boies	Fleetwood	Morin	Thomas, Okla.
Buckley	Free	O'Brien	Underhill
Burdick	Gibson	Park, Ga.	Upshaw
Burton	Greene, Mass.	Peavey	Ward, N. C.
Byrnes, S. C.	Griest	Porter	Wason
Cable	Haugen	Reed, W. Va.	Weller
Clark, Fla.	Howard, Okla.	Rogers, N. H.	White, Me.
Connally, Tex.	Hudson	Shreve	Williams, Tex.
Connery	Hull, Tenn.	Spearing	Wilson, La.
Corning	Johnson, W. Va.	Steagall	Young
Cramton	Jost	Stengle	Zihlman
Curry	Kahn	Stevenson	
Deal	Langley	Strong, Kans.	
Dominick	Leavitt	Sullivan	

The SPEAKER. On this call 359 Members have answered to their names. A quorum is present.

Mr. MAPES. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

Mr. BURTNESS. Mr. Speaker, there is probably no question upon which there is a greater divergence of views among thoughtful people than the one as to what means can be used to settle disputes which continually arise between railroad operatives and their employees, with the end in view that not only the railroads and their employees but particularly the public may have a square deal and the enormous economic waste of strikes avoided.

Prior to the passage of the transportation act in 1920 the only governmental agencies which had been provided by law were, practically speaking, boards of mediation and conciliation. The most important of such laws were the Erdman Act and the Newlands Act. True, arbitration was also provided for, but it was purely voluntary. Arbitrators, when used, were selected for each specific case, and men were usually obtained unfamiliar with the subject involved.

When the railroads were returned to their owners following the war, provision was made for the present Railroad Labor Board consisting of nine members, three from the labor group, three from the management group, and three from the public. The intent of the law was that there would be voluntary adjustment boards established by agreement between the carriers, or a group of carriers, and the employees of such carriers, which would iron out most of the difficulties as they arise, such adjustment boards to be conducted without expense to the public.

If a decision could not be reached by such adjustment boards on any question, then it was the intent that the matter should be referred to the Labor Board. Other questions can also be submitted direct to the Labor Board upon the application of the carriers or the employees, or hearings can be ordered by the board on its own motion. Concurrence of at least five of the nine members is required to constitute a decision. Wide publicity is given to the decisions, and the force of public opinion is expected to compel compliance therewith when fair and reasonable.

Undoubtedly this board assumed its duties at a most difficult time. Many important and controversial questions were pending. Its decisions were naturally severely criticized, sometimes by the carriers, sometimes by the employees. There may be considerable doubt as to whether a board, the component parts of which constitute the three elements referred to, is a practical proposition. Some contend that all agencies of this nature should be eliminated, others that the agency should have greater powers than the present Labor Board has, and particularly the power to enforce its decisions both against carriers and employees.

The Howell-Barkley bill now being considered consists of 35 pages, and has been prepared by the representatives of the four big railroad brotherhoods. Other employees' organizations have been wholly disregarded. It was introduced in Congress on February 28, and the House Committee on Interstate and Foreign Commerce, of which I am a member, refused to grant hearings on the bill until it had disposed of some other business which had been pending for a longer time, including the so-called truth in fabrics bill. The result was that Mr. BARKLEY and others working with him took steps to discharge the committee from consideration of the bill with a view of bringing it up in the House immediately. In this they were successful.

I have tried to give careful study to the bill, have read the hearings held before a Senate subcommittee, have ascertained the viewpoint of the operatives, of organized labor, and of members of the Labor Board. Somewhat to my surprise I have found that the bill really offers no new constructive suggestions. On the whole it simply provides for four boards of adjustment to be appointed at public expense to perform the present functions of voluntary boards of adjustment. Two of the proposed boards would have a membership of 14, two others a membership of 6, making a total of 40 at salaries of $7,000 each. Of course, offices, secretaries, clerks, and so forth, would also have to be provided, all at great public expense. Operatives and employees would have equal representation on such boards, the public none. The bill, however, provides further for a board of conciliation and mediation consisting of five men, all representing the public, to take the place of the present Labor Board, such members to receive annual salaries of $12,000. Without attempting to detail the powers of this board I might say that they would more nearly conform to the powers held by the board under the Newlands Act. At any rate the big difference between it and the present law is that it would not have the power to render decisions and make such decisions public. It could attempt to get the parties together, or to get them to agree on arbitration. The decisions of the present Labor Board made with the view of bringing the force of public opinion to bear upon operatives and labor to accept them, if regarded as just by the public, would be done away with.

Mr. Speaker, the immediate issue on the pending motion is whether or not the House is going to approve the action of the Committee of the Whole, which by a substantial majority carried the motion to strike out the enacting clause of the bill. I rather regret that an issue is forced on that motion just at this time, for it involves in reality passing upon the merits of the bill without the bill having received the consideration that one of such great importance merits. It seems to me that the proponents of the measure might have rendered a far greater service and would have taken a more consistent attitude if they had voted for the motion just defeated to recommit the bill to the Committee on Interstate and Foreign Commerce, where it could have received the thorough consideration that is required on such a highly controversial measure as this is.

I am not one of those who believe that there is no merit whatsoever for the suggestions in the bill or that the question involved is entirely one-sided. I regard it as important, and in my feeble way I have tried to arrive at definite conclusions thereon. I have not simply considered it as to how it may affect

the 2,000,000 railroad employees in this country, or the couple of million people who may be owners of railroad securities or who may be the owners of the railroad stock in this country. The test that I have tried to bear in mind throughout is whether it would or would not be for the best interest of the general public. I am one of those who believe that the owners of railroad securities, that the owners of railroad stock, and that organized railroad labor are pretty well able to take care of themselves. It even appears that they may have some representatives on the floor of the House specifically pleading their case and fighting their battles from time to time; but it seems to me that most of us, at least those who represent the ordinary kind of districts throughout this country, ought to have in mind the best interests of the entire public rather than of special groups. [Applause.]

There are two particular features that I want to stress further, and they are the two which, to my mind, are conclusive of what we should do on this bill. One of them is the proposition of setting up four national boards of the Government with 40 members on them with a salary of $7,000 apiece, but representing primarily, if not solely, the two interested parties to the controversy. [Applause.]

Mr. HOWARD of Nebraska. Mr. Speaker, I have a constitutional right to hear anything good that may happen. [Laughter.]

Mr. BURTNESS. I will be glad to assist my good friend from Nebraska in his desire for the light.

The gentleman from Pennsylvania [Mr. CASEY] this afternoon made this statement, as I recall it: That the public had absolutely no business to be represented upon the boards of adjustment. I am inclined to agree with him on that proposition. They deal with grievances between the carriers and the employees, and have nothing to do with wages or working conditions. But if the public has no right to be represented on the boards of adjustment, if the members of the boards of adjustment are to constitute solely the special advocates of the two parties to the controversy, I ask you in all fairness what business has the Public Treasury, the individual taxpayers, to pay the salaries and other enormous expenses of these members? [Applause.]

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. BURTNESS. I yield.

Mr. NEWTON of Minnesota. The gentleman from North Dakota will recall that the public was not represented on the adjustment boards that adjusted the wages in the anthracite coal situation a few months ago, and by reason of that fact there was loaded on the public the additional expense growing out of that increase, and that is what would result from this sort of legislation.

Mr. BURTNESS. The gentleman is undoubtedly right. Even the gentleman from Pennsylvania [Mr. CASEY], a representative of organized labor, made the argument this afternoon in supporting this bill that the present Labor Board, consisting of three representatives of labor, three representatives of the managers, and three of the public, furnishes an opportunity for collusion between representatives of the carriers and its employees, but he forgot to tell the membership that the present provision in the transportation act relating to the Labor Board provides that these men can not render any decision on important questions unless at least one of the members representing the public on the board joins in the decision.

Mr. McKEOWN. Mr. Speaker, will the gentleman yield?

Mr. BURTNESS. Not at present, but a little later. Let us see what the present law is with reference to boards of adjustment. The gentleman from Wisconsin [Mr. NELSON] told us in glowing terms this afternoon as to the good that would result from the provisions in this bill urging the two sides to get together and make up their differences, but everything he said in that regard could just as well be said in support of the provisions of the present law, section 302 of which reads as follows:

SEC. 302. Railroad boards of labor adjustment may be established by agreement between any carrier, group of carriers, or the carriers as a whole, and any employees or subordinate officials of carriers, or organization or group of organizations thereof.

Those of you who listened to the splendid address made this afternoon by the gentleman from Ohio [Mr. COOPER], who himself came to Congress from a locomotive cab, years ago, and who has so ably represented the interests of labor here, but who refuses to follow the dictates of labor leaders on this bill; those of you who heard Mr. COOPER know that a large number of such boards have been established all over this country, on most of the railroads of the country, not only here in the East, but in the South and in the West as well. Shall we undo the splendid work now being done by these boards?

While I think it would be absolutely improper for the Public Treasury to pay the salaries of special pleaders for any cause in a controversy of this sort, I for one do not regard that as the most important reason for opposing this bill.

I come now to the second main feature I desire to emphasize, and that is the fact that if you adopt this bill you are taking a step backward from the step that was taken in the transportation act, when Congress tried to make public opinion a moving force in the settlement of industrial disputes between labor and capital engaged in railway transportation. I think in the short discussion here on the floor of this House upon the merits of the bill not sufficient attention has been paid to just what the present act is, so let me quote just a very few of the provisions from it, so as to refresh your minds with reference to it. Section 304 provides for the personnel of the board. Section 307 provides the duties of the board:

SEC. 307. (a) The Labor Board shall hear, and as soon as practicable and with due diligence decide, any dispute involving grievances, rules, or working conditions, in respect to which any adjustment board certifies to the Labor Board that in its opinion the adjustment board has failed or will fail to reach a decision within a reasonable time, or in respect to which the Labor Board determines that any adjustment board has so failed or is not using due diligence in its consideration thereof.

To decide the dispute is the primary and fundamental duty of the board. What happens when this board makes its decision? Is it enforced or not?

In answering that question I want to quote now one of the most important provisions in the entire act, as I view it. I believe this provision fully justifies the establishment of the present Railroad Labor Board, and that we should hesitate in setting up any new tribunal without some such similar power.

All decisions of the Labor Board shall be entered upon the records of the board; and copies thereof, together with such statements of facts bearing thereon as the board may deem proper, shall be immediately communicated to the parties to the dispute, the President, each adjustment board, and the commission, and shall be given further publicity in such manner as the Labor Board may determine.

Mr. JACOBSTEIN. Mr. Speaker, will the gentleman yield?

Mr. BURTNESS. In just a moment. This provision just quoted is not a case of a tribunal being given the power to say to any man that he must work or that he must not work. It was an attempt to give to a tribunal upon which the public has representation, a tribunal before which also special representatives may present the viewpoints of the two parties to the controversy as well as possessing membership thereon, a tribunal whose decision must be made by a majority vote, including at least one vote of the public representatives, and it does give to such tribunal and to its decision when found just and reasonable the backing of the force of public opinion. Is not that advisable? Is it not fair to railroad labor? I for one can not for the life of me believe that the great railroad employees of this country have any need to fear the opinion of the public with reference to their rights in dealing with the owners of the railroads.

Mr. McKEOWN. Mr. Speaker, will the gentleman yield?

Mr. BURTNESS. Yes.

Mr. McKEOWN. The gentleman is aware of the decision of the Supreme Court that the decision of the Labor Board is not binding on either party. The gentleman says that he believes that the public should have the benefit of the decision of the Labor Board. That Labor Board decided that the striking employees had outlawed themselves, whereas the railroads which failed to obey or consider the decision of the Labor Board were all right.

Mr. BURTNESS. That is not a fair statement of the facts; but let us see just what has happened in that regard. Let us ascertain the facts as shown by the testimony submitted before the Senate committee.

Mr. McKEOWN. Does the gentleman agree with that decision of the Labor Board?

Mr. BURTNESS. I agree that there is now no tribunal, no power, no court that can enforce the decisions of the Labor Board, that can, for instance, make an employee work against his will, or a railroad employ a certain set of men at a given wage, but I do not believe that the gentleman from Oklahoma contends that such power should be given under the law. I do contend, however, that whenever any decision of the Labor Board has been regarded as fair by the public, it has shortly been accepted as such by the interested parties with very rare exceptions. The gentleman will remember that in the fall of 1921, after the reduction in railroad wages had been made by the order of the Labor Board, several at least of the great railroad organizations of the country voted to strike.

And you will remember, if you think back that far, that hour by hour you were waiting to find out whether the strike order would actually go into effect. In fact that very hour and minute had been set on the great transportation systems of the country. I am not talking about the shopmen's strike of 1922 but the strike that in the fall of 1921 would have tied up every wheel of rolling stock on every railroad of the Nation. As I said, you were wondering hour by hour whether that strike would actually become a reality, and out in the Northwest, where we were dependent on coal, when we realized that fall and cold winter weather were soon at hand there was many an anxious home which wondered whether there would be enough coal coming over the transportation systems to that great country to keep the people from freezing to death during the winter. You will recall, if you are fair, that it was the force of public opinion crystallized around the decisions of the Labor Board which prevented that strike. Not a single one of the organizations went upon the strike they had voted, and is there anyone here to-night who will say that on the whole the railroad employees have not been dealt with fairly or that they are not to-day enjoying reasonable success and prosperity, at least on a par with the average trained individual throughout this country? [Applause.]

Mr. HUDSPETH. Will the gentleman yield?

Mr. BURTNESS. I want to say this: I wish it were a fact that the clerk in the store, the clerk in the bank or office, the man in the ordinary white-collar job, the small business man, and particularly the thousands, yes, millions, of farmers scattered throughout this Nation were earning to-day as comfortable a living and getting as many of the necessaries and comforts of life as are the railroad employees generally. If they were, gentlemen, you would not be asked here in the next two or three days to pass such a bill as the agricultural interests are asking you to pass, the McNary-Haugen bill, to which we hope you will give your earnest support.

Mr. SCHAFER. Will the gentleman yield?

Mr. BURTNESS. I do not yield.

Mr. SCHAFER. I would deny that statement.

Mr. BURTNESS. Oh, does the gentleman deny my statement regarding the wages now received by railway labor?

Mr. SCHAFER. I deny the gentleman's statement.

Mr. BURTNESS. The gentleman's contention about railroad labor to-day is, then, that they are entitled to higher wages than they are now receiving?

Mr. SCHAFER. Yes; I do.

Mr. BURTNESS. All right. But I ask the gentleman from Wisconsin and a prominent representative of organized labor what are you going to do besides yielding to the demand for higher wages for railroad employees of the country? If you yield to that, what are you going to do for the rest of the people who are not getting anything like what the railroad men are getting? I yield for you to answer that. [Applause.]

Under the general leave to extend my remarks I insert herewith several extracts from the testimony of Mr. Ben W. Hooper, chairman of the Railroad Labor Board and one of the representatives of the public, which I believe Members will find of general interest and of importance. I submit that this testimony should be carefully considered before a final vote is had on the bill:

Title III of the transportation act, 1920, was the result of much thought and discussion in Congress. It received the bipartisan support of both Republicans and Democrats and the approval of President Wilson. In a sense it was a compromise measure, too weak to please some and too strong to suit others. It was not perfect, and its administration during a period of four years has served to bring out and emphasize both its good and bad points. Upon the whole, however, it was the greatest forward step that has ever been taken in our country, and perhaps in all countries, for the protection of the public against railway strikes and at the same time the conservation of the rights of both carriers and employees.

In appraising this law and the work of the board which has functioned under it the abnormality of times and conditions must be weighed.

* * * * * * *

From April 15, 1920, to April 1, 1924, 12,543 disputed questions were referred to the Railroad Labor Board. Of these 11,228 have been disposed of. Of the total number of disputes, 865 did not reach the status of regularly docketed cases. The cases regularly docketed, as in court, number 11,678. Of these, 10,480 have been disposed of. In some instances cases involving the same general question of wages or rules were consolidated under one docket and decision number.

The foregoing certainly does not show that the board has been slothful in its disposal of the questions submitted to it.

It is, of course, true, as shown by Mr. Roberston, the spokesman of the labor organizations, that many cases are still pending before the board and that some of them were submitted quite awhile ago; this situation is due to several causes:

First. The enormous number of cases presented to the board.

Second. The fact that cases of major importance, such as wage and rules disputes, have been given precedence, and these involved hundreds of millions of dollars and could not hastily be dispatched. A great majority of the cases remaining are grievance cases, each affecting the rights of a small number of employees, usually one. Right now the board is enjoying the first period it has ever had when no big, general questions of rules and wages were pending before it. As an evidence that this will enable it to expedite the cases on the calendar and remove the complaint, the fact is pointed to that during the month of March the board has closed by decisions 179 dockets.

* * * * * * *

Fifth. That this country would have been filled with successive strikes, some of them of great magnitude and destructiveness, had it not been for the work of the board, no well-informed man can question. Both sides were determined to fight, and they did fight, but as a rule they thrashed out their respective contentions before the board like good American citizens, and stood loyally by the decisions.

* * * * * * *

The great majority of the 201 class I carriers have scrupulously obeyed the board's decisions. The wages and rules fixed by the board are almost universally effective throughout the country to-day.

* * * * * * *

The only fair criterion by which this matter can be judged is the action of the board under section 313 of the transportation act, which empowers the board to investigate an alleged violation and to formally declare it to be such.

Up to April 1, 1924, four different class I carriers and three short lines had been formally and officially declared by the board to have violated its decisions. These roads are as follows:

Class I carriers: Erie Railroad Co., 14 violations; Pennsylvania Railroad system, 3 violations; Chicago & Alton Railroad Co., 1 violation; Fort Smith & Western Railway Co., 1 violation.

Short-line railroads: Duluth, Missabe & Northern Railway Co., 1 violation; Interstate Railroad Co., 1 violation; and Butler County Railroad Co., 1 violation.

The carriers which have violated the decisions of the board in the most persistent and hurtful way are the Pennsylvania and the Erie. The course adopted by these two carriers is not approved by other railroad managements and has not been followed by the management of any other railroad in the United States.

Commenting upon the contention that the voluntary arbitration provisions of the Howell-Barkley bill would be used effectively, Mr. Hooper testified as follows:

It is true that it provides for arbitration boards to pass upon questions of wages and working conditions, but the submission of a dispute to an arbitration board is purely voluntary on both sides, and the bill leaves the implication that no odium would attach to either party for refusing to arbitrate.

Now, it was said this morning in discussion of this very point that odium would adhere to the party refusing to arbitrate. That I think can hardly be said, in view of what happened in connection with the dispute that resulted in the enactment of the Adamson law when mediation and conciliation was then in effect, and when even the mediation and conciliation urgently and persistently interposed by the President of the United States himself failed to settle the difficulty, and when all offers of arbitration under existing laws were absolutely rejected.

It sets up a board of mediation and conciliation, composed of five members, without any power to pass upon disputes, but with the power to mediate and conciliate, if that can be termed a power.

This board of mediation is also empowered to appoint the "balance-of-power" member or members on arbitration boards.

Even the proponents of this bill can not very well claim that the board has been of no value. I quote the following expressions of the Railway Clerks' Magazine, which represents one of the organizations supporting this bill:

Some good has undoubtedly been accomplished by the Labor Board functioning under the provisions of the transportation act. During the readjustment period following the return of the railroads to private operation there perhaps would have been more trouble between the carriers and employees had there been no board. It is probable that some of the carriers that have been so diligent in breaking up unions would have been more successful had it not been for the intervention of the Labor Board. It is not with the thought of destroying whatever good has resulted to both carriers and employees from existing legislation that the change is proposed, but to substitute something better.

The following editorial from the same magazine deserves serious consideration. Does it mean that the right to tie up the country's transportation system at any time regardless of the rights of the public must be retained and without giving the public any right to attempt to prevent it?

The board has become a deterrent to the natural economic power of an organized group of workers.

It has also at times acted as a deterrent against hard-boiled managers to the advantage of the workers, especially among the groups not well organized, preventing wage reductions and the imposition of unfair working conditions. But granting that the board has established rates for certain groups of unorganized or poorly organized employees that are higher in some instances than might have obtained otherwise, that kind of a paternalistic policy will not benefit the wage earners in the long run. The same group of workers solidly organized could have secured more than they received at the hands of the Labor Board.

The SPEAKER. The time of the gentleman has expired.

Mr. MAPES. Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman has 16 minutes remaining.

Mr. MAPES. I yield two minutes to the gentleman from Ohio [Mr. LONGWORTH]. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I would like to have the attention of the gentleman from Kentucky [Mr. BARKLEY]. I agree with the suggestion made to me not long ago by my friend from Kentucky that it would be desirable to have a vote shortly upon the motion now pending, to strike out the enacting clause, with the understanding that after that vote we shall ask an adjournment, there being evidently no further object to be attained by being in session longer, and I would be prepared to ask the gentleman from Michigan to yield to the gentleman from Kentucky to make just a brief statement, if he desires, and to move the previous question in order that we might have a vote and then the House shall stand adjourned.

Mr. BARKLEY. Does the gentleman from Michigan yield to me?

Mr. MAPES. I will yield to the gentleman, but I think the gentleman can answer the gentleman's question in the time of the gentleman from Ohio.

Mr. BARKLEY. How much time?

Mr. MAPES. I yielded the gentleman from Ohio two minutes and that time has not yet expired.

Mr. BARKLEY. I want to make a statement. We understand each other about this matter and if the gentleman is willing to yield me five minutes in which to make an explanation it may facilitate the consideration of this matter.

Mr. LONGWORTH. Of course I have absolute confidence in any word the gentleman from Kentucky gives me, but I simply wanted the House at large to know what the understanding was.

Mr. BARKLEY. I will undertake to make that perfectly plain if the gentleman will yield to me. If he is not willing to yield under those conditions I am not willing to accept time.

Mr. MAPES. I yield the gentleman from Kentucky five minutes.

Mr. BARKLEY. Mr. Speaker, I heard a story of a good woman who lost her husband, and the doctor said to her, "What were your husband's last words?" She said, "He had none, I was with him until the end." [Laughter.]

Whatever else may happen to-night, I hope to have the last word. [Laughter.]

Mr. Speaker, when I introduced this bill I introduced it in good faith, believing that its enactment would bring industrial peace upon the great transportation systems of our country. When I asked the Committee on Interstate and Foreign Commerce to give consideration and hearings to that bill I did that in good faith, in the hope that the committee might give it such consideration as it would be expected to give an important measure of that kind. Failing to secure any consideration on the part of the committee, I took advantage of the rule which permitted me to move that the committee be discharged.

That action on my part evidently met the approval of this House, because it discharged the committee; and on every roll call since that time, two weeks ago, those who are in favor of this bill have been in a majority. Every effort that has been made by those who sought to hinder the consideration of the bill in the House has been made by those who pretended to be offended because the committee refused to consider it. But, Mr. Speaker, every effort on the part of the enemies of this bill, who pretend to be offended because the committee refused to consider the bill, in resorting to every parliamentary device to prevent consideration here, has belied their professions, because they have done everything possible to prevent this House from considering it. [Applause.] And it is nothing but the sheerest and rankest hypocrisy to pretend to be outraged because we took the bill from the committee, to lend every effort that parliamentary skill can lend itself to to prevent the House from considering the bill on its merits.

I want to thank every Member who has stood solidly for the consideration of this bill. I do not know how much longer Members would be willing to remain here. But I do not desire to punish Members by asking them to stay here all night. It has been manifest that the intention of the opponents of this bill is not only that it shall not pass, if they can prevent it, but that it shall not be given decent consideration on the part of this House if they can prevent it.

Now, Mr. Speaker, I do not intend to punish Members of the House by asking them to stay here all night. It is apparent that the consideration of the bill can not be completed to-night. I intend to move the previous question and allow the record to stand as it is, each individual Member being answerable to his constituents, and let him answer to them when the time comes. [Applause.]

Mr. Speaker, I move the previous question on the pending motion.

The SPEAKER. The gentleman from Kentucky moves the previous question on the motion, which is, Shall the House approve the recommendation of the committee? The gentleman from Michigan [Mr. MAPES] yielded for that purpose?

Mr. MAPES. Yes.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Indiana [Mr. SANDERS] to concur in the recommendation of the committee.

Mr. BARKLEY. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. As many as are in favor of the motion to concur in the recommendation of the committee to strike out the enacting clause of the bill will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 160, nays 188, answered "present" 9, not voting 76, as follows:

YEAS—160

Ackerman	Fairfield	Leatherwood	Sanders, N. Y.
Aldrich	Faust	Lehlbach	Scott
Aswell	Fenn	Linthicum	Sears, Fla.
Bacon	Fitzgerald	Longworth	Sears, Nebr.
Beedy	Fredericks	Luce	Simmons
Beers	Freeman	McFadden	Sinnott
Bell	French	McLaughlin, Mich.	Smith
Bixler	Frothingham	MacGregor	Snell
Black, Tex.	Fuller	MacLafferty	Snyder
Bland	Garrett, Tenn.	Magee, N. Y.	Speaks
Blanton	Gifford	Magee, Pa.	Sproul, Ill.
Boyce	Goldsborough	Manlove	Sproul, Kans.
Brand, Ohio	Graham, Ill.	Mapes	Stephens
Britten	Graham, Pa.	Merritt	Strong, Pa.
Browne, N. J.	Green, Iowa	Michener	Thatcher
Brumm	Hadley	Miller, Ill.	Tilson
Buchanan	Hardy	Mills	Timberlake
Burtness	Harrison	Moore, Ill.	Tincher
Butler	Haugen	Moore, Ohio	Tinkham
Chindblom	Hawes	Moores, Ind.	Treadway
Christopherson	Hawley	Morris	Tydings
Clague	Hersey	Murphy	Valle
Clarke, N. Y.	Hickey	Nelson, Me.	Vare
Cleary	Hill, Md.	Newton, Minn.	Vestal
Cole, Iowa	Hoch	Newton, Mo.	Vincent, Mich.
Cole, Ohio	Hull, Morton D.	Paige	Wainwright
Colton	Hull, William E.	Parker	Ward, N. Y.
Connolly, Pa.	Humphreys	Patterson	Watres
Crowther	Johnson, Ky.	Perkins	Watson
Dallinger	Johnson, Wash.	Phillips	Welsh
Darrow	Kearns	Purnell	Wertz
Deal	Kendall	Ramseyer	White, Kans.
Dempsey	Ketcham	Ransley	Williams, Mich.
Dickinson, Iowa	Kiess	Raybarn	Williamson
Drewry	Kincheloe	Reece	Winslow
Driver	Knutson	Reed, N. Y.	Winter
Edmonds	Kuns	Roach	Wood
Elliott	Larsen, Ga.	Robinson, Iowa	Wyant
Evans, Iowa	Larson, Minn.	Rogers, Mass.	Yates
Fairchild	Lea, Calif.	Sanders, Ind.	Young

NAYS—188

Abernethy	Browning	Crosser	Funk
Allen	Bulwinkle	Cullen	Gallivan
Allgood	Busby	Cummings	Garber
Almon	Byrns, Tenn.	Davey	Gardner, Ind.
Arnold	Campbell	Davis, Minn.	Garrett, Tex.
Ayres	Canfield	Davis, Tenn.	Gasque
Bankhead	Cannon	Denison	Geran
Barbour	Carter	Dickinson, Mo.	Gilbert
Barkley	Casey	Dickstein	Glatfelter
Beck	Celler	Doughton	Greenwood
Berger	Clancy	Dowell	Griffin
Black, N. Y.	Collier	Eagan	Hammer
Bloom	Collins	Evans, Mont.	Hastings
Bowling	Cook	Favrot	Hayden
Box	Cooper, Ohio	Fisher	Hill, Ala.
Boylan	Cooper, Wis.	Foster	Hill, Wash.
Briggs	Crisp	Fulbright	Holaday
Browne, Wis.	Croll	Fulmer	Hooker

Howard, Nebr.	McLeod	Parks, Ark.	Sites
Huddleston	McNulty	Peery	Smithwick
Hudspeth	McReynolds	Perlman	Steagall
Hull, Iowa	McSweeney	Pou	Stedman
Hull, Tenn.	Major, Ill.	Prall	Summers, Wash.
Jacobstein	Major, Mo.	Quayle	Sumners, Tex.
James	Martin	Quin	Swank
Jeffers	Mead	Rainey	Swing
Johnson, Tex.	Michaelson	Raker	Tague
Keller	Miller, Wash.	Rankin	Taylor, Tenn.
Kelly	Milligan	Rathbone	Taylor, W. Va.
Kent	Minahan	Reed, Ark.	Thomas, Okla.
Kindred	Montague	Reid, Ill.	Thompson
Kopp	Mooney	Richards	Tillman
Kurtz	Moore, Ga.	Robsion, Ky.	Underwood
Kvale	Moore, Va.	Romjue	Vinson, Ga.
LaGuardia	Morehead	Rosenbloom	Vinson, Ky.
Lampert	Morgan	Rouse	Voigt
Lanham	Morrow	Rubey	Watkins
Lankford	Nelson, Wis.	Sabath	Weaver
Lazaro	Nolan	Sanders, Tex.	Wefald
Lindsay	O'Connell, N. Y.	Sandlin	Williams, Ill.
Lineberger	O'Connell, R. I.	Schafer	Wilson, Ind.
Logan	O'Connor, La.	Schall	Wilson, Miss.
Lowrey	O'Connor, N. Y.	Schneider	Wingo
Lozier	O'Sullivan	Seger	Wolff
Lyon	Oldfield	Shallenberger	Woodrum
McClintic	Oliver, Ala.	Sherwood	Wright
McKeown	Oliver, N. Y.	Sinclair	Wurzbach

ANSWERED "PRESENT"—9

Carew	Johnson, W. Va.	Ragon	Upshaw
Connery	Lee, Ga.	Salmon	Woodruff
Frear			

NOT VOTING—76

Anderson	Drane	Lilly	Stengle
Andrew	Dyer	Little	Stevenson
Anthony	Fish	McDuffie	Strong, Kans.
Bacharach	Fleetwood	McKenzie	Sullivan
Begg	Free	McLaughlin, Nebr.	Sweet
Boies	Garner, Tex.	McSwain	Swoope
Brand, Ga.	Gibson	Madden	Taber
Buckley	Greene, Mass.	Mansfield	Taylor, Colo.
Burdick	Griest	Morin	Temple
Burton	Howard, Okla.	Mudd	Thomas, Ky.
Byrnes, S. C.	Hudson	O'Brien	Tucker
Cable	Johnson, S. Dak.	Park, Ga.	Underhill
Clark, Fla.	Jones	Peavey	Ward, N. C.
Connally, Tex.	Jost	Porter	Wason
Corning	Kahn	Reed, W. Va.	Weller
Cramton	Kerr	Rogers, N. H.	White, Me.
Curry	King	Shreve	Williams, Tex.
Dominick	Langley	Spearing	Wilson, La.
Doyle	Leavitt	Stalker	Zihlman

So the recommendation of the Committee of the Whole was rejected.

The Clerk announced the following additional pairs:

On the vote:

Mr. Gibson (for) with Mr. Salmon (against).
Mr. Fleetwood (for) with Mr. Lee of Georgia (against).
Mr. Hudson (for) with Mr. Peavey (against).
Mr. Burdick (for) with Mr. Howard of Oklahoma (against).
Mr. Temple (for) with Mr. Clark of Florida (against).
Mr. Wason (for) with Mr. Rogers of New Hampshire (against).
Mr. Kahn (for) with Mr. Park of Georgia (against).
Mr. Cable (for) with Mr. Upshaw (against).
Mr. Cramton (for) with Mr. Stengle (against).
Mr. Drane (for) with Mr. Ward of North Carolina (against).
Mr. Mudd (for) with Mr. Curry (against).
Mr. Shreve (for) with Mr. Sullivan (against).
Mr. Andrew (for) with Mr. Tucker (against).
Mr. Greene of Massachusetts (for) with Mr. Doyle (against).
Mr. Leavitt (for) with Mr. Boies (against).
Mr. Dominick (for) with Mr. O'Brien (against).
Mr. Begg (for) with Mr. Connery (against).
Mr. Underhill (for) with Mr. Byrnes of South Carolina (against).
Mr. Strong of Kansas (for) with Mr. Frear (against).
Mr. Madden (for) with Mr. Carew (against).
Mr. Corning (for) with Mr. Thomas of Kentucky (against).
Mr. Griest (for) with Mr. King (against).
Mr. Burton (for) with Mr. Woodruff (against).
Mr. Jost (for) with Mr. Johnson of West Virginia (against).
Mr. Little (for) with Mr. Stevenson (against).
Mr. Free (for) with Mr. Connally of Texas (against).
Mr. Kerr (for) with Mr. Ragon (against).
Mr. McDuffie (for) with Mr. Fish (against).
Mr. McKenzie (for) with Mr. McSwain (against).
Mr. Bacharach (for) with Mr. Lilly (against).

Until further notice:

Mr. Swoope with Mr. Brand of Georgia.
Mr. Johnson of South Dakota with Mr. Garner of Texas.
Mr. White of Maine with Mr. Williams of Texas.
Mr. Anthony with Mr. Taylor of Colorado.
Mr. McLaughlin of Nebraska with Mr. Mansfield.
Mr. Morin with Mr. Spearing.
Mr. Stalker with Mr. Buckley.
Mr. Dyer with Mr. Weller.
Mr. Sweet with Mr. Wilson of Louisiana.
Mr. Taber with Mr. Jones.

Mr. FREAR. Mr. Speaker, I wish to withdraw my vote of "nay" and vote "present." I understand my pair is not voting.

Mr. JOHNSON of West Virginia. Mr. Speaker, I desire to withdraw my vote of "nay" and be recorded as "present." I am paired with the gentleman from Missouri, Mr. Jost.

Mr. WOODRUFF. Mr. Speaker, I wish to withdraw my vote of "nay" and vote "present," inasmuch as I am paired with the gentleman from Ohio, Mr. BURTON.

Mr. CONNERY. Mr. Speaker, I desire to withdraw my vote of "nay" and be recorded as "present," because I am paired with the gentleman from Ohio, Mr. BEGG. If he were present he would vote "yea."

Mr. RAGON. Mr. Speaker, I am paired with the gentleman from North Carolina, Mr. KERR. Since he is not present, I wish to withdraw my vote of "nay" and be recorded as voting "present."

The result of the vote was announced as above recorded.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. MORIN, indefinitely, on account of illness in family.

To Mr. CABLE, indefinitely, on account of death of his father.

To Mr. PATTERSON, indefinitely, on account of illness.

To Mr. COLLINS (at the request of Mr. RANKIN), indefinitely, on account of attending lawsuit in which he is defendant.

EXTENSION OF REMARKS

Mr. SCHALL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Teapot Dome situation.

The SPEAKER. The gentleman from Minnesota asks unanimous consent to extend his remarks in the RECORD on the Teapot Dome situation. Is there objection? [After a pause.] The Chair hears none.

Mr. SCHALL. Mr. Speaker, I also ask unanimous consent to extend my remarks in the RECORD on the post-office employees' salary bill.

The SPEAKER. The gentleman from Minnesota also asks unanimous consent to extend his remarks in the RECORD on the post-office employees' salary bill. Is there objection? [After a pause.] The Chair hears none.

A TEAPOT DOME SITUATION

Mr. SCHALL. Mr. Speaker, I secured unanimous consent to extend my remarks that the Minnesota "Teapot Dome" situation might be exposed, and the people of my State made aware of the plot to wrest from them and transfer to private interest the patronage, prerogatives, and perquisites of United States Senator by the election as Republican national committeeman of William F. Brooks, junior partner of Backus-Brooks Co.

I know that I shall avail but little against the tremendous din of paid claquers, subsidized press, and carefully manipulated but misguided campaign organizations.

I realize that it is a futile battle between the weak and the strong—that it is a battle of the humble cobbler, carpenter, mechanic, and laborer in general against the minions of Midas; that it is the tiller of the soil against the speculator, gambler, and seeker for riches and glory unearned by the sweat of the brow; that it is the small banker, business man, clerk, salesman, and merchant against monopolistic trust; that it is the scheme of the old selfish political plunder gang, headed by Backus-Brooks & Co., with their hands in almost every business of the State, holding in contempt assessors, county commissioners, State tax commissions, as well as income-tax officers, with a well-known trend of ruthlessness in their operations well greased with their millions of ill-gotten gain, filched from the Commonwealth, against a humble, blind representative of the people.

The people have trusted me in ever-increasing, overwhelming majorities for 10 years, and I would fail in respect to myself and to my people and to my God, if I shirked this disagreeable, dangerous, unwelcome, imminent, and imperative duty of exposing to the people of Minnesota the long, grisly fingers that are reaching in to control their national politics.

A Congressman holds the power of attorney to represent his State and country, and it is not only his province to transact the legislative business of his State but it is also his duty to warn the voters of impending dangers and to do what he can to thwart the ulterior motives of selfish interests who seek to turn the ends of government to their private profit.

Neither party nor locality should warp his judgment when the great principles or safety of his country and its Constitution are at stake.

The problem of the endurance of our Republic is the problem not only of having all the people understand the questions upon which legislation is proposed but of the underground wires that lead to the election of men that must decide these questions, and in order that all the people might have the fullest opportunity to know what was going on in their Gov-

ernment or what schemes were being concocted to thwart good government Congress has very wisely provided what is known as the franking privilege, by which system any public document, letter, or information pertaining in any way to the business of the Government or to the exposure of plots against its security or unhampered functioning can be mailed free to any citizen throughout the country.

Congress has also gone to the extreme, and rightly, in minimum rates to the newspapers that the fullest privilege of free speech and free press may be preserved. The safety of our Republic rests upon our free institutions, unhampered information, and our public schools, from whose towers the Stars and Stripes tell in what a spirit are reared our coming men.

The franking privilege is one of the bulwarks of the people's liberties, upon which the foundation of our Republic must stand, for it is upon the education and understanding of our people that our republican institutions must rely for their perpetuation.

Every citizen has a right to know what laws are proposed, what are enacted, what are defeated, the attitude of the Congressmen or public officials upon each of these, and their reasons for or against them, and they also have a right to the vision and experience of their paid public servants. A Congressman who fails to call a warning to the aggregate of citizens in danger is as negligent as one who would fail to warn an individual in immediate peril. The franking privilege is expressly given the people, and it is the Congressman's duty, through his frank, to see that the people are informed as to the public business, and the closer he keeps in touch with them the more efficient and democratic will be his vote.

Newspapers can not and do not give full and definite information, and it can not be expected of them, for they are run for gain, and often the policy of a paper is a considerable source of income.

Often the apparent information is a plain matter of business, and there is no animosity intended to be conveyed by this statement.

No doubt the mailing privilege given to the newspapers is often abused. But the evil is so far outweighed by its necessity and benefit that the privilege should remain a lasting institution.

Too often one privilege in the interests of the people tries to get rid of another. The franking privilege is a thorn in the side of false molders of public opinion, and their attempt to drag it down should be met by understanding on the part of the people.

Without the franking privilege there will be no chance to counteract the contagion of misinformation, and public representatives would dwindle to trembling weaklings, shrinking and subservient to the swish of the whip of the interest-owned press. I hope the day may never come that honest public officials will thus be driven from the country's council, deprived by the destruction of this institution of self-defense for their public acts, and denied the opportunity of exposing to the public plots and schemes and plans of unpatriotic, selfish cliques and gangs, to control or mislead public opinion, to destroy the people's champions, and place the power of government in the hands of their tools.

The common people are the Government; the office of Congressman is their gift and they have a right to any information their public servants possess. The frank is meant to be used as an avenue to get to the people the truth, for truth will make them free and enable them to distinguish between friend and foe.

How often in the interest-owned newspapers, whose mailing privilege amounts almost to a frank, do we read, "Petty graft, which indicates the user is not the type of man the people want at Washington. Size him up. Recall that you as a taxpayer are paying the postage on the letter. A good way to show your contempt * * * is at the polls." "Cheap economy, if a man's conscience will allow him to use it." "Hundreds of thousands of dollars extorted annually from the taxpayers for paper and printing of the belchings of our Congressmen."

The writers of such as the above are either ignorant or malicious, for the Congressman must pay for paper, printing, and addressing, exactly as must the newspapers; and the postal organization and carrying facilities are permanent institutions. The expense per month is the same, whether or not a frank is included, and hence no extra cost comes on the taxpayers. The law is that—

The CONGRESSIONAL RECORD or any part thereof or speeches therein may be carried free.

Citizens have the right to secure their information concerning their Government straight from the men they send to represent them. The office of Congressman ought to reap as much public confidence as the bought-and-paid-for opinions of hireling editors of a newspaper.

If the occasional franking of a public document "extorts hundreds of thousands of dollars annually from the taxpayers," what must be the toll on the taxpayers for the mailing privilege given the newspapers?

Because of these unwarranted and vicious attacks some Congressmen are intimidated, and the people are thereby deprived of information concerning their Government.

The Backus-Brooks crowd not only hold a strangling grip upon Minnesota's financial resources but their ramifications extend into Canada, and are therefore international. A few years since, as a short cut to control of the Ontario government they put over the Farmer-Labor ticket for the purpose of securing great concessions in timber and water power. They have not been negligent in seeking to grab control of such a movement in Minnesota. They are vitally interested in the international-boundary-waters treaty between Canada and the United States. They have for years, regardless of anyone's rights, been pursuing a ruthless course in the construction of water-power dams. This high-handed policy has caused overflow damages for which they are absolutely liable under the law. The State of Minnesota alone has a claim of over a million dollars against them and the claims for destruction of private property will amount to far over another million. So besides being interested in water power they are interested in saving the millions of dollars damages from which there is no avenue of escape unless they can get into the pending treaty between the United States and Canada the proper water levels which will throw the liability for such damages upon the Government of the United States, and the United States Senate must confirm all treaties.

Then too, there is a little matter of several millions of dollars of income taxes due to the Government of the United States, which the Backus-Brooks Co. are vitally interested in escaping. I have introduced House Resolution 301 to investigate this tax steal, and in case I am the Republican candidate for the United States Senate I want it understood that I am in no way connected with this boodling reactionary gang, and if I am elected to the United States Senate I shall be as free as I have been during my 10 years' service in the House. No clique, gang, corporation, organization, or person has a 5-cent piece invested in the office I hold, and if elected to the leadership of the National Republican ticket in Minnesota I shall guide it so that the citizens of my State will not have to hold their noses when they vote the Republican ticket.

The natural inclination of the voters of Minnesota is Republican and it is only because individual Republicans have failed to measure up that it is not in the Republican ranks to-day.

The Democratic Party on account of its traditions and sectionalism is not serviceable to the people of the Northwest. The Republican Party is the best instrument through which the people of my State can arrive at much-needed results. In the State of Minnesota, where we have wide-open primaries, the people can make of any party what they will; if they will only get out in the primaries and nominate the right individuals for upon the nomination depends the control, for wrong men will make a wrong party.

The Government has filed liens for the years 1917 and 1918 upon the Backus-Brooks property for back taxes due to the amount of $1,353,372.15. The Government does not file such liens unless there is good reason to believe that statement and affidavits in reference thereto have, to say the least, not been frank. The Government action covers only 1917 and 1918, leaving the taxes for the last five years unpaid. The figures for these years are unavailable but probably increase the sum by $4,000,000. The taxes for which the Government has filed liens should have been paid six years ago. During these six years the company has saved the interest on $1,353,372.15 or about $80,000 each year. This makes approximately half a million interest saved on 1917 and 1918 taxes alone. If the Backus-Brooks Co. should finally pay the full amount claimed by the Government the delay which they have engineered would save it at least a million in interest alone.

It is of vital importance to the people of Minnesota to know how these large concerns manipulate to delay payment and how very important to such business interests it is to have influence at Washington and makes it entirely clear that they are prejudiced against men who regard the peoples' rights

as sacred. I would like to go into how they have for years manipulated our State politics, but it is a long story and I think I had better confine myself to their devious trail in the national end of it. State Senator William F. Brooks is junior partner of the firm of Backus-Brooks & Co. He is the author of the Brooks bill in the State of Minnesota which made two classes of dollars, the one belonging to the special interests which could do no wrong and which could not fail to draw its profit, and the dollar of the ordinary fellow, which must take its chance in commerce.

Bill Brooks is now on his way to be Republican national committeeman of the State of Minnesota, and unless public opinion stops him he will be so elected at the Cleveland convention, for he already has in his pocket 16 votes of the 27 delegates from Minnesota. Why is he so anxious to be national committeeman? Because if things go as this old reactionary gang has planned them he will practically be the United States Senator, for the Farmer-Labor candidate will be without the pale of the Republican administration and can "but peep to what he would," and the national patronage of the State, together with other tremendous influences, will be solely within the hands of the national committeeman. This is a condition that would exactly suit these selfish interests. And this is the condition for which they have set the political stage in Minnesota.

Ever since the special election last July this outfit has been studiously circulating, by mouth and through the press, that it was impossible to elect a Republican Senator; that it was a forlorn hope and that they better nominate some good old stand-pat reactionary and go down with colors flying; that, anyway, whoever received the nomination would only be a sacrifice. That they better have things as they are and bear the ills they have than flee to others that they wot not of, and to this end a campaign of publicity, the most extensive the State has ever seen, a continuous stream of special articles, accompanied by large photographic display, was pulled off in the hopes that it would scare away anyone of dimensions, or well known enough to win, or with sagacity enough to understand their game. But looking over the senatorial situation in the last few weeks, despite all this extensive and expensive propaganda, they decided that the Republican field contained men who might win, and one of them, at least, understood their sinister plans.

It was high time to trot out somebody with whom they could secure the nomination, for once their man was nominated they could go home and go to sleep, and this would evidently be the cheapest and best finesse to play absolutely safe. So they cast about for somebody who would best serve their purpose. They finally settled upon a man named Ole. They did not like the name of Oscar or Tom. They knew about Ole, for they observed him while he was in the State senate and saw that his record was thoroughly inconsistent and that he constantly voted in opposite directions upon the same questions presented at different times, so that he would be perfectly available to be anything to anybody, for they could use the vote that fit the case. They saw, however, that his record for prohibition was constant, and, they said, with that record they could by proper influence get the Anti-Saloon League out with hammer and tongs for him. It would not matter that both of his opponents were right on this question, for right has no prestige in their lexicon. They knew with plenty of grease it could be put over. They also saw that he had voted and spoken to memorialize Congress to pass the nineteenth amendment for woman suffrage. It did not matter if one of his opponents had voted for that amendment in Congress, for with plenty of dust they could make the shadow outshine the substance, and, they calculated, with his record and plenty of money, they could organize women's clubs throughout the State in his behalf and put thousands of innocent workers to pulling their chestnuts out of the fire.

They have women already on their pay roll whom they have purposely made prominent through persistent advertising. These they are sending throughout the State to organize the women. Then, too, he is a farmer, "and," they reason, "we can work that on the farmer end of the Republican vote."

"But," said one of the less zealous, "this man Ole is the fellow that we got to sign that pamphlet we circulated against the Nonpartisan League four years ago, when we were so afraid of them that we spent one-half million dollars to lick them." "Well, that will only be an asset so far as the Republican nomination is concerned, and that's all we are interested in, and it will insure his defeat for the election and thus leave Bill in reality our Senator. Yes, everything considered, he is absolutely the best man for the Republican nomination, and we can well afford to raise $100,000 for his campaign," which amount was pledged a few days ago at a Minneapolis gathering of big financial interests.

"But," one of the cautious suggests, "this blind guy is onto us and is exposing us in his speeches." "He can not get very far. We can block all avenues for his getting over anything. We have kept him pretty well corked up during his 10 years' service. No one outside his own district knows anything about him. He has no organization; no money with which to make a State-wide campaign. We will see to it that he does not get any. We will destroy the confidence of his friends by propaganda that he is going to run a poor third. If we can beat him now we are through with him forever."

"But," the cautious one ventures, "out of a field of nine State-wide prominent men, his mere name, without even getting a statement of his candidacy in the papers at last special election, brought him within a few hundred votes of second place against a well-known State official who spent over $100,000 and who was completely organized throughout the State."

"Well, that was a fluke, because there were so many strong candidates in the field. He's little known. We must see to it that he remains unknown. Besides, this nomination comes off June 16, and he'll have to remain in Washington, so he won't be able to reach the people of the State."

"But," the wary one suggests, "he may use the privilege of the frank to get his speeches out and thus become enough known to secure that nomination; and if he does he'll be elected, because between June 16 and November he'll have plenty of time to cover the State, and he's a regular hog for speech making. He'll have over 130 days in which to make speeches. We can't with profit attack his record in any spot. He's offering $1,000 reward, sufficient amount to warrant anyone looking it up, to anyone who can point out one place in his record where he has ever voted against labor or the farmer, or has failed to champion the cause of the common folks in his entire 10 years' service. That sort of 100 per cent labor record, if it becomes known, compared with one who voted 23 times against labor, will get him the labor vote, and without the labor vote we can't hope to win. Then, too, when you place this 100 per cent farm record against a man who claims to specially represent and champion the farmer, yet who twice voted against reducing the maximum rate of interest from 10 per cent to 8 per cent, and let this record become known to the farmer, and you can see where we'll come out.

"You let this man get out to the State and show up the negligible record in the interest of the farmer of the highly advertised champion of the farm interests, and I tell you there's nothing to it but defeat, and our Bill will lose his senatorial prerogatives and we'll be out of luck."

"Well, we must leave no stone unturned to defeat him for the nomination, and Ole is our best bet, and we must do for him everything we can. We mustn't overlook spiking the blind boy's guns on the franking proposition. We must see to it at once that our newspaper fraternity come out stronger on the well-known old chorus of antifranking stuff. We've already had our newspapers do some work along the line of attempting to connect him with the Shevlin Lumber Co. and advertise him as their man Friday."

"But," suggested cautious, "you know that the Shevlin Co. were opposed to him and dumped thousands of dollars into campaigns against him, and there's not one place in his record where we could by any stretch of the imagination connect him up."

"That doesn't make any difference. His small trickle of truth can't compare with our Niagara of accusations. Besides, he won't deny that Andy Rahn is his friend, and you know and everybody knows that Andy is connected with the Shevlin outfit. We might catch him on that, for he never denies a friend, and I have heard him in speeches state that Andy Rahn was his friend and that he and Andy were kids together and shined shoes on the streets of Minneapolis. That Andy had gone his way, devoting his tremendous energies to business, while he had chosen the profession of law."

"But the people don't know it. We'll connect him up all right, and show this holier than thou people's man that the crowd who has for years controlled Minnesota's politics can not be outdone by an insignificant blind upstart."

"But what are we going to do about his soldier record? He's not only voted five times for soldiers' adjusted compensation, but is one of the foremost in Congress in advocacy of soldier legislation and the ex-service men know him as their friend." "We'll counteract that by organization, for I tell you its organization, not records, that counts at election. We'll instruct our clever writers to lambast him as a radical, a progressive, an independent, and a Democrat, for he seems to stand well with the leading Democrats of the Nation. Late Speaker

Champ Clark said, 'SCHALL is able, fearless, and a cracking good speaker,' and former Democratic Floor Leader Claude Kitchin said, 'TOM SCHALL has made good. He enjoys the esteem and confidence of the entire membership, regardless of party. He is one of the most eloquent and attractive speakers in the House.'

"You know it was SCHALL'S vote at the beginning of the war Congress, which was so evenly divided, that organized the House for the Democrats, and even though it was the only thing for a courageous man to do, for if he hadn't done it the House might have been held up for weeks or months, as it had been on other occasions when the vote was so equally divided, and yet we can turn it against him. Yes; it's true, the Senate and the President were Democratic and the President should have at such times full control. Yet the people will have forgotten all about that and it will be a proof in our claim that he is no Republican.

"But," says the wary one, "how are you going to get away with that no-Republican stuff, since he has been a member of the Rules Committee of the House for four terms, and elected to that most powerful committee of the House by the Republican Members? And this is the only political committee in the House, for it's the nozzle through which legislation gets before the House, and must be in close touch with the administration, for it's through this committee its policies must be worked into legislation. That he is one of eight Republican members, elected by the Republicans of the Nation, is indisputable evidence that he is considered a good Republican by the Nation's Republicans, and I don't see how we're going to make it stick that he's no Republican if the truth is put over to the people."

"Well, my dear man, that's just what we're not going to let go over to the people. We've got him stamped as a wild man, an opportunist, and a dangerous radical, and we're going to see to it that this reputation sticks and it ought to stick, for he's the man, as a member of the Rules Committee, that had so much to do with defeating our sedition bill after we'd taken so much trouble to get it passed in the Senate. For if he hadn't made such a stand before the Rules Committee it would have come before the House, and the House in its war fever would have passed it, and we'd have had to-day a sedition bill that would have absolutely protected us in our business enterprises, for it would have hung such radicals as dare advocate a change in our Government or criticise our public officials. He's one of those crazy fools who insist that property should stand its share of war taxes and attempts to prove it by such silly rot as this: 'The man who has a billion has had the protection of that billion, and he should pay a just tax in proportion. He draws for the protection of his property against the combined efforts of the entire Army and Navy, and in proportion to such protection it is just that he pay.'

"It's fellows like him that give us all our trouble in Washington and they must be rooted out. We don't want investigations. We don't like investigations. It's such investigations that have kicked up all this trouble in the Nation. Anyone who starts investigations is surely a radical. We can't afford to have hounds like that around, setting their teeth into us. We need men to protect our interests, not expose us. We're the backbone of the country. The natural resources of the country belong to us. We ought to have them, nor be hampered in our great work of development by fool conservationists and their tiresome investigations." "Yes; that's all very true, but how are you going to substantiate your newspaper charge of radicalism and unfitness when a patriot like ex-President Roosevelt says he believes in TOM SCHALL with all his heart?" "Oh, that demagogue. He never was right." "Well, here's Jim Mann, late leader of the House, whom no one will question as a good Republican, who said, 'Masterful, sincere, very eloquent speaker, always listened to with great interest in the House,' and Mondell, a Republican floor leader, who says, 'We of the House owe a debt of gratitude to our colleague SCHALL for the example he has set us of cheerful, helpful, efficient service. If Mr. SCHALL had two good eyes he could not be more efficient in the discharge of his duties'; and here's Congressman MADDEN, a good Republican, chairman of the great Appropriations Committee, who said, 'I have watched his activities with deep interest. I have been charmed with the force with which he has presented questions to the House. I have listened with interest to his speeches from time to time and unquestionably pronounce him one of the most forceful speakers it has been my privilege to know. I congratulate the district that sent him here on the wisdom of its choice.' And here is a good Republican, United States Senator S. D. FESS, who served with him for years on the Rules Committee when he was in the House, 'Mr. SCHALL'S high recognition among his colleagues is not due to a sense of pity, but because his ability, his industry, his devotion to his cause in public service, his constancy on the job, have impressed his personality upon each Member'; and here's Senator HIRAM JOHNSON, who says, 'SCHALL is a fighter, fearless, honest, able, eloquent.'

"And here's Rev. James Montgomery, formerly pastor of Wesley Methodist Church in Minneapolis, known throughout our State as a good Republican, now Chaplain of the House of Representatives, who says, 'A careful, painstaking, and conscientious representative of the people.' And here's a railroad man, W. N. Doak, vice president of the Brotherhood of Railroad Trainmen, who says, 'SCHALL'S record is 100 per cent for labor.' And here's Frank Morrison, secretary of the American Federation of Labor, who says, 'He has always championed by voice and vote the interests of labor.'" "Well, that's a strong array of witnesses to go up against, but he can not get that over to the State, for the State's a mighty big place, and we know he has no money, and we'll see to it that he doesn't get newspaper space." "But he might use his frank." "Well, he can't get very far, even if he does. It's a mighty expensive job to get the addresses of the voters of the State and the few he would reach wouldn't be a patch. Besides, our newspapers will in any locality he might impress so damn the frank that it will destroy its effect, and we must see to it that he is thoroughly advertised as totally blind. He can't deny this. And that fact alone should, in the minds of the people, make him unfit for the job, and we can by proper advertisement make him ridiculous through the claim that he is working the sympathy racket." "But you can't get that over. SCHALL for years made his living, and a good living, practicing law though totally blind, and has for 10 years, among the best ability and best brains in the country, held an enviable place in Congress; those 10 years, most strenuous years in our country's history, have given rise to many great international problems as well as domestic ones which must be settled in the next few years and the experience he has gleaned during this time fits him as no other candidate running for that great office. I fear we should have chosen some one, if we expect to beat him, who has had national experience, for his national experience will be his greatest appeal for that greatest office in the gift of the people."

In exposing this public wrong, I wish to point out that the private injury to me of unjust, high-handed, unsportsmanlike, little, petty, unfair, lying propaganda is only incidental to the removal of obstacles in the path of their plot. And in the service of the people it becomes my official duty to point out, much against my personal inclinations, the falsity of such accusations. I have only used such means as the law permits to uncover their selfishness, show them forth in the nakedness of their ugly truth, to the end that the people of Minnesota might know their enemies and thus be armed with information they can easily verify and by the simple process of adding two and two together draw their own conclusions.

POSTAL EMPLOYEES

Mr. SCHALL. Mr. Speaker, the railway mail clerk, the custodian service, the third and fourth class postmaster, the city and rural carrier, the postal employees in general, all good and faithful servants, are scandalously underpaid. At a time when all other labor wage was on the upgrade theirs stood at a standstill, though the need for the increase was proven.

I heard a postal employee in Minnesota say, "It isn't a question any more of saving but of which bills to pay and which to let go another month." The movement to grant the postal employee salary adequate to the trust reposed in him has almost unanimous backing of the people of the United States who feel that our Government is not indigent. We are more absolutely solvent than any other country on the globe. The people who are back of this Government do not want, do not ask, faithful service that is insufficiently recompensed. Men in the Postal Service merit the recognition this bill gives. Their responsibility is great. The least inefficiency is visited with dismissal. Only gilt-edged service is accepted. The man who delivers in city and country, the man who sorts on railroad trains, the night and day clerks in post-office stations represent skilled labor, trained in speed and accuracy, in memory and in judgment, in courtesy and efficiency. They must be employees capable of a high grade of work. They deserve and must have adequate compensation for the invaluable service they render so uncomplainingly. They need this helping hand and need it badly.

It will be impossible for the service to be maintained at its present degree of excellence if these men are not at least granted a living wage. They can not continue to sacrifice their lives in toil which does not receive sufficient remuneration

for them to live decently and maintain their families like Americans. It will drive out these well-trained veterans. It will drain the service, built up through long years of training, of its best men. All classes, business, farmers, homes, recognize their dependence upon this service, and realize the importance of keeping it up to high efficiency. It takes time to develop a system, and it is the height of inefficiency to destroy by thoughtless improvidence. Their small salaries will not expand to meet the continued upcurve of the cost of living. This very increase only failed to pass four years ago because it was urged the cost of living was sure to decrease. It did not do so, and it is a question of raise their wages or lose them. They can not be blamed if they try to do for themselves what their Government is too indifferent or too penurious to do for them; $26.25 to $33.75 a week as a maximum is pretty shameful in comparison with other lines of industry. These increases are recommended by the House Post Office Committee experts.

In my State there are three months of every year when motors can not be used on the rural-delivery routes. This necessitates the carrier having both motor and horse equipment. There is no extra allowance for upkeep and this extra burden has to be borne by the carrier. Gas and oil and feed have gone up and parts have increased in cost until the cost of maintaining the necessary vehicles runs around eight to nine hundred a year, according to a questionnaire conducted by the R. F. D. News. In other parts of the country where one style of vehicle does for the year, the cost does not run so high, but the vehicle allowance is desperately needed by all. Even where the cost falls to the average of $638 a year, this leaves the average net salary $1,192. This is a meager sum on which to take care of a family. There you have the reason why so many postal employees try to get part-time work. They are forced to it.

The postmaster in Boston, after investigation, found that the average cost of living of a family of four was $46.86 a week. Not a lavish allowance, either. The present weekly wage of the post-office employee, after he pays into the retiring fund, runs to $33.75. So that is why there are so many postal employees leaving a service which rewards them with a deficit after each pay day.

Adjustments are necessary in wage scale of men and women in custodian service, such as janitors, firemen, watchmen, elevator men, and engineers in the employment of the United States Government.

These Federal employees feel that they are being discriminated against. Their basic pay is only $65 per month plus the $20 bonus, making a total of $85 a month. City and county employees average $100 to $125 per month, with better conditions than in the Federal service.

The custodian service employees work eight hours a day and all day Saturday, excepting from June 15 to September 15, while city, county, and State employees work but seven hours a day and have Saturday afternoons off the year around.

The custodian service is allowed but 10 days sick leave a year; other departments of the Government under civil service are allowed from 15 to 30 days sick leave. Custodian service is allowed 15 days annual leave with pay; other departments, 30 days annual leave with pay.

There is no question but what this branch of Federal employees under civil service is discriminated against, and the Federal employees' unions all over the country are to-day crying for the adjustment of conditions which will permit them to meet the standard of living that is to-day demanded by the ordinary folk. This discrimination is well known to the authorities, and for a number of years they have been promised relief and adjustment of their pay which would permit them to meet the conditions that now exist.

It is all very fine to make compliments and call them high-sounding epithets, but the thing that counts in this world is the reward you are willing to give, the real cash you will devote to making good your fine phrases.

If you have noted the growth of the Postal Service, you will see that it has even been the effort of all, from top to bottom, to better the service, to increase its speed and efficiency, to make it more prompt. Every energy has been bent to improve it. The men are constantly trying out new methods. The business has been increasing all the time; the pay should increase with the quality of the service. It is incumbent upon us to relieve the pinch of distress, correct the injustice, and grant the long-deserved increase of salary to the hard-worked and faithful, honest, loyal postal employees.

ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 694. An act to amend an act entitled "An act for the relief of the Saginaw, Swan Creek, and Black River Band of Chippewa Indians in the State of Michigan, and for other purposes," approved June 25, 1910;

H. R. 837. An act to exempt from taxation certain property of the Daughters of the American Revolution in Washington, D. C.;

H. R. 1629. An act authorizing the removal of the restrictions from 40 acres of the allotment of Isaac Jack, a Seneca Indian, and for other purposes;

H. R. 2498. An act for the relief of the East LaHave Transportation Co. (Ltd.), owner, A. Picard & Co., owner of cargo, and George H. Corkum, Leopold S. Conrad, Wilson Zinck, Freeman Beck, Sidney Knickle, and Norman E. LeGay, crew, of the schooner *Con Rein*, sunk by the United States submarine *K-4*;

H. R. 2665. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River in the vicinity of One hundred and thirty-fourth Street, in the city of Chicago, county of Cook, State of Illinois;

H. R. 2881. An act to compensate three Comanche Indians of the Kiowa Reservation;

H. R. 2887. An act to authorize the extension of the period of restriction against alienation on the homestead allotments made to members of the Kansas or Kaw Tribe of Indians in Oklahoma;

H. R. 3183. An act for the relief of Rush O. Fellows;

H. R. 3800. An act to cancel an allotment of land made to Mary Crane, or Ho-tah-kah-win-kaw, a deceased Indian, embracing land within the Winnebago Indian Reservation in Nebraska;

H. R. 3900. An act to cancel two allotments made to Richard Bell, deceased, embracing land within the Round Valley Indian Reservation in California;

H. R. 4122. An act to amend an act entitled "An act to revive, with amendments, an act to incorporate the Medical Society of the District of Columbia," approved July 7, 1838, as amended;

H. R. 4200. An act to provide for the cleaning of the exterior of the post-office building at Cincinnati, Ohio;

H. R. 4462. An act to amend an act entitled "An act authorizing the payment of the Choctaw and Chickasaw town-site fund, and for other purposes";

H. R. 4494. An act authorizing extensions of time for the payment of purchase money due under certain homestead entries and Government land purchases within the Fort Berthold Indian Reservation, N. Dak.;

H. R. 4647. An act for the relief of the Underwood Typewriter Co. and Frank P. Trott;

H. R. 5808. An act for the relief of Edward T. Williams;

H. R. 6012. An act to confer jurisdiction upon the Court of Claims to ascertain the cost to the Southern Pacific Co., a corporation, and the amounts expended by it from December 1, 1906, to November 30, 1907, in closing and controlling the break in the Colorado River, and to render judgment therefor, as herein provided;

H. R. 6059. An act authorizing the conveyance to the city of Washington, Mo., of 10 feet of the Federal building site in said city for the extension of the existing public alley through the entire block from Oak to Lafayette Streets;

H. R. 6298. An act to authorize the leasing for oil and gas mining purposes of unallotted lands on Indian reservations affected by the proviso to section 3 of the act of February 28, 1891;

H. R. 6810. An act granting the consent of Congress to the Millersburg & Liverpool Bridge Corporation, and its successors, to construct a bridge across the Susquehanna River, at Millersburg, Pa.;

H. R. 7063. An act granting the consent of Congress to the State of Illinois and the State of Iowa, or either of them, to construct a bridge across the Mississippi River connecting the county of Carroll, Ill., and the county of Jackson, Iowa;

H. R. 7846. An act to extend the time for the construction of a bridge across the North Branch of the Susquehanna River from the city of Wilkes-Barre to the borough of Dorranceton, Pa.;

H. R. 7913. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Creek Indians may have against the United States, and for other purposes;

H. R. 8229. An act granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River;

H. R. 8304. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet

River at or near One hundredth Street, in the city of Chicago, County of Cook, State of Illinois;

S. 105. An act for the relief of Arthur Frost;

S. 129. An act for the relief of the William D. Mullen Co.;

S. 130. An act for the relief of George T. Tobin & Son;

S. 210. An act for the relief of Peter C. Keegan, and others;

S. 589. An act for the relief of James Moran;

S. 1572. An act for the relief of the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J.; and

S. 1638. An act granting permission to Commander Dorr F. Tozier, United States Coast Guard, retired, to accept a gift from the King of Great Britain.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that on May 17, 1924, they had presented to the President of the United States, for his approval, the following bills:

H. R. 3684. An act for the enrollment and allotment of members of the Lac du Flambeau Band of Lake Superior Chippewas, in the State of Wisconsin, and for other purposes;

H. R. 7995. An act to limit the immigration of aliens into the United States, and for other purposes; and

H. R. 7962. An act to extend for the period of one year the provisions of Title II of the food control and the District of Columbia rent act, approved October 22, 1919, as amended.

ORDER OF BUSINESS

Mr. BARKLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BARKLEY. If the House adjourns now, will the bill which has been under consideration to-day remain the unfinished business on the 2d of June, as it was to-day?

The SPEAKER. It will, in the opinion of the Chair.

PUBLIC OWNERSHIP—A PUBLIC BENEFIT

Mr. BERGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the railroad bill.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent to extend his remarks in the RECORD on the railroad bill. Is there objection? [After a pause.] The Chair hears none.

Mr. BERGER. Mr. Speaker and gentlemen, the argument for public ownership of all railroads, canals, and other highways as the ultimate solution of the railroad problem is so strong that it has won over nearly the whole world—outside of the United States.

Railroads and all public highways are performing a public service. Public service necessarily must be for public benefit.

It is in the nature of private ownership and private operation to obtain private profit, however, and to subordinate the benefit to private profit whenever the two conflict.

PRIVATE OWNERSHIP OF PUBLIC UTILITIES A DANGER

Therefore, it is an economic blunder and an abuse of governmental power to put into the hands of a small portion of the people the highways of the country.

It is also unnecessary to prove the great danger that the nation is subjected to by the struggles between the owners of the railroads and their employees as long as the railroads remain in private hands. So long as it is a question of private profits on one hand and better wages on the other we are bound to have trouble.

Private ownership is so inefficient that the Government had to take control of the railroads during the war in order to be able to make any use of them at all.

WE HAD PRIVATE OWNERSHIP DURING THE WAR

The claim that during the war we had Government ownership of railroads is nonsense. We did not have Government ownership during the war. We had private ownership under Government control. The railroads were so run down in every respect—especially as to roadbeds and rolling stock—that the war would have been lost had the Government not stepped in.

The Government was compelled to put in a lot of money to repair the railroads. This cost the Government about a billion and a half dollars.

And on top of this the Government guaranteed the private owners of the railroads their profits. This in the case of some of the companies ran up as high as 647 per cent—at least, in the case of one railroad. However, even the larger railroads got profits that ran as high as 45 per cent annually during Federal control.

The New York Central gathered in only 12.96 per cent, while the Chicago & Lake Erie Railroad Co. received a profit of 70.45 per cent.

Not much Government ownership about this.

RAILROADS OWNED THE GOVERNMENT

And when the time came for turning back the roads the Government agreed to continue the payment of these unprecedented profits for six months after they were back in the hands of the private owners.

Instead of Government ownership of the railroads during the war we had really private ownership of the Government by the railroads.

DISCREDITED NATIONAL OWNERSHIP

But what did the railroad managers do?

While they were undoubtedly glad enough that the Government did all this for them, they did not intend to lose their graft. Therefore they instructed their conductors and railroad employees to blame all the troubles and shortcomings—which, of course, were many, because they were inherited from the past—on Government control. They got busy in advance to discredit any possible demand for national ownership.

COMPETITION ABSOLUTE FAILURE

Besides being inefficient, however, private ownership of public utilities is one of the worst corrupting influences in our public life. The railroad corporations have always tried to influence Congress and State legislatures by all means, fair and foul.

And as to competition being the life of trade, surely competition among the railroads has failed to protect the public interest and even the interests of the railroads.

While competition may have enabled a few big shippers occasionally to play one road against another where more than one road entered the same locality, competition has also wasted a great amount of capital. Result? Consolidation under one control has gone a long way to remove the waste of competition. The original 5,000 companies have dwindled to about 500. And even these are greatly massed in six great systems with many interlocking directorates.

REGULATION LEADS TO CORRUPTION

Regulation has failed also. Rate regulation has made railroad rates in America higher instead of lower. It is simply impossible to regulate other people's property.

Regulation also leads to more corruption. The public-utility company which is to be regulated will either deceive the "regulators" or buy them up. That is the experience of every State that tried regulation.

What is said about the railroads holds good in every particular for the public ownership of the telegraph, cable, and telephone lines, and every other public utility.

The experience of other countries shows, practically without exception, that the rates in all branches of public service are lower and the service infinitely better under national ownership than they were there, and are here, under private ownership.

WASTING RESOURCES OF OUR NATION

This is the reason why I have also proposed the national ownership of all the natural resources—forests, mineral, coal and oil lands, and water powers—and reacquisition of such as were sold or turned over to private interests for private exploitation.

Of the many crimes of omission and commission with which the capitalist parties can be charged, the one involved in giving away and wasting the Nation's natural resources is the most flagrant and the most indefensible. It was a crime to permit that which was intended to belong to all the people to pass into the hands of a few, who have wasted it without the slightest concern for the well-being of the Nation in the future. They use the Nation's resources only to satisfy their own greed for profits.

MUST BE MANAGED BY NATION

The abolition of the private ownership of the natural resources will restore to the people what is left of them, and it will also do away with one of the most prolific sources of corruption and graft known to American political life.

The Ballinger scandal of some years ago and the Teapot Dome and Doheny affairs of to-day are only a few of the known instances of what private interests will do to obtain control of the natural resources.

The Federal Government must own and manage the Nation's resources. The question is too important to be solved by each of the 48 individual States, and it would be impracticable to leave it to the States for the additional reason that these resources often run across boundary lines.

Moreover, the Government could manage them more efficiently and economically by controlling both extension, exploitation, and output, according to the needs of the whole Nation.

SOME RESULTS OF PRIVATE ENTERPRISE

The blessings of private ownership of public utilities we have witnessed not only in the days of the great land grants to the railroads—and later when our immense and wonderful forests were practically despoiled and denuded for the private profits of some lumber kings—but more so recently in the oil scandals.

Some years ago our Government, in a lucid moment, tried to reserve some oil lands for the use of the American Navy. This was not to the liking of our oil magnates, of course. They would not have the Nation own anything if they could have their way. They prefer to have all natural wealth and all the natural resources in the hands of a few big financial pirates and trustocrats.

These Government oil lands had been protected by legislation, and were under the control of the Navy Department.

THE "OHIO GANG"

In 1920 the Democratic Party was overthrown by an unprecedented majority, because it had gotten our country into the war and had inaugurated an era of unparalleled profiteering.

The Republican Party that came into power was dominated by a small but very powerful reactionary clique of standpatters from the Middle West. This group of corrupt politicians later on got the name of the "Ohio gang," and succeeded in nominating President Harding.

Even before the Republicans got into power the oil magnates, with the help of the Democrats, passed a law which made possible the transfer of these oil reserves to private parties under permanent lease.

PAID TO FUNDS OF BOTH PARTIES

And since the oil magnate, Doheny, paid $75,000 to the Democratic campaign fund, and the oil magnate, Sinclair, a similar sum to the Republican fund—and both of them contributed smaller amounts to the opposite parties—they insisted upon their reward after Harding had been elected.

This was easily accomplished by Mr. Harding signing an Executive order based upon the law that had been passed by the Democratic Party in 1920. The oil reserves were transferred from the Navy Department to the Interior Department. A contract was signed with these "big business men" by which the Government was to get six barrels out of every hundred yielded by the Government reserves.

It is unnecessary to go into the details.

BOUGHT UP CABINET MEMBERS OF TWO PRESIDENTS

We all know that Mr. Fall, the Secretary of the Interior, received from Mr. Doheny "a suitcase full of cash"—containing $100,000—as his share for transferring oil lands. One of these leases was worth, according to the testimony offered by Mr. Sinclair, more than $100,000,000. Mr. Sinclair paid $25,000 to Mr. Fall for the right of grabbing oil lands.

The beauties of private ownership are furthermore illustrated by the fact that the oil interests engaged the "services" of no less than five members of the Wilson Cabinet at immense salaries. Mr. McAdoo, for instance, received $50,000 annually, and the others similar sums as their "attorneys" while Woodrow Wilson was President.

No wonder Mr. McAdoo was accused in the Senate of "practicing son-in-law" instead of practicing law.

THEY SIMPLY WANT THEIR SHARE

Corruption of that kind will always be rampant in our Government, however, and can not be avoided so long as private graft can be gotten out of the public domain.

It is simply the application of the business principle to politics. Our big politicians are usually shrewd lawyers or "big business men" themselves. And realizing the immense profit that can be made by speculators and profiteers, the politicians insist on getting their share.

Is it surprising when Sinclair himself admitted on the witness stand that he expected to make $100,000,000 out of the oil lease for which Albert Fall wanted $25,000 as a tip? Fall's modesty is rather astonishing. The Doheny lease was supposed to be worth $500,000,000—Mr. Fall got only $100,000 as his share, as far as we know.

PUTTING THE "PAY" INTO "PAYTRIOTISM"

Not only does the transfer of the oil leases vividly illustrate the corruption to which private exploitation of the Nation's resources inevitably leads, but it also reveals the readiness with which "big business" and old party "patriots" will weaken the national defense whenever they can make some graft.

These oil reserves were considered essential if the Navy was to be properly equipped and prepared for an emergency. In giving them away the Navy was endangered, but that did not seem to make any difference to those who put the "pay" in "paytriotism."

PUBLIC OWNERSHIP FREE FROM SCANDALS

Had the oil lands been kept as a naval reserve, as they were intended to be kept, there would have been no bribery and no scandal.

Under public ownership there is occasionally a case of small graft or nepotism in the appointment of officeholders.

But, on the whole, public ownership, whether it be the Post Office Department—a national affair—or a public-school system or a waterworks, which are municipal institutions, is free from any scandal or graft on any large scale.

Even the prohibition bureau and our Department of Justice is only corrupt and full of graft whenever it comes in conflict with private profit and private gain.

PALMER AND DAUGHERTY

Thus the Department of Justice, both under Palmer and Daugherty, was linked with all kinds of graft on account of private profiteering.

During the war, under Palmer's administration, our Government confiscated many valuable German patents; for instance, the Bosch magneto patents and also patents pertaining to the manufacture of dyes. "Patriotic" profiteers saw a good chance there to grab millions, and they did so with the connivance of some of the highest officials of both parties.

THAT "SECRET SERVICE"

The same thing happened under Daugherty, who proved to be a very prominent and influential member of the Ohio gang. Daugherty seemed to be in close connection with "bootleggers," especially through his friend Jesse Smith, and with "Remus, the bootleg king."

According to the testimony given by his friend and associate, William J. Burns, he even used the so-called Bureau of Investigation and the "secret service" with cool effrontery to raid offices of the Senators investigating him. He tried to "frame-up" stories on these Senators for the purpose "of getting something on them" in order that the inquiry might be stayed.

Incidentally, let me remark that the so-called secret service department has grown during the war and under A. Mitchell Palmer from a few special agents to a bureau requiring $2,500,000 a year, and manned with all kinds of shady characters, some of whom ought to be in prison.

THE PRESS AND THE GRAFT INVESTIGATION

But the most deplorable fact about the entire situation is the state of our "public opinion," so called.

When the revelations were made nobody seemed to get excited about the methods of "big business"—about the bribery of the highest officials—or about the steals of both groups.

On the contrary, the capitalist news agencies and the big papers all over the country managed to tell the stories in such a manner that, if one was to judge from the newspapers, the sympathies of the people would be with the crooks. The tenor of most articles was decidedly hostile to those who tried to expose the thieves.

One got the impression that the big crooks were heroes, who were pounced upon by low-down common rascals, men and women who would have no standing in any court, but that riffraff was taken seriously and believed by those "peanut politicians" and muckrakers in the Senate.

ALL THE NEWS THAT IS FIT TO PRINT

Of course, the news agencies, and the big newspapers as well, are owned by big business and need not be told what to print and how to print it. They know by instinct "all the news that is fit to print."

But, alas, the city worker, the farmer, and the small business man have read these papers so long and have had their conscience so deadened by the war and by the era of profiteering that followed the war that they are also apt to pass over these thieveries with a shrug of their shoulders or with a cynical smile.

To judge from the capitalist press, it almost seemed to be a crime to uncover the criminals.

GRAFT INVESTIGATIONS INTERFERE WITH BUSINESS

We have all over the country the Rotarians, the Kiwanis, the Lions, and the other "go getters." Did a single one of these business organizations denounce Doheny or Sinclair or Fall or Daugherty or McAdoo?

Not one of them.

Several associations passed resolutions condemning the investigations as interfering with business; and Mr. Denby was even lionized in Detroit, Mich., the center of the automobile business.

And I am sorry to say that I did not see any labor union condemning these gentlemen—which shows that the psychology of the masses has become affected to no small degree.

MERCURY AND MAMMON

Truly Mercury—the god of commerce, and of the thieves in ancient Greece—is next to Mammon, the ruling deity to-day. I say is the ruling deity to-day—but do these people think of to-morrow? Are these big thieves and thievish-minded people realizing the fact that they are sowing dragon's teeth?

So far they do not seem to worry.

WOULD WELCOME A MUSSOLINI

And as a result of the revelations that have occurred during the present session of Congress, we only find that the big capitalists now are doing all they can to deprecate and ignore the legislative branch of the Government and to boost the executive and judicial branches.

Capitalist papers are telling continually of the low level to which Congress has fallen.

Why?

Because a few of the Senators have refused to stop the investigation which has disclosed such corruption.

Big business would just as soon do away with Congress entirely.

"High finance" now prefers the dictatorial method of government a la Mussolini—and would probably like to arrange for something of that kind with the help of the American Legion or the Ku-Klux Klan, if it could be done in our country.

GOVERNMENT BY BLACKMAIL

In short, private ownership of natural resources, while conducive to creating multimillionaires, undoubtedly leads to "government by blackmail."

And that is what we have had to no small extent in Washington during the last few years.

What is there to be done?

THERE IS ONLY ONE SOLUTION

Well, public ownership of public utilities and the removal of the temptations which lead to corruption is the only solution.

And therefore the only way to assure and secure the efficient management not only of the railroads but of all public utilities, and also to eradicate and avoid a great deal of corruption, is to make all public utilities (including the railroads) public property, and the managers the servants of the Nation.

ADJOURNMENT

Mr. BARKLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 17 minutes p. m.) the House adjourned until to-morrow, Tuesday, May 20, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

495. A letter from the Public Printer, transmitting schedule of useless files of papers and records of the office of the Superintendent of Documents that are no longer of any value or use to that office in the transaction of public business, and requesting that authority be granted the Public Printer to dispose of accumulated waste paper and similar accumulations at regular periods in the future; to the Committee on Disposition of Useless Executive Papers.

496. A letter from the chairman of the Interstate Commerce Commission, transmitting report for the month of April, 1924, showing the condition of railroad equipment and the related information indicated in Senate Resolution 438 in so far as such information is available; to the Committee on Interstate and Foreign Commerce.

497. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Agriculture for the fiscal year ending June 30, 1925, for general expenses, Bureau of Agricultural Economics (crop and livestock estimates), $50,000 (H. Doc. No. 295); to the Committee on Appropriations and ordered to be printed.

498. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment of the United States for the fiscal year 1924, and to remain available during the fiscal year 1925, in the sum of $38,000, for improving Capitol power plant (H. Doc. No. 296); to the Committee on Appropriations and ordered to be printed.

499. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Commerce for the fiscal year ending June 30, 1925, for collecting statistics, Bureau of Census, $30,000 (H. Doc. No. 297); to the Committee on Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. LEAVITT: Committee on Indian Affairs. S. J. Res. 103. A joint resolution authorizing expenditure of the Fort Peck 4 per cent fund now standing to the credit of the Fort Peck Indians of Montana in the Treasury of the United States; without amendment (Rept. No. 785). Referred to the Committee of the Whole House on the state of the Union.

Mr. MORROW: Committee on Indian Affairs. S. 2159. An act authorizing annual appropriations for the maintenance of that portion of the Gallup-Durango Highway across the Navajo Indian Reservation and providing reimbursement therefor; without amendment (Rept. No. 786). Referred to the Committee of the Whole House on the state of the Union.

Mr. SNYDER: Committee on Indian Affairs. S. 2932. An act to quiet the title to lands within Pueblo Indian land grants, and for other purposes; without amendment (Rept. No. 787). Referred to the Committee of the Whole House on the state of the Union.

Mr. HOWARD of Nebraska: Committee on Indian Affairs. H. R. 6541. A bill to amend an act entitled "An act to provide for the disposal of the unallotted lands on the Omaha Indian Reservation, in the State of Nebraska"; with amendments (Rept. No. 788). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII.

Mr. BULWINKLE: Committee on Claims. S. 2510. An act for the relief of William Henry Boyce, sr.; without amendment (Rept. No. 782). Referred to the Committee of the Whole House.

Mr. FREDERICKS: Committee on Claims. H. R. 2309. A bill for the relief of Robert Laird, sr.; without amendment (Rept. No. 783). Referred to the Committee of the Whole House.

Mr. CELLER: Committee on Claims. H. R. 6660. A bill for the relief of Picton Steamship Co.; without amendment (Rept. No. 784). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Indian Affairs was discharged from the consideration of the bill (H. R. 4738) to entitle Edward C. Scovel and Mary C. Scovel to receive the benefits of the act entitled "An act for the retirement of employees in the classified service, and for other purposes," approved May 22, 1920, and the same was referred to the Committee on Claims.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. LYON: A bill (H. R. 9314) to amend section 98 of the Judicial Code; to the Committee on the Judiciary.

By Mr. ANDREW: A bill (H. R. 9315) to provide for the equalization of promotion of officers of the staff corps of the Navy with officers of the line; to the Committee on Naval Affairs.

By Mr. JAMES: A bill (H. R. 9316) to amend the tariff act of 1922 entitled "An act to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes"; to the Committee on Ways and Means.

By Mr. WOLFF: A bill (H. R. 9317) to permit a rural letter carrier to engage in any business or other occupation; to the Committee on the Post Office and Post Roads.

By Mr. KNUTSON: A bill (H. R. 9318) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Chippewa Indians of

Minnesota may have against the United States, and for other purposes; to the Committee on Indian Affairs.

By Mr. RAINEY: A bill (H. R. 9319) declaring an emergency to exist in the matter of certain agricultural commodities and to promote equality between agricultural commodities and other commodities, and for other purposes; to the Committee on Agriculture.

By Mr. KNUTSON: A bill (H. R. 9341) to amend an act entitled "An act to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes," approved September 21, 1922; to the Committee on Ways and Means.

By Mr. BERGER: Concurrent resolution (H. Con. Res. 24) requesting the President of the United States and the Secretary of State to take steps to enforce the payment of the debt the French Government owes the United States; to the Committee on Ways and Means.

By Mr. SNYDER: Resolution (H. Res. 321) providing for the consideration of S. 966, an act for the continuance of construction work on the San Carlos irrigation project, etc.; to the Committee on Rules.

By Mr. WINTER: Resolution (H. Res. 322) to pay Edith B. Barrow, widow of Frank H. Barrow, late legislative clerk of the House of Representatives, a sum equal to six months' salary and $250 for funeral expenses; to the Committee on Accounts.

By Mr. JOHNSON of Washington: Resolution (H. Res. 323) for the immediate removal of the voice amplifying devices now installed in the Hall of the House; to the Committee on Accounts.

By Mr. CULLEN: Memorial of the Legislature of the State of New York, recommending and requesting that Congress make liberal appropriations for carrying out the spirit of the national defense act; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ARNOLD: A bill (H. R. 9320) granting an increase of pension to Diana M. Oakley; to the Committee on Invalid Pensions.

By Mr. BEERS: A bill (H. R. 9321) granting a pension to Priscilla Boyer; to the Committee on Invalid Pensions.

By Mr. CANNON: A bill (H. R. 9322) granting a pension to Thomas C. Ellington; to the Committee on Invalid Pensions.

By Mr. COLE of Iowa: A bill (H. R. 9323) granting a pension to Laura I. Kissell; to the Committee on Invalid Pensions.

By Mr. CONNOLLY of Pennsylvania: A bill (H. R. 9324) granting an increase of pension to Jennie Allen; to the Committee on Invalid Pensions.

By Mr. DICKINSON of Missouri: A bill (H. R. 9325) granting a pension to Julia A. Cameron; to the Committee on Invalid Pensions.

By Mr. GARBER: A bill (H. R. 9326) granting an increase of pension to Sarah M. Boyle; to the Committee on Invalid Pensions.

By Mr. HERSEY: A bill (H. R. 9327) granting a pension to Susan E. Darrough; to the Committee on Invalid Pensions.

By Mr. HOCH: A bill (H. R. 9328) granting an increase of pension to Martha Farmer; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 9329) for the relief of George Charles Walthers; to the Committee on Claims.

By Mr. MOORE of Ohio: A bill (H. R. 9330) granting a pension to Laura Banker; to the Committee on Invalid Pensions.

By Mr. MUDD: A bill (H. R. 9331) granting a pension to William H. Henderson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9332) for the relief of Joseph Y. Dreisonstok; to the Committee on Naval Affairs.

Also, a bill (H. R. 9333) for the relief of W. J. Cook; to the Committee on Claims.

By Mr. NELSON of Maine: A bill (H. R. 9334) granting a pension to Annie L. Webber; to the Committee on Pensions.

Also, a bill (H. R. 9335) granting a pension to Theodate S. Black; to the Committee on Invalid Pensions.

By Mr. OLIVER of New York: A bill (H. R. 9336) granting an increase of pension to Mary D. Fisk; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 9337) granting a pension to Cynthia Smallwood; to the Committee on Invalid Pensions.

By Mr. RUBEY: A bill (H. R. 9338) granting an increase of pension to Almira E. McArron; to the Committee on Invalid Pensions.

By Mr. SMITH: A bill (H. R. 9339) granting an increase of pension to Fred Stanley; to the Committee on Pensions.

By Mr. SNYDER: A bill (H. R. 9340) granting a pension to Theodore A. K. Gessler; to the Committee on Indian Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2806. By the SPEAKER (by request): Petition of employees of the Electrician's Craft, their helpers and apprentices, of the eleventh congressional district of Indiana, protesting against any favorable action on passage of the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2807. Also (by request), petition of Parent Webb Cleveland, Staten Island, N. Y., favoring bonus bill; to the Committee on Ways and Means.

2808. By Mr. ARNOLD: Petition of the Chamber of Commerce, Effingham, Ill., favoring the passage of the McNary-Haugen bill; to the Committee on Agriculture.

2809. By Mr. CORNING: Petition of Albany County Bar Association, Albany, N. Y., in opposition to the passage of the Caraway bill to amend the practice and procedure in Federal courts, and for other purposes; to the Committee on the Judiciary.

2810. By Mr. GALLIVAN: Petition of William F. Stecher, Dorchester, Mass., recommending early and favorable consideration of H. R. 6484, to retire disabled emergency officers of the Army; to the Committee on Military Affairs.

2811. Also, petition of American Train Dispatchers Association, Boston, Mass., recommending favorable consideration of the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2812. By Mr. JOHNSON of Washington: Petition of officers and employees of the Pacific Box Co., Tacoma, Wash., urging immediate reduction of income taxes along the lines of the Mellon plan; to the Committee on Ways and Means.

2813. By Mr. MILLIGAN: Petition of State Board of Agriculture, Jefferson City, Mo., in re potash production in the United States; to the Committee on Agriculture.

2814. By Mr. YOUNG: Petition of 33 citizens of Dickinson, N. Dak., protesting against tax on radio receiving sets; to the Committee on Ways and Means.

2815. Also, petition of Bottineau Post, No. 42, of the American Legion, Bottineau, N. Dak., urging extension to five years of presumptive period for tubercular veterans; to the Committee on World War Veterans' Legislation.

2816. Also, petition of the Sorosis Club of Harvey, N. Dak., urging legislation for the creation of a membership in the International World Court; to the Committee on Foreign Affairs.

SENATE

TUESDAY, *May 20, 1924*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father who art in heaven, hallowed be Thy name. Thy kingdom come; Thy will be done in earth as it is in heaven. We would ask therefore that this morning this may be the desire of our hearts, not simply the utterance of our lips, but that Thy will may be regnant in our lives, directing every thought and action and enabling us to understand that when Thy will is regnant the blessedness of life shall be realized and the high intent of Thy purposes with Thy children shall be fully attained. We ask in Jesus' name. Amen.

The reading clerk proceeded to read the Journal of yesterday's proceedings when, on request of Mr. LODGE and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the President pro tempore.

S. 105. An act for the relief of Arthur Frost;
S. 129. An act for the relief of the William D. Mullen Co.;
S. 130. An act for the relief of George T. Tobin & Son;
S. 210. An act for the relief of Peter C. Keegan and others;
S. 589. An act for the relief of James Moran;

S. 1572. An act for the relief of the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J.;

S. 1698. An act granting permission to Commander Dorr F. Tozier, United States Coast Guard, retired, to accept a gift from the King of Great Britain;

H. R. 694. An act to amend an act entitled "An act for the relief of the Saginaw, Swan Creek, and Black River Band of Chippewa Indians in the State of Michigan, and for other purposes," approved June 25, 1910;

H. R. 837. An act to exempt from taxation certain property of the Daughters of the American Revolution in Washington, D. C.;

H. R. 1629. An act authorizing the removal of the restrictions from 40 acres of the allotment of Isaac Jack, a Seneca Indian, and for other purposes;

H. R. 2498. An act for the relief of the East LaHave Transportation Co. (Ltd.), owner; A. Picard & Co., owner of cargo; and George H. Corkum, Leopold S. Conrad, Wilson Zinck, Freeman Beck, Sidney Knickle, and Norman E. LeGay, crew, of the schooner *Con Rein*, sunk by the United States submarine *K-4*;

H. R. 2665. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River in the vicinity of One hundred and thirty-fourth Street, in the city of Chicago, county of Cook, State of Illinois;

H. R. 2881. An act to compensate three Comanche Indians of the Kiowa Reservation;

H. R. 2887. An act to authorize the extension of the period of restriction against alienation on the homestead allotments made to members of the Kansas or Kaw Tribe of Indians in Oklahoma;

H. R. 3183. An act for the relief of Rush O. Fellows;

H. R. 3800. An act to cancel an allotment of land made to Mary Crane, or Ho-tah-kah-win-kaw, a deceased Indian, embracing land within the Winnebago Indian Reservation in Nebraska;

H. R. 3900. An act to cancel two allotments made to Richard Bell, deceased, embracing land within the Round Valley Indian Reservation in California;

H. R. 4122. An act to amend an act entitled "An act to revive, with amendments, an act to incorporate the Medical Society of the District of Columbia," approved July 7, 1838, as amended;

H. R. 4200. An act to provide for the cleaning of the exterior of the post-office building at Cincinnati, Ohio;

H. R. 4462. An act to amend an act entiled "An act authorizing the payment of the Choctaw and Chickasaw town-site fund, and for other purposes";

H. R. 4494. An act authorizing extensions of time for the payment of purchase money due under certain homestead entries and Government land purchases within the Fort Berthold Indian Reservation, N. Dak.;

H. R. 4647. An act for the relief of the Underwood Typewriter Co. and Frank P. Trott;

H. R. 5808. An act for the relief of Edward T. Williams;

H. R. 6012. An act to confer jurisdiction upon the Court of Claims to ascertain the cost to the Southern Pacific Co., a corporation, and the amounts expended by it from December 1, 1906, to November 30, 1907, in closing and controlling the break in the Colorado River, and to render judgment therefor, as herein provided;

H. R. 6059. An act authorizing the conveyance to the city of Washington, Mo., of 10 feet of the Federal building site in said city for the extension of the existing public alley through the entire block from Oak to Lafayette Streets;

H. R. 6298. An act to authorize the leasing for oil and gas mining purposes of unallotted lands on Indian reservations affected by the proviso to section 3 of the act of February 28, 1891;

H. R. 6810. An act granting the consent of Congress to the Millersburg and Liverpool Bridge Corporation, and its successors, to construct a bridge across the Susquehanna River, at Millersburg, Pa.;

H. R. 7063. An act granting the consent of Congress to the State of Illinois and the State of Iowa, or either of them, to construct a bridge across the Mississippi River connecting the county of Carroll, Ill., and the county of Jackson, Iowa;

H. R. 7846. An act to extend the time for the construction of a bridge across the North Branch of the Susquehanna River from the city of Wilkes-Barre to the borough of Dorranceton, Pa.;

H. R. 7913. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Creek Indians may have against the United States, and for other purposes;

H. R. 8229. An act granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River; and

H. R. 8304. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River at or near One hundredth Street, in the city of Chicago, county of Cook, State of Illinois.

AMENDMENT OF NATIONAL DEFENSE ACT

Mr. WADSWORTH submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2169) to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 6 and 11.

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 3, 4, 7, 8, 9, 10, and 12, and agree to the same.

Amendment numbered 5: That the Senate recede from its disagreement to the amendment of the House numbered 5, and agree to the same with an amendment as follows: Strike out the language proposed to be inserted by the House and in lieu thereof insert the following:

"SEC. 2. Add at the end of section 4c of the national defense act of June 3, 1916, as amended, the following: 'When in his judgment efficiency demands such action, the President is authorized to except officers of the Medical Corps, Ordnance Department, and Chemical Warfare Service from the provisions of this section requiring duty with troops of one or more of the combatant arms. The President is further authorized to except from the provisions of this section requiring duty with troops of one or more of the combatant arms such officers of the Judge Advocate General's Department as are now engaged in patent litigation in which the Government is involved.'"

And the House agree to the same.

J. W. WADSWORTH, Jr.,
RALPH H. CAMERON,
DUNCAN U. FLETCHER,
Managers on the part of the Senate.

JOHN C. McKENZIE,
HARRY E. HULL,
PERCY E. QUIN,
Managers on the part of the House.

Mr. ROBINSON. Is the report signed by all the conferees?
Mr. WADSWORTH. It is.
Mr. ROBINSON. It is a unanimous agreement?
Mr. WADSWORTH. It is.
Mr. ROBINSON. I have no objection to the report.
The report was agreed to.

PETITIONS AND MEMORIALS

Mr. WARREN presented resolutions adopted by the Sheridan (Wyo.) Commercial Club, favoring an amendment of section 4 of the interstate commerce act, which were ordered to lie on the table.

He also presented memorials of sundry citizens of Green River, Wyo., remonstrating against the passage of the so-called Howell-Barkley railway labor bill, which were referred to the Committee on Interstate Commerce.

REPORTS OF COMMITTEES

Mr. BRANDEGEE, from the Committee on the Judiciary, to which was referred the bill (H. R. 169) to amend an act entitled "An act to amend section 73 of an act entitled 'An act to codify, revise, and amend the laws relating to the judiciary,' approved June 12, 1916," and for other purposes, reported it without amendment.

Mr. SMITH, from the Committee on Interstate Commerce, to which was referred the bill (S. 862) amending section 1 of the interstate commerce act, reported it without amendment.

HEARINGS BEFORE COMMITTEE ON PATENTS

Mr. KEYES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred Senate Resolution 224, submitted by Mr. ERNST on the 15th instant, reported it favorably without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That the Committee on Patents, or any subcommittee thereof, be, and hereby is, authorized during the Sixty-eighth Congress to send for persons, books, and papers; to administer oaths; and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be pending before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

RELIEF OF INJURED GOVERNMENT EMPLOYEES

Mr. SHORTRIDGE. From the Committee on the Judiciary I report back favorably, with an amendment, the bill (S. 2508) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916. Inasmuch as it is an emergency measure I ask unanimous consent that the bill may be immediately considered.

Mr. KING. Let it be reported.

The PRESIDENT pro tempore. The bill will be read for the information of the Senate.

The reading clerk read the bill.

Mr. KING. This is a very important measure and affects a matter that has received consideration heretofore. I think it had better go to the calendar and be considered in due order.

The PRESIDENT pro tempore. Objection is made, and the bill will be placed on the calendar.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TRAMMELL:

A bill (S. 3343) granting an increase of pension to Fannie H. Davis; to the Committee on Pensions.

By Mr. GEORGE:

A bill (S. 3344) to provide for the establishment of a dairying and livestock experiment station at Tifton, Ga.; to the Committee on Agriculture and Forestry.

By Mr. EDWARDS (by request):

A bill (S. 3345) to renew and extend certain letters patent to John V. Rice, jr.; to the Committee on Patents.

By Mr. FRAZIER:

A bill (S. 3346) to provide that jurisdiction shall be conferred upon the Court of Claims, notwithstanding the lapse of time or statutes of limitation, to hear, examine, and adjudicate and render judgment in any and all legal and equitable claims arising under or growing out of any treaty or agreement between the United States and certain bands of Indians, and for other purposes; to the Committee on Indian Affairs.

By Mr. STERLING:

A bill (S. 3347) to extend the benefits of the United States employees' compensation act of September 7, 1916, to Theodore B. Warner; to the Committee on Claims.

By Mr. HALE:

A bill (S. 3348) granting a pension to Alice E. Alden (with accompanying papers); to the Committee on Pensions.

By Mr. NORRIS:

A bill (S. 3349) granting an increase of pension to Samuel P. Howland; to the Committee on Pensions.

By Mr. GOODING (for Mr. WATSON):

A bill (S. 3350) granting the consent of Congress for the construction of a bridge across the Ohio River between Vanderburgh County, Ind., and Henderson County, Ky.; to the Committee on Commerce.

By Mr. BORAH:

A bill (S. 3351) granting a pension to Rose G. Bingham; to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 3352) to provide for the appointment of an appraiser of merchandise at Portland, Oreg; to the Committee on Commerce.

By Mr. FRAZIER:

A joint resolution (S. J. Res. 129) to provide for venue of suits against the United States Grain Corporation; to the Committee on Agriculture and Forestry.

NATURALIZATION PETITIONS

Mr. ERNST submitted an amendment intended to be proposed by him to the bill (S. 2178) to relieve United States district judges from signing an order admitting, denying, or dismissing each petition for naturalization, which was ordered to lie on the table and to be printed.

REIMBURSEMENT TO SENATOR FRANK L. GREENE

Mr. LODGE submitted the following resolution (S. Res. 230), which was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay, out of the contingent fund of the Senate, to Hon. FRANK L. GREENE, a Senator from the State of Vermont, the sum of $7,500, as reimbursement for actual and necessary expenses incurred by him in the treatment and care of injuries resulting from an accidental bullet wound received while walking on the street in the city of Washington, D. C., February 15, 1924.

POSTHUMOUS MILITARY PROMOTIONS

Mr. HARRIS. Mr. President, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 124) to provide for the posthumous appointment to commissioned grades of certain enlisted men and the posthumous promotion of certain commissioned officers. I am sure there will be no objection. I hope the Senator from New York [Mr. WADSWORTH], chairman of the Military Affairs Committee, will give me his attention.

During the World War a soldier whose appointment to a higher office was made, if not received by him and accepted before he died, was then denied his proper place on the rolls at the higher rank. If he was killed in battle, and his commission had been issued but not accepted in writing, under a decision of the Supreme Court he was denied the promotion which he earned on the field of battle. The joint resolution which I have introduced provides specifically that there is no increase of pay in any particular and no expense involved to the Government, but it simply allows the boy who died in service or was killed in service after the promotion had been made but before it had been formally accepted to be placed on the rolls in the grade and at the rank to which he had been appointed. I ask the Senator from New York if he will kindly state anything I may have overlooked in regard to the joint resolution?

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Georgia?

Mr. WADSWORTH. I do not object to the passage of the joint resolution.

Mr. WARREN. Mr. President, I shall have to object. We are waiting to call up some matters in the regular way, and I think it is time to stop the granting of unanimous consent to consider measures out of order until we can get something up in the regular order.

The PRESIDENT pro tempore. The Senator from Wyoming objects to the request of the Senator from Georgia, and the joint resolution remains on the calendar.

RELIEF OF INJURED GOVERNMENT EMPLOYEES

Mr. SHORTRIDGE. I ask leave to return to the order of reports of committees.

The PRESIDENT pro tempore. We are now in the order of the introduction of bills and joint resolutions.

Mr. SHORTRIDGE. I ask unanimous consent to return to the order of reports of committees; and on behalf of the Committee on the Judiciary I report back with an amendment the bill (H. R. 7041) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916.

The bill bears upon the same matter as that referred to a few minutes ago.

The PRESIDENT pro tempore. Without objection——

Mr. ROBINSON. I inquire of the Senator from California if the bill he has just reported relates to an amendment of the employees compensation act?

Mr. SHORTRIDGE. I answer, yes; as agreed upon.

Mr. ROBINSON. Is the bill similar or substantially similar to the Senate bill which he has already reported?

Mr. SHORTRIDGE. It is not only substantially similar, but is in exactly the same words, I will say to the Senator from Arkansas. We propose to amend the House bill in the manner in which we propose to amend the Senate bill.

The PRESIDENT pro tempore. The Senator from California has asked unanimous consent to submit a report from the Committee on the Judiciary.

Mr. ROBINSON. The Senator from Arkansas understands that, but he wants to understand what the Senator from California is reporting.

Mr. SHORTRIDGE. I am reporting the House bill, I may answer the Senator, with the amendment agreed upon by the Committee on the Judiciary.

Mr. ROBINSON. Does it embrace the so-called Caraway amendment?

Mr. SHORTRIDGE. Yes.

The PRESIDENT pro tempore. Without objection the report will be received.

ADJUSTED COMPENSATION OF WORLD WAR VETERANS

Mr. McKELLAR. Mr. President, I wish to occupy about three minutes of the time of the Senate.

Mr. President, in my judgment, the President made a mistake in declaring the attitude of the soldiers as immoral in asking for a readjusted compensation. When the railroads asked for a readjustment of their war pay immediately after the war and received in the neighborhood of $2,000,000,000, Mr. Coolidge did not then declare their claim immoral, and should not have done so. Afterwards when the war contractors, commonly known as war profiteers, demanded and received $706,000,000 in readjusted pay, he did not declare their action immoral, and perhaps should not have done so, though there was more room for such a declaration in that particular case. Nor, when the civilian employees of the Government asked for and received hundreds of millions of dollars in readjusted pay or bonus, he did not declare their action immoral, and should not have done so. In some way he has, in my judgment, the mistaken view of limiting his charge of immorality of action in asking readjusted pay solely to the ex-service men.

Harsh criticism of a considerable portion of the citizens of this country may catch the public eye for a short time, but it is never lasting. When we consider the difference in pay that the soldiers received during the war and the enormous profits and pay that were earned by those who remained at home, I should think anyone would see that there were two sides to the question and that it was unnecessary to abuse either side.

Nor is the President's theory that the passage of the bonus bill will prevent tax reduction correct. The $100,000,000 a year it will take to pay the bonus is a large sum, but not governmentally speaking. For instance, the President has just recommended, through his Navy Department, an increase in the Navy which, if carried out, will cost probably more than the soldiers' bonus. The Republican administration last year recommended a ship subsidy bill that would have cost quite as much as the bonus. The enormous sums spent by the Government on airplanes during this administration that have since been declared useless will amount to very nearly as much as the bonus. The sums spent on submarines, which sums have been thrown away according to the reports, would almost rival the expenditures of the soldiers' bonus.

In addition, the extravagant tax refunds and tax abatements inaugurated by this administration costs the Government several times as much as the bonus. The Gulf Refining Co., in which Mr. Mellon is personally interested, drew from the Treasury Department in less than 30 days after Mr. Mellon became Secretary of the Treasury the enormous sum of $3,300,000 in tax refunds. Last year he paid over $2,300,000 to one of the five big Chicago packers. These are types of refunds. During the Wilson administration there were practically few refunds, and those resulting from accidental mistakes made in the assessment and collection of taxes. Since Mr. Mellon has been in office the rise in tax refunds has been continuous and tremendous—$24,000,000 in 1921, $48,000,000 in 1922, and $229,000,000 in 1923. As enormous as these figures are, however, we are advised that in the way of abatements much more has been granted to the wealthy taxpayers, but Mr. Mellon, under the law, keeps these matters secret as much as possible.

We are spending this year $330,000,000 on an army. We had about as good a one just before the war that cost us about $100,000,000 per year. We are spending more than twice as much on our Navy as we did just before the war, and it is claimed that our present Navy is not as good as it was then.

None of these extravagances has even been attempted to be checked by the President. He becomes economical only where the soldiers are concerned.

A most substantial tax reduction bill has already been passed by the Congress, and if it does not become the law it will be because of the fault of the President in vetoing it and not the fault of the Congress.

EMPLOYEES OF LEGISLATIVE BRANCH OF THE GOVERNMENT

The PRESIDENT pro tempore. Morning business is closed.

Mr. WARREN. I move that the Senate proceed to the consideration of House bill 8262, being a bill relating to the salaries of the 2,000 or more employees of the Capitol.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Wyoming that the Senate proceed to the consideration of the bill named by him.

The motion was agreed to; and the Senate as in Committee of the Whole proceeded to consider the bill (H. R. 8262) to fix the compensation of officers and employees of the legislative branch of the Government, which had been reported from the Joint Special Committee on Readjustment of Compensation of Officers and Employees of Congress without amendment.

Mr. ODDIE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Ernst	Keyes	Sheppard
Ashurst	Fernald	King	Shipstead
Bayard	Ferris	Ladd	Shortridge
Bratdegee	Fletcher	Lodge	Simmons
Brookhart	Frazier	McKellar	Smith
Broussard	George	McKinley	Smoot
Bruce	Gerry	McLean	Spencer
Bursum	Glass	McNary	Stanfield
Cameron	Gooding	Mayfield	Stephens
Capper	Hale	Moses	Sterling
Caraway	Harreld	Neely	Swanson
Colt	Harris	Norris	Trammell
Copeland	Heflin	Oddie	Underwood
Cummins	Howell	Overman	Wadsworth
Curtis	Johnson, Calif.	Phipps	Walsh, Mass.
Dale	Johnson, Minn.	Pittman	Walsh, Mont.
Dial	Jones, N. Mex.	Ralston	Warren
Edge	Jones, Wash.	Ransdell	Wheeler
Edwards	Kendrick	Robinson	

The PRESIDENT pro tempore. Seventy-five Senators have answered to the roll call. There is a quorum present. The bill is before the Senate as in Committee of the Whole and open to amendment.

Mr. KING. Let the bill be read.

The reading clerk read the bill as follows:

Be it enacted, etc.

SECTION 1. The following positions and annual (except where specified otherwise) rates of compensation are hereby established:

SENATE

OFFICE OF THE VICE PRESIDENT

Secretary to the Vice President, $4,200; clerk, $1,940; assistant clerk, $2,080; messenger, $1,310.

CHAPLAIN

Chaplain of the Senate, $1,520.

OFFICE OF THE SECRETARY

Secretary of the Senate, including compensation as disbursing officer of salaries of Senators, and of contingent fund of the Senate, $6,500; assistant secretary, Henry M. Rose, $5,500; reading clerk, $4,500; financial clerk, $4,500; chief clerk, $3,420; assistant financial clerk, $3,600; minute and Journal clerk, $3,600; principal clerk, $3,150; librarian, $3,000; enrolling clerk, $3,150; printing clerk, $3,000; executive clerk, $2,890; file clerk, chief bookkeeper, and assistant Journal clerk, at $2,880 each; first assistant librarian, and keeper of stationery, $2,780 each; assistant librarian, $2,150; skilled laborer, $1,520; clerks—three at $2,880 each, two at $2,590 each, one $2,460, one $2,100, one $1,770; assistant keeper of stationery, $2,360; assistant in stationery room, $1,520; messenger in library, $1,310; special officer, $2,150; assistant messenger, $1,520; laborers—three at $1,140 each, three at $1,010 each, one in stationery room, $1,440.

DOCUMENT ROOM

Superintendent, $3,500; first assistant, $2,880; two clerks, at $1,770 each; skilled laborer, $1,520.

COMMITTEE EMPLOYEES

Clerks and messengers to the following committees: Agriculture and Forestry—clerk, $3,300; assistant clerk, $2,150; assistant clerk, $1,830; additional clerk, $1,520. Appropriations—clerk, $6,000; assistant clerk, $3,300; assistant clerk, $3,000; three assistant clerks, at $2,700 each; two assistant clerks, at $2,100 each; messenger, $1,440. To Audit and Control the Contingent Expenses of the Senate—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Banking and Currency—clerk, $3,300; assistant clerk, $2,150; two assistant clerks, at $1,830 each. Civil Service—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Claims—clerk, $3,300; assistant clerk, $2,570; assistant clerk, $2,360; two assistant clerks, at $1,830 each. Commerce—clerk, $3,300; assistant clerk, $2,590; assistant clerk, $2,150; assistant clerk, $1,830. Conference Minority of the Senate—clerk, $3,300; assistant clerk, $2,150; two assistant clerks, at $1,830 each. District of Columbia—clerk, $3,300; assistant clerk, $2,480; assistant clerk, $1,830; additional clerk, $1,520. Education and Labor—clerk, $3,300; assistant clerk, $2,150; assistant clerk, $1,830;

additional clerk, $1,520. Enrolled Bills—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Expenditures in the Executive Departments—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Finance—clerk, $3,600; special assistant to the committee, $3,150; assistant clerk, $2,500; assistant clerk, $2,460; assistant clerk, $1,940; two assistant clerks, at $1,830 each; two experts (one for the majority and one for the minority), at $2,360 each; messenger, $1,520. Foreign Relations—clerk, $3,300; assistant clerk, $2,590; assistant clerk, $2,150; assistant clerk, $1,830; additional clerk, $1,520. Immigration—clerk, $3,300; assistant clerk, $2,150; assistant clerk, $1,830; additional clerk, $1,520. Indian Affairs—clerk, $3,300; assistant clerk, $2,570; assistant clerk, $2,040; assistant clerk, $1,830; additional clerk, $1,520. Interoceanic Canals—clerk, $3,300; assistant clerk, $2,150; assistant clerk, $1,830; additional clerk, $1,520. Interstate Commerce—clerk, $3,300; two assistant clerks, at $2,150 each; assistant clerk, $1,830. Irrigation and Reclamation—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Judiciary—clerk, $3,300; assistant clerk, $2,590; two assistant clerks, at $2,150 each; assistant clerk, $1,830. Library—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Manufactures—clerk, $3,300; assistant clerk, $2,040; assistant clerk, $1,830; additional clerk, $1,520. Military Affairs—clerk, $3,300; assistant clerk, $2,590; additional clerk, $1,940; three assistant clerks, at $1,830 each. Mines and Mining—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Naval Affairs—clerk, $3,300; assistant clerk, $2,590; two assistant clerks, at $1,830 each. Patents—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Pensions—clerk, $3,300; assistant clerk, $2,150; four assistant clerks, at $1,830 each. Post Offices and Post Roads—clerk, $3,300; assistant clerk, $2,460; three assistant clerks, at $1,830 each. Printing—clerk, $3,300; assistant clerk, $2,150; assistant clerk, $1,830; additional clerk, $1,520. Privileges and Elections—clerk, $3,300; assistant clerk, $2,040; assistant clerk, $1,830; additional clerk, $1,520. Public Buildings and Grounds—clerk, $3,300; assistant clerk, $1,840; assistant clerk, $1,830; additional clerk, $1,520. Public Lands and Surveys—clerk, $3,300; assistant clerk, $2,360; assistant clerk, $2,150; two assistant clerks, at $1,830 each. Revision of the Laws—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Rules—clerk, $3,300, to include full compensation for the preparation biennially of the Senate Manual under the direction of the Committee on Rules; two assistant clerks, at $2,150 each; assistant clerk, $1,830; additional clerk, $1,520. Territories and Insular Possessions—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520.

CLERICAL ASSISTANCE TO SENATORS

Clerical assistance to Senators who are not chairmen of the committees specifically provided for herein, as follows: Seventy clerks, at $3,300 each; 70 assistant clerks, at $1,940 each, and 70 assistant clerks at $1,830 each. Such clerks and assistant clerks shall be ex officio clerks and assistant clerks of any committee of which their Senator is chairman.

Seventy-one additional clerks at $1,520 each, one for each Senator having no more than one clerk and two assistant clerks for himself or for the committee of which he is chairman.

OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

Sergeant at Arms and Doorkeeper, $6,500; Assistant Doorkeeper, $4,200; Acting Assistant Doorkeeper, $4,200; two floor assistants, at $3,600 each; messengers—five (acting as assistant doorkeepers, including one for minority), at $2,150 each; 38 (including one for minority), at $1,770 each; one, $1,310; one at card door, $1,940; clerk on Journal work for CONGRESSIONAL RECORD, to be selected by the official reporters, $2,800; storekeeper, $2,740; stenographer in charge of furniture accounts and records, $1,520; upholsterer and locksmith, $1,770; cabinetmaker, $1,520; three carpenters, at $1,390 each; janitor, $1,520; five skilled laborers, at $1,310 each; laborer in charge of private passage, $1,340; three female attendants in charge of ladies' retiring rooms, at $1,240 each; three attendants to women's toilet rooms, Senate Office Building, at $1,010 each; telephone operators—chief, $2,040; four, at $1,200 each; night operator, $1,010; telephone page, $1,010; laborer in charge of Senate toilet rooms in old library space, $950; press gallery—superintendent, $2,740; assistant superintendent, $1,840; messenger for service to press correspondents, $1,240; laborers—three, at $1,100 each; 34 at $1,010 each; 21 pages for the Senate Chamber, at the rate of $8.30 per day each, during the session.

Police force for Senate Office Building under the Sergeant at Arms: Sixteen privates, $1,360 each; special officer, $1,520.

POST OFFICE

Postmaster, $2,740; chief clerk, $2,150; 8 mail carriers and 1 wagon master, at $1,520 each; 3 riding pages, at $1,220 each.

FOLDING ROOM

Superintendent, $1,940; foreman, $1,940; assistant, $1,730; clerk, $1,520; folders—7 at $1,310 each, 7 at $1,140 each.

CAPITOL POLICE

Captain, $2,150; 3 lieutenants, at $1,520 each; 2 special officers, at $1,520 each; 3 sergeants, at $1,470 each; 44 privates, at $1,360 each.

JOINT COMMITTEE ON PRINTING

Clerk, $4,000; inspector, $2,490; stenographer, $1,740.

OFFICE OF ARCHITECT OF THE CAPITOL

Architect of the Capitol, $6,000; chief clerk and accountant, $3,150; civil engineer, $2,770; construction draftsman, $2,360; 2 clerks, at $1,520 each; laborers—2 at $1,010 each, 2 at $950 each; forewoman of charwomen, $760; 21 charwomen, at $410 each; 48 elevator conductors, at $1,520 each.

HOUSE OF REPRESENTATIVES

OFFICE OF THE SPEAKER

Secretary to the Speaker, $4,200; clerk to the Speaker's table, $3,600, and for preparing Digest of the Rules, $1,000 per annum; clerk to the Speaker, $1,940; messenger to the Speaker's table, $1,520; messenger to the Speaker, $1,440.

CHAPLAIN

Chaplain of the House of Representatives, $1,520.

OFFICE OF THE CLERK

Clerk of the House of Representatives, including compensation as disbursing officer of the contingent fund, $6,500; journal clerk, and 2 reading clerks, at $4,200 each; disbursing clerk, $3,570; tally clerk, $3,470; file clerk, $3,420; enrolling clerk, $3,200 and $1,000 additional so long as the position is held by the present incumbent; property custodian and superintendent of furniture and repair shop, who shall be a skilled cabinetmaker or upholsterer and experienced in the construction and purchase of furniture, $3,600; 2 assistant custodians at $3,000 each; chief bill clerk, $3,150; assistant enrolling clerk, $2,880; assistant to disbursing clerk, $2,780; stationery clerk, $2,570; librarian, $2,460; assistant librarian, $2,240; assistant file clerk, $2,250; assistant librarian, and assistant journal clerk, at $2,150 each; clerks—1 $2,150, 3 at $2,020 each; bookkeeper, and assistant in disbursing office, at $1,940 each; 4 assistants to chief clerk, at $1,830 each; stenographer to the Clerk, $1,730; locksmith and typewriter repairer, $1,620; messenger and clock repairer, $1,520; assistant in stationery room, $1,520; 3 messengers, at $1,410 each; stenographer to Journal clerk, $1,310; 9 telephone operators, at $1,200 each; 3 session telephone operators, at $100 per month each; substitute telephone operator, when required, at $3.30 per day; laborers—3 at $1,200 each, 9 at $1,010 each.

COMMITTEE EMPLOYEES

Clerks, messengers, and janitors to the following committees: Accounts—clerk, $2,880; assistant clerk, $2,150; janitor, $1,310. Agriculture—clerk, $2,880; assistant clerk, $2,150; janitor, $1,310. Appropriations—clerk, $5,000, and $1,000 additional so long as the position is held by the present incumbent; assistant clerk, $4,000; 6 assistant clerks, at $3,000 each; assistant clerk, $2,440; janitor, $1,440. Banking and Currency—clerk, $2,360; assistant clerk, $1,520; janitor, $1,010. Census—clerk, $2,360; janitor, $1,010. Claims—clerk, $2,880; assistant clerk, $1,520; janitor, $1,010. Coinage, Weights, and Measures—clerk, $2,360; janitor, $1,010. Disposition of Useless Executive Papers—clerk, $2,360. District of Columbia—clerk, $2,880; assistant clerk, $2,150; janitor, $1,010. Education—clerk, $2,360. Election of President, Vice President, and Representatives in Congress—clerk, $2,360. Elections No. 1—clerk, $2,360; janitor, $1,010. Elections No. 2—clerk, $2,360; janitor, $1,010. Elections No. 3—clerk, $2,360; janitor, $1,010. Enrolled Bills—clerk, $2,360; janitor, $1,010. Flood Control—clerk, $2,360; janitor, $1,010. Foreign Affairs—clerk, $2,880; assistant clerk, $2,150; janitor, $1,010. Immigration and Naturalization—clerk—$2,360; janitor, $1,010. Indian Affairs—clerk, $2,880; assistant clerk, $2,150; janitor, $1,010. Industrial Arts and Expositions—clerk, $2,360; janitor, $1,010. Insular Affairs—clerk, $2,360; janitor, $1,010. Interstate and Foreign Commerce—clerk, $2,880; additional clerk, $2,360; assistant clerk, $1,830; janitor, $1,310. Irrigation and Reclamation—clerk, $2,360; janitor, $1,010. Invalid Pensions—clerk, $2,880; stenographer, $2,560; assistant clerk, $2,360; janitor, $1,240. Judiciary—clerk, $2,880; assistant clerk, $1,940; janitor, $1,240. Labor—clerk, $2,360; janitor, $1,010. Library—clerk, $2,360; janitor, $1,010. Merchant Marine and Fisheries—clerk, $2,360; janitor, $1,010. Military Affairs—clerk, $2,880; assistant clerk, $1,830; janitor, $1,310. Mines and Mining—clerk, 2,360; janitor, $1,010. Naval Affairs—clerk, $2,880; assistant clerk, $1,830; janitor, $1,310. Patents—clerk, $2,360; janitor, $1,010. Pensions—clerk, $2,880; assistant clerk, $1,940; janitor, $1,010. Post Offices and Post Roads—clerk, $2,880; assistant clerk, $1,730; janitor, $1,310. Printing—clerk, $2,360; janitor, $1,310. Public Buildings and Grounds—clerk, $2,880; assistant clerk, $1,520; janitor, $1,010. Public Lands—clerk, $2,360; assistant clerk, $1,520; janitor, $1,010. Civil Service—clerk, $2,360; janitor, $1,010. Revision of the Laws—clerk, $3,000; janitor, $1,010. Rivers and Harbors—clerk, $2,880; assistant clerk, $2,150; janitor, $1,310. Roads—clerk, $2,360; janitor, $1,010. Rules—clerk, $2,360; assistant clerk, $1,830; janitor, $1,010. Terri-

tories—clerk, $2,360; janitor, $1,010. War Claims—clerk, $2,880; assistant clerk, $1,520; janitor, $1,010. Ways and Means—clerk, $3,600; assistant clerk and stenographer, $2,360; assistant clerk, $2,250; janitors—1 $1,310, 1 $1,010. World War Veterans' Legislation—clerk, $2,880; assistant clerk, $2,150.

OFFICE OF SERGEANT AT ARMS

Sergeant at Arms, $6,500; Deputy Sergeant at Arms, $2,880; cashier, $4,000; 2 bookkeepers, at $2,640 each; Deputy Sergeant at Arms in charge of pairs, $2,150; pair clerk and messenger, $2,150; messenger, $1,730; stenographer and typewriter, $1,200; skilled laborer, $1,140.

Police Force, House Office Building, under the Sergeant at Arms: Lieutenant, $1,520; 19 privates, at $1,360 each.

OFFICE OF THE DOORKEEPER

Doorkeeper, $5,000; special employee, $2,040; superintendent of House press gallery, $2,240; assistant to the superintendent of the House press gallery, $1,520; janitor, $2,040; messengers—17 at $1,500 each, 14 on soldiers' roll at $1,520 each; laborers—17 at $1,010 each, 2 known as cloakroom men at $1,140 each, 8 known as cloakroom men, 1 at $1,010, and 7 at $890 each; 2 female attendants in ladies' retiring rooms at $1,440 each; superintendent of folding room, $2,880; foreman of folding room, $2,340; chief clerk to superintendent of folding room, $2,150; 3 clerks at $1,940 each; janitor, $1,010; laborer, $1,010; 31 folders, at $1,200 each; shipping clerk, $1,520; 2 drivers at $1,140 each; 2 chief pages at $1,740 each; 2 telephone pages at $1,440 each; 2 floor managers of telephones (one for minority) at $2,400 each; assistant messenger in charge of telephones, $1,830; 42 pages during the session at $3.30 per day each; laborer, $1,100; superintendent of document room, $3,050; assistant superintendent of document room, $2,460; clerk, $2,040; assistant clerk, $1,940; 8 assistants at $1,600 each; janitor, $1,220; messenger to pressroom, $1,310.

SPECIAL AND MINORITY EMPLOYEES

Special employee (Joel Grayson) in the document room, $2,740.

Six minority employees at $2,150 each, authorized and named in the resolution of December 5, 1923.

Assistant foreman of the folding room, authorized in the resolution of September 30, 1913, at $4.76 per day.

Laborer, authorized and named in the resolution of April 28, 1914, $1,140.

Laborer, authorized and named in the resolution of December 19, 1901, $1,140.

Clerk, under the direction of the Clerk of the House, named in the resolution of February 13, 1923, $2,740.

Successors to any of the employees provided for in the five preceding paragraphs may be named by the House of Representatives at any time.

Office of majority floor leader: Legislative clerk, $3,600; clerk, $2,880; assistant clerk, $1,830; janitor, $1,310.

Conference minority: Clerk, $2,880; assistant clerk, $1,740; janitor, $1,310. The foregoing employees to be appointed by the minority leader.

Two messengers, one in the majority caucus room and one in the minority caucus room, to be appointed by the majority and minority whips, respectively, at $1,520 each.

POST OFFICE

Postmaster, $4,200; assistant postmaster, $2,570; registry and money-order clerk, $1,830; 34 messengers (including one to superintend transportation of mails), at $1,520 each; substitute messengers and extra services of regular employees, when required, at the rate of not to exceed $105 per month each; laborer, $1,010.

OFFICIAL REPORTERS OF DEBATES

Six official reporters of the proceedings and debates of the House, at $6,000 each; assistant, $3,000; 6 expert transcribers, at $1,520 each; janitor, $1,220.

COMMITTEE STENOGRAPHERS

Four stenographers to committees, at $6,000 each; janitor, $1,220.

CLERK HIRE, MEMBERS, DELEGATES, AND RESIDENT COMMISSIONERS

The clerk hire for each Member, Delegate, and Resident Commissioner shall be at the rate of $4,000 per annum and shall be paid in accordance with the act of January 25, 1923 (42 Stat. chap. 43, p. 1217): *Provided*, That no person shall receive a salary from such clerk hire at a rate in excess of $3,300 per annum.

SEC. 2. This act shall take effect on July 1, 1924.

Mr. KING. Mr. President, may I inquire of the Senator who has the bill in charge what is the aggregate increase in the salaries allowed for all of the officers and employees covered by this bill?

Mr. WARREN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Wyoming?

Mr. KING. I yield. I have asked the Senator a question.

Mr. WARREN. The Senator from Utah inquires of me just what I was about to say anyway.

Mr. KING. I shall be happy to hear the Senator. There is no report accompanying the bill.

Mr. WARREN. Mr. President, there is a report—a very full report. If I remember rightly, there are 2,361 people provided for here. Starting at what is perhaps the most interesting subject for the moment, the employees here at the Senate, the percentage of raise for the first clerks, the senior clerks of Senators, is a little over 20 per cent above the salary that they are now receiving and the bonus, and that is the only increase of that proportion.

On the House side, opposite that, their increase is but 10 per cent—that is, each Member gets $4,000, from which he provides for all of his clerks. The minimum that a Senator's clerical force gets is $8,590. He gets $3,300 for his first clerk, $1,940 for the next, $1,830 for the next, and $1,520 for the fourth.

In the case of the committees, some of them, where there is not a great amount of work, have the same number of clerks. There are other committees, heavily worked, that have more assistants, and their assistants have higher pay.

The increase in the assistant clerks and in the employees in the Capitol is from 8 to 10 per cent more than the present pay and the bonus. The classification outside of the Capitol, as we understand from what has been done in the other bills, seeks to cover the old salaries and the bonus and from 3 to 5 per cent increase, except in the upper grades—as, for instance, Assistant Secretary of a department. That position has had a salary of $5,000 for the last 40 years without raise, and in that case the salary has been raised considerably more than that.

Mr. ROBINSON. Mr. President, I should like to ask the Senator in charge of the bill a question. On page 1 it is observed that under the office of the Vice President a clerk is paid $1,940 and an assistant clerk $2,080. Why is the subordinate paid more than his superior? Why does the clerk receive less than the assistant clerk?

Mr. WARREN. That arrangement is one where a resolution clerk followed the regular statutory clerk. It occurred in the old bill, and we did not change it. Of course, one proposition has been observed throughout—not to reduce any salary—and that has been carried into all of the reclassifications that are made outside of the Chamber, not to reduce any of the salaries or wages that are received, except in some of the lump sums, where they were running over the normal. The matter to which the Senator refers is one that I shall not be able to explain.

Mr. ROBINSON. Of course it seems anomalous to pay the clerk $1,940 and the assistant clerk $2,080.

Mr. WARREN. I will acknowledge that, Mr. President. That is a very just and reasonable complaint to make; but the former Vice President, who is now President of the United States, had arranged it that way, and we have not changed it.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. WARREN. I was about to finish, but if the Senator wishes to ask me a question I yield.

Mr. COPELAND. I did want to ask a question, and perhaps the Senator can continue his remarks in answer to the Senator from Utah by answering my question.

I notice, under the office of Sergeant at Arms and Doorkeeper, that there seems to be a very marked inequality in the pay of the doorkeepers, and I wondered why that was. Then, when we come to the salaries recommended for the press gallery superintendent and assistant superintendent, why they are not paid at the same rate as the clerk and assistant clerk of a Senator?

Mr. WARREN. Their duties are entirely different, and the salaries have always been very different; so we saw no reason for changing the proportion of salary on account of what the Senator has said.

I was going to say, further, that this bill is the result of the consideration of a joint committee composed of three Members of the Senate and three Members of the House, who met and spent, perhaps, a month on the matter at our closing time a year ago, and again about a month before we assembled at this session. Those men should, and I think did, reflect the feeling and wishes of their respective bodies. In the consideration of this bill each side met the other, and naturally did the best they could. The House has laid its cards upon the table and passed the bill exactly as the committee recommended it.

There are questions that will occur, I think, to any man. I think it is human nature that one man thinks he does a little more work than another, or that he is worth a little more, and that he is worth at least as much as somebody who is graded higher than he is. It is pretty difficult to take a large lot of

employees and arrange matters satisfactorily to all of them, unless the matter is dealt with at the time of their employment, as in a case where a commercial concern has a line of employment and these matters are agreed upon when the men come in, on a basis of "take it or leave it."

Here are a large number of employees, many of whom have been here a great many years, while others are new. The general result of this arrangement is that the representatives of the House on the joint committee were willing to acknowledge—because they talked it over long beforehand—that we should make a further advancement in the case of the first clerks of Senators, who are given $3,300, on account of the increase of business; so they are increased, as I have said, at the rate of over 20 per cent. But every Senator gets as the minimum the amount I stated.

As to the employees who receive more than $2,500 no bonus, of course, reached them heretofore, and in their case there has been an increase similar to that made in the case of employees who had the bonus, because the bonus was to make up differences.

I shall be glad to give any further information that is desired, but that is about all there is to the measure. It stands in this way: The raises have been from 8 or 10 per cent up to 20, except where the salaries are $4,500, and salaries of that size were not raised at all. On the other hand, as I said, Members of the House received less for clerks than Senators receive. In other words, a Member of the House receives $4,000 for his clerks, while a Senator's force receives $8,590 as a minimum. In the House $4,000 is their maximum, because their minimum is $3,300 if a Member employs only one clerk and $4,000 if he employs two.

Mr. KING. Were any new positions or offices created by the bill?

Mr. WARREN. I think not. I do not remember one.

Mr. KING. Is this the bill which provides for automobiles and various other accessories for certain employees in the Capitol?

Mr. WARREN. It does not touch that at all. It has nothing to do with the contingencies. It is simply a straight matter of how much the secretaries and clerks shall receive for their services, and this bill does not appropriate. The appropriation bill will follow.

I am reminded of one or two alleged errors, and I am not contending that they are not errors. If such errors exist, when the appropriation bill comes along, as it will when we reach a point where the House can predicate an appropriation bill upon this measure, we can correct those errors, of course, because there is no intention of allowing the mistakes to go uncorrected. But as a general proposition, I think we will fare better and get through with better spirit all the way, and get better pay for our employees if we accept this bill as it comes to us from the committee and from the House.

Mr. WADSWORTH. Mr. President, I desire to call the attention of the Senate to a situation in the document room. For the document room, under the item on page 2, line 20, there are provided a superintendent, $3,500; first assistant, $2,880; two clerks, at $1,770 each; skilled laborer, $1,520.

For some reason or other this joint committee has failed to appreciate that a second assistant in the document room has been working there for years——

Mr. WARREN. I will say to the Senator that I have sent down for my clerk, who has the papers in regard to this matter, and I will be able to show the condition when those papers come up.

Mr. WADSWORTH. If the Senator does not mind, I have the entire history of it for 40 years back on my desk. I shall not read it all, but here is the situation: In the legislative act of 1906 the position of second assistant in the document room was created. In 1921, for some reason or other, the position was left out of the legislative act of that year, but it has been filled and paid for by annual appropriations since 1921.

Mr. SMITH. When was the position created?

Mr. WADSWORTH. In 1906.

Mr. SMITH. And was continued up to 1921?

Mr. WADSWORTH. To 1921, when, for some reason or other, it was dropped out of the legislative act of that year, but the man who did the work, and who is doing it now, has been paid by annual appropriations since then. There is no mention of him in this bill.

Mr. WARREN. Mr. President, if the Senator will allow me, I think it will develop that he has been paid out of the contingent fund, because some of those places years ago were taken care of in a resolution, which read "until otherwise provided by law," and I think that the clerk the Senator has mentioned is one of those. I think that resolution is still alive, and I think the pay is being drawn under it.

Mr. WADSWORTH. Mr. President, the situation there is exceedingly unjust. While this bill provides for five employees in the document room, and in former years we have had as many as six, and upon one or two occasions at least seven, literally there are only three men working there now, the superintendent, the first assistant, and this other man, who apparently holds no title whatsoever, and who, with the first assistant and the superintendent, does all the work.

I do not know what the appropriation bills are going to carry for him. He disappears in this shuffle. The Secretary of the Senate tells me he is absolutely essential to the good work in that office, but the joint committee has forgotten him, as far as I can find out. The efficiency of the place is dependent upon somebody remembering each year to slip an item into an appropriation bill to take care of this man.

Mr. WARREN. It has not been handled that way.

Mr. WADSWORTH. Then a resolution must be passed putting him upon some roll of the Senate, to be paid out of the contingent fund of the Senate.

Mr. WARREN. As I explained to the Senator, I think it is handled under an old resolution which takes care of it; but I shall be able to inform the Senate in a few moments.

Mr. MOSES. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state his inquiry.

Mr. MOSES. I wish to inquire if the bill is in its amendment stage?

The PRESIDENT pro tempore. It is in the Committee of the Whole.

Mr. MOSES. Does the Senator intend to offer an amendment?

Mr. WADSWORTH. I do not intend to offer an amendment now, because I want to cooperate with the Senator from Wyoming, who tells me that perhaps the matter can be fixed when certain information comes before the Senate.

Mr. WARREN. There is no doubt that it can be fixed so that no man will be left out.

Mr. WADSWORTH. That is my idea. I want to say, however, further, that in 1921 the salary of the second assistant was $2,250. The work is still going on just as it was before. If this bill were put in logical form to carry out what is going on now, and what is right and proper in the matter of salaries, the second assistant, in my judgment, should be put in either here or taken care of in some other statutory way with a salary of $2,250, plus the bonus of $240, plus the 5 per cent proposed increase, which would give that man a salary of $2,002.50. What the functions of a skilled laborer are I am not entirely certain.

Mr. WARREN. Mr. President, I have ascertained that what I said in regard to this case is true. There is a resolution covering the matter which has been passed every year for several years past. There are two or three similar places. We tried once to repeal all those resolutions, and have each place taken care of by the session or by the Congress terms, but this is one of those which have been continued. This man has been paid continuously, as I suppose, because the resolution is alive, and he is drawing his pay now.

Mr. WADSWORTH. The injustice of it is that he is doing the work of the second assistant, and he is drawing the pay of a laborer.

Mr. WARREN. That is something I do not know anything about, of course.

Mr. WADSWORTH. That is the fact.

Mr. KING. Why should we not abolish the office of second assistant, if the first assistant is doing his work?

Mr. MOSES. And make them all skilled laborers?

Mr. WADSWORTH. Make them all laborers?

Mr. KING. No. If he is doing the work of the second assistant, the presumption is the second assistant is doing nothing.

Mr. WADSWORTH. There is no second assistant now by title under a statute. This man is doing the work that the second assistant did from 1906 to 1921.

Mr. KING. Is the office of second assistant, then, abolished by this act?

Mr. WADSWORTH. No. It was abolished in 1921, and it ought to be restored, because there is a man there doing all of that work. He is doing it as the result of a resolution of the Senate which authorizes the employment on a separate roll, not under this statutory roll, of this person, who, as far as I can find out, is drawing the pay of a skilled laborer.

I took this matter up with the Senator from Kansas [Mr. CURTIS], who is fairly familiar with it, and he expressed the

opinion that the second assistant should go in the bill. But if he is to be taken care of in some other way, I am not going to be particular about it, because the Senator from Wyoming tells me that if this bill is amended in any way its passage will be jeopardized.

Mr. KING. Will the Senator tell me, from his examination, whether it is necessary to have a superintendent, a first assistant, two clerks, and a skilled laborer?

Mr. WADSWORTH. From all I know, that office is undermanned now. It does an important, effective service for Senators. If there is anything a Senator wants, it is prompt service from the document room.

Mr. KING. In addition to those to whose positions I have just called attention, is the position now held by the person to whom the Senator is referring a necessary one?

Mr. WADSWORTH. Yes; it is an anomalous position. He is doing the work of a second assistant, and is not being paid enough. They had to get him in there to continue the office. He voluntarily took the position.

Mr. WARREN. May I ask the Senator whether, in his conversation with the Secretary of the Senate, the Secretary stated whether he has been detailing others to that office?

Mr. WADSWORTH. He has been detailing this man.

Mr. WARREN. Has he been detailing others?

Mr. WADSWORTH. I believe not, other than the number provided for here.

Mr. MOSES. Mr. President, I wish to offer the amendments which I send to the desk and ask to have reported.

The PRESIDENT pro tempore. The Senator from New Hampshire offers the following amendments, which the Secretary will report.

The READING CLERK. The Senator from New Hampshire offers the following amendments: On page 2, line 24, strike out "$3,300" and insert in lieu thereof "$4,200"; on page 3, lines 1 to 23, both inclusive, strike out "$3,300" wherever appearing therein and insert in lieu thereof "$4,200"; on page 3, line 24, strike out "$3,600" and insert in lieu thereof "$4,500"; on page 4, lines 4 to 24, both inclusive, strike out "$3,300" wherever appearing therein and insert in lieu thereof "$4,200"; on page 5, lines 1 to 22, both inclusive, strike out "$3,300" wherever appearing therein and insert in lieu thereof "$4,200"; on page 6, line 4, strike out "$3,300" and insert in lieu thereof "$4,200."

The PRESIDENT pro tempore. The question is upon agreeing to the first amendment.

Mr. MOSES. All the amendments go to the same subject, and I ask unanimous consent that they may be considered en bloc.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and they will be considered together.

Mr. MOSES. Mr. President, this bill is a most imperfect response to a movement which took place in the Senate toward the close of the Sixty-seventh Congress, at which time a very determined effort was made upon the floor of the Senate to amend the legislative appropriation bill in order to provide greater compensation for the secretaries to Senators and clerks to committees. As a result of that agitation, after the failure of the amendment upon the floor, a joint committee was provided for, the result of whose labors is contained in the bill now before us.

I have described it as an imperfect response to an agitation, because, although the explanation given to the Senate by members of the committee is that the committee considered the result of the reclassification in the civil service in the city of Washington throughout the various departments and, finding the average increase there to be of a certain percentage, decided to make the same average percentage in these increases, that percentage totally loses sight of the principles of the classification bill, because every Senator who is familiar with the terms of the classification act applying to the civil service as a whole knows that in the higher positions, where the largest amount of work was required and where was required also the greatest of ability and the greatest variety of public services, there the increases were much more considerable, in some cases reaching to the extent of 50 per cent of the salary theretofore paid. Twenty per cent is the average increase given here.

I need not advert to the character of the service performed by secretaries of Senators and clerks of committees. Every Senator knows how varied, how continuous, how delicate, how important the services of his secretaries are to him; and I would wish—and the purpose of my amendment is to produce—an increase in salaries for secretaries to Senators which would be something commensurate to the service rendered to us, and something commensurate to the old-time relation between salaries of Senators and their clerks back in the days before any increase took place at all.

We have been told, we will be told again, I assume—the Senator from New York has just put the Senate upon notice—that any amendment made here to this bill will jeopardize its passage. We have been told, we probably will be told again, that the House will absolutely refuse to consider any change which we make in the text of this measure. We have been told, we will be told again, that we must take the bill as it stands or have nothing. To all of that I retort that nobody can tell what the result of an effort to amend the bill will be until the effort is made.

As I said to the Committee on Appropriations when appearing before them in behalf of the amendment which I have now presented, of course if the Senate conferees do not intend to stand for the rights of the Senate as written into an amendment in this bill or any other bill, naturally the Senate can not accomplish anything; and I added that which every Senator knows, namely, that it is always possible to recede if we come to a point such as we have been told will result. I further retort to all those assertions that this is a matter which concerns the Senate alone. If I may say so without being reproached from the other end of the Capitol, this is a matter with which the other end of the Capitol has no business at all to deal.

We do not undertake to interfere with the Members of the House in fixing the salaries of those who assist them. We have never undertaken, indeed, to say to them that the salaries should be paid in given sums to any person. We have given them full liberty of action within the limit of appropriations they saw fit to fix for themselves. Therefore I contend that this is a matter which we should determine. I suppose there are no Senators here who will not admit that a competent principal secretary is worth $4,200 a year, and if we conclude that is the salary which we should pay our principal secretaries, it is nobody else's business, and anybody who attempts to make it his business should be plainly told that he is going beyond his functions and outside of his jurisdiction.

This is a question which has been argued on the floor over and over again, and I wish to point out only one thing more, that the amendment which I have here presented, while carrying the increases named, maintains every differential now existing as among the clerks to the various committees and the secretaries to Senators.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. MOSES. I yield to the Senator from Massachusetts.

Mr. LODGE. The Senator mentioned differentials. I should like to ask if his amendment maintains existing differentials?

Mr. MOSES. Wishing to create as little dislocation as possible in the salary scale of secretaries, wishing to produce as few heartburnings as might be in connection with the amendment that I have proposed, I have undertaken to carry on the scale of salaries exactly as it now exists. In a case where a secretary to a Senator or the principal clerk of a committee has been obtaining more salary than that paid to the average clerk of the committees or average principal secretary to Senators, I have maintained that differential.

I suppose I can discern what the Senator from Massachusetts has in mind. The Senator from Massachusetts—and he will correct me if I am not reading his mind correctly—of course, is thinking of the differential, in the first place, of $300 which is paid to the clerk of the Finance Committee. He is probably thinking also of the small differential which exists in some of the minor places in some of the other committees. But, for example, at one period in the Sixty-seventh Congress there were two committees of the Senate whose chairmen were influential enough to have the salaries of their clerks increased. Those increases have been taken into consideration, although they were made individually and without any relation to the classification of secretaries and clerks. Those increases were taken into consideration and made the basis of the increases proposed in the bill reported by the joint committee, and also in the amendment which I have offered.

I have made no attempt to change the situation as I found it. If the Senator from Massachusetts wishes to criticize the situation as I found it and as I have continued it in my amendment, I shall not attempt to make retort to any such criticism, because I well know that there are committees of the Senate, notably the 10 so-called major committees of the Senate and some of the minor committees of the Senate, where there is an infinite drudgery to be done by the committee, and that drudgery, of course, is loaded upon the capable shoulders of the clerk of the committee. Yet even in those cases there is a dead level of salary that has continued to exist. If I were to criticize in general terms the bill which has been presented by

the joint committee, it would be that, unlike the reclassification of the civil service, no attempt has been made in any particular to grade the salaries in accordance with the measure of work going to a committee; that is to say, the work which the clerk of the committee has to do.

My opinion is that the salaries which I ask for in the amendment are none too high, considering the amount and character of services required and the difficulty which every Senator has to retain in his service competent clerks in whom he has ample confidence.

Mr. LODGE. Mr. President, if the Senator from New Hampshire will allow me——

Mr. MOSES. I yield the floor to the Senator.

Mr. LODGE. The matter of the arrangement of salaries can be based on two different systems. We can base it on the amount of public work of each committee. Notoriously there are some of the committees that have very heavy work, while others have much less. If we adopt that as the base we must make variations in the salaries. We can put all the salaries of the clerks on the basis of the work for the Senator who is chairman of the committee, and that personal work as well as public work would justify the system adopted here, though I think it is a poor system, but it would justify it in making the salaries all alike.

But what seems to me can not be justified is taking out of this long list one committee and making that one clerk an exception. No doubt there is a great deal of committee work to be done by that committee and no doubt a most competent man is doing the work, but he is no more heavily worked than the clerks of many other committees, and yet it is proposed to give him $300 more than any other committee clerk. They all ought to be on the same basis; that is, as to their value to the Senator who is chairman of the committee, or on the general basis of an equality of value to all Senators in the work of the clerk for him as chairman of the committee. But I do not think there is anything that can justify paying one committee clerk more than another if we adopt the uniform payment plan for all committees alike, as is proposed to be adopted here.

Now there is one other point which was suggested to my mind by what the Senator from New Hampshire said, and that is having the House fix the salaries for Senate employees. I do not think there is any defense whatever for that. We do not interfere and we never have interfered, of course, with the House appropriations for their own service and expense of administration, and we ought not to do it. When they send a bill here and tell us we can not make any amendments to it at all, the bill having been made in the House, I would much rather see the bill fail than to submit to that kind of a proposition. It seems to me intolerable that we can not be allowed to fix the pay, great or small, graded or ungraded, for our own employees, and that is what is proposed here, that we must not touch the bill because the House has already made it. To that I object as strongly as it is possible for words to do it.

Mr. OVERMAN. Mr. President——

Mr. LODGE. I yield to the Senator from North Carolina.

Mr. OVERMAN. We have to meet the situation as it is. We can amend the bill as much as we please, but what is going to become of it? What will become of it if we go to amending it? This matter was settled by a joint committee to which the matter was referred in recess. We had a meeting with members of the committee representing the House of Representatives, a committee appointed by that body to meet with us, and we did the best we could. We may have made some mistakes, but if we did they can be hereafter corrected by another bill. But so far as this bill is concerned it is the result of the joint action of a committee of the House of Representatives and the Senate. Let us amend it if we want to and let us send it back——

Mr. LODGE. That is all I ask.

Mr. OVERMAN. Let us send it back to the House of Representatives and let it die. That is the condition that confronts us. We can do as we please.

Mr. MOSES. Of course it would die if the Senate conferees do not vote for it in conference.

Mr. KING. It ought to die anyhow.

Mr. OVERMAN. We will fight for it. We are going to give each clerk $240 bonus in addition to the salary. We increase the salaries 5 per cent in that way. We must look at the facts as they confront us.

Mr. LODGE. I am not quarreling with the amount.

Mr. OVERMAN. The House of Representatives voted it down because the Senate was getting so much more money than the House that the Members of the House were jealous and voted it down.

Mr. LODGE. I believe I have the floor, but I am not sure.

Mr. OVERMAN. I thought the Senator had yielded the floor.

Mr. LODGE. I did not yield the floor.

Mr. OVERMAN. I beg the Senator's pardon.

Mr. LODGE. I only wanted to finish what I had undertaken to say. I know it was the work of a joint committee. The work of a joint committee does not bind the two Houses any more than the work of any other committee does. They are the creation of the two Houses. They bring in a report applying to salaries. The House makes its own salaries and we have not interfered with those salaries, but we are told that we must not amend the bill so far as our salaries are concerned, otherwise it will be lost.

Mr. WARREN. I beg the Senator's pardon—I have not said that.

Mr. LODGE. I did not say the Senator from Wyoming had said it.

Mr. WARREN. I do not know of anybody who has said it.

Mr. LODGE. It has been stated to me repeatedly, though not on the floor. That is the principle to which I object. If the House chooses to make changes in the report of the joint committee in the course of their own administration, nothing would induce me to vote against the bill for that reason. It is their right to say what their clerks and their officers shall have, and I think we have a like right. They do not undertake to fix salaries for us in the annual appropriation bills. They are just as anxious to pass the bill as we are. But I do not notice that they ever say a bill can not pass if we make a change. They expect us to make amendments. I think it is a wrong relation between the two Houses. I think we ought to have it understood that we do not interfere with their expenditures and we do not wish to have them interfere with ours. Let each House settle for itself its own expenditures. I yield the floor.

Mr. OVERMAN. Everybody knows that we can amend the bill and everybody appreciates the fact that if we do amend it the conferees, answering the Senator from New Hampshire [Mr. MOSES], will stand for the amendment so far as they can.

We, as Senators, get about $3,000 more than each Member of the House for clerk hire, and the Members of the House of course may demand that they get as much as Members of the Senate. Members of the House only get $4,000 for clerk hire and that is the reason why they voted down overwhelmingly the proposed increase. It was called up again and Mr. MADDEN got mad because they wanted to amend it. He said the bill had to pass as it was, and I did not blame him. The joint committee of the House and Senate got together and prepared the bill. We tried to do justice to everybody. We tried to increase everybody's salary, giving a bonus in addition to the 5 per cent.

Where are we going to end up with these great expenses? Are we going to give this clerk $4,300 and that clerk $3,500 and the other clerk $5,000 and some other clerk $6,000? Where will it all end if we undertake to do that?

We are going behind now by reason of the great expenditures incurred in conducting the Government. We ought to economize if we can. I think we have done very well by our clerks in the pending bill, and I hope it will pass just as it has been reported from the special committee. It is not that we can not amend the bill, for we can amend it and everybody knows it; there is no use to tell us that we can not do so. So if the Senate wishes to amend the bill, let us do it, and we shall try to retain the amendments in conference.

Mr. COPELAND. Mr. President, I can speak only for my own office, but I am very conscious of the fact that it would be very difficult for me to operate my office without the very efficient secretary who is there engaged. I received on yesterday 2,500 telegrams from people south of Fourteenth Street in New York City who did not want any bonus for the soldiers. My office has an enormous correspondence. I am here to say that my secretary, by reason of his business capacity, could earn $12,000 or $15,000 a year in private employ. I think that the amendment offered by the Senator from New Hampshire [Mr. MOSES] is a very reasonable one, and that we ought to provide for this increase in the salaries of our employees.

Mr. DIAL. Mr. President, we all realize that the work here is growing heavier and heavier as time goes on, but we also realize that it is necessary that we shall economize; that we shall stop spending so much money. There is no one here who has a higher regard for those who serve as our secretaries than have I. In order to fill such a position a person must have education, experience, and possess all-around, first-class ability. I do not know of any other place that is harder to fill than is the position of secretary to a Senator; that is, if it be filled efficiently, and as Senators have a right to expect it shall be filled.

I feel, however, Mr. President, that the amendment offered by the Senator from New Hampshire [Mr. MOSES] should not have been offered, and that it ought not to be adopted. We are doing by our force of clerks as well as the condition of the country will permit. I feel it would be a great mistake now favorably to consider the amendment offered by the Senator from New Hampshire. I am satisfied that too many clerks are employed in connection with some of our Senate committees, and those might be dispensed with. Under the conditions in which the people are now we should show to the country that we have their interest at heart, and also that we are not here to legislate for ourselves and for our own affairs alone, but that we are here to legislate for the people all over the country.

When we are reminded that many people are out of employment, that mills are being shut down daily, that people are walking the streets, it is no time to have the newspapers carry the information that we have legislated to increase salaries to any such extent as is proposed by the Senator from New Hampshire. I therefore trust, Mr. President, that the amendment may be defeated.

Mr. FERNALD. Mr. President, I have not the least interest in what has been said about the action of the Members of the House in regard to this bill; it does not concern me at all; but I have been deeply impressed by what the Senator from North Carolina [Mr. OVERMAN] has said, and I believe it is true. We have had a committee which has had this matter under consideration for weeks and weeks. It is a very delicate matter properly to arrange all of these different salaries and to make the proper discrimination, if there be discrimination, as to the pay of the clerks of the different committees.

I have employed office help for 40 years, and I think now I have as efficient office help as can be found in the city of Washington. I realize that what I now shall say will probably incur the enmity of every person who is engaged in office work in the Senate, in the House, and office buildings; but I am frank to say that every position occupied by our employees can be filled in 24 hours by somebody who is just as efficient as those we now have and on the present salary.

Most of the young ladies who are there engaged are taken from the different States; they have come from schools, commercial colleges, and from different occupations. They are here because they get higher salaries here than they could obtain elsewhere, and conditions are more favorable to their happiness here than they would be in any other place in the world. I believe we are paying our clerks amply, indeed highly, that we are paying them more wages than are paid in almost any commercial industry in the land.

It seems to me that, although we may not be interested in what the House may do, we ought to be interested in the taxpayers of this country and how they feel about this matter. Everybody comes to Congress except the taxpayers. We are increasing salaries; we are creating bureaus; we are building up departments; we are increasing the salary list all the time. When I came here there were about 60,000 persons in the employ of the Government; then the number went up to 128,000; and we have been trying to get it reduced, but with very little result.

I am in entire agreement with the Senator from North Carolina, who has had this matter under consideration. I believe that the salaries as decided upon in the report of the chairman of the committee are about what they ought to be; that they are sufficiently high; and I, too, am opposed to the amendment which has been offered by the Senator from New Hampshire.

Mr. WARREN. Mr. President, the Senator from Maine [Mr. FERNALD] has turned the attention of the Senate in the right direction so far as concerns what we as the servants of the people ought to do. The people are demanding that expenses be reduced, and we are being commanded to lower them.

Since the beginning of the World War we have raised the salaries of our employees several times, and now in this instance we propose to raise the salaries of the clerks of Senators twenty-odd per cent. There are no employees either in the House of Representatives or in the District of Columbia or out through the country at large who have received such a percentage of increase as a whole.

I agree with the Senator from Maine when he says that if these employees, men and women both, should vacate their places plenty of others could be found who would take them; in fact, most of us have requests from time to time to find employment for others here in Washington at rates of compensation which are lower than we are paying.

The Senator from New Hampshire in his eloquent endeavor to have the salaries raised seems to me has been a little gratuitous in his aspersions as to what is assured and what is going to be demanded. I do not know to whom he refers. Possibly he may have referred to me. I shall not state that the bill can not pass if amended, but I say that I believe it would be unfortunate if we should undertake to amend it, because I think we will find ourselves in a better position on the other side if we do not do so. I am but the creature of the Senate, and the Senate, of course, may do what it chooses; but to increase the salary of our first clerks some 75 or 80 per cent I think would be an outrage, so far as that is concerned, when we consider what is paid to junior clerks, also what is paid to department clerks.

I know how ungracious it is for me to stand here and speak about keeping salaries down or to be enlisted against a greater increase of salaries in the Senate for all of our employees. I know how popular it is for Senators to appeal in behalf of their clerks and others for greater compensation for them. Probably such action gives them great personal credit, but I assume that the responsibility of the chairman of the Appropriations Committee is to try to consider these questions coolly and do the best he can to help make what may be considered reasonable provision for the employees of Congress.

Now, as to the variations to which the Senator from New Hampshire and the Senator from Massachusetts have alluded. The Senator from New Hampshire says that he bases his amendment upon this bill, and yet he says this bill is absolutely wrong. If the Senate thinks it best to undertake to amend the bill by the various proposals which will be made by Senators on the floor, of course it will do so. I simply wish, as my own thought, to say that I think the best course to pursue would be to take the bill as a whole, and then later to increase any salaries which may be considered too low and to provide for any defects, if any there be, in the bill.

As to the clerks of the major committees, I have always been in favor of their having greater compensation, but I have not been able to convince others that that should be done. For instance, the last time we raised the salaries of our employees the increase was applied to the clerk of every Senator alike, barring, I think, the clerks of two committees.

With reference to the allusion to the higher-salaried clerks, I have nothing to say as to the clerk of the Committee on Appropriations, for that is a matter regarding which the Senate can do as it chooses.

As to the clerk of the Finance Committee, the salary in that case was adjusted as it was because on the House side similar compensation is provided for the clerk of the Committee on Ways and Means, and it seemed but natural that the compensation of the clerk of the Senate Committee on Finance should be the same as that of the clerk of the Committee on Ways and Means, for both committees consider the great tariff and revenue bills of all kinds. I may be wrong, but I myself think that I would rather increase the salaries of other clerks than to reduce the amount provided for the clerks of those two committees, respectively.

Mr. LODGE. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Wyoming yield to the Senator from Massachusetts?

Mr. WARREN. I do.

Mr. LODGE. If the compensation of the clerk of the Finance Committee is based on the amount paid to the clerk of the Ways and Means Committee in the House, there is no such basis of comparison in connection with the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House. The Committee on Foreign Affairs of the House has not the same work to perform as that which comes to the Committee on Foreign Relations of the Senate. For instance, the House committee has no treaties to deal with.

Mr. WARREN. That is true.

Mr. LODGE. So it seems to me that to take the House committees as our standard would be more misleading than to take simply the work of each committee.

Mr. WARREN. As the Senator knows, the House committee has perhaps a little over half of the work which is imposed on the Senate committee; but that has nothing to do with it.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Florida?

Mr. WARREN. I yield.

Mr. FLETCHER. The same observation as that made by the Senator from Massachusetts would apply to the Commerce Committee, for instance, of the Senate. In the House there are committees on the Merchant Marine and Fisheries, Rivers and Harbors, and Flood Control, which have jurisdiction of subjects matter which in the Senate are dealt with by one committee, namely, the Commerce Committee. So that we can not very well gauge the work of the committees of the Senate by the work of the committees of the House.

Mr. WARREN. They have not been so gauged, and I spoke only of the one committee, because the clerks of the other committees on the House side are paid a less compensation than the clerks of the Senate committees.

Mr. FLETCHER. Mr. President——

Mr. WARREN. For instance, if the Senator from Florida will allow me, admittedly the Foreign Affairs Committee of the House does not have any such amount of work as the Senate Committee on Foreign Relations, but the clerk of the House committee does not get as high a salary as is allowed to the clerk of the Senate committee.

Mr. LODGE. I used that example, not on account of existing salaries, but to indicate that to take the House committees for our standard and fix the salaries of Senate committee employees on that basis seems to me to be misleading.

Mr. WARREN. I have denied twice that we have taken such a standard, and I will deny it again.

Mr. LODGE. I beg the Senator's pardon. He said that the reason the clerk of the Finance Committee was given a higher salary than the clerk of any other committee of the Senate was because the clerk of the House Committee on Ways and Means was given such a salary.

Mr. WARREN. That is one committee.

Mr. LODGE. That is taking the House standard, is it not?

Mr. WARREN. It is not taking the standard of the House committees generally; no.

Mr. LODGE. It is taking the standard of the one House committee, and I merely wanted to point out that to do so is misleading.

Mr. WARREN. I do not care to indulge in further remarks now, and I am perfectly willing that the vote should be had on the amendment.

Mr. DIAL. Mr. President, I desire to submit a point of order against the amendment of the Senator from New Hampshire [Mr. MOSES] on the ground that it is not reported by a standing committee and is to increase an appropriation without an estimate. The point of order is made under Rule XVI, which, in part, is as follows:

> All general appropriation bills shall be referred to the Committee on Appropriations, and no amendments shall be received to any general appropriation bill the effect of which will be to increase an appropriation already contained in the bill, or to add a new item of appropriation, unless it be made to carry out the provisions of some existing law or treaty stipulation or act or resolution—

And so forth.

The PRESIDING OFFICER. The Chair will suggest to the Senator from South Carolina that he does not think this is a general appropriation bill, and therefore overrules the point of order.

Mr. KING. Mr. President, I rise principally for the purpose of expressing my dissent from the proposition announced by the Senators from Massachusetts [Mr. LODGE] and New Hampshire [Mr. MOSES]. Both have challenged the right of the House to have anything to say concerning expenditures made by the Senate, or resulting from actions of the Senate, in so far as they relate to the salaries and employees of the Senate. In effect their position is that the Senate, in dealing with its own employees, is independent of the House; and that Congress, as defined by the Constitution, means only the Senate when legislation is sought affecting employees and officers of the Senate. Conversely, their position is that the Senate can have no voice in expenditures made by the House relating to its officers and employees. This position, Mr. President, I regard as unsound from every point of view.

Mr. WARREN. Mr. President, will the Senator yield to me for a moment?

Mr. KING. I yield.

Mr. WARREN. The Senator no doubt is about to say, and say very truthfully, that every appropriation bill, every dollar that is expended, has to be voted on by both House and Senate. It is true that we have a contingent fund, and we can use it as we please; but that fund has to come, in the first place, from the joint vote and support of both Houses.

Mr. KING. The Senator has anticipated me. I was about to observe that no money can be lawfully taken from the Treasury of the United States, except as a result of an appropriation made by Congress. Both the House and the Senate must concur, and their action must meet with the approval of the President of the United States. Both the House and the Senate are guardians, or should be, of the interests of the public. Each Member of the Senate and the House has a responsibility for every dollar taken from the Public Treasury. Both the House and the Senate are responsible for appropriations and neither branch can take refuge for an extravagant or illegal item carried in an appropriation bill, behind the proposition that the responsibility for it rests exclusively upon one branch of the legislative department. If the Senate arranges to pay its employees excessive or extravagant salaries or compensation, I submit the House may not escape condemnation by perfunctorily assenting to the same upon the pretext that the Senate alone is concerned in the matter; nor can the Senate escape criticism if it approves of unjust and improper items of expenditure incurred by the House in the payment of its employees and officials. I insist, Mr. President, that the House has a right to scrutinize items of appropriation which the Senate desires made for its contingent expenses or to meet the salaries of its employees, and I repeat that it is the duty of the Senate to examine the measures reported by the House which carry appropriations for House employees.

When the Senator from New Hampshire [Mr. MOSES] states that "it is no business" of the House what the Senate pays its employees, I respectfully submit that the position is not only unsound but it contravenes organic law and subjects the Senate to merited criticism. It seems to me that the position will be regarded as arrogant, and that it does not recognize the proper relations between the legislative branches of the Government.

May I say, Mr. President, that, in my opinion, too little attention is paid by Congress to appropriation bills, and the people are justly complaining of the extravagant appropriations which have characterized this as well as preceding Congresses, and which have added to the intolerable burdens of taxation from which the people are suffering. I have been amazed at the indifference of both branches of Congress to the increasing appropriations and the expanding powers of the Federal Government. Seldom is any appropriation challenged and our efforts seem to be to increase appropriations. The spirit of thrift and economy and retrenchment certainly does not rest upon the legislative branch of the Government, and Congress becomes a contributor to the tribulations and hardships which are visiting our country and carrying despair to the hearts of millions of the farmers of our land.

I have recently felt that the strength of Mr. Coolidge arises largely from the belief which the people have that he is an exponent of economy in government and is opposing extravagant appropriations emanating from the House and the Senate. May I add in parenthesis, that Mr. Coolidge does have great strength among the people, and if Democrats do not realize it now, they will be awakened from their dreams sooner or later. I have not time to analyze the facts to show whether there is foundation for the belief which the people entertain respecting Mr. Coolidge. In my opinion, his efforts in behalf of retrenchment and economy and efficiency in the public service have been greatly exaggerated by the press, and do not afford foundation for the belief of those to whom I have referred.

Mr. President, I regret that so few voices have been lifted upon either side of the aisle this session in favor of economy and in opposition to appropriation bills.

Mr. ASHURST. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Arizona?

Mr. KING. I yield.

Mr. ASHURST. I always appreciate the pungent and scholarly remarks of my friend from Utah, and he is usually correct. The only place, however, where President Coolidge has manifested any desire to economize is to shut off a few pensions of old Civil War veterans and Indian war veterans and to shut off insurance policies for the soldiers of the Great War. Name any other place where economy has been talked about and I surrender.

Mr. KING. Mr. President, I observed a moment ago that I would not stop to analyze the claims made for Mr. Coolidge or the basis for the belief of the people. That I shall do later. I was deploring that so little had been said or done in the Senate to lighten the burdens of taxation by reducing the expenses of the Government and excising from appropriation bills hundreds of millions of dollars which I feel the situation does not call for. My able friend from Arizona is a skilled legislator and one of the most valuable men in public life,

but I do not now recall hearing his eloquent voice at this session in opposition to appropriation bills. I know, of course, that he does stand for economy, and will, at the appropriate time, lift his voice against extravagant appropriations.

Mr. ASHURST. Mr. President, will the Senator permit me? I am going to vote against the amendment proposed by the Senator from New Hampshire [Mr. Moses].

Mr. KING. I thought the Senator would.

Mr. ASHURST. I believe in fair pay to secretaries and to clerks, but I believe that the arrangement that the committee has brought in is equitable and fair, and I am going to vote against this proposed increase. So I hope that upon my first experience of this kind the Senator will not strike me in the face as I come into the temple of reform. I am proposing now to vote against the increase, and yet I am rather rebuked by the very able Senator. That is the welcome I get when I start out to vote for decreases of appropriations.

Mr. KING. Well, Mr. President, I would not now have the right to smite my friend from Arizona. My ineffective efforts do not warrant me in criticizing him. However, may I say to the Senator with some levity, "So long as the lamp holds out to burn" the handsomest and ablest sinner may return, and I welcome him into the ranks of those who are trying to reduce the expenses of the Government.

Mr. OVERMAN. Mr. President, I hope the Senator will not include me in his statement that no voice has been raised on this side of the Chamber for reform and economy. I tried here to save $4,000,000 to the taxpayers and the Senate voted it in overwhelmingly. It went to the House and, of course, was knocked out. I refer to the Customs Service and other things.

Mr. KING. Mr. President, I appreciate what the Senator from North Carolina has done as a member of the Appropriations Committee in keeping down appropriations, and regret that he has not received stronger support. But I was about to state that whatever efforts have been made by Mr. Coolidge to limit expenditures they have evoked but little, if any, support from Republicans. The Republican Party, true to its past record, now disregards, as it always has disregarded, the admonitions of wise and courageous men, whether within or outside of its ranks. It came to power more than three years ago upon the false plea that it stood for economy and would conduct the business of the Government along sane, rational, and economical lines. It has utterly failed to keep its promises. Extravagance and waste have attended its administration, and the evidences of maladministration and corruption have shocked the Nation.

If Mr. Coolidge were to cry aloud for retrenchment, few sympathetic voices would be heard upon the other side of the aisle. The Republican Party has control of Congress and all branches and departments of the Government. It could have projected wise and salutary legislation and inaugurated reform measures and policies which would have resulted in economies. It has been weighed in the balance and found wanting.

We will have another appropriation bill before us within the next day or two, which will add from sixty to eighty millions of dollars annually to the tax burdens of the people. This bill deals only with increases in salaries. Congress is more concerned in creating bureaus and departments and executive agencies and increasing salaries than it is in promoting the welfare of the people and dealing with vital problems relating to agriculture and domestic and foreign affairs.

Mr. President, if the Democrats desire to win the next election—and they can, and I believe will win—they could have no better slogan than economy, retrenchment, reform in governmental affairs, and a reduction in the tax burdens of the people. When the farmers of the United States are earning a mere pittance, perhaps averaging less than $500 per annum, and they behold what is paid to employees of the Federal, State, and municipal governments, and when they feel the grinding heel of poverty, they can not be other than resentful toward their Government and would be justified in demanding the adoption of such measures as would relieve them from the crushing burdens under which they rest.

Mr. President, the Democratic Party here should stand for economy and should fight the extravagant appropriations which daily pass this body. But little help will be received from Republicans. I hope there will be unanimity upon the part of the minority in opposing measures which add so greatly to the sufferings of the people.

Mr. HARRIS. Mr. President, I offer an amendment to the amendment of the Senator from New Hampshire, which I send to the desk and ask to have read.

The PRESIDING OFFICER. The Senator from Georgia offers an amendment to the amendment, which will be stated.

The reading clerk read as follows:

On page 2, line 24, strike out "$3,300" and insert in lieu thereof "$3,600."

On page 3, lines 1 to 23, both inclusive, strike out "$3,300" wherever appearing therein and insert in lieu thereof "$3,600."

On page 3, line 24, strike out "$3,600" and insert in lieu thereof "$3,900."

On page 4, lines 4 to 24, both inclusive, strike out "$3,300" wherever appearing therein and insert in lieu thereof "$3,600."

On page 5, lines 1 to 22, both inclusive, strike out "$3,300" wherever appearing therein and insert in lieu thereof "$3,600."

On page 6, line 4, strike out "$3,300" and insert in lieu thereof "$3,600."

Mr. MOSES. Mr. President, may I ask the Senator from Georgia a question?

Mr. HARRIS. Certainly.

Mr. MOSES. This is a uniform change of $600, is it, in the amendment which I have offered?

Mr. HARRIS. Yes; it makes the compensation $3,000 for the first clerk instead of $3,300.

Mr. MOSES. And it is offered as a substitute for my amendment?

Mr. HARRIS. Yes.

Mr. MOSES. I accept it as such, Mr. President.

The PRESIDING OFFICER. The Senator from New Hampshire accepts the amendment of the Senator from Georgia.

Mr. HARRIS. Mr. President, I am not going into the question of what the House has to say about employees of the Senate, or what the conference committee will do. I believe that the Senators on the conference committee will do their very best to carry out what the Senate votes for. I am going to discuss only the merits of this question.

The private secretaries to Senators have more work to do than the secretaries to the governors of States. The average salary of the secretaries to governors of the States of the Union is more than $4,000. This amendment provides for a salary of $3,600. Senators' secretaries have to spend large sums in going to and returning from their homes with their families in the holidays and in the vacation—in my State from $250 to $300—and that is deducted from their salaries.

I know of no men in the Government employ in Washington who do the secretarial work they do and get less than $3,600. I think we ought to increase this salary to at least that amount. It is unjust to pay them less than others receiving this salary for similar work.

I am not so fortunate as some of the other Senators, who can better afford to pay for extra clerical help out of their own resources. I have to do that, and I am not able to do it. If we lose our efficient secretaries, valuable men that they are, or if the salaries are put at so low a point that we can not hold those men, it will make the work of Senators harder. It is utterly impossible for a Senator to do in person all the departmental work and the other work that is asked of him. I want this salary to be more, because I want my secretary to give service to the people of my State, help look after the many claims of soldiers, and do many other things that require ability, character, and loyalty which it is impossible for a Senator to do and keep up with his committee and other work of the Senate. If the salary is so low that we can not hire efficient men, the people of the States—the soldiers, farmers, laborers, and business people—are going to suffer, and not the Senators. For that reason I hope this amendment will be adopted.

Mr. ASHURST. Mr. President, I think I should cut a poor figure to stand up here and argue against an increase of salary for a secretary or clerk to a Senator. If I may be pardoned for a personal reference, my secretary is a man of family and four children, and the salary heretofore has been insufficient.

Mr. HARRIS. Mr. President, may I interrupt the Senator?

Mr. ASHURST. I yield gladly.

Mr. HARRIS. What does it cost the Senator's secretary to go home and come back here?

Mr. ASHURST. A vast amount.

Mr. HARRIS. It means several hundred dollars out of his salary.

Mr. ASHURST. The salary has been heretofore, and is now, I think, $2,740. Under the pending bill a moderate and yet, I think, a substantial increase is proposed.

Mr. OVERMAN. Mr. President, the present salary is $2,500. He gets $2,740 by reason of the bonus. The bonus is done away with now; and therefore, unless this bill is passed, he will get only $2,500.

Mr. ASHURST. Yes. Here is a substantial increase that I favor and for which I would vote; and I hope it will not be

construed that my voting against the amendment proposed by the Senator from New Hampshire means that I want to begin cheeseparing with the salary of a secretary or a clerk. In fact, Mr. President, they are the last upon whom I should want to apply the knife of retrenchment.

It so happens, however, that we are confronted with a practical difficulty. Here is an increase, and it is a substantial one and I think a just one. If we amend this bill, it is my opinion that we may lose the bill.

Mr. President, I had in mind the proposing of an amendment on page 6 of this bill. Take, for instance, the upholsterer and locksmith, the cabinetmaker, and the carpenters—they get, respectively, $147 a month, $126 a month, and $116 a month. They make these desks. They upholster these chairs. There is not one in the carpenter shop but that could go out and get his $10 a day in private employment. They are men of the highest type of efficiency, and I think their compensation ought to be increased; and I would take pleasure in proposing the amendment now, but I am of opinion that if we amend this bill we will run the risk of losing what it does contain.

Legislation is a compromise; legislation is subject to many exigencies which in a practical way we can not overcome. Therefore I will withhold the proposed amendment, which I intended to offer, which would give the upholsterers and the cabinetmakers and the carpenters increases. I call upon every Senator here to witness that these carpenters and these upholsterers who take care of these desks and who make a great amount of furniture for the Senate are underpaid. But rather than run the risk of losing this bill I withhold the amendment. That is the only thing that keeps me now from voting for the amendment proposed by the Senator from New Hampshire—the practical difficulty in the way.

I agree with the Senator from Georgia; the secretaries must go home; they must pay their own railroad fare; they get no mileage, and it is a hardship—a great hardship, especially if they have families. But I fear, I repeat, we will run a risk of losing the substantial increases the bill grants if we amend it.

Mr. STEPHENS. Mr. President, it frequently happens that a bill is passed without a roll call. Thinking perhaps that may be the case with this bill, I desire to say just a word.

I am not going to make a plea for economy. That would take some time, and serve no good purposes here. I realize quite well that the Senate talks economy, and yet at every opportunity increases the expenditures of the Government.

The people of the country are burdened with high taxes. Pleas are coming from every section for a reduction of taxes, for relief from heavy burdens. We answer the letters, the telegrams, the personal pleas, and pledge ourselves constantly to an effort to reduce taxes, and yet, as I said, we are constantly increasing those burdens. Hardly a day passes but that the tax burden grows heavier.

I realize quite well that there are some cases where an increase of salary should be granted, but I believe firmly that we are making a mistake with regard to most of these matters. As I said, I do not expect to make a speech on economy, but I simply rose to announce my position, and to put myself on record on this proposition.

I do not believe there is any justification for the amendment offered by the Senator from New Hampshire, nor do I believe there is any justification for many of the increases contained in this bill. For these reasons I expect to vote both against the amendment of the Senator from New Hampshire and against the bill itself.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from New Hampshire [Mr. MOSES] as modified by the proposal of the Senator from Georgia [Mr. HARRIS.]

Mr. WARREN. Which I hope, Mr. President, may not be agreed to.

The amendment was rejected.

The PRESIDING OFFICER. The bill is still as in Committee of the Whole and open to amendment.

Mr. KING. Mr. President, a parliamentary inquiry. Does the vote just taken dispose of the amendment offered by the Senator from New Hampshire?

The PRESIDING OFFICER. It does. The Senator from New Hampshire accepted the modification.

Mr. WADSWORTH. Mr. President, I desire to ask the Senator in charge of the bill if he is thoroughly convinced that the adoption of one amendment having to do with the second assistant in the document room would actually threaten the life of this bill? Would the House be disposed to refuse to concur in an amendment of that sort, to take care of a situation which is notorious, and which affects our document room? I will accept the advice of the Senator from Wyoming or the Senator from Utah, but I want it given in public. Here is a situation which can not be defended. I want that man classified as he was formerly and as he should be to-day.

Mr. WARREN. I do not understand that the man's salary has been reduced.

Mr. WADSWORTH. The place was abolished in 1921. I think perhaps the Senator fails to understand some of the details of it. The place of assistant superintendent was established in 1906.

Mr. WARREN. None of these places were established by law.

Mr. WADSWORTH. Just as this bill establishes positions and salaries.

Mr. WARREN. For the time being.

Mr. WADSWORTH. Yes; for the time being. The next Congress can repeal this whole thing if it wants to, but it becomes the basic law regulating the salaries of the employees in the House and Senate.

In 1906 the position of assistant superintendent in our document room was established, a man was appointed, and he went to work. In 1921, in the drive for economy, the position was abolished by being unmentioned in the legislative act of 1921. Instantly the document room fell into such confusion and became so far behind in its work that the Secretary of the Senate had to secure authority to employ a man on the contingent roll and send him to the document room to do this work. His salary was only $1,200, and the same man who had been doing the work before volunteered to continue. Since that time the Secretary of the Senate has secured an increase of pay for that man of $300. He is now getting $1,500, plus the bonus.

Mr. KING. Why should they not just change him around and make him first assistant if he is so invaluable?

Mr. WADSWORTH. The place of first assistant is filled, and that man is working hard. This man is doing the work of a second assistant; has done it right along, and the Secretary of the Senate tells me that we can not get along without him. Why not have him classified as such, as he was formerly? I have not found a Senator but who says it ought to be done, except that the House of Representatives may defeat this measure because, forsooth, the Senate proceeds to name a second assistant in its own document room.

Mr. WARREN. Mr. President, that is going entirely too far.

Mr. WADSWORTH. That is the question I ask. That is why I have been deterred from offering the amendment. I have not offered it yet.

Mr. WARREN. I have said to the Senate, and I will say it again, that in five or six days we shall have the appropriation bill here, and this matter and any other thing of the kind can be fixed. If the Senator wishes to offer his amendment now, as I said before, it is with the Senate; it is not with me.

Mr. FLETCHER. May I call attention to the fact that the bill carries for the document room a superintendent at $3,500; first assistant, $2,880; two clerks, at $1,770 each; and a skilled laborer, at $1,520; total, $11,440. That is carried in this bill.

Mr. WADSWORTH. That is one less than was provided for years and years, prior to 1921. This provides for five employees altogether. Formerly there were six, and it is notorious that the document room does not serve Senators to-day as promptly as they should be served.

Mr. FLETCHER. This raises the present cost by $400. The present cost is $11,040, and this makes it $11,440.

Mr. WADSWORTH. The present cost?

Mr. FLETCHER. That is $11,040.

Mr. WADSWORTH. For the document room; yes. There are only four men actually working there, of whom one is this man, who is not carried in this bill. The two clerks do not work there. They are shifted off somewhere else at somebody's earnest request.

Mr. WARREN. The Senator should not hold us responsible for that. The Secretary has immediate charge of those. I do not know why he should detail them somewhere else, but if he does there is no reason why an authorization bill should be changed on that account.

Mr. WADSWORTH. I am not asking for it on that account, and the Senator knows that. The Senator leaves it to the Senate to decide whether this bill will be killed if an amendment is offered?

Mr. WARREN. I make no such assertion.

Mr. WADSWORTH. The Senator left it to the Senate to be decided. That was the assertion the Senator made.

Mr. OVERMAN. That is not justified, and I think it should be resented.

Mr. WADSWORTH. Is it the opinion of the Senator from North Carolina that the House would reject this whole thing?

Mr. OVERMAN. After considering the whole matter as it exists there, what was said by Mr. MADDEN on the floor, and what was done with the bill, I believe we can not get it up again in the House of Representatives if we amend it here.

Mr. WADSWORTH. Now I have a direct answer, and I shall not offer the amendment; but my efforts to cure this situation will not cease from now on.

Mr. OVERMAN. I will help the Senator.

Mr. WADSWORTH. They will be made when every appropriation comes up here containing items for the support of the legislative employees. They will be made whenever the contingent fund of the Senate is under discussion. This thing ought to be fixed There is no defense for it in its present situation.

Mr. OVERMAN. I will help the Senator.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

POSTMASTERS AND POSTAL EMPLOYEES

Mr. EDGE. Mr. President, I desire to make a motion, but before doing so I want to make just a very brief statement. I am going to move that the Senate proceed to the consideration of Senate bill 1898, which is a bill prepared by the joint committee of the Senate and the House to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service. The bill affects 300,000 employees in the postal department in every State in the Union. I am very anxious that the Senate shall give it consideration. I understand, however, that the Senator from Idaho [Mr. BORAH] desires to speak at 2 o'clock on the results of the inquiry of the special committee of which he was chairman, so that I will not attempt to discuss the bill, giving way to him.

I move now that the Senate proceed to the consideration of Senate bill 1898, to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees of the Postal Service.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Utah will State his inquiry.

Mr. KING. Is it permissible under the rules to offer as a substitute for that bill some other bill?

The PRESIDING OFFICER. It is not. If the Senate votes down the motion to take up Senate bill 1898, of course a motion to take up another bill would be in order.

Mr. KING. It is debatable, I presume?

The PRESIDING OFFICER. Not until 2 o'clock. The question is on agreeing to the motion of the Senator from New Jersey.

Mr. KING. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The reading clerk will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Edwards	Jones, Wash.	Robinson
Ashurst	Ernst	Kendrick	Sheppard
Ball	Fernald	King	Shipstead
Bayard	Ferris	Ladd	Smith
Borah	Fletcher	Lodge	Stanfield
Brandegee	Frazier	McNary	Stephens
Brookhart	George	Mayfield	Sterling
Broussard	Gerry	Moses	Swanson
Bruce	Glass	Neely	Trammell
Cameron	Gooding	Norbeck	Underwood
Capper	Hale	Norris	Wadsworth
Caraway	Harreld	Oddie	Walsh, Mass.
Colt	Harris	Overman	Walsh, Mont.
Copeland	Heflin	Phipps	Warren
Dale	Howell	Pittman	Weller
Dial	Johnson, Calif.	Ralston	Wheeler
Edge	Johnson, Minn.	Ransdell	

The PRESIDING OFFICER. Sixty-seven Senators having answered to their names, a quorum is present. The question is on the motion of the Senator from New Jersey [Mr. EDGE] to proceed to the consideration of House bill 1898.

Mr. BORAH obtained the floor.

Mr. WALSH of Montana. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

CHILD LABOR CONSTITUTIONAL AMENDMENT

Mr. WALSH of Montana. Mr. President, just prior to the close of the business of the Senate on yesterday I indicated a purpose to bring before the Senate for consideration Senate Joint Resolution No. 1, providing for the submission of an amendment to the Constitution in relation to child labor, reported to the Senate on April 15 last. On April 28 there came to us from the House, House Joint Resolution 184, identical in language, dealing with the same subject. I am desirous of having speedy consideration by the Senate of one or the other of the joint resolutions, but some Senators who are opposed to the resolution have asked that its consideration be deferred. I ask unanimous consent that on Tuesday, May 27, one week from to-day, at the close of the routine morning business, the Senate proceed to the consideration of House Joint Resolution 184.

Mr. EDGE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. EDGE. If the bill which I am seeking to make the unfinished business shall be made the unfinished business, then if the request made by the Senator from Montana is granted, would that displace the unfinished business?

The PRESIDING OFFICER. Not until the time fixed in the Senator's request.

Mr. EDGE. After the time is reached, if the measure suggested by the Senator from Montana be taken up, would the unfinished business only be temporarily laid aside or would it lose its place permanently?

Mr. WALSH of Montana. The unfinished business would be temporarily laid aside.

Mr. LODGE. The time asked for by the Senator from Montana would not possibly interfere with the bill of the Senator from New Jersey that it is now proposed to have taken up.

Mr. WALSH of Montana. I should not think so.

Mr. LODGE. I think we shall finish the postmasters' bill before that time. I mean it is quite safe so far as the Senator is concerned.

Mr. KING. Mr. President, we may have appropriation bills of importance before us at that time, or we may have before us farm-relief legislation which is of great importance. I think we had better wait until a later period before we take up the child-labor question, and I am therefore constrained to object.

The PRESIDING OFFICER. The Senator from Utah objects.

Mr. WALSH of Montana. As objection is made, I shall seize the first opportunity that presents itself to move that the Senate proceed to the consideration of the House joint resolution to which I have referred. I fixed the day which I did for the accommodation of Senators who had some objections to urge to it.

Mr. ROBINSON. Let me state in connection with the request of the Senator from Montana that there are absent now two Senators who want to be present when the joint resolution is taken up and who will return before the date he has mentioned. I myself would be glad to see an arrangement perfected for the consideration of the joint resolution.

Mr. WALSH of Montana. In view of the objection made I give notice that, upon the conclusion of the consideration of the bill now about to be made the unfinished business, I shall move that the Senate proceed to the consideration of House Joint Resolution 184.

ALIEN PROPERTY TRADE INVESTMENT CORPORATION

Mr. NORRIS. Mr. President, I would like to call the attention of the Senator from Montana to the fact that I gave a similar notice as to one of the farm-relief measures pending here that ought to be taken up, in my judgment, before we keep on increasing a lot more salaries. When the time came and I sought recognition in competition with some one who wanted to take up a bill to increase salaries, I could not get recognition. The Senator from Montana is in the same predicament that I am in. I want to give notice that unless some arrangement is made by which the joint resolution (S. J. Res. 121) to create a body corporate by the name of the "Alien Property Trade Investment Corporation" is taken up I shall move to take it up, and I shall take the time of the Senate to go into it while some other bill is pending. If those who want to consider some legislation of that kind are interested, they will have an opportunity to vote for it even if they do displace something else. We ought to be considering that measure now.

Mr. BORAH. If a vote can be taken upon the motion of the Senator from Montana without debate, I am willing to yield for that purpose.

Mr. KING. No; it can not.

Mr. BORAH. That is what I suspected.

Mr. EDGE. I understand the Senator from Montana has not made a motion?

Mr. BORAH. No; he merely gave notice that he would make it.

The PRESIDING OFFICER. The Senator from Idaho is entitled to the floor, and will proceed.

SENATOR BURTON K. WHEELER

Mr. BORAH. Mr. President, I ask that the Clerk may read the resolution which I send to the desk.

The PRESIDING OFFICER. Without objection, the Clerk will read as requested.

The reading clerk read as follows:

Resolved, That a committee consisting of five Members of the Senate be appointed by the President pro tempore to investigate and report to the Senate the facts in relation to the charges made in a certain indictment returned against Senator BURTON K. WHEELER in the United States District Court for the State of Montana.

Mr. BORAH. Mr. President, the unpleasant task which was assigned to the committee has been finished so far as the committee's work is concerned. Reports, both majority and minority, have been filed, and I now desire, preliminary to making a motion to accept the report of the committee and discharge the committee, to discuss more in detail than we did in the report the facts which we were authorized to investigate.

The statute under which the charges against Mr. WHEELER arise was known originally as section 1782 of the Revised Statutes of the United States and has later been carried into the Criminal Code under section 113. There is in my opinion no difference in legal import between the act as it originally appeared and as it appears in the Criminal Code so far as the charges against Senator WHEELER are concerned. There was a change in phraseology, some additional officers were included, and in some respects modification was had, but the statute as it originally existed and as it was construed by the Supreme Court of the United States in my judgment covers the entire work of the committee.

Mr. STERLING. It is agreed, on my part at any rate, that the import of the two statutes, so far as the Wheeler case is concerned, is the same. There is no dispute about it.

Mr. BORAH. Very well. I therefore direct particular attention to the statute as it originally appeared, because of the construction which has been placed upon it by the Supreme Court. There are two offenses designated and defined in the statute—one that of making an agreement upon the part of a Member of Congress to perform service before a department. That is one offense. The second offense is that of receiving compensation, regardless of whether any previous agreement had been made for the performance of services by a Member of Congress before a department. That was the original statute. That is the statute still.

The important feature, therefore, of the investigation appeared from the beginning to be whether Mr. WHEELER had made an agreement with anyone after his election to the Senate to perform any service before any of the departments at Washington; secondly, whether, regardless of any previous agreement, he had received any compensation for the performance of such service. I know of no way, the committee seemed to know of no way, to arrive at the facts which we were authorized and instructed to investigate other than to go directly to the question of whether or not such an agreement had been made or whether such compensation had been had.

The statute does not inhibit or prohibit a Member of Congress from performing services before a department provided he is not acting under an agreement for compensation or provided he does not receive compensation. As I stated upon yesterday, every western Senator particularly understands how almost daily he is called upon by his people at home to go before the departments, particularly the Department of the Interior, to render some service to some constituent. I take it in all probability that every western Senator would agree with me that that is a thing we are called upon to do almost every day and certainly every week that we are here. The statute does not prohibit that. It only prohibits the performing of a service under agreement or for compensation.

I digress to say that it would be a great convenience, to western Senators particularly, if the statute prohibited one from going before a department in those matters at all. It requires a vast amount of service which it is very difficult for us to decline to perform. We really owe it to our constituency to do it, and yet it is really a service outside of our duties as Senators. One who does not have the misfortune to represent a State largely, if not almost wholly, under control of the National Government can not realize the burden which it imposes upon a Senator. But daily we perform those services, and there is no inhibition, there is no impropriety in it, so far as any statute now obtaining defines our duties.

The most important figure perhaps in this controversy outside of Mr. WHEELER is Gordon Campbell. Mr. Campbell is a geologist; he has been for some time engaged in developing the oil fields in north Montana, which is known as the Kevin field. In January and February of 1923 he was engaged in a number of lawsuits in Montana, which lawsuits were in the State courts of Montana involving a large part of his property. The testimony discloses that at least 19 or 20 lawsuits were on the docket, and at one time I believe the number was as high as 40. Mr. Campbell became dissatisfied with the legal assistance which he had and concluded that he wanted to employ other attorneys. To that end he talked with a friend of his about whom he should employ. Among others whose names were suggested was that of Mr. WHEELER, of the firm of Wheeler & Baldwin, of Butte, Mont.

The first witness called by the investigating committee with reference to this matter was a Mr. Tom Stout. I call particular attention to his testimony. Mr. Stout has been for a number of years the owner and editor of a newspaper in Montana; he was twice a Member of Congress from that State, and is a citizen of prominence and standing in the State. He knew Mr. Campbell; he was somewhat interested in a friendly way in the work of Mr. Campbell or in his interests, and they talked over the question of the employment of attorneys. Mr. Campbell asked Mr. Stout if he would see Mr. WHEELER and talk with him about taking employment. Mr. Stout went to Butte and had a talk with Mr. WHEELER.

I am going to trespass upon the time of the Senate to-day to some extent by reading the testimony. I think it absolutely essential to a proper consideration of the matter that we take the time to do so. After reading the views of the Senator from South Dakota [Mr. STERLING] this morning and observing the construction which he placed upon some of the testimony I do not feel like trusting myself to place a construction upon the testimony as I see it. I think it better to read it as it was given. Mr. Stout testified as follows:

The CHAIRMAN. Are you interested in any way in the oil matters in which Mr. Campbell is interested?

Mr. STOUT. None whatever.

* * * * * * *

The CHAIRMAN. You may state the conversation which you had with him [Mr. WHEELER], as you recall it.

That was in December, 1922.

Mr. STOUT. Well, Mr. Campbell said that he desired, if possible, to employ Mr. WHEELER to represent him in some litigation that he had there in Montana, but that he did not know him. I told him that I was making a business trip to Butte in a few days and if he desired I would take the matter up with Mr. WHEELER, and he commissioned me to do so.

The CHAIRMAN. Did you have any interest in the matter other than that of being acquainted with the situation of the two parties?

Mr. STOUT. None at all; no, sir.

The CHAIRMAN. Did you afterwards take it up with Mr. WHEELER?

Mr. STOUT. Yes; I went to Butte, as I advised Mr. Campbell, arriving in Butte along about 8.30 or 9 o'clock, I think it was. I called up Mr. WHEELER. I do not remember whether I had previously telegraphed him or not, but at any rate he came down to his office that evening, and I met him there about 9 o'clock and we took this matter up. Do you desire me to just go ahead now, Senator?

The CHAIRMAN. Before you take that matter up, what was the business—the kind of business—law business, which you were delegated to speak to Mr. WHEELER about?

Mr. STOUT. About some litigation in the Montana courts.

The CHAIRMAN. Relative to what subject matter?

Mr. STOUT. Relative particularly to, I think, an application for a receivership which had been made by some parties to have one of Mr. Campbell's companies thrown into a receivership.

At the time Mr. Campbell concluded to employ additional counsel a suit for receivership covering a large portion of his property was pending, and the matter was coming up for hearing. This was a case in which Mr. Stevenson, a former associate in interest with Mr. Campbell, was seeking to have the property placed under the control of a receiver.

The CHAIRMAN. And in what court was this coming up?

Mr. STOUT. In the district court—the State court at Great Falls, Mont.

The CHAIRMAN. Now you may state the conversation that you had with Mr. WHEELER.

Mr. STOUT. Well, I advised him of Mr. Campbell's desire to retain him—his firm. We talked it over for some time. He stated finally the terms under which he would undertake the case. I told him that that was a matter that would have to be taken up with Mr. Campbell, and that I would telephone him; and during the course of that conversation Mr. WHEELER stated that, of course, he could not represent him except in the State courts there. In other words, assuming that Mr. Campbell might have some business in the public Land Department of the Government, he advised me at that time

to so advise Mr. Campbell—that he would not represent him in anything except the litigation local to Montana and in the State courts.

The CHAIRMAN. Did you afterwards communicate with Mr. Campbell?

Mr. STOUT. Yes, sir.

The CHAIRMAN. By phone?

Mr. STOUT. I think I phoned Mr. Campbell that night.

Senator STERLING. Where was he at that time?

Mr. STOUT. Mr. Campbell was in Great Falls at the time.

The CHAIRMAN. Did you have any further conversation with Mr. WHEELER in regard to this matter of the employment?

Mr. STOUT. I do not recall ever having talked with him again, Senator.

The CHAIRMAN. As I understand, Mr. WHEELER stated to you the terms under which he would be employed. I presume you mean——

Mr. STOUT. The retainer.

The CHAIRMAN. The retainer; the amount of the fee, etc.?

Mr. STOUT. Yes, sir.

The CHAIRMAN. Who brought up the subject with reference to his employment being confined to court matters, etc.?

Mr. STOUT. Senator WHEELER himself brought that up.

The CHAIRMAN. When you spoke to Mr. Campbell over the phone in regard to the matter, did you say anything to him in regard to the terms which Mr. WHEELER had suggested with reference to the fee and the scope of his employment, etc.?

Mr. STOUT. I do not recall, Senator, that I spoke any further than with reference to the fee. I do not think that I did.

The CHAIRMAN. After you reported to Mr. Campbell in regard to this employment, I understand you to say that you never talked with either Mr. WHEELER or Mr. Campbell further in regard to it?

Mr. STOUT. No, no, sir.

The CHAIRMAN. You had no further interest in it?

Mr. STOUT. None whatever.

The CHAIRMAN. Were there other attorneys talked of between Mr. Campbell and yourself?

Mr. STOUT. No; there were not.

The CHAIRMAN. Is there any fact connected with this matter in any way that my questions have not called out, that you think has any relevancy to this matter?

Mr. STOUT. I think not, Senator. Of course, there have been many reports, but it is all hearsay and would hardly be relevant.

At the bottom of page 5 this question is asked by Senator SWANSON:

Senator SWANSON. Did Senator WHEELER state the amount of compensation he would expect?

Mr. STOUT. Yes, sir.

Senator SWANSON. How much was it?

Mr. STOUT. It was $10,000 a year retainer.

Senator SWANSON. And what was he to do for that $10,000?

Mr. STOUT. His firm was to look after Mr. Campbell's litigation there in the State of Montana.

Senator SWANSON. You recall that he distinctly stated that it was to be confined to that litigation—his employment?

Mr. STOUT. It was so very distinctly stated, Senator.

* * * * * * *

The CHAIRMAN. Mr. Stout, the statement which you have made with reference to Mr. WHEELER's raising the question of his inability to represent Mr. Campbell other than in the State courts is a very important feature of this testimony. Can you recall anything like the substance of the language which was used by Mr. WHEELER?

Mr. STOUT. No; I can not, Senator. The matter came up rather casually. We were talking about the terms of the agreement, and WHEELER said, "Of course, I can not represent him except in the State courts here"; and not being an attorney myself, the significance of it did not appeal to me until it was later explained.

Mr. President, that testimony relates to the making of the contract with Mr. WHEELER. The testimony comes from a witness who, so far as I know or as the record discloses, would have no interest in the subject matter other than the fact that he might be personally friendly to Mr. WHEELER. I assume he is friendly to Mr. WHEELER, although they were opposing candidates in the senatorial election. However, outside of that there is no relationship other than that which I have indicated.

It seemed to me at the time of the hearing, and it seems to me now, that the testimony of Mr. Stout must be disposed of and utterly disregarded, or we have the inception and making of this contract wholly disengaged and divorced from any possible dereliction of duty or of wrongdoing upon the part of Mr. WHEELER. I shall undertake to show as we proceed that the services performed, the acts under the contract, and all matters in relation thereto not only failed to contradict or impeach Mr. Stout but sustained the contract as he states it.

I wish to digress here to say, but not necessarily by way of harsh criticism, though worthy of observation, that it is a little difficult for me to understand that in none of the criticisms lodged against Mr. WHEELER by those who have seen fit to charge him with a violation of the statute, not even in the report of the able Senator from South Dakota, is any reference whatever made to the testimony of Mr. Stout or to the testimony of any other witness who was present at any time during the making of the contract. If I understand the report of the Senator from South Dakota, he even complains that we placed Mr. Stout upon the witness stand at all.

The testimony of Mr. Glosser, who was not present when the contract was made and who states he knew nothing about it except from hearsay, and the testimony of Mr. Rhea, who was not present and knew nothing about it except from hearsay, are referred to, adverted to, and discussed; but the witnesses who had knowledge of the making of the contract and who were the only ones who could give legal or competent evidence concerning it are never referred to. It is a peculiar state of affairs that requires primary and competent evidence must be put aside and appeal made to hearsay.

The next witness to whom I shall call attention is Mr. Campbell. I shall not take much time in reading his testimony, but I shall ask leave to insert in the RECORD excerpts from it.

Of course, Mr. President, Mr. Campbell is an interested witness. His testimony must be viewed in the light of an interested witness. He is under indictment for using the mails for fraudulent purposes, and those matters must be taken into consideration in weighing his testimony. There is another feature to it, however, which has its compensation against that fact, and that is that while Mr. Campbell is interested, and while he is under indictment, he was an exceedingly frank witness. He willingly waived immunity. He made no claim that he might incriminate himself, but stated that he was there to give the facts and all the facts and supply any documentary evidence that was in his possession. This had some weight with me in these days when there seems to be a great familiarity upon the part of a large class of people with that provision of the Constitution of the United States which enables them to claim privilege from incriminating themselves.

Mr. Campbell testifies as to these lawsuits, as to the fact that he felt that his property was being gradually taken away from him; that every time he had litigation it seemed to him, as he said, that while he felt he was in the right, the litigation wound up by giving the other party a piece of his land; and he said to Mr. Stout: "I want somebody who will fight. I want some one who will fight for me"; and finally it resulted in what I have already disclosed, Mr. Stout talking with Mr. WHEELER.

Mr. Campbell says that Mr. WHEELER stated to him several times, in discussing these matters, that he must understand that he could not attend to these matters in the land department or before the Government; and let me pause here to say, Mr. President, something which seems to me rather exceptional—that in all the career of Mr. WHEELER as a lawyer in Montana it appears that he never at any time had any practice or business before the land department in Montana or the Interior Department in Washington. As an active practitioner in a State situated as Montana is with reference to her land titles and the Federal Government, undoubtedly he was many times called into a position where it would have been advantageous for him to do so; yet he eschewed the practice, as I take it from what apepars, because it was not to his professional taste. If it does appear now that he appeared in the land office or before the Interior Department, it is the only instance in all his professional career in which he undertook to attend to that kind of business. In other words, throughout his professional career, when he could have done so with perfect legitimacy and without any criticism from anyone, he preferred not to take that kind of practice and eschewed it; but when it became dangerous, prohibitory, and illegal to do so, it would seem, according to the claim that is made, that he was inclined to take a chance at it.

I think it is worth remembering that it was not only by reason of the statute but by reason of his professional taste that he preferred the actual trial of cases, and it was for that kind of service and that kind of legal, professional work that Mr. Campbell employed him. Having some twenty-odd lawsuits in the State of Montana, as he said, he employed Mr. WHEELER to give his time and ability and fighting qualifications to seeing if he could preserve his property.

As to the fee of $10,000, I do not know but some might consider that a large fee. I have heard that comment. In my opinion it was an exceedingly reasonable fee when you take into consideration the fact that all the property of Mr. Campbell was involved, more or less, that his entire holdings and his

entire work and the fruits of his years of effort were involved, and, the witnesses say, the values at that time were estimated in the millions. In view of the fact that he was to take care of all the litigation it was a reasonable compensation.

A line or two from Mr. Campbell's testimony, and I will insert the balance in the RECORD:

Senator CARAWAY. Mr. Campbell, I want to ask you a question. Did you have any understanding, either expressed or implied, for a consideration or without a consideration, under which Mr. WHEELER was to appear before any department of the Government to represent you?

Mr. CAMPBELL. No, sir.

Senator CARAWAY. Mr. WHEELER had no relation at all to any matter that was pending before any governmental agency?

Mr. CAMPBELL. Absolutely not, and that was understood between us, that he should not, and he was not employed for that. He was employed to handle my suits in Montana.

The testimony preceding that is quite in detail in regard to it, and I only read those few lines as the concluding sentences in regard to his testimony.

The CHAIRMAN. Did you have a conversation with anyone relative to employing Mr. WHEELER?

Mr. CAMPBELL. Yes, sir.

The CHAIRMAN. With whom?

Mr. CAMPBELL. Mr. Tom Stout.

The CHAIRMAN. Do you recall about the date of this conversation?

Mr. CAMPBELL. Possibly about the middle of December.

The CHAIRMAN. 1922?

Mr. CAMPBELL. Yes, sir.

The CHAIRMAN. This was after Mr. WHEELER had been elected Senator?

Mr. CAMPBELL. Yes, sir.

The CHAIRMAN. State in a general way what the conversation was with Mr. Stout.

Mr. CAMPBELL. I think Mr. Stout came to Great Falls, and we were quite friendly, and I used to talk my matters over considerably with Mr. Stout, being a friend, and I had told him, or practically he knew, about my lawyers, and how some of them had not treated me right, as I called it; so I said: "It is funny that I can not get a lawyer that will stand pat with me and will work for me and make a fight." Most of the lawyers, when I would take them in, would want to compromise with somebody and give them a lot more of my land—compromise instead of making a fight.

The CHAIRMAN. This is what you said to Mr. Stout?

Mr. CAMPBELL. To Mr. Stout. I said: "I don't know Mr. WHEELER, but it seems to me that he is a fighter, and I should like to get a lawyer that has got some fighting qualities." We talked along that line, and Mr. Stout said: "Well, I am going to Butte, and I will take it up with Mr. WHEELER," which he did.

The CHAIRMAN. Did he report to you?

Mr. CAMPBELL. He reported to me by phone that night or the next night.

The CHAIRMAN. Did you have litigation pending in the State courts at that time?

Mr. CAMPBELL. Yes, sir.

The CHAIRMAN. What was the nature of it?

Mr. CAMPBELL. My past associate had filed or had started a suit to call for a receiver on my company. He had instituted a suit a year before that in the Lewistown courts, and it was thrown out of court. Afterwards Mr. Wilson, my attorney, had settled with him and gave him a considerable portion of my field or part of my acreage for a complete settlement, simply to call off all litigation, so we could work.

Senator STERLING. Who was that past associate?

The CHAIRMAN. Did you, after talking over the phone with Mr. Stout, afterwards see Mr. WHEELER?

Mr. CAMPBELL. Yes, sir.

The CHAIRMAN. Where?

Mr. CAMPBELL. Mr. WHEELER came down to Great Falls, in my office.

The CHAIRMAN. About what date?

Mr. CAMPBELL. About the 20th of December, I think—the latter part of December, 1922.

The CHAIRMAN. Did you have a conversation with him about employing him

Mr. CAMPBELL. Yes.

The CHAIRMAN. Where?

Mr. CAMPBELL. In my office.

The CHAIRMAN. Was this employment in writing? Did you reduce it to contract form?

Mr. CAMPBELL. I do not think so; no, sir; I do not recall any writing; I am quite sure it was not.

The CHAIRMAN. Well, then, you had a conversation with him about employment?

Mr. CAMPBELL. Yes, sir.

The CHAIRMAN. State what it was—the terms.

Mr. CAMPBELL. Mr. WHEELER asked me the character of these suits, and, in fact, I think Mr. WHEELER had known in a general way what they were, and I told him about the suits that were coming up and what I wanted to do in starting some other suits, which we did, countersuits, and I wanted him to handle all of my litigation on these suits; and we talked the matter over from his standpoint, and he informed me that, of course, he could not do anything for me if any land matter came up. I told him that Mr. Beaulieu was attending to all our land matters; that he was employed for that purpose.

Senator STERLING. Exactly what did you mean by "land matters" there?

Mr. CAMPBELL. Well, I had a permit, and some of our leases were in bad shape. We had to clear the title of them. There were a great many mortgages against this land and liens in different ways that had to be cleaned up.

Now, Mr. President, I come to the testimony of Mr. Beaulieu. Mr. Beaulieu is an attorney, and was located in the home town of Mr. Campbell. He has been engaged in the practice of law for some time in Montana. He is now located in Los Angeles, Calif. So far as I can see, he has no possible interest in this controversy. He might have a sympathetic interest, knowing the facts, perhaps believing in the innocence of Mr. WHEELER, but no interest which would have any bearing upon a man of any sense of right or any intellectual integrity in the coloring of his testimony. Mr. Beaulieu was the regular attorney for Mr. Campbell. He was what might be called his office attorney. He attended to his land titles and practically to the details of all his litigation. He states that all these matters passed under his supervision, no only with reference to the land-title matters, but he was also, of course, as general counsel, familiar with the litigation.

I undertake to say that it would be practically impossible for any contract to have been made, and certainly impossible for it to have been carried out, in which Mr. WHEELER's professional services included the kind of practice of which he is now accused without the general counsel being familiar with it. It would seem that he would be quite as familiar with it as incidental employees were, men who were not connected with the legal department, men who were simply in the field service. Mr. Beaulieu tells us that Mr. WHEELER had nothing to do with this part of the work for Mr. Campbell.

I read a line or two from Mr. Beaulieu, on page 44:

The CHAIRMAN. Do you know anything about the employment of Mr. WHEELER by Mr. Campbell with reference to some matters in Montana?

Mr. BEAULIEU. Well, I was not present when they made their agreement, but I do know that Mr. WHEELER did some law work for Mr. Campbell.

The CHAIRMAN. What was the nature of the business which Mr. WHEELER transacted for Mr. Campbell?

Mr. BEAULIEU. Why, he appeared as one of the attorneys in what we called the receivership case. The firm of Wheeler & Baldwin appeared in several cases in which I was also counsel in the State courts of Montana.

The CHAIRMAN. What was the nature of those cases?

Mr. BEAULIEU. One was an attachment suit brought by L. C. Stevenson to recover some money, I believe $14,000 or $15,000, from Gordon Campbell Kevin Syndicate No. 1.

Another was a receivership case to have a receiver appointed for the Gordon Campbell Kevin Syndicate No. 1.

Then some of them involved private leases from landowners to the syndicate and to Mr. Campbell.

I call particular attention to that statement. The titles were not only involved to a certain extent, so far as the National Government was concerned, but there was a controversy with reference to titles as between individuals. There are two kinds of titles referred to—those in which the Government is involved and those in which there might be a conflict of interests between individuals.

Mr. STERLING. Mr. President, will the Senator give the page from which he is reading?

Mr. BORAH. Page 45.

I read further from Mr. Beaulieu:

The CHAIRMAN. What was your particular work, or what did your professional services cover, in your employment with Mr. Campbell and your work with Mr. Campbell as attorney?

Mr. BEAULIEU. I was chief counsel. I had control of all the litigation that was handed to me by him.

The CHAIRMAN. Did you have anything to do with titles?

Mr. BEAULIEU. Yes; I did. I examined probably all the titles he had, and drew the pleadings, and everything.

The CHAIRMAN. I believe you stated you were not present when the contract was made between Mr. WHEELER and Mr. Campbell?

Mr. BEAULIEU. Yes, sir; I was not.

The CHAIRMAN. Did you ever talk with Mr. WHEELER about the nature of that contract?

Mr. BEAULIEU. Yes; I think I did; on one occasion.

The CHAIRMAN. When was that; about the date of it?

Mr. BEAULIEU. Oh, I could not say. It was shortly after he was retained, and I believe before he went abroad.

The CHAIRMAN. Can you state that conversation? First, I will ask you, was there anyone else present besides you and Mr. WHEELER?

Mr. BEAULIEU. I believe not.

The CHAIRMAN. Can you state that conversation?

Mr. BEAULIEU. Why, in substance it was this: I asked Mr. WHEELER what he thought about a certain Government permit—some question of law; I forget just what it was; and, to use the exact words——

Senator STERLING. Now, Mr. Chairman, of course, it is understood, I suppose, that we go a little beyond the rule that would be applied in the trial of a case in court here.

And finally, after we settled that controversy, the following occurred:

The CHAIRMAN. You may state what this conversation you had with Mr. WHEELER was as fully as you can.

Mr. BEAULIEU. I asked Mr. WHEELER some question with reference to a law point concerning a certain permit, and Senator WHEELER had lived in Montana so long that he used pretty strong language sometimes—plain—and he said, "I don't know a ——— ——— thing about Government permits. I wouldn't know one of the ——— things if I saw it. Besides, I told Campbell I would not have anything to do with his Government land." That was his answer.

Mr. President, it seems singular to talk about the impressions which Mr. Glosser said he got, because he says that all he had was impressions, or to talk about the hearsay testimony of Mr. Rhea and to wholly disregard the testimony of Stout and Beaulieu, men who were in a position to know, and the duty of one of whom it was to know, who states that in the very beginning of this transaction Mr. WHEELER was careful to say:

Besides, I told Campbell I would not have anything to do with his Government land.

I say here that there is no conflict of legal evidence, so far as the making of this contract is concerned. So far as legal or competent evidence goes, I challenge anyone to show a conflict of evidence with reference to what the nature of this contract was. Every witness, interested or disinterested, who was in a position to know the facts, who helped to make the contract, or who knew of its execution, states emphatically that Mr. WHEELER was careful to confine his employment to the State courts of Montana. In addition to that, Mr. President, Mr. Beaulieu took up these titles himself, and each permit, each lease, or other thing which brought them in contact with the National Government, Mr. Beaulieu states he attended to himself; that he took it up directly with an attorney in Washington, whose testimony I will come to in a few moments, and that Mr. WHEELER was neither counseled nor in any way consulted in regard to the matters in any way whatever. Mr. Beaulieu and Mr. WHEELER did consult and counsel with reference to all State litigation, but when Beaulieu called the permit matter to his attention Mr. WHEELER informed him he knew nothing about it, and besides he [WHEELER] had informed Campbell he would have nothing to do with such matters. If Mr. WHEELER had considered himself employed relative to these matters, he would naturally have consulted many times with Campbell's regular attorney, and Beaulieu would have consulted with WHEELER. Now, is Beaulieu a perjurer? For what reason? Why should a reputable attorney and now no longer Campbell's ally and far removed from the State come here and swear falsely? His evidence is to me most conclusive.

I will ask to have inserted in the RECORD part of page 47 and part of page 48 of the record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

The CHAIRMAN. You may state what this conversation you had with Mr. WHEELER was as fully as you can.

Mr. BEAULIEU. I asked Mr. WHEELER some question with reference to a law point concerning a certain permit, and Senator WHEELER had lived in Montana so long that he used pretty strong language sometimes—plain—and he said, "I don't know a ——— ——— thing about Government permits. I wouldn't know one of the ——— things if I saw it. Besides, I told Campbell I would not have anything to do with his Government land." That was his answer.

The CHAIRMAN. I do not think that is self-serving.

Senator STERLING. No; his answer is not.

Senator CARAWAY. He speaks the language of the West, does he not?

The CHAIRMAN. I object; don't you, Senator MCNARY?

Senator MCNARY. Yes.

The CHAIRMAN. Now, did you have any other conversation in regard to his employment and the performance of his duty as attorney for Mr. Campbell?

Mr. BEAULIEU. Only in that same conversation he says:

"I told Campbell that I would appear for him in the State courts out here in Montana, and that is all I would do."

The CHAIRMAN. Did you ever after that assume to consult Mr. WHEELER about permits?

Mr. BEAULIEU. No, sir.

The CHAIRMAN. Did you ever, as an associate counsel or counsel for Mr. Campbell, have any professional relationship with Mr. WHEELER thereafter with reference to any matter which was pending or to be pending before the land office in Montana or before the Interior Department here?

Mr. BEAULIEU. No, sir; I did not.

The CHAIRMAN. Now, you were in close touch with Mr. Campbell's business all the time, were you not?

Mr. BEAULIEU. Yes; I was.

The CHAIRMAN. You were practically in his office, were you not; or did you have a separate office?

Mr. BEAULIEU. Well, he furnished the office. I practiced generally in addition to doing his work.

The CHAIRMAN. Were your offices together—in the same building?

Mr. BEAULIEU. Yes, sir.

The CHAIRMAN. You had supervision and charge and knowledge of all his legal business?

Mr. BEAULIEU. Well, I assume I did; that was, all he handed to me I took care of.

The CHAIRMAN. Did you ever know of Mr. WHEELER performing any legal services for Mr. Campbell in connection with any matters pending in the Land Office or in the Interior Department or before any of the departments here?

Mr. BEAULIEU. No, sir; I do not know of any matter at all.

The CHAIRMAN. Did Mr. Campbell employ, afterwards, an attorney here in Washington with reference to some matters—a Mr. Feely?

Mr. BEAULIEU. Yes; he did.

The CHAIRMAN. Did you communicate with Mr. Feely?

Mr. BEAULIEU. I did.

The CHAIRMAN. Did you communicate with Mr. Feely through letter or telegram?

Mr. BEAULIEU. I wrote him several letters and telegrams.

The CHAIRMAN. That was with reference to matters pending before the department?

Mr. BEAULIEU. Yes, sir.

The CHAIRMAN. Did Mr. WHEELER have anything to do with that?

Mr. BIEULEAU. No, sir; not that I ever heard of.

The CHAIRMAN. Did you consult him in regard to it in any way?

Mr. BIEULEAU. No, sir; not about that. In fact, I never saw Mr. WHEELER from before he went abroad until just the other day when I came to Washington.

The CHAIRMAN. Do you know of Mr. WHEELER ever performing any services for Mr. Campbell with reference to these public-land matters, or matters of any kind before the departments?

Mr. BEAULIEU. I have no knowledge of his performing any service with reference to these matters.

The CHAIRMAN. Have you any knowledge of any agreement on his part to perform such services?

Mr. BEAULIEU. I have not.

Mr. BORAH. Mr. President, I want to call attention to the testimony of Mr. Baldwin. Mr. Baldwin is the law partner of Mr. WHEELER, and to that extent an interested party. But perhaps, while I am discussing the testimony of Mr. Beaulieu, it will be more logical to take the testimony of Mr. Feely, the attorney in Washington.

As I have stated, Mr. Beaulieu had charge of this matter of titles and permits and took up these several matters coming before the department in Washington with Mr. Feely. Mr. Feely is a practicing attorney here in Washington. He belongs to the firm of Vogelsang, Brown, Cram & Feely. He is a man of ability, and testified with clarity and candor. Their principal business seems to be that of practicing before the departments, two of the members of the firm having been at one time or other connected with the Interior Department.

I ask particular attention to the fact that all these matters which relate to the land matter passed directly from Mr. Beaulieu to Mr. Feely.

I read the following from the testimony of Mr. Feely:

The CHAIRMAN. What were the circumstances and the place and time where you met him?

Mr. FEELY. I met Mr. Campbell in March, and he was introduced by Mr. Booth. Mr. Campbell stated to me that he had matters pend-

ing before the department with reference to clearing up certain titles, and that he had heard of our firm in Montana, and he arranged with our firm through me to take care of all the matters that he had pending and in connection with which he was interested in the Kevin Sunburst field.

The CHAIRMAN. Can you give the date, about?

Mr. FEELY. I can not, Senator. It was some time in March; I am quite certain about that.

The CHAIRMAN. Was the contract of employment in writing?

Mr. FEELY. No, sir.

The CHAIRMAN. The terms of the contract were, then, that you were to take charge of the matters concerning Mr. Campbell's interests before the department?

Mr. FEELY. That was it. Mr. Campbell told me he had several matters pending there respecting titles, and he had an attorney named Beaulieu in Great Falls who took care of matters there, and that he would refer all matters through Mr. Beaulieu to our firm, which he did.

The CHAIRMAN. With whom did you communicate in Montana as representative of Mr. Campbell?

Mr. FEELY. Mr. Beaulieu, of Great Falls, Mont., extensively.

The CHAIRMAN. By letter and by telegram?

Mr. FEELY. Oh, I imagine 50 or more telegrams passed between our firm and Mr. Beaulieu and more letters than that. We handled all those cases and were in constant correspondence with Mr. Beaulieu regarding all the matters that he referred to us.

The CHAIRMAN. Did you, then, take up the matters that Mr. Campbell had before the department?

Mr. FEELY. Yes; we took up all of the permits and all the applications for extensions and the various assignments of all those permits which were assigned to us by Mr. Beaulieu.

The CHAIRMAN. In your employment by Mr. Campbell, was your firm employed individually—or singly, I should say—or in connection or in association with somebody else?

Mr. FEELY. No, sir; our firm was employed as a firm here.

The CHAIRMAN. Yes.

Mr. FEELY. But we had no connection; that is, no financial connection or social connection with Mr. Beaulieu. Mr. Beaulieu, as I understood it, was Mr. Campbell's attorney in Montana, and Mr. Campbell sent everything in to us through Mr. Beaulieu.

The CHAIRMAN. Was there anyone else present when you were employed except Mr. Booth?

Mr. FEELY. No, sir.

The CHAIRMAN. Are you acquainted with Senator WHEELER?

Mr. FEELY. I met Senator WHEELER during the summer of 1923, and I think it was practically after we had carried out all the business that was intrusted to us by Mr. Campbell through Mr. Beaulieu. I never met Senator WHEELER until during the summer of 1923.

The CHAIRMAN. You had no acquaintance with Mr. WHEELER, no business connection with him, then, at the time that the contract was made with Mr. Campbell?

Mr. FEELY. No, sir; I never saw Senator WHEELER before, and the only thing I ever heard about Senator WHEELER was that he beat Mr. Riddick, of Montana; and that is all I ever knew about Senator WHEELER.

Senator CARAWAY. You never had any connection whatever with him in this matter of Mr. Campbell?

Mr. FEELY. No, sir; I never wrote to Senator WHEELER in connection with anything, only in the summer of 1923 after I met Senator WHEELER personally.

Senator CARAWAY. But you never consulted with him about these matters?

Mr. FEELY. No, sir.

Senator CARAWAY. He had nothing to do with them?

Mr. FEELY. No, sir; I never addressed a communication to Senator WHEELER in Montana or to Senator WHEELER's firm.

* * * * * * *

The CHAIRMAN. Just what interest did the United States have? Was there any controversy there with the United States in regard to that permit?

I ask some attention to this statement. In my opinion, if all the evidence in this case were taken against WHEELER, it would be very doubtful—I mean as construed by those who think it proves guilt—if Mr. WHEELER would be guilty under this statute at all. I read further:

Mr. FEELY. No; not in the Scott case, there was not a controversy. There was no controversy with the permittees or the assignees in any of those cases—that is, with the United States. Those permits were granted, as I stated, under the act of February 25, 1920, for compliance with the terms of the act; that is, within a certain length of time that they would place derricks, etc., upon the land, and within the first year they would go down 500 feet and the next succeeding year 2,000 feet. There was not any controversy between the United States and any of those permittees to whom I have referred. Of course, the United States, through the Commissioner of the General Land Office, decided all questions as to who was entitled to the assignments of those various permits; but I do not consider that as a controversy between the permittee and the United States.

The CHAIRMAN. What I was going to reach is, what financial interest or what interest would the United States have in the question of whether John Doe or Richard Roe held a particular permit?

Mr. FEELY. None whatsoever.

* * * * * * *

The CHAIRMAN. In connection with any of these permits to which I have called your specific attention and which are mentioned in the indictment, or any other permit, what, if anything, did Mr. WHEELER have to do with you or you with Mr. WHEELER or your firm with Mr. WHEELER with reference to these matters, whatever they may have been, in which you presented the question to the department?

Mr. FEELY. Absolutely nothing.

So we have not only the contract as made by Mr. Stout and as affirmed by Mr. Campbell and stated by Mr. Beaulieu but we have that which is much stronger proof, more conclusive evidence, that in carrying out this contract Mr. WHEELER observed the declaration which he made to Stout and made to Campbell that he would have nothing to do with the presentation of these matters before the department, and the result of it was that Beaulieu took the matter up with Feely, and Mr. Feely put every single one of those controverted matters through the department, without consultation in any way with Mr. WHEELER. Neither Mr. Beaulieu in Montana nor Feely in Washington consulted or knew Mr. WHEELER in these matters before the departments. The matters passed through a wholly different channel.

I do not know how legal evidence could more thoroughly establish the fact that this was a contract outside the inhibition of the statute, and that Mr. WHEELER observed in good faith the terms of the contract as he understood it. If there was no agreement to accept payment, if there was no compensation made for the services, Mr. WHEELER had a right to do what every western Senator does every day, to make any suggestion with reference to his constituents which he thought was in their interest. I venture to say that if you will open the files of any western Senator, you will find evidence of such transactions going on from day to day. This entire matter turns upon the question of whether there was an agreement behind what he was doing, or compensation to come, and all legal and competent evidence disproved it. The testimony of interested and disinterested witnesses alike declares that no such contract as inhibited by the statute was made. You must find that Mr. Stout deliberately falsified his entire testimony. You must find that Mr. Beaulieu, a disinterested and reputable attorney at the bar, colored his testimony. You must find that Mr. Feely, a practicing attorney here in Washington, wholly disinterested, must have colored his testimony, or else you must conclude that the contract was clean, and that the parties carrying it out were clean from the beginning to the close. All legal or competent testimony must be disregarded, and all disinterested witness put aside in order to avoid the conclusion that Senator WHEELER stands clear of any wrongdoing.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Virginia?

Mr. BORAH. I yield.

Mr. GLASS. I feel impelled to call attention to the fact that this is a matter gravely affecting the integrity of one of the great executive departments of this Government. Not only does it involve the integrity of a great executive department of this Government but it involves the question, as some of us think, of attempted blackmail by that department through the forms of law. Yet when the chairman of the committee investigating the facts of this matter appears here to present the facts and to argue them we have on the other side of the Chamber not exceeding four Members, including that member of the committee who acted as prosecutor of the Senator from Montana.

Mr. STERLING. Mr. President, will the Senator excuse me for calling his attention to a word which I hardly think he is justified in using? The Senator from South Dakota does not act as prosecutor of the Senator from Montana in these proceedings. All the Senator from South Dakota was interested in was the truth, so far as it affected what I deemed the proper question in this case, and that is as to whether the grand jury were justified in finding an indictment even if we should go that far, and I object to the use of the word "prosecutor" in characterizing my connection with this proceeding.

Mr. GLASS. Mr. President, I used the term as it has generally been used here to designate that member of the committee who has made himself especially active in seeking, apparently, to convict the Senator or person charged.

Mr. STERLING. Mr. President, again the Senator from Virginia misrepresents me. I am not seeking to convict the Senator from Montana. I should regret to see the Senator from Montana convicted.

Mr. GLASS. Well, I do not think you will see that. I meant the designation in no offensive sense whatsoever. I ventured to interrupt the distinguished Senator from Idaho in order to call the country's attention to the sort of proceeding we have here in a matter of this kind, as I said, gravely affecting the very integrity of one of the great executive departments of this Government, charged with undertaking to blackmail the Senate of the United States and to cause it to terminate its investigation of rascality by involving one of its own Members in a serious charge. There have been as many as four Senators on the other side of the Chamber to hear an exposition of the facts adduced by this investigation.

Mr. BORAH. Mr. President, I now call attention to the testimony of Mr. Baldwin. Mr. Baldwin is the law partner of Mr. WHEELER. Of course we must take into consideration in weighing his testimony that he is his law partner and perhaps feels an interest deeply in his welfare. But Mr. Baldwin came before the committee and brought with him all the books of the firm that had any relation to the matter under investigation. I do not want anyone who is interested in besmirching the character of Senator WHEELER to forget for a moment that Senator WHEELER and Mr. Baldwin brought everything in their possession for the purpose of uncovering it before our committee. The docket as they kept it from day to day, the registry of their transactions in the office, the record of their lawsuits, any correspondence that they had, was at the beck and call of the committee.

Mr. Baldwin appeared and no one could hear Mr. Baldwin testify without concluding that he was stating with care and caution the facts as he understood them. He stated, in corroboration of the testimony already given by other witnesses, that their firm's sole duty and obligation under the contract was to look after the litigation in Montana. They opened the records and disclosed the proceedings, the number of suits pending, what they did in the suits, the motions filed, the demurrers filed, the motions argued, the demurrers argued. It was all thrown open to the committee. I shall not take the time of the Senate to read Mr. Baldwin's testimony, but it is clear covering all points, and conclusive and in complete harmony with the facts as developed by the acts of the respective parties in carrying out the contract.

I now read from the testimony of Mr. Baldwin:

The CHAIRMAN. Now, coming back to this $2,000 payment and contract, did that have anything to do with any matter other than the matters to which you have referred and in connection with the litigation in the State courts?

Mr. BALDWIN. Absolutely nothing. That was our retainer to care for his business in Montana in the courts for a period of one year.

The CHAIRMAN. Now, disposing for the moment of the receivership, did you bring other suits for him?

Mr. BALDWIN. We brought a number of suits, and also defended a number of suits. This record shows 19 cases.

The CHAIRMAN. Nineteen cases in which you appeared as plaintiff or defendant?

Mr. BALDWIN. For the Campbell interests; yes, sir.

The CHAIRMAN. State generally, Mr. Baldwin, the nature of that litigation.

Mr. BALDWIN. Well, some of it was large litigation and some of it was not so large.

The CHAIRMAN. About what was the nature of the litigation? What did it have reference to?

Mr. BALDWIN. It had reference to—one case was a case for a libel involving $100,000. There were certain publications put in circulation for the purpose, as we thought, of damaging Mr. Campbell's company and ruining his reputation and the reputation of his concerns; and for the purpose of stopping further circulation of such matter we brought an action against L. E. Stevenson, as I recall it, for $100,000. There were suits brought against Mr. Campbell that would, if carried to a successful conclusion, put his companies out of business, and we defended in those.

There was a case brought by L. E. Stevenson against one of Mr. Campbell's companies for a number of thousand dollars—tens of thousands of dollars, I think—claimed to be due on account of percentages earned in financing one of the concerns.

There were smaller suits brought against others for the purpose of recovering amounts of money that we supposed they had abstracted improperly from the companies' funds.

There is an action pending in the district court at Shelby involving a transfer made by one of the Campbell companies to some one in Seattle. If you want the detailed information, I have the record here.

The CHAIRMAN. No; I do not think it is necessary to go into details.

Mr. CAMPBELL. But that is a general statement.

The CHAIRMAN. Was there anything pending in your office at any time relative to Mr. Campbell's affairs which required you to appear before the Interior Department or the local land offices in Montana?

Mr. BALDWIN. Absolutely nothing. I have never appeared before the Interior Department for anybody. So far as I know, the firm was never retained in any case to appear before that department.

The CHAIRMAN. Was there ever anything placed in your office to be looked after which would lead you to the land office either in Montana or in the Interior Department here?

Mr. BALDWIN. Absolutely nothing. Mr. Campbell and his companies had an attorney named Beaulieu who took care of all their records and titles. And when it did appear to be necessary—now, this again is hearsay with me; it was not placed before me—when it became necessary for Mr. Campbell to secure counsel before the Interior Department, he employed attorneys here in Washington, D. C. We were not consulted at all about that.

The CHAIRMAN. Did your firm ever communicate with the lawyer here in Washington with reference to these matters—with Mr. Feely?

Mr. BALDWIN. Certainly not. I do not think there was any correspondence ever had between Mr. Feely and our office. I have searched the files—or, rather, run through the files—and I never saw a letter of that kind.

Here I call attention to some letters which passed between Mr. WHEELER and Mr. Campbell. These letters are photostatic copies of documents which were impounded in Montana, part of the documents which, as has been stated in the public prints, were so damning to Mr. WHEELER. I shall only read some paragraphs, but in all references to the matter in this correspondence, where they were in controversy about the payment of the fee and the delay in paying the fees, there is not an intimation anywhere to the effect that the services of Mr. WHEELER covered anything other than the litigation in Montana. The letters refer to the fact that "You are employed to attend to the litigation in Montana." I pause to say also that there is not a piece of documentary evidence in the case that controverts that proposition.

Mr. Campbell said in one of these letters:

We are wondering what we are going to do about our lawsuits and cases. Mr. Beaulieu has left our organization and gone to California. We have not employed another attorney, and I do not want to do so at this time, but we wish to work through your office if we possibly can.

This was the time when they were having some controversy because the fees had not been paid. There had been $2,000 paid in January and $2,000 paid in February and the balance was unpaid. It was to be paid, as I understand it, $1,000 a month thereafter.

We do not know when these suits are set for trial, as this was all left to Mr. Beaulieu, and I did not get to see him before he left to get all the data.

Mr. WHEELER, in reply, said:

With reference to your litigation there is no reason why you should not handle it through our office. I am quite sure Mr. Baldwin would be glad to handle it, and, as I indicated to you before, if some of the litigation were of sufficient importance I might go to Montana myself and assist in the trial. But, Campbell, I can not handle this litigation without being paid.

Again, in a letter from Mr. Campbell:

We were under the impression that we were to pay you $10,000 a year for your services. I believe this was the understanding, that we were supposed to pay you originally $3,000. We have already paid you $4,000. We were under the impression that this would carry at least until our suits came to trial and something was done in regard to our litigation. But now, WHEELER, I want you to get me right. I am not trying to crawl out of any obligation or make anyone the goat except myself, but I really think enough money has been paid to our attorneys and that our cases should at least be taken care of.

Again he said in another paragraph:

I think Mr. Baldwin could well afford, on the money paid into your partnership, to carry on this litigation at least to the point where it comes to trial in the courts.

Mr. WHEELER, in reply, said:

The understanding that you speak of in your letter is not accurate. The understanding was that you were to pay $4,000 down, and that you were to pay each month until the sum of $10,000 was paid. How-

ever, I want to do everything I can to help you out, but you must in turn do something to try to raise the money also. I shall be glad to see you when you come East.

I think it more than significant—I think it convincing proof—that when they were discussing the matter with reference to the fees and where there was some impatience expressed upon the part of Mr. WHEELER that the fee was not being taken care of, that these parties in their correspondence, which must have been under circumstances in which they would not be supposed to be speaking other than that which they understood to be the fact, referred to the services as litigation in the State of Montana. It is much stronger to me, the almost unconscious expression of "litigation" as they had understood it from the beginning, than any oral testimony that could be given. So I repeat that the documentary evidence before the committee supports the contention of the oral testimony of those who made the contract. You must controvert, disregard, or disprove not only the oral testimony of those who made the contract but the written evidence of it as expressed between the parties from time to time when it was being carried out. Does not the direct testimony prove there was no illegal contract; does not the acts of the parties, such as Mr. WHEELER's statement to Beaulieu, prove there was no illegal contract; does not the letters referring to the litigation prove there were no illegal contract?

Now let us turn to another phase of the matter. I have already called attention to the services of Mr. Beaulieu and Mr. Feely. What do we find when we get to the land office? Particular stress is laid upon the fact by the Senator from South Dakota that when Mr. WHEELER came to Washington he called upon Mr. Edwin Booth, the presumption being apparently, as viewed by the Senator from South Dakota, that one acquaintance can not call upon another acquaintance from Montana without some sinister motive behind the transaction. Mr. Booth and Mr. WHEELER had been acquainted for 20 years. They had been in Montana politics on opposite sides of the fence. When Mr. WHEELER came to Washington he called upon Mr. Booth. If Mr. WHEELER had not called upon Mr. Booth until he was employed by Mr. Campbell, it might have been argued, and I presume would have been argued, and, indeed, is argued inferentially in the minority report, that he immediately sought him out for a sinister purpose. But Mr. WHEELER came down here in December, 1922, after his election and before he was employed by Mr. Campbell, and had no reason for calling upon Mr. Booth so far as Mr. Campbell was concerned, but it was then that he called upon Mr. Booth in the first instance. I think he went out to his home. If I remember correctly, their wives visited. They were acquaintances. He called upon Mr. Booth, and, as Mr. Booth said, no discussion whatever was had with reference to any matter touching business interests in Montana. So it is apparent that when Mr. WHEELER came here again in January he called upon Mr. Booth because of his acquaintanceship and friendship, which had caused him to call upon him in December prior to his employment by Mr. Campbell.

What happened when he called upon Mr. Booth? In the conversation, said Mr. Booth, who was a Republican appointee of the Department of the Interior, Mr. WHEELER stated that he had been engaged in some heavy litigation in Montana for Mr. Campbell, and that Mr. Campbell's business was in bad shape; that he was financially embarrassed; that some of his titles seemed to be involved, but that he thought he had helped to straighten him out some by winning his receivership case. He also said to Mr. Booth that if there was anyone Mr. Booth was acquainted with whom he thought might be interested in investing in oil properties in Montana he would like to get in touch with him, because he would be very glad to help Mr. Campbell in that respect. Mr. Booth spoke of a certain gentleman whom he thought might be interested in the proposition and the discussion proceeded along that line, such a general discussion as might very well take place between two gentlemen from Montana who were somewhat familiar, one of them entirely familiar and the other more or less familiar, with the situation.

When Mr. Booth is asked if Mr. WHEELER undertook to present any matter to him in which Mr. Campbell was interested in the way of asking his services as a solicitor of the department he states emphatically that he did not; that the most important feature of the discussion was with reference to finding some one to finance his situation.

I here read from the testimony of Booth:

Mr. BOOTH. Yes. I think, Senator, just to keep straight—my recollection is that the first day he came in and I was holding a conference. The boys from Montana were interested in the Crow Lake irrigation project, and that day he came in, and I think he went out, and I do not remember anything he said. I think he went away.

The following afternoon he returned and we had some conversation and we talked about some matters. He finally said to me—this is just my statement in a résumé, not the exact words—I am not trying to quote Senator WHEELER's exact language; I could not—the effect of his conversation was that he had very shortly before that been into quite a lawsuit in Great Falls in which Gordon Campbell's properties, or some portion of them, were involved. He talked with me about the lawsuit; told me that Campbell's properties were in very bad shape—that is, his condition—that the situation of his properties was bad; that it was rather complicated; that his financial condition was bad, and that he was desirous of assisting Mr. Campbell; that that lawsuit had in a measure, I think, done some adjusting, but Campbell had some difficulties with oil lands which he had, including some Government lands; and I asked the Senator if he knew what Government lands and he told me he did not. I asked him if he could give me the serial numbers of any of them and he said no; and I think I asked him if he knew anything about it, and he said he did not; that Campbell had that information and that he did not have it. I said that he would have to get it from Campbell in some way, and discussed the matter, and I think that the Senator said that it would probably be best if Campbell would come to Washington and take it up, and asked me if I would discuss it with Mr. Campbell if he did come here, and I told him I surely would, and would certainly help him in any way I could.

We discussed the matter of Mr. Campbell's finances, and during the conversation he asked me if I had met any men, or if I knew anyone who might likely be interested to the extent that Campbell might finance his property, and I told him of a gentleman in New York; and while we were talking my secretary may have been in there quite a portion of the time; but at any rate, if he was not, he came in and heard a part of this conversation, and he spoke up and said that Mr. Nyce was in the building, and that possibly some of the companies in which he was interested might be interested, and I said, "Step out and get him." He stepped out and got Mr. Nyce and brought him in and I introduced him to Senator WHEELER. Peter Q. Nyce is his name.

He talked to Senator WHEELER and asked him about what properties Mr. Campbell had, if he had a plat or description or anything about them, and Mr. WHEELER said he did not; and he wanted to know what the condition was, whether Campbell had title to the lands; and WHEELER, as I recall, told him that he did not know about that. He asked him whether there was some school land, and the different kinds, and I do not know who suggested it, but probably Mr. Nyce, as I recall, suggested that if Senator WHEELER would get a description of the lands and let him have that he would submit it to such people as he was interested with, and there might be something done.

Senator CARAWAY. May I interrupt you for just one moment? Mr. Nyce has nothing to do with the Government?

Mr. BOOTH. No, no; purely outside the Government.

The CHAIRMAN. Yes; that was all outside of the Government.

Mr. BOOTH. That was just the social side, and my trying to assist. The brief of it was that Mr. Nyce and Senator WHEELER and myself—I guess all of us took a hand in it—dictated a telegram to my stenographer requesting Mr. Campbell to send in a list of the properties; and it did come, and I got hold of it and forwarded it to Mr. Nyce.

The CHAIRMAN. This list of properties you were sending for was sent for as the result of this conversation with reference to financing the land?

Mr. BOOTH. Yes.

The CHAIRMAN. That had nothing to do with departmental matters.

Mr. BOOTH. No, sir.

Senator CARAWAY. It was not for you at all; it was for Mr. Nyce?

Mr. BOOTH. Sure; for Mr. Nyce and this other gentleman in New York I spoke of. It was not anything to do with the department at all.

The CHAIRMAN. Was Mr. WHEELER ever at the Interior Department after that about this matter that you recall?

Mr. BOOTH. Not to my knowledge, ever. Let me say, Senator, that Senator WHEELER left my office that evening late; it was very nearly 5 o'clock when we left with Mr. Nyce, and that evening or the next morning he and his wife left, as I recall, for Florida, and he told me he expected to come back and then was going to Europe; and the next I heard my wife got a letter from his wife saying that they had changd their plans and gone to Europe, and I did not see Mr. WHEELER until during the Shrine convention, when he returned here to Washington.

The CHAIRMAN. Did Mr. WHEELER, to your knowledge, at any time appear before you in your department presenting the question of assignments of leases or anything of that kind?

Mr. BOOTH. He did not.

The CHAIRMAN. Did he solicit your aid or your help with reference to these assignments or anything connected with them?

Mr. BOOTH. Do you mean these cases?

The CHAIRMAN. Yes.

Mr. BOOTH. No, sir.

It has been said that Mr. Booth afterwards entered into correspondence with Mr. Campbell. Certainly he did. It was entirely natural that he should, because Mr. Campbell wanted his affairs attended to. Mr. Booth was in the department. He wrote to him and it finally resulted in what—not in Mr. Booth going to Mr. WHEELER and consulting WHEELER and taking his advice or counseling with him as to what he should do, but it resulted in Mr. Booth suggesting the employment of an attorney here in Washington for the purpose of taking care of the business before the department. Upon the suggestion of Booth, Mr. Campbell went, not to his Senator for his influence or as his attorney, but, upon the suggestion of Mr. Booth, Mr. Feely, of the firm of Vogelsang, Brown, Cram & Feely, was employed. The entire business after that time was transacted between Mr. Feely and Mr. Beaulieu with reference to the matter.

I called attention yesterday to the testimony of Governor Spry. I shall not reread it to-day, but I undertake to say that if Mr. WHEELER had been seeking to exert his influence or in any way to control the action of those who had to pass upon these questions it would have been practically impossible for the Commissioner of the Land Office not to have known it. Certainly it would have been impracticable and practically impossible for anything to have been consummated without the officials of that office knowing it. Commissioner Spry states that Mr. WHEELER came into the office one day, and, after a few pleasantries, it was stated by Mr. Booth that Mr. WHEELER had a client in Montana who was in the oil business; and WHEELER immediately spoke up and said, "The only interest I have is that he gets a fair deal before the department." Commissioner Spry said, "That he will get, as does everybody else." Commissioner Spry states that Mr. WHEELER's conduct before the department was the same as that of other western Senators, that apparently of suggesting fair play for his clients.

Now, reflect, Mr. President, upon the exertion of influence upon the part of the United States Senator with the Land Office! The only two men he ever came in contact with testified definitely and positively that he at no time sought to present these matters to them or to ask their influence in regard to it.

There is only one theory upon which Mr. WHEELER can be held responsible; there is only one theory upon which he can be condemned; that is, in the first instance, that he is presumed to be guilty; in the second instance, that every disinterested witness who testifies directly to the contrary is a perjurer.

The Senator from South Dakota said yesterday that a United States Senator under charge was upon a level with the humblest citizen charged with crime, and that he must take his position upon a level with the most humble citizen. Certainly so; nobody contends otherwise. Mr. WHEELER, in my judgment, would be the last man to contend it. I certainly do not contend that because a man is elected to the Senate of the United States he shall be tried in a court of criminal justice upon any other theory or under any other rule than that which is applied even to the vagrant upon the street. All are equal, or should be, before the bar of public justice, and each man's guilt or innocence shall be tested by the same rules and adjudged under the same law. If, however, you were trying a vagrant from the street you would give him the benefit of the presumption of innocence until the evidence established his guilt. Not only that, but if you were trying a vagrant from the street you would not go to the man who was testifying on impression or from hearsay and take his testimony against that of a reputable citizen who was standing at the source of authority and testifying to direct facts. Try Mr. WHEELER upon the same basis that you would try anyone else; take the witnesses who are familiar with the facts, who testify and give legal and competent evidence; give him the presumption of innocence that accompanies every man charged; and there is not a scintilla of testimony here which shows that he ever entered into a contract for or received compensation for any services which he performed before the Land Office or the departments.

Now, Mr. President, let us take up some of the testimony upon which some persons seem to think, if nothing more, that there was probable cause for the grand jury finding this indictment. Of course, I am not going to discuss the question of whether or not there was probable cause. I think, Mr. President, that you could indict anybody if you would withhold from the grand jury all the evidence which was legal and competent and only introduce hearsay and impressions; and, while I am not interested in what the grand jury did, the fact stands out that not a single witness who knew of the making of the contract or who could give legal and competent evidence of it was called before the grand jury. There was probably not a member of the grand jury who had any knowledge whatever of this transaction as it is narrated before the committee by witnesses who are familiar with the facts. No one could criticize the grand jury, not being familiar with the rules of the competency of the evidence, for taking almost any view.

Now we come to the evidence upon which the grand jury is supposed to have acted. I first call attention to the testimony of Mr. Glosser. I read from page 79 of the hearings. The first time he saw Mr. WHEELER nothing took place of any moment. The chairman said:

Fix the date when you next saw him.

Mr. GLOSSER. I would have to refer to the records of lawsuits and things like that. I have not got them with me. Mr. WHEELER was interested in the lawsuits, and he was up at Great Falls at the time a lawsuit was tried there.

The CHAIRMAN. The next time that you saw him, if you can recall, was there anything said about his employment as an attorney?

Mr. GLOSSER. Oh, yes; he was there working on cases.

That is, the litigation in Montana.

The CHAIRMAN. Yes; he was there working on cases. But was there any conversation—did you have any conversation with Mr. WHEELER—about his employment?

Mr. GLOSSER. You mean with reference to his direct employment by Campbell?

The CHAIRMAN. Yes.

Mr. GLOSSER. Only in so far as Campbell's business was affected. I would never discuss with the Senator his deal with Campbell or anything like that. I talked of Campbell's business to the Senator.

The CHAIRMAN. What was the nature of the business you talked of to him?

Mr. GLOSSER. We had discussed at various times various lawsuits, all the land titles, and Campbell's business generally in the prospecting field, and the outcome there. All of Campbell's business was at various times discussed, or a good part of it.

Senator STERLING. With Mr. WHEELER?

The CHAIRMAN. With Mr. WHEELER?

Mr. GLOSSER. Yes; with Mr. WHEELER.

The CHAIRMAN. Was there anyone else present when you were discussing this business of Mr. Campbell with him?

Mr. GLOSSER. Yes.

The CHAIRMAN. Who was present?

Mr. GLOSSER. There were several at different times. Mr. Rhea was present several times and Mr. Campbell was present, and at other times I think Mr. Harvey was there.

The CHAIRMAN. What was the nature of the discussion? How did you come to discuss it with him? What was the nature of the discussion?

Mr. GLOSSER. We discussed the matters because WHEELER was representing Mr. Campbell and I was representing Mr. Campbell, too; and it was natural that we should discuss the business Campbell had. We had that common point in view, of arriving at the same thing; a lot of business—that is, all of Campbell's business.

The CHAIRMAN. I understand; but is there any specific subject matter in the business which Mr. WHEELER had charge of that you could now recall that you talked over with him?

Mr. GLOSSER. Yes; Mr. Campbell had a good many lawsuits, and they were discussed in a general way; and one lawsuit in particular that Mr. WHEELER was handling at that time was discussed a good bit. Other times the land titles were discussed, and Government permits, and everything that Mr. Campbell had anything to do with was discussed.

The CHAIRMAN. Were you ever present when Mr. Campbell and Mr. WHEELER talked over the terms of his employment?

Mr. GLOSSER. You mean his compensation?

The CHAIRMAN. Yes.

Mr. GLOSSER. No; I was never present when they talked that over.

The CHAIRMAN. Did you ever talk over with Mr. WHEELER the scope of his employment—what he was employed to do?

Mr. GLOSSER. No; I never discussed that point with Mr. WHEELER. I took it for granted; to represent Mr. Campbell.

The CHAIRMAN. What was the nature of these lawsuits in which Mr. WHEELER was acting?

Mr. GLOSSER. The lawsuits?

The CHAIRMAN. Yes.

Mr. GLOSSER. They were suits that Mr. L. C. Stevenson and his associated companies had filed against Campbell individually and Campbell's companies.

The CHAIRMAN. They involved the question of having a receiver appointed over Mr. Campbell's property?

Mr. GLOSSER. Yes; that was one particular——

The CHAIRMAN. Did that include all of Mr. Campbell's property; did they ask for a receiver?

Mr. GLOSSER. No; they asked for a receiver of the Gordon Campbell Kevin Syndicate.

The CHAIRMAN. Was that valuable property?

Mr. GLOSSER. Some of his land was very valuable. It was thought so at that time.

The CHAIRMAN. It was very important litigation?

Mr. GLOSSER. Yes; it was.

The CHAIRMAN. Mr. WHEELER was brought into that litigation?

Mr. GLOSSER. I think he had more or less to do with handling the legal end of the suit; yes.

The CHAIRMAN. It had been begun before he was employed?

Mr. GLOSSER. You mean the suit had been filed?

The CHAIRMAN. Yes.

Mr. President, that is the distinguishing feature of Mr. Glosser's testimony. He says that he never talked over with WHEELER the terms of the employment; he did not discuss it with Mr. Campbell in the presence of Mr. WHEELER; but that he was under the impression that Mr. WHEELER was representing Mr. Campbell. Whatever he might say in regard to it would be pure hearsay.

He made two affidavits, one in Montana and the other in Colorado; and there is a wide difference in the affidavits. He testifies that he had an impression that Mr. WHEELER was representing Mr. Campbell in these land permits; but it was only an impression, only an understanding, and not arrived at by reason of anything that he ever heard WHEELER say or any agreement that he ever heard WHEELER discuss with Mr. Campbell. It would not make any difference what the testimony of Glosser was; it could not be anything but hearsay testimony. It would certainly not be considered against the testimony of those who made the contract.

Mr. Glosser's testimony is tied to Mr. Rhea's testimony. I read into the RECORD yesterday, Mr. President, Mr. Rhea's testimony; I shall not read it again to-day; but I will recount it in connection with Mr. Glosser's testimony. Rhea says that at the same time Glosser had his talk with Campbell and Mr. WHEELER or in their presence he also was present. Rhea was there for the purpose of discussing primarily the question of a new trustee. The property was controlled by a board of trustees. Mr. WHEELER had insisted that Mrs. Campbell retire as trustee, and Mr. Rhea had been called on to take the place of Mrs. Campbell. This conversation took place between Mr. Glosser, Mr. Rhea, Mr. Campbell, and Mr. WHEELER, Mr. Campbell and Mr. Rhea doing the principal part of the talking. What was this conversation? It was to this effect: Mr. Campbell said to Mr. Rhea, who owned the Philip McGowan permit:

I think Mr. WHEELER will be able to straighten that out in Washington, and if he is able to straighten it out, we ought to give him a pretty good slice.

When asked what Mr. WHEELER said, he replied that he said nothing. If Mr. WHEELER heard the conversation, he paid no attention to it. But how did it terminate? Mr. Rhea immediately said to Mr. Campbell that that permit belonged to him; that he had his own attorney; that he did not desire to employ Mr. WHEELER; that he did not employ Mr. WHEELER; that Mr. WHEELER did not attend to the matter for him; that Mr. Beaulieu did attend to it for him; that he paid Mr. Beaulieu for it; and that Mr. WHEELER had nothing whatever to do with it.

There is the testimony of Mr. Glosser, which is hearsay, and of Mr. Rhea, who wholly exonerates Mr. WHEELER, against the testimony of Stout, the letters between WHEELER and Campbell, the testimony of Beaulieu, the testimony of Feely, the testimony of Campbell, of all of those who testified directly. They are putting into this record against Mr. WHEELER the hearsay of one witness and the absolute exoneration of Mr. WHEELER by the other witnesses, and cry "Guilty."

I repeat, Mr. President, that so far as the making of the contract is concerned or the receiving of compensation, there is no conflict of testimony in the record. Upon the issue upon which guilt or innocence depends, to wit, the making of the contract or the receiving of compensation, there is no conflict of evidence. And we might stop right here. For if there was no agreement nor no compensation had, then any and all things which WHEELER might or might not have done before the department were proper, legal and in line with what every western Senator does year after year.

The Senator from Nebraska [Mr. NORRIS] asks me if Mr. WHEELER testified. Mr. WHEELER did testify. I am not going to discuss his testimony, because I hardly have time to go over it. He testified to all the facts and details with reference to his employment, stated what he did, and took up the several telegrams and letters and discussed them; and as his testimony is here, and doubtless will be read by all Senators who wish to know the facts, I have not planned in my line of discussion to go into it. I think the cause complete without the Senator's statement.

Now, Mr. President, I want to refer briefly to the documentary evidence. I have already taken up the letters which passed between these parties.

In the first place, I call the attention of the Senate to the documentary evidence in this respect: If you take the documentary evidence and look it over, upon its face there is no suggestion whatever of any improper conduct. Mr. WHEELER sent no telegrams and wrote no letters that he would not have a perfect right to send and write and with perfect propriety could send and write if we are correct in our construction of the evidence up to this point, that there was no agreement for compensation and no compensation paid for the services. This documentary evidence of itself does not disclose any agreement to receive compensation nor does it disclose the receipt of any compensation. Therefore, in order that the documentary evidence shall have any pertinency at all, or any condemnatory effect, you must relate it back to a contract or an agreement to receive compensation or the receipt of compensation. What I wish to impress upon the Senate is that the documentary evidence itself does not reveal a contract nor does it reveal compensation nor does it reveal any improper conduct upon the part of the Senator from Montana. They read these telegrams and letters which are in and of themselves proper and then assume or presume an illegal contract, although all who keep within the contract disclose it was not illegal.

I could undoubtedly find in my files plenty of correspondence—letters and telegrams to constituents—with reference to having looked after a matter before the Land Department, saying that "the matter has been closed up," or that "I will present the matter," or that "I have presented the case as best I could to the Land Department," and so forth; and that is far more than appears upon the face of these telegrams or the face of these documentary evidences, unless, as I say, you go back to the proposition of an illegal contract and base them upon that proposition, and that I think I have disposed of.

This documentary evidence should be read in the light of another outstanding and undisputed fact, and that is that Mr. WHEELER undertook to find some one who would help Mr. Campbell finance his undertaking; and that is particularly true with reference to the letter of March 8, to which reference is made by the Senator from South Dakota and to which much reference has been made in the public prints, found at page 134.

This is a letter written by Mr. WHEELER to Mr. Campbell under date of March 8, 1923. In this letter he says—I will come to another paragraph in a few moments—

On the train coming down I met Mr. Chisom, and he seemed quite taken up with your proposition, but stated that he felt that a million dollars should be raised, and I thoroughly agreed with him. Within the next day or two I will also take the matter up with some other parties here in the city, whom I think will be interested.

I call attention to that because that runs all through the telegrams and letters and documentary evidence—that one of the things that Mr. WHEELER was trying to do, a thing which he had a perfect right to do, in which the Government was in no wise interested, purely a matter between individuals, a private affair, was to help Mr. Campbell finance his undertaking, to find some one who would be interested in it.

Bear in mind that these telegrams referred to were called out by information desired with reference to financing the property. This is not only shown by oral evidence but is revealed by the telegrams and letters themselves, a portion of one I have just read. It is quite clear that they did not relate to matters before the department in which the Government was interested, because Mr. WHEELER never at any time—never at any time, I repeat—returned to the department or communicated with the department after he sent these telegrams or wrote any of the letters. All these matters passed through the department through Beaulieu and Feely.

I now read a paragraph from the letter of March 8:

I wish that you would have your office send me a detailed report of the condition of your permit that we discussed with the Standard Oil Co. of California, in order that when I take it up with the Department of the Interior that I will be able to intelligently discuss the matter.

The letter refers to the conversation which Mr. WHEELER had with the attorney for the Standard Oil Co. It seems that some time previous to his coming to Washington, upon one occasion when he was in Mr. Campbell's office, Mr. Campbell introduced Mr. WHEELER to the attorney of the Standard Oil Co., and the attorney for the Standard Oil Co. was complaining, as the evidence discloses, that in some sale of land or some sale of interest of Mr. Campbell to the Standard Oil Co. there was a misunderstanding, a misapprehension, or a mistake with ref-

erence to certain property, the Standard Oil Co., as I understand, not getting the amount of property to which they thought they were entitled. So Mr. WHEELER, in discussing this matter with Mr. Campbell, calls his attention to the fact that he would like to have him send the information with reference to that, so that when he took it up before the Interior Department he would know how to discuss it intelligently.

This was a controversy between Mr. Campbell and the Standard Oil Co. It does not appear that the Government had any interest whatever in the matter. It had to be adjusted between these two parties; but, as a matter of fact, Mr. Campbell never replied to the telegram or the letter. The matter was not taken up by Mr. WHEELER. If it was ever adjusted, it was adjusted by other parties, and if it had come to Mr. WHEELER he could have very properly taken it up and adjusted it without being within the inhibition of the statute at all. It was, as I say, a matter between private individuals.

Certain telegrams were sent by Mr. WHEELER to Mr. Campbell, and other telegrams were returned by Mr. Campbell to Mr. WHEELER, calling for a description of the permits and the matters concerning which it was necessary for Mr. WHEELER to be informed, both with reference to the matter of financing the proposition and with reference to straightening out such matters as related to the Standard Oil controversy. As I said a moment ago, these telegrams do not disclose any improper conduct upon the part of Mr. WHEELER. They do not disclose any compensation expected or received, or any agreement; and if, as we contend, the contract related to the litigation in the State of Montana, there was not the slightest impropriety in anything that he did with reference to the presentation of these matters before the Land Department. There were also some letters passed between Mr. Booth and Campbell after WHEELER went to Europe, but they in no possible way involve Mr. WHEELER.

Now, Mr. President, unless some on desires to ask a question, I shall conclude very briefly.

I want to say, in conclusion, that all parties to this contract of employment place one construction upon it. All parties who were familiar with its making or its carrying out place one construction upon it. There is no discrepancy in the testimony upon that point, no differences of opinion or understanding as to what the contract was. Such men as Glosser got an impression that it covered the permit. It was only an impression. He did not hear the contract. Rhea got the same impression, perhaps. It was only an impression. He did not hear the contract. The parties who made the contract, who were familiar with its execution, who were in a position where they had to know what it was, are all agreed—and there is no difference of view—that it related alone to the litigation in the State of Montana.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. BORAH. I yield to the Senator from Georgia.

Mr. GEORGE. The Senator has very clearly stated what the evidence did disclose when it came down to the question of what the contract was and what it was not, and before the Senator takes his seat I call his attention to this fact:

If the testimony of Mr. Glosser and the testimony of Mr. Rhea, with reference to the conversations that were had in the presence of Senator WHEELER should be given full value, they would be nothing more nor less than admissions in the nature of confessions; and that evidence, if given its full weight and full effect, never can establish an offense. When you go back to what the contract was, as the able Senator has so very clearly shown, it discloses the entire absence of any offense. I merely wish to direct the Senator's attention to that fact. It is relied upon in the minority report as the first premise upon which the action of the grand jury is justified. It is in the nature of a mere admission, however; and even if it is taken at its full face value and given full force and full effect this inquiry relates to what the contract was, but you never could establish it by that admission if it were made and undenied, and if it were made under circumstances that called for an answer by Senator WHEELER. I should like to direct the Senator's attention to the further fact that it is of the very nature of all confession evidence or admission evidence that no one is called upon to make a reply to a charge unless the circumstances demand it; and in this case Mr. Rhea himself relieved Mr. WHEELER of the slightest necessity of making any reply to the suggestion made by Mr. Campbell, because he repudiated the suggestion himself and said that he had an attorney and would not enter into any such agreement as that.

Mr. BORAH. So far as Mr. Rhea's testimony is concerned, I think it is a very conclusive piece of evidence in this case in favor of Mr. WHEELER. There was a contention, apparently, upon the part of those who were engaged in presenting this matter against Mr. WHEELER, that Mr. WHEELER was mixed up with the Philip MacGowan permit. Now the owner of the permit, the holder of the permit, comes in and says, in effect: "Mr. WHEELER was not mixed up in it at all"; that he declined to employ Mr. WHEELER; that Mr. WHEELER was not employed; that he had his own attorney; that his own attorney attended to it; that Mr. WHEELER never attended to it, and he never sought his help to attend to it. If there had been any question at all about the MacGowan contract or permit, the owner of the contract or the owner of the permit absolutely exonerates Mr. WHEELER from having anything whatever to do with it.

Mr. STERLING. Mr. President, not from having anything to do with it, I should say, but rather from having Mr. WHEELER as an attorney on his part to do anything in his behalf.

Mr. BORAH. Well, what did Mr. WHEELER have to do with the Philip MacGowan contract?

Mr. STERLING. I think that was one of the first permits that Mr. WHEELER gave his attention to after he came to Washington, if I remember correctly.

Mr. BORAH. Why, if the Senator from South Dakota will refresh his memory, there can not be any doubt at all about the proposition. Mr. Beaulieu says that he himself attended to it. Mr. Rhea says that Mr. Beaulieu as his attorney did attend to it. There is no evidence in this case that Mr. WHEELER ever touched the Philip MacGowan permit.

Mr. STERLING. There were two permits, the Philip MacGowan permit and the Lincoln permit, that were in controversy here before the department at Washington, to which attention was being given.

Mr. BORAH. Yes, exactly; and Mr. Rhea established beyond peradventure that Mr. WHEELER had nothing whatever to do with the Philip MacGowan contract.

Mr. BROOKHART. Mr. President, is the indictment based upon the dealings in reference to the Philip MacGowan permit?

Mr. BORAH. That is one of them, I believe. All you need to do is to take the testimony of Mr. Feely and Mr. Beaulieu. They take up these permits separately and individually, deal with them, and dispose of them, and say that Mr. WHEELER had nothing to do with them. Then comes Mr. Rhea, the owner of the permit, and says that while Mr. Campbell suggested that he might well secure the services of Mr. WHEELER that Mr. Rhea informed him that he did not want them, and he did not employ him.

So I say that all parties to the contract establish one fact, that Mr. WHEELER was to attend to the litigation in the State courts of Montana. In addition to that, all parties who had to do with passing these permits through the Land Office, every single one of them, disinterested absolutely, exonerates Mr. WHEELER from having anything to do with it.

First, we have the contract established by the witnesses who made it. Secondly, we have the people who put the permits through the department establishing the fact that Mr. WHEELER was not connected with it—Mr. Beaulieu, who took the permits up and passed them on to Washington; Mr. Feely, who put them before the Land Office; Mr. Booth, who says that Mr. WHEELER never presented them to him; Mr. Spry, who says he searched the records, and that Mr. WHEELER nowhere appears as the representative of these permits.

I repeat, Mr. President, there is not even a conflict of testimony here, and I have left out entirely the statement of Senator WHEELER. His statement adds conclusiveness, but leaving that aside, I submit the evidence seems conclusive.

I repeat, that upon the testimony of disinterested witnesses, Mr. WHEELER is perfectly clean of any condemnation under the statute.

I have felt that so far as this particular presentation is concerned, it was not incumbent upon me to go further and to call attention to the evidence. There is another feature of it about which I feel very deeply, but I do not think that relates to the duty of the chairman of the committee. After I feel that I have fully discharged my duty as chairman and brought the matter before the Senate as chairman of the committee and given the facts as they appeared to the committee, the views which I may entertain and thereafter express as a Senator disconnected with the obligations of the committee will be a matter for which no one will be responsible but myself, and that will come up for later consideration. I feel now I am speaking for the committee and should confine myself to the matters upon which the committee reported.

FARM LOAN BOARD

Mr. HOWELL. Mr. President, it might appear that I had upon my desk a long written speech, but such is not the case. However, as I wish to be accurate respecting certain charges

which I shall make, the first portion of my statement will be from written pages.

The names of four nominees for the Federal Farm Loan Board are now on the Executive Calendar awaiting action by the Senate.

The candidates were selected by President Harding, and hence have been in office as recess appointees. Two have served approximately 15 months and the other two about 12 months and 11 months, respectively.

In short, these nominees have been a majority of and in control of the Federal Farm Loan Board for nearly a year, and to all effects and purposes, considering the circumstances, since March 4, 1923.

In view of these facts, I desire to call the Senate's attention to this proposition: Whereas the record of any candidate in office may not constitute conclusive evidence as to his fitness to continue therein, yet when misconduct is alleged, as is the case in connection with these nominees, such record then becomes a most important factor in deciding upon further incumbency and hence should be scrutinized with the greatest of care and deliberation.

Therefore in passing upon these nominees it should be kept clearly in mind that the Senate is not dealing with recent appointments but with appointees who have records as members of the Farm Loan Board. As a consequence, the question to be decided in considering these nominations is not one of mere personality but as to whether the Senate is justified—yes; can the Senate afford to put its stamp of approval upon these records?

For several months past the Senate Committee on Banking and Currency has had under consideration the nominations in question. Various persons have appeared for and against confirmation, and evidence has been adduced.

From the facts developed at such hearings, Mr. President, the Farm Loan Board—and hence these nominees, constituting a majority of the membership thereof—stands convicted, in my judgment, of the following charges, namely:

(1) Violation of a cardinal principle of public policy enunciated in section 6 of Article I of the Constitution of the United States, prohibiting a legislative officer from enjoying the emoluments of any office created during his incumbency. Prior to July 1, 1923, Charles E. Lobdell was a member of the Farm Loan Board and served as farm loan commissioner or chairman of the board. In addition, he performed the duties of fiscal agent of the land-bank system, as had all farm loan commissioners preceding him. His salary was fixed by Congress at $10,000 per annum. On June 12, 1923, at a meeting of the members of the Farm Loan Board and the 12 land bank presidents, the farm loan commissioner was relieved of the duties of fiscal agent through the creation of a new office to be known as fiscal agent, at a salary of $25,000 per annum. Of course, this was done by and with the approval of the Farm Loan Board both as to the creation of the office and the fixing of the salary.

On the same day it was arranged that Mr. Lobdell should become the new fiscal agent, and he assumed his duties some 20 days later; that is, on the date that his resignation as member of the board and farm loan commissioner took effect. Thus a member of a quasi legislative board became the beneficiary of a new office, with an increase in salary of two and a half times, for the performance of but part of his previous duties—a result rendered possible only by the approval of the board in question, of which he happened to be the chairman—an act utterly against that recognized principle of public policy that no legislative officer may enjoy the emoluments of an office created during his incumbency.

The second charge is as follows:

(2) Unlawful procedure in approving of the creation of a new official for the farm-loan system to be known as fiscal agent.

The Federal Farm Loan Bureau is the creature of Congress, and nowhere has Congress delegated authority to change the system or create additional officers. As a matter of fact, Congress has specifically named the list of officials and each year in the Treasury appropriation bill fixes the salaries of all officials of and within the bureau.

(3) Looseness and gross carelessness in the conduct of the affairs of the board, indicating incompetency. As incredible as it may seem, during a period of about six years the board has received and disbursed $881,000,000 and yet has never provided itself with books of account, its records consisting merely of deposit slips, check stubs, and correspondence. It recently took the Treasury Department, employing 10 accountants and working double shift, from March 12 to about May 1, or nearly seven weeks, to compile a mere statement of receipts and expenditures from the Farm Board records. Moreover, the accountant in charge of this work testified that he would have been unable to make up the statement from the records afforded him without the aid of the memories of several of the employees of the board.

Mr. COPELAND. Will the Senator yield?

Mr. HOWELL. Certainly.

Mr. COPELAND. Does the Senator mean this year?

Mr. HOWELL. Yes; just recently made.

Mr. COPELAND. The Senator said recently.

Mr. HOWELL. It was finished on the 1st day of May.

Mr. COPELAND. 1924?

Mr. HOWELL. Yes. The fourth specification is as follows:

(4) The unlawful withdrawal of funds from the United States Treasury and the disbursement of such funds without the authority of Congress. Between $65,000 and $70,000 have been drawn from the Treasury without authority and expended for various purposes. An unofficial opinion of the Comptroller General declares these funds to belong to miscellaneous receipts of the Treasury. Moreover, under date of May 13, 1923, the Undersecretary of the Treasury has called upon the farm loan commissioner for reimbursement of a part, if not all, of this money immediately.

(5) Looseness and neglect in the disbursement of funds. Public moneys have been expended without vouchers or receipts. Mr. Lobdell, the fiscal agent, admitted on the stand that he could not tell to whom money had been paid that had been secured by cashing certain checks. He also admitted that he had received certain sums of money for the expenditure of which he could account only in a general way.

(6) Misapplication of public funds. On September 22, 1922, Mr. Lobdell as farm loan commissioner opened an account with the Franklin National Bank by depositing $5,000 drawn from the Federal Treasury, part of the $65,000 to $70,000 referred to above. From that time down to February 16, 1924, further similar deposits in this bank had been made totaling more than $37,000. This account was drawn on from time to time by the farm loan commissioner, so that the balance remaining in the bank on the last day indicated—February 16, 1924—was $86.53. The deposit in this bank was treated as a sort of petty cash fund, except that the expenditures therefrom were made without vouchers or receipts. Presents to employees were made from this fund, likewise what must be considered either loans or advances to employees. In another case one of these nominees had succeeded in drawing some $2,000 from the Treasury on account of salary for which Congress had made no appropriation. As a consequence he was called upon to put it back—a simple matter—as Farm Loan Commissioner Lobdell gave him a check on this fund.

I have read these statements that I might be explicit, and each and every one of the statements is subject to proof.

I will now take up the first specification of the charges, "violation of a cardinal principle of public policy enunciated in section 6 of Article I of the Constitution of the United States, prohibiting a legislative officer from enjoying the emoluments of any office created during his incumbency."

It should be remembered that the farm loan commissioner from the time of the inception of the Farm Loan Bureau has acted as fiscal agent, and during that period has handled in the neighborhood of $800,000,000. Judge Lobdell for a number of years has been that fiscal agent. The testimony elicited before the Committee on Banking and Currency was to the effect that some time in the spring of 1922 it was rumored that Judge Lobdell had received a proposition of $25,000 a year, or such a matter, from some bank in the South. Subsequently in testimony by Judge Lobdell he stated that he did not receive any such proposition at that time. However, that rumor was abroad.

In August, 1922, there was a meeting of the 12 farm-loan presidents together with the Farm Loan Board here in Washington. At that meeting, at which Judge Lobdell was in attendance, a resolution was passed appointing a committee of three to wait upon Judge Lobdell and determine what arrangement might be made that he might be retained in the Farm Loan Bureau. It was testified that he talked with the committee at that time and agreed that he would take no steps toward separating himself from the bureau until he had again discussed the matter with that committee. Remember, this meeting took place in Washington. He was chairman of the board. He was present at that meeting. Therefore there is significance in his subsequent testimony respecting the matter:

Q. As far as the business conduct of the transaction is concerned, I have not questioned that.

Judge LOBDELL. I notice you did not.

Q. I did not refer to that.

Judge LOBDELL. Now, Senator, I think I should not be frank with you if I did not state that I did anticipate that if any proposition were to be made to me by these people—

Referring to this committee—

it would be along those lines. I have told you in perfect frankness all that took place, but I want to say more than that and tell you what I had in mind. It was in my own mind that if they had any proposition to make, if it was any service that I could render, it would be along the lines of general adviser and financial representative.

In other words, when the committee met with him that was the thought in his mind. He was en rapport with the committee. That was in their minds. The committee was continued. Congress met in December of 1922. Legislation was proposed by the Farm Loan Board, but nothing in that legislation concerned the creation of the office of fiscal agent at $25,000 a year, which, however, was evidently in the minds of the committee and of Judge Lobdell at the time that Congress was in session.

But what took place following that? On May 27 Judge Lobdell called a meeting of the presidents of the farm-loan banks to be held in Washington, at which he and the other members of the Farm Loan Board were present. On the 12th day of June the office of fiscal agent was created with the approval of the Farm Loan Board, at a salary of $25,000 a year, and on the same day that Judge Lobdell's board approved the creation of the office and the salary the arrangement was made that he should be the fiscal agent. As a consequence, when his resignation took effect 20 days later on the 1st day of July, he stepped out from the office of the farm-loan commissioner and fiscal agent of the farm-loan system at $10,000 a year and immediately became alone the fiscal agent at $25,000 a year, with an assistant, clerk, messenger, and an office of his own. These are the facts. They are substantiated by the testimony.

Now, as to the second specification, "unlawful procedure in approving of the creation of a new official for the farm-loan system to be known as fiscal agent." The Farm Loan Bureau is a creature of Congress. Congress has fixed the number and has designated the officials of the Farm Loan Bureau. There is no authority on the part of the Farm Loan Board to create an office or approve the creation of an office. That is the duty and the privilege of Congress alone. Moreover, it will be recalled that every year Congress makes an appropriation or provides for the expenses through an appropriation, the money to be collected from the land banks in proportion to their resources, and fixes the salaries that are to be paid out of that appropriation. Neither the Farm Loan Board nor the presidents of the banks had authority to create an office of this kind. It is provided in the law that the land-bank presidents shall constitute a bond committee, provided consolidated bonds are issued, but consolidated bonds have never been issued. Therefore there was no authority for the creation of this office. The authority to create the office was alone in Congress, and no effort was made by the Farm Loan Board to secure the creation of such an office, because it must have known and did know that Congress would not approve a salary of $25,000 a year when the rates of salaries now paid to public officials are such as these: Fifteen thousand dollars a year to the Chief Justice of the United States; $12,000 a year to the chairman of the Federal Reserve Board, in control of all the great Federal reserve system of the country; $12,000 a year to the Secretary of the Treasury; $12,000 a year to the Comptroller of the Currency, who has 8,000 national banks under his supervision.

Mr. DIAL. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from South Carolina?

Mr. HOWELL. I yield.

Mr. DIAL. May I ask the Senator where the salary of $25,000 comes from?

Mr. HOWELL. The salary has been paid out of the United States Treasury.

Mr. DIAL. Is it not paid by the separate banks? Does not each separate bank contribute $1,000 and does not each intermediate credit bank contribute $1,000 to the salary?

Mr. HOWELL. The 12 Federal banks up to the time of this accounting of which I speak have not contributed $1 to the payment of Judge Lobdell's salary. It has come from the United States Treasury through the misapplication of funds.

Mr. DIAL. I do not think that is a correct statement. However, I am not prepared to disprove it.

Mr. HOWELL. I will come to that shortly in the order in which I am proceeding.

Mr. DIAL. Very well.

Mr. HOWELL. The third specification is "looseness and gross carelessness in the conduct of the affairs of the board indicating incompetence." Hearings have taken place before the committee for some time. Finally my attention was challenged by certain statements made before the committee. I went to the office of the Federal Farm Loan Bureau and asked to see their books. I was informed that the Treasury Department kept the books. I then took the matter up with the Treasury Department, and the Treasury Department stated that they kept no books except the record of receipts and disbursements; that they were merely a bank for the Federal Farm Loan Board. Thereupon I discovered what to me was a most startling fact, the most remarkable thing of this character that has come to my attention—that this institution that had handled $881,000,000 had no books of account. When, in discussing the matter with the Treasury Department, I asked for the source of certain items, they informed me that the only way that the information could be obtained would be by an analysis of this account, which might take three weeks.

I waited a little while, and then I introduced a resolution asking the Secretary of the Treasury to forward the Senate a statement of the receipts and disbursements of the Farm Loan Board, including the source of the funds, and those to whom disbursements were made. Immediately a force was put to work upon the records of the Farm Loan Board, and I think it would be of much interest to the Senators here to consider some of the testimony. I am not going to read the testimony at length. I shall merely read excerpts from the testimony of Maj. Walter O. Woods, who is employed in the office of the Undersecretary of the Treasury, and who was placed in charge of the Treasury's analysis of the Federal Farm Loan Board's account as the result of Senate Resolution No. 190, of March 11, 1924:

Q. Were you directed to analyze some of the accounts of the Farm Loan Board?

Major WOODS. Yes, sir.

Q. What were those accounts?

Major WOODS. I assume the Senator refers to the resolution of the Senate. When the Senate resolution was passed the Undersecretary directed me to prepare a plan and submit to him for approval. * * *

Q. And you were directed to secure the information requested by that resolution?

Major WOODS. Yes, sir.

Q. What did you do in performing this service?

Major WOODS. I called on the Farm Loan Board and asked to see the data and consulted them as to what would be the proper procedure. * * *

Q. What was the total amount involved?

Major WOODS. About $881,000,000. I believe. * * *

Q. You visited the Farm Loan Board office, did you?

Major WOODS. Yes, sir.

Q. What records did you find in the Farm Loan Board office?

Major WOODS. I did not see any ledger account or register of those accounts. I got out their check books and their certificates of deposit. The first step was to get their file of certificates of deposits of money that had been spent in the Treasury, and to learn something of their procedure. * * *

Q. You were then afforded records of the Farm Loan Board as follows: Deposit slips?

Major WOODS. Yes, sir; I might say that I first received them from the Treasurer of the United States.

Q. This first form of record that you referred to is deposit slips?

Major WOODS. Yes.

Q. Then the check stubs?

Major WOODS. Yes, sir.

Q. And then correspondence?

Major WOODS. Yes, sir.

Q. Was there any other data afforded you?

Major WOODS. Well, it was from correspondence that I learned these things and not from books. None were laid before me—no ledgers or registers of account. There was a young lady who had a wide acquaintance with these things in the Farm Loan Board, and I requested that she be sent to my office to assist me by explaining these items. She did so, and worked continuously, and we first determined what the items were and the amount of money involved.

Mr. BORAH. May I ask from what is the Senator from Nebraska reading?

Mr. HOWELL. If the Senator will pardon me, this is the testimony that was taken before the Committee on Banking and Currency respecting the confirmation of these four nominees.

Q. Now, what you were furnished by the Farm Loan Board or secured through them were deposit slips, check stubs, correspondence, and a young woman?

Major WOODS. Yes, sir; and, of course, the various officials were there. I discussed the subject with them and requested that they

place the employees at our disposal in order to carry this out, and they responded to it.

Q. Suppose you had simply been afforded the deposit slips, the check stubs, and the correspondence, without any assistance, could you have analyzed those accounts?

Major WOODS. No, sir; I do not think I could.

Q. In other words, you had to have somebody with a memory who knew something about what had gone before?

Major WOODS. Oh, yes; I had to have somebody explain what those items were for. I could not have done it from data I had before me.

Q. In other words, they had no records from which you would have been able to make an analysis of this account without the aid of human memory?

Major WOODS. They did not provide me with books of account from which I could have audited the accounts; no. * * *

Q. In other words, then, the data that they used or you used were this correspondence?

Major WOODS. Yes, sir; I would say it was correspondence.

Q. Did you find any set of accounts with each individual bank?

Major WOODS. No, sir.

Q. No books of that kind were kept?

Major WOODS. I was not provided with them. If there were such, I did not know it. I was not informed of it, and did not see them.

Q. This statement that you have afforded is merely a cash statement, is it not?

Major WOODS. Yes, sir; it is not an audited account. * * *

Q. But it is merely a cash statement, is it not?

Major WOODS. Yes; that is what it is.

Q. How long did it take you to make this cash statement from these data?

Major WOODS. From the 12th of March until about the last of April; about six weeks.

Q. How many people did you have working at it?

Major WOODS. The same number were not working all the time. I should judge about 9 or 10.

Q. Did you work double shifts?

Major WOODS. Yes, sir.

Q. You did not inquire into the propriety of any of these payments, did you?

Major WOODS. No, sir; I did not.

Q. And that was not the nature of your audit?

Major WOODS. No, sir.

Q. Your work was simply to analyze and determine where the funds came from and where they went?

Major WOODS. Yes, sir; it was simply to comply with the Senate resolution. The Secretary of the Treasury was to provide the Senate with a statement of each item of receipt and disbursement of the Farm Loan Board from its inception down to the 1st of March.

I wish to say here, Mr. President, that in making up excerpts from this testimony I have omitted certain portions of the answers when they were deemed irrelevant.

Mr. ROBINSON. Mr. President, may I ask the Senator a question in that connection?

Mr. HOWELL. Certainly.

Mr. ROBINSON. Did the committee investigating the method of accounting of the Farm Loan Board inquire into it of the members of the board? Were the members of the board asked about that?

Mr. HOWELL. No, sir. I asked that they be put on the stand, but it was decided to close the hearings, and I was not given an opportunity.

Mr. ROBINSON. Was any explanation given of the method of accounting which has been adopted and pursued by the board? Was that developed during the hearings before the committee?

Mr. HOWELL. A remarkable position was taken, for instance, by Farm Loan Commissioner Cooper that he did not see why, if the 12 banks were satisfied with what they got, it was necessary for the board to keep any accounts other than correspondence, check slips, and check stubs.

Mr. ROBINSON. That was what I wanted to direct my inquiry to, namely, whether or not the method of accounting adopted by the board in respect to its dealings with the several banks is an improved system; and if not, the reason for the failure to adopt an approved system of accounting. I want to know the facts about that. It seems to me to be pertinent, particularly in view of the statement the Senator is making.

Mr. HOWELL. I regret very much that after two months of time spent in working up the data the Senate Committee on Banking and Currency only allowed me to interrogate Major Woods and Judge Lobdell; in other words, they closed the hearing in one day after all this work had been done.

Mr. GLASS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Virginia?

Mr. HOWELL. I do.

Mr. GLASS. I will say in response to the inquiry of the Senator from Arkansas that the Banking and Currency Committee went fully, in detail, into these accounts, and satisfied itself thoroughly that there had not been a penny of misappropriation of public funds, and satisfied itself thoroughly that there had been full accounting for every penny. At the proper time, Mr. President——

Mr. HOWELL. Mr. President, I allowed an interruption, as I supposed, for a question.

Mr. GLASS. No; I did not care to question the Senator; but the Senator is now speaking in open session about a matter that ought to be discussed in executive session, because it relates to the confirmation of nominees to the Federal Farm Loan Board. I have not sought to make the point of order which clearly lies against this sort of procedure, and do not intend to do it now, but I do not think the Senator ought to be permitted, or ought to be willing, to state in open session for the RECORD circumstances that do not, in my view, properly represent the case; and I was about to say that in executive session when these nominations shall be considered members of the committee will discuss, I think to the entire satisfaction of the Senate itself, all of these transactions and show to the satisfaction of the Senate itself that they were satisfactorily explained to the committee, and that the committee was unanimous in acquitting the members of the board of any misappropriation of funds or any irregularity in the transaction of business.

Mr. HOWELL. Mr. President, I ask the Senator from Virginia if it is not a fact that after the analysis of this account, covering $881,000,000, I was allowed but five hours to examine witnesses; and is it not a further fact that although I wrote a letter to the chairman of the committee and asked that the members of the Farm Loan Board be present, and that I be allowed to put them on the stand, the committee closed its hearings without giving me an opportunity to examine one of them?

Mr. GLASS. Mr. President, as a matter of fact, I venture to say that no committee of any legislative body on the civilized globe ever exhibited the degree and amount of patience that the Banking and Currency Committee has exhibited with respect to this investigation. Since last January the committee has been called into session after session to consider the nominations of these members of the board, and I have sat there session after session and seen the time of the committee consumed in matters that had no earthly relation whatsoever to the fitness of the members of this board. It is true that after the time of the Farm Loan Board for six weeks had been occupied with a perfectly useless investigation of every item of expenditure of the system since its foundation in 1917 up to the present time, we declined to permit the Senator from Nebraska to repeat time after time item after item of identical nature. The committee declined to waste its time any further in that sort of childish transaction.

Mr. DIAL. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from South Carolina?

Mr. HOWELL. I will yield in just a moment.

Mr. President, I wish to state that I was treated with great courtesy by the Committee on Banking and Currency. I had the feeling, however, during the whole period of the hearings that there was a reluctance to go into this matter. The hearings did begin in January, and they occupied 26 hours and 45 minutes—I think that was the period—down to the time when it was developed that the Farm Loan Board had no books and when I put in the Senate resolution. Furthermore, of that 26 hours and 45 minutes I occupied in questions 3 hours and 38 minutes, approximately. Finally certain facts were adduced that indicated that we should go to their records. I attended to the matter. The hearings ceased. For about two months we were investigating the records. The committee allowed one day for hearing afterwards, although involving $881,000,000 of items. They refused—I say "refused"—rather they did not, as I requested, call the members of the Farm Loan Board to the stand.

I will present for the RECORD a letter from me to the chairman of the committee, indicating the course that I believed this investigation should follow; but after this one day, when I developed the facts that I have read to you here, the committee closed the hearings, only allowing me to ask questions respecting less than 20 items, involving but $7,000; and I am surprised that the Senator should say that the committee went fully into this matter.

Mr. GLASS. Oh, the Senator is not surprised, because the Senator knows that I, as well as other members of the committee there, avowed our judgment that we had gone fully into the matter, and said to the Senator from Nebraska that if he would ask any new questions, if he would present any evidence that had not time and time again already been traversed, we were willing to sit there and hear him; but it was the same old thing over and over and over again, and we claimed to be men of ordinary intelligence. We do not think our time should be consumed in that sort of fashion—at least, we did not—and the committee unanimously reported these nominees.

Mr. DIAL. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from South Carolina?

Mr. HOWELL. Just a moment, Mr. President. It would seem that there is a difference between the judgment of the senior Senator from Virginia and also that of the committee and my judgment respecting this matter.

Mr. GLASS. Yes; I gather that.

Mr. HOWELL. But, if I may be allowed, I will proceed to present to the Senate further facts that I believe will make it very clear that there was reason to go into these matters—questions which I had asked for the first time and, moreover, that we should have gone further.

Mr. GLASS. Mr. President, if the Senator presents here reasons why we should go further, we will go further. It was his misfortune, and not our fault, that he failed to present to us any reasons why we should go further.

Mr. DIAL. Mr. President, will the Senator be kind enough to tell us what was the result of the audit? Did the account balance, or not?

Mr. HOWELL. There was no audit. There was merely an analysis of the account. A mere statement that they had paid out so much money and had received so much money.

Mr. DIAL. Did that balance?

Mr. HOWELL. Why, yes; you can make an account balance very easily. The question is, how did it balance?

Mr. DIAL. I hope the Senator does not mean that they forced a balance?

Mr. HOWELL. No. I should like to make it very plain, Mr. President, that I am not charging dishonesty here; but I want to state this fact:

In response to my first request the Farm Loan Board sent me a statement, and I have it. It would not balance. I sent it back and asked them to balance the statement. It took them two weeks before they could balance that statement. That is the kind of statement that was afforded me.

Mr. DIAL. Then they did balance it to a cent, did they not?

Mr. HOWELL. No. Why, you can balance any account. If you mean that they had a set of double-entry books, and they balanced; no—not in any sense. When a man merely states to you, "I have received so much money and I have spent so much money," it is easy for him to have a balance.

Mr. DIAL. I understand, but I was trying to get at the audit of the account. When the auditor got through with his investigation, did the account balance?

Mr. HOWELL. This was merely a statement of receipts and expenditures, and this statement of receipts and expenditures does balance, but you can not tell why it balanced unless you go into the account.

Mr. DIAL. I just wanted to know whether it balanced.

Mr. GOODING. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Idaho?

Mr. HOWELL. I do.

Mr. GOODING. I will ask the Senator from Nebraska if he thinks it would have been possible to make it balance and to give an intelligent report without the young lady who had such a remarkable memory?

Mr. HOWELL. In my opinion, absolutely not. It is one of the most remarkable state of affairs that I have ever encountered in a business institution. I was once appointed receiver for an institution, and that is what I found—check stubs, canceled checks, and correspondence. You know what that means in untangling a skein, and that is all this Farm Loan Board had.

Now, Mr. President, I will continue reading the Treasury accountant's testimony, because it goes right to the point:

Q. And that was not the nature of your audit?

As to the propriety of expenditures.

Major WOODS. No, sir.

Q. Your work was simply to analyze and determine where the funds came from and where they went?

Major WOODS. Yes, sir; it was simply to comply with the Senate resolution. The Secretary of the Treasury was to provide the Senate with a statement of each item of receipt and disbursement of the Farm Loan Board from its inception down to the 1st of March.

* * * * * * *

Q. In other words, if the Comptroller General had control over the disbursements of the Federal Farm Loan Board he would have compelled them to keep a set of books, would he not?

Major WOODS. Yes, sir; he would. He would compel them to state the account once a month or once a quarter, whichever would be the established rule, and the account would be kept on the so-called cash-book, which would be a statement of receipts and disbursements, and the transcript made from that would be submitted with the vouchers—canceled vouchers—to the Comptroller General for compensation.

* * * * * * *

That is the trouble with this institution—it has no auditor.

Q. Now, Major, as I understand it, it took about six weeks and 10 employees to prepare this analysis in the form of a statement.

Major WOODS. Yes, sir.

Q. Suppose that you were called upon to set up a set of books such as the Comptroller General required of a department subject to his audit; how long would it take to write up such a set of books, notwithstanding the work which you have done here?

Major WOODS. Well, that would involve an audit of the account looking into each item. To check it up, I should say it would take about two months. I do not know; somewhere about that, I should judge. It would depend somewhat upon the number of employees I had to assist me; but if I were to be told to do it I would take about three months. * * *

After all this work, covering nearly two months, it would take him three months more to set up a set of books so that you could find out the state of the account of one of these 12 banks during the time it has been dealing with this institution.

Mr. GLASS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Virginia?

Mr. HOWELL. I do.

Mr. GLASS. Does not the Senator know perfectly well that it could be found out in three seconds from one letter from the farm loan commissioner to any given bank? Let me ask the Senator further, with his permission, while I am on my feet, if he is reading all the testimony—the interruptions of members of the committee and the answers of this expert—with respect to the fitness of these nominees whose names we were considering?

Mr. HOWELL. No, sir; I stated here that I was not reading all the testimony. As I have stated, I am reading excerpts from the testimony, but what I am reading is what was testified to.

Mr. GLASS. Yes; but not all that was testified to. I suggest to the Senator that he is proceeding now in open session, contrary to the rules, and inferentially aspersing the integrity and honesty of men high in public life, and he is not giving all of the testimony as he proceeds.

Mr. HOWELL. I am not misrepresenting this testimony in any way. I am reading what was stated.

Mr. GLASS. But not all that was stated.

Mr. HOWELL. Mr. President, more than half the time was taken up by the members of the committee interjecting their views respecting this matter.

Mr. GLASS. Mr. President, the Senator does not mean to exaggerate, but nine-tenths of the time was taken up by the Senator himself.

Mr. NORRIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to his colleague?

Mr. HOWELL. I yield.

Mr. NORRIS. So that silence may not be taken as concurrence in the view expressed by the Senator from Virginia about this being taken up in public session, if the condition as disclosed is the actual condition existing in this governmental commission, legislation by Congress will be required by Congress to rectify it. I have been thinking of the legislative part of it, rather than of nominations pending, and I supposed that my colleague was addressing himself to a resolution now pending in the Senate asking for an investigation with a view of getting legislation that would remedy what is claimed, at least, to be a lack of efficiency in governmental service. It is proper to discuss that phase of the question in public session, and it ought to be dicussed.

Mr. HOWELL. I have a resolution lying on the table to that effect, which I propose to ask to have taken up as soon as I

finish this statement, and that is the reason why I am making the statement at this time.

Mr. GLASS. I understood the very premise of the Senator's remarks to be the statement that there are now pending these four nominations of members of the Federal Land Bank Board, and that what he is presenting he is presenting with the design of convincing the Senate that it should not confirm those nominees.

Mr. NORRIS. I did not hear that statement. I came in just after my colleague had begun, and as I knew that he had such a resolution, I have been going on the theory that he was discussing that resolution.

Mr. GLASS. I am not making any point, because at the proper time all of this matter will be discussed.

Mr. EDGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from New Jersey?

Mr. HOWELL. I yield.

Mr. EDGE. I understood the Senator to remark a moment ago that it was his intention to call up a resolution which was on the table at the conclusion of his remarks. I might remind the Senator that there is now pending a motion, which is the business before the Senate, and I had hoped that we might dispose of that motion before taking a recess or adjourning to-night. Of course, in any event, it would not be possible, under parliamentary procedure, to consider the Senator's resolution while that motion is pending.

Mr. HOWELL. I propose to finish shortly, Mr. President. I continue the reading of Major Woods's testimony:

Senator HOWELL. Major, suppose a set of books had been provided in accord with the requirements in other departments by the Comptroller General—had been established at the outset by the Federal Land Bank Board, and this work had been done as he suggested, would it have required any additional help to what they now have?

Major WOODS. Let me see if I understand the question. Do you mean in response to the Senate resolution would it require anything additional?

Senator HOWELL. No; I mean suppose they had set up a set of books at the outset as is required by the Comptroller General where he has authority, and that the employees in that office had written up these books every day as each transaction occurred, would it have required any additional help in that office?

Major WOODS. I think not. I think they have the employees that are competent and capable to do it. Yes, sir; with what they have I think so.

Mr. DALE. Will the Senator from Nebraska yield?

Mr. HOWELL. I yield.

Mr. DALE. I am very much interested not only in what the Senator from Nebraska is discussing, but I am particularly interested in what the Senator from New Jersey has in mind, and I would like to make this suggestion, if the Senator from Nebraska will permit. Why would it not be convenient for the Senator from Nebraska to let the Senator from New Jersey dispose of this matter? It will not take two minutes. Then the coast will be clear for the matter the Senator from Nebraska is discussing.

Mr. HOWELL. I do not want to yield the floor.

Mr. DALE. I do not suggest that the Senator yield the floor, but that he simply yield for the disposition of this matter. There will be no discussion of it—simply a vote—and then it will be ended and out of the way. It seems to me this matter will impede the Senator when he comes to his resolution, because the motion will have the right of way over his resolution.

Mr. EDGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from New Jersey?

Mr. HOWELL. I yield.

Mr. EDGE. Supplementing what the Senator from Vermont has stated, I assure the Senator from Nebraska that a number of Senators wish to go to their offices, and if the motion can be put and settled by the Senate at this time, we will all appreciate it. Under the parliamentary procedure the Senator would be compelled to give up the floor pending action on the motion, but if I secure recognition by the Chair I will gladly yield, and will make no effort to press the bill to-night, so that the Senator can conclude his remarks.

Mr. HOWELL. What is the motion?

Mr. EDGE. The pending motion is that the Senate proceed to consider the Senate bill providing for a reclassification of the salaries of employees in the Postal Service, which has been pending for some time. It is the work of a joint committee of the two Houses after two months' rather laborious consideration. My object, as the chairman of the subcommittee, is simply to have it disposed of, and before the Senate, as the unfinished business.

Mr. STERLING. Then, if the motion prevails, the Senator from New Jersey will immediately ask to lay aside the bill?

Mr. EDGE. It will be laid aside, permitting the Senator to continue his debate. It is merely a matter of convenience.

Mr. HOWELL. Why could not this be taken up after I finish?

Mr. EDGE. Of course, the Senator has the floor, and it is entirely as the Senator elects. There are a number of Senators who are interested in having it disposed of who simply hope that it may be done at this time.

Mr. HOWELL. I do not wish to be discourteous, and if it would be of any advantage, I will yield. However, I do not wish to give up the floor and be deprived of the opportunity of going on this evening. If I can be assured that——

Mr. EDGE. I can only give the assurance of an individual Senator, that being the proponent of the motion, if I can be recognized, as I assume I will be, after the decision, I will yield the floor at once to the Senator from Nebraska.

Mr. HOWELL. I think probably I had better go on.

Mr. President, I wish to call attention to this fact, that these four nominees have been a majority of the Federal Farm Loan Board for nearly one year; that this condition of affairs has continued during this period; not only were three of these nominees involved in the creation of the office of fiscal agent and the elevation of Judge Lobdell to that office, but that the four members had been in control of the Federal Farm Loan Board for about one year, and this is the condition of affairs in which we find the accounts of that institution.

In my opinion, they have simply been riding. They have taken things as they found them. They have gone on in this loose manner, and they would have continued in this loose manner if this investigation had not taken place.

As a consequence, they are not men who can be said to be familiar with this sort of work, and that is one of the failures of our governmental institutions, the placing of men in positions of this character who are unfamiliar with that sort of activity, and as a consequence, when things are going at loose ends, they do not recognize the fact, and it goes on until the crash comes or a scandal is exposed.

If they did know, self-preservation alone would have dictated an immediate change in their method of handling the affairs of the Farm Loan Board, because anyone who has been concerned in public affairs realizes that whereas one may be careless about his own affairs and the expenditure of his own money, when he is careless in public affairs he takes his reputation and sometimes even his liberty in his hands and risks them.

So the Senate is to be confronted with this question, in view of these facts, of these conditions: Can it afford to put its stamp of approval upon the methods which have been in practice right up to the present time by approving and confirming these four nominees?

The fourth specification is, "Unlawful withdrawal of funds from the United States Treasury and the disbursement of such funds without the authority of Congress." As a result of this analysis and the investigations of the committee it was developed that between $65,000 and $70,000 had accrued through the use of Government credit, and that the funds belong to the United States Treasury, and yet the Farm Loan Board drew out these funds and expended them for various purposes. As to the method by which these accruals took place: Suppose they sold $730,000 worth of Omaha land bank bonds to a customer in Chicago. They would send the bonds, with a draft attached, to Chicago with instructions to collect the face of the bonds, plus the accrued interest, up to, say, the 7th day of June. When the 7th day of June came the customer to whom the bonds had been sold would call for them and pay the face, plus the interest, to the 7th day of June. But, mark you, on the 5th day of June they would ask the Treasury to telegraph the Federal reserve bank in Omaha to pay to the Omaha land bank the face of the bonds, plus accrued interest, only to the 5th day of June. By this method, as the interest upon the bonds would amount to about $100 a day, the Treasury would collect through the Federal bank in Chicago $200 more than it was compelled to pay the Federal land bank in Omaha. Through these methods there accrued to the Treasury between $65,000 and $70,000 as determined by this analysis, and these funds have been drawn out of the Treasury by the farm loan commissioner and expended for various purposes. In an unofficial opinion from the Comptroller General we learned that he holds that those funds belong to the United States Treasury and should have been included in the miscellaneous receipts of the Treasury.

Mr. GLASS. May I ask the Senator if he does not know that in an official opinion by the Undersecretary of the Treasury, he contends that they do not belong to the United States Treasury?

Mr. HOWELL. Mr. President, I know that on the 13th day of May last the Undersecretary of the Treasury wrote a letter to the farm loan commissioner, and I want to read the closing paragraph of that letter. Speaking of an adjustment of the Treasury's claim for these funds, he said:

> When I speak of a proper adjustment I appreciate that the argument can be made that all of the profits should inure to the Treasury, since its facilities made the profits possible. It is my understanding, therefore, that unless the adjustment is made promptly with the Treasury on the basis above outlined, my views shall not prejudice the Treasury's recovery of the full amount of the profits.

Mr. GLASS. Yes; but what are the views "above outlined"?

Mr. HOWELL. The views above outlined are that he is willing to compromise with them on a basis of 2 per cent for the use of the money.

Mr. GLASS. In other words, there is a controvery between the Treasury and the Farm Loan Board as to this particular fund, which the Senator should explain is merely constructive interest. It is what the bankers know as the "float," the constructive interest upon a certain sum of money for which credit is given at this end of the line and which is not collected at the other end of the line for several days. As a matter of fact, the Treasury was never out a dollar in the transaction.

Mr. HOWELL. I must take issue with the Senator from Virginia. Is it not a fact that the Treasury gets interest on its daily balances?

Mr. GLASS. Not altogether. It gets interest on its daily balances in recognized depositaries.

Mr. HOWELL. Is it not a fact that all these bonds were delivered through recognized depositaries?

Mr. GLASS. After all is said, the Senator is not charging any misappropriation of funds. He is pointing to the fact that the Treasury claims a part interest in the fund and that the Farm Loan Board denies that the Treasury has any interest in it, as I do not think it has, because the United States Government does not own these banks and the banks are not operated for the benefit of the United States Government. The Treasury puts its facilities at hand for the banks, and now it is proposing, through the Senator, to appropriate this constructive interest which accumulated through a system of that sort.

Mr. HOWELL. If I have the use of tremendous amounts of Government funds for two days, of course, I can make money. But consider, those bonds were sent to Chicago for delivery on the 7th day of June. On the 5th day of June the Farm Loan Board prevails upon the Government to pay the party who owns those bonds par value plus accrued interest. As a consequence the farm-loan bank in Omaha gets its money two days before the Government gets its money, and the Government money is used during the two days. Now, what was the situation? The Government had practically owned the bonds during that period of two days and was entitled to the interest accruing during those two days. It was the result of the Government paying that money two days before it is due, therefore the $200 interest belongs to the United States Treasury. There is no question about that.

Mr. GLASS. Oh, there is a very grave question about it. The Undersecretary himself says there is a question about it, and he wants to compromise it, so grave is the question about it.

Mr. HOWELL. But a few moments ago the Senator suggested that he had stated there was no claim for it.

Mr. GLASS. Was not that the testimony before the committee?

Mr. HOWELL. Absolutely, but I did not intend to bring it up. That letter was written the day before such testimony was given by Chairman Cooper of the board.

Mr. GLASS. I was speaking to the testimony and I have not yet seen the letter from which the Senator quotes.

Mr. HOWELL. I have it here and shall be glad to let the Senator have it. The letter was written on Tuesday, mailed to the Farm Loan Board on that day, and on Wednesday afternoon Governor Cooper made the statement that the Undersecretary of the Treasury had told him that this money did not belong to the United States Treasury. I was amazed at the statement and immediately called up the Treasury. I say immediately, but it was next morning. He said he had made no such statement—he had written Governor Cooper a letter. I said, "Will you send me a copy of that letter?" I have the copy here as a part of this evidence.

Mr. FLETCHER. Who wrote the letter?

Mr. HOWELL. The Undersecretary of the Treasury.

Mr. FLETCHER. What is his name?

Mr. HOWELL. His name is Winston.

Furthermore, I wish to state that the whole question came up last July. It was discussed and the Undersecretary informed the Farm Loan Board that they would no longer pay money in advance of the date of receipt, and there have been no such accruals since July last year. And yet, although these facts were known to the members of the Farm Loan Board, to the four nominees under consideration, they have continued to draw out that money and have spent in the neighborhood of $30,000 since that time. Their attention was challenged to what they were doing, but the trouble is that the Farm Loan Board has gotten in the habit of doing just exactly as it pleases. It has felt that it can run on as it sees fit. What it needs is control by some auditing authority.

Mr. President, I wonder, in view of these facts, inasmuch as the four nominees have been in control of the board for about one year, if the Senate of the United States can afford to put its stamp of approval upon these transactions by approving these nominations?

I come now to the fifth specification, "Looseness and neglect in the disbursement of funds." Public moneys having been expended without vouchers or receipts.

Take, for instance, Mr. President, the $65,000 or $70,000, heretofore referred to, that have been withdrawn from the Treasury without authority and expended without taking a voucher or a receipt. I have never before known of such a procedure in connection with a public enterprise.

Mr. DIAL. Mr. President, will the Senator yield to me?

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from South Carolina?

Mr. HOWELL. I yield.

Mr. DIAL. But the expenditure was a proper one, as I understand the Senator?

Mr. HOWELL. Indeed, I am going into that later, I will say to the Senator from South Carolina. First, I am calling attention to the fact that they have expended funds for which they have no vouchers; they can not tell for what the money was expended except as disclosed by stubs of check books and canceled checks; that is as far as they can go.

Take, for instance, Mr. President, the first question that I asked Judge Lobdell before the Committee on Banking and Currency last Wednesday:

> Q. Judge Lobdell, who established that Franklin National Bank account?

I wish to state in this connection that for some time they drew on the Treasury for various amounts on the $65,000 or $70,000 of which I have spoken until in September, 1922, when they seemed to think it would be handier to have a private bank account in the name of the farm loan commissioner, and at that time they transferred to the Franklin National Bank $5,000, and from that time on and down until the 16th day of February, 1923, they had transferred some $37,000 to that account and expended it.

> Q. Judge Lobdell, who established that Franklin National Bank account?
>
> Judge LOBDELL. It was established pursuant to a conference of the board when I was farm loan commissioner in the name of the Farm Loan Board and subject to the check of the commissioner or the acting or deputy commissioner.
>
> Q. That was while you were commissioner?
>
> Judge LOBDELL. Yes, sir.
>
> Q. Judge, is that a copy of the statement that was submitted to this committee as representing receipts and expenditures in connection with the Franklin National Bank account [handing paper to Judge Lobdell]?
>
> Judge LOBDELL. Senator, I could not tell at a glance; but a copy of the Franklin account down to a given date was read into the record here, and that record is correct.
>
> Q. That is a copy.
>
> Judge LOBDELL. I assume so.
>
> Q. I just want to identify it; that was all. Judge, I will ask you to refer to your vouchers respecting a check issued on that bank on the 6th day of October, 1922, amounting to $563.

I might interpolate here that this $563 was stated in one item in the account rendered, whereas it was represented by two checks, one for $545 and the other for $18.

> Judge LOBDELL. That was for $545; Elsie Wilkinson.
>
> Senator HOWELL. $563.
>
> Senator PEPPER. $545.
>
> Judge LOBDELL. There is $545 on the stub book.
>
> Q. Very well. Who was that paid to, Judge?

Judge LOBDELL. The notation here would indicate that.

Senator HOWELL. Who was the check made payable to?

Judge LOBDELL. Elsie Wilkinson.

Q. Elsie Wilkinson. What was that for?

Judge LOBDELL. The notation here is, "Expenses incidental to bond sale." I could not give you the detailed items that enter into that. It would be some bonuses to employees for overtime, extra work, and other incidental expenditures of a sale that had just taken place.

Q. Who paid the expenses?

Judge LOBDELL. Miss Wilkinson disbursed them upon memoranda furnished by myself.

Q. Who were they disbursed to?

Judge LOBDELL. To employees.

Q. Will you give me the names, please?

Judge LOBDELL. I can not without—I do not know that I could at all. These memoranda were made at the time and were there until the account was audited by the auditing committee of the land bank presidents, which audited the accounts on the occasion of each meeting, and were not in the form of permanent vouchers.

Q. Do you mean to say that a check for $500, and how much have you got it there, $45?

Judge LOBDELL. $45.

Q. Do you mean to say that a check for $545 was drawn on this account payable to Miss Wilkinson and that you do not know what it was expended for?

Judge LOBDELL. All I can say is that I do not now know what it was expended for, but I did then, and it was properly expended.

Q. And you have no records whatever as to who got that money?

Judge LOBDELL. I would not say that. I could not say that I have had at any time. I can not tell you now, but I know that the record was only on memoranda to collect and disburse so much money to these various people.

Q. I asked you to bring over any data you had in reference to this matter?

Judge LOBDELL. You never asked me to bring anything.

Q. Can you give us something in reference to the expenditure of that money?

Judge LOBDELL. You did not ask me to bring anything.

Q. Well, I called you up over the telephone.

Judge LOBDELL. And I doubt very much if there could be found in the office of the Farm Loan Board now that memorandum which I then made.

Q. Very well. So you can not tell us who got that money?

Judge LOBDELL. No, sir; I can not.

This was the second Franklin National Bank item; $563 was the amount of these two checks. There is nothing, Judge Lobdell states, in the office of the Farm Loan Board that indicates who got that money; but the money was drawn and paid to a young woman in the office, and she expended it. Judge Lobdell says that he can not tell to whom she gave it. Mr. President, that is an example of the way they have been conducting the affairs of the Farm Loan Board.

Mr. GLASS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Virginia?

Mr. HOWELL. I do.

Mr. GLASS. I wonder if the Senator thinks that is exactly a fair statement of that item and that Judge Lobdell did not know, and the Farm Loan Board did not know, what that $563 was drawn for and what disposition was made of it. Is not this the explicit fact, as testified to there, that periodically the Farm Loan Board, without any statutory obligation upon it but as a matter of service to the system, undertook to sell for the 12 land banks a certain aggregate amount of bonds the proceeds of which would thereafter be distributed to the 12 banks; that periodically when that should happen it was necessary to require the regular force of the Farm Loan Board to work over hours, night and day, because the board had no other facilities for the transaction of this particular business; that these regular employees for a period of 10 days or more would work overtime, night and day; that the chief clerk would keep a memorandum of the persons that were working over hours, night and day, and of the amount of overtime to which they were entitled; and that at the end of the period of bond sales a check would issue to the chief clerk, in the aggregate, and that the chief clerk would pay to the various employees their overtime? So that there was no question and never has been and could not be as to what the money was drawn for and as to the disposition of the money. The fact that Judge Lobdell several years afterwards can not state the names of the persons and in detail the amount that each person received is not of any significance.

Mr. HOWELL. Mr. President, it may be that the distinguished Senator from Virginia thinks that it is perfectly proper to draw funds from the Public Treasury and disburse them and not take a receipt or a voucher and furthermore be utterly unable to tell who got the money.

Mr. GLASS. Well, the Senator from Virginia does not think that that is a fair statement of the case; that is all.

Mr. HOWELL. That is exactly what took place. Judge Lobdell says he can not tell to whom that money went. But, Mr. President, let me continue further with the testimony of Judge Lobdell respecting this item of $563:

Q. No, sir; I went there for this purpose, to go into this matter. Now, Judge Lobdell, will you kindly tell this committee how much of that money you got?

Judge LOBDELL. Personally not one cent. Now, it is very possible that in the course of the bond sales I had advanced money to pay for meals for somebody and was reimbursed. I can not answer for that. But for my own account, not one penny ever.

Q. Is it not a fact that you received $55 of that amount?

Judge LOBDELL. Very probably so, sir, as I have stated.

Q. Do you know what you used that money for?

Judge LOBDELL. If I received it, I had advanced it to Mr. Field, who has charge of the feeding operations, for the purpose of securing meals. Occasionally it became necessary when we had to ship bonds out after the Treasury closed or on Sunday to hire taxicabs and guards to take them to the down-town office. We paid those expenses. I know at different times I did advance money.

Q. Who would you advance it to?

Judge LOBDELL. Ordinarily to O. J. Field.

Q. I asked you to whom you advanced this $55.

Judge LOBDELL. I do not remember that I got money in that connection. It would be beyond peradventure to whom I did advance it.

Q. Didn't you state to me that you did receive that amount of money?

Judge LOBDELL. Probably so. When I wrote the memorandum it probably was included in the memorandum.

Q. And you can not state what it was used for?

Judge LOBDELL. I say it was advanced for somebody who was paying these expenses and that accrued.

Q. Is that as far as you can go in that explanation?

Judge LOBDELL. Yes, sir.

Mr. President, I think I have made it plain in what I have said before that I am not here charging dishonesty. I have only touched the edge of these affairs; but I am here to say that a public official who conducts in this manner the affairs under his trusteeship is subject to the severest criticism. I am not going to tire the Senate with other matters that I went into. There were hundreds of items, and the committee allowed me to go into less than 20, on just one afternoon. Why, the very next item that I had on my list was $1,000 paid to Judge Lobdell for personal expenses. I only had the opportunity, in these transactions involving $881,000,000, of asking him about $7,000 of items.

Mr. GLASS. The Senator has disclosed the fact that out of a total expenditure of $881,000,000, covering a period of nearly eight years, he wanted the committee to sit there and hear him discuss with Judge Lobdell questions as to whose meal ticket he paid when those bond transactions were in progress.

Mr. HOWELL. Mr. President, when a public official draws money from the Treasury he at least owes it to the public to secure a receipt or a voucher, and when you assume the position that it is unnecessary for him to do so you have taken a tremendously dangerous position in respect to public affairs.

I have been a public official for years. I would not think of expending a dollar without taking a receipt or a voucher. In fact, although I managed the gas, water, and ice plants in Omaha for years, and our income was three and a half million dollars, I would not expend a dollar in actual money. Everything had to be paid by check, with a requisition and voucher. It is the only safe way to proceed.

Mr. GLASS. Mr. President, the logic of the Senator's position is that because Judge Lobdell did not take a receipt for these meal tickets, therefore these four gentlemen are not fit to be confirmed as members of the Federal Land Bank Board.

Mr. HOWELL. Did he take receipts for any of these payments?

Mr. GLASS. I have stated to the Senate just exactly what the process was. The stubs of the checks showed just the aggregate amount that was paid on these occasions. Judge Lobdell stated to the entire satisfaction of the Banking and Currency Committee just exactly what these comparatively trivial amounts were used for—paying regular employees for overtime work, night work, at these occasional periods of excessive activity—and Judge Lobdell, as to his own account, testified to the committee that it frequently occurred that he would advance

a trivial sum out of his own pocket to pay for the meals of these employees after bank hours. I think Judge Lobdell manifested extraordinary self-control and patience when a Senator was pounding the desk and asking him, "What did you do with that $4.66 three years ago?"

Mr. HOWELL. When I asked the judge such questions, he said: "I did not take a receipt for it and I can not tell you what I did with it, or whether it is in my pocket or not." That is the fact. Judge Lobdell admitted that there had been drawn from that account $37,000, and that they had no vouchers or receipts; and this $565 was the second item on the Franklin National Bank account, and the committee only allowed me to go into 20 items all told, and then said, at the close of the afternoon, "We do not think it is a good idea to go on," and closed the hearings.

Mr. GLASS. Were they not 19 repetitions of the first item? Were they not of the same nature exactly?

Mr. HOWELL. I wonder if the Senator thinks that because you find that one item has been treated improperly it is useless to go into other similar items that have been also treated improperly?

Mr. GLASS. Oh, no. What I did think—and the committee agreed with me—was that when we found that one item was treated properly, that there was no imputation whatsoever, implicitly or otherwise, of wrongdoing, we did not want to sit there all day long, day after day, listening to repetition of the same sort of testimony.

Mr. HOWELL. Mr. President, let me make it clear to the Senate again that after spending nearly two months going into these accounts this committee generously gave me one day to present the facts, and that I had the opportunity granted me of asking questions respecting not to exceed 20 items, involving not more than $7,000 of these tremendous transactions. Then the committee considered that they had had enough.

Mr. GLASS. Just let the Senate for a moment consider this aspect of the case: There we were, called together textually to pass upon the fitness of four nominees as members of the Federal Land Bank Board, and the Senator was traversing thousands upon thousands of cash items that were entered from five to seven years before these gentlemen were nominated to the Senate for positions on this board. If the Senator will tell me what a cash item entered as far back as 1917 had to do with the fitness for membership on this Land Bank Board of four men appointed in 1923, perhaps he may induce me to agree with him.

Mr. HOWELL. Mr. President, the trouble is this: These were not new appointees. These men had served for about a year, and these men promoted Judge Lobdell from a position of $10,000 a year to one of $25,000 a year.

Mr. GLASS. And the Senator thinks that because these four men who had served a year could not tell what became of a meal ticket seven years theretofore they are unfit to be members of that board.

Mr. HOWELL. Mr. President, I hold in my hand the statement of the Franklin Bank account. That account alone comprises 212 items. I was allowed to question Judge Lobdell alone—not the farm-loan commissioner or another member of the board—respecting these items. He was the only man; and when we got down to July 1, 1923, Judge Lobdell said: "Well, now, Senator, I can not tell you anything about what occurred after that time, because you know I was not then farm-loan commissioner." Did they put on the stand Governor Cooper, as I had asked? No; they went into executive session and then adjourned. They refused to go further. Did they put these nominees on the stand? No; the committee did not allow me to ask any one of them a question.

Mr. GLASS. I wonder if the Senator thinks he is just accurate there; that we would not go further. Read the record and see what it shows. It shows that I made the motion that unless the Senator had evidence of a new nature to present that we close the hearings. He did not ask that Governor Cooper or any member of the board be put on. He did not venture to say that he had anything of a different nature to prove than that which he had already presented. Had he done that the committee was perfectly willing to go on. That was the very prelude to the motion I made.

Mr. HOWELL. Mr. President, at the opening of this the last hearing, May 14, 1924, I presented a letter to the chairman of the Committee on Banking and Currency. That letter indicated just whom I wanted to call to the stand, but when the distinguished Senator from Virginia, a member of that committee, proposed to close the hearing, I called the committee's attention again to the letter, and I think you will find that included the last word I said; that I wanted to go on, yet the Senator from Virginia says I had nothing further to show.

Mr. GLASS. I do not say the Senator had nothing further to show.

Mr. HOWELL. That is true. I beg the Senator's pardon.

Mr. GLASS. What I distinctly did say was that if the Senator had anything of a different nature to show, I was willing to sit there and hear him.

Mr. HOWELL. But when I had asked that the other members of the Farm Loan Board be put on the stand, does not that indicate that I must have had something else to show?

Mr. GLASS. That letter had gone in at the first moments of the hearing.

Mr. HOWELL. No; I beg the Senator's pardon. I just offered it the other day when you started—May 14.

Mr. GLASS. As a matter of fact, you mailed it to us. I had a copy of it before the meeting was opened.

Mr. HOWELL. I sent it to the chairman, but as we proceeded I called the attention of the committee to that letter, and asked to have the witnesses there. When the committee decided not to allow me to go any further into the matter, I again called their attention to that letter and indicated my desire to proceed. They stopped me. They were reluctant to proceed. In fact, closed the hearings.

Mr. GLASS. That, Mr. President, I feel compelled to deny. The committee did not stop the Senator. The committee offered the Senator every opportunity in the world to present any new evidence, but the committee was not willing to sit there interminably and listen to a repetition of the meal-ticket proposition, and things of that description.

Mr. HOWELL. Mr. President, I regret very much that the testimony taken at these hearings has not yet been printed, but I think my memory is quite accurate with reference to the last thing I said at that hearing. I did insist that I should have the privilege of going on and calling these witnesses to the stand, and the committee refused—I state this now—to go on with that hearing.

Mr. GLASS. If the Senator will recall, his recollection during the hearing was not particularly accurate, because he expressed a willingness to go on the stand and testify under oath that the signature of a young man to a check was affixed within a few days theretofore, since he had originally seen that check, but the young man himself went on the stand and testified that he had indorsed that check months and months ago, perhaps years ago. The Senator will remember that, will he not?

Mr. HOWELL. The Senator is quite right, Mr. President——

Mr. GLASS. If I may intervene right here——

Mr. HOWELL. May I continue just a moment. I have given a great deal of attention to this matter. I could not get at all the records, but there were some few records that I examined. My memory was that certain checks were not in the condition in which they were when I had examined them before, I expressed my doubts at the time. Subsequently, however, I would not say positively, and if the Senator will remember, I said I would not then go any further respecting the checks, that "I will make no statement at this time." I became satisfied afterwards that I was mistaken.

Mr. GLASS. The Senator just said this, in terms; he took the check and examined it, and then he threw it down on the table and said, "I would go on the stand and take oath that that second signature was not on that check when I examined it several days ago."

I had no conception that these matters were to be discussed in the open Senate here. Evidently no other members of the committee had, because no other member of the committee is here. But I ask the Senator to let me insert in the RECORD, or if the Senator will, to insert in the RECORD, the letter of the Undersecretary of the Treasury from which he was willing to read only the last sentence a while ago with respect to this accumulated float.

Mr. HOWELL. Mr. President, I beg the Senator's pardon. I do not think the Senator wishes to place me in an improper light. I have had a great deal of territory to cover here, and I did not wish to read the entire letter. I read the latter portion of that letter.

Mr. GLASS. But that did not indicate the true import of the letter. The letter itself sustains my position absolutely, that the Treasury gave its facilities to the Federal Farm Loan Board for these bond transactions. There was no statute that compelled the Treasury to do it. There was nothing to authorize the Farm Loan Board to demand that the Treasury should do it, but the Treasury gave its facilities to the Farm Loan Board. And now, after this float has accumulated, there is a controversy as to the ownership of a part of that fund. I would not think the Senator could have any objection whatsoever to

printing in the RECORD at this point the letter of the Undersecretary of the Treasury.

Mr. HOWELL. Absolutely not.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE UNDERSECRETARY OF THE TREASURY,
Washington, May 13, 1924.

MY DEAR GOVERNOR COOPER: Major Woods, who made an analysis of the account of the farm-loan commissioner for the Treasury, which account has been submitted pursuant to a Senate resolution to the Banking and Currency Committee of the Senate, is now preparing for me a statement showing the actual amount of credit given by the Treasury from time to time to the farm-loan commissioner in connection with the sale of farm-loan bonds and intermediate-credit debentures. The original practice of the Treasury was to give the farm-loan commissioner immediate credit when he deposited with the Treasurer of the United States a draft drawn on a purchaser of farm-loan bonds. In the usual course the draft was presented a day or so later and carried with it necessarily the extra day or days' interest on the farm-loan bonds which were being sold. This additional interest increased the farm-loan commissioner's account and was received only because of the immediate credit given by the Treasury. Since July, 1923, this practice of giving immediate credit has been changed, and at present the Treasury's relations with the farm-loan commissioner provide that the credit shall be available only when the draft representing the sale of the bonds is paid, so that since July none of this accretion has come into the accounts of the farm-loan commissioner.

The farm-loan bonds sold carried interest at from 4¼ per cent to 4½ per cent per annum, and the accretions to the farm-loan commissioner's funds by reason of the credit given by the Treasury were, therefore, at this rate. The farm-loan bonds, however, at no time belonged to the Treasury, and, in my opinion, the rate of interest that these bonds bore is immaterial. Had the Treasury not given you the immediate credit you could probably have arranged similar credit with commercial banks. The question between the Treasury and you is therefore confined solely to the value of this immediate credit facility which could not exceed what you could have had a similar facility elsewhere for, and in my opinion should not be lower than what the Treasury would have received on bank balances on deposit with commercial banks. Since the Farm Loan Board is one of the Government facilities, the Treasury should make no profit out of transactions between the Treasury and the farm-loan commissioner.

I therefore feel that the proper adjustment between the Treasury and the farm-loan commissioner during the period that immediate credit was given should be interest on the amount of credit extended at the rate of 2 per cent, being the same rate paid on Government deposits by commercial banks, the relation in respect to this immediate credit between the farm-loan commissioner and the Treasury being considered that of banker and customer. When I speak of a proper adjustment I appreciate that the argument can be made that all of the profit should inure to the Treasury, since its facilities made the profit possible. It is my understanding, therefore, that unless the adjustment is made promptly with the Treasury on the basis above outlined, my views shall not prejudice the Treasury's recovery of the full amount of the profit.

Very truly yours,

GARRARD B. WINSTON,
Undersecretary of the Treasury.

Hon. R. A. COOPER,
Farm Loan Commissioner,
Federal Farm Loan Board, Washington, D. C.

Mr. HOWELL. I wish to call the Senator's attention to this fact, that whereas the distinguished Senator from Virginia suggests that this credit was given to the Farm Loan Board, yet the Treasury is now trying to get back part of it, at least.

Mr. GLASS. Oh, yes; but the Undersecretary states precisely there that the facility could have been gotten by the Farm Loan Board, very likely, from the banks of the country, and it was not doing it any very great service to tender the facilities of the Treasury to a newly established credit facility for the relief of the farmers of the country. Because a float has accumulated, somebody has suggested to somebody to put in a claim for a part of the money. I do not think they are entitled to a dollar of it.

During the delivery of Mr. HOWELL's speech,

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 6357) for the reorganization and improvement of the foreign service of the United States, and for other purposes.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 6207) authorizing and directing the Secretary of War to transfer to the jurisdiction of the Department of Justice all that portion of the Fort Leavenworth Military Reservation which lies in the State of Missouri, and for other purposes.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SNYDER, Mr. DALLINGER, and Mr. HASTINGS were appointed managers on the part of the House at the conference.

The message also announced that the House had receded from its disagreement to the amendment of the Senate No. 21 to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes; receded from its disagreement to the amendments of the Senate Nos. 22 and 23 to the said bill, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

ORDER FOR THURSDAY EVENING ON THE CALENDAR

Mr. CURTIS. Mr. President, I ask the Senator from Nebraska to yield in order to allow me to present a request for unanimous consent and let whatever debate occurs under it be placed either before or after the Senator's remarks.

Mr. HOWELL. I yield for that purpose.

Mr. CURTIS. I ask unanimous consent that when the Senate concludes its business on Thursday afternoon next it shall take a recess until 8 o'clock in the evening and that at the evening session, between 8 and 11 o'clock, the calendar shall be taken up under Rule VIII, beginning where we left off at the last call of the calendar, which was, as I recall, Order of Business 464.

The PRESIDENT pro tempore. Is there objection?

Mr. MOSES. And unobjected bills only to be considered.

Mr. SMOOT. Just a moment. The Senator left out the reference to unobjected bills.

Mr. CURTIS. To consider only unobjected bills on the calendar.

Mr. NORRIS. I wish to say to the Senator that the Committee on Agriculture is meeting at night now, as well as during the day, and I want it understood that there will be no other business transacted.

Mr. CURTIS. I confine my request to the consideration of unobjected bills on the calendar.

Mr. JONES of Washington. Mr. President, I wish to ask the Senator whether we are likely to have an opportunity for the consideration of bills on the calendar to which there may be objection or which, probably, not being objected to, may require longer debate than can be had under the five-minute rule.

Mr. CURTIS. Mr. President, it was my intention, if we could get through the calendar of unobjected bills on next Thursday night—and I think we can do that—then to ask for an adjournment each evening for several days so that there may be two hours in the morning to take up bills on motion.

Mr. JONES of Washington. I wish to say to the Senator and to the Senate that there are two or three bills on the calendar that are quite important. I do not anticipate that there will be objection to them, or that it will be desired to discuss them to any considerable extent, although as to one of them a Senator, while not opposing the bill, wishes to take about a half hour to discuss it. Those bills are of considerable importance, however, and I want to say that I want them considered and acted upon before this session is over.

Mr. CURTIS. Mr. President, I will even add, further, that if these unobjected bills are completed I should be willing to ask for a night session to consider bills on the calendar when the committees get through holding their night sessions.

Mr. SMOOT. That does not apply, however, to Thursday?

Mr. CURTIS. No; Thursday night, unobjected bills under the five-minute rule.

The PRESIDENT pro tempore. Is there objection?

Mr. JONES of Washington. Mr. President, I want to say just a word further. I do not want to coerce anybody, or anything like that; but there are, as I say, two or three of these bills on the calendar that I am going to insist so far as I can on having disposed of before the Senate quits for the summer.

Mr. ROBINSON. Mr. President, I want to make this announcement: The Committee on Interstate Commerce has reported a bill which forbids the collection of what is known as the Pullman surcharge. There have been introduced in the body at the other end of the Capitol some 80 or 90 bills, and there have been introduced in this body some 10 or 15 bills to the same effect. I desire to move at the first opportunity that the Senate proceed to the consideration of this bill if objection is made when it is reached on the calendar under the order that the Senator from Kansas suggests. I have no objection to the request for Thursday evening submitted by the Senator from Kansas.

Mr. CURTIS. This is only unobjected bills.

Mr. ROBINSON. Only unobjected bills.

Mr. JONES of Washington. I will state frankly that one of the two bills I have in mind is the bill amending a couple of sections of the shipping act, to which I anticipate there will be really no objection, and which I have not had any time with yet. We have not reached it. The other bill is a very important measure relating to the fisheries in Alaska. That bill ought to be passed very, very soon. I shall not object to this request.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the agreement is entered into.

The agreement was reduced to writing, as follows:

It is agreed by unanimous consent that when the Senate concludes its business on Thursday afternoon, May 22, 1924, it take a recess until 8 p. m.; that at the evening session the Senate shall consider only unobjected bills on the calendar under Rule VIII, and at not later than 11 p. m. take a recess or adjourn until Friday.

ORDER FOR RECESS

Mr. EDGE. Mr. President, I make the request that when the Senate concludes its business to-day it take a recess until 12 o'clock noon to-morrow.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

After Mr. HOWELL had yielded the floor for the day,

APPROPRIATIONS FOR THE STATE AND JUSTICE DEPARTMENTS, ETC.

Mr. JONES of Washington submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have been unable to agree.

W. L. JONES,
CHARLES CURTIS.
H. C. LODGE,
LEE S. OVERMAN,
WM. J. HARRIS,
Managers on the part of the Senate.

MILTON W. SHREVE,
GEO. HOLDEN TINKHAM,
W. B. OLIVER,
Managers on the part of the House.

Mr. ROBINSON. It is not a complete agreement?

Mr. JONES of Washington. It is a complete disagreement, and I am going to ask that the amendments made by the House to the two Senate amendments be agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

Mr. JONES of Washington. I ask that the action of the House be laid before the Senate.

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES,
May 20, 1924.

Resolved, That the House recedes from its disagreement to the amendment of the Senate No. 21 to the bill H. R. 8350, entitled "An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes," and concurs therein.

That the House recedes from its disagreement to the amendment of the Senate No. 22, and concurs therein with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "each, whose aggregate compensation shall not exceed $30,000."

That the House recedes from its disagreement to the amendment of the Senate No. 23, and concurs therein with an amendment as follows: In lieu of the language inserted by said amendment insert the following: "but the Attorney General may fix the compensation of not to exceed six persons at not to exceed $10,000 each."

Mr. JONES of Washington. I move that the Senate agree to the amendments of the House to the amendments of the Senate Nos. 22 and 23.

Mr. ROBINSON. Will the Senator explain briefly the effect of agreeing to his motion?

Mr. JONES of Washington. As the Senate passed the bill we provided for two attorneys, who might be paid only $10,000 a year. The House inserted an amendment so that the aggregate of the two should not exceed $30,000.

In the other case the Senate provided for eight; that the Attorney General might fix the salary up to $10,000. This limits it to six.

Mr. ROBINSON. I see no objection to the motion.

The motion was agreed to.

EXECUTIVE SESSION

Mr. OVERMAN. I move that the Senate proceed to the consideration of executive business.

Mr. EDGE. Will the Senator from North Carolina withhold that motion for a moment?

Mr. OVERMAN. I will withhold the motion for a moment.

Mr. EDGE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state his inquiry.

Mr. EDGE. Is it not entirely parliamentary now for the President to put the motion which is now pending to make Senate bill 1898 the unfinished business? Can not that be done?

The PRESIDENT pro tempore. The motion made by the Senator from North Carolina can be made at any time, and it does not disturb the motion of the Senator from New Jersey.

Mr. EDGE. I appreciate that my motion is still pending, but I am wondering if we can not call it up to-night, inasmuch as the Senator from North Carolina withholds his motion.

The PRESIDENT pro tempore. The Senate can dispose of the motion of the Senator from North Carolina by a vote. The question is on agreeing to the motion of the Senator from North Carolina that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and the Senate (at 6 o'clock and 5 minutes p. m.), under the order previously made, took a recess until to-morrow, Wednesday, May 21, 1924, at 12 o'clock m.

NOMINATIONS

Executive nominations received by the Senate May 20, 1924

PROMOTIONS IN THE NAVY

The following-named midshipmen to be ensigns in the Navy from the 5th day of June, 1924:

Everett W. Abdill.
Crutchfield Adair.
Reed M. B. Adams.
John L. Allen.
Howell Armor.
Noble W. Abrahams.
Joseph W. Adams, jr.
John F. Addoms.
Rae E. Arison.
Bernard L. Austin.
Leo A. Bachman.
William B. Bailey.
Hanson W. Baldwin.
Frank H. Ball.
Herbert R. Ballinger.
Arthur D. Barnes.
Arthur W. Bass.
Herbert P. Bearce.
Stephen R. Bedford.
Frederick J. Bell.
Donald B. Bennett.
Robert S. Bertschy.
Brainerd N. Bock.
Phillip M. Boltz.
Maurice M. Bradley.
Wilkie H. Brereton.
Laurance L. Browning.
Samuel M. Bailey.
Roland V. Baillie.
John A. Baldwin.
Thomas J. Ball.
Stephen G. Barchet.
Richard S. Baron.
Wallace M. Beakley.
Charles E. Beatty.
Adolph Bednar.
Russell J. Bellerby.
Elmer E. Berthold.
LeRoi B. Blaylock.
Alfred J. Bolton.
Richard J. Bourke, jr.
John W. C. Brand.
William D. Brown.
Paul K. Bryant.
Forrest R. Bunker.
Harry Burris.
Stone E. Bush.
George M. Brydon, jr.
Eugene C. Burchett.
Sherman E. Burroughs, jr.
John W. Buxton.
Joe M. Cabanillas.
Joseph A. Callaghan.
Allen P. Calvert.

Thomas S. Cameron.
Robert I. Campbell, jr.
Arthur G. Carney.
Chester E. Carroll.
Robley W. Clark.
Willis E. Cleaves.
Forrest Close.
William M. Cole.
Dewey H. Collins.
Stockton B. Colt, jr.
Edward P. Creehan.
Charles B. Cross, jr.
Carl E. Cullen.
Shirley Y. Cutler.
Allston D. Calhoun, Jr.
Charles H. Callaway.
Donald A. Cameron.
Lee F. Campbell.
Richard P. Carlson.
Robert S. Carr.
Ralph C. Carroll.
Albert J. Clausen.
Edward W. Clexton.
William P. Cochran, jr.
Lewis E. Coley.
Howard L. Collins.
John F. Cooke.
John P. Cromwell.
Edward F. Crowe.
Edmund A. Cunningham.
James R. Dancy.
John C. Daniel.
Frederick A. L. Dartsch.
Frank R. Davis.
Douglas T. Day, jr.
Harold R. Demarest.
Maurice M. De Wolf.
Arthur B. Dickie.
Edward V. Dockweiler.
Joseph F. Dahlgren.
Henry C. Daniel.
Tillman T. Dantzler.
Edmund B. Dascomb.
William V. Davis, jr.
Frank E. Dean.
William V. Deutermann.
Walter C. Dey.
Henry C. Doan.
Burton L. Doggett.
William S. Domer.
Hammond J. Dugan.
Peter H. H. Dunn.
Thomas H. Dyer.
Henry C. Drexler.
Irving T. Duke.
William H. Duvall.
Walter T. Eckberg.
Louis B. Edwards.
Arthur B. Elliott.
Norman W. Ellis.
William L. Erdmann.
Robert W. Esmond.
William A. Evans, jr.
Kenneth Earl.
Harold B. Edgar.
Clarence E. Ekstrom.
Ezra M. Ellis.
John T. Engeman, jr.
Hampton M. Ericsson.
George W. Evans, jr.
Joseph A. Farrell, jr.
Clifford A. Fines.
William G. Fisher.
James M. Flynn.
Joseph W. Fowler.
Dennis L. Francis.
Thomas E. Fraser.
Frederick R. Furth.
Donald W. Fairbairn.
Charles A. Ferriter.
Howell C. Fish.
Hickory C. Floed.
Clinton H. F. Folger.
William C. France.
Louis P. Frank.

Archie J. Freels.
Wayne N. Gamet.
Francis H. Gardner.
Herbert K. Gates.
Robert Goldthwaite.
Tom Gore, jr.
Walter M. Graesser.
George M. Granbery.
Orville F. Gregor.
Thomas R. Griffith, jr.
Edward F. Gallagher.
Richard G. Ganahl.
Joseph H. Garvin.
Edward E. Gminder.
Henry W. Goodall.
Marcel E. A. Gouin.
Paul Graf.
Francis J. Grandfield.
Arthur A. Griese.
Louis H. Gwinn.
Harrell W. Hall.
Alvin B. Harmon.
John C. Harris.
Albert Handly.
Dale Harris.
Henry H. Harrison.
Frederick C. Hartman, jr.
Warren W. Harvey.
Leslie H. Hawkinson.
John D. Hayes.
Hubert M. Hayter.
Truman J. Hedding.
Lee R. Herring.
William A. Hickey.
Charles M. E. Hoffman.
James B. Hogle.
John S. Holtzclaw.
Arthur N. Hooper.
Hallsted L. Hopping.
Henry P. Howard, jr.
Crichton N. Hubbard.
Edward N. W. Hunter.
John K. Hyatt.
Glenn R. Hartwig.
Robert S. Hatcher.
John A. Hayes.
William S. Hays.
Francis M. Heddens.
Minor C. Heine.
Lewis B. Herrington, jr.
Stuart W. Hill.
John T. Hogg.
John A. Holbrook.
Francis M. Hock.
Howard V. Hopkins.
Donald F. Horne.
Charles S. Hough.
George F. Howland.
Thomas A. Huckins.
Adrian M. Hurst.
Jere D. Hyde.
Frederick J. Ilsemann.
Elijah W. Irish.
Joseph F. Johnson.
Robert H. G. Johnson.
Howell A. Jones.
Richard F. Johnson, jr.
Michael I. Kearns.
Samuel G. Kelly.
Harry G. Kent.
George C. King.
Thomas J. Kirkland, jr.
Arnold R. Kline.
Alexander W. Kreiser, jr.
William A. Kanakanui.
Robert H. Keliher.
John M. Kennaday.
Robert A. Keyer, jr.
Sidney King.
Gordon D. Kissam.
Wendell E. Kraft.
Alfred T. Krock.
James S. Laidlaw.
James C. Landstreet.
Hugh R. Lamberth.

Wilfred E. Lankenau.
Samuel E. Latimer.
Edwin T. Layton.
Charles L. Lee.
Harold M. Leslie.
Joseph S. Lillard.
Theodoric C. Linthicum.
Robert G. Lockhart.
James D. Lovejoy.
Robert W. Larson.
Frank C. Layne.
Walter D. Leach, jr.
Charles A. Legg.
Arthur B. Leverett.
Albert R. Linholm.
Roy W. Lishness.
William J. Longfellow.
Sumner K. MacLean.
Frank W. MacDonald.
William R. McCaleb.
Ralph T. McDaniel.
Charles E. McDonald.
Archibald G. W. McFadden.
Ira C. McKee.
Donald F. McLean.
Hugh B. McLean.
Daniel J. McCallum.
Charles C. McDonald.
James F. McDonough.
James H. McIntosh.
Alonzo E. McLaughlin.
Ephraim R. McLean, jr.
Lawrence J. McPeake.
Wilbur L. Mellon.
William N. Mansfield.
Hugh J. Martin.
William G. Michelet.
Ralph E. Mills.
William J. Mitchell.
Elliott M. Moore.
John H. Morrill.
Elbert M. Murphy.
Austen V. Magly.
John A. Marsh.
Bob O. Mathews.
Preston V. Mercer.
Harold B. Miller.
Robert O. Minter.
George C. Montgomery.
Armand M. Morgan.
Richard S. Moss.
Edgar T. Neale.
Bromfield B. Nichol.
Thomas D. Napier.
Clyde J. Nesser.
Louis W. Nuesse.
Ira H. Nunn.
Charles W. Oexle.
John N. Opie, 3d.
Adolph H. Oswald.
Solomon F. Oden.
Gerald B. Ogle.
William R. Ostertag.
James R. Pahl.
Elton C. Parker.
Richard J. Penny.
Roger E. Perry.
George Edmund Peterson.
Woodward Phelps.
Roger D. Phillips.
Claiborne H. Price.
Herrmann G. Page.
Elbert A. Palmer, jr.
George W. Patterson, jr.
Albert N. Perkins.
Wallis F. Petersen.
George Edward Peterson.
Neill Phillips.
Richard E. Playter.
Bertrand D. Quinn.
Arthur M. Quale.
Donald J. Ramsey.
Edward W. Rawlins.
Claude B. Reese.
Fitzhugh L. Rhea.

William L. Richards.
James B. Ricketts, jr.
Virginius R. Roane.
George N. Robillard.
Louis Roedel.
John B. Rooney.
Milton H. Roths.
John R. Ruhsenberger.
Thomas C. Ragan.
Andrew K. Randolph.
Henry T. Read.
George Reith, jr.
Lester K. Rice.
Henry E. Richter.
Thomas C. Ritchie.
Norman K. Roberts.
Hunter R. Robinson.
Eugene C. Rook.
Rufus E. Rose, jr.
Colby G. Rucker.
Burnice L. Rutt.
Herman Sall.
Merle A. Sawyer.
John J. Scheibeler.
Max Schreiner.
Erskine A. Seay.
John T. Shannon.
John R. Sanford, jr.
Robert E. Sayre.
Charles A. Schenck, jr.
Eugene T. Seaward.
Elliott W. Shanklin.
Louis D. Sharp, jr.
Joshua C. Shively.
Theodore J. Shultz.
Walter W. Siegrist.
George A. Sinclair.
Thomas U. Sisson.
James W. Smith.
Harrison B. Southworth.
Emory W. Stephens.
William P. Stone.
George W. Stott.
Franklin A. Strohecker.
James E. Sullivan.
Robert L. Swart.
Harold M. Sylvester.
Herbert P. Sheldon.
Wallace B. Short.
Paul W. Siegrist.
William F. Simmons.
Samuel J. Singer.
Harold P. Smith.
Thomas C. Southerland.
John E. Spahn.
Gordon M. Stoddard.
Max C. Stormes.
Richard F. Stout.
Charles J. Stuart.
Robert C. Sutliff.
John M. Sweeney.
Edwin J. Taylor, jr.
Myron S. Teller.
Thomas H. Templeton.
Lloyd H. Thomas.
William B. Thompson.
Harold H. Tiemroth.
James R. Topper.
Arthur M. Townsend.
Thomas A. Turner, jr.
William P. Tammany.
Joseph I. Taylor, jr.
Harry B. Temple.
Joseph P. Thew.
Arthur L. Thompson.
Murray J. Tichenor.
Charles T. Tonkin, jr.
George C. Towner.
Osgood V. Tracy.
Walter V. R. Vieweg.
Aurelius B. Vosseller.
William E. Verge.
Robert A. Vos.
John C. Waldron.
Audley L. Warburton.

Ethelbert Watts.
Richard C. Webb, jr.
Alan Weir.
Edmund W. Whitehead.
Robert T. Wald.
Raymond K. Waller.
John T. Warren.
Paul L. F. Weaver.
William W. Weeden, jr.
Homer B. Wheeler.
David D. Wight.
Charles W. Wilkins.
Jack B. Williams.
Stanley A. Williams.
Clarence L. Winecoff.
Edgar L. Witmer.
Arthur C. Wood.
Joseph J. Woodward.
Joseph M. Worthington.
Warren D. Wilkin.
Edwin R. Wilkinson.
Roy D. Williams.
Ralph E. Wilson.
Cameron M. Winslow, jr.
Joseph E. Wolowsky.
Chester C. Wood.
Edward L. Woodyard.
Joseph M. P. Wright.
Elmer E. Yeomans.
Edward W. Young.
Rufus C. Young, jr.
Berndard T. Zelenka.

The following-named midshipmen to be assistant paymasters in the Navy, with the rank of ensign, from the 5th day of June, 1924:

Joe T. Davies.
George E. Hake.
Joseph L. Herlihy.
Malcolm A. Norcross.
William L. Patten.
Alfred P. Randolph.
John E. Wymond.

MARINE CORPS

The following-named midshipmen at the United States Naval Academy to be second lieutenants in the Marine Corps from the 5th day of June, 1924:

Raymond A. Anderson.
Robert O. Bare.
Herbert P. Becker.
George H. Bellinger, jr.
Theodore Blanchard.
Arthur G. Bliesener.
Charles F. Cresswell.
Lawrence W. Dalton.
Charles L. Fike.
Floyd M. Fletcher.
Walter H. French.
James H. N. Hudnall.
Alan T. Hunt.
Ralph D. McAfee.
Charles G. Meints.
William C. Purple.
Charles F. Replinger.
John R. Rhamstine.
Frank E. Sessions, jr.
Prentice A. Shiebler.
Perry K. Smith.
Gerald H. Steenberg.
Henry P. Stevens, jr.
Walter J. Stuart.
Donald G. Willis.

APPOINTMENTS IN THE NAVY

The following-named citizens of the States indicated opposite their names to be assistant surgeons in the Navy, with the rank of lieutenant (junior grade), to rank from the 12th day of May, 1924:

Ora M. Holman of Indiana.
Clifton A. Young of Pennsylvania.

The following-named citizens of the States indicated opposite their names to be assistant surgeons in the Navy, with the rank of lieutenant (junior grade), to rank from the 10th day of June, 1924:

Walter B. Wolfe of Missouri.
John M. Bachulus of Connecticut.
David C. Elliott of Ohio.
Harry D. Templeton of Indiana.
Cleveland E. Brunner of Virginia.
Charles Stewart of Pennsylvania.
William H. Turnley of Virginia.
William A. Strauss of Maryland.
Walter F. J. Karbach of Texas.
Charlie H. Allman of Virginia.
Elmer T. Cure of Indiana.
John F. Moriarty of Massachusetts.
John M. Barnes of District of Columbia.
Richard B. Talbott of West Virginia.
Leon D. Carson of Illinois.
Victor W. Hart of Ohio.
Arthur J. Hamilton of Michigan.
George C. Main of Illinois.
Harold B. Rae of South Dakota.
Donald E. Dement of California.
William E. Pinner of Virginia.
Dwight J. Wharton of Missouri.
Henry G. Backer of Indiana.
Merrill R. Fox of Pennsylvania.
John W. Parent of Maine.
Arthur P. Morton of Virginia.
Howard E. Hill of Indiana.
Oliver R. Nees of Indiana.
John L. Thornton of Virginia.
Claude L. Taylor of Pennsylvania.
Robert E. Baker of Ohio.
Horace E. Brown of Tennessee.
Harvey E. Robins of West Virginia.
Robert K. Y. Dusinberre of New York.
John L. Emenhiser of Indiana.
Carl D. Middlestadt of Indiana.
Beryl C. Shearer of Iowa.
Charles H. Bitner of Pennsylvania.
Charles C. Yanquell of Ohio.
John Q. Owsley, jr., of Tennessee.
John F. Luten of Tennessee.
Roy L. Mullins of Virginia.
Arra B. Chesser of Indiana.
Lloyd R. Newhouser of Indiana.
Joseph I. Porter of Utah.
Israel Levin of Pennsylvania.
Henry M. Weber of Maryland.
Harold E. List of Indiana.
Francis J. Vurpillat of Illinois.
Max E. Wonders of Nebraska.
John R. Smith of Ohio.
Henry J. Winkler of West Virginia.
Harold D. Fritz of Ohio.
Thomas F. Cooper of Missouri.
John M. Beall of Louisiana.
Walter A. Hornaday of Indiana.
George C. Thomas of Pennsylvania.
Leonard L. Wilson of North Carolina.
John M. Woodward of Tennessee.
David W. Truscott of Pennsylvania.
Fay H. Falconer of California.
Wilbur J. Cox of Indiana.
Harold W. Gillen of Indiana.
John R. Lynas of Indiana.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 20, 1924

UNITED STATES MARSHAL

Arthur Rogers to be United States marshal, western district of Tennessee.

POSTMASTERS

ALABAMA

Hugh H. Dale, Camden.
Louie W. Vaughan, Cuba.
Griffin G. Guest, Fort Payne.
Howard F. Little, Linden.
William L. Jones, Parrish.
Annie L. Pittman, Shawmut.
Guy Walker, Somerville.
Samuel J. Tucker, Springville.
Andrew J. Bass, jr., Trussville.
Alden M. Walace, Tuskegee.

ILLINOIS

Lottie M. Jones, Antioch.
Francis W. Craig, Apple River.
Edwin C. O'Brien, Barry.
Frank G. Robinson, El Paso.
John H. Stolle, Evansville.
Andrew R. Tarbox, Gibson City.
Jessie A. Livingston, Livingston.
Anna J. Arthur, Lovejoy.
August Kalbitz, Red Bud.
Harry Hutchins, Rockton.
Henry H. Pierce, Royalton.
Christian Andres, Tinley Park.
Simon K. Lewis, Utica.
Laura A. Gregory, Willisville.
Harry L. Dean, Witt.

INDIANA

Clara A. Salla, Denham.
Walter C. Farrell, Middletown.
Iva D. Myers, Millersburg.
Warren B. Johnson, Owensville.

IOWA

Clyde C. Sheaffer, Alden.
William M. Young, Defiance.
Howard B. Gillespie, Guthrie Center.
Frank T. Best, Pomeroy.

KANSAS

Henry M. Highland, McCune.
Ulysses G. Stewart, Rossville.
Susie J. Gibbons, St. Paul.

MAINE

Fred E. Jones, Brownville.
Perley M. Hanson, East Millinocket.
Frank G. Thompson, Milo.

MASSACHUSETTS

William P. Lovejoy, Barnstable.
James E. Sullivan, Gilbertville.
John A. Bell, Leicester.

MINNESOTA

Henry O. Halverson, Gonvick.
Egbert J. Hasbrouck, Graceville.
Hans P. Becken, Hanska.

MONTANA

Charles W. Allison, Bainville.
George C. Core, Choteau.
Avory W. Dehnert, Denton.
George W. Patterson, Havre.
Robert T. Richardson, Missoula.
Hugh C. Walker, Poplar.
Claude C. Alexander, Stanford.
Robert Parsons, Sweetgrass.
Thomas E. Devore, Whitehall.

NEBRASKA

Jesse R. Teagarden, Bethany.
Minnie L. Smith, Blue Springs.
Oscar M. Fenstermacher, Cedar Bluffs.
Henry V. Ingram, Exeter.
Frank W. Fuhlrodt, Fremont.
Archie L. Smith, Imperial.

NORTH CAROLINA

John E. Corbitt, Sunbury.
Thomas A. Kennedy, Troutmans.

NORTH DAKOTA

Benjamin L. Anderson, Grenora.

SOUTH DAKOTA

William R. Amoo, Morristown.

TENNESSEE

James M. Gresham, Smyrna.

WYOMING

Frank G. Brown, Fort Laramie.
Neletta P. Howard, Manville.

HOUSE OF REPRESENTATIVES

TUESDAY, *May 20, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God of mercy and forgiveness, do Thou hear the unexpressed voices of our breasts and accept us again as Thy needful children. May we strive to become worthy, even in some little way, of Thy countless blessings. Imbue us thoroughly with a lasting devotion to all the essential needs of our country. Come from behind the clouds of uncertainty and unwisdom and be the beacon light on our pathways. If either stress, strain, or storm is our portion may we realize that God is good and blessed forevermore. In the name of Jesus our Savior we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Welch, one of its clerks, announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 2327. An act to amend section 4 of the interstate commerce act.

The message also announced that the Senate having proceeded in pursuance of the Constitution to reconsider the bill (H. R. 7959) entitled "An act to provide adjusted compensation for the veterans of the World War, and for other purposes," returned by the President of the United States to the House of Representatives, in which it originated, with his objections, and passed by the House on a reconsideration of the same, it was passed, two-thirds of the Senators present having voted in the affirmative.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2169) to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Under clause 2 of Rule XXIV Senate bills and and joint resolution of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 2327. An act to amend section 4 of the interstate commerce act; to the Committee on Interstate and Foreign Commerce.

S. 2928. An act authorizing the Secretary of the Navy to accept certain lands in the vicinity of Pensacola, Fla., to assure a suitable water supply for the United States Naval Air Station at Pensacola; to the Committee on Naval Affairs.

S. 933. An act to provide for the examination and registration of architects and to regulate the practice of architecture in the District of Columbia; to the Committee on the District of Columbia.

S. 588. An act for the relief of Daniel A. Speight and others; to the Committee on Claims.

S. J. Res. 95. A joint resolution to authorize the American National Red Cross to continue the use of temporary buildings now erected on square numbered 172, Washington, D. C.; to the Committee on the Library.

S. 830. An act for the relief of Elizabeth Wooten; to the Committee on War Claims.

LEAVE OF ABSENCE

Mr. CELLER. Mr. Speaker, I desire leave of absence for the day to undergo a slight medical operation.

The SPEAKER. Without objection, the request is granted. There was no objection.

DEPARTMENTS OF STATE, JUSTICE, ETC., APPROPRIATION BILLS

Mr. SHREVE. Mr. Speaker, I call up conference report on the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes.

The SPEAKER. The gentleman from Pennsylvania calls up a conference report which the Clerk will report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have been unable to agree.

MILTON W. SHREVE,
GEO. HOLDEN TINKHAM,
W. B. OLIVER,
Managers on the part of the House.

W. L. JONES,
CHARLES CURTIS,
H. C. LODGE,
LEE S. OVERMAN,
WM. J. HARRIS,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes, submit the following statement:

Senate amendments Nos. 21, 22, and 23, upon which the two Houses have not agreed and upon which the committee of conference have not agreed, relate to the number and salaries of attorneys under the appropriation for the investigation and prosecution of war frauds.

MILTON W. SHREVE,
W. B. OLIVER,
GEO. HOLDEN TINKHAM,
Managers on the part of the House.

Mr. SHREVE. Mr. Speaker, I move that the House recede and concur on amendment No. 21.

The SPEAKER. The gentleman from Pennsylvania moves that the House recede and concur on amendment No. 21——

Mr. BLANTON. Mr. Speaker, let it be reported, please.

The Clerk read as follows:

Page 33, line 5, strike out the words "one person," and insert in lieu thereof "two persons."

Mr. HOWARD of Nebraska. Mr. Speaker, I make the point of no quorum.

Mr. SHREVE. Will the gentleman withhold that, please?

Mr. HOWARD of Nebraska. I can not withhold anything, brother, unless it is a personal matter. I will withhold anything that is personal.

Mr. SHREVE. We desire very much to get these conference reports out of the way, I will say to the gentleman.

Mr. HOWARD of Nebraska. I know; but we could have done that last night. Unless it is a personal request I will have to make the point.

Mr. SHREVE. Then I will make it personal, and I am sure the gentleman will grant me that courtesy.

Mr. HOWARD of Nebraska. I will if you make it personal.

Mr. SHREVE. I will make it a personal matter.

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania to recede and concur.

The motion was agreed to.

LEAVE OF ABSENCE

Mr. LAGUARDIA. Mr. Speaker, I ask indefinte leave of absence for my colleague, Mr. PERLMAN, on account of illness in his family.

The SPEAKER. Without objection, the request will be granted. The Chair would suggest that when gentlemen wish to request leave of absence, it is better to put it in writing.

There was no objection.

CONFERENCE REPORT

Mr. SHREVE. Mr. Speaker, I call up amendment No. 22.

The Clerk read as follows:

Page 33, line 7, after the word "annum," insert the word "each."

Mr. SHREVE. Mr. Speaker, I move to recede and concur with an amendment.

The SPEAKER. The gentleman from Pennsylvania moves to recede and concur with an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. SHREVE moves that the House recede from its disagreement to the amendment of the Senate No. 22 and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "each, whose aggregate compensation will not exceed $30,000."

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania to recede and concur with an amendment.

The motion was agreed to.

The SPEAKER. The next amendment in disagreement is No. 23, which the Clerk will report.

The Clerk read as follows:

Page 33, line 7, amendment No. 23: Strike out *"Provided further,* That the compensation agreed to be paid to any person by the Department of Justice shall be definitely fixed at the time of employment" and insert "But the Attorney General may fix the compensation of not to exceed eight persons at not to exceed $10,000 each."

Mr. SHREVE. Mr. Speaker, I move to recede and concur with an amendemnt.

Mr. BLANTON. Will the gentleman grant me two minutes on that?

The SPEAKER. The clerk will first report the amendment.

The Clerk read as follows:

Mr. SHREVE moves that the House recede from its disagreement to the amendment of the Senate No. 23, and agree to the same with an amendment as follows: In lieu of the language inserted by said amendment, insert the following: "But the Attorney General may fix the compensation of not to exceed six persons at not to exceed $10,000 each."

Mr. SHREVE. Mr. Speaker, I yield to the gentleman from Texas two minutes.

Mr. BLANTON. Mr. Speaker, we have in the Department of Justice former colleagues who are some of the ablest lawyers in the United States. They served their country well here in the House at a salary of $7,500, but now you are arranging for this big army of lawyers in the Department of Justice to be continued on and permit salaries to be continued at outrageous sums. This ought not to be allowed. There is no necessity for the six at $10,000 a year. There is no chance to beat it; it is going to be passed. If there were any chance on earth to stop it I would do everything possible, but I realize there is no way to stop it. You are going to pass it, but I could not let it pass without my protest.

Mr. SHREVE. Mr. Speaker, I desire to say that the conference committee have worked along the line suggested by the gentleman from Texas. We have reduced the number from eight to six, and I hope another year we may be able to make another reduction.

Mr. OLIVER of Alabama. At the present time they are employing 10 and we have reduced the number to 6.

Mr. McKEOWN. Are these special assistants for the Attorney General?

Mr. OLIVER of Alabama. Yes; they are employed in the fraud cases.

Mr. McKEOWN. What salary do the regular assistants to the Attorney General get?

Mr. OLIVER of Alabama. Seven thousand five hundred dollars a year.

Mr. McKEOWN. Does not the gentleman think that the regular assistants do more hard work than any special assistants?

Mr. OLIVER of Alabama. Yes; but the special assistants are called in only for a short time and may not be occupied during the year.

Mr. McKEOWN. At the rate of $10,000 a year instead of a lump sum?

Mr. OLIVER of Alabama. Yes.

Mr. WATKINS. Will the gentleman yield?

Mr. SHREVE. Yes.

Mr. WATKINS. What has been done in respect to the assistant attorneys general and employees whose compensation is to be fixed?

Mr. SHREVE. They are to be paid not exceeding $10,000.

Mr. WATKINS. None of them to get over that?

Mr. SHREVE. No.

Mr. WATKINS. What has been done in respect to fixing the compensation at the time of employment?

Mr. SHREVE. It must be fixed on the date of the employment.

Mr. McCLINTIC. Mr. Speaker, I want to ask the gentleman in charge of the conference report if he will yield me five minutes to speak out of order. I will state to the gentleman what I have in mind. I have here a statement from an ex-service man——

Mr. SHREVE. I will yield to the gentleman five minutes.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to speak out of order. Is there objection?

There was no objection.

Mr. McCLINTIC. Mr. Speaker and gentlemen of the House, there is always a time in every man's life when he is called on to take stock or make a mental trial balance for the purpose of seeing whether or not his conscience approves his conduct in the past. I am told that in less than a stone's throw from the United States Capitol there is a great building which is used by our Government to house one of its departments, that was given back to our Nation by a man while on his deathbed because he had stolen the material from the Government and constructed this building therefrom. Realizing that he was soon to die, and fearing to meet old St. Peter with the knowledge that he had defrauded the Government, he decided that the time for him to take stock had arrived and he deeded the same back to the United States Government.

Out in western Oklahoma, in the district which I have the honor to represent, lives a country boy who, while traveling about in the Army waiting for his salary check, took advantage of the absence of the man in charge and yielded to the temptation of taking some of the canteen funds. He was broke; without some of the necessities of life; and did not feel that this act would wrong any person.

The war was concluded and he returned to his home. Later he got religion and then he wrote me a letter calling attention to the fact that he had wrongfully taken this money while in the Army. He stated that his conscience hurt him so badly that he could not sleep, and he wanted to know what to do in order to right the wrong. I hold in my hand a postal money order for $25. In his letter he asks that I take this and put it in the right place, so he can have peace of mind in the future.

I think any lad who is willing to voluntarily do that which is right, and more especially when no individual has been wronged, must have a case of real religion, and I am glad to pay tribute to this young farmer boy by calling his way of making amends

to the attention of the United States Congress, as I feel his attitude is commendable from every standpoint.

Now, Mr. Speaker, my attention was called this morning to a letter which came in the mail from some firm in New York, and especially the last paragraph, which is addressed to the President of the United States, as follows:

For Congress to pass this bonus bill on top of the Veterans' Bureau scandal, in my judgment, would be adding one scandal to another. I have no doubt the voters will make their sentiments known when the time comes, and you will profit at the expense of the Members of Congress. Many a man has paid the penalty of treason for a less offense against the country than this bonus bill constitutes.

The writer of this letter disguises his business and no one can tell by his stationery whether or not he follows an honorable occupation. The fact that his address is in the principal business part of New York City is sufficient to class him with the plutocrats, and I am not surprised that he is against doing anything for the men who fought for this Nation while there was a class of profiteers who systematically robbed the fathers and mothers of these same soldiers during the war. I want to say to this Congress, if the great horde of high financiers who profiteered, defrauded, and robbed the American people during the war would follow the example of this poor, honest, ex-service man who got religion, and pay back into the conscience fund of our Government the money that had been wrongfully taken from our people, it would not be necessary for anyone to complain of the cost of bonus legislation, for the reason there would be sufficient money to take care of the same without adding to the taxpayers of the Nation an extra burden. [Applause.]

Mr. SHREVE. Mr. Speaker, I ask for a vote.

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania.

Mr. HOWARD of Nebraska. Mr. Speaker, before that vote is taken I desire to submit a request for unanimous consent.

The SPEAKER. The gentleman will state it.

Mr. HOWARD of Nebraska. Mr. Speaker, I ask unanimous consent that upon the return to the Hall of the chairman of the Committee on Appropriations [Mr. MADDEN], he be given five minutes in which to give me the name, which he promised to give me, of some one man in a penitentiary of the United States, sent there as the result of the $6,000,000 which we have appropriated for the prosecution of war grafters.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska? [After a pause.] The Chair hears none. The question is on the motion of the gentleman from Pennsylvania.

The motion was agreed to.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed without amendment the bill (H. R. 8262) to fix the compensation of officers and employees of the legislative branch of the Government.

REORGANIZATION OF THE FOREIGN SERVICE OF THE UNITED STATES

Mr. ROGERS of Massachusetts. Mr. Speaker, I call up the bill (H. R. 6357) for the reorganization and improvement of the foreign service of the United States, and for other purposes, with Senate amendments thereto. I ask unanimous consent that the Senate amendments be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Massachusetts calls up the bill providing for the reorganization of the foreign service, with Senate amendments thereto, and asks unanimous consent that the Senate amendments be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the first Senate amendment.

The Clerk read as follows:

Page 8, lines 8 and 9, strike out "as ambassador or minister" and insert "to some other position in the Government service."

Mr. ROGERS of Massachusetts. Mr. Speaker, I move to concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Page 8, line 19, after the word "gathering" insert: "*Provided further*, That the Secretary of State is authorized to prescribe a per diem allowance not exceeding $6, in lieu of subsistence for foreign service officers on special duty or foreign service inspectors."

Mr. ROGERS of Massachusetts. Mr. Speaker, I move to concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Page 14, line 22, strike out the figures "50" and insert the figures "75."

M. ROGERS of Massachusetts. Mr. Speaker, I move to concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Page 17, line 17, insert a new section as follows:

"SEC. 22. The titles 'Second Assistant Secretary of State' and 'Third Assistant Secretary of State' shall hereafter be known as 'Assistant Secretary of State' without numerical distinction of rank; but the change of title shall in no way impair the commissions, salaries, and duties of the present incumbents.

"There is hereby established in the Department of State an additional 'Assistant Secretary of State,' who shall be appointed by the President, by and with the advice and consent of the Senate, and shall be entitled to compensation at the rate of $7,500 per annum.

"The position of Director of the Consular Service is abolished and the salary provided for that office is hereby made available for the salary of the additional Assistant Secretary of State herein authorized."

Mr. CONNALLY of Texas. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Massachusetts. Yes.

Mr. CONNALLY of Texas. I understand the gentleman's contention is that the effect of this amendment is to make the former chief of the Consular Service Assistant Secretary of State, and to raise his salary. I understand the gentleman contends that his salary has already been in effect raised by the reclassification act.

Mr. ROGERS of Massachusetts. The salary has already been raised, beginning July 1 next, in accordance with the method laid down by the classification act. The conference report on the State Department appropriation bill, which the House has just adopted, also has the effect of fixing Mr. Carr's salary at $7,500.

Mr. CONNALLY of Texas. And the only real effect of this amendment is to change the designation of his office?

Mr. ROGERS of Massachusetts. Yes. The change here proposed is necessary in order to comply with the other provisions of this act.

Mr. CONNALLY of Texas. From that of chief of the Consular Service to that of Assistant Secretary of State?

Mr. ROGERS of Massachusetts. Yes. That is the effect and the sole effect of this Senate amendment.

Mr. LINTHICUM. What does the wording mean that the salary provided heretofore for the Director of the Consular Service shall be available for the salary of the additional Assistant Secretary of State, after we have already provided a salary of $7,500?

Mr. ROGERS of Massachusetts. That is on the theory that this bill may become a law after the State Department appropriation bill becomes a law.

Mr. LINTHICUM. That will only necessitate the appropriation of an additional $3,000?

Mr. ROGERS of Massachusetts. Which appropriation the House and Senate have already provided. Mr. Speaker, I move to concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Page 18, line 7, strike out the figures "22" and insert "23."

Mr. ROGERS of Massachusetts. Mr. Speaker, I move to concur in the Senate amendment.

The motion was agreed to.

AMENDING THE NATIONAL DEFENSE ACT

Mr. McKENZIE. Mr. Speaker, I submit a conference report for printing under the rules on the bill S. 2109, to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes.

CLAIMS OF CHOCTAW AND CHICKASAW INDIANS

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adju-

dicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from New York asks unanimous consent to take from the Speaker's table the bill H. R. 5325, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference. Is there objection?

There was no objection.

The SPEAKER appointed the following conferees: Mr. SNYDER, Mr. DALLINGER, and Mr. HASTINGS.

FORT LEAVENWORTH MILITARY RESERVATION

Mr. ANTHONY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6207) authorizing and directing the Secretary of War to transfer to the jurisdiction of the Department of Justice all that portion of the Fort Leavenworth Military Reservation which lies in the State of Missouri, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER. The gentleman from Kansas asks unanimous consent to take from the Speaker's table the bill H. R. 6207, with a Senate amendment thereto, and concur in the same. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk read the Senate amendment.

The SPEAKER. The question is on agreeing to the Senate amendment.

The Senate amendment was agreed to.

ARMY APPROPRIATION ACT

Mr. ANTHONY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7877) making appropriations for the War Department for the fiscal year ending June 30, 1925, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Kansas asks unanimous consent to take from the Speaker's table the Army appropriation bill, with Senate amendments thereto, disagree to all of the Senate amendments, and ask for a conference. Is there objection?

Mr. JOHNSON of Kentucky. Mr. Speaker, reserving the right to object, I ask the gentleman from Kansas whether we can arrive at some understanding as to separate votes that we may be permitted to have when the conference report comes back here?

Mr. ANTHONY. I will say to the gentleman I do not know of any matter in the bill in which there is the desire on my part or the part of any of the conferees to foreclose the judgment of the House upon, and I would be willing to give the gentleman every reasonable opportunity.

Mr. JOHNSON of Kentucky. With that understanding I do not object.

Mr. CONNALLY of Texas. Mr. Speaker, reserving the right to object, may I inquire whether the Senate struck out the provision of the House bill relating to the enlistment of minors?

Mr. ANTHONY. They have stricken out that language and proposed new language which modifies it to some extent, but to what extent I am unable to say, as I have not given it careful study.

Mr. CONNALLY of Texas. Is the gentleman prepared to say that the House will have an opportunity to vote on the concrete question before the conferees agree to surrender the House provision in reference to that matter?

Mr. ANTHONY. It would be my idea to adhere to the language adopted by the House, and we will certainly give the House an opportunity to express itself.

Mr. CONNALLY of Texas. And vote on the same proposition in the bill as when it left the House before they agree in conference to the Senate amendment.

Mr. ANTHONY. I think so.

Mr. CONNALLY of Texas. I do not want any think so; I want to know.

Mr. ANTHONY. I told the gentleman——

Mr. CONNALLY of Texas. Unless the gentleman will do that, I shall object.

Mr. ANTHONY. I have told the gentleman there is nothing in the bill upon which I would want to foreclose judgment of the House and would give the gentleman from Kentucky or any Member of the House every reasonable opportunity to get the sentiment of the House.

Mr. CONNALLY of Texas. I know the gentleman said reasonable opportunities and reasonable so and so, but the concrete question is that I want to know if the gentleman will bring back that particular provision and give this House a chance to vote on it before the conferees agree to surrender entirely the position of the House on that matter. The gentleman knows whether he will do that, and if he does I think he ought to say so.

Mr. ANTHONY. I have told the gentleman in pretty broad language.

Mr. OLIVER of Alabama. If the gentleman will permit, the conferees on the naval bill were informed, the gentleman from Texas has been consulted, with regard to the amendment agreed upon, which we were informed was entirely satisfactory to the gentleman from Texas and in conformity with the amendment offered to the military bill.

Mr. ANTHONY. I will give the gentleman every reasonable opportunity to get the expression of the House on any language agreed upon in conference.

Mr. CONNALLY of Texas. Does not the gentleman think my request is reasonable?

Mr. ANTHONY. What does the gentleman want?

Mr. CONNALLY of Texas. Before the conferees agree to the Senate amendment, to come back and give the House a chance to vote on that matter.

Mr. ANTHONY. I do not think the conferees ought to come back and consult the House——

Mr. CONNALLY of Texas. I did not think the gentleman felt so, therefore I object.

The SPEAKER. The gentleman objects.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to call up the bill H. R. 6355 and concur in the Senate amendment.

The SPEAKER. The gentleman from New York calls up the bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 6355) to authorize the Secretary of the Interior to issue certificate of citizenship to Indians.

The SPEAKER. The Clerk will report the Senate amendment.

Mr. GARRETT of Tennessee. Mr. Speaker, I would like to ask the gentleman from New York if he is not willing to let this go over for a day or two?

Mr. SNYDER. I am perfectly willing.

Mr. GARRETT of Tennessee. I do not know there will be any objection, but I would like to look into a phase of it.

Mr. SNYDER. On the request of the gentleman from Tennessee I am perfectly willing.

CONFERENCE REPORT—NAVAL APPROPRIATION BILL

Mr. FRENCH. Mr. Speaker, I call up the conference report on the bill H. R. 6820, the naval appropriation bill, and ask for its consideration. I would like to have the report read.

The conference report was read, as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 9, 10, 18, 21, 32, 41, 46, 47, 49, and 64.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 5, 7, 12, 13, 14, 15, 16, 17, 23, 26, 27, 33, 34, 35, 37, 38, 39, 42, and 61, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,550,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$3,409,826; for aviation material, equipment, fuel, and rental of hangars, $320,174; in all, $3,900,000, not more than $1,242,289 of"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$62,500"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$17,550,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,100,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: ": *Provided further*, That no part of this or any other appropriation contained in this act shall be available for maintaining in commission, exclusive of vessels of other types, more than four cargo ships, two transports, and one ammunition ship unless, in case of emergency, the President should otherwise direct. Nothing in this proviso shall be construed to hinder the return of any vessel to the port where it will be decommissioned"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "plant appliances as now defined by the 'Navy Classification of Accounts'"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: ": *And provided further*, That in computing for any purpose the length of service of any officer of the Navy, of the Marine Corps, of the Coast Guard, of the Coast and Geodetic Survey, or of the Public Health Service who was appointed to the United States Naval Academy or to the United States Military Academy after March 4, 1913, the time spent at either academy shall not be counted"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "in all, $50,000"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "No officer of the Navy or Marine Corps, while on leave of absence engaged in a service other than that of the Government of the United States, shall be entitled to any pay or allowances for a period in excess of that for which he is entitled to full pay, unless the President otherwise directs"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$8,911,800"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$8,911,800" and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "and limiting the number of officers and enlisted men"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "and that no part of the moneys herein appropriated for the Naval Establishment or herein made available therefor shall be used or expended under contracts hereafter made for the repair, purchase, or acquirement, by or from any private contractor, of any naval vessel, machinery, article, or articles that at the time of the proposed repair, purchase, or acquirement can be repaired, manufactured, or produced in each or any of the Government navy yards or arsenals of the United States when time and facilities permit, and when, in the judgment of the Secretary of the Navy, such repair, purchase, acquirement, or production would not involve an appreciable increase in cost to the Government"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 8, 25, 28, 30, 31, 40, 43, 44, 45, 48, 50, 51, 52, 53, 54, 55, 59, and 60.

BURTON L. FRENCH,
GUY U. HARDY,
JOHN TABER,
JAMES F. BYRNES
(Not in agreement with action on amendment No. 64),
W. B. OLIVER
(Not in agreement with action on amendment No. 64),
Managers on the part of the House.

FREDERICK HALE,
LAWRENCE C. PHIPPS,
CLAUDE A. SWANSON
(Not in agreement with Senate amendment No. 64, which I insisted upon),
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes, submit the following written statement explaining the effect of the action agreed on by the conference committee and submitted in the accompanying conference report, as to each of said amendments, namely:

On Nos. 1 and 2, relating to the appropriation "Pay, miscellaneous": Increases the limitation on account of communication expenditures from $175,000, as proposed by the House, to $200,000, as proposed by the Senate, and appropriates $2,550,000, instead of $2,500,000, as proposed by the House, and $2,600,000, as proposed by the Senate.

On No. 3: Strikes out the provision proposed by the House prohibiting the payment of compensation to officers of the Navy attached to the office of Chief of Naval Operations and engaged upon work not specifically assigned by law to such office.

On Nos. 4 and 5, relating to naval training stations: Appropriates $250,000 for Newport, as proposed by the Senate, instead of $215,000, as proposed by the House, and appropriates $260,000 for Hampton Roads, as proposed by the Senate, instead of $215,000, as proposed by the House.

On Nos. 6 and 7, relating to the Naval Reserve Force: Appropriates $3,900,000 instead of $3,570,000, as proposed by the House, and $4,000,000, as proposed by the Senate; makes specific provision for reserve aviation and limits the amount which may be expended for maintenance, operation, and repair of vessels and aircraft.

On Nos. 9, 10, and 11, relating to the Naval War College: Appropriates $100,000, as proposed by the House, instead of $130,000, as proposed by the Senate, and fixes the limitation on expenditures for classified employees at $62,500, instead of $50,000, as proposed by the House, and $70,278.56, as proposed by the Senate.

On Nos. 12 to 17, inclusive, relating to the Naval Home: Appropriates $1,200 for the superintendent of grounds, as proposed by the Senate, instead of $1,080, as proposed by the House; strikes out, as proposed by the Senate, a store laborer at $660 and a matron and office assistant at $720; appropriates for a seamstress at $360, as proposed by the Senate; appropriates $600 and $540 for two assistant cooks, as proposed by the Senate, instead of $540 and $480, respectively, as proposed by the House, and appropriates $600 for head waitress, as proposed by the Senate, instead of $480, as proposed by the House.

On No. 18: Appropriates $300,000 for personal services in the Hydrographic Office, as proposed by the House, instead of $311,000, as proposed by the Senate.

On Nos. 19, 20, and 21, relating to the appropriation "Engineering": Appropriates $17,550,000 for "Engineering," instead of $18,012,300, as proposed by the House, and $16,550,000, as proposed by the Senate; makes available immediately $2,100,000, instead of $2,562,300, as proposed by the House, and $1,100,000, as proposed by the Senate, and makes $600,000 available for developing and testing submarine motive power, as proposed by the House.

On No. 22: Restores the limitation proposed by the House with respect to the number of cargo ships, transports, and ammunition ships which may be maintained in commission,

amended so as to permit the return of any greater number of such vessels to the port of decommissioning.

On No. 23: Appropriates $313,000 for personal services in the Bureau of Construction and Repair, as proposed by the Senate, instead of $305,000, as proposed by the House.

On No. 24: Makes the appropriation "Ordnance and ordnance stores" available specifically for the acquirement of plant appliances, as proposed by the Senate, amended to restrict such appliances to those at present defined by the "Navy classification of accounts."

On No. 26: Appropriates $850,000 for the purchase and manufacture of torpedoes and appliances, as proposed by the Senate, instead of $500,000, as proposed by the House.

On No. 27: Provides for an allowance of two midshipmen from Porto Rico appointed on nomination of the Resident Commissioner, as proposed by the Senate, instead of one midshipman, as proposed by the House.

On No. 29: Denies counting time spent at the Naval or Military Academies after March 4, 1913, in computing for any purpose the length of service of any officer of the Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, or Public Health Service, in language as proposed by the Senate, instead of as proposed by the House.

On No. 32: Strikes out the amendment proposed by the Senate changing the punctuation of the appropriation "Care of the dead."

On Nos. 33 to 39, inclusive, relating to public works, Bureau of Yards and Docks: Appropriates $10,000 for circulating pumps for heating system, navy yard, Portsmouth, N. H., as proposed by the Senate; changes the designation of the foundry building to be reroofed at the navy yard, Boston, Mass., as proposed by the Senate; strikes out under the navy yard, Philadelphia, Pa., the appropriations proposed by the House and Senate, respectively, of $22,000 for acetylene gas plant, extension and remodeling, and $30,000 for continuing paving; appropriates $50,000 for replacing caisson, Dry Dock No. 1, navy yard, Norfolk, Va., as proposed by the Senate; appropriates $30,000, as proposed by the Senate, instead of $20,000, as proposed by the House, for dredging at the navy yard, Charleston, S. C.; and appropriates $57,500, as proposed by the Senate, for plant renewals, naval coal depot, Tiburon, Calif.

On No. 41: Strikes out the appropriation of $15,000, proposed by the Senate, for certain reroofing work at the Naval Academy.

On No. 42: Appropriates $14,000 for fresh-water tank at the naval station, Guantanamo, Cuba, as proposed by the Senate.

On No. 46: Strikes out the appropriation of $200,000, proposed by the Senate, on account of the submarine and destroyer base, Columbia River, Oreg.

On No. 47: Strikes out the appropriation of $100,000 proposed by the Senate for extending the distributing systems, submarine base, Pearl Harbor, Hawaii.

On No. 49: Strikes out the appropriation of $15,000 proposed by the Senate for paint and oil storehouse, naval base, San Diego, Calif.

On No. 56: Restores the provision proposed by the House denying pay or allowances to officers of the Navy or Marine Corps while on leave of absence in excess of accrued leave, amended so as to apply only where the absence is on account of the absentee being engaged in a service other than that of the Government of the United States.

On Nos. 57 and 58, relating to the Marine Corps: Appropriates $1,385,000 for clothing for enlisted men instead of $1,325,000, as proposed by the House, and $1,450,000, as proposed by the Senate.

On Nos. 61 and 62: Extends the provision with respect to another conference on the limitation of naval armament to include such other Governments besides Great Britain, France, Italy, and Japan, as the President may deem proper, as proposed by the Senate, and also to include within the scope of the conference the question of limiting the number of officers and men, instead of men only, as proposed by the Senate.

On No. 63: Retains the provision proposed by the House with respect to having work performed in navy yards instead of by private contractors, when a money saving would result, amended (1) so as to provide that Government arsenals, as well as navy yards, shall be taken into account, (2) by partly defining the work embraced by the provision, (3) by making the provision subject to the availability of time and facilities, and (4) by providing, in lieu of the condition that there should be a money saving, that an appreciable increase in cost to the Government, in the judgment of the Secretary of the Navy, would not be involved.

On No. 64: Strikes out the paragraph proposed by the Senate with respect to former officers of the Navy or Marine Corps who joined or left such services in order to join the Confederate forces.

The committee of conference have not agreed upon the following amendments of the Senate:

On No. 8: Relating to the Volunteer Naval Reserve and the Naval Militia.

On No. 25: Relating to the care and operation of schools built at ordnance stations.

On No. 28: Relating to enlistments under the age of 21 years.

On No. 30: Relating to the establishment of a special working fund to finance miscellaneous transactions.

On No. 31: Providing for reimbursement on account of issues made for relief of sufferers in Japan following the earthquake which occurred September 1, 1923.

On No. 40: Appropriating $400,000 for certain public works at the Puget Sound Navy Yard.

On No. 43: Appropriating $55,000 for certain public works at the naval station, Pearl Harbor, Hawaii.

On No. 44: Appropriating $77,000 for certain public works at the naval station, Tutuila, Samoa.

On No. 45: Appropriating $60,000 for storage for war heads at the naval fuel depot, San Diego, Calif.

On No. 48: Appropriating $175,000 for certain public works at the naval station, San Diego, Calif.

On No. 50: Appropriating $500,000 for constructing a building for use as a supply depot of the Marine Corps at San Francisco, Calif.

On No. 51: Appropriating $560,000 for public works at certain naval air stations.

On No. 52: Providing for the settlement of damage claims growing out of the operation of naval aircraft.

On No. 53: Providing for the acceptance, without cost to the United States, of lands required for providing a water supply for the naval air station, Pensacola, Fla.

On No. 54: Relating to civilian professors or instructors at the Naval Academy.

On No. 55: Relating to the transportation on foreign vessels of naval and civil personnel.

On Nos. 59 and 60: Relating to the construction of a submarine.

BURTON L. FRENCH,
GUY U. HARDY,
JOHN TABER,
JAMES F. BYRNES,
W. B. OLIVER,
Managers on the part of the House.

Mr. FRENCH. Mr. Speaker, a very short statement I think will explain the effect of the Senate amendments to the naval appropriation bill and the effect of the conference report. Let me say that the Senate was very generous toward the action of the House on this bill, and, while numerous amendments were made, generally speaking, the bill was not markedly different in most respects when it passed the Senate from what it was when it passed the House. As the bill passed the House it carried $272,012,867, and as it passed the Senate it carried $274,941,067, a Senate increase of $2,928,200. The Senate placed 64 amendments on the bill, 29 of which affected the amounts of money carried in the bill. As to these money amendments the House conferees have receded either outright or for a reduced amount on 21, involving an increase over the bill as passed by the House of $535,200. The action which I shall propose with respect to the remaining eight amendments will add to the bill as passed by the House the further sum of $2,557,000, so that, if the proposals which I shall make are agreed to, the bill will carry $3,092,200 above what it carried as passed by the House, but, even with this increase, the bill will carry $19,351,461 less of direct appropriations than the appropriation act for the current fiscal year. It will be observed that the increases that the House conferees have agreed to, and those which I shall propose exceed, in the aggregate, the Senate increases by $164,000.

This is because the Senate actually added to the bill $4,412,500 and at the same time proposed reductions totaling $1,484,300, making a net increase of $2,928,200. Of the reductions proposed by the Senate, the House conferees insisted on and the Senate conferees agreed to the restoration of $1,000,000, so that, as a matter of fact, leaving out of consideration the reductions proposed by the Senate, the Senate conferees have agreed to yield back $836,000 of the increases which the Senate put into the bill.

The major items comprising the total increases over the House bill, as agreed to in conference including amendments brought back for disposition, are as follows:

Naval Reserve Force	$330,000
Purchase and manufacture of torpedoes	350,000
Repair and fitting out pier, Puget Sound	250,000
Storage for torpedoes, naval station, San Diego	140,000
Supply depot, Marine Corps, San Francisco, Calif.	500,000
Public works, aviation	560,000
Increase of the Navy	950,000

If, then, the conference report and the proposals I shall make shall be agreed to, the naval bill for 1925 will carry $275,105,067 of direct appropriations, and indirect appropriations of $22,500,000, making a grand total of authorizations in the bill of $297,605,067.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. FRENCH. Yes.

Mr. SNELL. Is there any provision in this bill for money to repair the warships and cruisers which we are told are in such bad shape and needing necessary repairs at the present time?

Mr. FRENCH. Let me say to the gentleman that the current law provides appropriations under which three of the battleships will be put into better shape than they were when they left for Panama. There is pending in the House at this time a bill providing for radical changes in the engine power of these several battleships, and it was thought on the part of the committee that we ought not to provide for changes that would exceed in cost $300,000 each. That is the limit under which we have been operating. More than that the department has not during the last three years called for an amount from our committee for any ship in excess of $300,000.

Mr. SNELL. Is that the law or a rule of the Appropriations Committee?

Mr. FRENCH. The House has never construed it so, and the committee has never construed it; but on the other hand we did not feel we should bring in an item for a battleship in excess of that amount, except in pursuance of a specific estimate of appropriation. For the six battleships in most serious condition we have reported approximately $200,000 each. The estimates did not contemplate the provision of a larger sum. I think that we have carried in the bill an ample amount for the ordinary upkeep of the several ships to which the gentleman refers, barring only the rehabilitation of the ships to the extent of replacing coal burners by either new coal burners or oil burners if that shall be directed by the Congress. This authorization is embodied in a bill pending in the House from a naval legislative committee.

Mr. SNELL. You do not think we could make all the repairs necessary to put those ships in shape without special legislation at this time?

Mr. FRENCH. Not in the best shape. We could put them into workable shape, but not into the best shape, as the department would like to have them.

Mr. SNELL. Do you not think it is incumbent on the Navy to keep the ships in the very best shape possible?

Mr. FRENCH. That is my judgment, and that is the judgment of the members of our committee. When we reported the bill to the House we brought in an amount of $1,982,000 for general improvements of the ships of the Navy in excess of the amount recommended by the Budget; and the full committee, as well as this House, looked upon that item as a very wise expenditure of money, and in the light of developments during the last several weeks my judgment in the matter is confirmed.

Mr. HOWARD of Nebraska. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOWARD of Nebraska. Will the Speaker be kind enough to inform me whether the proceeding now in the hands of the House is superior to the proceeding ordered by the Rules Committee to consider the Agricultural bill at this hour?

The SPEAKER. This report is of the highest privilege.

Mr. HOWARD of Nebraska. It is of the highest privilege?

The SPEAKER. Yes.

Mr. FRENCH. In my judgment it will not take us long to dispose of the several items in the bill.

Mr. HOWARD of Nebraska. Agriculture can wait. That is all right.

Mr. WATKINS. Mr. Speaker, will the gentleman permit an inquiry? On the Pacific coast 900 miles are unprotected, especially the mouth of the Columbia River. I want to ask the gentleman whether any appropriation or anything at all has been done to take care of Tongue Point base, or is it left to float alone for another year? Or did the House agree to the Senate amendment providing for an appropriation? What was done with that?

Mr. FRENCH. The Senate added an amendment to the bill providing $200,000 for further improvements and development work at Tongue Point, to which the House conferees were not able to agree, and the Senate conferees receded.

Mr. WATKINS. So that this Tongue Point base will not have any appropriation or anything to maintain it for another year?

Mr. FRENCH. There is no specific appropriation.

Mr. WATKINS. No specific appropriations; none at all. There is none at all, is there?

Mr. FRENCH. The general appropriation for maintenance of yards and docks would have regard for the station at Tongue Point as well as other stations, and therefore there would be to some extent moneys expended at that point.

Mr. HOWARD of Nebraska. A point of order, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. HOWARD of Nebraska. In order to protect the cause of agriculture I make the point of no quorum.

Mr. FRENCH. Will not the gentleman withhold that point of order until we dispose of this bill? I think this House can dispose of it very shortly.

Mr. HOWARD of Nebraska. The gentleman from Nebraska will always yield on personal request, but you have got to give me specifications. I make the point of no quorum, Mr. Speaker.

Mr. FRENCH. Will not the gentleman withhold it until we get through with this bill?

Mr. MACLAFFERTY. The gentleman is not helping agriculture by his action.

Mr. HOWARD of Nebraska. I want agriculture to have a run for its white alley, and it is not getting any.

Mr. FRENCH. Will not my friend from Nebraska withhold his point of order until we dispose of this bill?

Mr. HOWARD of Nebraska. I yield, Mr. Speaker, at the request of a gentleman; but I serve notice that I did not come here to be bulldozed or browbeaten by anybody on any side of the House, and I refrain from taking personal action now, but I make no promises for the future.

Mr. BLANTON. Will the gentleman from Nebraska yield?

Mr. HOWARD of Nebraska. I have already yielded. I withdraw the point of order that no quorum is present.

Mr. CONNALLY of Texas. Will the gentleman from Idaho yield?

Mr. FRENCH. I shall be glad to yield to the gentleman from Texas.

Mr. CONNALLY of Texas. I have endeavored to listen to the colloquy that went on between the gentleman from Idaho [Mr. FRENCH] and the gentleman from New York [Mr. SNELL] about appropriations to put the fleet in good condition. If I mistake not, I saw a statement in the press a few days ago from the Assistant Secretary of the Navy, in which he said that under the arms limitation treaty and under the present condition of the Navy the navies of the world ranked 5-4-3—Great Britain 5, the United States 4, and Japan 3. Now, if that is true—and it comes from the Navy Department—I want to know why the Naval Committee or the Appropriations Committee does not appropriate sufficient funds to bring our fleet up to an equality with that of Great Britain and recondition any of the battleships that need reconditioning in order to make the fleet effective. Can the gentleman answer that question?

Mr. FRENCH. Mr. Speaker and gentlemen, in my judgment the Congress has appropriated constantly money adequate to maintain the Navy of the United States in the ratio which was assigned to it by the Limitation of Armaments Conference. The Assistant Secretary of the Navy a few days ago issued a statement in response to a general criticism by Mr. W. B. Shearer, in the New York Times, wherein Mr. Shearer stated that the ratio had been reduced from 5-5-3, with the United States one of the major factors, to 5-3-1, with the United States the 1. The statement of the Assistant Secretary of the Navy characterizes the estimate of Mr. Shearer as "greatly exaggerated." Without attempting to read the Assistant Secretary's whole statement, let me call your attention to about four lines in which Assistant Secretary Roosevelt referred to battleships. Secretary Roosevelt says this:

> The battleships *Florida, Utah, Wyoming,* and *Arkansas* required boiler repairs in order to maintain their speed. Until this could be done the speed of these four ships was reduced and they had to drop out of the battle line. This reduced the ratio to 5-4-3.

The Assistant Secretary referred to the breaking down of machinery in four of our battleships some four months ago, which temporarily has taken them to the navy yards for repairs.

Mr. LONGWORTH. Will the gentleman yield?

Mr. FRENCH. Yes.

Mr. LONGWORTH. Who was this Mr. Shearer?

Mr. FRENCH. Well, Mr. Shearer is a man who is represented as an engineering expert, an inventor, and a torpedo expert.

Mr. LONGWORTH. Represented by whom? Represented by himself?

Mr. FRENCH. Probably so.

Mr. LONGWORTH. On what authority does he speak?

Mr. FRENCH. He speaks, as I understand, with no other authority than his own judgment. He is not connected with the Navy.

Mr. LONGWORTH. He admits he is an expert and he is the only person who does.

Mr. FRENCH. Well, I do not like to be critical. The statements of Mr. Shearer are so exaggerated that they fall of their own weight in large degree. I understand Mr. Shearer to be a designer and inventor of mechanical devices having to do with appliances of the Navy—particularly torpedoes.

Mr. LONGWORTH. Does the gentleman mean the selling of appliances to the Navy?

Mr. MADDEN. Will the gentleman yield for a question?

Mr. FRENCH. In just a moment. In response to the query of the gentleman from Ohio [Mr. LONGWORTH] let me say I understand that Mr. Shearer is an inventor. I do not care to say anything that would reflect upon him; but he seems to speak for those who are engaged at this time in propaganda to inflate the size of the Navy, the direct result of which would mean the purchase of more equipment, the expenditure of incalculable millions of dollars, the building of multiplied types of machinery, of ships, and of munitions of all kinds in another wild race for competition in world armaments. I want to say this, further, with regard to Mr. Shearer: His statement that the United States occupies the ratio of 1 to 5 with respect to Great Britain and 1 to 3 with respect to Japan is thoroughly unfounded, thoroughly unsound, and has just as much to substantiate it as though he had said that we occupy the ratio of 1 to 5 with France upon the sea, because it happens that from the standpoint of airplanes alone the French Government has to-day five times as many airplanes as has the United States.

The fact is Mr. Shearer has limited himself to a few factors. You have got to take into consideration a multitude of factors to arrive at the ratio. That is precisely what was done by the gentlemen at the Limitation of Armament Conference. They did not count on battleships alone, they did not count on cruisers alone, they did not count on oil supply alone, they did not count on bases alone, they did not count alone on submarines or upon destroyers, but they took into consideration the entire establishment, ships and guns, bases and supplies, munitions and facility to mobilize—in fact, all the facilities of the United States in comparison with those of Great Britain and those of Japan, in some of which we are outranked by Great Britain, in some of which we are outranked by Japan, but in all of which we measure up to what we ought to measure up—the ratio of 5–5–3. [Applause.]

I yield now to the gentleman from Illinois.

Mr. MADDEN. Mr. Speaker, I just want to say, in addition to what my colleague on the Committee on Appropriations has said, that after Shearer made the statement that the United States has one unit in some things connected with the Navy against five units of other nations, when you go to check that up you find that we have five of those units and the other nations have one. Is not that true, for example, in storage-space for oils and fuel?

Mr. FRENCH. You find the comparisons adverse to them in some cases. For instance, take it in submarines; we have the strength of the combined submarine forces of both Great Britain and Japan, and the same is true of destroyers.

Mr. MADDEN. And in the matter of storage space for the fuel supply we have five times the storage space of any other nation, have we not?

Mr. FRENCH. No; I would not put it that strong. I do not think that is quite an accurate statement when applied to storage owned by the Government; but, on the other hand, private interests own vast storage facilities which in event of war would be at the command of the United States. Let me say that the United States is a compact, great Nation. The heart of the British nation is in the British Isles. Great Britain needs storage there. If the home storage should be cut off or if the isles should be cut off from the outlying possessions, Great Britain would be on her back, and the same is true of Japan. The United States, however, compact as she is, with her immense resources of fuel and fuel oil at home, with the storage capacity of private institutions along both our coasts and in the interior, is incomparably rich from the standpoint of fuel oil in comparison with either Great Britain or Japan.

Mr. MADDEN. And the statement which Shearer made was absolutely untrue in respect of all those things.

Mr. FRENCH. It is untrue and it is misleading.

Mr. LAZARO and Mr. LAGUARDIA rose.

Mr. FRENCH. I yield first to the gentleman from Louisiana [Mr. LAZARO].

Mr. LAZARO. Does the gentleman know that upon the recommendation of the Navy Department we appropriated $6,500,000 to raise the elevation of the guns on certain battleships of our fleet? Why was this money returned to the Treasury and why was not the range of these guns increased to meet the range of other ships of other nations?

Mr. FRENCH. I made a statement on that point during the general consideration of the bill and I will repeat it briefly. When the representations were made by the department to the committee, upon which the Congress a year ago appropriated $6,500,000, it was with the understanding on the part of the Navy Department that the guns of the British Navy would outshoot our guns 5 or 6 miles, and further it was understood that the British had made changes in gun elevations following the armament conference. After the appropriation had been made the Navy Department discovered that the statements just referred to and upon which it thought it had the right to reply were not accurate; that no alterations in gun elevations had been made subsequent to the conference, and that although some of the guns could outshoot some of our guns to the extent of 2 or 3 miles, the situation was not as extreme as it had been represented. The Navy Department did not expend the money, and the Secretary said that he did not propose to expend it without coming to the Congress and receiving a fresh authorization upon the basis of the best information they had before them.

Mr. LAZARO. Then you admit they have a range of between 2 and 3 miles more than our guns, do you not?

Mr. FRENCH. Some of their guns; yes. Five of our ships have a superior range to the British ships, while, on the other hand, they outrange us on 13.

Mr. LAZARO. Why should that be the case?

Mr. FRENCH. Were that the only factor, it should not be. They had that range prior to the Limitation of Armament Conference. That was one of the factors that we must assume was not overlooked by those who were members of the conference commission that drafted the treaty.

Mr. LAZARO. Is it not true that some of the battleships are coal burners and lack the speed that the other ships have?

Mr. FRENCH. Yes; we have six coal burners; but let me also remind the gentleman that from the standpoint of battleships a few of the British ships probably outclass ours, but the bulk of ours outclass the British battleships; and the Assistant Secretary of the Navy, Colonel Roosevelt, when he was before our committee made the statement to us that on the whole he regarded the battleships of the United States as superior to the battleships of Great Britain.

Mr. LAZARO. What about plane carriers? How many have we?

Mr. FRENCH. We have one plane carrier completed. We have two others in course of construction.

Mr. LAZARO. Suppose we should divide the fleet between the Atlantic and the Pacific. You would only have one plane carrier.

Mr. FRENCH. We have two that are being built.

Mr. LAZARO. They are being built; yes.

Mr. FRENCH. Let me refer further, if the gentleman will permit, to a statement quoted by Colonel Roosevelt to our committee referring to the state of our battleships in comparison with the battleships of Great Britain. I asked Colonel Roosevelt this question:

> Mr. FRENCH. Is it true that on an average our capital ships are more modern and are a better ship in every way than the British ship?
>
> Colonel ROOSEVELT. Yes; on an average.

Quoting Colonel Roosevelt further:

> I remember the expression used by Admiral Chatfield (British officer) at the time we were talking about that. He said: "The tail of your column is not as good as the tail of our column, but the body of your column and the head of your column are very much better than any of the rest of our column.

And if the gentleman will go further and if he will read the judgment of experts on the British side, those experts will insist that we got the better of the bargain in the arrangement that was made. Gentlemen must remember that there are those

in Great Britain who are urging larger and still larger naval budgets. British critics contend that on an equal parity with the United States as to ships and munitions and fuel the United States would be twice as strong as Great Britain, because she is far flung and we are compact.

Mr. LAZARO. I will be frank; I will say that we got the little end of it in the Conference on the Limitation of Armament.

Mr. FRENCH. Now I yield to the gentleman from Texas [Mr. CONNALLY].

Mr. CONNALLY of Texas. I ask this question not in any sense of criticism of Colonel Roosevelt. I do not believe this man Shearer—I do not know him and do not care anything about him. My statement is directed to the fact that the Assistant Secretary of the Navy had given a public statement that the ratio of the navies at the present time were 5 for Great Britain, 4 for the United States, and 3 for Japan. Now, I want to know whether that fact is attributable to the fault of the Navy Department or to the fault of the Appropriations Committee of this House in not making appropriations. I, for one, took some little part in urging the disarmament conference being called. Now that we have a treaty, I want to see the United States Navy maintained at the highest possible efficiency under that treaty. I want to know why it is—whether through the Department of the Navy, the Appropriations Committee, or Congress—we have permitted the Navy to deteriorate until it occupies a place of 4 to Great Britain's 5.

The gentleman from Idaho said a moment ago that the Assistant Secretary said it was true as to battleships. Well, we all know that Japan and Great Britain both excel us in the number and quality of cruisers, so that if we are deficient in fast cruisers and only occupy a place of 5–4–3 in battleships our Navy can not be equal to that of Great Britain. That is my only interest. I am not trying to make capital out of this matter. I think we should keep the Navy up to the highest point of efficiency, and Great Britain or Japan or no other country ought to be permitted to maintain a Navy superior to ours, because that is the whole theory of the disarmament conference. [Applause.]

Mr. FRENCH. The gentleman from Texas does not differ from the members of the Appropriations Committee in that regard.

The fact is that Congress has appropriated money to maintain the ratio as provided. I quoted Colonel Roosevelt awhile ago when he referred to the breakdown of the four battleships, and after he had discussed that he said "this reduces the ratio to 5–4," or, in other words, by taking the four battleships out of the line.

Mr. CONNALLY of Texas. Does that mean that it is going to be corrected?

Mr. FRENCH. Surely; and it is being corrected. The money is in the Treasury for the repair of three battleships which will be in line by the 1st of July. As to the other one, the *Florida*, the repairs are being postponed until we can see whether or not the Congress will pass the bill reported from the legislative committee, in order that we may not spend money in bringing the ship back into condition when within six months we may have to tear out the machinery and replace it again with oil burners or coal burners, as the case may be. Now I will yield to the gentleman from Alabama.

Mr. OLIVER of Alabama. Mr. Speaker, in reply to the question of the gentleman from Texas [Mr. CONNALLY], I wish to make a brief statement in reference to the bill now under consideration, and to read some excerpts from the hearings which the committee held on the 1924 naval appropriation bill. As to the bill before us the subcommittee went out of its way in search of information as to what money was needed to put the fleet in condition over and above the amount recommended by the Bureau of the Budget. Inquiry of Admiral Robinson discloses that additional funds were necessary, and you will recall that the House approved the action of the committee in recommending an appropriation in excess of the amount allowed by the Bureau of the Budget for ship repairs. In preparing the appropriation bill for 1924—the present year—the committee likewise were very careful to inquire of the Secretary of the Navy, when he appeared before the committee with the heads of the different department bureaus, whether any additional funds were needed to put the fleet in condition, and I invite your careful attention to some questions which I asked the Secretary at that time, and which you will find on pages 10 to 14, inclusive, as reported in the printed hearings on the 1924 bill. Let me here read some of the questions asked the Secretary at that time and the substance of his replies:

Mr. OLIVER. Mr. Secretary, in your general statement you referred to the fact that while you acquiesced in the Budget estimates, yet perhaps you had reluctantly acquiesced, and I recall that press reports indicated that your reluctance might have been interpreted as being somewhat of a protest at the time you had the discussion. Now, I am interested to know what special items in the estimates you feel are really too small in order for the Navy to be maintained on an efficient basis.

Secretary DENBY. Well, I should hate to endeavor to give that, because there would be a considerable number of items. There were certain items involving policy which, while reluctant to see go, I acquiesced in eliminating. I do not want to have you understand that my reluctance went to the extent of actual failure to meet the mind of the Director of the Budget. I did meet his mind and acquiesced in this bill because of the very great pressure from all sides to economize to the utmost extent possible, otherwise I certainly should not have acquiesced in the report of the Director of the Bureau of the Budget. I did acquiesce in it for the reason that the country seemed to be so very, very deficient in money, and from this committee and from other sources there has come the stern demand that the Navy, as well as other departments of the Government, should cut down.

Mr. OLIVER. I think that, of course, is entirely commendable and proper; but I was interested to know if, in your judgment, there were any items on which you did finally yield about which you entertained very grave doubts as to the propriety of your having yielded from the standpoint of naval efficiency during the coming year.

To this question his reply was "no," and he made some objection to the word "propriety" included in the question.

In using the word "propriety" in my question I intended to have it carry the significance of wisdom, whether or not it was wise to acquiesce in that, and I was led to ask you these questions simply because of repeated statements in the press. I do not know to what extent they were authorized or justified, but they said there was a disposition on the part of the Secretary, as well as the heads of the bureaus, to indicate that acquiescence in some of the cuts made by the Budget officer would really work serious hurt to the Navy, in all probability, and if that is correct and grave doubts are entertained as to the wisdom of acquiescence in some of the insistencies on the part of the Director of the Bureau of the Budget, I felt the committee would like to know it.

He replied there was not. I then asked him this question:

So far as you now feel, there were no reservations to the acquiescence you gave to the Budget estimates that were sufficiently potent and strong as to make it necessary to reopen matters in the Senate after we pass the bill in the House?

His reply was in the negative.

Then the following further questions were asked:

Mr. OLIVER. I had no desire by my questions to reopen any matters that had been agreed on between you and the Director of the Budget unless you or the officers who are your coadvisers feel that some matters should be brought directly to the attention of the committee. As I said a few minutes ago, I was led to make my inquiries because of repeated assertions that there had been some unwise yielding, and that is why I want the committee at least to have the benefit of any information you feel should be communicated to it.

Now, I want to ask this pointed question: Is there anything known to the Navy Department as to the new construction program of any of the other powers that would now suggest the wisdom of appropriating for new construction in our Navy, for any particular devices on the ships, or for any particular service?

Secretary DENBY. Personally, I do not know that there is; but remember, Mr. OLIVER, that the statement applies only to this year.

Mr. OLIVER. So far as you now feel, there were no reservations to the acquiescence you gave to the Budget estimate that were sufficiently potent and strong as to make it necessary to reopen certain matters in the Senate after we pass the bill in the House?

Secretary DENBY. No.

Mr. WATKINS. I have not yet heard an answer to the question of the gentleman from Texas, and that is whether the purport of the interview of the Assistant Secretary of the Navy was true, that the ratio now is 5–4–3 instead of 5–5–3. Is that true or not?

The question of the relative strength of our fleet with that of England and Japan will be fully discussed when the legislative bill which seeks to authorize further construction of vessels is taken up in the House. I understand that the bill will probably come before the House next week. You will find that many misleading and inaccurate statements have been made as to the size and strength of our own Navy. You will also find a wide divergence of opinion among both experts and nonexperts as to what our Navy now most urgently needs. It is not a well-rounded Navy, and there is sharp difference

of opinion in and out of the service as to the relative value of present-day types of naval weapons. The need of the fleet for certain types of ships is admitted, and the legislative committee will probably urge that Congress authorize the building of modern cruisers within the limits of the treaty, and which, you will be pleased to find—though carrying only 8-inch guns with a 10,000-tonnage displacement—are very powerful vessels and superior to some of the battleships probably that we now have. If this claim be true, you will find it due largely to the rapid advance in marine engineering.

Mr. WINGO. Mr. Speaker, will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. WINGO. I want the gentleman's judgment as to what is the ratio of the three navies measured by their cruiser strength.

Mr. OLIVER of Alabama. Unquestionably, both England and Japan are stronger. As the gentleman knows, when the peace treaty was agreed to, we had building six modern battle cruisers. No country in the world had ever designed such efficient and powerful weapons of that type. The cruisers would have had a speed of about 35 knots, would have carried 16-inch guns, and were conceded to be the most powerful battle cruisers ever designed for the navy of any country. The American conferees agreed to scrap all of these six cruisers.

Mr. WINGO. What conferees?

Mr. OLIVER of Alabama. The peace conferees.

Mr. WINGO. That was at the Limitation of Armaments Conference?

Mr. OLIVER of Alabama. Yes; and as you recall, we were authorized to convert two of the battle cruisers into airplane carriers, but were limited to small guns being placed thereon.

Mr. WINGO. Is this true, that from the viewpoint of those who hold that the modern battle cruiser is really the backbone of the fleet, the ratio maintained is such that we are third instead of equal?

Mr. OLIVER of Alabama. The legislative committee recognize that we need additional modern cruisers, with speed and wide radius of action, and for that reason are asking Congress to authorize the building of 10 cruisers of that type. It is to correct the deficiency which the gentleman calls attention to.

Mr. WINGO. I have asked about battle cruisers. Take the battleships, the submarines, and the air service. What is the ratio on each of those, in the gentleman's judgment?

Mr. OLIVER of Alabama. The gentleman from Idaho [Mr. FRENCH] has just made an interesting statement as to the relative strength of the battleships. As to destroyers and submarines, we are stronger than either England or Japan, and when the aircraft carriers are completed we will have added greatly to the strength of our fleet. Then you must remember that we are modernizing our battleships and some of our cruisers and destroyers by providing them with aircraft.

Mr. WINGO. We are not equal to Japan and England in aircraft, are we?

Mr. OLIVER of Alabama. I would say that we are stronger than Japan but not equal to Great Britain.

Mr. VINSON of Georgia. Mr. Speaker, will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. VINSON of Georgia. The gentleman just stated that experts, some at least, take the position that the modern 10,000-ton scout cruiser will be equivalent to battleships with 12-inch guns. I wish the gentleman would enlighten the committee as to what experts, what naval officers, have testified that a 10,000-ton cruiser with 8-inch guns is as effective as a twenty or thirty thousand ton battleship with 12-inch guns.

Mr. OLIVER of Alabama. I refer the gentleman to a statement by the Secretary before the committee on December 19, 1923, in which he discusses the fighting efficiency of the modern 8-inch gun scout cruiser. Naval officers were present with the Secretary, and I assume acquiesced in the statement that he then made and which you will find on page 6 of the hearings.

Mr. VINSON of Georgia. The gentleman further knows that Great Britain has 35 scout cruisers and Japan 28 scout cruisers. The United States, including those that are building, has only 10 scout cruisers.

Mr. OLIVER of Alabama. Yes.

Mr. VINSON of Georgia. And, therefore, we are far below the other nations in regard to scout cruisers.

Mr. OLIVER of Alabama. I think the gentleman's statement is correct.

Mr. CONNALLY of Texas. Mr. Speaker, will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. CONNALLY of Texas. The gentleman has read to us from the testimony of the Secretary of the Navy.

Mr. OLIVER of Alabama. Yes.

Mr. CONNALLY of Texas. Did not the Secretary admit in the hearing before the committee that he had not asked Congress for the appropriations that he thought were really necessary to maintain the fleet properly because the Budget Bureau, this expert in naval affairs, had asked him not to do it?

Mr. OLIVER of Alabama. He did not go so far as that.

Mr. CONNALLY of Texas. Did he not say that he yielded to the Budget Bureau?

Mr. OLIVER of Alabama. Yes; in the interest of economy, he stated, he had yielded some demands which otherwise he would have made.

Mr. CONNALLY of Texas. That is a matter of policy. It is a matter of policy whether you will maintain the fleet up to the 5–5–3 ratio, and the effect of the Secretary's testimony is that he permitted the Budget Bureau to override the Navy Department on a matter of policy.

Mr. OLIVER of Alabama. The House will probably be interested in knowing that our Navy is composed to-day of the following principal combatant units:

Battleships, first line	18
Cruisers, second line	11
Light cruisers, first line	10
Light cruisers, second line	16
Aircraft carrier, second line	1
Mine layer, second line	1
Destroyers, first line	281
Destroyers, second line	21
Light mine layers (formerly destroyers)	14
Submarines, first line	93
Submarines, second line	27
Fleet submarines, first line (building)	6

In addition there are numerous patrol vessels, destroyer tenders, submarine tenders, aircraft tenders, repair ships, store ships, colliers, oilers, ammunition ships, cargo ships, transports, hospital ships, tugs, mine sweepers, naval district and navy-yard craft, which I will not here enumerate, but which will be enumerated in the hearings by the Chief of Naval Operations.

The 10 light cruisers of the second line are obsolete vessels, and practically we consider them fit only for duty in time of peace, to serve as special service squadrons, for instance, for carrying the flag, policing, and so forth. Strictly speaking, they lack speed and they lack armor. They are not modern vessels and they are not really effective cruisers. They would not be effective in battle.

Mr. FRENCH. Mr. Speaker, I yield three minutes to the gentleman from Pennsylvania [Mr. BUTLER].

Mr. BUTLER. Mr. Speaker, if the gentlemen here who are burning up with anxiety will possess themselves in patience until to-morrow, one week, we will give them a chance to show how much nerve they have and how much they care for the national defense.

Then we will ask you to vote an appropriation of $150,000,000 to bring our fleet up; we will ask you to vote eight ships of 10,000 tons each, costing when completed by 1930, $15,000,000 apiece, unless the price goes up, and then we will ask you to give $18,000,000 for the purpose of bringing up six of our big ships, and then we will have 5–5–3.

Mr. CONNALLY of Texas. Then we are not 5–5–3 now?

Mr. BUTLER. We are 5 and a fraction above 4.

Mr. CONNALLY of Texas. I am not opposing——

Mr. BUTLER. The gentleman never has been opposed to the national defense. He and I have had friendly discussion in this place; he has never been opposed to it; but I will tell the gentleman he can get a complete answer in detail if he will come to the committee room of the Committee on Naval Affairs. However, I desire to say that to-morrow week we will ask the House to bring our Navy up to 5–5–3, whereas we are now 5 and a fraction above 4–3.

Mr. FRENCH. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The question was taken, and the conference report was adopted.

Mr. FRENCH. Mr. Speaker, there are several amendments that we have brought back to have voted on by the House which were agreed to in the conference committee.

The SPEAKER pro tempore (Mr. CHINDBLOM). The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 8, page 13, after line 25, insert: "*Provided further*, That members of the Volunteer Naval Reserve may, in the discretion of the Secretary of the Navy, be issued such articles of uniform as may

be required for their drills and training, the value thereof not to exceed that authorized to be issued to other classes of the Naval Reserve Force and to be charged against the clothing and small-stores fund: *Provided further*, That until June 30, 1925, of the Organized Militia as provided by law, such part as may be duly prescribed in any State, Territory, or for the District of Columbia shall constitute a Naval Militia; and until June 30, 1925, such of the Naval Militia as now is in existence, and as now organized and prescribed by the Secretary of the Navy under authority of the act of Congress approved February 16, 1914, shall be a part of the Naval Reserve Force, and the Secretary of the Navy is authorized to maintain and provide for said Naval Militia as provided in said act: *Provided further*, That upon their enrollment in the Naval Reserve Force, and not otherwise until June 30, 1925, the members of said Naval Militia shall have all the benefits, gratuities, privileges, and emoluments provided by law for other members of the Naval Reserve Force; and that, with the approval of the Secretary of the Navy, duty performed in the Naval Militia may be counted as active service for the maintenance of efficiency required by law for members of the Naval Reserve Force."

Mr. FRENCH. Mr. Speaker, I move to recede and concur with an amendment which I have sent to the Clerk's desk.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Mr. FRENCH moves to recede and concur with an amendment as follows: In line 1 of the matter inserted by said amendment, after the word "that," insert the following: "until June 30, 1925."

The question was taken, and the motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 25, page 25, line 14, after the word "schools," strike out "built at ordnance stations pursuant to authority contained in the act entitled 'An act to authorize the President to provide housing facilities for war needs, approved May 16, 1918,'" and insert: "At ordnance stations at Indianhead, Md., Dahlgren, Va., and South Charleston, W. Va."

Mr. FRENCH. Mr. Speaker, I move to recede and concur with an amendment.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

At the beginning of the matter inserted by said amendment insert the following: "During the fiscal year 1925."

Mr. BLANTON. Mr. Speaker, will the gentleman yield? That does not change the $9,000,000?

Mr. FRENCH. No; it is limited to the coming fiscal year.

Mr. BLANTON. That is all that it could be limited to anyway. This is an appropriation bill.

The SPEAKER pro tempore. The Chair will state the amount is not in dispute. The Clerk inadvertently read the amount.

Mr. BLANTON. That amount was not put in by the conferees?

Mr. FRENCH. No; that amount is not in dispute at all.

Mr. BLANTON. That is a Senate amendment?

Mr. FRENCH. Yes. The Senate amendment limits the expenditure to the three places mentioned.

Mr. BLANTON. It was not put in by the House. In other words, the conferees agreed on it?

Mr. FRENCH. No; the House put in substantially that, but referred to it by referring to the act of May 16, 1918.

Mr. BLANTON. But did not authorize the expenditure of $9,000,000?

Mr. FRENCH. Yes. But let me say to the gentleman the effect of the Senate amendment is to limit it to these three places. If the Senate amendment had not been included, while members of the committee did not think the Navy Department would abuse the appropriation, the Senate felt that it should be tied down specifically to the three places.

Mr. BLANTON. I would like to ask the gentleman a very pertinent question: After the ideas of the House conferees are carried like they want them carried in respect to this conference, how much more will there have been added to this bill by the Senate?

Mr. FRENCH. One hundred and sixty-four thousand dollars.

Mr. BLANTON. One hundred and sixty-four thousand dollars?

Mr. FRENCH. Above the amount as passed by the Senate.

Mr. BLANTON. I am talking about the amount as passed by the House. How many million dollars have been added to this bill by the Senate in addition to the amount which it carried when it passed the House?

Mr. FRENCH. Three million ninety-two thousand two hundred dollars.

Mr. BLANTON. And that is about the case with respect to every bill that is sent from the Senate.

Mr. FRENCH. Well, let me say this: The Senate was very generous to the House naval appropriation bill and did not increase the items that some had feared the Senate might.

Mr. BLANTON. It increased it nearly three and a half million dollars.

Mr. FRENCH. That is true.

Mr. BLANTON. That is a small item, a mere bagatelle, and is not worthy of consideration.

Mr. FRENCH. It is not a mere bagatelle; but, on the other hand, the Senate is a coordinate branch of the machinery of our Government.

Mr. BLACK of New York. Mr. Speaker, will the gentleman yield?

Mr. FRENCH. Yes.

Mr. BLACK of New York. The gentleman has repudiated the expert standing of Mr. Shearer, who was quoted on the floor here as a naval authority, and has accepted the authority of some foreign officer on the condition of our Navy. Has the conference added to the amount in this bill all it could to bring our Navy up to the condition which it should be in, based on the strictures made upon our own Navy by our own admiral, Admiral Coontz?

Mr. FRENCH. The conferees did not have legislative authority. What we had to do was to consider the bill with respect to the action of the two Houses.

Mr. BLACK of New York. Did you do all you could under your authority to meet the criticism of Admiral Coontz?

Mr. FRENCH. We could have allowed items to stay in that were put in by the Senate, and the Senate could have permitted items that we put in to remain, but which they struck out. That would have modified the sum total. But I have no doubt the conferees carried out substantially the ideas of both Houses. But as to discrediting the statement of Mr. Shearer, I did not discredit him; he discredited himself in making the wild and extravagant statements that he made.

The SPEAKER pro tempore. The question is on agreeing to the motion of the gentleman from Idaho.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Senate amendment No. 28: Page 29, line 2, strike out "*Provided further*, That no part of the funds appropriated by this act shall be utilized for the pay of any officer or man who may recruit or enlist any boy under the age of 21 years without the written consent of the parent or guardian, if any, of such boy for such enlistment."

Mr. FRENCH. Mr. Speaker, I move to recede and concur with an amendment.

The SPEAKER pro tempore. The gentleman from Idaho moves to recede and concur with an amendment, which the Clerk will report.

The Clerk read as follows:

Restore the matter stricken out by said amendment, amended to read as follows: "*Provided further*, That hereafter upon the presentation of satisfactory evidence as to his age and upon application for discharge by his parent or guardian presented to the Secretary of the Navy within 60 days after the date of his enlistment any man enlisted after July 1, 1924, in the naval service or Marine Corps under 21 years of age, who was enlisted without the written consent of his parent or guardian, if any, shall be discharged for his own convenience."

Mr. FRENCH. The effect of the amendment is to provide that hereafter, upon satisfactory evidence as to his age, upon application for discharge of a young man under 21 years of age, if made by his parent or guardian and presented to the Secretary of the Navy within 60 days of enlistment in either the Navy or Marine Corps, he shall be discharged by the Navy Department.

Let me say that this language is the language which the gentleman from Texas [Mr. CONNALLY], together with the ranking minority member of the committee [Mr. BYRNS], and myself worked out, with the exception of the words "July 1, 1924," and also the words "the Marine Corps." Those two minor provisions of the bill I submitted at a later date to the gentleman from Texas, as I think he will recall, and I understood they met his approval.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. FRENCH. Yes.

Mr. BLANTON. Why put in those words "July 1, 1924"?

Mr. FRENCH. There are some 65 different enlistment stations of the Navy throughout the country and a number of Marine Corps enlistment stations, and some 600 or 700 officers and men engaged in recruiting work. The time between now and July 1 is very short, and the Navy felt that from the standpoint of the service the time would be inadequate within which to prepare forms and instructions for the government of the service, and that a definite date to begin would be more satisfactory.

Mr. OLIVER of Alabama. And this bill, of course, applies to the fiscal year 1925, and the fiscal year begins on July 1, 1924.

Mr. BLANTON. I move to strike out the words "July 1, 1924."

The SPEAKER pro tempore. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON to the amendment offered by Mr. FRENCH——

Mr. FRENCH. Mr. Speaker, I did not yield to the gentleman to offer an amendment. I yielded to him for a remark that I thought he wanted to make.

Mr. BLANTON. There are 435 Members here. Does the gentleman intend to preclude us from offering amendments? We have a right to be heard as well as the gentleman. We have as much responsibility as he has as a Member of Congress. I presumed when he yielded to me he yielded to me for all purposes. I do not believe in filibustering, and I am not going to waste any time. If the gentleman does not want this amendment all right.

Mr. FRENCH. I am glad to have it voted on, but I am anxious to hurry on with the bill. That is all.

Mr. BLANTON. Mr. Speaker, I withdraw my motion.

The SPEAKER pro tempore. The gentleman from Texas withdraws his motion. The question is on agreeing to the motion of the gentleman from Idaho.

Mr. FRENCH. Mr. Speaker, I yield three minutes to the gentleman from Texas, the author of the amendment.

Mr. CONNALLY of Texas. Mr. Speaker, you will recall when this bill was originally before the House I offered an amendment which was adopted, providing that no part of these funds should be used to enlist boys under 21 years of age. The effect of that amendment was to continue simply for one year. It was only given as a limitation on the appropriation. It would expire on July 1, 1925, and then we would have to go through that process each year to put on that limitation.

Mr. OLIVER of Alabama. And it would apply only after July 1 this year.

Mr. CONNALLY of Texas. Yes; it would apply only after July 1 of this year, because this bill is only effective after July 1. The bill went into conference, and the conferees came back and talked to me, I suppose, because I had offered the amendment. I know of no other reason. They asked if we could get together on the proposition. We agreed among ourselves that if we could adopt an amendment making this permanent law, so that we would not have to make a fight each year, we would be willing to concede something to the Senate. So the result of that conference was that this amendment was proposed, which provides that any boy under 21 years of age who enlists without his parents' consent can be discharged upon the application of his parents and furnishing evidence in proof of his age, providing the application for discharge was made within 60 days.

Now, that is a very short time, it is true, but these recruits, after they have spent about 60 days in training, are sent to their ships and may be sent to sea, and it would hardly be practicable for the Government to enlist a boy, train him, and then send him over to Europe, have him discharged in Europe and sent back home at the Government's expense. So I rather reluctantly agreed to the 60-day policy. But on the whole I believe this is a good amendment, and since it makes it permanent law, I think the House should agree to it.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. LAGUARDIA. I understand the gentleman's interest in it, but the trouble is that a lot of these youngsters run away from home at 17 and 18, and I have had cases where the families did not know about their being in the Navy in 60 days.

Mr. CONNALLY of Texas. That is the difficulty, and I realize it, but on account of having to get an agreement with the Senate, I thought it would be better to accept it and amend it sometime later.

The SPEAKER pro tempore. The question is on agreeing to the motion of the gentleman from Idaho.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 30, page 33, after line 15, insert: "The Secretary of the Treasury is authorized and directed to transfer from the naval supply account fund an amount not exceeding $100,000 for the establishment of a permanent special working fund, which shall be charged with the net proceeds of all sales of surplus and condemned stores, with refunds to bidders at sales and to special depositors, and with all labor, overhead, material, and services incident to work done not chargeable to naval appropriations, and which shall be credited with all funds received as payment or advances for surplus stores, for condemned stores, and for all expenses incident to work not chargeable to naval appropriations."

Mr. FRENCH. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The SPEAKER pro tempore. The gentleman from Idaho moves that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 31, page 34 of the bill: "The Paymaster General of the Navy is hereby authorized and directed to expend from the naval supply account, without reimbursement to the naval supply account fund, issues made by order of the Secretary of the Navy pursuant to the directions of the President for the relief of sufferers in Japan following the earthquake which occurred September 1, 1923."

Mr. FRENCH. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The SPEAKER pro tempore. The gentleman from Idaho moves that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 40, page 39 of the bill, after line 23, insert: "Quay wall extension (limit of cost, $300,000), $150,000; repair and fitting out pier (limit of cost, $1,190,000), $250,000."

Mr. FRENCH. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The SPEAKER pro tempore. The gentleman from Idaho moves that the House recede and concur in the Senate amendment with an amendment, which the Clerk will report.

The Clerk read as follows:

In lieu of the matter inserted by said amendment insert the following: "Repair and fitting out pier (limit of cost $1,190,000), $250,000; in all, $350,000."

The SPEAKER pro tempore. The question is on the motion of the gentleman from Idaho.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 43, page 40, line 11: Marine railway accessories house, $20,000; roads and walks, extension, $35,000; in all, $233,000.

Mr. FRENCH. Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment.

The SPEAKER pro tempore. The gentleman from Idaho moves that the House recede and concur in the Senate amendment with an amendment, which the Clerk will report.

The Clerk read as follows:

In lieu of the matter inserted by said amendment insert the following:

"Marine railway accesories house, $20,000; in all, $198,000."

The SPEAKER pro tempore. The question is on the motion of the gentleman from Idaho.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 44, page 40, after line 14: Rebuilding power and refrigerating plant, $65,000; rebuilding station wharf, $12,000; in all, $87,000.

Mr. FRENCH. Mr. Speaker, I move that the House recede and concur.

The SPEAKER pro tempore. The gentleman from Idaho moves that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 45, page 41, after line 12, insert: Naval fuel depot, San Diego, Calif.: Storage for war heads, $60,000.

Mr. FRENCH. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The SPEAKER pro tempore. The gentleman from Idaho moves that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 48, page 41, line 25: Dock gear and paint shop, $35,000; storage for torpedoes, $140,000; in all, $190,000.

Mr. FRENCH. Mr. Speaker, I move the House recede and concur in the Senate amendment with an amendment.

The SPEAKER pro tempore. The gentleman from Idaho moves that the House recede and concur in the Senate amendment with an amendment, which the Clerk will report.

The Clerk read as follows:

In lieu of the matter inserted by said amendment insert the following: "Storage for torpedoes, $140,000; in all, $155,000."

The SPEAKER pro tempore. The question is on the motion of the gentleman from Idaho.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 50, page 42, after line 4, insert: "Supply depot, Marine Corps, San Francisco, Calif.: Construction of building, including grading of site, $500,000: *Provided*, That the Secretary of the Treasury is hereby authorized to transfer to the Navy Department a tract of land situated in the city of San Francisco, Calif., consisting of four 50-vara lots fronting 275 feet on the north side of Harrison Street, and extending back, bounded by Spear and Main Streets 275 feet, for use as a site for the building herein authorized."

Mr. FRENCH. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The SPEAKER pro tempore. The gentleman from Idaho moves that the House recede and concur in the Senate amendment with an amendment, which the Clerk will report.

The Clerk read as follows:

In lieu of the matter inserted by said amendment insert the following:

"Supply depot, Marine Corps, San Francisco, Calif.: Construction of extensible building, including grading of site, $500,000, no part of such sum to be obligated until the Secretary of the Navy shall have determined that it is adequate completely to construct, equip, and otherwise make said building ready for occupancy and use, including the preparation and final conditioning of site: *Provided*, That the Secretary of the Treasury is hereby authorized to transfer to the Navy Department a tract of land situated in the city of San Francisco, Calif., consisting of four 50-vara lots fronting 275 feet on the north side of Harrison Street, and extending back, bounded by Spear and Main Streets 275 feet, for use as a site for the building herein authorized."

The SPEAKER pro tempore. The question is on the motion of the gentleman from Idaho.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 51, page 43, strike out "in all, $14,590,000" and insert: "For new construction, buildings, and improvements at air stations at a total cost not to exceed $410,000, as follows: Pearl Harbor, Hawaii, $173,000; Coco Solo, Canal Zone, $237,000; Pensacola, Fla., $150,000; in all, $15,150,000."

Mr. FRENCH. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The SPEAKER pro tempore. The gentleman from Idaho moves that the House recede and concur in the Senate amendment with an amendment, which the Clerk will report.

The Clerk read as follows:

In line 2 of the matter inserted by said amendment strike out "$410,000" and insert in lieu thereof "$560,000."

Mr. RAKER. Mr. Speaker, I did not catch the purport of that amendment.

Mr. FRENCH. The purport of the amendment is to provide for a water-supply system at Pensacola.

It includes the item of $150,000 in the total of $560,000; it corrects an error, that is all.

Mr. RAKER. The gentleman leaves the item as to the air station at Pearl Harbor the same as it is.

Mr. FRENCH. Yes; and at Coco Solo.

Mr. RAKER. That is not changed.

Mr. FRENCH. No; and I would say that as to Pensacola a little later on, either in the next amendment or the subsequent one, we shall offer certain limitations that we feel ought to be attached to the expenditure.

Mr. RAKER. I did not understand that last statement. The Pearl Harbor improvement, as I understand it, is left as it is.

Mr. FRENCH. Yes; and the same thing is true at Coco Solo.

Mr. WINGO. As I understand the change, you merge the principal item into another item.

Mr. FRENCH. Yes; to correct the total and to include in the total the Pensacola item.

Mr. WINGO. The substance of it is the same as the Senate amendment.

Mr. FRENCH. Yes; as a matter of fact, it is the correction of an error.

Mr. WINGO. Yes. In other words, the proposal is agreed to and you perfect the language and put on restrictions and limitations that are thought necessary.

Mr. FRENCH. That is correct.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. FRENCH. Yes.

Mr. BUTLER. Has the gentleman been informed that this House will be asked to authorize the appointment of a select committee to consider a joint air service? Does the gentleman know where he is drifting? Does the gentleman know it is thought desirable to have the question of a joint air service between the Army and the Navy inquired into? How much money does the amendment appropriate for Coco Solo?

Mr. FRENCH. For Coco Solo, $237,000.

Mr. BUTLER. What are they going to do with that there? I think they could get along with less money there. We heard a lot of testimony on it and upon the development of these air fields.

Mr. RAKER. Will the gentleman yield for a question there?

Mr. BUTLER. I have not any time. The time belongs to others.

The gentleman is always very careful, but a good many of us have it in our heads that there might be a very, very great saving if we could have a joint operating service between the Army and the Navy at several of these points, and this is one of them, and now if you are going to spend a lot of money down there, we might as well abandon the whole thing. Therefore it is desirable always, I would suggest, for us to keep in touch with each other. I sat for three or four or five days and listened to a discussion of this matter and now it comes in and is to be disposed of in a few minutes. I am through with the whole business.

Mr. FRENCH. Let me say to the gentleman——

Mr. BUTLER. We have been trying to save some money so we can get some ships and get this Navy off of the land, and now the gentleman's committee comes in here with these great big appropriations to put the Navy on the land. If we listen to them and concede to them all they ask, we will have this whole Navy on the land and they will put the ships on the land before they get through with it. I want ships that will float and not these big naval stations. We have been listening and listening for 45 days to a discussion upon one station. I want the money for the ships.

Mr. RAKER. Will the gentleman yield?

Mr. FRENCH. Let me first refer to the remarks of the gentleman from Pennsylvania, the chairman of the naval legislative committee. The conferees did not have authority to consider the matter to which the gentleman directed attention. The question is raised at this point and projected into the problem by reason of the fact that both the Army and the Navy have air stations that are adjacent.

Mr. BUTLER. Yes; and we are endeavoring to learn whether we can not join them. The Army wants four or five

or six million dollars there, and we want to know whether it is not possible to have a select committee appointed to sit perhaps during the vacation period to determine how we can save money by having joint operation, not joint control; we are not having anything to do with that. I only want to suggest to my friend that there is no use having these naval officials coming here and detaining us for days listening to testimony and then going to the gentleman's subcommittee and detaining them for days and then going over to the Senate and having these things put into the bill. They can go to the Senate first hereafter, so far as I am concerned.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. FRENCH. In just a moment. I want to say to the gentleman from Pennsylvania that the conferees on the part of the House proposed that this money should not be expended either at Coco Solo or at Pearl Harbor unless and upon an arrangement agreeable to the President of the United States.

Mr. BUTLER. I understand that.

Mr. FRENCH. We did that in the absence of the very arrangement to which the gentleman refers and which he would like to see worked out. I am with him. I think we ought to have a working understanding so that we can expend whatever money is to be expended most economically, most efficiently, and so there will not be duplication or overlapping of services.

Mr. BUTLER. Mr. Speaker, I want to say to the gentleman, who works very, very hard and is just as economical as I would like to be, in my judgment, the time has come when we should make an examination of these different places. The Navy now has more than 700 pieces of ground that they either own or rent, and the time has come when we should select these fields in connection with the Army and have joint operation and save a lot of the expense that we are now subjected to for the Navy on the land when we need ships so badly. But I am not raising any question about it. Pearl Harbor will have to be built. It is our outward defense, but we spent days and days listening to the evidence, and now it is all wiped out by going to the Senate and getting the appropriation. I only want to repeat what I have already stated, that hereafter when anything is asked of the committee over which I now preside I shall direct them to go to the Senate and go at once.

Mr. FRENCH. The gentleman asked a moment ago how the money for Coco Solo and Pearl Harbor is to be expended. I have the itemization here. For Coco Solo the amount asked for is $237,000, allocated as follows: Seaplane hangar, $147,000; concrete runway, bulkhead, and beach improvements, $30,000; hydraulic fill, $50,000; and for water, sewage, and electric distribution system, $10,000.

For Pearl Harbor the total asked for is $173,000, allocated as follows: Seaplane hangar, $140,000; beach improvements and runway, $33,000.

Mr. LAGUARDIA. What the gentleman from Pennsylvania says is absolutely correct. The mistakes we have been making since the war is to appropriate funds for aviation for the Army and to appropriate for aviation for the Navy, and as long as we continue to appropriate for them we are getting nowhere. The trouble is that if we continue to appropriate for the Air Service in this way a great many officers seated in comfortable chairs in their office will not take the air. They do not want to do that. I suggest that we stop appropriating until they get together and develop an Air Service for the good of the country and not for the comfort of the present officers.

Mr. RAKER. Will the gentleman yield for a question?

Mr. FRENCH. I will though I am anxious to get through.

Mr. RAKER. Referring to the air situation at Pearl Harbor, it is on an island. The Navy and the Army are on the same island with only a dividing imaginary line between them. The discussion that they should be combined is a good deal of imagination; they use the entire equipment for the efficiency of the Army and for efficiency of the Navy, and the only question is whether we should keep both so that we can have a good Air Service.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Idaho to recede and concur with an amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will read the next amendment.

The Clerk read as follow:

Senate amendment 52, line 17, after the word "aeroplanes" insert: "*Provided*, That the Secretary of the Navy is hereby authorized to consider, ascertain, adjust, determine, and pay out of this appropriation the amounts due on claims for damages which have occurred or may occur to private property growing out of the operations of naval aircraft, where such claim does not exceed the sum of $250: *Provided further*, That all claims adjusted under this authority during the fiscal year shall be reported in detail to the Congress by the Secretary of the Navy."

Mr. FRENCH. Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Mr. FRENCH moves to recede and concur with an amendment as follows: After the word "*Provided*," in the first line of said amendment, insert "*further*."

The SPEAKER pro tempore. The question is on the motion of the gentleman from Idaho.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Senate amendment 53: On page 44, at the top of the page insert: "The Secretary of the Navy is authorized, when directed by the President, to accept on behalf of the United States, free from encumbrances and without cost to the United States, the title to such lands as he may deem necessary or desirable in the vicinity of Pensacola, Fla., for use as a site and right of way for the construction and maintenance of a pumping station, wells, and pipe line to provide a suitable water supply for the United States naval air station, Pensacola, Fla."

Mr. FRENCH. Mr. Speaker, I move that the House recede and concur with an amendment.

The Clerk read as follows:

Mr. FRENCH moved to recede and concur with an amendment as follows: After the word "Florida," in the last line of said amendment, insert the following: a semicolon, "and such additional water supply is hereby authorized: *Provided*, That the sum of $150,000 hereinbefore appropriated for new construction buildings and improvements at the air station, Pensacola, Fla., shall not be available until the Secretary of the Navy shall determine that in his judgment a water system capable of furnishing an adequate supply of water for such station can be completed within the limit of the funds herein provided, and until the Secretary of the Navy, at the direction of the President, has accepted the conveyance of land and rights of way as herein authorized."

Mr. BUTLER. Mr. Speaker, I would like to ask the gentleman from Idaho: Can the gentleman determine how much in the end this is going to cost?

Mr. FRENCH. We have fixed the limit at $150,000.

Mr. BUTLER. I know, but the gentleman knows that we can raise the limit.

Mr. FRENCH. We have directed that none of it shall be expended until it is determined.

Mr. BUTLER. Did you learn how much they would like to have?

Mr. FRENCH. Yes; this was figured on the amount they asked for, and it was the judgment of the conferees that it was a very liberal figure. We figured it on the basis of material, of boring the wells, of putting in the power plant, and from the several angles we could not see how it could approach the amount asked for, and yet we thought we were justified in leaving it at the figures we have attached to the amendment.

Mr. BUTLER. I want to say to the House that you might as well abolish the legislative Naval Affairs Committee. This bill is packed full of limitations, and here comes another. I did not vote for the rule that took the authority away from the Naval Affairs Committee.

Mr. FRENCH. This is a limitation rather than legislation.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Idaho to recede and concur with an amendment.

The question was taken, and the motion was agreed to.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. SMITHWICK] may proceed and speak on the amendment we have just adopted.

Mr. WINGO. I object.

The SPEAKER pro tempore. The Clerk will read the next amendment.

The Clerk read as follows:

Amendment 54: After line 18, on page 44, insert: "No part of any sum in this act appropriated shall be expended in the pay or allowances of any commissioned officer of the Navy detailed for duty as professor or instructor at the United States Naval Academy to perform the duties which were performed by civilian professors or instructors on January 1, 1922, whenever the number of civilian professors

or instructors employed in such duties shall be less than 65, exclusive of masters and instructors in swordsmanship and physical training: *Provided*, That in reducing the number of civilian professors no existing contract shall be violated: *Provided further*, That no civilian professor, associate or assistant professor, or instructor shall be dismissed, except for sufficient cause, without six months' notice to him that his services will be no longer needed."

Mr. FRENCH. Mr. Speaker, I move to recede and concur with an amendment which I send to the desk.

The Clerk read as follows:

Mr. FRENCH moves to recede and concur with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "Until June 30, 1925, if for any cause the number of civilian professors or instructors employed in the United States Naval Academy, on January 1, 1924, shall be reduced, after such latter date no commissioned officers of the Navy shall be detailed or allowed to teach the subject or subjects theretofore taught by said civilian professors or instructors whose service in connection with the academy may have been so terminated: *Provided*, That in reducing the number of civilian professors no existing contract shall be violated: *Provided further*, That no civilian professor, associate or assistant professor, or instructor shall be dismissed, except for sufficient cause, without six months' notice to him that his services will be no longer needed."

The SPEAKER pro tempore. The question is on the motion of the gentleman from Idaho to recede and concur with an amendment.

Mr. DENISON. Mr. Speaker, will the gentleman yield?

Mr. FRENCH. Yes.

Mr. DENISON. Will the gentleman please explain the effect of the amendment?

Mr. FRENCH. In brief, the effect of the amendment is to modify the first paragraph of the language inserted by the Senate, which carries the requirement touching the employment of officer members of the faculty in lieu of civilian members of the faculty after January 1, 1922. We felt that that was incongruous. We felt that the date ought to be brought up to January 1, 1924; and I think the language employed is perhaps a little happier than the language in the current law, used by the Senate. In substance, I have indicated the only change which was made in the amendment.

Mr. DENISON. As I heard it read, there is no limitation at all upon the number that can be dismissed up to January, 1925.

Mr. FRENCH. Oh, yes. We did not fix the number in the amendment for this reason: The academy will need to operate on a smaller basis—a less number of midshipmen during the year 1925. There will be probably 400 less midshipmen next year than this. That adjudication can not be made satisfactorily unless the faculty may be reduced, and we have provided in this amendment that no officer shall be placed on the faculty to take the place of a civilian in work done on January 1, 1924. The gentleman would not want to keep civilians or officer members of the faculty there when their services were not needed.

Mr. DENISON. Certainly not.

Mr. FRENCH. Therefore we felt that we ought not to fix in the bill a limit as to number of faculty members such as was in the bill last year.

Mr. DENISON. The effect of the amendment proposed by the gentleman is that no naval officer shall be detailed to take the place of any civilian professor who is discharged or let out at any time?

Mr. FRENCH. Yes; that states the proposition.

Mr. DENISON. Then, taking the number of civilian professors that were there on the 1st of January this year, they can not be replaced by any naval officer?

Mr. FRENCH. They may be reduced if their work is not needed, but they may not be replaced.

Mr. HILL of Maryland. Mr. Speaker, will the gentleman yield?

Mr. FRENCH. Yes.

Mr. HILL of Maryland. I want to ask the chairman of the subcommittee the same question that I asked him when the bill was originally before the House for consideration, and to which he gave a very definite and clear answer. At that time the chairman of the subcommittee stated that there was nothing in this bill to indicate any intention to remove the graduate school from the Naval Academy to any other place. Does that same situation exist to-day, or does the Senate attempt some change in that regard?

Mr. FRENCH. No; the Senate has not modified the bill in that respect.

Mr. HILL of Maryland. As far as the chairman of the subcommittee knows, from this bill, there is no intention to remove the graduate school from the Naval Academy to any place else?

Mr. FRENCH. No; and the Navy Department assured me that I, as chairman of the subcommittee, would be notified of any report of the commission studying the situation before any action is taken.

Mr. HILL of Maryland. I am very glad to hear that. That is entirely in the interest of efficiency and economy. If this school were removed, it would be against efficiency and economy.

Mr. LINTHICUM. As I understand the report of the commission appointed with reference to this postgraduate school, it has already been made to the Secretary of the Navy.

Mr. FRENCH. It may have been made to the Secretary, but it has not come up in any definite way where action is contemplated, else they would have notified our subcommittee.

Mr. LINTHICUM. I understand that the report has already been made.

Mr. FRENCH. It may have been submitted to the Secretary.

Mr. LINTHICUM. I note that the bill provides that no civilian professor shall be replaced by an officer after January 1, 1924, for work being performed by a civilian officer on January 1, 1924. Have any civilian professors been replaced by officers since January 1, 1924?

Mr. FRENCH. I think not. I have not heard that statement made, and the law under which the Navy is operating the Naval Academy limits the replacement to the work that was done by those other than civilians on January 1, 1922.

Mr. LINTHICUM. The point I am trying to make is that it might have been possible that a certain number of civilian professors had been dropped since January 1, 1924, and officers appointed in their places, which would continue under this bill.

Mr. FRENCH. It has not been brought to our attention, and I think we would have heard of it if such had taken place.

Mr. OLIVER of Alabama. And if any condition such as the gentleman suggests is true this would correct it.

Mr. FRENCH. Yes.

Mr. DENISON. Is this postgraduate school established by authority of law at Annapolis?

Mr. FRENCH. There is general authority in law for carrying forward this type of postgraduate work. The law itself does not fix the work at Annapolis or any other particular place. As the gentleman will probably recall, there are those who are experts or interested in certain lines who are sent to various technical schools for training. Even a limited number are sent abroad for training, but wherever work can be done efficiently at places like the graduate school at Annapolis the department endeavors to administer the funds available so that training can be had there instead of through paying for tuition for these men in professional or technical schools elsewhere.

Mr. DENISON. My question was preliminary to this one: Can the Navy Department move this school from Annapolis without an act of Congress authorizing it?

Mr. FRENCH. My judgment——

Mr. LINTHICUM. I will answer the gentleman that that is in the power of the Secretary of the Navy.

Mr. FRENCH. I have no doubt that is true, but let me say that is the point I had in mind when I asked the department to notify our subcommittee in the event any such action was contemplated and we were assured that that would be done.

Mr. OLIVER of Alabama. The committee by the appropriations which they have made for that purpose have in effect indicated it is not the purpose or the desire of Congress that it shall be removed.

Mr. FRENCH. The appropriation is made, of course, on that understanding. We can not write into law every understanding or you would have in this bill a volume that would be an inch thick, so we have these understandings with the department and I am sure that, generally speaking, they are respected.

Mr. RAKER. Have the civilian professors and inspectors been increased or diminished by this provision?

Mr. FRENCH. Not by this provision. The amount carried in the bill is less than for the current year for the reason that we are decreasing for next year the number of midshipmen by about 400.

Mr. RAKER. Does the effect of this provision increase them or decrease them?

Mr. FRENCH. The effect of the limitation?

Mr. RAKER. Yes.

Mr. FRENCH. The effect of the limitation is not either to increase or decrease, but prevents the ratio from being changed. You might say it is to prevent the substituting of official instructors or teachers for civilian instructors and teachers.

Mr. RAKER. Is that the purpose to keep out as many official instructors or commissioned officers as possible?

Mr. FRENCH. Oh, no; but the thought for years has been that there should be a limited number of civilian instructors and professors there, and a few years ago it was felt that probably it was swinging too much toward the officers, and the House put in a limitation. The committee in reporting the bill to the House struck out the limitation, and it was restated on the Senate side. Now, we have brought in an amendment which is a compromise and much more workable than the Senate amendment but carrying out the general thought.

Mr. RAKER. Equalizing the situation now between the commissioned officers and civilian professors and instructors. Is that about right?

Mr. FRENCH. Yes; that would be a way of expressing it. It prevents substituting officers for civilian instructors.

Mr. RAKER. Has the gentleman at his fingers' end the number of civilian professors and instructors at the academy now?

Mr. FRENCH. Approximately 87. That includes certain athletic instructors, 15.

Mr. RAKER. How many commissioned officers?

Mr. FRENCH. Approximately 120.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Idaho.

The question was taken, and the motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 55: On page 50 of the bill, after line 23, insert: "No money appropriated by this act shall be expended for tranportation on foreign vessels of officers, enlisted men, or employees under the jurisdiction of the Navy Department without a certificate from the Secretary of the Navy or other official authority designated by him that there are no American vessels then available for the transportation of such officers, enlisted men, or employees."

Mr. FRENCH. Mr. Speaker, I move to recede and concur.

Mr. BRITTEN. I would like to know if the committee had before it the figures indicating the amount of money expended on this kind of travel on foreign ships by officers or employees of the Navy Department?

Mr. FRENCH. This was a Senate amendment, and the House committee did not have those figures.

Mr. BRITTEN. I will say to the gentleman, I am very glad this limitation is being carried on an appropriation bill. It should have been in effect a long time ago, because it has been the custom not only of naval officers but of ambassadors and ministers and commercial attachés to travel on first-line foreign ships for reasons best known to themselves when on the same day or in a day or two they could have taken American ships. It might not have been as sporty a one or as classy as the French or British ships, but they were not paying their own fare, the Government was paying it; and I think a limitation of this kind should be carried on every appropriation affecting travel, and I am very glad to see it on this bill.

Mr. BUTLER. Mr. Speaker, I will ask the members of the committee to be patient for a minute. I want to ask the gentleman, because he is well informed—let us turn back to amendment No. 51. I am thinking pretty keenly of what has been done there. Will the gentleman please tell this committee what kind of buildings you have provided for $410,000, and how much these buildings are going to cost? I would like to know the character of these buildings. We have had a little experience——

Mr. YOUNG. Does the gentleman think it is too much or too little?

Mr. BUTLER. Fierce! What kind of buildings are they—officers' houses and quarters?

Mr. FRENCH. No; most of the money will be expended for hangars.

Mr. BUTLER. If for hangars, all right; but if they are going to start officers' houses costing $40,000 for a captain of the Navy, you leave it here and I am going to make some fuss. We have been up against that frequently over here, and we have endeavored to limit it house by house.

Mr. FRENCH. I have the data right at hand here.

Mr. BUTLER. When the gentleman revises his statement let him add the buildings, so that we may know hereafter how the appropriations are made.

Mr. FRENCH. I will put it in. [See p. 9010.]

Mr. BUTLER. Very well.

Mr. OLIVER of Alabama. If the gentleman will permit me, it might be due to Admiral Wilson that I make this statement, that this will be in line with what he stated to the committee would be his policy. There were Members of the Senate who called attention to the fact that he might not be there longer than February next year, and they wanted to be assured that his policy would be strictly adhered to, and they wished that what they were given to understand would be the policy should be inserted in the bill.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Idaho.

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Senate amendment No. 59: Page 54, line 19, strike out "$7,500,000" and insert "$8,450,000."

Mr. FRENCH. Mr. Speaker, I move that the House recede and concur.

The SPEAKER. The gentleman from Idaho moves that the House recede and concur. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Senate amendment No. 60: Page 55, line 2, after the word "treaty" insert "toward the construction of one submarine authorized by the naval act of August 29, 1916."

Mr. FRENCH. Mr. Speaker, I move to recede and concur with an amendment.

The SPEAKER. The gentleman from Idaho moves to recede and concur with an amendment. The Clerk will report the amendment.

The Clerk read as follows:

In lieu of the matter inserted by said amendment, insert the following: "toward the construction of one fleet submarine (mine-laying type) heretofore authorized, to have the highest practicable speed and greatest desirable radius of action, and to cost not to exceed $5,300,000 for construction and machinery and $850,000 for armor, armament, and ammunition, and the Secretary of the Navy shall have prepared plans and estimates of cost of a scouting submarine and a submarine capable of accompanying the fleet, each to have the highest practicable speed and greatest desirable radius of action, such plans and estimates to be in readiness for submission to Congress on the first day of the next regular session."

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. FRENCH. I will be glad to yield.

Mr. BLANTON. Was this recommended by the legislative committee?

Mr. BUTLER. Yes; in 1916.

Mr. FRENCH. This is part of the 1916 program, and the submarine that the Senate provided for is to be a submarine of the mine-laying type, that does not require propulsion necessary for the wider-ranged fleet submarine. We are providing for the construction of one mine-laying submarine under the provisions of the Senate amendment, together with the experimentation looking to the development of an engine adequate for a cruiser type of fleet submarine as provided for by the House.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. Is there objection to the gentleman's request?

There was no objection.

Mr. BLACK of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. OLIVER of Alabama. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

FOSTER DWIGHT COBURN

Mr. LOZIER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD with reference to the death of a great Kansan, Foster Dwight Coburn.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. LOZIER. Mr. Speaker, a few days ago the Associated Press announced the death of Foster Dwight Coburn, in Topeka, Kans. Inasmuch as none of the distinguished Representatives from Kansas has called attention to the home-going of this outstanding citizen, I desire here and now to speak

into the records of this House a few words in recognition and appreciation of this man, who was really great, according to all the standards by which true merit and real greatness are measured. He was not of my State nor of my political faith. But for 20 years he has been an outstanding figure in the realm of American agriculture. I and thousands of others have learned from him wholesome facts in relation to agriculture and animal industry.

Perchance he did not achieve greatness as the world understands that term, but no one who is familiar with his long and useful life will deny that he made a valuable and lasting contribution to those forces that promote the public good and spell the betterment of mankind. As the head of the Kansas State Department of Agriculture, as a dirt farmer, as a writer on agricultural subjects, as a farseeing agricultural expert and seer, and as a militant crusader in commendable agricultural activities and to establish agriculture on a sound economic basis, F. D. Coburn has earned the gratitude of millions to whose welfare his life was dedicated and to whose betterment he has so materially contributed.

In seasons of calamity and distress he gave wise counsel and sympathetic encouragement. In times of prosperity he advised moderation and conservatism, and cautioned against impulsive speculation and ill-considered activities.

His unfailing storehouse of wisdom and common sense was available at all times to the people of Kansas and the great West. He was the great agricultural emancipator of Kansas. His crusade for diversified farming, for alfalfa culture, for increased dairying and poultry production, for better livestock, for simple and sensible marketing systems, not only transformed and rehabilitated the agriculture of Kansas, but overstepped State lines and wholesomely altered and influenced the agricultural activities of the Nation.

F. D. Coburn was the one great outstanding apostle of alfalfa, by the ever-increasing culture of which millions have been added to the wealth of our Nation. This valuable forage plant, a native of Asia, was cultivated in Europe long before the song of the angels echoed over the Judean hills. Alfalfa was introduced into South America by the Spaniards. Its first cultivation in the United States was in California prior to the Civil War. Probably Mr. Coburn did more than any dozen other men to demonstrate the usefulness and value of this plant to the American farmer.

Though born in Wisconsin and residing for a brief season in Missouri, his active life was largely spent in Kansas, to the upbuilding of which State he materially contributed. Kansas did not and could not monopolize the valuable services he rendered to the age in which he lived. Measured by real achievements and enduring accomplishments, Foster Dwight Coburn was the outstanding Kansan of the present generation.

WORK OF COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. LEHLBACH. Mr. Speaker, I ask unanimous consent to extend my remarks by having printed the speech made by the gentleman from Pennsylvania [Mr. EDMONDS] before the American Merchant Marine Association as to the work of the Committee on the Merchant Marine and Fisheries in the last 12 years—his own remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. LEHLBACH. Mr. Speaker, under the leave granted I insert the following speech by Hon. GEORGE W. EDMONDS, of Pennsylvania, before the American Merchant Marine Association, at New York, May 15, 1924, on the work of the Merchant Marine Committee of the House during the past 12 years, and suggestions for the future operation of the Shipping Board and the Emergency Fleet Corporation:

BANQUET OF AMERICAN MARINE ASSOCIATION, MAY 15, NEW YORK

As this is probably the last opportunity I shall have for addressing a body of shipping men as a Member of Congress, I am constrained to trespass upon your time a little to review the past 12 or 13 years' work of the Congress along the lines of interest to you and to ask your indulgence while I give my views of what should be done in the future to retain the hold we have on our export and import trade, thrown into our hands through the exigencies of the World War.

It was in 1911 to 1913 that the Merchant Marine Committee of the House made what is probably one of the most complete investigations of the shipping business ever made by Congress. An investigation directed more at the basic and underlying reasons for the decadence of the American merchant marine than at the actual physical cost of operations. The outstanding result of this investigation was the recognition of conferences and agreements between lines as a necessity in order to control destructive competition, give good service, and to prevent monopoly.

Soon after the war started in Europe, spurred by necessity for shipping facilities, the Merchant Marine Committee prepared and brought into the law the shipping act of 1916, the principal features of which were:

1. Creation of the Shipping Board.

2. Creation of a corporation or corporations to operate merchant vessels.

3. Defined the investigating powers of the Shipping Board, and directed investigation in all lines of endeavor connected with shipping.

4. Recognized conferences and agreements between shipping operations, but arranged for such publicity and restrictions as were deemed necessary to protect the shipping public from discriminations.

5. Prohibited what were termed fighting ships.

6. Provided conditions to govern shipping during war and other emergencies.

7. Provided penalties for foreign shipping who, by agreement or by other methods, discriminated against American shipping.

Following the passage of this act, owing to the peculiar conditions prevailing during the war, Congress through its Merchant Marine Committee in the House and the Commerce Committee of the Senate took upon itself the task of assisting in investigating and legislating upon some of the subjects delegated to the Shipping Board by the shipping act of 1916. There were quite a few subjects touched upon, one of the most important being the marine insurance. This investigation led to the arrangement between all the marine insurance companies in the United States to prepare syndicated policies covering the hull risks, and which I hope some day to see extended to cargo risks. Conditions prevailing, with the London Salvage Co. in practical control of repairs and Lloyd's Bureau in the same position regarding surveys, lend to the committee encouragement of the American bureau of shipping and the American bureau of salvage, both of which institutions now occupy a commanding position among the world's institutions of their kind.

The creation of a secured mortgage which would attract investment also had the attention of the committee, also the advisability of load-line legislation. All of this work was carried on by the committee, besides the numerous questions raised by the war necessities, and many minor subjects which were demanding continual attention.

In 1920 the Merchant Marine Committee of the House prepared the basis of what is now known as the "Jones Act," which was intended to clean up the chaotic condition created by the war and to declare our policy as to the many merchant marine ships now in possession of the Government. The constructive features of this bill were as follows:

1. Declaration of intent to build up a privately owned merchant marine.

2. Port facilities and development investigation ordered.

3. Provided a construction fund to be used to build up such ships as were necessary to balance the fleet for either commercial or war purposes.

4. Placed the Philippine Islands under the coastwise laws when proper facilties were adequate to handle the business.

5. Arranged for tax deductions to meet changed conditions.

6. Arranged for the use of the mail service to build up American-flag shipping.

7. Allowed cargo vessels to carry a limited number of passengers under certain conditions.

8. Recognized the syndicate form of marine insurance.

9. Arranged for a new type of ship mortgages known as "preferred mortgages."

10. Arranged when proper facilities existed that special import and export rates of American railroads should apply to American-flag vessels only.

11. Arranged for the abolishing of treaties which prevented the use of discriminating duties in favor of American vessels.

During this same session of Congress the important suits in admiralty act was prepared and passed, and since that time many different subjects have occupied the attention of the committee, many of which were included in the subsidy bill which, unfortunately, failed, carrying down with it the other proposed aids which would have been so valuable as assistance even without the subsidy.

Recently the attention of the committee has been brought to the pilferage evil, and the necessity of Federal attention to this subject, and also to the world's movement for a uniform and simplified bill of lading, both of which subjects are of great importance to successful ship operation. The destruction of American cargo owing to improper packing and lack of knowledge of this subject, lead at the request of the Merchant Marine Committee to an appropriation to the Department of Commerce for a full investigation of this subject, the results of which will be made public in a few weeks by a very complete book of instructions covering commodities and facilities. Recently, and as a result of investigation, there was passed by the House, and is now before the Senate, the bill which when made a law should provide for our having from 60 to 100 motor ships, the last word in economical operation.

During this period the committee has also made three separate investigations of the subject of radio communication, a general bill now being before Congress which carefully protects all the different interests affected.

It has been a source of great disappointment to us all that the material aids contained in the Jones bill and looked forward to so hopefully by us, of the discriminating duties, expansion of coastwise law to the Philippines, and the application of the import and export rates of railroads to American ships have not been placed in operation, and yet when we consider the disturbed conditions in the world and the impossibility of securing the abrogation of 22 or 24 treaties, containing many different subjects, many of which would lead to disturbing consequences if abrogated without being replaced immediately, we can readily realize that the matter needs careful handling and much consideration by our diplomatic authorities, and diplomatic work of this character is very slow in its consummation.

As to the application of the coastwise laws to the Philippines, owing to the present demand of the Filipinos for independence, it would be exceedingly unwise and possibly costly to press a subject which of necessity would imply to them sovereignty.

The real available aid to our American shipping contained in the Jones Act is the application of important export railroad rates to American bottoms; there could be no question of its application almost immediately had the sections in the subsidy bill for the coordination of rail and water shipping been passed. As it is to-day, section 28 stands without the machinery prepared to put it into operation. Let us hope that this defect will be cured and this substantial benefit to American shipping will be given to it.

This subject of preferential railroad rates applied to shipping was considered at the Geneva conference by a convention held for the regulation of maritime ports throughout the world, and was condemned by them as unjustly discriminating, which view was vigorously upheld by the Italian and Japanese delegations and strongly supported by Sir H. L. Smith, head of the British delegation. So strongly did they believe in this doctrine that they signed up at once for their respective countries. But we have yet to hear that the discriminatory customs duties levied against American goods shipped in American ships from American ports in favor of American goods shipped in Canadian ships and railroads by Australia have been removed; and as for the Japanese, we have yet to hear that the preferential rates on Japanese railroads for Japanese ships have been abrogated. Here is a cablegram just received from Manila, dated April 30: "Now here for conference, brings information from reliable source, Dairen, that Japanese vessels are given flat rate of 55 sen per ton for inward and outward cargo, whereas foreign vessels are charged 65 sen inward and 70 sen outward."

Nor, again, do we hear that the Italian Government has in any way modified her regulations regarding emigration or immigration. So I feel that those gentlemen who so deeply fear discriminations had better look into the many small and devious methods used by them and clean up their own house before criticizing their neighbors.

Britain boasts of her championship of the freedom of commerce between nations, of her desire to see the ships of all nations treated equally in all ports, of her freedom of limiting her coastwise trade to her own nationals, and yet uses discriminatory export duties in her colonies to keep the trade well in hand for herself; even the mandatories she received as an outcome of the Great War have acquired this habit under her guidance.

Leaving the past, what should Congress do in the future to benefit and place this great industry and national necessity upon a stable basis? Passing over the legislation which common business sense should dictate, like the uniform bill of lading proposition, there are three great legislative measures, separate and distinct from each other, which should have its attention. The first is to pass a bill—which should need but little discussion—containing the aids outside of the subsidy but contained in the subsidy bill. It would include such subjects as 50 per cent of the immigration in American vessels, Army and Navy transport of both officials and freight to be done in private vessels, Federal supervision of pilferage, load lines for vessels in the foreign trade, necessary changes in the preferred mortgage bill, a definition of the home port of a vessel, the necessary legislation to make section 28 of the Jones Act effective, and a union of all of the departments having to do with shipping, now scattered through the various governmental agencies, under one head in the Department of Commerce.

Second, urge the completion of the revision of the navigation laws now under way in the Shipping Board, and investigate the proposed changes carefully and as rapidly as possible, and then pass them into permanent law as quickly as possible.

Third, divorce as nearly as practicable the Shipping Board from the Emergency Fleet Corporation; leave the Shipping Board all the powers necessary under the various acts to supervise and advance the interests of the American merchant marine—and, believe me, there is much constructive work for them to do and many good reasons why, when acting for the advancement of the whole merchant marine, they should not have their opinions biased because of their participation in ship operations. I have never felt that the Shipping Board's position was good from a business standpoint when they were endeavoring to both supervise shipping and they themselves operators.

I am not in favor of abolishing the Shipping Board. They have just as much place in our national business as the Interstate Commerce Commission, and when properly functioning will have mostly semi-judicial work to do which can not fairly be delegated to one man or a department, nor would the decisions of one man be favorably received by contestants in shipping matters. As for the Emergency Fleet Corporation, it should be organized as a separate corporation entirely from the board under a proper name. It should be given the power to form subsidiary corporations; to invite into those corporations the participation of outside capital, as minority holdings, with a view of ultimate purchase of the lines; to make up the deficit in the operations of such lines, as long as the line is desirable; and to dispose of the line, if successful, to the minority holders, or to others, upon favorable terms. While under Government control they should be subject to fair and equitable treatment, giving the utmost freedom of management to these subsidiary companies consistent with good business. This should lead to a considerable reduction in the expense which Government operation, with its cumbersome system, entails, and should lead to the disposal of these companies at an earlier date, with considerable saving to the taxpayers.

Mr. SNELL. Mr. Speaker, I call up a privileged report from the Committee on Rules.

NO QUORUM—CALL OF THE HOUSE

Mr. NEWTON of Minnesota. Mr. Chairman, I think we ought to have a quorum present. I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Minnesota makes the point of order that there is no quorum present. Evidently there is no quorum present.

Mr. SNELL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Dominick	Kurtz	Quayle
Anthony	Drane	Langley	Reed, W. Va.
Bacharach	Dyer	Larson, Minn.	Salmon
Begg	Edmonds	Lea, Calif.	Sanders, N. Y.
Bixler	Fish	Lilly	Steagall
Bloom	Fitzgerald	Lindsay	Stengle
Boies	Fleetwood	Little	Sullivan
Bowling	Fredericks	McFadden	Sumners, Tex.
Browne, Wis.	Freeman	MacGregor	Swoope
Buckley	Garrett, Tenn.	Magee, Pa.	Taylor, Colo.
Burdick	Geran	Manlove	Tempie
Byrnes, S. C.	Gibson	Martin	Upshaw
Cable	Gifford	Miller, Ill.	Vare
Campbell	Graham, Pa.	Mills	Ward, N. C.
Casey	Graham, Ill.	Mooney	Wason
Celler	Green, Iowa	Moore, Ill.	Watres
Clark, Fla.	Griffin	Moore, Va.	Watson
Collier	Hawley	Morin	Weller
Collins	Hayden	Mudd	White, Me.
Connolly, Pa.	Howard, Okla.	O'Brien	Williams, Tex.
Cramton	Hull, Tenn.	O'Connor, N. Y.	Wurzbach
Crowther	Hull, William E.	Oliver, N. Y.	Wyant
Cummings	Jeffers	Park, Ga.	Yates
Curry	Kahn	Patterson	Zihlman
Davey	Keller	Peavey	
Davis, Tenn.	Kiess	Perlman	
Dickstein	Kunz	Phillips	

The SPEAKER. Three hundred and twenty-eight Members have answered to their names; a quorum is present.

Mr. SNELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The doors were reopened.

HOUR OF MEETING

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent that when the House adjourns to-night it adjourn to meet at 11 o'clock to-morrow.

The SPEAKER. The gentleman from Ohio asks unanimous consent that when the House adjourns to-night it adjourn to meet at 11 o'clock to-morrow. Is there objection?

Mr. HOWARD of Nebraska. I object.

HAUGEN-M'NARY BILL

The SPEAKER. The gentleman from New York [Mr. SNELL] calls up a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 317

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 9033, entitled "A bill declaring an emergency in respect of certain agri-

cultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes."

That after general debate, which shall be confined to the bill and shall continue not to exceed 15 hours, and during the general debate the House shall recess each day from 6 o'clock p. m. until 8 o'clock p. m., the time to be equally divided and controlled by those favoring and opposing, the bill shall be read for amendment under the five-minute rule. At the conclusion of the reading of the bill for amendment the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SNELL. Mr. Speaker, this resolution provides for the consideration of H. R. 9033, entitled "A bill declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes," or what is generally known as the McNary-Haugen bill. The rule also provides for 15 hours of general debate, and it provides that the House shall recess each night during the general debate from 6 o'clock to 8 o'clock. It is expected to run to-night until 11 o'clock and run again on Thursday night until the final conclusion of general debate, in order that we may take up the bill for amendment under the five-minute rule on Friday morning.

Mr. ASWELL. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. ASWELL. It is now 3 o'clock. If the rule were passed and we were required to meet Thursday at 8 o'clock p. m. and complete the debate we would have to run until about 1 or 2 o'clock Friday morning.

Mr. SNELL. The final completion of general debate is not absolutely provided for. We expected to get in to-day a little after 12 o'clock, and if we had done so, general debate could easily have been completed Thursday night, but it may be that we shall not quite finish general debate Thursday night. We tried to get unanimous consent to begin at 11 o'clock Thursday morning in order to permit the passage of the bill, and perhaps we may be able to accomplish that yet.

I will say for the benefit of the House that this rule comes without any objection from the members of the Rules Committee, although it may not necessarily meet the individual views of all the members of that committee. However, we fully appreciate the fact that this is important legislation and that it affects a large part of the citizenship of this country. Anything that is for the benefit of the farming communities we feel should have careful and considerate attention by the Members of this House. We know that the prosperity of the whole country depends very largely on the prosperity of our people, and a proposition in which nearly 30 per cent of the people are engaged is very important to the people of the country, and for that reason we feel this bill should be considered at this time and that the House should have ample and full time to take it up, discuss it, and bring all of its provisions before the House and before the people of the whole country.

Mr. Speaker, I reserve the balance of my time, and I yield 25 minutes to the gentleman from North Carolina [Mr. POU].

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. SNELL. I yield for a question.

Mr. NEWTON of Minnesota. Some two or three days ago, in answer to an inquiry, the gentleman from New York said that the disabled service men's hospitalization bill, authorizing additional appropriations of $6,500,000, would be brought up under a special rule within a day or two. Those days have passed, and in the meantime the committee comes in with this rule, which will bring up for consideration a bill that will take about one week's time. I would like to ask the gentleman from New York when the House may expect the bringing in of a rule which will make that important hospitalization bill in order? We have in Minnesota wholly inadequate facilities for both neuropsychiatric cases and tubercular cases, and we are anxious to get to work upon that program.

Mr. SNELL. I will say in answer to the gentleman from Minnesota that unfortunately the "gentleman from New York" can not always control the actions of the House. As far as the "gentleman from New York" is concerned, he intended to bring up that bill last Friday or Saturday, but other business intervened so that it was impossible to do so. This was fixed by agreement as the order of business to-day, and I think we should follow that agreement.

Mr. NEWTON of Minnesota. The situation is this: That bill is on the Consent Calendar and we can not consider consent business because of the Barkley-Howell bill, and now it seems to be tied up by putting ahead of it rules making other legislation in order.

Mr. SNELL. It was not intended to have this rule considered ahead of the other one, but we got into a situation we could not control.

Mr. NEWTON of Minnesota. May I ask the gentleman this question? Can we expect reasonably to follow the consideration of this bill with a rule for the hospitalization bill?

Mr. SNELL. I think that probably will be the next rule considered. I am not absolutely certain of it, but I can assure the gentleman it will be brought up in the very near future, but I can not tell definitely when we can do it.

Mr. LaGUARDIA. There is a rule for that bill now.

Mr. SNELL. Yes; there is a rule for it.

HOUR OF MEETING ON THURSDAY

Mr. LONGWORTH. Will the gentleman from North Carolina pardon me, and will the gentleman yield just a moment?

Mr. SNELL. I yield a moment.

Mr. LONGWORTH. By inadvertence, Mr. Speaker, when I preferred my request for unanimous consent, I said to-morrow when I meant Thursday. I ask unanimous consent that when the House adjourns to-morrow it adjourn to meet Thursday at 11 o'clock.

The SPEAKER. The gentleman from Ohio asks unanimous consent that when the House adjourns to-morrow it adjourn to meet at 11 o'clock on Thursday. Is there objection? [After a pause.] The Chair hears none.

HAUGEN-M'NARY BILL

Mr. LONGWORTH. Mr. Speaker, may I say just this word in addition, with the consent of the gentleman from North Carolina: This rule provides 15 hours of general debate. Of course that argues that if we attempt to close general debate in two days it will be necessary for the House to sit pretty late. I think it is very advisable that we should have Friday and Saturday for the consideration of the bill itself. I merely want to express the hope that gentlemen will be willing to remain later than usual to-night and Thursday night in order to conclude the general debate.

Mr. ASWELL. Will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. ASWELL. In case of several roll calls, what then?

Mr. LONGWORTH. I would anticipate there would be no roll calls on the adoption of the rule.

Mr. ASWELL. I mean during the next two days.

Mr. LONGWORTH. And I assume no gentleman, under the circumstances, would raise the point of no quorum.

Mr. SNELL. It does not seem that that should be necessary.

Mr. ASWELL. That assumption would not be guaranteed.

Mr. SNELL. I do not know of anybody who is going to filibuster against the consideration of this bill.

Mr. LONGWORTH. I merely express the hope that gentlemen will not raise the point of no quorum and there will be no roll calls necessary.

Mr. ASWELL. I did not refer to the gentleman from Louisiana, but it is not unlikely that may happen.

Mr. POU. Mr. Speaker, I am glad there is a disposition to consider legislation having for its purpose the relief of the agricultural depression in the great Northwest and West. I regret that under the rule only the so-called McNary-Haugen bill can be considered. There is at least one other measure which might well have consideration at this time. I have talked with quite a number of gentlemen, and my belief is the minority is willing to stay here until October, if necessary, in order to give farm-relief legislation a fair chance to be enacted into law. For one I do not think Congress ought to adjourn without making an honest effort to solve this problem. You can not read a paper without seeing accounts of bank failures caused by the disaster to agriculture, yet the talk is we must adjourn by the 7th of June. Of course, it is perfectly futile to talk about dealing with any great subject within that length of time. And I say this Congress has no moral right to adjourn until a sincere, honest effort has been put forth to give some measure of relief to agricultural producers who are forced to accept a market price admittedly less than the cost of production.

The Democratic minority is willing to stay in session until some sane and adequate measure becomes a law. Without any effort to play politics, without any effort to gain any advantage, we are willing to stay here as long as it is necessary in order to deal with this nation-wide subject.

Mr. WOODRUM. Mr. Speaker, I want to say that a large part of my district in Virginia is agricultural. My farmers, like your farmers, need help, and I would welcome an opportunity—in fact, I would embrace an opportunity—to really vote for some sensible, economically sound legislation that might help the farmers. But I have read this bill, Mr.

Speaker, and I have tried to study the report of the majority of the committee, and I have read the minority report, and I do say, frankly and candidly, that I would not vote for this bill if it was a question of retaining my seat in Congress, and I should like to retain it for a while longer.

I regard it as the most revolutionizing piece of legislation I have ever undertaken to read and tried to comprehend. [Applause.] I believe it would be a national calamity if by any possible chance it could ever become a law. I am confident there is not a farmer in my district or in my State who would favor the enactment of this bill if he understood it.

NEED FOR FARM RELIEF

That there is urgent need for farm-relief legislation none will deny. One has but to go out among the farms and their owners and to survey the conditions as he finds them to realize the acute distress existing in certain lines of agriculture. This condition is brought about from a number of concurring causes—inequalities in prices between agricultural products and other commodities, overproduction in certain lines of agriculture, labor conditions, lack of uniform and cooperative systems of marketing, and so forth.

Many and varied proposals have been made in the form of bills introduced which seek to bring relief to the farmer. A score or more of such bills have been considered by the Committee on Agriculture, many of them proposals of real merit. However, by a divided committee, we are called upon to pass upon this bill and given to understand that it is to take this or nothing. Personally I should heartily welcome an opportunity to vote for some sensible and economically sound bill that would help the farmer, but I can not swallow this one.

The Republican Party in its platform in 1920 declared for farm relief. Some of its eloquent utterances are interesting when considered in the light of the present legislation they have brought here for our consideration. In bombastic tones they called for—

an end of unnecessary price fixing and ill-considered efforts.

The President in his recent message to the present Congress had something to say upon the subject:

No complicated scheme of relief, no plan for Government fixing of prices, no resort to the Public Treasury will be of any permanent value in establishing agriculture.

A statesmanlike utterance which was generously applauded by both sides of the Chamber. But, lo, things have changed! The Republican Party is smarting under the blows delivered one after another by the insurgent group from the West; election time is nearing; third-party talk is disturbing; ominous sounds are drifting in from the great West; Minnesota, North Dakota, and Wisconsin must be pacified and pleased, so what is a few platform pledges and presidential utterances in such serious circumstances? Or do they plan to play the game both ways by having Congress pass this monstrosity and thus please the farmer, and then have the President veto it and thus please the opponents? And all the while the farmer is the goat.

OBJECTIONS TO THE BILL

I am firmly convinced that it would be little short of a great national calamity if this measure should become a law.

It is the most gigantic, the most stupendous, and far-reaching legislation offered to Congress in a decade. Its revolutionizing influences upon agriculture, as well as industry, are almost beyond conception.

The bill proposes a great governmental agency in the form of a corporation financed by the Government to the extent of $200,000,000, and power to borrow more, which shall undertake to establish and maintain the prices of certain products, namely, wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine, and so forth.

It is a price-fixing measure pure and simple.

While the purpose of the bill is to bring relief to the farmer, yet let us look at others it would benefit, and see if therein does not lie the secret of its presentation. I quote from the report of the minority of the Committee on Agriculture (p. 4):

A COLOSSAL GIFT TO NONPRODUCERS

When this bill takes effect, as to wheat, the price of dollar wheat will instantly rise to over $1.50. The elevator man, merchants, millers, and speculators who have wheat on hand will suddenly be made richer by operation of law. If the emergency is declared, as it probably will be, before the wheat season, nearly all the wheat available for market will be in the hands of these men, and not in the hands of the farmers. The same applies to rice and corn, the profit, of course, being smaller. It may be that on some of this an equalization fee can be collected, but if sold for feed or seed there is no fee. If the fee on $1.50 wheat is 20 cents per bushel, the law has increased the value to the holders 30 cents per bushel, which must be paid for by the farmers and consumers. Every merchant or wholesaler who has flour on hand will find himself enriched overnight, and under the terms of the bill no equalization fee can be collected. If an emergency is declared on cattle, hogs, and sheep, every head will instantly rise in value, whether in the hands of farmers or others. The hundreds of millions of dollars' worth of pork, beef, and mutton in the hands of the Big Five and about 200 smaller packers would instantly rise in value. On this item alone there would be a sheer gift to the meat packers of this country of from $150,000,000 to $200,000,000 to be paid for by the consumers of the country. The packers would have to pay an equalization fee providing an emergency were declared on their products, but that would only be a fraction of their gain.

All meat stocks in the hands of meat dealers who had bought them from packers would likewise rise, and from them no equalization fee could be collected. The millers of the country holding wheat or flour would make millions overnight, to be paid for by the consumers. If an emergency should ever be declared on wool, every clothing manufacturer, clothing dealer, etc., would be enriched, and no fee could be collected from them. When the packer legislation and grain futures act were before the committee there were swarms of packers and millers and high-priced attorneys making all manner of objections. These gentlemen did not put in an appearance when this bill was being considered and no doubt they are praying for its passage. The total gift to nonproducers would easily amount to $500,000,000. There has been no such gift "since salvation was made free to the human race."

WAYSIDE MARKETING OR TRUCKING DESTROYED

Fancy, for instance, a farmer in my district favoring such a proposition as the following minority report of committee (p. 11):

A system of wayside marketing is developing in the country wherever good roads are being built. It is often pointed out as a partial solution of the farmer's difficulties. Let us assume it is the roasting-ear season, and the farmer starts out on his "wayside marketing" expedition with a supply of this commodity to be sold to his customers. An emergency has been declared in corn. It will be necessary for him to make a report of every sale he makes, and in all probability a separate report, no matter whether he sells a half dozen ears at a time or more or less than that. In order that there may be a proper system of checks and balances, the purchaser in all probability will also be required to make a report. Both reports, of course, ought to be verified by oath, in order to safeguard the Government. Before the farmer makes a sale, he will be compelled to ascertain what the equalization fee is for that month, and by some sort of rules the corporation will regulate each of these sales of corn by prescribing some method of weight or measurement which will fit in with the plan of this bill. When the farmer has ascertained the equalization fee, he is in a position to deliver. After his customer has paid for the corn he will have something to do himself. He must at his peril ascertain what the equalization fee is and he will have to procure a receipt from the corporation for the fee and turn the receipt over to the farmer. The purchaser might also be compelled to make a "return," and this return must in all probability be verified by oath. This will, of course, necessitate fees for officers who administer oaths. In certain cases it may be necessary for the buyer and seller to keep books for inspection by Government inspectors. Buyer and seller must conduct their transactions correctly. If the purchaser fails to furnish the receipt, or fails to pay, or attempts to evade the collection of the fee, he is liable to be fined in the Federal court not more than $5,000, or imprisonment not more than a year, or both, and, of course, if the producer is a party to any failure of this character, he is liable to the same penalties. There are other penalties in the bill.

What about the expense of operating this great corporation? It has been estimated that it will require an army of 50,000 employees added to the already overburdened pay rolls of the Government.

Therefore, Mr. Speaker, I oppose the bill. It is a subsidy for the wheat growers of the West. It is not claimed that it would be of the slightest benefit to the farmers of the South. It is class legislation of the rankest sort. It is a colossal raid upon the Treasury of the Government for a favored few. It, however, is in keeping with other measures jammed through this Congress. I recall a few of them: Ten million dollars for Germany; rebate of six million to China; a million dollars for the farmers of New Mexico; eleven and a half million for the Cape Cod Canal to reimburse the stockholders of a defunct private enterprise. And on and on, always raiding the Treasury for some chosen few. I have consistently opposed all such legislation and shall vote against the pending bill.

The SPEAKER. The gentleman from Virginia asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. POU. Mr. Speaker, I yield 10 minutes to the gentleman from Ohio [Mr. SHERWOOD] [Applause.]

Mr. SHERWOOD. Mr. Speaker, President Coolidge in his veto message of the soldiers' bonus bill states that this humane measure is class legislation. The old soldier pension bill is of the same class. This is the first time since George Washington was President of the United States that any President has classed pension legislation for the benefit of soldiers of the Republic as "class legislation."

When George Washington was awarded 15,000 acres of land by Virginia in the Kenahwah Valley on account of his services during the Revolutionary War, it was not regarded as class legislation. Why, because General Washington's services in the seven years' war was not for a class or a clan, but for all the people of the 13 colonies. When North Carolina gave to each brigadier general of the Revolutionary War 12,000 acres of land; 7,200 acres to every colonel, and 3,200 acres to every captain, it was not regarded as "class legislation."

Why, because the patriots of North Carolina held that the soldiers of North Carolina did not suffer the perils and hardships and tragedies of the seven years' war for North Carolina alone, but for all the immortal principles in the Declaration of Independence. Hence this generous donation of land was not "class legislation."

When North Carolina gave to General Greene 25,000 acres of land, worth at the time $500,000, it was not regarded as "class legislation." When Georgia, after the war gave General Greene $22,500 in money it was regarded as real patriotism, and when South Carolina gave General Greene $45,000 for his services it was regarded as a patriotic gift and there is no record that even a Tory claimed that this money gift was "class legislation"; or that the grateful officials of South Carolina had commercialized patriotism.

According to the veto message of President Coolidge, patriotism has no commendable attributes but lip service. The Congress of the United States has always, up to recent date, thought differently. And every President from George Washington down to Calvin Coolidge—a good ways down—have never proclaimed such atrocious sentiments.

When General LaFayette returned from France, after the war, Congress voted him over $100,000 in money and a whole township of land in Louisiana. This gift was never mentioned as "class legislation."

Let me remind President Coolidge that patriotism or love of country may have a practical element of value, even in this utilitarian age. On the 4th of March, 1865, I stood within 10 feet of Abraham Lincoln and heard him deliver his last inaugural address—his last official message to the American people. I believe I am the only person in official life to-day who heard that address. I heard him say:

> With malice towards none and with charity for all, let us strive to finish the work we are in, to bind up the Nation's wounds, to care for him who shall have borne the battle and for his widow and his orphans.

[Applause.]

Not a man or woman in the Republic at that time ever thought for one moment that Lincoln only meant "lip service" for the soldiers or for the soldiers' widows or his orphans. Neither did the party of Abraham Lincoln so regard it. The Republican National convention of 1868 (the first after the war), which met in Chicago May 20, passed a resolution unanimously that "to the brave soldiers who imperiled their lives in the service of their country the bounties and pensions provided for these brave defenders are obligations never to be forgotten." The Republican National convention of 1872, which met in Philadelphia June 5, unanimously adopted a resolution that—

> No act of ours shall ever detract from their justly earned fame or their reward.

All down the years since the war the party of Lincoln has never until President Coolidge ever claimed that patriotism consists only of "lip service" and that humane legislation for the soldiers of the Republic is class legislation.

Evidently the benign spirit of Lincoln dwells no longer in the White House.

President Coolidge claims his veto message is based upon economic consideration. Let us see:

Let us remind the President that his Secretary of the Navy and his Secretary of War and all his Cabinet with his approval have indorsed an Army and Navy appropriation this year which calls for about $285,000,000 more money than the entire appropriations in 1916, when we were getting ready for the World War.

Lest we forget, I will give the figures:

In 1916 we appropriated for the Army $119,530,829; we appropriated for the Navy $150,526,634; a total of $270,057,464. This year Congress has appropriated for the Army $300,000,000 and for the Navy almost $255,000,000, approximating $555,000,000.

Let us remind the President that his Secretary of the Navy and his Secretary of War and all his Cabinet, with his approval, have indorsed an Army and Navy appropriation of $285,000,000 more money than the entire appropriations in 1916, when we were getting ready for the World War.

In view of this damning record of extravagance and waste in the Army and Navy appropriations, the President's claim that he vetoed the old soldiers' pension bill on the ground of economy is a false pretense and a cruel deceit.

Only a few days ago we had a petty illustration of class legislation and the kind of economy we are now realizing. The Cape Cod Canal, of Buzzards Bay, Mass., a project that has been in debate in Congress for lo, these many years, was put through the House of Representatives on a record vote of yeas 149 and nays 131, not voting 146. This project, as estimated, will eventually cost the taxpayers of the United States over $20,000,000.

The project was an administration scheme, recommended by a Massachusetts Secretary of War, approved, apparently, by a Massachusetts President, put through the House of Representatives by a Massachusetts committee chairman, and presided over with great dignity and ability by a Massachusetts Speaker of the House, and for the benefit of an originally organized Massachusetts corporation. [Laughter and applause.] This looks more like class legislation than the old soldiers' pension bill.

The President vetoed the old soldiers' pension bill on the grounds of economy. In the meantime he evidently indorses the Cape Cod Canal project, to cost some $20,000,000. He recommends the construction of a memorial bridge across the Potomac River, and is carrying forward a project that will cost the taxpayers of the United States over $20,000,000 building a fleet of war vessels to chase the rancorous rum runners on the Atlantic Ocean. These three projects, all either ornamental or useless, will cost the taxpayers a million dollars more than the old soldiers' pension bill which the President vetoed.

A number of friends I know back home are anxious to know how President Coolidge can claim to be an economist when he is making so large a drain on the Federal Treasury for his own pleasure and delectation. I am reminded of the fact that in 1873, when General Grant was President, the total appropriation for the President, including his salary and the upkeep of the White House, was $43,000. This year the President and his executive clerks and the upkeep of the White House and his recreation factors are costing the taxpayers over $500,000. Let me mention some of the items: President's salary, $75,000; traveling expenses, $25,000; President's secretary, $7,500; personal services, clerks, and so forth, $89,520; contingent expenses—who knows what that is—$37,000; printing and binding, $2,900; ordinary care and repair of White House, $48,240; for heating the greenhouses, $11,000; for care of greenhouses, $9,000; for repair of President's greenhouses, $9,860; for improvement of White House grounds, $10,000; for lighting grounds and back yard, $8,600; White House police, including 30 privates and several sergeants, $55,540; for uniforms for White House police, $3,350; total, $375,630; the *Mayflower*, fun boat, exclusively for the President's pleasure, $125,000; grand total, $500,630. Sad to tell, the President takes his cruel pen in hand and vetoes a pension for the old soldiers of the Republic now tottering to near-by graves.

By this act the last survivors of the war for the Union, now over 81 years old, are denied the solace of a Nation's gratitude and compelled to spend the last days of their weary, worn-out lives in biting want and cold neglect.

Gettysburg, Vicksburg, Atlanta, Franklin, and Nashville can speak to us no more with tongues of lurid flame. They are silent for all the coming ages; but their silence is more eloquent of national destiny than all the hoggish oracles of monopoly and greed between the Atlantic and Pacific Oceans.

We should keep the air of the National Capitol wholesome and pure and seek to aid by our official conduct that all-absorbing patriotism that characterized the great masters of national destiny who set this Republic on its career.

We can not recall the valiant dead who sleep in 70 national cemeteries and in Flanders fields, but we can make a heroic effort to revive the patriotic spirit and show by official acts of generosity and gratitude that this Nation has not forgotten her vows. [Applause.]

Mr. POU. Mr. Speaker, I yield four minutes to the gentleman from Missouri [Mr. RUBEY].

Mr. RUBEY. Mr. Speaker and gentlemen of the House, I want first to indorse the opening remarks of the chairman of the Rules Committee, who called your attention to the fact that we have before us to-day a bill that affects the agricultural interests throughout the length and breadth of the country. The importance of this legislation is apparent to everybody within the sound of my voice. I am not going at this time to take up the discussion of the bill. I want to say to you, however, that I have in my hand a document of 750 pages that represents the hearings held on this bill. We began its consideration about the middle of January. We have kept it up daily until two weeks ago, when the bill was reported. Men came before that committee from every part of this country—North, South, East, and West. This bill which we present to you to-day has been given the most careful and painstaking consideration of any measure that has to my knowledge ever come before our Agricultural Committee. We have done something with this bill that I do not think has ever been done before. We went over it again and again, and four confidential prints of the bill were made before it was finally reported. The gentleman from Virginia—and I am not going to talk about what he says except to say that his characterization of the measure—but I will not even discuss that at this time.

It seems to me, however, that it would have been well if the gentleman from Virginia had withheld his remarks and his opinion on the bill until he had had opportunity to hear the 15 hours of discussion that he might have been informed of some things in the bill, and some provisions which are not in the bill, and which he probably thinks are provided for in the measure.

I have read editorials in the great daily press; I have read pamphlets sent out by the boards of trade; I have read arguments made by Members of this House, sent out to their districts, that contain statements and arguments that are not warranted by anything that is in the measure. I am for this bill. I want the membership of this House to listen to this debate, and give to it very careful consideration and then make up their minds. If it is their opinion that it is a bad bill, then of course they will vote against it. But if they think it is a good bill, that it will help the American farmer and put him on his feet again, we want you to help us put it into law. I am for it; I believe it is the most important measure that has come before Congress during this present session. We want your help.

To-day as I stand here probably somewhere in this great Nation a bank is closing its doors on account of agricultural conditions. Within the last six months more banks have failed in agricultural districts than ever before in a like period in this country. [Applause.]

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. POU. Mr. Speaker, I yield four minutes to the gentleman from Kentucky [Mr. KINCHELOE].

Mr. KINCHELOE. Mr. Speaker and gentlemen of the House, I am satisfied that every true and conscientious friend of the American farmer wants to do something in the way of legislation that will help him most. I know that there is no Member of this House who is more sincere in wanting to vote for legislation that will really be for the benefit of the American farmer than I am. I am not going to discuss the merits of the bill now, because I hope to later, but after three months' hearings on this bill I am thoroughly convinced that it is going to hurt the farmer more than it will help him, and I want to do something for the American farmer and not something to the American farmer.

I believe you will agree with me when you shall have heard all the arguments in the case that this bill is fraught with more possible complexities, both national and international, for the safety, welfare, and happiness and prosperity of our country than any bill that has been before the House for a century. Knowing the importance of it, knowing the honest disagreement of members of the agricultural committee, regardless of politics, it seems to me that we are making a great mistake, and that the Rules Committee has made a great mistake, in only allowing 15 hours' general debate on the bill. If we had the 15 hours' general debate on the bill with nights excluded, then if necessary we could at least have the nights in addition, it would be all right, but you and I know what effect debate on a bill has at night with a small attendance here, and I hope that the chairman of the Rules Committee can yet see his way clear to strike out the night provision.

There are other important bills intended to assist agriculture pending before the great Agricultural Committee. The gentleman from Louisiana [Mr. ASWELL] has a bill known as the Curtis-Aswell bill. He went before the Rules Committee and made an earnest appeal to make that bill in order for consideration at the same time this bill is.

That is a great cooperative marketing bill the principles of which in my judgment will do something permanently for the farmer. Why should not this House have an opportunity to consider that bill along with this bill? Why should we be in the attitude of saying that this is the only panacea for the American farmer, and why should we say to this House that it has to take this bill or nothing? Yet the Rules Committee comes here and says that we have either to take this bill or none, when we could have had the consideration of the Curtis-Aswell bill before the House.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. SNELL. Does the gentleman think that is quite a fair statement?

Mr. KINCHELOE. I am talking about the action, and I do not know anything about the intention.

Mr. SNELL. The Rules Committee, so far as I have known, and during the time that I have been a member of it, has never reported a measure to this floor that did not have the backing of a committee which had had consideration of the legislation. This request for the consideration of the Aswell bill did not come as a request from the committee, but it came as a request from an individual, and the Rules Committee has never violated that rule since I have been a member of the Rules Committee.

Mr. KINCHELOE. I say that this McNary-Haugen bill is not the sense of the entire Committee on Agriculture.

Mr. SNELL. As far as I know, it came from that committee.

Mr. KINCHELOE. There are other members of the Committee on Agriculture who are just as anxious to do something for the American farmer as those who signed the majority report. I am not talking about the intention, but I am talking about the effect of the action of the gentleman's committee, that this House is barred from the consideration of that bill, and the only alternative that we have is to swallow this bill or take nothing. That is the point I make, and it is not fair to the membership of this House. I hope that we will be able to vote down the previous question in order that we may amend this rule so that we may have 15 hours of debate and have the night sessions included.

The SPEAKER. The time of the gentleman from Kentucky has expired.

Mr. POU. Mr. Speaker, I yield the remainder of my time to the gentleman from Louisiana [Mr. ASWELL].

The SPEAKER. The gentleman from Louisiana is recognized for five minutes.

Mr. ASWELL. Mr. Speaker, the chairman of the Committee on Rules, the gentleman from New York [Mr. SNELL], stated that this legislation concerned a large percentage of the population of the United States. That is true and much more. This legislation concerns every individual in the United States. It concerns the people in the cities as much as those in the country. Every member of the Committee on Agriculture is vitally concerned, eagerly concerned, to bring legislation to the House that will be effectively helpful to the American farmer. I went before the Committee on Rules and urged that four other bills in addition to the McNary-Haugen bill might be considered by this House. The McNary-Haugen bill I shall discuss later in the day. It has the name of our distinguished chairman attached to it. It was not proper for other gentlemen on that committee to force action upon their individual bills by the committee until the Haugen bill was out of the way.

That is the truth of the situation, and for four months all of us who had bills pending in that committee have stood back out of the chairman's way. I am not criticizing, but that is the fact of the case. So now the plan is to bring to this House the McNary-Haugen bill only in an effort to make gentlemen fear that if they do not vote for this bill they will have no other chance to vote for any agricultural bill. That is the policy, that is the strategy, that is the scheme. This proposal to have part of this debate through the nighttime is absurd, as the gentleman from New York, the chairman of the Committee on Rules, knows. If he and the other gentlemen on the Committee on Rules will agree to give 15 hours of general debate and say nothing with reference to night sessions, then we will give justice to this body of men. Under the agreement I am to control one-fourth of the time, and I have had over 30 requests for time. I have had requests in opposition to this bill that would cover the whole 15 hours, if I had them at my control. There are 21 members of the committee, and 20 of them will likely speak on the bill. It is a bill of such vast intricacy, it is a bill of such wild-eyed theories, of such intricate and interminable phraseology, with such statistical contradictions as will confound and confuse and lead men who try to explain it into a maze of mystery and despair, that it

is impossible to discuss the bill in a short time. You can not discuss this bill properly without having one hour in which to make a statement and another hour in which to answer questions. It is utterly impossible if you want to study the bill with effect and intelligence, and so, Mr. Speaker, I pause here to ask the chairman of the Committee on Rules this simple question: Will he agree that I may have unanimous consent rather than to fight the rule in an effort to vote down the previous question, and strike out any reference to night sessions?

Mr. SNELL. Mr. Speaker, I will say in answer to the gentleman that I have had more fault found with me on account of giving so much time to the consideration of this bill than on any other rule that we have ever brought in this session.

The SPEAKER. The time of the gentleman from Louisiana has expired.

Mr. ASWELL. Mr. Speaker, may I ask unanimous consent that it be so amended?

Mr. SNELL. I do not yield for that purpose.

Mr. ASWELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. ASWELL. If we vote down the motion for the previous question, can we not amend the rule, change it?

The SPEAKER. Certainly.

Mr. SNELL. Mr. Speaker, I yield three minutes to the gentleman from Kansas [Mr. TINCHER].

Mr. TINCHER. Mr. Speaker, this bill that the Rules Committee provides for the consideration of is an emergency measure. It is introduced at any rate and reported by the committee as an emergency measure. I agree with the gentleman from Missouri [Mr. RUBEY] that the Committee on Agriculture has never been known to give more serious consideration to any measure before it than it has to this measure. It is not fair to criticize the Committee on Rules for not bringing in a rule making the bill of the gentleman from Louisiana germane to this bill, because the gentleman from Louisiana himself has stated in my presence and in the presence of the committee that his bill is not an emergency measure, and while it is calculated to help agriculture in the future it bears no relation whatever to this measure. Besides, the Committee on Agriculture decided during our hearings that we would not be bound by any rule, and that the public might have the benefit of everything that happened in that committee room. The gentleman's bill was offered as a substitute in an effort to defeat the McNary-Haugen bill being reported out, and by an overwhelming majority the Committee on Agriculture refused to adopt it as a substitute.

Mr. ASWELL. Is it not a fact that that was at the end of the session, and without any consideration of the bill, because it has never been read by the committee and no attention has been paid to it?

Mr. TINCHER. Certainly. The gentleman himself stated it was not an emergency measure, and it was voted down almost unanimously. The Rules Committee could have done nothing that would have been more outrageous than to have brought in a rule making that bill in order at this time. Now we propose——

Mr. ASWELL. May I ask——

Mr. TINCHER. The friends of agriculture on that committee propose that we have 15 hours' debate and the McNary-Haugen bill will be debated and amended. If any man has in mind an emergency proposition better than that, let him offer it as an amendment. There never was a more systematic propaganda or a better lobby against a measure than has been in Washington this winter against this farm legislation, and sometimes when men announce their opposition to this measure now we recognize the language. How can a Member of Congress who says he is a friend to the farmer when he knows he is going to have a chance to offer an amendment that will make good if it is not, how can he announce that he is going to vote against the measure? We are not thin-skinned about this measure. A good many members of the committee realize it is a hard proposition to work out anything that is economically sound and will accomplish the result, but it is a subject that ought to be debated and the——

The SPEAKER. The time of the gentleman has expired.

Mr. TINCHER. Two more minutes.

Mr. SNELL. I yield the gentleman two additional minutes.

Mr. TINCHER. Another proposition I want to mention is that it was heralded through the press of this country and a member of the Agricultural Committee was quoted as having said to the Rules Committee that this bill was bolshevik, socialistic, and soviet. Now, that is a question of fact as to whether it is true or not. It is not true. There is not anything socialistic or bolshevik about it. There is only one answer to that argument against the bill, and that is that the argument is false. As to the man who differs with me on this bill as to its being economically sound and economically a governmental proposition I have regard. That is a matter of opinion concerning which we may differ and debate, but the other statement is propaganda furnished by the people who want to keep the farmers of America with their noses to the grindstone, and is false. [Applause.] There is no room for argument about it. I yield back what time may remain. [Applause.]

Mr. SNELL. I yield five minutes to the gentleman from Minnesota [Mr. SCHALL].

FARM RELIEF

Mr. SCHALL. Mr. Speaker, there has been a systematic effort on the part of a certain class in this country, exemplified by the Wall Street Journal, to build up and foster the impression that the farmer is a faultfinder who exaggerates his troubles, "a malcontent who loafed into bankruptcy with one-crop farming." This is a heartless, willful misjudgment of the class who work hardest with most hours of labor and least return. Wall Street should not begrudge the farmer a chance to pay his debts. It is enough to make him "see red." All over the country receipts from the farms have not been enough to pay the taxes. The farmer's confidence has been destroyed with false gestures of help. His suspicions have been aroused. He has been so numbed by a series of knockout blows that he has almost ceased to hope. He asks for a chance to break even, and we give him more credit. Extension of credit is no help. He has too many mortgages now. The farmer can hardly trust anything that comes to him in the guise of relief, he has been gold-bricked so many times. Judging by its enemies and their howl this ought to be a good measure. It is of vital concern to the farmer of the Northwest.

In August, 1923, a bushel of wheat brought 84 cents. Let us compare the prices of 10 years ago. In 1913 a suit of clothes cost 21 bushels of wheat; in 1923, 31 bushels of wheat bought a suit of clothes. In 1913 a wagon cost 103 bushels of wheat; in 1923 it took 166 bushels. In 1923 he sells a hide for 80 cents and buys back a pair of shoes for $4.50. All commodities except agricultural have gone up 60 per cent on an average, while agricultural commodities, left to the mercy of demoralized, war-ruined world conditions, have gone up 17 per cent. To neglect the farmer any longer, to attack this bill as vicious and class legislation is cloudy thinking and stupid prejudice. Six million farmers make a fair proportion of our population, almost too many to label legislation in their behalf as "class." It is not special privilege. It is justice. Industry has been given the highest protection. Transportation has been given aid and comfort.

The reason for the depression is that the farmer buys in a highly protected market, rising all the time, and sells in an open market in competition with lower-paid workers. Take, for example, the dairy industry in Minnesota. This industry has sprung up in response to the propaganda for diversified farming. Our State has by intensive effort brought cooperation to a higher point of efficiency than anywhere else in the United States. We make the finest quality of butter, command the highest prices, and haul down the highest awards and medals. But Minnesota has to compete with the labor of Denmark, where the dairyman pays his hired man $14 to $16 a month. In Minnesota the wage is $50 to $70 a month and board. Our men are in competition with 23 foreign nations to-day, in none of which are the wages and labor conditions on a par with the United States. The result is that it takes the life right out of the cooperative idea. When in an effort to control markets a surplus is shifted away from an overglutted market like New York and distributed around to less oversupplied markets in order to avoid a disastrous drop in price, what does New York do? It buys a shipload or two of Danish butter where, in addition to their advantage over our farmer on the labor end of it, they can make 40 cents on each dollar of American money, due to the difference in exchange, and butter drops 20 cents in price and threatens to go still lower. In January the farmer got a creamery check for $120. In April $100, and in May it will be $80. The matter of the drop in creamery checks is of vital moment to every farmer in the State. They all get their creamery check, and they all feel the pinch. It is the last line of defense for the farmer. If his dairying enterprise fails, he is ruined.

The farmer does not expect protection from internal competition. He is willing to breast the struggle for existence and let the fittest survive. What he can not understand is why foreign industries should fatten at his expense, why he should suffer the competition of foreign markets. It will ruin the Nation. Already if you look over the keyboards at the leading

hotels you will note that travel is way below normal. Traveling men are not being sent out through the rural districts. Little shops are not stocking up. The farmer has no money to buy. The small bankers are failing. We are right up to our necks in panic for the grim, tragic condition of the farmer; the ravaging effects of his economic distress has a direct bearing on all business. Industry must not consider agriculture as its hated rival, nor view with jealous eye measures looking to its stability, for they are interwoven; and when the farmer, through no fault of his own, sees the work of a lifetime swept away, no matter how frugal and efficient he may have been, it is not a condition for business to look upon with an indifferent eye. Agriculture is the source of our wealth. This is axiomatic. Eastern prosperity can not continue without it. It is to their interest to cooperate and avert a complete panic—to at least make it possible that the farmer can lift his mortgages, pay his bills, and keep up his purchasing power.

During the war Congress set a price for the farmers' wheat, of $2.26, I think it was, then organized a Grain Corporation, wherein they bought wheat and resold it to foreign markets at $3 and $4 and $5 a bushel. After all expenses were paid—and they were enormous, the chairman, Julius Barnes, putting his brother-in-law and other business associates in at a salary from $30,000 to $50,000 a year—there was still left over $70,000,000. This money came directly out of the pockets of the farmers.

This bill only asks that the Government be sponsor for its credit with which to buy grain. This grain when resold will take care of itself and take care of the cost of the proposition. While the Government will have to guarantee it, in the end it will cost the Government nothing; and if it did, the $70,000,000 the farmers have been robbed of will more than take care of any deficiency. It is our duty.

People say we can not set the price. Trusts and combinations of the country have, by using the protection of the tariff, been setting prices right and left. It would be a strange thing if farmers can not even get the protection of tariff they are entitled to in comparison with other basic industries. By taking up the exportable surplus the price of grain would range accordingly.

The bill would operate like this: The wheat crop is, roughly, 800,000,000 bushels, of which our consumption is 600,000,000. The surplus, 200,000,000 bushels, we export. If the farmer is to get $1.50 for his wheat and the exportable surplus is worth about $1, the loss on the exportable 200,000,000 would be $100,000,000. If the farmers were paid $1.50 for the 600,000,000 bushels consumed at home and this 600,000,000 were sold to consumers here for $1.75, a profit of $150,000,000 would pile up, enough to take care of the $100,000,000 loss on the exportable surplus and leave $50,000,000 for expenses.

This bill gives power to place such duty as will prohibit the foreign competition, which will be, in effect, an embargo on farm products that come in competition. [Applause.]

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. SCHALL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. SNELL. Mr. Speaker, in reply to the criticisms leveled against the Committee on Rules for not granting more time for debate on this proposition, I am sure we appreciate that this is an important measure, and for that reason we have granted 15 hours for debate, which is the longest time granted for general debate in a special rule, I think, in the last two Congresses. The reason why we provided for night sessions is that some of us are trying to clean up legislation so that this Congress can adjourn early in June, and also give fair and decent consideration to the important measures that should be considered by this House at this time.

Now, in reply to the other question asked by the gentleman from Louisiana [Mr. ASWELL], why his measure was not made in order, I will say this: Personally I am more in favor of his measure than of the measure before the House; but the Rules Committee is not a legislative committee. We try as far as possible to help, so as to make out a program; and so far as I know in the history of the Committee on Rules never have we taken up legislation and put it on the program unless it had the backing of some committee which had jurisdiction over that legislation and asked us to do it. That is the only reason why we did not make the bill of the gentleman from Louisiana [Mr. ASWELL] in order in the consideration of the Haugen-McNary bill. That would complicate the matter and cause trouble, and we have plenty of troubles at the present time without looking for any new ones.

Mr. Speaker, I move the previous question on the rule.

The SPEAKER. The gentleman from New York moves the previous question on the rule.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. ASWELL. Mr. Speaker, I demand a division.

The SPEAKER. A division is demanded.

The House divided; and there were—ayes 114, noes 26.

Mr. LINTHICUM. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Maryland makes the point of order that there is no quorum present. It is evident that there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll. Those in favor of ordering the previous question will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 271, nays 47, answered "present" 2, not voting 113, as follows:

YEAS—271

Abernethy	Fredericks	McKeown	Schall
Ackerman	Free	McLaughlin, Mich.	Schneider
Aldrich	French	McLaughlin, Nebr.	Scott
Allen	Fulbright	McNulty	Sears, Fla.
Aligood	Fuller	McReynolds	Sears, Nebr.
Almon	Fulmer	McSwain	Seger
Andrew	Funk	McSweeney	Shallenberger
Arnold	Garber	MacGregor	Sherwood
Ayres	Gardner, Ind.	MacLafferty	Shreve
Bacharach	Gasque	Magee, N. Y.	Simmons
Bacon	Gilbert	Major, Ill.	Sinclair
Bankhead	Glatfelter	Major, Mo.	Sinnott
Barbour	Greene, Mass.	Manlove	Sites
Barkley	Greenwood	Mansfield	Smithwick
Beck	Hadley	Mapes	Snell
Beers	Hammer	Mead	Speaks
Berger	Hardy	Merritt	Sproul, Ill.
Black, N. Y.	Harrison	Michaelson	Sproul, Kans.
Black, Tex.	Hastings	Michener	Stalker
Bloom	Haugen	Miller, Wash.	Steagall
Brand, Ga.	Hayden	Milligan	Stedman
Brand, Ohio	Hersey	Minahan	Stephens
Britten	Hickey	Montague	Strong, Kans.
Browne, Wis.	Hill, Md.	Moore, Ga.	Summers, Wash.
Browning	Hill, Wash.	Moore, Ohio	Summers, Tex.
Burtness	Hoch	Moores, Ind.	Swank
Burton	Holaday	Morehead	Swoope
Butler	Howard, Nebr.	Morgan	Taber
Canfield	Huddleston	Morris	Taylor, Colo.
Cannon	Hudson	Morrow	Taylor, Tenn.
Carter	Hudspeth	Murphy	Taylor, W. Va.
Casey	Hull, Iowa	Nelson, Me.	Thatcher
Chindblom	Jacobstein	Nelson, Wis.	Thomas, Ky.
Christopherson	James	Newton, Minn.	Thomas, Okla.
Clague	Jeffers	Newton, Mo.	Thompson
Clarke, N. Y.	Johnson, Ky.	Nolan	Tilman
Cleary	Johnson, S. Dak.	O'Connell, R. I.	Tilson
Cole, Iowa	Johnson, Tex.	O'Sullivan	Timberlake
Cole, Ohio	Johnson, Wash.	Oldfield	Tincher
Colton	Johnson, W. Va.	Oliver, Ala.	Tinkham
Connally, Tex.	Jones	Paige	Treadway
Connery	Kearns	Parker	Tucker
Cook	Kelly	Parks, Ark.	Underhill
Cooper, Ohio	Kent	Peery	Underwood
Cooper, Wis.	Kerr	Phillips	Upshaw
Crisp	Ketcham	Pou	Vaile
Croll	King	Prall	Vestal
Crowther	Knutson	Purnell	Vincent, Mich.
Cullen	Kopp	Quin	Vinson, Ga.
Cummings	Kvale	Ragon	Vinson, Ky.
Dallinger	LaGuardia	Rainey	Volgt
Davey	Lampert	Raker	Ward, N. Y.
Davis, Minn.	Lankford	Ramseyer	Watkins
Davis, Tenn.	Larsen, Ga.	Rankin	Wefald
Denison	Leatherwood	Ransley	Welsh
Dickinson, Iowa	Leavitt	Rathbone	White, Kans.
Dickinson, Mo.	Lee, Ga.	Richards	Williams, Ill.
Dowell	Lehlbach	Roach	Williams, Mich.
Eagan	Lilly	Robinson, Iowa	Williamson
Elliott	Lineberger	Robsion, Ky.	Wilson, Ind.
Evans, Iowa	Logan	Rogers, Mass.	Winslow
Fairchild	Longworth	Rogers, N. H.	Winter
Fairfield	Lowrey	Romjue	Wood
Faust	Lozier	Rouse	Wright
Favrot	Luce	Rubey	Wurzbach
Fenn	Lyon	Sanders, Ind.	Yates
Foster	McClintic	Sanders, N. Y.	Young
Frear	McKenzie	Sandlin	

NAYS—47

Aswell	Collins	Humphreys	Sanders, Tex.
Bell	Crosser	Jost	Schafer
Bland	Deal	Kincheloe	Spearing
Blanton	Doughton	Kindred	Stevenson
Bowling	Doyle	Lanham	Tague
Box	Drewry	Lazaro	Tydings
Boyce	Gallivan	Linthicum	Weaver
Briggs	Garrett, Tex.	McDuffie	Wilson, La.
Buchanan	Goldsborough	Martin	Wilson, Miss.
Bulwinkle	Griffin	O'Connor, La.	Wingo
Busby	Hill, Ala.	Rayburn	Woodrum
Byrns, Tenn.	Hooker	Reed, Ark.	

ANSWERED "PRESENT"—2

Carew O'Connell, N. Y.

NOT VOTING—113

Anderson	Edmonds	Langley	Reid, Ill.
Anthony	Evans, Mont.	Larson, Minn.	Rosenbloom
Beedy	Fish	Lea, Calif.	Sabath
Begg	Fisher	Lindsay	Salmon
Bixler	Fitzgerald	Little	Smith
Boies	Fleetwood	McFadden	Snyder
Boylan	Freeman	McLeod	Stengle
Browne, N. J.	Frothingham	Madden	Strong, Pa.
Brumm	Garner, Tex.	Magee, Pa.	Sullivan
Buckley	Garrett, Tenn.	Miller, Ill.	Sweet
Burdick	Geran	Mills	Swing
Byrnes, S. C.	Gibson	Mooney	Temple
Cable	Gifford	Moore, Ill.	Vare
Campbell	Graham, Ill.	Moore, Va.	Wainwright
Celler	Graham, Pa.	Morin	Ward, N. C.
Clancy	Green, Iowa	Mudd	Wason
Clark, Fla.	Griest	O'Brien	Watres
Collier	Hawes	O'Connor, N. Y.	Watson
Connolly, Pa.	Hawley	Oliver, N. Y.	Weller
Corning	Howard, Okla.	Park, Ga.	Wertz
Cramton	Hull, Morton D.	Patterson	White, Me.
Curry	Hull, William E.	Peavey	Williams, Tex.
Darrow	Hull, Tenn.	Perkins	Wolff
Dempsey	Kahn	Perlman	Woodruff
Dickstein	Keller	Porter	Wyant
Dominick	Kendall	Quayle	Zihlman
Drane	Kiess	Reece	
Driver	Kunz	Reed, N. Y.	
Dyer	Kurtz	Reed, W. Va.	

So the previous question was ordered.

The Clerk announced the following pairs:

Until further notice:

Mr. Dyer with Mr. Weller.
Mr. Kahn with Mr. Clark of Florida.
Mr. Wyant with Mr. Howard of Oklahoma.
Mr. Vare with Mr. Dominick.
Mr. Patterson with Mr. Drane.
Mr. White of Maine with Mr. Byrns of South Carolina.
Mr. Sweet with Mr. Garner of Texas.
Mr. Begg with Mr. Park of Georgia.
Mr. Connolly of Pennsylvania with Mr. Sullivan.
Mr. Fleetwood with Mr. Collier.
Mr. Gibson with Mr. Ward of North Carolina.
Mr. Griest with Mr. Boylan.
Mr. Madden with Mr. Fisher.
Mr. Graham of Pennsylvania with Mr. Browne of New Jersey.
Mr. Reid of Illinois with Mr. Clancy.
Mr. Graham of Illinois with Mr. Stengle.
Mr. Cable with Mr. Quayle.
Mr. Temple with Mr. Corning.
Mr. Woodruff with Mr. Geran.
Mr. Perkins with Mr. Buckley.
Mr. Strong of Pennsylvania with Mr. Sabath.
Mr. Watres with Mr. Dickstein.
Mr. Kendall with Mr. Hawes.
Mr. Cramton with Mr. Lindsay.
Mr. Bixler with Mr. Celler.
Mr. Darrow with Mr. O'Brien.
Mr. Fish with Mr. Driver.
Mr. Magee of Pennsylvania with Mr. Williams of Texas.
Mr. McFadden with Mr. Garrett of Tennessee.
Mr. Curry with Mr. Kunz.
Mr. Burdick with Mr. Hull of Tennessee.
Mr. Little with Mr. Evans of Montana.
Mr. Morin with Mr. Wolff.
Mr. Mudd with Mr. Salmon.
Mr. Boies with Mr. Oliver of New York.
Mr. Kurtz with Mr. Lea of California.
Mr. Mills with Mr. Moore of Virginia.
Mr. Brumm with Mr. O'Connor of New York.
Mr. Kiess with Mr. Mooney.

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. HAUGEN. Mr. Speaker, I ask unanimous consent that all Members be allowed to extend their remarks in the RECORD on this bill for five legislative days.

The SPEAKER. The gentleman from Iowa asks unanimous consent that all Members be allowed to extend their remarks in the RECORD on this bill for five legislative days. Is there objection?

Mr. CHINDBLOM. Mr. Speaker, reserving the right to object, will that be five legislative days after the passage of the bill?

Mr. SNELL. Mr. Speaker, reserving the right to object, that means their own remarks.

Mr. CHINDBLOM. And after the passage of the bill?

The SPEAKER. Is there objection?

Mr. RANKIN. Mr. Speaker, reserving the right to object, the same request was made with reference to the adjusted compensation bill and the objection on this side was systematically made every time. So it seems to me the gentleman ought to postpone this request until a little later, at least, and give us time to see what is in this bill.

The SPEAKER. Does the gentleman object?

Mr. RANKIN. No.

Mr. CHINDBLOM. Mr. Speaker, the modification should be made that Members will be allowed to insert their remarks in the RECORD on this bill for five legislative days after final action on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Iowa? [After a pause.] The Chair hears none.

Mr. HAUGEN. Mr. Speaker, I ask unanimous consent that the time be equally divided between the gentleman from Louisiana [Mr. ASWELL], the gentleman from Missouri [Mr. RUBEY], the gentleman from Wisconsin [Mr. VOIGT], and myself, three and three-quarters hours each.

The SPEAKER. The gentleman from Iowa asks unanimous consent that the time be divided into four parts. Is there objection?

Mr. ASWELL. Mr. Speaker, reserving the right to object, there was an agreement that the chairman control one-fourth of the time in favor of the bill on that side of the Chamber, the gentleman from Wisconsin [Mr. VOIGT] one-fourth of the time on that side against the bill, that I would control one-fourth of the time on this side against the bill, and that the gentleman from Missouri [Mr. RUBEY] would control one-fourth of the time for the bill on this side of the Chamber.

Mr. HAUGEN. That is embodied in my request.

Mr. KINCHELOE. Mr. Speaker, reserving the right to object, I understand, then, that if this request is granted, the time will be controlled as outlined by the gentleman from Louisiana [Mr. ASWELL]?

The SPEAKER. Yes.

Mr. ASWELL. Mr. Speaker, the Chair inadvertently, perhaps, stated that the Members would have five legislative days in which to extend their remarks in the RECORD on this bill after the passage of the bill. Should not that be after the vote on the bill?

The SPEAKER. That was the final request.

Mr. LINTHICUM. I would like to know whether I can get 10 minutes of any of this time?

Mr. ASWELL. I will yield the gentleman some time during the course of debate.

The SPEAKER. Is there objection to the request of the gentleman from Iowa [Mr. HAUGEN] as to the division of time? [After a pause.] The Chair hears none.

Mr. HAUGEN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 9033) declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9033, with Mr. SANDERS of Indiana in the chair.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read the title of the bill.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the first reading of the bill be dispensed with. Is there objection? [After a pause.] The Chair hears none. The gentleman from Iowa is recognized. [Applause.]

Mr. HAUGEN. Mr. Chairman, the unanimous consent just agreed to divides the 15 hours given to general debate on this bill in four parts, so that I shall have 3¾ hours at my disposal. I have had some 20 or 30 requests for time, so the time allotted to me will not permit me to discuss at this time all the details of the bill. In order to cover as many points as possible I ask that I may be allowed to conclude my statement without interruption.

I have frequently been asked what the McNary-Haugen bill proposes to do and how it will relieve the depressed agricultural situation. Briefly, the bill establishes a corporation with a capital stock of $200,000,000 subscribed by the Federal Treasury to purchase certain basic agricultural commodities at a ratio price in such amounts as to make the ratio price the prevailing market price. The ratio price at which the corporation shall purchase the commodities will be the pre-war price, increased proportionately with the increase in 404 other commodities; in other words, the corporation will buy certain basic agricultural commodities on the open market at the ratio price thus bringing the market price up to the same exchange value compared with other commodities that obtained for a normally representative period prior to the war, and the farmer's dollar will have a buying power equal to that which it had before the war. The surplus thus purchased or pooled by the corporation will be sold on the world market at the best obtainable price and

the discount on such exportable surplus and the cost of operation of the corporation will be collected from the producers of the total crop of that commodity; thus the $200,000,000 advanced by the Government should not be impaired and the producers as a whole, who are materially benefited by the enhanced price brought about by the legislation, will stand the cost of operation.

I am also asked, why this emergency legislation? Why the continued depression in agriculture? It is not due to crop failures, nor to lack of industry, or intelligent management on the part of the farmers, but to various other causes, especially to the low prices on agricultural products as compared with the increased prices of other commodities. The prices of the two are out of line, as indicated in President Coolidge's speech of February 13, in which he stated:

> But the great food staples do not sell on a parity with the products of industry. Their average price is little above the pre-war level, while manufactures are about 50 per cent higher. The farmer is not receiving his share.

I believe I am safe in saying that, generally speaking, the agricultural depression is largely due to this inequality in prices between agricultural commodities and other commodities, referred to by the President, which has resulted in an inadequate return to the farmer for his labor and capital invested; and due also to the exportable surplus of these agricultural commodities, upon which their price is made dependent and lowered by reason of the unsettled world conditions and lower cost of production in the foreign countries.

It is generally conceded that in the absence of a monopoly, combination, or organization to pool and boost prices, where there is a surplus of any product for export, due to intense competition, the price obtained for the surplus determines the price of the whole product.

Organized industry in the United States, under a highly protective policy, is able to sell its products in the domestic market at a price equal to the cost of foreign production plus the tariff, cost of transportation, and other charges incident thereto. In other words, organized industry sells for domestic consumption on the American price level—cost of foreign production plus tariff, transportation, and other charges incident thereto—and sells its surplus on the world price level in competition with the surplus products of other countries without affecting the domestic price. Thus the average price of the whole product is materially advanced, the average price being the domestic price less the discount occasioned by the lower price of the surplus.

On the one hand, the six and a half million farmers are unable to organize so as to pool their products and restrict production, and thus control their price, because of their large number and the fact that they are scattered throughout this vast country. It has been tried out, but without success, except when done on a small scale and in a limited area, in which case it has been fairly successful, as, for instance, the citrus fruit growers and tobacco growers have organized with some success. Experience in the past has clearly demonstrated that organization among farmers can not be accomplished on a large scale or on a scale that will cover the entire country. As a result of the farmers' inability to organize and pool, and thus determine the price of their products for domestic consumption, they sell their whole product at a price dependent upon the price obtained for their surplus, which is sold in competition with the surplus products of other countries. The American farmer sells his eggs and butter in competition with the surplus products of the world.

The American wheat grower sells his wheat, grown on high-priced land, yielding on an average of about 14 bushels to the acre, in competition with the wheat grown on the productive soil of Canada, selling at $5 to $20 an acre, and yielding from 40 to 60 bushels an acre. The farmer in the Corn Belt of Iowa, Illinois, Missouri, Nebraska, and Minnesota, tilling $200 an acre land, sells corn and cattle in competition with the surplus cattle and corn of Argentina, produced by underpaid labor on its low-priced and rich soil. The farmer buys on the highest market in the world and sells his products on the lowest market in the world, which has resulted in the inequality in prices and depressed conditions in agriculture.

The object sought in the proposed bill, then, is to establish a fairer relation between the basic agricultural commodities and other commodities, to equalize prices, to overcome the disparity in prices, to raise the purchasing power of agricultural commodities to the price level of other commodities, to put the farmer in the same position as organized industry, to establish a domestic price for the product sold for domestic consumption, to sell the exportable surplus at the world price, and in the end bring up the average price of the farmers' whole product, so that the farmer may do as organized industry is doing—in other words, to make the purchasing power of basic agricultural commodities equal to the purchasing power of the products of organized industry and labor.

A proposition not to fix prices, but to furnish a ready buyer to buy at a price commensurate with the price paid for other commodities. To give the farmer an even break, so that if organized industry continues to put up and maintain prices, the price of agricultural commodities may also be raised proportionately, to make the rate of duty applicable to agricultural commodities in the same manner as it applies to the products of organized industry. So if the protective policy is to be continued, it shall also apply with equal force to the farmers' products. Thus it will make it possible for the farmer to do what organized industry is doing.

All will agree that it is unfair to continue a policy which protects one and not the other. What is good for the goose is good for the gander. Such a discriminating policy can not long continue. If protection is to be denied the one the alternative is to deny it to the other also.

How is the equalization of prices to be accomplished? First, it is proposed to create a corporation to be directed by a board consisting of four directors appointed by the President, with the advice and consent of the Senate, and the Secretary of Agriculture, who shall be chairman, the salary of the four directors to be $10,000, and one of the four to be selected as managing director.

The capital of $200,000,000 is to be subscribed by the Federal Government. The board is given authority to borrow not to exceed five times the amount of the authorized capital. The United States assumes no liability for any obligation of the corporation.

Notes and bonds are not exempt from taxation.

The corporation may sue and be sued; may make contracts, and may acquire, hold, and dispose of property.

It may appoint and fix the compensation of employees.

It may acquire the right of operation of storage warehouses and facilities for processing such commodities.

It may make contracts for processing of basic agricultural commodities.

It may make advances to any person not to exceed 75 per cent of the market value.

The corporation shall utilize as far as possible existing facilities and agencies.

It shall cooperate with and encourage formation of associations of producers.

The corporation shall purchase basic agricultural commodities produced in the United States in respect of which a special emergency has been declared of wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine.

The ratio price of such basic agricultural commodities—computed by the Secretary of Labor and Secretary of Agriculture—for such period shall bear the same relation to the pre-war basic-commodity price thereof as the current all-commodities price in effect for such period bears to the pre-war all-commodities price.

The corporation shall purchase the basic agricultural commodity in any amount necessary to maintain at the level of the ratio price the domestic price of such commodity or any class or grade thereof in respect of which a ratio price is established, and may from time to time make allowances to cover storage and other holding costs.

The corporation shall sell in foreign markets at the highest prices obtainable, in the domestic market at not less than the purchase price, for its exportation—or for processing for exportation under such regulations as the corporation may prescribe—at the highest prices obtainable.

The corporation shall determine the probable export surplus, the probable domestic consumption, and the amount of basic agricultural commodities to be purchased. It shall notify the President of its findings. It is then the President's duty by proclamation to declare that a special emergency exists as to such agricultural commodities. The President is given authority to adjust the rates of duty and to prohibit the importation of basic agricultural commodities or any such derivative.

The Secretary of Labor shall compute the average of all commodities—404 in number—for the period 1905 to 1914, inclusive—referred to as the pre-war basic commodity price—as given in Bulletin No. 335, Bureau of Labor statistics.

The Secretary of Agriculture and Secretary of Labor shall after the issuance of a proclamation declaring a special emergency in respect of a basic agricultural commodity jointly pre-

pare the average price for such commodity during the period 1905–1914, referred to in this bill as the pre-war basic commodity price.

The Secretary of Labor shall compute and publish the average price of all commodities for such month. The index numbers of wholesale prices for all commodities for such year shall be referred to as the current all-commodities price.

The current all-commodities price in effect for any period shall be the price computed for the month preceding the commencement of such period.

The corporation shall determine the amount to be paid or withheld from each producer to defray expenses and to make up the losses on the export surplus.

The corporation may require the purchaser to issue to such producer a receipt therefor, which shall be evidence of the participating interest of the producer.

It may by regulation require any purchaser or producer to file returns under oath any report in respect of his purchases or sales of the basic agricultural commodities, and so forth.

There shall be established in the treasury of the corporation for each basic agricultural commodity an equalization fund into which all equalization fees for such operating period shall be deposited, and from such funds there shall be disbursed all operating expenses and losses.

After the expiration of such operating period the corporation shall distribute ratably any balance remaining in such fund to the persons to whom such equalization fee has been paid.

For example, had the bill been in operation and the corporation functioning last December, according to the table prepared by the Bureau of Labor Statistics:

Market prices of commodities

Index of all commodities, 1905–1914	100.0
Index of all commodities, year 1923	162.3
Index of all commodities, December, 1923	159.8

Individual commodities	Average market price, 1905–1914	Average market price, year 1923	Average market price, December, 1923	Ratio price, year 1923	Ratio price, December, 1923
Cotton: Upland middling	0.120	0.293	0.358	0.194	0.191
Corn: Contract grades, cash, Chicago	.602	.821	.730	.977	.902
Wheat: Range of No. 1 northern spring and No. 2 red winter, Chicago	1.00	1.163	1.097	1.624	1.598
Cattle: Good to choice, steers, Chicago	6.855	9.952	9.785	11.123	10.949
Hogs: Heavy, Chicago	7.099	7.690	7.05	11.522	11.342
Sheep: Wethers, Chicago	5.379	7.648	8.000	8.731	8.594
Flour: Patents	5.127	6.365	6.109	8.322	8.192
Wool: One-fourth and three-eighths grades, scoured basis	.492	.979	.964	.799	.787

The indexed number of all commodities—1905–1914—is 100. Index number for all commodities December, 1923, was 159.8. According to it, prices of all commodities increased 59.8. The average market price of wheat in Chicago for 1905–1914 was $1. The ratio price for December, 1.598. The average market price for December was 1.097. The price of wheat would have advanced 50.1. In other words, eliminating the decimals, the farmer would have received 1.59 for his wheat instead of 1.09, an increase in price of 50 cents a bushel. If the corporation had estimated the number of bushels required for domestic consumption at 600,000,000 bushels and the surplus for export at 150,000,000 bushels and the loss on the exportable surplus at 50 cents a bushel, or $75,000,000, it would have found it necessary to withhold or collect $75,000,000 from all purchases, or 10 cents a bushel on the whole crop. If so, the farmer would have received $1.49 in cash and a receipt for 10 cents, instead of $1.09, the amount which he received.

The bill has been characterized as a vicious circle of price raising, pyramiding, and one increase upon another. It is stated that for these reasons the bill is unworkable, impracticable, and undesirable. Let us see about that. If the bill had been in effect the 1st of last December, according to the table furnished by the Department of Labor just referred to, the indexed number of all commodities of December, 1923, was 159.8. The current price of hogs in December was $7.05; the ratio price would have been $11.34, and the price of hogs would have been increased $4.29, or about 60 per cent. Assuming that the corporation had been functioning and a special emergency had been declared effective on the 1st day of December, 1923, the price of hogs would have advanced to the ratio price $11.34, instead of selling for the current price, $7.05, an increase of about 60 per cent in the price of hogs.

According to Bulletin 335, United States Department of Labor, hogs in weight are reported at 4.07 per cent, or, say 5 per cent; and assuming that all other commodities had remained the same, say at 1.60, what would have been the result? If the advance in price of hogs would have advanced the index number of all commodities, say, 3 points, added to 160 equals 163. Suppose building material had decreased in price in an amount affecting the all-commodities index number in a like amount. The result would be: First, add 3 to 160; second, deducting 3 from 163; the index number would be just where we started.

Suppose there had been declared a special emergency on butter the 1st of May. The current price in New York, 35¼ cents to 36¼ cents, say 36 cents, extra creamery, score 92, would have advanced to 45 cents, or 9 cents a pound, which is 25 per cent increase over 36 cents.

Objection to the bill is made on the ground that it will increase the cost of living. I believe the Wall Street Journal was the first to raise this objection. Yes; it will increase the cost of living. The increase of cost of flour in an 8-ounce loaf of bread would be less than a half cent; in a 16-ounce loaf less than 1 cent. It requires about 4.6 bushels of wheat to make a barrel of flour. A 50-cent increase in the price of wheat would make an increase of $2.30 a barrel. One barrel of flour makes five hundred and eighty-five 8-ounce loaves of bread, or from two hundred and seventy-five to three hundred 16-ounce loaves. The additional burden of a half cent a loaf will, of course, be felt by the Wall Street Journal, but I trust that Mr. Morgan and his associates will be able to stand the burden. If not, when the farmers get back on their feet they will help out. While it may work a hardship on Wall Street, the increased cost of living apparently is satisfactory to the wage earner. Representatives of practically every labor organization appeared before the committee. I quote from hearings before my committee:

STATEMENT OF MR. EDGAR WALLACE, REPRESENTING THE AMERICAN FEDERATION OF LABOR

Mr. WALLACE. Mr. Chairman, when I appeared here about a year or a little over a year ago there were some 5,000,000 workingmen walking the streets. We considered then that the reason for the depression in the industries was the fact that the farmers were not getting prices for their products and consequently were unable to buy.

* * * * * * *

We fear that this condition of comparative steady employment is only temporary, that just as long as that great group of the people of our country, the producing people of our country, are underpaid for their labor (for that is what it amounts to), when they are not getting a fair price for their products, prosperity is just for a time and can not last.

We believe it is only enlightened selfishness to say that this great, big portion of the citizenry be placed in the position where they can feel safe. * * *

Mr. WALLACE. Yes; we recognize that if the farmer gets a better price we will have to pay it; that is, we will have to pay our share of it.

* * * * * * *

When they determined to deflate, they hit the farmers hard, and the farmer found himself helpless, because he had no economic organization. When it came to the miners, the miners said, "Maybe you will; we will give you a scrap," and they did.

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Mr. WALLACE. A cause probably of raising the price of things that we have to buy; yet we are for that, recognizing the farmers as our best customers. What does it profit us if we can get meat for 10 cents a pound if we haven't the 10 cents?

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The farmers are our customers; when they have no money we can not work. We are the farmers' customers; when we can not buy, their foodstuffs pile up and lose in value. Hence, I think it is to the interest of all the workers—and I want to say that the condition of the workers is not improving.

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I can not see any hope for improvement, except the farmers can buy. Those are the people on whom we depend.

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Now, Mr. Chairman, I do not see any difference in confiscating a farmer's product by force, or forcing upon him confiscatory prices that will have the same effect. The danger is, and I know that in certain places it is now taking effect, that the farmer here may also let his fields lie fallow and not raise the foodstuffs that are needed by the entire country.

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STATEMENT OF MR. ROBERT FECHNER, REPRESENTING THE INTERNATIONAL ASSOCIATION OF MACHINISTS

Mr. FECHNER. Our general executive board is in session here in Washington, which is the headquarters of our organization at the present time, and President William H. Johnston called the attention of the board members to the reports which have been recently received

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on the subject, and the board felt that we were sufficiently concerned in the matter to take official recognition of the situation. We did so, and after giving due consideration to the entire matter we have officially recorded ourselves as supporting in principle at least the provisions of this pending legislation.

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We feel that the farmer is entitled to a sufficient price to justify him in continuing the operation of his farm, just as well as transportation or any other industry is entitled to a fair return on their investment or the activity of those who are engaged in these other lines, and we are convinced that if anything can be done by the Congress to help bring about that condition it will be reflected in all other lines.

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No; I certainly hope Congress will not stand still. That is what I am here for, to urge that something be done, and I am sure that the committee can formulate some plan.

* * * * * * *

We believe that if we can get some relief for the farmers and get things started on the farms, it is going to be reflected along all lines and that the mechanics will benefit just as well as the farmers. We are very anxious that at least an effort be made to afford that relief.

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We do believe that the workers must have a living wage and that the farmers must also get a price for their product that will enable them to live and to continue to operate their farms; and it is that principle that we want to see preserved.

STATEMENT OF MR. ARTHUR J. LOVELL, VICE PRESIDENT AND LEGISLATIVE REPRESENTATIVE, BROTHERHOOD OF LOCOMOTIVE FIREMEN AND ENGINEMEN, WASHINGTON, D. C.

Mr. LOVELL. Mr. Chairman and gentlemen of the committee, I have the honor to represent the Brotherhood of Locomotive Firemen and Enginemen, one of the railroad transportation organizations, in support of this measure, which is the preferred measure of the farmers for marketing their crops. During the last Congress I appeared before your committee in support of a bill similar to the one introduced at this session.

Our organization is on record in favor of such legislation on behalf of the farmers.

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Now, the farmer is entitled to some consideration, some help, and this bill in our opinion will give him some betterment of conditions. The farm is absolutely essential.

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We are not in affiliation with any farm organization; we are not affiliated with the American Federation of Labor. These four railroad brotherhoods are independent. We are a fraternal insurance organization. We are very old. Our organization has been more than half a century in existence.

STATEMENT OF MR. W. M. CLARK, VICE PRESIDENT AND NATIONAL LEGISLATIVE REPRESENTATIVE, ORDER OF RAILWAY CONDUCTORS; ALSO REPRESENTING THE BROTHERHOOD OF RAILROAD TRAINMEN, WASHINGTON, D. C.

Mr. CLARK. I am vice president and national legislative representative of the Order of Railway Conductors, and also represent the Brotherhood of Railroad Trainmen. A year ago our organization and other organizations went on record as favoring a bill that would benefit the farmer and a bill with which the farmers were in accord. As far as we are concerned, we are not wedded to any particular bill or language, if it benefits the farmer, because that is what we are trying to do.

The testimony of these excellent gentlemen speaks for itself and should satisfy all as to the attitude of labor toward legislation along the line suggested in this bill.

STATEMENT OF MR. EDGAR WALLACE, WASHINGTON, D. C., REPRESENTING THE AMERICAN FEDERATION OF LABOR

Mr. WALLACE. Mr. Chairman and gentlemen, I come here with some hesitation to reiterate the statement that I presented before this committee when the Sinclair-Ladd bill was under discussion, the Little bill was under discussion, and the Sinclair-Norris bill was under discussion. Now, I am appearing in favor of the McNary-Haugen bill, with very little real knowledge as to what might be the effect, the detailed effect of this bill if enacted into law. The organization that I represent recognizes that this bill provides for unprecedented action on the part of Congress to aid the farmers of the country. It is our opinion that there is an unprecedented situation to be met. If in this country there was a pestilence in some sections that threatened the entire country, we would not hesitate to take some drastic action in order to meet the emergency. The workingman of the country realized that lopsided prosperity can not continue for any great length of time. With great numbers of our citizenry threatened with ruin, facing ruin, the rest of us can not continue prosperous for any great length of time.

The farmers were crushed, first by the economic power of the bankers, who sought to deflate the commodities of the country in order to inflate the value of the dollar. The pressure was brought to bear first upon the farmers, and effectively upon the farmers because they had no organization competent to meet the organization of the bankers.

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Mr. RUBEY. I understand you are in favor of the McNary-Haugen bill?

Mr. WALLACE. I am in favor of any bill, including the McNary-Haugen bill, that will help the farmers out of their present trouble.

Mr. JOHNSON. Do you folks feel that this is one of the real, necessary measures that Congress should pass at this session?

Mr. WALLACE. We believe it should not only be passed at this session, but just as early as possible; we read every day of banks failing in the Northwest as a reflection of the condition of the farmers there, and that can not continue long until it is going to affect the whole economic organization of the country.

Mr. JOHNSON. What is your opinion about the rest of the labor organizations other than those you are now speaking for?

Mr. WALLACE. I represent possibly 5,000,000 workers. The rest of the labor organizations, the only ones that I know of that are not in the American Federation of Labor, are the railroad organizations, and I believe they are absolutely in sympathy. I can not speak for them directly.

Objections have been made to the word "shall."

That the President shall declare an emergency existing.

Why not "shall"? If an emergency exists, why not give the farmer the benefit? Why not equalize prices as contemplated? Why delay? The dairy people have spent a year in having the duty on butter and substitutes adjusted. Why not give immediate relief? Why not do away with the discrimination or desparity in tariff rates on butter and all basic agricultural commodities as quickly as possible?

Others say:

If it is going to work out, farmers will certainly raise four times the number of hogs.

Yes; it might glut the market if Uncle Sam's corncrib would hold out. Hogs can not be raised without corn or feed. Our supply of corn is limited. If hogs go up, corn is sure to follow, hence no incentive to increase the hog production.

Another objection:

This bill does not permit the corporation that is proposed to be created to buy a slaughtering plant.

The object is not to put packers nor any worthy and legitimate enterprise out of business, but to utilize existing facilities. It goes without saying that with the numerous idle packing plants and plants with sufficient capacity to take care of the business for the next 20 years there is no need of additional plants. Under such conditions there can be no question but that satisfactory arrangements may be made for processing, if found necessary to process livestock.

It has been stated:

The only people who are engaged in the export business are the Big Five packers.

Mr. Norman Draper, representing the Institute of American Meat Packers, of Chicago, stated:

The packers are now endeavoring to sell, and are selling every pound they can in every foreign market. The fact that they did not last year sell even more than 2,000,000,000 pounds abroad is due not so much to inability of people to purchase American meats in foreign countries, as so many people have been led to believe, but it is due quite as much to restrictions which foreign countries have thrown up against American meats. In France, for instance, we developed, after the war, an excellent market for American pork. To-day, and for a year, this market has been denied us, in spite of the fact that meat inspection in the United States is more efficient than that existing in any country in the world.

You are familiar with the Federal Trade Commission's report. Evidently some of the packers are continuing questionable practice. If so, it may be necessary to take over the export business to restore our foreign markets. What is true as to the meat industry is true as to the exportation of grain.

One contention is that the corporation would be absolutely at the mercy of the Big Five packers. If the Big Five are as unpatriotic and contemptible as the statements imply, we have some 700 or 800 independents. In 1923 a Federal inspection was conducted in 867 establishments in 261 cities and towns as compared with 899 in 1922. So if the Big Five can not be depended upon, there should be no difficulty in arranging with the 800 independent packers for processing.

One objection is raised:

If you are a farmer and I am a city fellow, and you slaughter a hog and sell him to me, I am obliged to pay the so-called equalization fee, which is estimated would run, on a 200-pound hog, anywhere from $2 to $5; that men are not going to pay that tax unless they are legally obliged to.

If all are dishonest and tax evaders, there would be no equalization fee; but all are not dishonest. The penalty clause would take care of the others. Just how the $2 and $5 equalization fee on 200-pound hogs was arrived at is beyond me. It requires no sharp-pointed pencil to calculate the exact fee. If the increase in the price of hogs is $4.29 a hundred, as it would have been last December, the increase on 200 pounds would be $8.58. The exportable surplus of hogs would run about 5 per cent to 8½ per cent—say, 10 per cent. If so, $4.29 a hundred loss to the corporation on 20 pounds would be 85.8 cents instead of $2 to $5 estimated. The net gain to the producer would be $4.29 a hundred on 200 pounds, or $8.58 minus 85.8 cents expense and loss on export, which would be $7.722 net gain to the producer on a 200-pound hog.

One contention is that if you declare an emergency on hogs you must immediately declare an emergency on cattle and sheep. Why not, if the current price is below the ratio price? If one is above, no emergency can be declared under the bill. If the ratio price on butter or wheat is above the current price, why deprive the wheat grower and the dairy producers of their just dues?

One objection raised is if you put up the price on pork 60 per cent people are going to eat less pork and more of other meat. No; cattle and mutton are high. Hogs are at a low price; consumption of cattle and mutton have not been affected.

Mr. LINTHICUM. Will the gentleman yield?

Mr. HAUGEN. I will.

Mr. LINTHICUM. What does the gentleman estimate is the amount that the millers have on hand?

Mr. HAUGEN. Yes. One contention is that it will make the packers and millers of this country an immediate present overnight of at least $200,000,000.

Some one has estimated the profit of the meat packers through the operation of the bill from $1,500,000,000 to $2,000,000,000.

According to the reports of food on hand in cold storage and warehouses, it is estimated that there is on hand at the present time:

Wheat	$52,000,000
Corn	4,362,000
Flour	3,759,000
Pork	54,316,000
Miscellaneous meats	4,475,000
Total	118,912,000
50 per cent increase in the price of flour would be	1,879,500
50 per cent increase in the price of pork and meat would be	29,395,500
Total	31,275,000

According to the testimony of Mr. Weld, of Swift & Co., whose testimony appears in the hearings on cold storage, the Bureau of Markets reported on hand July 1, 1919:

	Amount	Percentage of total production	Would last—
			Days
Eggs ..... cases	7,508,530	7	22
Butter ..... pounds	87,851,371	6	20
Poultry ..... do	48,895,000	3	10
Frozen beef ..... do	162,386,570	2	7
Pork products, including lard ..... do	1,047,808,000	10	35

About two-thirds of this quantity is in process of being cured in pickle and salt and is not ready for market.

By it it will be seen the amount on hand is only from 2 to 10 per cent of the total annual production of the various commodities, which, according to the report, would last only from 7 to 35 days, and that two-thirds of pork products is in process of being cured and not ready for the market.

If the packers should have livestock on hand, raised on their farms or bought, section 206 provides that the term "sale" means—

(1) The first sale of cattle, sheep, or swine, after the declaration of a special emergency for slaughter for market.

If the miller has on hand wheat grown on his farm or bought, (2) provides that the miller pays the equalization fee when milling or processed for market. So whatever wheat or livestock purchased or raised on farms owned by the miller or packer, if not acquired in pursuance of a sale described in paragraph (1) of that subdivision, is subject to the equalization fee.

Even if the 4,800 millers should profit to the extent of 50 per cent on $3,759,000 worth of flour, their profits would be	$1,879,500
Then suppose the packers should profit 60 per cent on their $59,000,000 worth of pork and meat; their profit would be	35,400,000
Total	37,279,500
(which is less than 2 per cent of the estimated profits and not several hundred million dollars, as claimed.)	
On the other hand, if the price of wheat should be advanced 50 cents a bushel and 600,000,000 bushels sold by the farmer for domestic consumption, the profits to the producers would be	300,000,000
10 cents a pound on 1,500,000,000 pounds of butter would be	150,000,000
If the price of corn should advance 25 cents a bushel on, say, 2,000,000,000 bushels marketed, the profit to the producers would be	500,000,000
If the price of 65,000,000 hogs should advance 4 cents, $10 a head, the profit would be	650,000,000
A grand total annually of	1,650,000,000

So if we are a genuine friend of the farmer, we should not be alarmed about giving the 4,800 millers and 807 packing establishments $37,279,500, where the 6,500,000 farmers would gain $1,600,000,000 annually. In other words, if the passage of the McNary-Haugen bill will result in a profit of $37,000,000 to the millers and packers, it will also at the same time result in a profit to the farmers of $1,600,000,000.

One contention is that the bill could not apply to cotton because we export 65 per cent; that if the cotton should go down to 15 cents, or 5 per cent below the ratio price, it might result in a loss to the cotton grower. The percentage of cotton exported is less than 50 per cent. Exports in 1920 were only 43.41 per cent, now below that. But say 50 per cent; if cotton should drop 5 per cent below the ratio price and 50 per cent of it exported, and if the crop is ten million 500-pound bales and 50 per cent exported, the gain to the cotton grower would be 5 cents a pound, or $25 a bale, net $125,000,000, which amount is $20,000,000 in excess of the total production of gold and silver in the United States.

Production of gold in the United States in 1922 was only	$49,096,000
Production of silver in the United States in 1922 was only	55,510,859
Total	104,606,859

Mr. McKEOWN. What effect will this ratio price have on the product? For instance, when wheat is bringing $1.59 under this law, domestic wheat for domestic purposes, what effect does that have on the price of flour? Does it raise the price of flour or not?

Mr. HAUGEN. If the price of wheat advances, naturally the price of flour will increase.

Mr. McKEOWN. That is what a great many people want to know—what effect this will have on the price of the finished product.

Mr. HAUGEN. I am glad the gentleman brought that up.

The bill has been characterized as a price-fixing bill. No; it is not a price-fixing bill but a bill to furnish a ready buyer of basic agricultural commodities at a price commensurate with that of other commodities. No person or agency can forecast what the price will be under the proposed bill any more than he can under the present marketing system.

Under it the prices of basic agricultural commodities will be determined by the prices of 404 commodities referred to as all commodities. If the prices of all commodities go up, up goes the price of basic agricultural commodities. If down, down goes the price of basic agricultural commodities. Under the present system prices of agricultural commodities are determined by the exporters, speculators, and gamblers, the bulls and bears on our exchanges. If the bulls and bears put the price up, up goes the price to the producer. If the bulls and bears put the price down, down goes the price to the producer.

Whenever the manipulation of grades and crooked dealings on the exchanges and in the export business depress the price or rob the producer of his legitimate world market, prices to the producers go down. Under the proposed bill, if the prices of all commodities go down, down goes the price of basic agricultural commodities in proportion.

So, unless one has knowledge of what is in the minds of the producers of all commodities, no one can tell in advance what the future price will be under the proposed bill. No one can even estimate future prices with any degree of accuracy.

Under the present market system frequently the prices of grain fluctuate to the extent of 20 cents a bushel in a single

month. There will, of course, be fluctuations under the proposed act, but only in a small degree as compared with the fluctuation under the present policy. If you still insist that the measure is a price fixing bill, I ask you, Whom will you trust to fix prices? Shall it be by the exporters, speculators, and gamblers, or the manufacturer, laborer, and a Government agency? Have you more confidence in the gamblers and manipulators than you have in our Government? If so, I refer you to Federal Trade Commission report, June 18, 1923. You will find extracts from the report printed in the hearings, pages 689, 690, 694, 695, 696, and 697.

The bill has been characterized as socialistic, unworkable, bolshevistic, and by every other pet name. Well, there is nothing new about that. Every constructive act and remedial legislative bill suggested to correct wrongdoing or to relieve the public, especially to relieve agriculture, has been thus characterized. You will recall the pet names applied to the packer bill, the cotton futures and grain futures acts, the grain standards act, the Federal reserve act, the Federal land bank act, the War Finance Corporation act.

Many who are now opposed to this relief measure were even more pronounced in their denunciation of those bills, and I have no quarrel with any of them. Many opposing this measure, like all other measures, are sincere and actuated by the best motives. On the other hand, some interests may be more interested in how it concerns them personally than in the public welfare.

Objection has been raised to the Government financing the corporation and to the $50,000 expenditure to set the machinery of this bill in motion. After financing the War Finance Corporation, the Federal reserve system, the Federal land banks, and the railroads I am at a loss to know why six and one-half million farmers now in distress should be denied the paltry sum of $50,000 to set the machinery of this bill in operation and a loan of $200,000,000, or as much thereof as will be necessary. In my opinion the farmers should be given preference.

You recall that in time of need the farmers came to the rescue of Uncle Sam. During the war Congress fixed the minimum price of wheat at $2 and authorized the appointment of a commission to investigate and report on the price. It reported $2.20. Later transportation rates were advanced 6 cents, which brought the price of wheat up to $2.26. Instead of making it the minimum price, as contemplated by Congress, it was made the maximum price. The price of wheat at the time the bill fixing the price was under consideration was $3.38. Scandinavian countries were offering $1 premium, making the price $4.38. Mr. Hoover stated before the committee that he thought the price might go to $7 a bushel. A commission was appointed which ascertained and reported the ratio price between hogs and corn at 13 to 1. In other words, a hundred pounds of hog equals 13 bushels of corn. Corn was then selling at $2.05 in Chicago, but the price of hogs was fixed at $16.50, which was $10.15 below the ratio price fixed by the commission.

According to the Federal Trade Commission report, four packers increased their profits $121,000,000 above their pre-war profit. The packers' profit in 1917 was more than four times as great as their average yearly profit before the war, although their sales in dollars and cents, with even the inflated prices, had barely doubled. In the war years 1915, 1916, and 1917 four of the five packers made net profits of $178,000,000.

The millers made 175 per cent profit after the war. The millers asked that they be protected against loss and Congress promptly granted the request by section 5 of the act of March 4, 1919.

One contention is that packers and millers will profit by the bill. Do not worry about the packers and millers; they are capable of determining for themselves what is best for their interests. It is safe to say that if there were any profit to them in the bill they would be here supporting the bill and not fighting it. See statement by Mr. Draper, representing the Institute of American Meat Packers. See page 468:

Mr. CHAIRMAN. You are opposed to this bill?
Mr. DRAPER. The way it applies to the meat business.
Mr. CHAIRMAN. You are opposed to this bill?
Mr. DRAPER. Yes; in the way it applies to the meat business.

That should make it clear as to the attitude of the packers. Page 452, Mr. Draper stated:

To-day, and for a year, this market (France) has been denied us. In spite of the fact that meat inspection in the United States is more efficient than that existing in any country in the world.

The Federal Trade Commission report makes it clear, why? I am not going to discuss that phase of it. Years ago we had an agreement to let the report speak for itself.

If you will turn to page 685, statement by Mr. Husband, secretary of the Millers' National Federation:

The CHAIRMAN. Have you or any of your associates prepared or suggested any amendments to the bill?
Mr. HUSBAND. No, sir.
The CHAIRMAN. You are absolutely against it?
Mr. HUSBAND. Yes, sir.

Under regulations millers were allowed 25 cents a barrel profit instead of 13½ cents pre-war profit. They were not satisfied with that but took 45 cents. One made $283,000 in excess of the maximum price. The claim was settled by paying $8,000. Another, $19,000, who settled for $402. Both claims were settled without reauditing the accounts. This ought to make it clear as to millers' position and reasons for opposing the bill.

The following organizations have indorsed the bill:

American Federation of Labor.
American Farm Bureau Federation.
National Grange.
National Board of Farm Organizations—composed of the following organizations: Farmers' Educational & Cooperative Union of America, Farmers' National Congress, National Agricultural Organization Society, National Conference on Marketing and Farm Credits, Farmers' Society of Equity, Wisconsin State Union, American Society of Equity, Pennsylvania State Grange, National Milk Producers' Federation, American Association for Agricultural Legislation, Federation of Jewish Farmers of America, Intermountain Farmers' Association, Farmers' Equity Union, National Dairy Union, Pennsylvania Rural Progress Association, Florida Citrus Exchange, American Society of Equity.
Alabama Farm Bureau Federation, Montgomery, Ala.
State Department of Agriculture, Phoenix, Ariz.
Clearing House Association, Los Angeles, Calif.
Clearing House Association, San Francisco, Calif.
San Luis Obispo County Farm Bureau Exchange, California.
Colorado Farmers' Union, Denver, Colo.
American National Livestock Association, Denver, Colo.
Colorado Wheat Growers' Association.
Cotton Growers' Association, Miami, Fla.
Tobacco Growers' Association, Jacksonville, Fla.
Cotton Growers' Association, Savannah, Ga.
Idaho State Farmers' Union, Moscow, Idaho.
Local Progress Club, Weiser, Idaho.
Idaho Wheat Growers' Association, American Falls, Idaho.
Grangeville Chamber of Commerce, Idaho.
Chamber of Commerce, Moscow, Idaho.
Idaho Export Commission League, Moscow, Idaho.
Moscow Farmers' Union, Moscow, Idaho.
Illinois Agricultural Association (paid membership of 62,000), Chicago, Ill.
National Livestock Producers' Association, Chicago, Ill.
Farmers Grain Dealers' Association of Illinois, Bloomington, Ill.
Chicago Producers' Commission Association, Chicago, Ill.
Clinton Chamber of Commerce, De Witt County, Ill.
De Witt County Cooperative Grain Co., Clinton, Ill.
La Salle County Farm Bureau, Ottawa, Ill.
Boone County Farm Bureau, Belvidere, Ill.
Knox County Farm Bureau, Galesburg, Ill.
Henry County Farm Bureau, Ill.
Lawrence County Farm Bureau, Ill.
Three hundred and seventy-five stockholders of Mazon Farmers' Elevator Co., Illinois.
Indiana Farm Bureau Federation, Indianapolis, Ind.
Indiana Wheat Growers' Association, Indianapolis, Ind.
Iowa State Legislature.
Iowa State Farm Bureau Federation, Iowa.
Republican State Convention, Iowa.
Iowa Retail Merchants' Association, Des Moines, Iowa.
Des Moines Commercial Club, Des Moines, Iowa.
Corn Belt Meat Producers' Association, Des Moines, Iowa.
Farmers Grain Dealers' Association of Iowa, Fort Dodge, Iowa.
Greater Des Moines Committee, Des Moines, Iowa.
President Iowa State College and chairman of the executive committee Association of Land Grant Colleges, Ames, Iowa.
Farmers Grain Dealers' Association of Iowa, Fort Dodge, Iowa.
Iowa City Merchants' Retail Bureau, Iowa City, Iowa.
Cedar Falls Chamber of Commerce, Cedar Falls, Iowa.
Cedar Falls Commercial Club, Cedar Falls, Iowa.
Knoxville Chamber of Commerce, Knoxville, Iowa.
Pella Chamber of Commerce, Pella, Iowa.
Ninety-five members Polk County Wheat Growers' Association, Iowa.
Mason City Merchants' Association, Mason City, Iowa.
Kiwanis Club, Creston, Iowa.
Worth County Farm Bureau, Iowa.
Howard County Farm Bureau, Iowa.

Chickasaw County Farm Bureau, New Hampton, Iowa.
Polk County Farm Improvement Association, Des Moines, Iowa.
Plymouth County Bankers' Association, Lemars, Iowa.
Woodbury County Farm Bureau, Sioux City, Iowa.
Palo County Farm Bureau, Iowa.
Farmers' Incorporated Cooperative Society, Grafton, Iowa.
Dallas County Farm Bureau, Adel, Iowa.
Emmett County Farm Bureau, Iowa.
Adams County Farm Bureau, Iowa.
Johnson County Farm Bureau, Iowa.
West Pottawattamie County Farm Bureau, Council Bluffs, Iowa.
Lions Club, Osage, Iowa.
O. O. Wolf, member State board of agriculture, Topeka, Kans.
O. F. Whitney, secretary State Horticultural Society, Topeka, Kans.
Kansas Farm Bureau Federation, Manhattan, Kans.
Kansas State Farmers' Union, Salina, Kans.
Kansas Livestock Association, J. H. Mercer, secretary, Topeka, Kans.
J. M. Kessler, secretary Kansas Taxpayers' League, Topeka, Kans.
F. D. Merriam, president Central Trust Co., Topeka, Kans.
J. W. Greenleaf, chairman; C. E. Rugh, E. T. Hackney, members, public utilities commission, Topeka, Kans.
Franklin County Farmers' Union Local, Kansas.
Kentucky Farm Bureau Federation, Louisville, Ky.
Maryland Farm Bureau Federation, Baltimore, Md.
Republican State convention for Minnesota.
Minnesota Editors' Association, annual convention, Minnesota.
Minnesota Department of Agriculture, St. Paul, Minn.
Minnesota Farm Bureau Federation, St. Paul, Minn.
Minnesota School Board Association, annual meeting, Minnesota.
Minnesota Dairymen's Association, St. Paul, Minn.
Red River Valley Dairymen's Association, Halstead, Minn.
Red River Valley Livestock Association, Crookston, Minn.
American Wheat Growers Associated, Minneapolis, Minn.
Minnesota Wheat Growers' Cooperative Marketing Association, Thief River Falls, Minn.
Grain Growers' Council No. 5, Climax, Minn.
Winger Council Minnesota Wheat Growers' Association, Minnesota.
Minnesota Federation of Farm Loan Associations, St. Paul, Minn.
John Gustafson, president Farmers' National Grain Dealers' Association, Windom, Minn.
Minnesota Export Commission League, Crookston, Minn.
Minnesota seventh congressional district convention, Morris, Minn.
Minnesota Crop Improvement Association, Owatonna, Minn.
Minnesota Cooperative Improvement Association, Owatonna, Minn.
Minnesota Realty Dealers' Association, Minneapolis, Minn.
Greater St. Paul Committee, St. Paul, Minn.
St. Paul Association of Public and Business Affairs, Minnesota.
The Greater St. Paul Committee, St. Paul, Minn.
Minnesota Red River Valley Development Association, Red Lake Falls, Minn.
North Branch Commercial Club, North Branch, Minn.
East Grand Forks Commercial Club, East Grand Forks, Minn.
Angus Commercial and Community Club, Minnesota.
Lake Benton Community Club, Minnesota.
Town and Country Service Club, Slayton, Minn.
Fisher Community Club, Fisher, Minn.
Owatonna Chamber of Commerce, Owatonna, Minn.
Kittson County Export League, Kittson County, Minn.
Big Stone-Traverse County Bankers' Association, Minnesota.
Executive committee for the promotion of the McNary-Haugen bill, St. Paul, Minn.
Crookston Council United Commercial Travelers, Crookston, Minn.
Town of Lake Stay, Minn.
Bankers Association of Rock County, Minn.
Joe River Farmers Club, St. Vincent, Minn.
Sinnott and Augsburg Farm Bureau Units, Minnesota.
Martin County Farm Bureau, Fairmount, Minn.
Faribault County Farm Bureau Association, Faribault, Minn.
Kasota Farm Bureau Unit, Kasota, Minn.
Cottonwood County Farm Bureau, Minnesota.
Rock County Farm Bureau, Minnesota.
Grand Prairie Farm Bureau, Minnesota.
Michigan Federation of Farm Loan Associations, Mount Pleasant, Mich.
Missouri Farmers Association, Columbia, Mo.
Secretary of agriculture, Jefferson City, Mo.
Missouri Farm Bureau Federation, Jefferson City, Mo.
R. W. Hoffman, representing millers of Southwest, Columbia, Mo.
American Hereford Breeders' Association, Kansas City, Mo.
Dekalb County Farm Bureau, Maysville, Mo.
Montana State Department of Agriculture, Helena, Mont.
Montana Bankers' Association, Helena, Mont.
Montana State Farm Bureau Federation, Bozeman, Mont.
Montana Farmers' Union, Montana.
The Holstein Association, Livingsprings, Mont.
Montana Wheat Growers' Association, Lewistown, Mont.
Montana Export Commission League, Lewistown, Mont.
Montana Land Settlement Congress, Helena, Mont.
Southern Montana Joint Land Bank, Montana.
Farmers' Educational and Cooperative Union of Montana, Billings, Mont.
Montana Retail Merchants' Association, Lewistown, Mont.
Three Forks Chamber of Commerce, Montana.
Red Lodge Montana Club, Red Lodge, Mont.
Polson Farmers and Business Men's Club, Polson, Mont.
Retail Merchants' Association, Gallatin County, Bozeman, Mont.
Stillwater County Union, Billings, Mont.
Commercial Club and Farm Union, Belgrade, Mont.
Canton County Farmers' Union, Roberts, Mont.
Livingsprings County Farm Bureau, Livingsprings, Mont.
City of Polson, Mont.
Farmers' Educational Cooperative Union, Golden Valley County, Mont.
Nebraska Farm Bureau Federation, Lincoln, Nebr.
Nebraska Wheat Growers' Association, Hastings, Nebr.
Lincoln Chamber of Commerce, Lincoln, Nebr.
Updike Grain Co. (Inc.), Omaha, Nebr.
McCool Local Nebraska Wheat Growers, York, Nebr.
New Mexico Wheat Growers' Association.
National Cigar Leaf Tobacco Dealers' Association, New York City, N. Y.
North Carolina State Farm Bureau Federation, Statesboro, N. C.
North Dakota Bankers' Association, Fargo, N. Dak.
North Dakota Department of Agriculture, Bismarck, N. Dak.
North Dakota Farm Bureau Federation, Fargo, N. Dak.
North Dakota Livestock Association, Fargo, N. Dak.
North Dakota Live Stock Breeders, North Dakota.
North Dakota Wheat Growers' Association, Grand Forks, N. Dak.
Tri-State Grain Growers, Fargo, N. Dak.
North Dakota Federation of Farm Loan Associations, Grand Forks, N. Dak.
National Farm Loan Association, Fargo, N. Dak
Grand Forks County Bankers' Association, Grand Forks, N. Dak.
Rotary Club, Fargo, N. Dak.
Anita Commercial Club, North Dakota.
Bergen Community Farmers' Club, Pekin, N. Dak.
Lansford Wheat Growers' Council, North Dakota.
Niagara Shawnee Agricultural Club, North Dakota.
Edgeley Community Club, Edgeley, N. Dak.
Grand Fork County Bankers' Association, North Dakota.
Nekoma Farmers' Club, Nekoma, N. Dak.
Washington Township Local Franklin County Farm Bureau, Columbus, Ohio.
Oklahoma State Board of Agriculture, Oklahoma City, Okla.
Oklahoma State Farmers' Union, Oklahoma City, Okla.
El Reno Local, Oklahoma Wheat Growers' Association, El Reno, Okla.
Kingfisher District Nomination Convention, Oklahoma Wheat Growers' Association, Kingfisher, Okla.
District Number Four, Oklahoma Wheat Growers' Association, Carmen, Okla.
District Nominating Convention, Oklahoma Wheat Growers' Association, Carmen, Okla.
District Delegate Convention, Oklahoma Wheat Growers' Association, Blackwell, Okla.
Ponca City Local, Oklahoma Wheat Growers' Association, Ponca City, Okla.
Okarche Local, Oklahoma Wheat Growers' Association, Oklahoma City, Okla.
Oklahoma Federation of Labor, Oklahoma City, Okla.
Oklahoma Farm Labor Economic, Oklahoma City, Okla.
Kiowa County Mass Meeting, Lone Wolf, Okla.
Okarche Local, membership 300, Oklahoma City, Okla.
Oregon State Bankers' Association, Portland, Oreg.
Oregon State Farm Bureau Federation, Portland, Oreg.
Oregon Cooperative Grain Growers, Portland, Oreg.
Oregon Export Commission League, Pendleton, Oreg.
Export Commission League, Milton, Oreg.
Oregon Wool Growers' Association, Portland, Oreg.
Northwest Wheat Growers' Associated, Portland, Oreg.
Oregon Hardware & Implement Dealers, Portland, Oreg.
Port of Portland Commission, Portland, Oreg.
Portland Chamber of Commerce, Portland, Oreg.
Pendleton Commercial Association, Pendleton, Oreg.
Astoria Chamber of Commerce, Astoria, Oreg.
Agricultural College Economic Conference, Corvallis, Oreg.
Pilot Rock Export Commission League, paid membership 200, Pilot Rock, Oreg.
Opal City Grange, Colver, Oreg.
Morrow County Export Commission League, Heppner, Oreg.
Morrow County Farm Bureau, Heppner, Oreg.

Sherman County Teachers, Moro, Oreg.
Lane County Agricultural Economics Conference, Eugene, Oreg.
South Dakota Bankers' Association, Sioux Falls, S. Dak.
South Dakota Farm Bureau Federation, Brookings, S. Dak.
South Dakota Wheat Growers' Association, Aberdeen, S. Dak.
South Dakota Export Commission League, Aberdeen, S. Dak.
South Dakota Potato Growers' Association.
Mitchell Chamber of Commerce, Mitchell, S. Dak.
Commercial Club, Redfield, S. Dak.
Commercial Club, Aberdeen, S. Dak.
Commercial Club, Tyndall, S. Dak.
Gregory Commercial Club, Gregory, S. Dak.
Eureka Commercial Club, South Dakota.
Fall River County Farm Bureau, Hot Springs, S. Dak.
Marshall County Bankers' Association, Britton, S. Dak.
Marshall County Farm Bureau, Britton, S. Dak.
Roberts County Bankers' Association, Wilmot, S. Dak.
Texas Wheat Growers' Association.
Planters' Mutual Hail Insurance Co., Pampa, Tex.
Pampa Chamber of Commerce, Pampa, Tex.
Pampa Local, Texas Wheat Growers' Association, Pampa, Tex.
Cotton Growers' Association, El Paso, Tex.
Pampa Poultry Producers' Association, Pampa, Tex.
Fourth and fifth districts, Texas Wheat Growers' Association, Texas.
Highland Hereford Breeders' Association, Marfa, Tex. (Cooperative marketing association of Brewster, Jeff Davis County, annually branding 40,000 calves).
Panhandle Local, Texas Wheat Growers' Association, Panhandle, Tex.
Tobacco Growers' Association, El Paso, Tex.
Panhandle Chamber of Commerce, Panhandle, Tex.
Pampa National Farm Loan Association, Pampa, Tex.
Utah State Board of Agriculture, Salt Lake City, Utah.
Utah State Farm Bureau, Utah.
Nephi National Farm Loan Association, Nephi, Utah.
National Wool Growers' Association, Salt Lake City, Utah.
Farmers' Cash Union, Tremonton, Utah.
Utah Wheat Growers' League, Nephi, Utah.
Juab County Farm Bureau, Nephi, Utah.
Virginia Farm Bureau Federation, Roanoke, Va.
Rockingham County Farm Bureau, Harrisonburg, Va.
Washington State Bankers' Association, Cheney, Wash.
Washington State Farm Bureau Federation.
Washington State Farmers' Union, Spokane, Wash.
Northwest Livestock Association, Spokane, Wash.
Washington Wheat Growers' Association, Spokane, Wash.
Washington Federation of Farm Loan Associations, Spokane, Wash.
Washington Export Commission League, Rosalia, Wash.
Spokane Post, American Legion, Spokane, Wash.
Spokane Central Labor Council, Spokane, Wash.
Seattle Chamber of Commerce, Seattle, Wash.
Tri-State Hardware Dealers' Association, Spokane, Wash.
The Building Owners and Managers' Association, Spokane, Wash.
Spokane Realty Association, Spokane, Wash.
Associated Engineers, Spokane, Wash.
Export League Commission, Pullman, Wash.
Lind Local Washington Export League, Ritzville, Wash.
Oakesdale Farmers' Union, Oakesdale, Wash.
Goldendale Commercial Club, Goldendale, Wash.
Associated Bankers, Walla Walla, Wash.
Spokane Chamber of Commerce, Spokane, Wash.
Spokane Central Labor Council, Spokane, Wash.
Tri-State Hardware Dealers' Association, Pomeroy, Wash.
Walla Walla Chamber of Commerce, Walla Walla, Wash.
Waterville Chamber of Commerce, Waterville, Wash.
Spokane Building Owners and Manufacturers' Association, Spokane, Wash.
Waitsburg Commercial Club, Waitsburg, Wash.
Commercial Club, Endicott, Wash.
St. John Commercial Club, St. John, Wash.
Pacific Farmers' Union, Pullman, Wash.
Garfield Farmers' Union, Garfield, Wash.
Winona Branch, Washington Export Commission League, Winona, Wash.
Thornton Farm Bureau Federation, Thornton, Wash.
Pullman Chamber of Commerce, Pullman, Wash.
Pomeroy Commercial Club, Pomeroy, Wash.
Edwall Cooperative Club, Edwall, Wash.
Asotin Community Club, Asotin, Wash.
Colfax Chamber of Commerce, Colfax, Wash.
Coulee Commercial Club, Coulee, Wash.
Adams County Branch, Washington Export Commission League, Ritzville, Wash.
Klickitat County Pomona Grange, Goldendale, Wash.
Whitman County Farmers' Union, Garfield, Wash.
Walla Walla County Farm Bureau, Walla Walla, Wash.
Rosalie County Farm Bureau, Rosalie, Wash.
Whitman County Tax Payers' League, Washington.
Whitman County Farm Bureau, Colfax, Wash.
Whitman County Republican Convention, Whitman County, Wash.
West Virginia Farm Bureau, Charleston, W. Va.
Wisconsin Federation of Farm Loan Associations, Milwaukee, Wis.
Five hundred and two National Farm Loan Associations in Washington, Idaho, Montana, and Oregon.
Interstate Export League, Minnesota.

I shall also insert the following indorsements:

LOUIS W. HILL INDORSES M'NARY-HAUGEN BILL

The McNary-Haugen bill now before Congress was indorsed by Louis W. Hill, chairman of the Great Northern Railway, following conferences Thursday with St. Paul business men on the agricultural and general trade conditions of the Northwest.

"The operation of the principle developed in the bill should restore the purchasing power of the farmer and get him back on his feet," Mr. Hill said after hearing the bill explained by Frank W. Murphy, of Wheaton. "At the same time it should directly benefit industry, commerce, and transportation.

"I recognize that what the farmer needs and must have in order to get back on his feet is a better price for the things he is producing," Mr. Hill declared, "and I am heartily in favor of any sound and practical plan that will be of help to him. This bill seems to point the way clearly."

KUHN, LOEB & CO.,
New York.

S. K. STEVENSON, Esq.,
Johnson County Bank Building, Iowa City, Iowa.

DEAR MR. STEVENSON: I beg to acknowledge receipt of your letter of the 13th instant.

I realize with every sympathy the unfortunate plight of the farmer and shall be only too happy to do what may be within my modest capacity toward supporting any well-considered measure of redress.

As to the McNary-Haugen bill, I inclose herewith copy of a letter which I wrote on this subject to Secretary Wallace recently, and I remain, with best wishes,

Very faithfully yours,

OTTO H. KAHN.

KUHN, LOEB & CO.,
New York, March 8, 1924.

DEAR MR. SECRETARY: I have gone carefully through the papers which you sent me. Not being an expert in matters of agriculture, being indeed but little acquainted through personal observations with the methods and ways of that industry, I am without competence to express a definite opinion on the details of the McNary-Haugen bill and on the practical workability of its provisions. It does seem to me that certain of the functions and responsibilities assigned by it to the Government could, and had better, be left to the private or semiprivate initiative of the farming industry.

As to the principle, however, which the bill seeks to apply to the present emergency, it seems to me, under the conditions such as I understand them to be, a logical sequence to policies which in other respects have long been generically characteristic of the trend of economic legislation in America, whichever party was in power. If I am correctly informed as to the situation and prospects of the farming industry, I believe the application of that principle, on carefully considered lines and within prudent limitations, to be warranted by the circumstances which exist and for some time have existed in agriculture and which are likely to result in grave and lasting national damage unless they are dealt with promptly and comprehensively.

No doubt strong arguments based upon economic orthodoxy can and will be adduced in opposition to the proposed theory, and various complexities and novel points will have to be met in respect of its practical application, including the question of the attitude and the actions which other nations may see fit to take in the face of it.

No man, I believe, is wise enough to foretell with assurance the precise results and repercussions of the operation of the scheme. But, unless the plight of the farmer is a good deal less serious and ominous than many reports and symptoms have led us to believe and unless an effective plan of relief can be devised of a less drastic character, it would seem to me that the Government would be justified in giving its indorsement to a fair test of a measure along the lines of the principle on which the McNary-Haugen bill rests, though full discussion and deliberation will, no doubt, lead to certain modifications of its present form and substance.

The farmer, finding himself, as we are informed, in an intolerable situation, is gravely discontented and under a sense of grievance toward the existing order of things. His is a toilsome calling at best, involving inevitable hardships and hazards, and usually a poorly requited one, indeed one of the least adequately remunerated among those which make up the sum total of the Nation's activities. The farming

business is the largest in the country. The basic and vital necessity of the farming industry needs no emphasizing. The immense social value of the farming class to the State is beyond argument.

There can be no lasting prosperity in trade and industry, unless the farmer is reasonably prosperous. There can be no stable and propitious condition in the field of politics—using the term in its larger meaning—as long as the farmer harbors the resentful feeling that he is not accorded a square deal.

Not only is the farmer entitled in fairness to relief from conditions of maladjustment, which place him in a position of heavy disadvantage as compared to other callings, but the continuance of these conditions constitutes a serious social evil and a derangement of so grave a portent as to justify resort to an heroic remedy, if it must be admitted that the lesser measures heretofore applied or suggested are impotent to effect a cure.

It will be far less costly, I believe, to the country at large to bear the very slight addition to the cost of food which is involved in a reasonable trial of the theory embodied in the McNary-Haugen bill than to pay the penalty which would appear to be inescapable if the Nation countenanced or failed to redress a state of things that would leave agriculture languishing and declining and 12,000,000 farmers aggrieved, resentful, and deprived of a fair share of prosperity and well-being.

As to the fear of setting a precedent, I believe that, in a broad sense and in its underlying thought, the principle of the McNary-Haugen bill—granting the existence of the conditions which it aims to correct—rather follows than creates precedent. Moreover, aversion against or apprehension of establishing a precedent is never a valid reason for failure to do that which is justly called for. I feel assured that we may rely—and, indeed, under a popular system of government we must rely—upon the soundness and watchfulness of public opinion to see to it that precedents are not harmfully misapplied or abused.

I beg to remain, dear Mr. Secretary,

Very sincerely yours,

OTTO KAHN.

Hon. HENRY C. WALLACE,
Secretary of Agriculture, Washington, D. C.

STATEMENT BY BERNARD M. BARUCH, NEW YORK CAPITALIST

Equality for agriculture is what the farmer is striving for. What are the inequalities? Other industries are organized and farming is not. Therefore the farmer buys in a more or less restricted market and sells in a competitive market.

The price obtained for the surplus determines the price the farmer receives for his total product. The price of American surplus wheat is made in the Liverpool market, where it comes in competition with the wheat produced by the cheapest labor in the world. But the price of a manufactured article is not necessarily determined by the price the surplus brings, because on account of Government protection the manufacturer can sell here all the market will absorb and sell or dump the balance in the markets of the world.

Therefore it is only just to permit the farmer to do what is necessary to correct the inequalities. It should be unnecessary for him to sell competitively, and the fixing of the price of his total production by the surplus that comes in competition with the cheapest labor in the world should be prevented. How can that be done? The provisions of the McNary-Haugen bill will do that. In the beginning let me say that I am not in favor of all the bill contains, but I do favor the principle of it, which will accomplish the following:

It will make cooperative marketing mandatory where it is now permissible. The price is not to be arbitrarily fixed by the farmer, but there is a minimum price below which wheat can not be sold. This figure is determined by a proper relationship with all other things on the index list of prices of the Department of Labor creating a proper relation between the results of labor in agriculture and the results of labor in other industries. Surely there is nothing unfair about that.

When the necessity occurs, the President will declare a crisis, let us say, in wheat. Then by mandate all selling of wheat will be fixed at a minimum price, which will be arrived at according to a fair relationship established by scientific and well-known principles of price ratios between wheat and other things. A computation will be made of the probable surplus and of the amount of money necessary to take care of that surplus. From the price at which the wheat is sold will be subtracted a certain amount, which will be used for the purpose of buying the surplus wheat at the minimum price.

From each bushel that the farmer sells he must pay into the agency that is established a certain number of cents a bushel, for which he will receive a certificate of interest. All the surplus wheat will be placed in a surplus-carrying corporation which will sell the surplus in the markets of the world and return to the farmer his proportionate share of the price received. Thus it will be seen that the farmer himself bears any loss that may be entailed and that it is not a loss that can fall upon the Government.

There are some who may read stern economic lectures concerning this, but as soon as the principle of the tariff and of modern business organization is admitted, the correctness and propriety of this organization must also be acknowledged. There is no arbitrary fixing of prices, but only a price that will create a fair and proper relationship between the labor engaged in agriculture and labor employed in other industries. The farmer will take care of the surplus and pocket the loss; the consumer will meet only the same condition that he meets when paying for the other things necessary for his daily life, whether it be rent or clothing.

Mr. COLE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. COLE of Iowa. Is it not true that the price of the farm products bears a very small relation to the price of the food products, and while wheat may decline from 60 to 75 per cent, the price of bread will decline only 2 or 3 per cent?

Mr. HAUGEN. To give an illustration of that, potatoes in my section of the country are selling for about 25 to 30 cents a bushel. We have been paying 35 cents for one potato at the hotel all winter. That is a fair illustration.

Mr. WEFALD. Mr. Chairman, will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. WEFALD. I remind the gentleman who asked the question of the fact that during the war when wheat was $3 a bushel or more, bread was only within 1 or 2 cents a loaf of what it is now.

Mr. McKEOWN. That is what I am trying to get at. What will be done to prevent them from going on and raising the price of the bread on the plea that we have raised the price of the products out of which bread is made, when the 5-cent loaf has not yet returned? There ought to be something in this bill to prevent that. Is there any way by which you can prevent those men from charging more than the bread is worth, in comparison with the price of wheat?

Mr. HAUGEN. There is nothing in this bill to do that, and this committee has no jurisdiction over that phase of it. We have a law on the statute books in respect to that, and all that is necessary is to put in force the laws that we have.

Mr. ASWELL. Mr. Chairman, will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. ASWELL. The chairman will note that on page 42 of the majority report the thought is brought out that the increase of the cost of living per capita for bread alone will be $2.50 for the people of the United States, and that means $250,000,000 increase in the cost of living on account of the raising of your wheat price. That is in the majority report.

Mr. HAUGEN. That all depends upon the amount of bread a family consumes.

Mr. McKEOWN. Mr. Chairman, will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. McKEOWN. The farmer is not responsible for the high price of bread.

Mr. HAUGEN. No; he is not.

According to the testimony printed in the hearings on the Brand bread bill the value of the ingredients in a loaf of bread that sells generally over the United States for 8 to 9 cents in loaves from 14 to 16 ounces is the first consideration. There is about a cent and a half's worth of wheat in such a loaf of bread, when it is full weight, and when the wheat is converted into flour the cost of the flour is in the neighborhood of 2 cents when good grades of flour are used.

As evidence of this, the United States Government is baking bread for the Army and they report the cost of all ingredients in a pound loaf of bread as low as a cent and three-quarters. Such bread is now being sold by the Army at 3 cents at Army camps and hospitals.

The Shults Baking Co., of New York, claim bread is costing them $0.0311 per pound, including all ingredients. This gives you the cost of the Army bread and also the cost claimed by one of the largest bakers in the country.

In the city of Washington bread is being sold by the Corby Bakery to the Navy as low as $0.0360 per pound loaf of the same quality that they are selling wholesale the same bread at the same time to retail merchants at 8 cents for a pound loaf.

With the cost of the materials in a loaf of bread established by the above at from 2 to 3 cents for a pound loaf, and the wholesale selling price generally over the United States being from 8 to 9 cents a loaf, it seems perfectly clear that the consumers are entitled to full weight, and that is the purpose of the Federal bread act.

Mr. BLACK of New York. Mr. Chairman, will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. BLACK of New York. I am anxious to be friendly to this bill, as are a great many city Members. The gentleman has stated that there is a surplus of certain commodities and he has not given any reason for the surplus. I hope the gentleman will as he goes along. It strikes me that with the

paternalistic effect that this bill will have on the commodities in which there is not a surplus there will be a tendency not to create a diversification of crops with this legislation, but rather a tendency to intensify production on those things of which you have no surplus.

Mr. HAUGEN. If there is an increase in production, they penalize themselves. The greater the surplus is the greater will be the discount, of course, from the ratio price.

Mr. BLACK of New York. What is done in this bill to stimulate the diversifying of crops?

Mr. HAUGEN. There is nothing here to stimulate the diversifying of crops. We had inflated prices during the war. That did not increase production to any great extent. When you bring the price of corn up, you bring up the price of oats with it. When you bring up the price of wheat, the price of rye rises with it, and one will be just as profitable as the other. Here is your dairy business. Everybody says that there is a great deal of money in the dairy business. It has been profitable. It is not profitable to-day. What has happened? The bottom has fallen out of it. About a month ago butter was selling above the ratio price, and the other day it was down to 35¼ cents to 36¼ cents, say 36 cents. The ratio price was 45 cents. The price of butter was 9 cents below the ratio price. What does that mean to the farmer, 9 cents a pound on a price of 36 cents? That is 25 per cent.

The farmer to-day would receive 25 per cent more for his butter had the bill been in operation. One suggestion is to take care of the wheat farmer and that that is all that is necessary. Oh, yes; they admit that all are sick; all of them are going into bankruptcy. They say to take care of the few of them, that if you do take care of a few of them we will let the others take care of themselves. I take it that it is a question of the survival of the fittest. What unpardonable sin has the hog grower or the dairyman committed in this country? Are they not entitled to the same consideration as the wheat growers? The ratio price of hogs to-day is 60 per cent above the current price, and it is only 50 per cent on wheat, and still some say it is in the interest of the packers. No; it is not for the packers, and the packers do not want to come in under this bill.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. NEWTON of Minnesota. The gentleman refers to dairy products.

Mr. HAUGEN. Yes.

Mr. NEWTON of Minnesota. The bill refers to food products of cattle, sheep, and swine. Is it the gentleman's contention that the words "food products" do not include milk, cream, and butter?

Mr. HAUGEN. We consider them food out in our country.

Mr. NEWTON of Minnesota. Yes; and pretty good food; but I want to get the the gentleman's idea as to whether or not this bill would permit the corporation to fix the ratio price on all dairy products.

Mr. HAUGEN. If milk and butter are food products, they are included in the bill. Some try to make out that they are not.

Mr. SHALLENBERGER. I want to get a little information as to what you are going to do for the farmers. I have heard what you are doing to the fellows in the city. I see on page 19 you have changed the original provisions of this bill from requiring the buyer either to provide the scrip or the equalization fee, and you require the producer or the seller to pay the equalization fee.

Mr. HAUGEN. That is all by regulation.

Mr. SHALLENBERGER. I would like to ask the gentleman if the ratio price on wheat, say, is $1.50, and I come on the market and sell it and the equalization fee is determined at what—say 25 cents?

Mr. HAUGEN. You would not determine it at 25 because it would scarcely exceed over 10 or 12 cents. It might go to 15.

Mr. SHALLENBERGER. When I sell the wheat for the ratio price do you deduct the fee from the ratio price, and I pay for it in that manner?

Mr. HAUGEN. If you sell the wheat under this bill—say they would most likely fix the equalization fee at 10 cents—the price advances from $1.09 to $1.59. The 10 cents paid in the equalization fee would leave you $1.49 in cash instead of $1.09, and at the end of the year if there is anything left of the equalization fee it would be proportioned out.

Mr. SHALLENBERGER. In fact, then, the seller does not pay anything into the corporation directly?

Mr. HAUGEN. The grain buyer would collect it from the producer.

Mr. SHALLENBERGER. You do not require——

Mr. HAUGEN. One moment. It may be paid into the equalization fund either by the producer or the purchaser of the grain may deduct from the price and remit the equalization fee to the corporation to be paid into the Treasury out of which the operating expenses and the losses will be paid.

Mr. JACOBSTEIN. Will the gentleman yield?

Mr. HAUGEN. I will.

Mr. JACOBSTEIN. Has the gentleman any calculation as to the total value of the crops that are affected by the gentleman's bill?

Mr. HAUGEN. Much has been said about wheat. The yield of wheat runs about 700,000,000 bushels a year, up to a billion bushels. The average crop is about 750,000,000 bushels; for the current year, 781,000,000 bushels. Well, assuming the crop will be 750,000,000 and we will assume that there will be 150,000,000 bushels of surplus for export. Now, I know what the gentleman has in mind.

I will tell you what is the matter: They are shipping wheat through the United States in bond. And what are they doing? They are bringing in, in bond, Canadian wheat exported from our ports, or to be milled into flour and the flour to be exported from our ports, and what they are doing is substituting American rye and exporting that instead of the good Canadian wheat brought in; part is being exported as wheat and part as flour. Every time they bring in 1,000 pounds of wheat in bond, and while in this country substitute 1,000 pounds of rye, which they export either as wheat or flour, they rob our Government of the duty which should properly be collected on the wheat brought in, besides it adds to our surplus, and if this bill were in operation such a transaction would add to the loss of our surplus. Now——

Mr. JACOBSTEIN. On that question I will tell you what I have in mind. I know what the folks in the city I live in are going to ask me. They are going to ask me what is it going to cost us to help put the farmers on their feet, and I have been trying to make a rough calculation of what it is going to cost. If the total value of the products affected by this bill are, let us say, $2,000,000,000—$3,000,000,000, I do not know how much——

Mr. HAUGEN. The total value?

Mr. JACOBSTEIN. Say $5,000,000,000 affected by this bill.

Mr. HAUGEN. No.

Mr. JACOBSTEIN. Four billion dollars.

Mr. HAUGEN. Wheat, about 750,000,000 bushels at $1 a bushel, that would be $750,000,000. Corn, 3,000,000,000 bushels at 75 cents, would be $2,250,000,000.

Mr. JACOBSTEIN. But you have got cattle, flour, rice, and all those things. Suppose it only aggregates $3,000,000,000?

Mr. HAUGEN. Yes; more than that.

Mr. JACOBSTEIN. And to be conservative you are going to raise the price about 20 per cent. Is that right? All right, that means you are going to increase the value to almost—I am not saying it is wrong or is not right—you are going to increase the value of those crops $600,000,000.

So that we ought to tell the American people that we are going to take out of the pockets of the consumers—I am not saying that it should not be done—this $100,000,000 and turn it over to the farmers in order to equalize prices. Is that right? I want to be fair.

Mr. HAUGEN. I believe in being fair.

Mr. JACOBSTEIN. For every dollar of value of crops we buy we are going to take 20 cents out of the pockets of the consumer and turn it over to the farmer?

Mr. FREAR. That is argument simply. What is the increase for the clothing and shoes and all the manufactured articles that have a tariff to-day?

Mr. JACOBSTEIN. I am asking the gentleman a plain question.

Mr. HAUGEN. You are fair and right. I admit all you say. But how much do we give the organized industries? Here are the statistics. What is the purchasing power of the farmer? What is the price of commodities which the farmer must buy with his products? The value of his products is less than 50 per cent what it was a few years ago in its purchasing power.

Only a few years ago a thousand pounds of hogs would buy, for instance, two corn planters. To-day it would require 1,000 pounds to buy one. A few years ago a thousand pounds of hogs would buy a lumber wagon, and to-day it takes about 1,500 pounds to buy a lumber wagon. A thousand pounds of hogs would buy a wagon and a half a few years ago.

Now, as to farm labor, we used to pay $20 a month for labor. We pay $60 now. Where is the purchasing power of the farmer? You can tear down the tariff laws and you can open the gates now to immigration, and what will you accom-

plish? Your immigration laws and your tariff laws and your prices will be brought down to the level of competing countries abroad.

Now, I believe in the policy of a protective tariff. I believe in that great and cardinal principle of the party with which I am affiliated. I believe in encouraging and building up American industry that will benefit labor and result in the good of the common people.

Mr. JACOBSTEIN. Do you regard this bill as an outgrowth of the tariff?

Mr. HAUGEN. I believe in the great principles underlying the construction of our tariff laws. We may not agree on that or on any other subject, but this committee of which I am the chairman has no jurisdiction over the tariff. We did the best we could. The thought now is to equalize these prices, and, as Mr. Wallace, who represented the American Federation of Labor, stated before our committee, we appreciate that it is going to increase the price, but what is that to us? We are willing to pay it. It will increase the cost.

Mr. JACOBSTEIN. About a billion dollars a year?

Mr. VESTAL. Mr. Chairman, will the gentleman yield?

Mr. HAUGEN. Mr. Chairman, I would like to discuss this question without interruption.

Mr. BLACK of New York. Mr. Chairman, will the gentleman yield? Would the gentleman be willing to call this an internal tariff for the protection of the American farmer? Would you call it that?

Mr. HAUGEN. No. I would prefer to call it a bill for the equalization of prices. What I propose to do is to make the tariff absolute as to the farm products, as we do with other products.

Mr. JACOBSTEIN. Are you not going to tax the consumer? The protective tariff has worked for industry, and because it has not worked for agriculture you now hit upon a scheme of equalization, which will bring the prices of agriculture up?

Mr. HAUGEN. Exactly.

Mr. JACOBSTEIN. We have got to admit in that that we are taxing the consumer?

Mr. HAUGEN. Absolutely. But every time we pass a bill restricting immigration or a tariff bill we generally add to the cost.

Mr. JACOBSTEIN. How did it happen that the protective tariff which you fixed, which was wanted so much for the farmer, did not help the farmer?

Mr. HAUGEN. Generally it would protect the farmer, except in case of a surplus. In that case the farmer takes the price fixed on the surplus. There is no way of getting away from it. I have voted for restricted immigration and protective tariff consistently. While I believe in a protective tariff, I believe in one that will result to the common good of all the people of the Nation. Hence I have always contended that the farmers have never been given the full benefit of our tariff system. Tariff does not always raise the price. For instance, recently the duty on wheat was raised 12 cents a bushel; the price of wheat went down 10 cents. The object of the bill is to make the tariff applicable to the farmer as effectively as to organized industry, to sell for domestic consumption at one price and for export at the world price, and at the end of the operating period to proportionately equalize prices of the whole product. In other words, to make it possible for the farmer to do as organized industry does.

Mr. KINDRED. Going back to the question of how this bill will operate, as a concrete example and illustration of what the gentleman has already said, as I understood it, about increasing the price to the consumer of one-half a cent on a loaf of bread, is it not true that the retailer instead of charging the necessary half cent will make it to the ultimate consumer, the small consumer, 1 cent or 2 cents more for each loaf of bread?

Mr. HAUGEN. I will tell you this: You can double the price of wheat and sell bread at the same price that it is now sold for. There is another institution at the other end of the Avenue that may give attention to that.

Mr. SHALLENBERGER. Mr. Chairman, will the gentleman permit another short question?

Mr. HAUGEN. Yes; but then I must decline to yield further.

Mr. SHALLENBERGER. Under the bill as first introduced the 15 cents which was to be paid by way of equalization for possible loss was to be paid into the post office by the buyer?

Mr. HAUGEN. Yes.

Mr. SHALLENBERGER. When I sell my wheat I get $1.35, but I do not pay 15 cents into that fund, which is to equalize this loss. Who pays that 15 cents under this bill?

Mr. HAUGEN. That is deducted from the $1.60, and whatever is left of the 15 cents is returned proportionately at the end of the operating period.

Mr. SHALLENBERGER. But I do not see where you get that 15 cents that is in the equalization fund.

Mr. HAUGEN. You deduct 15 cents from every bushel.

Mr. SHALLENBERGER. But who pays the 15 cents?

Mr. HAUGEN. The producer pays it. He pays it into the treasury of the corporation, or the purchaser may deduct it from the ratio price and pay it into the treasury of the corporation. The regulations may require the producer to pay the equalization fee into the treasury of the corporation, or the amount may be deducted from the ratio price and be paid into the treasury by the purchaser.

Mr. SHALLENBERGER. Then it is not collected from the seller, but is collected when the product is sold?

Mr. HAUGEN. Yes, indeed; on the first sale. Now, my friends, as I told you, I have no desire to tell a hard-luck story. It is a sure thing, my friends, that we know very little about what is going on in the country, and that we do not know all about the real conditions. The metropolitan press is not saying anything about the bank failures, and it is probably proper that they do not.

According to the annual report of the Secretary of Agriculture for 1923—

In 15 corn and wheat producing States 24½ per cent of owners of farms were in fact bankrupt, practically one out of every four bankrupt.

One million two hundred thousand left the farm to better their financial conditions in 1922.

In New York alone, for the year ending February, 1923, 26,000 moved from the farms to the cities.

In Michigan, 10 per cent of the farms are vacant and 13 per cent more are only partly worked.

According to the annual report of the Attorney General on bankruptcy among farmers—

The number of Iowa farmers in bankruptcy increased from 60 in 1913 to 469 in 1923. Farmers' percentage of all cases in bankruptcy increased from 16.8 per cent in 1913 to 52.3 per cent in 1923. The number of farmers in all cases in bankruptcy in all the States increased from 942 in 1913 to 5,940 in 1923, an increase of 4,998 in 10 years.

Bank failures in the United States have increased by leaps and bounds.

Mr. McKEOWN. Will the gentleman yield?

Mr. HAUGEN. I can not yield, because I would be taking time from other gentlemen. I do not want to be discourteous, but I can not yield and take time away from other gentlemen.

I have no desire to sound a note of alarm. By nature I am an optimist. I prefer to look at the bright side of things rather than the dark side. I am aware that "knock and the world knocks with you," but, as we know, in recent years we have had an unusual flow of hard-luck talk about the depressed conditions in agriculture. Many well-meaning people have been most generous in their utterances along that line. Agitators along various lines, in their mad chase to further their interests and gratify their ambitions, have talked and talked, knocked and knocked, alleging that all their ills are the results of unjust and discriminatory law. While I do not subscribe to that, unfortunately as a result many have been led to believe that there is something radically wrong in our laws.

While bank failures, farm-mortgage foreclosures, and bankruptcy proceedings are very much in evidence everywhere, while conditions are far from what one would desire, I do not share in the contention that our troubles are due to legislation enacted, while practically every measure suggested having for its object to better conditions has been enacted, notwithstanding every effort should be made to further improve conditions, especially agriculture.

All practically agree that upon agriculture, our basic industry, rests the whole structure. Our experience in recent years seems to have demonstrated that with absolute finality—that the stability, growth, and greatness of our Nation, yes, the progress of prosperity and happiness of our people, depend upon the success of the tillers of the soil.

As a class the farmer is the great conservative force of our Nation. All wealth springs from Mother Earth. It is the farmer who produces new wealth. He furnishes about 50 per cent of our exports. Our gold reserves or balance of trade is dependent on the tillers of the soil. Without his industry and success our gold reserve and balance of trade would dwindle into insignificance.

About one-half of the American people live in rural districts; of that number six and one-half million farmers employ a like number of wage earners, which, together with the members of their families make up a total of more than thirty-one million tilling six and one-half million farms producing annually from seven hundred million to ten hundred million bushels of wheat, from six to seven billion bushels of cereals, or, in other words, about one-third of the world's production of wheat or cereals.

According to the figures furnished by the Department of Agriculture we have:

Head of cattle	66, 801, 000
Head of swine	65, 000, 000
Head of sheep	39, 361, 000

Twenty-four million six hundred and seventy-five thousand milk cows giving more than 12,000,000,000 gallons of milk annually, about 15,000,000 pounds of beef, veal, pork, and mutton. The livestock on the farms on the 1st of January and the 1918 crop was valued at $24,700,000,000, which in amount was more than three times the then stock of money in the United States, even after our paper mills and printing presses had been running overtime turning out all kinds of money. According to recent reports the estimated value of crops and livestock have shrunk to about one-third.

It goes without saying that our export trade is dependent upon the products of the farm. The farmer furnishes on an average about one-half of our total export. One year as high as 84 per cent. It is clear without his industry and success our balance of trade now in our favor would turn into an adverse balance to be paid in gold.

As a result our gold reserve would disappear. American exchange, now at premium, will go below par and thus deflate our currency and further deflate the purchasing power of agricultural products.

One suggestion is to repeal our tariff laws and to lower the American wage scale and high standard of living to a world level, so as to enable the American producer to compete with the products of the world; to increase the export of the products of our American mills and factories and exchange them for food. Yes; under such arrangement we might succeed in doing that for a while, but only for a short time.

Just as sure as the sun rises in the east and sets in the west, without prosperity in agriculture our factories and mills and our banks would crumble to pieces. Our railroads would rust from idleness, our beautiful towns, villages, and cities, including our schoolhouses in the valleys and churches on the hilltops, would to a large extent suffer. Our grand and glorious Government, its splendid and magnificent institutions, would materially suffer. Much of our productive farms, producing bread in quantities sufficient to satisfy not only 112,000,000 of our own people but millions in far lands, would return to unproductivity.

The product of the farm is food. Food supplies fuel and energy; yes, life! The recent war demonstrated the value of food. No matter how strong and courageous the young man may be he can not long fight or endure without food. What is true of a human is true of a nation. You recall that during the war the munition trains and passenger trains were sidetracked, and the trains carrying pork and flour and every train carrying food was given right of way. Why? Because it carried food, the most essential aid to the men and women at the front in winning the war! The war was not won because of our munition factories and automobile factories, but more because of our bread baskets, our supplies of food, which made it possible for our brave and heroic men and women to carry the war to a successful conclusion.

You recall that only a few years ago our factories and mills were running on part time with about 35 per cent production. As a result, 6,000,000 men were walking the streets, and that without creating a national disturbance; disturbances here and there, but not to the extent of a national calamity.

What would happen with a failure of crop, or only a 35 per cent production? It would create not only a national calamity but a condition of great alarm throughout the world. Millions and millions of our people would starve. Not only that, but the farmers' purchasing power, about 35 per cent of the total purchasing power, would naturally be cut in the same proportion. As a result, millions of wage earners would again be without a job, factories and mills would crumble.

Thus I might go on, but I believe this sufficient to indicate the importance of our basic industry—agriculture—its success and prosperity. If my contention is well taken, if the tiller of the soil is entitled to a consideration, they are entitled to more than flattery, to more than party-platform promises, to more than promises made by self-professed friends of the farmer who work in and out of season to defeat every measure having for its object the improvement of agricultural conditions. No, my friends, glittering generalities, unfulfilled promises, and legislation to extend credit, which will run him more into debt, to create a few soft berths in the public crib, or legislation to extract large sums of money from the Treasury afford no relief to the farmer. He is entitled to something more substantial in order that prosperity may again be restored to agriculture.

I thank you. [Applause.]

Mr. LOZIER. Mr. Chairman, will the gentleman yield just for a question?

Mr. HAUGEN. Certainly; I will be glad to yield.

Mr. LOZIER. I am sympathetic with your argument and commend you for its fairness. Is it not true that the agricultural distress which is prevailing throughout the United States is being reflected in the commercial and industrial centers to such an extent that in 1921 and 1922 the amount of new capital invested in corporations or chartered companies was $11,000,000,000 less than in 1919 and 1920, and the total bank clearings in 1921 and 1922 were $93,000,000,000 less than in 1919 and 1920, and is not this distress ultimately going to be felt more keenly in the industrial and commercial centers of the Nation?

Mr. HAUGEN. I believe it is felt right now. He is entitled to a square deal and equalization in prices, to restore the purchasing power of his products to a level with that of other products, so as to give him more money with which to pay his debts rather than to run him into debt. The purchasing power of the American farmer must be restored. This will be done if the Members from the East or the Members from the South will join with the Members from the Middle West and Northwest—who are unanimously for this bill—and pass this bill, frequently referred to as the "Merry-Haugen bill." [Applause.]

Mr. LINTHICUM. Mr. Chairman, I make the point there is no quorum present.

Mr. HAUGEN. Mr. Chairman, if I may, I would like to yield three minutes to the gentleman from Minnesota [Mr. CLAGUE]. Will the gentleman from Maryland withhold his point of order for three minutes?

Mr. LINTHICUM. Yes; I will.

Mr. CLAGUE. Mr. Chairman and members of the committee, persons whose self-interest is advertently affected by any legislative enactment or proposed enactment readily find the weaknesses in any bill proposed in Congress. Against no bill have more bitter objections been made than at the McNary-Haugen bill. The Committee on Agriculture of this body has devoted nearly four months of earnest study to the question of agricultural relief. It has heard dozens of reasons, both for and against the several measures which it has under consideration, and especially this one. Many hundreds of pages of testimony have been taken, thousands of petitions have been received, practically all in favor of the bill, and at the conclusion of all of this study of the problem our committee by a favorable vote of 14 to 6 has brought in the measure now before us.

In my judgment no measure has ever been considered of its character as to which more things can be said on the favorable side with full truth. Some of the opponents of the bill, particularly in the grain trade, have unfortunately stooped to vituperation and abuse instead of to argument. At the outset of this debate it is my desire to bring before Members of the House a brief discussion of some of the opposing assertions that are most frequently heard. Directly or in substance those who oppose the bill have reasons of self-interest, or who misunderstand it, or who honestly hold political and governmental views with which the bill conflicts have said that the bill is one or all of the following:

1. Unworkable.
2. Unsound.
3. Uneconomic.
4. Unconstitutional.
5. Un-American.
6. Unnatural.

I will briefly discuss the thought as I understand it and the argument answering these challenges.

(1) Opponents of the bill say it will increase production but is unworkable. How can it produce results and be unworkable at the same time?

(a) Can a man buy things if he has money to pay for them? Certainly.

(b) Can a man sell things that others want if he is willing to sell them at the market price? Of course he can.

(c) Can you hire someone to do a service for you, like milling wheat or slaughtering hogs, if you have the raw product

and are willing to buy the services, especially when both the millers and packers have ample capacity and would kill the same hogs and mill the same wheat if there were no McNary-Haugen law? Undoubtedly you can.

(d) Can the agencies that sell abroad now, sell abroad next year? Of course they can and the corporation will compensate them for their services. It does not put them out of business.

(e) Can the corporation with the powers given it collect fees? The other branches of the Government do this now in millions of cases. Undoubtedly this creature of government can do it, too.

(f) Can the Government refund moneys if it collects too much? It does it now by the millions of dollars. The cooperatives do it by distributing their patronage dividends. Private corporations do it.

(g) Can the Government regulate imports? Of course it can and does and has from the beginning of the Nation. Opponents speak of bootlegging in the case of hogs. Inasmuch as 275 firms kill 65 per cent of all American livestock, and these are already under Federal supervision, enforcement will not be so difficult as some would have you believe. The true reason for the opposition to the bill is not that it will not work—it is that it will.

(2) Is the bill unsound? I say it is sound public policy. It is always sound for government to do for the citizen things required by the public welfare that the citizen can not do for himself. We are confronted with a condition in our national life due to the farm crisis—and not a theory. Is it sound to restore farming to a sound basis? Is it sound to arrange a solution that will save our export trade in farm products? Agriculture contributed nearly $2,000,000,000 in 1923 to the exports of $4,000,000,000 from the United States. Is it sound to bring this new wealth into the United States? Of course it is. It is one of the factors, and a large one, that has made our Nation in less than 150 years the greatest Nation in the world. Starving out farmers will not be of service to the Nation. The bill in effect organizes American agriculture in the only way it can be done fully to handle its export surpluses. The Webb-Pomerene and Edge laws were passed to help industry and do the same things in principle.

(3) Is the proposal uneconomic? If saving the business well-being of 35,000,000 of our people—yes; otherwise—no. As stated above, agriculture contributes $2,000,000,000 to our $4,000,000,000 worth of yearly exports. It is good business to keep this market. Good business is sound economics. It takes the dear old law of supply and demand and make it work for us and not ruin us—just as we harness the mountain stream and control the law of gravity in its operation to do good instead of harm. The bill reduces available supply and this increases the price. It uses what we have for the greatest good of all the people. This is the soundest of economics.

(4) Is it unconstitutional? Only the Supreme Court can finally decide that question, but good constitutional lawyers passed on this, and they all say that it is not. The brief submitted with the report of the Committee on Agriculture to the House of Representatives sustains every constitutional point. The unconstitutionality smoke screen is a mere attempt to kill the bill by those who fear their self-interest may suffer.

(5) Is it un-American? Only if a square deal is. Industry, labor, transportation, and finance are all in many senses special beneficiaries of existing legislation. The farmer supplies the food and is entitled to a seat at the table.

(6) Is it unnatural? It is just as unnatural as the tariff that we have had over 100 years. It is no more unnatural than antitoxin for diphtheria or insulin for diabetes. The trouble is not a broken leg; it is a disordered system that is not functioning right. The remedy prescribed by the bill was not prepared by quacks and politicians but by those who for many years have been and now are the farmers' ablest advisers and his true friends.

It has been stated that the bill will—

1. Increase the cost of living.
2. Result in overproduction.
3. Produce a business panic.
4. Destroy the agricultural cooperative association.
5. Invite retaliation by foreign countries.
6. Necessitate helping other industries—for instance, like copper and straw hats.

There is not time to analyze more than a few of the alleged dire calamities (?) that will happen if Congress passes this bill.

IT WILL INCREASE THE COST OF LIVING

This is not a necessary corollary. Since 1918 wheat has dropped over 50 per cent in price in Minneapolis, but the Federal Trade Commission reports that bread there has come down only 2 per cent. If cutting the price of wheat from over two to about one dollar per bushel has reduced the bread price only 2 per cent, it is certain that adding 50 cents to the wheat price need not add much to the price of bread.

When pork was 8 cents a pound in 1913, ham was 27 cents per pound. Later pork went to the sky but did not stay long. When it got back to 8 cents, ham was still 48 cents.

There is plenty of slack to be taken up.

If 50 cents is added to the 600,000,000 bushels of wheat used at home, it means $300,000,000 to be provided from somewhere. Much of it can be gotten by taking up slack between producer and consumer. But if none of it can, it only adds about $2.60 per head per year to living costs of all the people, including the farmer. Aside from this there is no reason in justice or economics why consumers should get foodstuffs at less than the cost of production—to the ruin of American farming. Economic justice calls for an even sharing of the burdens as between all classes of the people.

An important fact commonly overlooked is that the usual solution of "let the situation cure itself" means elevating prices—that is, raising cost of living—by cutting down production until such a real scarcity occurs that prices will be forced up to a point that will encourage farmers to keep on producing. Why destroy hundreds of thousands of farm homes to get a result that can be had without such a cruel remedy? The American Federation of Labor recognized the situation and sent a representative before the House Committee on Agriculture to favor the McNary-Haugen bill.

IT WILL CAUSE GREAT OVERPRODUCTION

This again does not follow. To begin with, there has been no serious overproduction. Nor is there now. Our wheat price is above the world price, and our hog price about at pre-war level. The trouble is that it takes about one and one-half times as many bushels of wheat, and almost twice as many pounds of pork to buy things as it took before the war. What we seek is to restore reasonable price relations. The patient has not a broken leg; he has rheumatism due to toxemia from infected tonsils. He does not need his leg amputated; he needs to have his tonsils—the export surplus—removed. The farmer will not overproduce grossly, because—

1. The export losses are assessed back on him.
2. The ratio price will not be high enough to give him great encouragement. Wheat above $2 for over three years heretofore brought a peak production of only 968,000,000 bushels; why should $1.50 be so enormously stimulating?
3. Increasing yield per acre is expensive and the farmer has no money to apply to this purpose—i. e., for fertilizers, new machinery, and more work stock.
4. Farmers and farmers' sons have been driven to town so that farms are running shorthanded. Besides farm wages are 100 per cent above pre-war.
5. Fertility has been progressively depleted and there are no new lands of attractive quality left in the United States.
6. With hogs and wheat both put on a ratio basis there will be little or no motive to devote corn land to wheat or vice versa.
7. It will take a period of years to turn the tide that is now running away from the farm back toward it. Indications right now are for a wheat crop under 750,000,000 bushels. And finally,
8. Why should people get so "het up" if the farmer should try to get himself out of the hole he has been put in by trying to produce in order to pay his debts?

The United States Chamber of Commerce magazine, The Nation's Business, talks about farm "bunk." This is the stuff the chamber and others are handing to the farmer; not what he is demanding shall be created for him, namely, a business agency to put him on an equality with commerce, industry, and labor, which are cared for by existing laws.

IT WILL DESTROY COOPERATIVE ORGANIZATIONS

That is what the enemies of the bill say. Most of them are also enemies of cooperation. Some among the latter, however, see the situation more clearly. These are members of the old-line grain trade. They say it will effectuate nation-wide cooperation at one stroke. What hundreds of organizations and thousands of individual cooperators think is shown by the following quotation from a telegram to the President:

> On behalf of 16,000 members of the North Dakota Wheat Growers' Association we strongly urge the passage of the McNary-Haugen bill in preference to all other farm relief measures introduced in Congress. We are convinced that this is the only measure that will give immediate relief. * * * Farmers of the United States will not be satisfied with relief measures other than this.

This sounds almost like a group of industrialists or business or labor representatives demanding something they want, like tariff protection. The orthodox economists tell us how bad

the tariff is for them, but it beats all how they have thriven on over 100 years of it. The bill will not hurt the cooperatives. A special provision in the bill requires this.

IT WILL DESTROY OUR PRESENT WONDERFUL FUTURE TRADING AND GENERAL DISTRIBUTION

No one can tell fully what effect the bill will have on future trading. It will reduce hazards and fluctuations—effects agreed by almost all as desirable. It will probably reduce the volume of futures, but it will not destroy the system. As to the effect on the spot grain trade, note this quotation from a letter from a grain man of lifelong experience:

I believe the bill could operate practically to the great help of the grain and stock raiser and with no harm to the present dealers in the commodities affected. * * * When you brush aside all the foolish arguments the grain men and millers advance against the bill you expose the fact that they are afraid their business is going to be hurt, and while they profess an interest in the farmers' welfare that interest is lost sight of if they fear their own interests are threatened.

Prominent millers and grain men in many parts of the country share and have expressed similar views to those quoted above.

PASSAGE OF THE BILL WILL INVITE RETALIATION BY FOREIGN COUNTRIES

We sell our pork products to nations that are short of producing their own needs. The same is true of our wheat and flour. The corporation will sell at world prices. Just why will importing nations object to receiving things they need and want? The talk about dumping and reprisals is based on misrepresentation or on misunderstanding of the legislation. Our crops are now dumped. Under the McNary-Haugen bill they will be marketed in an orderly way through present channels under direction of a central supervisory organization. Now, the weight of our whole wheat crop bears on the world market; under the McNary-Haugen plan only the export surplus will so bear down on the world price.

As far as retaliation is concerned, look what has ever been said about our tariff laws and what in recent years has been said of our immigration laws. It is time, anyway, we considered our own interests as other nations do—trust them to look out for themselves.

Time forbids attempting to discuss more of the objections that are raised to the bill. One nationally known economist objects because successful operation of the plan will defer free trade 50 years more. Think of using the distressed and economically defenseless farmer as the fulcrum for the cruel lever that shall overturn protection of American industry and labor.

CONCLUSION

Genuine friends of the farmer should rather concern themselves with whether the bill will produce the results that are claimed for it. I have already indicated briefly the fundamental features as to its workability in my remarks. Subsequently I hope to develop this theme to show that the bill is absolutely workable and will produce the results. This the minority of the committee in its report said:

When this bill takes effect as to wheat, the price of $1 wheat will necessarily rise to over $1.50.

This will cure the officious price disparity between wheat and the commodities the farmer must buy; the same effect will be observed as to hogs and their products when they are brought under the effect of this bill. This bill is the only plan that seeks farm troubles where they exist and attempts to cure them where they are found. [Applause.]

Mr. LINTHICUM. Mr. Speaker, I make the point of no quorum.

Mr. ASWELL. Under the disposition of the time, Mr. Chairman, I ask that the gentleman from Wisconsin [Mr. VOIGT] be permitted to speak.

Mr. LONGWORTH. Will the gentleman from Maryland withhold his point a moment?

Mr. LINTHICUM. Yes.

Mr. LONGWORTH. May I suggest to the gentleman that, under the rule, there is required a recess at 6 o'clock. If the gentleman should persist in his point and a call of the House came, that would take until a quarter of six, which would leave 15 minutes. Does not the gentleman think, under those circumstances, nothing would be accomplished?

Mr. LINTHICUM. I will say to the gentleman from Ohio I think this is a very important bill and I think the Members ought to be here to listen to the discussion. I make the point of no quorum.

Mr. HAUGEN. Mr. Chairman, another roll call would consume time almost up to 6 o'clock and, under the rule, we recess at that time. I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SANDERS of Indiana, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 9033) declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes, and had come to no resolution thereon.

ENROLLED BILL SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 8905. An act to authorize the settlement of the indebtedness of the Kingdom of Hungary to the United States of America.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. R. 2065. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River in the vicinity of One hundred and thirty-fourth Street, in the city of Chicago, county of Cook, State of Illinois;

H. R. 2498. An act for the relief of the East LaHave Transportation Co. (Ltd.), owner; A. Picard & Co., owner of cargo; and George H. Corkum, Leopold S. Conrad, Wilson Zinck, Freeman Beck, Sidney Knickle, and Norman E. LeGay, crew, of the schooner *Con Rein*, sunk by United States submarine *K–4*;

H. R. 1629. An act authorizing the removal of the restrictions from 40 acres of the allotment of Isaac Jack, a Seneca Indian, and for other purposes;

H. R. 837. An act to exempt from taxation certain property of the Daughters of the American Revolution in Washington, D. C.;

H. R. 694. An act to amend an act entitled "An act for the relief of the Saginaw, Swan Creek, and Black River Band of Chippewa Indians in the State of Michigan, and for other purposes," approved June 25, 1910;

H. R. 2881. An act to compensate three Comanche Indians of the Kiowa Reservation;

H. R. 2887. An act to authorize the extension of the period of restriction against alienation on the homestead allotments made to members of the Kansas or Kaw Tribe of Indians in Oklahoma;

H. R. 3183. An act for the relief of Rush O. Fellows;

H. R. 3800. An act to cancel an allotment of land made to Mary Crane or Ho-tah-kah-win-kaw, a deceased Indian, embracing land within the Winnebago Indian Reservation in Nebraska;

H. R. 3900. An act to cancel two allotments made to Richard Bell, deceased, embracing land within the Round Valley Indian Reservation in California;

H. R. 4122. An act to amend an act entitled "An act to revive, with amendments, an act to incorporate the Medical Society of the District of Columbia," approved July 7, 1838, as amended;

H. R. 4200. An act to provide for the cleaning of the exterior of the post-office building at Cincinnati, Ohio;

H. R. 4462. An act to amend an act entitled "An act authorizing the payment of the Choctaw and Chickasaw town-site fund, and for other purposes";

H. R. 4494. An act authorizing extensions of time for the payment of purchase money due under certain homestead entries and Government land purchases within the Fort Berthold Indian Reservation, N. Dak.;

H. R. 4647. An act for the relief of the Underwood Typewriter Co. and Frank P. Trott;

H. R. 5808. An act for the relief of Edward T. Williams;

H. R. 6012. An act to confer jurisdiction upon the Court of Claims to ascertain the cost to the Southern Pacific Co., a corporation, and the amounts expended by it from December 1, 1906, to November 30, 1907, in closing and controlling the break in the Colorado River, and to render judgment therefor, as herein provided;

H. R. 6059. An act authorizing the conveyance to the city of Washington, Mo., of 10 feet of the Federal building site in said city for the extension of the existing public alley through the entire block from Oak to Lafayette Streets;

H. R. 6298. An act to authorize the leasing for oil and gas mining purposes of unallotted lands on Indian reservations affected by the proviso to section 3 of the act of February 28, 1891;

H. R. 6810. An act granting the consent of Congress to the Millersburg & Liverpool Bridge Corporation and its successors to construct a bridge across the Susquehanna River at Millersburg, Pa.;

H. R. 7913. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Creek Indians may have against the United States, and for other purposes;

H. R. 7063. An act granting the consent of Congress to the State of Illinois and the State of Iowa, or either of them, to construct a bridge across the Mississippi River connecting the county of Carroll, Ill., and the county of Jackson, Iowa;

H. R. 7846. An act to extend the time for the construction of a bridge across the North Branch of the Susquehanna River from the city of Wilkes-Barre to the borough of Dorranceton, Pa.;

H. R. 8229. An act granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River; and

H. R. 8304. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River at or near One hundredth Street, in the city of Chicago, county of Cook, State of Illinois.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to Mr. GRAHAM of Illinois, indefinitely, on account of illness in his family.

SPEAKER PRO TEMPORE

The SPEAKER. The Chair designates to preside this evening the gentleman from Iowa [Mr. DICKINSON].

EXTENSION OF REMARKS

Mr. JAMES. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of a tariff on copper.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. NEWTON of Minnesota. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a statement compiled by Mr. F. N. Stacey, formerly a statistician in the Census Bureau, commenting upon the provisions of the McNary-Haugen bill.

Mr. TINCHER. I object.

Mr. OLIVER of Alabama. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Federal Constitution, including two brief papers.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

THE M'NARY-HAUGEN BILL

Mr. LILLY. Mr. Speaker and gentlemen of the House, the McNary-Haugen bill is intended to, and will, in my opinion, benefit agricultural interests to a certain extent. While it will not give all the relief needed and deserved, yet it seems to me that the friend of the farmer could not refuse to support the bill. The farmer has suffered more severely during the past three years than he has ever suffered during the history of this Nation. He pays an enormous price for his necessities, and he is compelled to sell his products, when he can find a market at all, at a price far less than the cost of production. This bill is the only measure that has been introduced and sufficiently urged to bring about its consideration that tends in the least to give the farmer relief.

Mr. Speaker, the farmer has been unfairly treated. The Sixty-seventh and Sixty-eighth Congresses seemingly have tried to legislate to benefit every class of industry with the exception of the agricultural class, and unless we do something for this class the result will be that the agricultural interests will be reduced finally to such an extent that the Nation will be in danger. We all know that agriculture is the backbone of the entire Nation.

Who is to blame for the neglect and refusal to relieve the farmer? The answer is, the people and party who have had control of this Government since 1920. We are a productive Nation, and we produce and are capable of producing agricultural products far in excess of consumption. If agriculture is to prosper, we must have a market not only at home but abroad; we must have transportation rates that are not excessive; we must have commerce with other countries. You Republicans, who have been in control of this Government, by your actions have absolutely isolated us and deprived us of a foreign market. You have stood idly by and allowed transportation rates to be increased to such an extent that the shipment of farm produce is almost out of the question. You have refused to join the League of Nations or adopt any similar policy that will give us foreign trade; instead, you have enacted the iniquitous Fordney-McCumber tariff bill for the benefit of special interests, and other nations seeing these policies have retaliated by passing tariff laws which practically prevent the sale of our products in those countries.

I want to impress upon you that the farmer has had his eyes opened. He knows how he has been treated; he is holding us responsible for his losses and for the bank failures in the agricultural districts which have exceeded anything of the kind in the history of the country. It is time that we also wake up to a sense of our duty and give the interests of the farmers some consideration and progressive legislation; and this Nation had better adopt, and that just as soon as possible, some adequate foreign policy.

As I said in the beginning, this bill does not provide all the relief the farmer should have; it is not permanent, but since it is the only measure allowed to be reported we should vote for this bill without political prejudice.

Mr. RUBEY. Mr. Speaker, under the privilege of extending my remarks on the McNary-Haugen bill, I desire to insert the following letters, written by myself.

The first letter is to the editor of the St. Louis Globe-Democrat in reply to an article which appeared in that paper written by Hon. HENRY T. RAINEY.

The second letter is to the editor of the Boonville Advertiser, answering an article written by C. F. Kelley, a miller, which appeared in that paper in opposition to the McNary-Haugen bill. My reply was made at the suggestion of the editor, so that the farmers of that locality might have opportunity to hear both sides of the question.

To the EDITOR ST. LOUIS GLOBE DEMOCRAT,

St. Louis, Mo.:

The Hon. HENRY T. RAINEY, Member of Congress from the twentieth district of Illinois, is a very distinguished Member of that body. His service extends over a period of about 20 years. I have great regard for him personally and great admiration for his ability as a legislator. In a recent dispatch from Washington he is made to appear as answering a speech made by me on the McNary-Haugen bill. Having been placed in this attitude I feel that I should briefly make reply to Mr. RAINEY'S statement. I am a member of the Committee on Agriculture, which prepared and reported this bill. We have had it under consideration for the past four months, during which time we have had almost daily meetings upon it. I have attended all of these sessions of the committee, and I therefore believe I can speak as one having knowledge in regard to the provisions and objects of this important piece of proposed legislation.

Mr. RAINEY is opposed to the enactment of the McNary-Haugen bill. He has made a number of speeches against it, and the article which appeared in the Globe Democrat of May 13 is similar to others made by him. If fact, Mr. RAINEY has, probably without his own knowledge, furnished a great deal of material which had been used by the grain exchanges and the grain speculators of Chicago in their fight against this measure. One of his speeches appears in full in a publication issued by the grain dealers of Chicago.

In the article which appears in the Globe Democrat Mr. RAINEY says:

> "If I could make myself believe that the McNary-Haugen bill would accomplish what its proponents claim for it, I would be shouting for it from the housetops."

It therefore behooves me to convert him if it is possible for me to do so. I want to call his attention to the primary object of this legislation. The corporation created by this act will first ascertain the amount of the export surplus of the basic agricultural product and then it will go into the market and purchase at the ratio price that amount. The amount so purchased will be exported, not necessarily all at once, but if it be wheat or other nonperishable products it may be stored and held awaiting such time as the corporation may obtain a satisfactory price for it abroad. Thus the corporation will diminish the available domestic supply. By this process the price of the remaining product will be raised, and if there were no other provisions in the bill the very fact that the surplus would be exported would have a very strong influence in bringing about an increase in the price of the product remaining in the domestic market. If Mr. RAINEY doubts the fact that a diminishing supply increases prices, he doubts the operation of the law of supply and demand. I want to illustrate how this operates, and herewith give you some figures:

Sheep:	Head
1910	52,500,000
1920	35,000,000
Reduction	17,500,000

Value:	
1920	$395,000,000
1910	232,000,000
Difference	163,000,000

In other words, in spite of a reduction of 17,500,000 head, the flocks of the United States were worth $163,000,000 more.

Take cotton as another illustration of the fact that a reduced supply increases prices.

Cotton:	Bales
1914	16,000,000
1923	10,000,000
Difference	6,000,000

Value, December 1 basis:	
1923	$1,563,000,000
1914	549,000,000
Difference	1,014,000,000

Despite the fact that we had a crop of 6,000,000 bales more in 1914 than in 1923 the value of the crop in 1914 was more than a billion less. So that no matter how it may be brought about, if the supply is reduced prices will be increased. This same condition may be illustrated by taking other crops. Take potatoes, for instance.

Potatoes:	Bushels
1922	453,000,000
1923	412,000,000
Difference	41,000,000

But the crop, with 41,000,000 bushels less in 1923, was worth $76,000,000 more than the larger crop of 1922. Mr. RAINEY need have no doubt as to the efficiency of reduction of supply based upon exportation producing the desired result of placing farming on an equality with trade, industry, and labor. He says:

"A great many farm organizations are vigorously opposing the McNary-Haugen bill."

Scores and scores of farm organizations have petitioned our committee and the Senate committee to pass this legislation, and so far as I know only one or two have opposed it. One of these was the Oklahoma Wheat Growers' Association, which first opposed it and later advised the committee of the House that fully 90 per cent of its members had reversed their position, and that they had at first opposed it because of misrepresentation as to the purpose and effect of the measure. Not only have the farm organizations practically unanimously indorsed this bill, but it has also been indorsed by men who have had years of experience in the marketing of farm products. Managers and officers of marketing associations who have handled as high as $2,000,000 worth of livestock in a single year, and many million dollars' worth of wheat and other grain have come before our committee and indorsed the McNary-Haugen bill.

Mr. RAINEY says the directors of the corporation are given most unusual powers. As a matter of fact the powers conferred are almost identically the same as those conferred upon most any private corporation engaged in similar activities. In some respects the powers of the Agricultural Export Corporation are less than those of private corporations. The corporation created under this act is denied the right to construct, purchase, or to own processing facilities, such as packing houses, mills, elevators, warehouses, etc. We have endeavored in this act to give the corporation all the powers necessary in order that it may function properly; to do otherwise would be to make it inefficient and unsuccessful.

Mr. RAINEY's statement—

"No man can hazard a guess as to how many employees will be needed"—

is an intimation that a very large number of employees will be necessary, whereas it is a fact that this bill will not require "an army of Government officials" to enforce it. The bill specifically requires that the corporation shall use the existing agencies, and gives it ample power to contract with the present agencies—millers, elevators, packing plants, etc. In these contracts provision will be made to compensate these agencies for services which they may render the corporation in helping to put this law into effect.

Mr. RAINEY says:

"May I suggest the following illustration: There is, let us say, a washerwoman who lives in the outskirts of a city, who has raised a pig," * * *

He uses over 700 words in describing what would happen to this woman if the McNary-Haugen bill is passed and she decides to sell her pig. I want to say frankly that if all the things set forth in Mr. RAINEY's illustration of the washerwoman and her pig were true there is not a man on the Agriculture Committee who would be in favor of the enactment of this legislation. There is nothing in the proposed legislation that warrants the statements made in this illustration. I can tell you in a very few words what would happen to this woman if the McNary-Haugen bill were passed. If her pig weighed 200 pounds when the butcher came to buy it she would receive for it at least $8 more than she would receive for it under the existing conditions. The butcher would pay her the ratio price for the pig, less the equalization fee. She would not have to make any report of it, but, of course, the butcher would have to make a report of the transaction when he made his report to the corporation or its agent at the end of the month.

The ratio prices and the equalization fees upon basic agricultural products are required to be published in the terminal markets, and, of course, they will be published in every market paper, in the city press, in the local county papers, and will be known far and wide throughout the country. The ratio prices do not change oftener than once a month and may not change that often, while the equalization fees are fixed annually. Let me say right here that it is through the payment of the equalization fees that the farmers of the country will pay the losses and the expenses of this corporation, and when the five-year period of emergency ends the $200,000,000 furnished by the Government as the capital stock of the corporation will be returned to the Treasury of the United States without the loss of a single dollar.

In connection with this unwarranted illustration of the woman and her pig I want to call the attention of Mr. RAINEY to the fact that in the case of livestock there are 257 firms in the United States that kill 65 per cent of the meat annually consumed in the United States. These firms are already under Federal regulation of the meat-inspection law. I believe that so far as it relates to meat not less than 95 per cent of the total volume of business will be brought under the operation of this law. Small interfarm transactions between farmers will not come under the provisions of this act.

Mr. RAINEY objects to the Government going into business. I would like to avoid that, if possible. I would not for a moment be in favor of this legislation or in favor of putting the Government into business if there were any other means whereby immediate relief could be brought to the farmers of the country. Agricultural conditions are critical; relief must come, and come at once. But the Government has already gone into business. It went into business when the first tariff law was passed. It went into business when the first immigration law was passed, because it decreased the supply of labor. It went into business when the Adamson law and the Cummins-Esch law were passed. It took the first step to go into business the other day when the House passed, with only one or two votes against it, a bill creating a corporation with a capital stock of $5,000,000 to operate certain boats on certain streams. There is only one industry in the United States for whose benefit the Government has not yet gone into business, and that is our greatest industry—agriculture—constituting about one-third of the people of America. We propose by this bill to go into business in its behalf. Through legislative enactment we have helped every industry in America except this one great basic industry—agriculture. Now is our time to help it.

Mr. RAINEY says the packers are not fighting this bill. In this Mr. RAINEY is mistaken. The packers are fighting it, and so are those who handle the farmer's products after they leave the farm—the miller, the elevator man, the grain trade, the packer, and the exporter. I do not mean to say that all of these oppose this bill, but as a rule all of those who do oppose it belong to one or the other of these classes.

Mr. RAINEY says that a representative of the packers drew the bill. I do not agree with Mr. RAINEY in this statement. However, whoever may have prepared the bill as originally introduced, it was taken up and rewritten from beginning to end by the Committee on Agriculture. For weeks and weeks we worked upon this measure, meeting every day. We took it up not only by paragraphs but line by line. We went over it again and again. We had four different prints made of the bill, something very unusual, and something which has never before been done by our committee. The bill we reported to the House and asked it to pass is the work of our committee, and the statement of Mr. RAINEY that a representative of a packer drew the bill is without foundation.

Mr. RAINEY makes an attack upon Mr. Charles J. Brand. It is not my purpose to enter into this controversy—I am sure Mr. Brand can take care of himself. I do not think, however, it would be out of the way, inasmuch as Mr. RAINEY'S article has been read by the people of St. Louis and vicinity, to insert here copy of a letter given to Mr. Brand by Hon. D. F. Houston, then Secretary of Agriculture, when he resigned from public service some years ago. Mr. Houston was formerly a prominent and highly respected citizen of St. Louis. The letter is as follows:

"You have been in charge of the organized marketing work of the department since its beginning in 1913. Starting with a modest appropriation of $50,000, the Bureau of Markets this year has had a budget of approximately $4,500,000 aside from the appropriation of $10,000,000 for the purchase and sale of nitrate of soda. Its activities have been greatly extended in many directions and it has rendered increasingly valuable service to the Nation. It is charged with the administration of a number of important and difficult laws. When you assumed your duties you were faced with a pioneer task. There were then no marketing agencies either in the Federal or State services solely designed to assist the Nation in the marketing and distribution of farm products. These matters had received too little attention at the hands of

institutions training men for national service, as well as at the hands of legislative bodies. You were confronted with the duty not only of marking out in a definite way the paths of endeavor, but also of discovering and, in a measure, of training the men for the work.

"Throughout your period of service, both in peace and in war, you have discharged your task with remarkable ability and patriotic devotion. Wishing you the greatest success and happiness in your undertakings, I am

"Cordially yours,

"D. F. HOUSTON, *Secretary*."

It may not be out of place for me to say that the $50,000 for the Bureau of Markets referred to in Secretary Houston's letter was secured by me in 1913, by an amendment I made to the Agriculture appropriation bill.

These propositions, however, and others mentioned in Mr. RAINEY'S statement are beside the question so far as they relate to the provisions of the McNary-Haugen bill.

Mr. RAINEY calls attention to the fact of the difficulty that will confront the corporation in the handling of meat products. No one denies that so far as it relates to the meat the McNary-Haugen bill will be difficult to administer and yet these difficulties can be overcome. When the President appoints the members of the board of directors of the corporation, they will meet and organize, and prepare to put the act into effect. One of the first things they will do before any emergency is declared to exist, on either wheat or meat products, will be to arrive at a harmonious understanding with millers, packers, and the handlers of other commodities to the end that these agencies may conduct their operations with safety and outlive such contracts and agreements as will insure the hearty cooperation between them and the corporation in the administration of the law.

Mr. RAINEY criticizes the Committee on Agriculture by inference for giving careful consideration to this measure, to which it has devoted almost daily sessions for about three months. It was reported by the House committee by a vote of 14 to 6 and had been previously reported by the Senate committee by a vote of 10 to 2. He not only criticizes the bill itself, but he does not hesitate to criticize those who have given it profound study and care. Extensive hearings were held and men were invited from all parts of the country to come before our committee and were invited to criticize the bill and to offer suggestions in order to assist in perfecting it. As finally reported, this bill is workable, although like every other big undertaking it will have its difficulties. Mr. RAINEY, like one of the representatives of one of the packers, who appeared to oppose this bill, expresses great sympathy for the farmer, yet he criticizes everything that we propose and he has no constructive measure to offer in its place.

But, I must not prolong this discussion. Suffice is it for me to say that through legislative enactment we have helped every industry in America except the one great basic industry—agriculture. More than one-fourth of the people in America live upon the farms. They toil through all kinds of weather, both early and late. They seek no eight-hour law. They depend for their success more than any other industry known to man upon the elements. They plow, they plant, they cultivate, and if the sun shines and the rain comes in due proportion they harvest their crops. On the other hand, if perchance the rain does not come, or if it comes in too great abundance, the result of their labor is destroyed by a drought or by a flood. These are conditions that we can not regulate by legislation, but when the farmer reaps an abundant harvest, and takes his products to the market place, we want him to receive a just and fair price for those products. This is what we are trying to do by the passage of the McNary-Haugen bill.

THOS. L. RUBEY, M. C.,
Committee on Agriculture.

TO THE EDITOR OF THE BOONVILLE ADVERTISER

MAY 12, 1924.

Mr. EDGAR C. NELSON,
Editor the Boonville Advertiser, Boonville, Mo.

DEAR MR. NELSON: In a recent issue of the Advertiser there appeared a letter from Mr. O. F. Kelly, a miller of your city, criticizing the McNary-Haugen bill. I do not know Mr. Kelly personally, but I am sure he is one of your best and most conscientious citizens, and it is not my purpose to enter into any controversy with him. Your paper has a large circulation throughout central Missouri, and I would like for its readers to get the viewpoint of the proponents of this pending legislation, hence this letter.

Mr. Kelly is opposed to the passage of the McNary-Haugen bill. I am not surprised that he is if he bases his opinions upon the information which he has obtained through the reading of a statement recently given out by Julius S. Barnes, who is president of the Chamber of Commerce of the United States, and who is also one of the largest American grain exporters. I take it that Mr. Kelly has secured his information from this source, because some of his language is almost identical with the language set forth by Mr. Barnes in his statement.

Mr. Barnes has carried on an astonishing amount of misrepresentation of the McNary-Haugen bill. He is opposed to the passage of the bill, as all other exporters are, because he believes it will put them out of business. In advocating passage of the McNary-Haugen bill we are not seeking to help the exporter—he does not need any help. His profits run into millions and millions of dollars, and he needs no help from any source. But we are seeking to help the American farmer and to bring the price he receives for his basic agricultural products up to the point where those products will have their pre-war purchasing power.

The McNary-Haugen bill is advocated by farm organizations throughout the length and breadth of the country. It is opposed by those who handle the farmer's products after they leave the farm—for instance, the miller, the elevator man, the packer, the exporter, and the speculator. I do not mean to say by any means that all of these oppose this bill, but as a rule all of those who do oppose it belong to one of these classes.

These men have been sending out propaganda to the millers and elevator men and doing everything in their power to bring the McNary-Haugen bill into disrepute. They all say, as Mr. Kelly says, that they favor steps to help agriculture but they do not make any constructive suggestions as to how it may be done. Mr. Barnes, in his statement has gone further than that—he has recommended diversification, cooperative organizations; and he also says he believes in letting the situation cure itself. We all believe in diversification where conditions warrant it, and we are strongly in favor of cooperative organizations, but diversification will not restore the purchasing power of the farm crops. How can diversification or cooperation help the farmer to get 1,000 feet of lumber for $30, as he did in 1914? Now he has to pay $52 for it. How can they restore the purchasing power of the hog grower's dollar which is now only a little less than 60 cents of the pre-war value? Of course this can be done by destroying or putting out of business enough farmers of the country and reducing production. If one-half or one-third the farmers of America would cease production and could find other work to do, the price of the farm products would rise in value. At the same time we would increase the number of consumers, would put the country in a critical situation, and we would be confronted with the question as to where we would get sufficient to feed and clothe our own people.

The McNary-Haugen bill was prepared after careful study by some of the ablest men of the country. Mr. Kelly says that the bill is admittedly directed at wheat exclusively. This bill is intended to help the hog industry, which is in a worse condition than the wheat industry, although it is intended to help both. The hog grower now pays 2,973 pounds for a 22-7 grain drill that cost him only 1,471 pounds in 1913. The wheat grower gives 206 bushels of wheat now for the same drill which he bought for 132 bushels in 1913. In terms of hogs the price of drills has come up over 100 per cent; in terms of wheat it has gone up 56 per cent. This statement shows beyond any doubt that this measure is not and should not be intended as exclusively a wheat measure. Mr. Kelly evidently gets his figures from Mr. Barnes's statement, but the figures are wrong. Mr. Kelly's mention of Pennsylvania yield is certainly wrong, and this same statement was also made by Mr. Barnes. The average wheat yield for Pennsylvania is 17.4 bushels per acre instead of 25, based on five-year average 1918–1922. The Pennsylvania farmer gets along because he is near the market, in fact, the market is right under his nose. He does not have to pay large freight rates to get his products to market. However, many of the farmers of Pennsylvania came before our committee urging the passage of the McNary-Haugen bill. On the other hand, some of the western wheat-growing States have a relative high yield. The five-year average for the State of Washington is 22.6 bushels per acre, but the Washington farmer has more difficulty in getting his wheat to market.

Mr. Kelly states we should improve agricultural methods, and we all agree that farm methods should be improved, and we know that the farmers, through cooperative organizations, are doing much to improve their conditions, but there are some things over which the farmer has no control. How can he buy new machinery, fertilizers to make his soil more productive, hire the necessary labor when farm labor is 150 per cent higher than it was before the war, and everything he buys has advanced that much or more, and when the farmer's prices for his commodities have been going lower and lower all the time.

Of course the argument is made by those opposed to this legislation that it is unworkable. Mr. Kelly makes the statement that unscrupulous tactics and illegal evasions will bring unfair results to the honest farmer and the honest grain dealer, but the fact must not be overlooked that violations along the lines mentioned in his letter will result in fines, and if persisted in, in fines and imprisonment, or both. Some years ago when we passed the first income tax law the same argument was made that it would be unworkable, that it could not be carried into effect, and while we all know that there are violations of the income tax law, some men hide away their wealth, make false returns, and seek to evade payment of their income taxes, yet its administration has been fairly

successful and billions of dollars have been collected in recent years through the income tax law.

This bill does not require an army of Government officers. It specifically requires that the corporation shall use the existing agencies and facilities and gives ample power to contract so that the present agencies, millers, elevators, packing plants, etc., may be contracted with and in these contracts they will be compensated for services which they may render to the corporation in putting this law into effect.

I can not see why the miller should be opposed to this bill. If he is an exporter the law protects him against loss in his export trade. If he manufactures his flour and sells it in the domestic market he will sell it for a higher price by reason of the increased price of the grain which he uses. Just before the bill was reported to the House I offered an amendment which was agreed to, which gives the corporation authority, if it deems it advisable, to extend the ratio price over a period instead of from month to month. Under this amendment, during certain months of the year, the corporation may fix the ratio price for a period of several months, and this will be of great advantage to the miller, and many of them have already expressed their approval of this change. In fact in the preparation of this bill, while our main effort has been to help the farmer, we have sought in every way to throw about it every safeguard that would protect the miller, the elevator men, packers, etc., from losses by reason of this legislation.

Recent figures from the Department of Agriculture indicate a reduction in the wheat acreage of the country for the coming year. It is believed that the reduction in acreage in 1924 over 1923 will be at least 12 per cent, so that the estimate made by Mr. Barnes and others in regard to the enormous amount of wheat that will have to be exported is, beyong doubt, greatly exaggerated. In 1919, when our crop was 968,000,000 bushels and the world price twice what it is now, we exported only 214,000,000 bushels. At the very height of the war in Europe, when its production was reduced to a mere fraction of pre-war production, our greatest export in all time was 332,000,000 bushels. Those who assume that there will be a possible export of 320,000,000 bushels of wheat with Europe, in its present condition, and with its destroyed purchasing power, are, it seems to me, doing so for the sole purpose of endeavoring by such means to defeat this legislation.

Mr. Kelly assumes the world market price, Chicago basis, to be 90 cents. He also assumes a 60-cent loss per bushel on an export of 320,000,000 bushels. These are imaginative export figures. If he would divide that in half and assume 50 cents per bushel as the difference between the domestic and foreign values he would be more nearly correct.

Mr. Kelly also says that it is admitted that the expenses of the corporation will be 5 cents per bushel. Who admits it? Certainly not the proponents of the measure. It is believed that the cost of the administration of this law will be between 1 cent and 2 cents per bushel. It should be remembered and understood that this bill specifically provides that the corporation, in the administration of its affairs, shall utilize existing agencies. We do not want to put the miller out of business, or the elevator man, or any other agency. We want the corporation to earnestly cooperate with them, and when that is done the cost of the administration will be comparatively small, and when the period ends the miller and other agencies of the country will not be injured, but can continue right on with their business the same as if this period of Government aid and help had not existed. The trouble with Mr. Kelly is that his figures are not correct, and with these figures as a basis for conclusion that the operation will be so expensive as to eat up all the increased price brought about by reason of the ratio price is entirely erroneous. It is idle to discuss figures, assuming such mistaken premises. Some one has said of Mr. Barnes, that in his argument he is speaking for Julius Barnes, the grain exporter, and not for the American farmer.

I note what Mr. Kelly says in regard to the grain futures act, which curbs speculation. In this connection it will be interesting to note that in a single year, 1921, on the Chicago Board of Trade alone about 12,000,000,000 bushels of wheat were traded in when only 45,000,000 bushels were received in Chicago. In other words, in a single year between five or six times as much wheat were traded in in futures as were actually delivered in Chicago in over 60 years. Some of the very best observers are certain, in so far as the grain futures act has had any effect, it has headed off a short-selling campaign that the speculators were afraid to put on that would have driven the price even lower than it went.

The McNary-Haugen bill does not fix the price of wheat, but what it does is to require the corporation to buy wheat at the various terminal markets, or through agencies elsewhere, if necessary, at the ratio price. The ratio price, when ascertained, will be published in all the terminal markets. The farmer will know that there is an agency which will buy his wheat at that price, less, of course, the cost of transportation, loading, and other charges such as exist at the present time. When the farmer knows this he can figure out about what he ought to receive for his wheat at the local market. He will also know the equalization fee per bushel, which is the amount he must contribute to make up for the loss and the expense of the commission, so that he will know what his net price will be for every bushel of wheat he sells.

Many estimates have been made by the proponents of this measure as to the amount of losses of the corporation and the expenses of the corporation, and taking wheat as an illustration, the most conservative estimate is around 15 cents per bushel, so that if the ratio price of wheat is $1.62 per bushel at Chicago the farmer at Boonville will receive $1.47 per bushel, less, of course, the transportation charges between Boonville and Chicago, and these same charges he must now pay under present conditions.

Very truly yours,

THOS. L. RUBEY.

Mr. CANNON. Mr. Speaker, no subject before Congress in recent years has attracted such widespread attention and interest as the question of farm relief now under consideration. Few measures have affected so directly and so vitally the prosperity and well-being of the Nation, and certainly none have been so earnestly advocated and so bitterly criticized as the McNary-Haugen bill, formulated by the Committee on Agriculture and championed by the representatives of the farm organizations as the most practicable solution of this perplexing problem.

The bill has been the subject of exhaustive study and analysis. For weeks a steady stream of letters, pamphlets, newspaper articles, briefs, and monographs, from pen, typewriter, press, and mimeograph have alternately urged its merits and alleged its defects, and its critics and advocates include some of the most noted economists in the country.

But one of the most valuable and practical contributions on the subject yet submitted, one of those most frequently quoted, and perhaps the most influential in its effect on the actual drafting of the bill, is an open letter by Mr. William Hirth, editor of the Missouri Farmer. It is captioned "Agriculture is dying," and has been characterized on the floor of the House as "the best discussion of the situation of agriculture throughout the United States."

Mr. Hirth is high in the national councils of agriculture and is the founder of one of the foremost cooperative organizations in America. He has made an exhaustive and intimate study of farm economics and is recognized as an authority on the subject.

His letter has been so often quoted and there are so many requests for copies of it that I ask unanimous consent to reprint it in the RECORD as an extension of my remarks. The letter follows:

(An open letter to Congressman CANNON from the publisher of The Missouri Farmer)

Hon. CLARENCE CANNON,

House Office Building, Washington, D. C.

DEAR MR. CANNON: As per my promise in Washington some days ago I herewith submit my views with reference to the McNary-Haugen bill and why I think this measure should be enacted into law. And first let me explain briefly what, as I understand it, this bill seeks to accomplish:

First. It proposes to create a commission to be known as the United States Agricultural Export Commission, composed of the Secretary of Agriculture, the Secretary of the Treasury, the Secretary of Commerce, the chairman of the United States Tariff Commission, and three directors appointed by the President by and with the consent of the Senate. I believe a suggestion has also been made to provide an additional advisory committee composed of one member from each of the different Federal reserve districts, to serve without pay, except as to actual traveling expenses.

Second. The intention is that the commission shall establish a fair "ratio price" between the great surplus commodities of the farm (such as wheat, pork, beef, etc.) and the current all-commodities' price which is commonly referred to as the "cost of living." Or, to put it in a simpler way, the function of the commission shall be to bring the price of surplus farm products which during the last four years have been selling on the basis of destructive low world price levels in line with what the farmer has to pay for farm implements, building materials, clothing, dry goods, shoes, freight rates, etc. And in arriving at a fair "ratio price" pre-war conditions are to be used as a basis.

Third. To this end it is proposed that the commission shall have at its disposal a fund of $200,000,000 with which to buy up the surplus on such commodities as wheat, pork, and beef (and such other surplus commodities as the commission may decide to include in its operations) and, having removed such surplus as a factor in the home markets, to make the tariff 100 per cent effective with reference to the various "ratio prices" agreed upon.

Fourth. It is further intended that any loss sustained on the sale of the various surplus farm commodities shall be borne by the farmer and not by the Government, and to this end it is intended to issue "scrip," which shall be equalized at the end of the seasonal periods. Thus if the "ratio price" on No. 2 wheat is $1.50 per bushel, the farmer would perhaps be paid $1.30 per bushel in cash at the time of delivery and 20 cents in "scrip"; and then when the season's business on wheat is wound up and when the commission is in position to determine its expenses and loss on the surplus the farmer would receive such an additional dividend as may be due him. The same rule will apply to any other commodity included in the commission's operations, and thus the farmer will be assured of a fair price in the home markets less his share of the loss on the surplus and his part of the expense of conducting the commission.

Fifth. The act contemplates that the commission will arrive at a harmonious understanding with millers, packers, and the handlers of other commodities, to the end that such agencies may conduct their operations with safety and understanding.

Sixth. The act is regarded purely as an emergency measure, and is under no circumstances to continue for a period of more than five years. And in the meantime it is predicated upon the assumption that the farmers of the country shall immediately begin the perfection of cooperative marketing agencies so they will be able to exercise in a nation-wide sense the functions of the commission at the end of the emergency period.

Therefore, grouping the above provisions together, it may be said that the one and only purpose of the McNary-Haugen bill is to place the farmer on an even footing with organized industry and labor and to have the Government do for him in these premises what, in his present unorganized condition, he is not able to do for himself!

IS THIS LEGISLATION NECESSARY

No doubt the first question the average Member of Congress will ask himself is, "Is this legislation necessary—is the condition of agriculture so desperate that Congress will be justified in a time of peace in taking a step as far-reaching as the one contemplated in this act?" And as one who is, as you know, quite intimately acquainted with agricultural conditions not only in Missouri but in other of the great Corn Belt States, my unequivocal answer is that it is. In fact, I will go further and say that American agriculture is to-day facing the greatest crisis in its history; and even if the McNary-Haugen bill is passed, thousands of farmers will be sold out by the sheriff and hundreds of country banks that are considered solvent to-day will close their doors before aid can possibly come from legislation or from any other source.

And in saying this I need only point to the foreclosure sales on farms and the great number of banks that have gone upon the rocks in the great farming States during the last two years. Here in Missouri—one of the greatest agricultural States in the Union—we have thousands of farms that have been abandoned during the last three years because their owners could not rent them, and thus despairing of what they considered a hopeless and useless struggle they turned them over to the mortgage holders and moved to some town or city in the hope of getting hold of some of the "easy money" which has been so plentiful in these quarters since the time when the World War reached its crest.

"What is the trouble?" you ask. Fundamentally, it is very simple. When the World War came to an end, and when the frenzied demand for the surplus food products of this country ceased, the American farmer was suddenly thrown back completely upon the world markets; and thus for the last four years the price of American wheat, pork, beef, and other surplus farm products has been determined, not on the basis of the American farmer's production costs, not on the basis of our so-called American "living standards," but purely on the basis of the competitive value of these commodities in Liverpool and in other world clearing ports where the peasant and peon farmers of the four corners of the earth dump their yearly surplus. And these world price levels govern not only with reference to our surplus but they fix the price of these commodities in our home markets; and thus we have the remarkable situation where the daily wage of a bricklayer or plasterer during 1923 equaled the value of an average acre of wheat or of a 230-pound hog which it took seven months of the farmer's care and feed to produce. Mind you, I am not saying that the bricklayer or plasterer should accept less, for this precipitates a question which I do not care to discuss at this time. I am merely citing the cold facts as they are and why there is serious trouble out at the "crossroads."

On the other hand, while the conclusion of the World War suddenly threw the farmer back completely upon the world markets, both industry and labor, which are powerfully organized, were able for the most part to "hold their first-line trenches"; and thus to-day industry is fighting its battles from behind the great protecting walls of the Fordney-McCumber Act, while labor has not only held to most of the advantages it obtained during the war but in the aggregate I think I am safe in saying that the Nation's pay rolls have been increased to the extent of hundreds of millions of dollars since the armistice was signed, and this isn't taking into account the tightening up of our immigration laws. And thus the American farmer finds himself between two fires: On the one hand, the selling price of his commodities is determined by the peasant and peon farmers of the wide universe, while on the other hand his living and production costs are determined under the highest merchandise values, freight rates, and taxes ever known in this country and under the highest wage scales that obtain in any nation in the world. And thus, like a great ship, American agriculture is being pounded to pieces on the reefs of low world price levels; and in these premises one of two things must happen: Either industry and labor will have to reduce the cost of their wares and service to the level of the farmer's living and production costs or, as certain as the sun shines above, the destruction of agriculture will follow.

IS THIS MEASURE "WORKABLE"

Already, as was to be expected, the critics of this bill say it isn't "workable" for a thousand different reasons, more or less. But why is it necessarily not a practical proposal?

When a governmental agency takes the surplus wheat, pork, or beef out of the domestic markets and fixes a definite tariff which will protect these commodities against the importation of cheaper similar commodities from the outside, then why will not such a tariff fix the domestic price? From time out of mind our great manufacturing enterprises that enjoy protection have charged a price within the United States, up even with the tariff wall—and when the export price lost them money they curtailed their output. But the farmer has never been able to "collect the tariff," because, unlike our great manufacturers, he is not in position to concentrate his selling—he is not in position to separate those of his commodities which are consumed in the domestic markets as against those which are exported, and therefore a tariff on wheat or other surplus farm commodities is as meaningless to him under existing conditions as the number of spots on the sun. And under these circumstances the fixing of tariff duties on surplus farm commodities has been nothing less than a ghastly political joke. Nor is the farmer in position to abandon the production of a surplus, as are our great manufacturers, first, because droughts, floods, and insect pestilence may disastrously affect his acre yields, while disease may devastate his flocks and herds. Again, with no organization or central directing force, about all our 6,500,000 farmers can do is to use their own best individual judgment, whether with reference to the production of grain or livestock.

But that a tariff can be made 100 per cent effective when the surplus of a given farm commodity is taken out of the domestic market, of this there is not the slightest question; and therefore we come back to the proposition which I made before, namely, that under this bill the Government would assist the farmer in doing what he is not now in position to do for himself.

And, furthermore, the Government can do this without the loss of a single penny. To illustrate, let us assume that the world price level on No. 2 wheat will be $1 per bushel f. o. b. Chicago on July 15 of this year. Unless the McNary-Haugen bill or a similar measure is passed, this is all the wheat grower could hope to receive under any circumstances. But if the "ratio price" established by the proposed export commission should say that No. 2 wheat is worth $1.50 per bushel f. o. b. Chicago, then the farmer would receive this amount less his proportionate loss on the exportable surplus and the expense of the export corporation. To illustrate further, suppose we produce 800,000,000 bushels of wheat during 1924, and that 600,000,000 bushels of this is required for home consumption, leaving 200,000,000 bushels for export; next let us assume that the "ratio price" within the United States is $1.50 per bushel while the world price is only $1 per bushel, thus representing a loss of $100,000,000 on the surplus, and this loss charged up against the domestic price would mean a reduction of approximately 17 cents per bushel; next, in order to play perfectly safe, let us assume that it will cost 3 cents per bushel to operate the commission, or a total charge off of 20 cents per bushel, which would still leave the wheat grower 30 cents per bushel "ahead of the hounds" at the end of the equalization period as against existing conditions.

And now here occurs the most serious difference of opinion I entertain against the McNary-Haugen bill; instead of attempting the issuance of "scrip" as a means of finally clearing up the transaction I would simply require the elevators, mills, and grain buyers throughout the country to keep a record of the amount and grade of wheat purchased from each grower and then as soon as the loss on the surplus and the costs of operation had been ascertained I would pay the balance due in the form of a patronage dividend.

And while I am stating my opinion on this phase of the matter in very general terms, I have no doubt that it could be worked out—and thus the final windup of the whole matter would be that the farmer would receive a "ratio price" based on the all-commodity price, less his share of the loss on the surplus and costs of operation and the Government would not have lost a cent in the transaction.

Therefore why isn't the plan "workable"? And why can not the commission and the packers arrive at a similar arrangement on pork and beef? And why can not the millers and packers of the country adjust themselves to this kind of a program if they really have a desire to do so? In the meantime, our choice lies between trying to make the thing "workable," or sending agriculture to certain destruction. There is no other alternative!

Moreover, those who insist that this bill is not "workable" ought to get busy and bring forth some other measure that is, for certainly agriculture has a right to expect something more than a mere "dog in the manger" attitude from them. If they think the farmer's present cry for help is unwarranted—that actual conditions have been overdrawn—then let them have the courage to say so frankly. But if they do not desire to assume this attitude, if they do believe that something needs to be done, then let us remember the old saying that, "where there's a will, there's a way!"

The suggestion that the Government may under this bill invest "billions of dollars" in packing plants, warehouses, etc., is to me the purest claptrap. My personal view is that the commission should not invest a single dollar in such facilities and if there is any doubt on this score as the act now stands it should be amended and made "foolproof" in this respect—for why acquire such facilities when they are already in existence and when all that the owners have a right to expect, is fair compensation for their use?

AS TO "PRICE FIXING"

I am perfectly aware that this measure is being assailed on the theory that it is "price fixing" and also that it seeks to "defy the law of supply and demand." But when a great manufacturing industry demands a tariff which shuts out foreign competition and when it then proceeds to collect a price in the home markets up even with the tariff wall which surrounds it—often selling for less in the foreign markets—in Heaven's name, what is this but "price fixing" and in such premises what becomes of the sacred law of supply and demand?

And likewise when the great labor unions through their organizations might demand and enforce the payment of stipulated wage scales, again what is this but "price fixing"—and what chance has the farmer who stands at the end of the line to escape these superimposed burdens which come down to him in the form of inflated prices for farm implements, building materials, clothing, dry goods, shoes, transportation rates, etc.? For he is the "Jones" who "pays the freight"—he is the fellow to whom everybody else "passes the buck" and who can not pass it on to anybody else.

Therefore what is the fairness of raising our hands in virtuous horror at the idea of "price fixing"? What is the fairness of delivering profound platitudes about the law of supply and demand—a sacred white ox that departed "to where the woodbine twineth" for lo, these many years? And when I say this I do not concede that the McNary-Haugen bill is a "price-fixing" measure as that term is generally understood. On the contrary, it merely seeks to establish a fair "price ratio" between certain great basic surplus farm commodities and the current cost of living which forms the inevitable basis of the farmer's production costs.

And again let me say that I am not pronouncing an indictment in these premises against the Fordney-McCumber Act nor against the wage scales of organized labor, regardless of what my views concerning them may be, were they under discussion on their merits. What I am trying to do is to show that through the exactions of these forces the farmer is confronted by a "condition and not a theory"—that while he himself is helplessly chained to the world-wide law of supply and demand, there is no such animal, so far as American industry and labor are concerned—and there isn't an intelligent or fair-minded student of economic conditions in this country who doesn't know that this is the simple truth.

As the sorely perplexed farmer realizes that the purchasing power of his dollar (as expressed in the fruits of his toil) has been knocked into a cocked hat, and when he thinks of the fact that it takes $2 of his money to pay off an old debt, while industry and labor can still retire their obligations on an even basis—in these circumstances when supercritical gentlemen prattle about the law of supply and demand, let them not believe that they are fooling the farmer who knows perfectly well that he is getting the "hot end of the poker" and who is pretty apt to demand an accounting from those who continue to make him do it.

"WORKING ITSELF OUT"

This chatter that we should not seek to "defy the law of supply and demand" comes chiefly from the boards of trade and certain big grain exporters who pose as "experts" in these premises. Of course, the boards of trade don't want dealing in futures interfered with, for this is one of their chief sources of income. And even so certain eminent grain exporters don't want a commission to step in and perform functions which, under existing conditions, are a source of great profit to them—but if the time has come when Congress must make a choice between these gentlemen and the preservation of American agriculture, should it find that choice very difficult?

These same critics who prattle about the inviolability of the law of supply and demand say that the farmer is the victim of "natural causes" and that "everything will come out all right if we will only be patient," etc. And if Congress takes them at their word, it will do so at the peril of the whole Nation. For where is there a sane man who believes that either industry or labor will or can submit to a deflation during the next two or three years that will bring them down to a level with agriculture? And remember this is the issue—to assume that "everything will come out all right for the farmer" is predicated upon the idea that just as the peon and peasant farmers of the wide universe are fixing the price of American farm products at home and abroad, that in a like manner the American manufacturer and the American workingman will consent to get down on an even basis of remuneration with the manufacturers and workingmen of Germany, France, and England. And I believe you will agree with me that if such a suggestion were seriously made it would produce a riot in industrial and labor circles within 24 hours.

LIVING IN A FOOLS' PARADISE

Since the armistice was signed our cities have been living in a sort of fools' paradise—in other words, we have been speeding on the "gas" that we inherited from the World War period, during which time construction work of all kinds had largely ceased and also the rolling stock of our great railroad systems was so nearly shot to pieces that hundreds of millions of dollars had to be spent for its rehabilitation—and this isn't saying anything about the enormous amount of other repair work that had to be done. And thus things have been going along as merrily as a marriage bell, and we have paid little attention to the tragedy that is taking place out at the "crossroads" and which is becoming more serious with each passing day.

But during recent months there has been a perceptible slacking up in business circles, and there is every indication that we will soon "catch up with the hounds," if, in fact, we have not already done so—and the reason is that the American farmer is out of the game, as in truth he has been for the best part of the last four years. In other words, he is out on a "buyers' strike," not because he wants to be—not because he doesn't need billions of dollars' worth of new building materials, farm implements, fencing, etc., but because since the deflation following the war struck him his one thought has been to keep his farm from falling into the clutches of the sheriff, and therefore interest and taxes have had his first consideration.

Of course, the passage of the McNary-Haugen bill will somewhat increase the cost of the commodities it touches, such as bread, pork, beef, etc., and yet if the handlers of these commodities do not use this measure as a profiteering pretext, then that increase will not amount to enough to seriously affect a single family in the country, for our so-called "high cost of living" comes not from food costs but from the output of our mills and factories.

In the meantime the fact that the American Federation of Labor has sent some of its leading representatives to the Agricultural Committees to urge the passage of the McNary-Haugen bill should be a tremendous eye opener to every Member of Congress. And back of this action are three exceedingly pertinent reasons—first, having compelled the passage of the Adamson law during the war, labor knows that it has greatly benefited by specific congressional action, and this isn't saying anything about the favors it expects to continue to receive with reference to the matter of immigration; second, it knows that if it expects to continue to enforce its present exceedingly generous wage scales, that then the 40,000,000 people who reside on our farms must be placed in position to once more become aggressive buyers of merchandise; and, lastly, it realizes that if farmers continue to flock to our great industrial centers by the tens of thousands that the soup house will be the final answer and that this time is not far away.

EMBARRASSING TO A DEMOCRAT

And now I have no doubt that the average Democratic Member of Congress who is deeply grounded in the old idea of a "tariff for revenue only" will find some difficulty in reconciling himself to a measure which so strongly invokes the principle of protection—but, like the farmer, we are confronted by a "condition and not a theory" in these premises. In the past, or before the World War, no one believed more steadfastly in the historic position of our party on the tariff than I did—and in proof of this I wrote from beginning to end the last Democratic platform adopted in this State under the old delegate convention system (in the latter part of the Folk administration), and I doubt whether the party ever gave out an expression in Missouri that contained a more deliberate arraignment of the protective system.

But the World War has changed many things, and even if Democrats were in undisputed power in Congress to-day I doubt very much whether we would have the hardihood to place the country upon a purely "tariff for revenue only" basis—and I say this because with

our inflated wage scales I seriously question whether American industry is in position to hold its own against the low wage scales of Germany, France, England, and other foreign countries at this time. In other words, it is going to take time for both industry and labor to get down off the high horses they are riding, even should they honestly and earnestly strive to do so, and for the time being therefore it may be the part of practical wisdom to regard the Fordney-McCumber Act as more or less of a necessary evil. And by this I don't mean that it does not contain many iniquities which should be eliminated at the first opportunity.

And this makes the situation from the farmer's standpoint appear all the more alarming to me—the fact that if agriculture is to live the farmer must be provided with a dollar of as great purchasing power as the dollar of industry and labor (which is the basis of his production costs) and the deep-seated conviction that, considering the manufacturing profit margins and wage scales of Europe, American industry and labor will not and in fact can not place themselves on a level with our foreign competitors at this time. Therefore it brings us back to the starting point—namely, that if agriculture is to be preserved, then either the price of farm commodities must be raised or the wares and service of industry and labor must be brought down to a level with them—and the latter hope seems to me an idle dream for some years to come!

Therefore as a Democrat I would take the position that so long as industry and labor are beneficiaries of the protective system, that the farmer is entitled to his share of the spoils—and I would demand that if the Republicans think so, they make it more than an idle farce—that having given the farmer a tariff, they make it possible for him to collect it! And in these premises let me say that the McNary-Haugen bill is the "acid test," it is the greatest challenge to the sincerity of protectionists in the history of Congress!

AMERICAN AGRICULTURE IS DYING

Never, in my humble opinion, has Congress been confronted (in times of peace) with a question more profoundly grave than the one that is involved in the McNary-Haugen bill. If the measure is defeated, there will be no loud outcry at the "crossroads"—for the "crossroads" has long since grown accustomed to being told that its pleas are "impractical" for one reason or another, and therefore with stoical resignation it will accept its fate, whatever it may be. But in the meantime the sheriffs' sales will multiply, country banks by the hundreds during the next two or three years will close their doors, and the steady stream from the farms to the towns and cities will continue—make no mistake on this score, for the rising and setting of the sun is not more certain!

And if Congress believes that we can safely run the gantlet—if our great captains of industry and our eminent bankers think they can keep our mills and factories in full-time operation and that the buying power of the 40,000,000 people who reside upon our farms is no longer necessary to this end—if they believe that our railroads can pay the present price of fuel, steel, and labor without hauling merchandise out to the "crossroads," as well as grain and livestock away from it—in short, if they believe that agriculture has ceased to be the great "basic industry" of the Nation and that it is no longer necessary in compelling favorable international trade balances, why, then perhaps the fate of the McNary-Haugen bill is of no great consequence! But let gentlemen make sure of their ground—let them be willing to accept the consequences if they have guessed wrongly.

And then there is another side to it. During recent years the tendency toward socialism and radicalism in our great centers of population has grown apace, and it is from these realms whence comes evermore insistently the demand that the Government shall operate the railroads and the coal mines and that the decisions of the Supreme Court shall be subject to congressional review—and unless laughter and the joy of contentment is brought back to the "crossroads," unless the deadly decay which is eating its way deeper and deeper into the heart of American agriculture can be arrested in the not distant future, then instead of our myriad farm homes continuing to be the great bulwark against this ever-increasing tide of radicalism which they have been through all the years of the past, let no one be surprised if farmers shall be found in increasing numbers among those who are striving with might and main to destroy our venerable institutions of government which have made the history of the Republic as wonderful as an Arabian Night's dream. Under normal conditions the farmer is a wholesome conservative, intensely proud of his country, and a firm believer in individual effort and responsibility—in fact the latter tendency is chiefly responsible for his present condition of helplessness. But the farmer is also human, and as he contemplates the contentment and comparative luxury of those who fix his living and production costs and who seem to have no great difficulty in obtaining the ear of Congress, who will blame him if he voices the pitiful plea of Shylock, "If you tickle us, do we not laugh? If you prick us, do we not bleed?"

If the Republic of Washington and Lincoln is to remain anchored to its moorings in the years to come—if the sinister prophecy of Carlisle is not to be fulfilled—if in the future, as in the past, the farmer is to remain a wholesome "balance of power," who will say "Hands off" to those who would destroy the glorious handiwork of the fathers—then let Congress lose no time in directing its attention to the tragedy that is taking place out at the "crossroads," for, as certain as God reigns above, American agriculture is dying!

CONGRESSMAN RAINEY'S OBJECTIONS

The files of old Egypt were not more numerous than the objections raised against the McNary-Haugen bill by Congressman HENRY T. RAINEY, of Illinois, in a letter to S. H. Thompson, head of the Illinois Agriculture Association, and I shall therefore endeavor to answer only the more pertinent ones:

No. 1. "Will not the 'scrip' bring about an 'expansion in our currency' and increase our 'circulating medium without increasing our gold base'?"

Answer. The "scrip" should not affect our circulating medium in the slightest degree, for in substance it is nothing more than a "due bill" upon which a future dividend will be declared, and if there is any doubt on this score because of the present wording of the bill, it should be amended. Surely it is not intended that the "scrip" shall be "circulating medium."

No. 2. "Do you think farmers will be satisfied with 'scrip'?"

Answer. Well, in view of the fact that they will be just that much "ahead of the hounds"—that the "scrip" or whatever is decided on will pay them the difference between the "ratio price" and the world price, less the loss on the surplus and the commission's costs of operation—certainly they shouldn't raise any "kick" on this score.

No. 3. "Will it not make it necessary for the Government to slaughter food animals and to invest in packing plants, stockyards, etc., involving perhaps an "expenditure of billions of dollars in railroad switches, terminals, refrigerator cars, warehouses, etc., etc.'?"

Answer. No. Why should the commission invest a single dollar in these facilities which are already in existence? All on earth the bill seeks to do is to require existing agencies to operate under the "ratio price." If the intention was to have the Government finance such facilities and to build up an enormous pay roll, I would be against it unqualifiedly.

No. 4. "Is it not time to keep the Government out of business as much as possible?"

Answer. You bet your life; and whenever you take it "out of business" in such premises as the Fordney-McCumber Act and with reference to tightening up the immigration laws, then perhaps farmers will not ask for legislation like the McNary-Haugen bill. But since this would be a horse of decidedly different color—since, in fact, Congress could possibly not safely do this at this time—in these circumstances hasn't the farmer a right to expect the Government to "go into business" as much for him as it already has for the other fellows?

No. 5. "Do you not think that in the end the farmer will become the greatest sufferer from its imposition, should it become a law?"

Answer. With the peasant and peon farmers of the world fixing his prices at home and abroad, how can it make the farmer a worse "sufferer" than he already is? And if a fair "ratio price" is enforced in the home markets, as I have already said, won't he be just that much "ahead of the hounds"?

No. 6. As to MR. RAINEY'S reference to wool and cotton and how to apply the "ratio price" to meat products and the charge that it is only intended to help the wheat grower, I have already covered these points in my answer to Congressman ANDERSON'S objections.

No. 7. "Isn't it time to ask what benefits farmers have received from the alleged remedial legislation demanded by the farm organizations, etc.?"

Answer. Well, the organizations have demanded very little specific legislation, and about all Congress has done is to expand credit facilities, and what the farmer wants and needs is not additional credit so much as prices that will enable him to pay debts and to buy sorely needed merchandise.

No. 8. "Has the farmer benefited by the protective tariff Congress has given him on practically everything he produces?"

Answer. Not so that you could notice it with an ordinary magnifying glass. On a commodity like wool, of which we only produce about half enough to supply our home needs, it "brings home the bacon," while on such surplus commodities as wheat it is a delusion and a snare; and all farmers, as well as most Members of Congress, know this.

No. 9. "I notice hogs are going up on the Chicago market. Is this due to the protective tariff, inasmuch as there is no protective tariff on hogs?"

Answer. No; the tariff has nothing to do with it. The heavy winter runs are over, and most likely the packers are "stiffening" the market so as to unload the hogs purchased at a low price and which are stored

away in their coolers, at a good profit. This is one way the big packer has of collecting a "ratio price" of his own.

No. 10. "Would it not be advisable (for farmers) to advocate a reduction in the tariff on all articles the farmer buys?"

Answer. Well, why not try it out on the dog? Why not put it up to the industries which only a few short moons ago insisted that the Fordney-McCumber Act was the only thing that could save them from destruction? Very likely they would say that to place them on the world price level, along with Germany, France, England, and other foreign countries, that this would put them out of business—and no doubt there would be much justice in this contention. But if this is true, then how can Congress expect the farmer to exist on the world-price level and carry protected industry and organized labor on his back to say nothing of enormously increased taxes?

No. 11. "How will the 'ratio price' be reflected back to the farmer through the local elevator?"

Answer. I would say that the local elevator would pay the farmer cash in hand such a part of the "ratio price" as would put the commission safe on the loss on the exportable surplus and its costs of operation, and then later on it could authorize the elevator to pay the remaining dividend when the season's business had been wound up.

No. 12. "Is there any authority in the bill by which the miller can be indemnified against possible loss?"

Answer. If the "ratio price" is applied to seasonal periods in the home markets, it will be a "lead-pipe cinch" for the miller, for then there will be no occasion to "hedge." As to export flour, this will have ot be equalized on the world-price basis, just as export wheat itself; and it won't make any difference to the commission or to the farmer as to the form in which the surplus is gotten out of the country.

No. 13. "How many employees will there be?"

Answer. There ought not to be very many, if the law is applied so that existing private agencies can perform its functions.

No. 14. "Can you point to any method so far adopted by this Government in the matter of controlling food prices which has been successful?"

Answer. You bet! During the World War the Government fixed the price of wheat at $2.26 f. o. b. Chicago, and it held it there, despite the fact that the price in Europe was as high as $4.50 per bushel.

No. 15. "Is it not true that the only way to maintain a price is to have a buyer willing and able to take everything offered at the price specified?"

Answer. Under existing conditions the American consumer is buying the farmer's food commodities on the basis of the world-price level, while in turn the farmer's living and production costs are determined by our so-called "American living standards," which were created and which are being maintained by organized industry and labor, and the farmer has no choice except to "dance to the music." And under the McNary-Haugen bill the consumer would have to "dance to the music" also; he would have to pay the "ratio price," while the surplus would continue to be dumped onto the world market. If the farmer has nothing to say about the cost of merchandise, freight rates, etc., then why should the consumer have any greater immunity with reference to the price of farm commodities? Why shouldn't he be fair, and who has any right to assume that he doesn't want to be fair?

No. 16. "What is a Member of Congress to do when two agricultural organizations—equally important and equally interested—reach absolutely different conclusions?"

Answer. Except for some of the smaller units of the wheat growers, there is no appreciable disagreement over this matter—the Farmers' Union and the American Farm Bureau Federation and other of the leading farm organizations are for it—in fact never before have the farm organizations been in as complete agreement as they are in demanding the passage of this bill or a similar one that will accomplish its purpose.

No. 17. "Would not the McNary-Haugen bill put the Federal Government actively into the grain business?"

Answer. The only difference between what the Government would do for the farmer under this bill and what it has been doing for industry for years under the protective system is that it would make the tariff mean something for agriculture—after having given the farmer a tariff it would help him to collect it and it would do this without the loss of a penny! Therefore it is just as fair to say that the Government goes into the steel business when it gives steel the benefit of a tariff as that it is going into the grain business when it gives the wheat growers the benefit of a tariff—except that under this act it will go one step further and help the wheat grower to do what, in his present unorganized condition, he is not able to do for himself. Hence the real question is not whether the Government should take this extra step but whether the producers of wheat, pork, and beef really need this assistance! If they do, then why should the Government hesitate to make this assistance effective?

No. 18. "Do you not think the Russian experiment with its dead numbering over 7,000,000 ought to dissuade our people from proceeding in that direction?"

Answer. Good Lord—if it is half as bad as this, by all means kill the bill!

OBJECTIONS OF MR. ROBERTS, VICE PRESIDENT NATIONAL CITY BANK, NEW YORK CITY

In an able address delivered at the University of Ohio on February 6, 1924, Mr. Roberts made certain observations which may come to the attention of Members of Congress, and therefore I offer the following comment:

No. 1. Speaking against governmental "price fixing," Mr. Roberts among other things said: "There is no remedy for the situation except by reducing the production of wheat. Any form of Government aid, such as price fixing above the market, which has the effect of inducing farmers to continue wheat growing on the present scale would be a mistake, because wheat growing on this scale is not needed."

Answer. The farmer isn't kicking on having to accept the world price on the yearly surplus of 150,000,000 or 200,000,000 bushels—what he is sore about and what he has a right to be sore about is having to accept the world price on the 600,000,000 bushels that are ordinarily required to supply bread for the consumers of the United States. And with the uncertainty of acre yields because of flood, drought, winter killing, and insect pestilence how is the farmer to plan a wheat crop that will exactly meet our national needs?

But remember that under the McNary-Haugen bill the "ratio price" will merely apply to domestic consumption and from this price will be deducted the loss on the surplus and the commission's costs of operation. Therefore the surplus is not an issue; the issue is, Is the American wheat grower entitled to a fair price for the bread he supplies to American consumers?

No. 2. "The remedy is simply for some of them to stop growing wheat and go into something else, or for them as a whole to scale down the production of wheat to such an extent as will bring the situation back into balance."

Answer. With 6,500,000 farmers scattered between the two oceans such teamwork would be extremely difficult, considering the farmer's present unorganized condition, for unlike the manufacturer the farmer can not regulate his production with exact precision. But for argument's sake, let us assume that such regulation had been practiced with reference to the 1924 crop and that we would produce a round 600,000,000 bushels, or just enough to supply our home demands; if this were true, let us suppose next that the spokesmen of the wheat growers would go to Congress and say, "You have extended protection to industry and labor with a generous hand, and turn about is fair play, therefore we ask that you give us a tariff that will make No. 2 wheat sell at $1.75 per bushel f. o. b. Chicago"—and could Congress consistently deny their plea and wouldn't this be "price fixing" with much greater vengeance than the McNary-Haugen bill has in view? The point I want to drive home is that if the wheat grower was in position to do what Mr. Roberts implies he should do, then he would ask Congress to "deliver"—to give him his "pound of flesh," and it could not consistently deny him!

But because the farmer is helpless; because he is forced to come to Congress with a plea rather than a demand; this is why he is told in substance, "We are sorry for you—we know you are in a mighty tight place—but we can't do anything for you."

Also it may be said if Mr. Roberts's advice is sound for the wheat grower, then it must be equally sound for the hog and cattle raiser, for the latter find themselves in an even worse position; and if these tens of thousands of farmers are to quit raising wheat, hogs, and cattle, then what are they to do? Would Mr. Roberts suggest that they take to raising peanuts, onions, and cauliflower? Well, these things don't grow very well in the Corn Belt, and anyway the country is already surfeited with them. Far be it from me to become facetious in these grave premises, and yet if out of sheer desperation these farmers go to raising h—— instead, let Mr. Roberts and certain gentlemen who dread the "ides of November" not be surprised! And in those premises I respectfully remind them on one MAGNUS JOHNSON!

No. 3. "If the Government is to guarantee a price for wheat, the natural question is—why not for copper, cotton goods, and everything else?"

Answer. Well, if Mr. Roberts doesn't think as the song had it some years back that "Everybody's doing it," let him get hold of the Fordney-McCumber Act and also take a squint at our immigration laws—and last but by no means least, let him contemplate the present wage scales of organized labor.

No. 4. "One might think from much that is written on the subject that there was danger of general desertion of the farms unless artificial means of some kind were adopted to improve the returns, etc."

Answer. And this is exactly what is taking place at this very moment. As I have said elsewhere, thousands of farms here in Missouri

have been deserted and thousands of others will be sold by the sheriff before aid can possibly come. Therefore if Mr. Roberts means that this fact might cause him to view matters in a more serious light, his change of front is in order.

No. 5. "The Government could not for long continue to buy and store such commodities upon terms that would encourage their production above the rate of consumption."

Answer. The farmer doesn't ask this. All the McNary-Haugen bill seeks to do is to maintain a "ratio price" in the home markets, letting the surplus bring what it will in the world markets, meanwhile charging the loss and costs of operation up against the said "ratio price"—and the only "buying and storing" the commission would have to do would be through the process of getting the surplus out of the country and in determining the amount of such surplus.

No. 6. "Finally, if the plan was workable at all, it would divide society into warring factions, emphasizing conflicting interests instead of mutual interests. It would be worse than socialism, for it would be syndicalism, the end of individual liberty and of reward for individual efficiency."

Answer. If it is as bad as all this, then why doesn't the protective system, which can not be applied with scientific precision or equity, "divide society into warring factions"? And even so when through organized action our bricklayers and plasterers demand and receive two or three times as much per day as tens of thousands of school-teachers, clerks, bookkeepers, etc., why doesn't this "divide society into warring factions"? What eminent business men like Mr. Roberts and the Members of Congress must do and do quickly is to get themselves "located" on agriculture. If it has ceased to be the Nation's great "basic industry"—if we can afford to let it shift for itself and still keep our mills and factories going and our railroads running, why, then all right. But let them make sure that they know what they are doing in these premises!

OBJECTIONS OF MR. ANDERSON

I now propose to briefly answer the criticisms of Congressman SYDNEY ANDERSON, which have been widely published:

First, Mr. ANDERSON says that the bill applies to flour, corn, cotton, wool, swine, cattle, sheep, or any of the food products of these commodities, and then he doubts its practicability in these premises.

As to flour that is exported, undoubtedly the world price of wheat will have to be taken into consideration in behalf of the miller—and there is no reason why the difference between the domestic and world price can not be practically applied to export flour for the miller's protection. As to wool, he is correct when he says that we are an importing rather than an exporting Nation and this item should therefore be stricken from the bill, for the present wool tariff is 100 per cent effective. As to cotton, the future alone can tell whether an emergency should be declared with reference to it and therefore why not let the future decide? In any event, why not leave the door open if the cotton grower should need assistance? Manifestly any bill of this kind must apply to all the great staples of agriculture, should they be menaced in the world markets. With reference to corn, I am again inclined to agree with Mr. ANDERSON not only because our corn exports are negligible but also the price of hogs and cattle very largely regulate the price of corn and would do so (in my opinion) almost absolutely under the operation of this measure. I do not, however, agree with him with reference to rye, oats, and barley, which are merely incidental and related crops.

Mr. ANDERSON next concludes that the bill is intended only to pull the wheat grower out of the hole and that the inclusion of hogs and cattle is for "political purposes only"—and if I though so I would be against it. That its application to hogs and cattle will be more difficult than on wheat is undoubtedly true—and yet why should a commission made up of the Secretaries of Agriculture, Commerce, and of the Treasury, together with the other able gentlemen whom it is assumed the President will appoint—why should not such a commission be able to reach a workable understanding with the meat packers of the country that will preserve a "ratio price" in these premises? At least why not try? In any case, we can not make things worse than they already are—for the farmer can not continue to supply the Nation's meat at a tremendous loss to himself, and therefore the price must be raised by one means or another if the meat-producing industry is to live!

Next, Mr. ANDERSON concludes that to establish a "ratio price" between wheat (or any other farm commodity) and the all-commodity price is a "fundamental weakness"—that the "appropriate price for agricultural commodities depends upon economic factors, etc," and of course this is the well-known red herring about the law of supply and demand—and the simple answer which I have already given is that the farmer can not continue to pay tribute to organized industry and labor according to their standards of value and then permit the peasant and peon farmers of the world to fix a price on the products of his toil.

This is the foundation of this bill and it can not be waived aside by producing a smoke screen of mere technicalities!

As to the charge that the operation of this measure will make the all-commodities price go up, I do not think so to any appreciable extent—first, because a fair "ratio price" chiefly applied to wheat and meats will not perceptibly increase the "cost of living," and, second, the fact that prominent labor leaders are championing the McNary-Haugen bill without "saving their exceptions" would indicate that they are willing to "stand the raise"—that they prefer to see the farmer get back in the buying game, rather than to welcome the coming of soup houses.

As to his conclusion that a "ratio price" is "absolutely unsound" and "unworkable," why is this true? Has not the farmer the right to receive a dollar for his toil of as great purchasing power as the dollar of those who determine his production costs and whom he therefore helps to sustain, and is not this the equilibrium which the "ratio price" seeks to establish? As to Mr. ANDERSON'S suggestion that the "ratio price" must be determined by anchoring it to certain great terminal markets, in this he is, of course correct; but why not assume that the commission and the handlers of the commodities in question will be able to arrive at a "workable" understanding in this respect?

As to his statement that the commission would have to ascertain production "a year in advance," this would not be possible nor would it be necessary. With reference to wheat, once the crop is made we will know measurably where we stand, whether the exportable surplus will be around 200,000,000 or 150,000,000 bushels; therefore if the commission removes a safe quantity from the domestic markets through export channels, why should it not warehouse for the time being a sufficient additional quantity until it knows where it stands, and why should it not, through the aid of the great meat packers, pursue the same tactics with reference to pork and beef? I do not pose as an authority in these premises, but why assume in advance that practical problems of marketing are impossible of solution? The statement that we have different grades of wheat, hogs, and cattle is of course true, but why should not the "ratio price" be applied accordingly?

As to Mr. ANDERSON'S objections to the issuance of "scrip," this I have already covered elsewhere. As to his statement that the purpose of the McNary-Haugen bill is as "old as history itself" this also is partially true, and the reason it is true is because for many years under the protective system the great industries of this country have made the farmer stand for this principle whether he liked it or not, and even so our workingmen have been and are at this hour protected against the so-called "pauper labor of Europe." Therefore, can anybody blame the farmer for also hankering after a little of the "pie"?

And, finally, his suggestion that it will lead to "overproduction"; in the first place every intelligent farmer will realize that this would "kill the goose that laid the golden egg," and also the commission is empowered to withdraw its support whenever the menace of overproduction becomes manifest with reference to any given commodity. In the meantime, to oppose the bill on this score is a good deal like advising a starving man against eating on the theory that he might die of indigestion!

Trusting that you will consider these views for what they may be worth, I am, with best wishes,

Sincerely yours,

WILLIAM HIRTH,
Publisher The Missouri Farmer, Columbia, Mo.

RECESS

Mr. HAUGEN. Mr. Speaker, I move that the House do now recess until 8 o'clock.

The motion was agreed to; accordingly (at 5 o'clock and 17 minutes p. m.) the House, in accordance with the order previously made, stood in recess until 8 o'clock p. m.

EVENING SESSION

The recess having expired at 8 o'clock p. m., the House was called to order by Mr. DICKINSON of Iowa, as Speaker pro tempore.

Mr. KINCHELOE. Mr. Speaker, I make the point that there is no quorum present.

The SPEAKER pro tempore. The gentleman from Kentucky makes the point that there is no quorum present. Evidently there is no quorum present.

Mr. SHALLENBERGER. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Doorkeeper closed the doors and the Sergeant at Arms was directed to bring in the absentees. The Clerk called the roll, and the following Members failed to answer to their names:

Aldrich	Fenn	Lineberger	Scott
Anderson	Fish	Little	Sears, Nebr.
Andrew	Fisher	McFadden	Shreve
Anthony	Fleetwood	McKenzie	Simmons
Bacharach	Frear	McLaughlin, Nebr.	Sites
Beedy	Fredericks	MacGregor	Smithwick
Begg	Freeman	MacLafferty	Snell
Bell	Frothingham	Madden	Snyder
Berger	Fuller	Magee, Pa.	Spearing
Bixler	Gallivan	Mapes	Sproul, Ill.
Black, Tex.	Garrett, Tenn.	Martin	Stalker
Black, N. Y.	Garrett, Tex.	Mead	Steagall
Bland	Gasque	Merritt	Stedman
Bloom	Geran	Michaelson	Stengle
Boies	Gibson	Miller, Ill.	Stevenson
Bowling	Gifford	Milligan	Strong, Kans.
Boylan	Glatfelter	Mills	Strong, Pa.
Brand, Ga.	Goldsborough	Mooney	Sullivan
Britten	Graham, Pa.	Moore, Ill.	Swoope
Browne, N. J.	Graham, Ill.	Morin	Tague
Browne, Wis.	Greene, Mass.	Mudd	Taylor, Colo.
Brumm	Griest	Nelson, Wis.	Temple
Buckley	Griffin	Newton, Mo.	Thomas, Okla.
Burdick	Hawes	Nolan	Thomas, Ky.
Butler	Hawley	O'Brien	Tillman
Byrnes, S. C.	Hayden	O'Connell, N. Y.	Tilson
Cable	Hoch	O'Connor, N. Y.	Tinkham
Campbell	Hooker	O'Sullivan	Tucker
Carew	Howard, Okla.	Oldfield	Tydings
Celler	Huddleston	Oliver, N. Y.	Underhill
Chindblom	Hudspeth	Paige	Upshaw
Clark, Fla.	Hull, Tenn.	Park, Ga.	Vare
Connery	Hull, William E.	Parker	Vinson, Ga.
Connolly, Pa.	Humphreys	Parks, Ark.	Ward, N. Y.
Cooper, Wis.	Jeffers	Patterson	Ward, N. C.
Cooper, Ohio	Jost	Peavey	Wason
Corning	Kahn	Perkins	Watson
Cramton	Keller	Perlman	Weller
Crisp	Kelly	Phillips	Welsh
Cummings	Kendall	Prall	White, Me.
Curry	Kerr	Quayle	Williams, Tex.
Darrow	Kiess	Quin	Williams, Ill.
Davey	Kopp	Rainey	Williamson
Dempsey	Kunz	Ransley	Wilson, Miss.
Dickstein	LaGuardia	Rayburn	Winslow
Dominick	Lampert	Reece	Winter
Drane	Langley	Reed, W. Va.	Wolff
Drewry	Larson, Minn.	Rogers, Mass.	Wood
Driver	Leatherwood	Rogers, N. H.	Wurzbach
Dyer	Lee, Ga.	Rosenbloom	Wyant
Edmonds	Lehlbach	Salmon	Yates
Evans, Mont.	Lilly	Sanders, N. Y.	Zihlman
Favrot	Lindsay	Schafer	

During the roll call the following occurred:

Mr. ASWELL. Mr. Speaker, a parliamentary inquiry.

Mr. BLANTON. Mr. Speaker, I make the point of order that the gentleman can not interrupt the roll call with a parliamentary inquiry.

The SPEAKER pro tempore. Does it relate to the roll call?

Mr. ASWELL. It does.

Mr. BLANTON. All the precedents are against the right to interrupt the roll call with a parliamentary inquiry.

Mr. LARSEN of Georgia. There is no roll being called now.

Mr. KINCHELOE. I move that the House do now adjourn.

Mr. SANDERS of Indiana. That motion is not now in order.

Mr. BLANTON. Not until the result of the call has been announced.

The SPEAKER pro tempore. The motion is not in order until it is ascertained whether there is a quorum present.

Mr. HOWARD of Nebraska. Mr. Speaker, I ask unanimous consent to make an announcement.

Mr. BLANTON. I make the point of order that until the result of the roll has been announced nothing is in order.

Mr. KINCHELOE. Does the Chair hold that a motion to adjourn is not always in order?

The SPEAKER pro tempore. There is no business in order until the roll call has been completed and the result is announced.

Mr. KINCHELOE. I think the Chair had better consult the parliamentarian on that proposition. If that be true, the House could never adjourn as long as the Clerk who is tallying the vote is busy.

The call was completed.

The SPEAKER pro tempore. One hundred and eighty-three Members have answered to their names—not a quorum.

[Subsequently 36 Members appeared and answered to their names.]

Mr. KINCHELOE. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore. The gentleman from Kentucky moves that the House do now adjourn.

Mr. SANDERS of Indiana. And on that, Mr. Speaker, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. SANDERS of Indiana and Mr. KINCHELOE as tellers.

The House divided, and the tellers reported that there were 12 ayes and 115 noes.

Mr. BLANTON. I make the point of order that there is no quorum present and object to the vote.

Mr. SANDERS of Indiana. I demand the yeas and nays. The gentleman from Texas can not make the point of no quorum, because it does not take a quorum to adjourn.

The SPEAKER pro tempore. The gentleman from Indiana demands the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 2, nays 181, not voting 250, as follows:

YEAS—2

Doughton	Kincheloe

NAYS—181

Abernethy	Elliott	Lozier	Rouse
Ackerman	Evans, Iowa,	Luce	Rubey
Allen	Faust	Lyon	Sanders, Ind.
Allgood	Fitzgerald	McClintic	Sanders, Tex.
Almon	Foster	McDuffie	Sandlin
Arnold	French	McKeown	Schall
Aswell	Fulmer	McLaughlin, Mich.	Schneider
Ayres	Funk	McLeod	Sears, Fla.
Bankhead	Garber	McNulty	Seger
Barbour	Gardner, Ind.	McReynolds	Shallenberger
Beck	Garner, Tex.	McSweeney	Sherwood
Beers	Gilbert	Magee, N. Y.	Sinclair
Blanton	Green, Iowa	Major, Ill.	Sinnott
Bloom	Greenwood	Major, Mo.	Smith
Box	Hadley	Manlove	Speaks
Boyce	Hammer	Michener	Sproul, Kans.
Brand, Ohio	Hardy	Miller, Wash.	Summers, Wash.
Browning	Harrison	Minahan	Sumners, Tex.
Buchanan	Haugen	Moore, Ga.	Swank
Burtness	Hersey	Moore, Ohio	Sweet
Busby	Hickey	Moore, Va.	Swing
Byrns, Tenn.	Hill, Ala.	Moores, Ind.	Taber
Canfield	Hill, Wash.	Morehead	Taylor, W. Va.
Cannon	Holaday	Morgan	Thatcher
Carter	Howard, Nebr.	Morris	Thompson
Casey	Hull, Iowa	Morrow	Timberlake
Christopherson	Hull, Morton D.	Nelson, Me.	Underwood
Clague	Jacobstein	Newton, Minn.	Valle
Clancy	Johnson, S. Dak.	O'Connell, R. I.	Vincent, Mich.
Clarke, N. Y.	Johnson, Tex.	O'Connor, La.	Vinson, Ky.
Cleary	Johnson, Wash.	Oliver, Ala.	Voigt
Cole, Iowa	Johnson, W. Va.	Peery	Wainwright
Cole, Ohio	Jones	Pou	Watkins
Collier	Kearns	Ragon	Weaver
Colton	Kent	Rainey	Wefald
Croll	Ketcham	Raker	Wertz
Crosser	Kindred	Ramseyer	White, Kans.
Cullen	King	Rankin	Williams, Mich.
Davis, Tenn.	Kvale	Reed, Ark.	Wilson, Ind.
Deal	Lankford	Reed, N. Y.	Wilson, La.
Denison	Larsen, Ga.	Reid, Ill.	Wingo
Dickinson, Iowa	Lazaro	Richards	Woodrum
Dickinson, Mo.	Lea, Calif.	Roach	Wright
Dowell	Leavitt	Robinson, Iowa	
Doyle	Longworth	Robsion, Ky.	
Eagan	Lowrey	Romjue	

NOT VOTING—250

Aldrich	Crisp	Hastings	McSwain
Anderson	Crowther	Hawes	MacGregor
Andrew	Cummings	Hawley	MacLafferty
Anthony	Curry	Hayden	Madden
Bacharach	Dallinger	Hill, Md.	Magee, Pa.
Bacon	Darrow	Hoch	Mansfield
Barkley	Davey	Hooker	Mapes
Beedy	Davis, Minn.	Howard, Okla.	Martin
Begg	Dempsey	Huddleston	Mead
Bell	Dickstein	Hudson	Merritt
Berger	Dominick	Hudspeth	Michaelson
Bixler	Drane	Hull, William E.	Miller, Ill.
Black, N. Y.	Drewry	Hull, Tenn.	Milligan
Black, Tex.	Driver	Humphreys	Mills
Bland	Dyer	James	Montague
Boies	Edmonds	Jeffers	Mooney
Bowling	Evans, Mont.	Johnson, Ky.	Moore, Ill.
Boylan	Fairchild	Jost	Morin
Brand, Ga.	Fairfield	Kahn	Mudd
Briggs	Favrot	Keller	Murphy
Britten	Fenn	Kelly	Nelson, Wis.
Browne, N. J.	Fish	Kendall	Newton, Mo.
Browne, Wis.	Fisher	Kerr	Nolan
Brumm	Fleetwood	Kiess	O'Brien
Buckley	Frear	Knutson	O'Connell, N. Y.
Bulwinkle	Fredericks	Kopp	O'Connor, N. Y.
Burdick	Free	Kunz	O'Sullivan
Burton	Freeman	Kurtz	Oldfield
Butler	Frothingham	LaGuardia	Oliver, N. Y.
Byrnes, S. C.	Fulbright	Lampert	Paige
Cable	Fuller	Langley	Park, Ga.
Campbell	Gallivan	Lanham	Parker
Carew	Garrett, Tenn.	Larson, Minn.	Parks, Ark.
Celler	Garrett, Tex.	Leatherwood	Patterson
Chindblom	Gasque	Lee, Ga.	Peavey
Clark, Fla.	Geran	Lehlbach	Perkins
Collins	Gibson	Lilly	Perlman
Connally, Tex.	Gifford	Lindsay	Phillips
Connery	Glatfelter	Lineberger	Porter
Connolly, Pa.	Goldsborough	Linthicum	Prall
Cook	Graham, Ill.	Little	Purnell
Cooper, Ohio	Graham, Pa.	Logan	Quayle
Cooper, Wis.	Greene, Mass.	McFadden	Quin
Corning	Griest	McKenzie	Ransley
Cramton	Griffin	McLaughlin, Nebr.	Rathbone

Rayburn	Spearing	Tillman	Welsh
Reece	Sproul, Ill.	Tilson	White, Me.
Reed, W. Va.	Stalker	Tinkham	Williams, Ill.
Rogers, Mass.	Steagall	Tincher	Williams, Tex.
Rogers, N. H.	Stedman	Treadway	Williamson
Rosenbloom	Stengle	Tucker	Wilson, Miss.
Sabath	Stephens	Tydings	Winslow
Salmon	Stevenson	Underhill	Winter
Sanders, N. Y.	Strong, Kans.	Upshaw	Wolff
Schafer	Strong, Pa.	Vare	Wood
Scott	Sullivan	Vestal	Woodruff
Sears, Nebr.	Swoope	Vinson, Ga.	Wurzbach
Shreve	Tague	Ward, N. Y.	Wyant
Simmons	Taylor, Colo.	Ward, N. C.	Yates
Sites	Taylor, Tenn.	Wason	Young
Smithwick	Temple	Watres	Zihlman
Snell	Thomas, Ky.	Watson	
Snyder	Thomas, Okla.	Weller	

So the motion was rejected.

The Clerk announced the following additional pairs:

Until further notice:

Mr. McLaughlin of Nebraska with Mr. Howard of Oklahoma.
Mr. Paige with Mr. Jeffers.
Mr. Ramsey with Mr. Logan.
Mr. Madden with Mr. McSwain.
Mr. Parker with Mr. Johnson of Kentucky.
Mr. Mapes with Mr. Mansfield.
Mr. Purnell with Mr. O'Connell of New York.
Mr. Magee of Pennsylvania with Mr. Jost.
Mr. Patterson with Mr. Mooney.
Mr. Reece with Mr. O'Brien.
Mr. Merritt with Mr. Kerr.
Mr. Perkins with Mr. Martin.
Mr. Newton of Missouri with Mr. O'Connor of New York.
Mr. Phillips with Mr. Kunz.
Mr. Michaelson with Mr. Mead.
Mr. Rogers of Massachusetts with Mr. Oldfield.
Mr. Scott with Mr. Lanham.
Mr. Mills with Mr. Milligan.
Mr. Shreve with Mr. O'Sullivan.
Mr. Morin with Mr. Lee of Georgia.
Mr. Snell with Mr. Montague.
Mr. Mudd with Mr. Lindsay.
Mr. Favrot with Mr. Dominick.
Mr. Dyer with Mr. Weller.
Mr. Gibson with Mr. Evans of Montana.
Mr. Fleetwood with Mr. Drane.
Mr. Graham of Pennsylvania with Mr. Hastings.
Mr. Hill of Maryland with Mr. Garrett of Tennessee.
Mr. Griest with Mr. Hull of Tennessee.
Mr. Frear with Mr. Drewry.
Mr. Kahn with Mr. Griffin.
Mr. Graham of Illinois with Mr. Fisher.
Mr. Free with Mr. Glatfelter.
Mr. Kendall with Mr. Driver.
Mr. Hoch with Mr. Gasque.
Mr. Lampert with Mr. Hawes.
Mr. Kiess with Mr. Fulbright.
Mr. Hudson with Mr. Hooker.
Mr. Lehlbach with Mr. Gerun.
Mr. McFadden with Mr. Gallivan.
Mr. Little with Mr. Hayden.
Mr. MacGregor with Mr. Humphreys.
Mr. MacLafferty with Mr. Garrett of Texas.
Mr. Kurtz with Mr. Hudspeth.
Mr. Sears of Nebraska with Mr. Park of Georgia.
Mr. Taylor of Tennessee with Mr. Quayle.
Mr. Vare with Mr. Rogers of New Hampshire.
Mr. Stalker with Mr. Parks of Arkansas.
Mr. Ward of New York with Mr. Sabath.
Mr. Temple with Mr. Quin.
Mr. Williams of Illinois with Mr. Prall.
Mr. Stephens with Mr. Salmon.
Mr. Wason with Mr. Sites.
Mr. Winter with Mr. Rayburn.
Mr. Strong of Pennsylvania with Mr. Smithwick.
Mr. White of Maine with Mr. Tague.
Mr. Tilson with Mr. Williams of Texas.
Mr. Watres with Mr. Spearing.
Mr. Swoope with Mr. Ward of North Carolina.
Mr. Wood with Mr. Steagall.
Mr. Treadway with Mr. Vinson of Georgia.
Mr. Watson with Mr. Steadman.
Mr. Vestal with Mr. Wolff.
Mr. Welsh with Mr. Upshaw.
Mr. Wurzbach with Mr. Stengle.
Mr. Winslow with Mr. Tydings.
Mr. Cable with Mr. Bell.
Mr. Bacharach with Mr. Carew.
Mr. Aldrich with Mr. Byrnes of South Carolina.
Mr. Chindblom with Mr. Celler.
Mr. Dallinger with Mr. Black of Texas.
Mr. Andrew with Mr. Davey.
Mr. Connolly of Pennsylvania with Mr. Collins.
Mr. Bacon with Mr. Bowling.
Mr. Anthony with Mr. Connally of Texas.
Mr. Cramton with Mr. Black of New York.
Mr. Curry with Mr. Cook.
Mr. Begg with Mr. Browne of New Jersey.
Mr. Darrow with Mr. Crisp.
Mr. Burton with Mr. Bland.
Mr. Davis of Minnesota with Mr. Connery.
Mr. Bixler with Mr. Buckley.
Mr. Simmons with Mr. Cummings.
Mr. Fenn with Mr. Boylan.
Mr. Boies with Mr. Corning.
Mr. Gifford with Mr. Bulwinkle.
Mr. Fish with Mr. Dickstein.
Mr. Butler with Mr. Brand of Georgia.

Before the result was announced, the following occurred:

Mr. ASWELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BLANTON. Mr. Speaker, I make the point of order that a parliamentary inquiry is out of order during a roll call.

Mr. ASWELL. The roll call is ended, as I understand it.

The SPEAKER pro tempore. The point of order is well taken until the summary is made and the result is announced.

The result of the vote was announced as above recorded.

Mr. SANDERS of Indiana. Mr. Speaker, I move to dispense with further proceedings under the call, and on that I demand tellers.

Mr. BLANTON. Mr. Speaker, I make the point of order that that motion of the gentleman from Indiana is out of order. You can not move to dispense with further proceedings under the call when the call develops the absence of a quorum.

Mr. SANDERS of Indiana. Oh, the gentleman is in error about that.

The SPEAKER pro tempore. Under the ruling just presented to the Chair the Chair finds that it is permissible to make that motion, and the point of order is overruled. The question is on the motion of the gentleman from Indiana to dispense with further proceedings under the call, and on that he demands tellers.

Tellers were ordered, and the Chair appointed Mr. SANDERS of Indiana and Mr. ASWELL to act as tellers.

Mr. ASWELL. Mr. Speaker, I am in favor of dispensing with further proceedings under the call, and I am not demanding a count.

The SPEAKER pro tempore. The Chair will then ask the gentleman from Kentucky [Mr. KINCHELOE] to act as teller.

Mr. SANDERS of Indiana and Mr. KINCHELOE took their places as tellers.

The committee divided; and there were—ayes 4, noes 73.

Mr. BLANTON. Mr. Speaker, I make the point of order that under the present situation, when the House has four different times found itself without a quorum and is still attempting to do business, there is just one of two things to do—we have either to get after the Members who are absent or adjourn, and that has been held by every Speaker who has sat in this House for 52 years.

The SPEAKER pro tempore. Under the rulings this is an incidental motion.

Mr. SHALLENBERGER. Mr. Speaker, I desire to read the construction of Rule XV:

> The call of the House is ended by a motion "to dispense with further proceedings under the call," which may be agreed to by less than a quorum as well as by a quorum——

Mr. BLANTON. Mr. Speaker, I make the point of order that there is no quorum present.

Mr. WINGO. Mr. Speaker——

Mr. LONGWORTH. Mr. Speaker, I demand the yeas and nays.

The SPEAKER pro tempore. The Chair overrules the point of order of the gentleman from Texas. The gentleman from Ohio demands the yeas and nays.

Mr. WINGO. Mr. Speaker, I rise to make a preferential motion. I move to send for the absent Members, it having developed there is no quorum.

Mr. SANDERS of Indiana. Mr. Speaker, I make the point of order that that is not in order. I make the point of order that the motion of the gentleman is not in order during a division.

Mr. LONGWORTH. Mr. Speaker, the division is not complete. I am asking to complete the division by calling for the yeas and nays.

Mr. WINGO. But I was demanding recognition at the time the gentleman made his motion and I was demanding recognition when the Chair recognized the gentleman from Nebraska.

Mr. HOWARD of Nebraska. Mr. Speaker, have I been recognized? [Laughter.]

The SPEAKER pro tempore. What is the point of order of the gentleman from Arkansas?

Mr. WINGO. Mr. Speaker, I demanded recognition for the purpose of making a privileged motion. I did that even before the gentleman from Ohio [Mr. LONGWORTH] demanded the yeas and nays, and my motion is plainly a privileged motion. The House has found itself without a quorum and we have exhausted every parliamentary expediency to get Members here except to send for the absent Members. There is no excuse for this House acting like children. We have important business. Why not bring the absentees in?

Mr. HOWARD of Nebraska. Why do not you tell them that the administration does not want any agricultural legislation?

Mr. SANDERS of Indiana. Mr. Speaker, the motion which the gentleman from Arkansas desires to make is a preferential motion as against the motion that was made to dispense with further proceedings under the call, but the motion was made to dispense with further proceedings under the call and the gentleman was not demanding recognition for the purpose of making the motion at that time. That motion having been made, and tellers having been demanded and ordered, the House having divided, and the yeas and nays being demanded, the gentleman from Arkansas can not now interrupt a division, and the vote on the motion to dispense with further proceedings under the call by saying that he has a preferential motion, even though it would have been preferential had he offered it at the same time that the motion to dispense was made.

Mr. WINGO. Oh, Mr. Speaker, my very point of order is that the Chair failed to recognize me when I was demanding recognition for something which was preferential over that of the motion of the gentleman who was recognized.

Mr. SANDERS of Indiana. That is after the motion was made.

Mr. WINGO. Oh, no; it was before the motion was made.

Mr. LAZARO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The Chair would like to inquire of the gentleman from Ohio if he still insists on the yeas and nays?

Mr. LONGWORTH. I ask for the yeas and nays in order to complete the division.

The SPEAKER pro tempore. The Chair overrules the point of order of the gentleman from Arkansas and sustains the point of order of the gentleman from Indiana. All those in favor of taking this vote by the yeas and nays will rise and stand until counted. Evidently a sufficient number, and the yeas and nays are ordered.

The question was taken; and there were—yeas 7, nays 181, not voting 245, as follows:

YEAS—7

Fulmer	Lowrey	Newton, Minn.	Wefald
Holaday	McSwain	Sanders, Ind.	

NAYS—181

Abernethy	Dowell	Lea, Calif.	Sanders, Tex.
Ackerman	Doyle	Leavitt	Sandlin
Allen	Eagan	Logan	Schall
Allgood	Elliott	Longworth	Schneider
Almon	Evans, Iowa	Lozier	Sears, Fla.
Arnold	Faust	Luce	Seger
Aswell	Fitzgerald	McClintic	Shallenberger
Ayres	Foster	McDuffie	Sherwood
Barbour	French	McKeown	Sinclair
Barkley	Funk	McLaughlin, Mich.	Sinnott
Beck	Garber	McLeod	Smith
Beers	Gardner, Ind.	McNulty	Speaks
Blanton	Garner, Tex.	McReynolds	Summers, Wash.
Bloom	Gilbert	McSweeney	Summers, Tex.
Box	Green, Iowa	Major, Ill.	Swank
Boyce	Greenwood	Major, Mo.	Sweet
Brand, Ohio	Hadley	Manlove	Swing
Browning	Hammer	Michener	Taber
Buchanan	Hardy	Miller, Wash.	Taylor, Tenn.
Bulwinkle	Harrison	Minahan	Taylor, W. Va.
Burtness	Hastings	Moore, Ga.	Thatcher
Busby	Haugen	Moore, Ohio	Thompson
Byrns, Tenn.	Hersey	Moore, Va.	Timberlake
Canfield	Hickey	Morehead	Treadway
Cannon	Hill, Ala.	Morgan	Underwood
Carter	Hill, Wash.	Morris	Valle
Casey	Howard, Nebr.	Morrow	Vestal
Christopherson	Hudson	Nelson, Me.	Vincent, Mich.
Clague	Hull, Iowa	O'Connell, R. I.	Vinson, Ky.
Clancy	Hull, Morton D.	O'Connor, La.	Voigt
Clarke, N. Y.	Jacobstein	Oliver, Ala.	Wainwright
Cleary	Johnson, Tex.	Peery	Watkins
Cole, Iowa	Johnson, Wash.	Pou	Watres
Cole, Ohio	Johnson, W. Va.	Ragon	Weaver
Collier	Jones	Raker	Wertz
Colton	Kent	Ramseyer	White, Kans.
Croll	Ketcham	Rankin	Wilson, Ind.
Crosser	Kincheloe	Reed, Ark.	Wilson, La.
Cullen	Kindred	Reed, N. Y.	Wingo
Dallinger	King	Reid, Ill.	Woodruff
Davis, Tenn.	Knutson	Roach	Woodrum
Deal	Kopp	Robinson, Iowa	Wright
Denison	Kvale	Robsion, Ky.	Young
Dickinson, Iowa	Lankford	Romjue	
Dickinson, Mo.	Larsen, Ga.	Rouse	
Doughton	Lazaro	Rubey	

NOT VOTING—245

Aldrich	Bland	Byrnes, S. C.	Corning
Anderson	Boles	Cable	Cramton
Andrew	Bowling	Campbell	Crisp
Anthony	Boylan	Carew	Crowther
Bacharach	Brand, Ga.	Celler	Cummings
Bacon	Briggs	Chindblom	Curry
Bankhead	Britten	Clark, Fla.	Darrow
Beedy	Browne, N. J.	Collins	Davey
Begg	Browne, Wis.	Connally, Tex.	Davis, Minn.
Bell	Brumm	Connery	Dempsey
Berger	Buckley	Connolly, Pa.	Dickstein
Bixler	Burdick	Cook	Dominick
Black, N. Y.	Burton	Cooper, Ohio	Drane
Black, Tex.	Butler	Cooper, Wis.	Drewry
Driver	Jost	Nelson, Wis.	Stalker
Dyer	Kahn	Newton, Mo.	Steagall
Edmonds	Kearns	Nolan	Stedman
Evans, Mont.	Keller	O'Brien	Stengle
Fairchild	Kelly	O'Connell, N. Y.	Stephens
Fairfield	Kendall	O'Connor, N. Y.	Stevenson
Favrot	Kerr	O'Sullivan	Strong, Kans.
Fenn	Kiess	Oldfield	Strong, Pa.
Fish	Kunz	Oliver, N. Y.	Sullivan
Fisher	Kurtz	Paige	Swoope
Fleetwood	LaGuardia	Park, Ga.	Tague
Frear	Lampert	Parker	Taylor, Colo.
Fredericks	Langley	Parks, Ark.	Temple
Free	Lanham	Patterson	Thomas, Ky.
Freeman	Larson, Minn.	Peavey	Thomas, Okla.
Frothingham	Leatherwood	Perkins	Tillman
Fulbright	Lee, Ga.	Perlman	Tilson
Fuller	Lehlbach	Phillips	Tincher
Gallivan	Lilly	Porter	Tinkham
Garrett, Tenn.	Lindsay	Prall	Tucker
Garrett, Tex.	Lineberger	Purnell	Tydings
Gasque	Linthicum	Quayle	Underhill
Geran	Little	Quin	Upshaw
Gibson	Lyon	Rainey	Vare
Gifford	McFadden	Ransley	Vinson, Ga.
Glatfelter	McKenzie	Rathbone	Ward, N. Y.
Goldsborough	McLaughlin, Nebr.	Rayburn	Ward, N. C.
Graham, Ill.	MacGregor	Reece	Wason
Graham, Pa.	MacLafferty	Reed, W. Va.	Watson
Greene, Mass.	Madden	Richards	Weller
Griest	Magee, N. Y.	Rogers, Mass.	Welsh
Griffin	Magee, Pa.	Rogers, N. H.	White, Me.
Hawes	Mansfield	Rosenbloom	Williams, Ill.
Hawley	Mapes	Sabath	Williams, Mich.
Hayden	Martin	Salmon	Williams, Tex.
Hill, Md.	Mead	Sanders, N. Y.	Williamson
Hoch	Merritt	Schafer	Wilson, Miss.
Hooker	Michaelson	Scott	Winslow
Howard, Okla.	Miller, Ill.	Sears, Nebr.	Winter
Huddleston	Milligan	Shreve	Wolff
Hudspeth	Mills	Simmons	Wood
Hull, William E.	Montague	Sites	Wurzbach
Hull, Tenn.	Mooney	Smithwick	Wyant
Humphreys	Moore, Ill.	Snell	Yates
James	Moores, Ind.	Snyder	Zihlman
Jeffers	Morin	Spearing	
Johnson, Ky.	Mudd	Sproul, Ill.	
Johnson, S. Dak.	Murphy	Sproul, Kans.	

The SPEAKER pro tempore. On this vote the yeas are 7 and the nays are 181, and the House refuses to dispense with further proceedings under the call.

Mr. LONGWORTH. Mr Speaker, I move that the Sergeant at Arms be directed to notify and to send for and arrest absent Members in order to secure and retain their attendance, and that for that purpose the Speaker pro tempore issue his warrants, and that absent Members be arrested wherever they may be found by the officers appointed by the Sergeant at Arms for that purpose. [Applause.]

The SPEAKER pro tempore. The gentleman from Ohio moves that the absentees be arrested and that the Speaker pro tempore issue his warrants for the same, and that the Sergeant at Arms bring them to the Chamber.

Mr. WINGO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WINGO. I think before proceedings should go any further the Chair should rule on the question. I think by now the Chair has discovered that he was in error in his ruling, so as not to appear as a precedent that the Chair——

The SPEAKER pro tempore. As soon as the motion is put.

The question was taken, and the motion was agreed to.

The SPEAKER pro tempore. Now, if the House will listen for a moment, the Chair would like to make a statement in reference to his former ruling. The ruling to which reference was made a short time ago is to be found in Hinds' Precedents, volume 4, paragraph 3038, and is as follows:

On September 10, 1890, during a call of the House, a motion was made that the House adjourn. On this question there were 50 yeas and 92 nays. The Chair announced that there were 172 Members present, a quorum.

Then, a motion being made by Mr. Nils P. Haugen, of Wisconsin, that all further proceedings under the call be dispensed with, there were 122 yeas, 15 nays, and 188 not voting.

Mr. Charles T. O'Ferrall, of Virginia, made the point of order that no quorum was present.

The Speaker pro tempore overruled the point of order on the ground that the former proceedings had disclosed the presence of 172 Members—more than a quorum—and that a motion to dispense with all further proceedings under a call did not require a quorum for its adoption.

The distinction is that in this case the previous roll call developed there was no quorum. In the other case it developed that there was a quorum. Therefore, the Chair was in error on the point of order made by the gentleman from Arkansas.

Mr. WINGO. I think the Chair should also state this, that a motion to dispense with further proceedings under the call is never in order until a quorum is developed.

The SPEAKER pro tempore. That is the Chair's understanding.

Mr. BLANTON. The apology of the Chair is accepted. [Laughter.]

Mr. WINGO. Mr. Speaker, I make the further point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WINGO. My point of order is that the Speaker has heretofore ordered the Doorkeeper to close the doors. An order to arrest has been issued, but the doors have not actually been closed, and I fear this Republican filibuster may induce some of our brethren to escape if the doors are not closed again.

Mr. SANDERS of Indiana. Mr. Speaker, Members coming in have a right to report as they come in?

The SPEAKER pro tempore. That is the Chair's understanding.

During the foregoing roll call the following occurred:

Mr. HOWARD of Nebraska. Mr. Speaker, I am not largely versed in these parliamentary matters, and I would not ask a question facetiously or to interrupt the proceedings, but on behalf of several Members I would like to ask if the official roll call discloses the presence of one TINCHER, of Kansas? [Laughter.]

The SPEAKER pro tempore. In reply the Chair would state that the Chair has no information beyond what the roll call shows.

Mr. WINGO. A parliamentary inquiry, Mr. Speaker. A point of order, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WINGO. The Sergeant of Arms has not yet reported the names of the persons who have been arrested and brought in. Now, the rule is very clear, and——

The SPEAKER pro tempore. The Sergeant at Arms has not returned anything.

Mr. LOWREY. Mr. Speaker, another point of order, please. The Constitution of the United States forbids the infliction of "cruel and unusual punishments." I think it is unconstitutional to require the gentleman from Kansas to come here under arrest and listen to that singing in the hall. [Laughter.]

Mr. WINGO. Mr. Speaker, I insist on the point of order. We should proceed in an orderly way. The precedents are very clear. The arrested Members are arraigned at the bar of the House and sometimes fined.

At the conclusion of the roll call,

The SPEAKER pro tempore. Two hundred and nineteen Members have answered to their names, a quorum.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

Mr. WINGO. Mr. Speaker, I make the point of order against that. The precedents and practice of the House are very clear. Those Members who appear voluntarily may be reported to the Clerk, but a Member who has been arrested by the Sergeant at Arms and brought in must be arraigned at the bar of the House. The House has to dispense with and dispose of that proceeding. The proper proceeding is for the Sergeant at Arms to make a return.

The SPEAKER pro tempore. The Chair has not been informed that any arrests have been made under the warrants.

Mr. WINGO. But the House is informed that Members have been brought in by the Sergeant at Arms. Before dispensing with further proceedings it is in order——

Mr. HILL of Maryland. Mr. Speaker, I was not arrested. I came voluntarily. [Applause.]

Mr. BLANTON. Mr. Speaker, a point of order. I make the point of order that the Speaker of the House having issued his warrants of arrest, the presumption is that the Sergeant at Arms has done his duty.

The SPEAKER pro tempore. The presumption is not well taken. The point of order is overruled.

Mr. WINGO. Mr. Speaker, while the House may, and in most cases does, dispose of the whole thing by dispensing with further proceedings under the call, I insist that the proper procedure is to vacate the order of arrest and release the arrested Members.

Here we have a great measure for the relief of the American farmer, and the House insisted on night sessions, and it is now 10 minutes after 10 o'clock before we could get a quorum for that night session. If we maintain a quorum during the remaining nights of this session, we have got to discipline the offending Members. I insist that the Sergeant at Arms make his return and that the offending Members be arraigned at the bar of the House.

The SPEAKER pro tempore. The point of order is overruled. The gentleman from Ohio [Mr. LONGWORTH] moves to dispense with further proceedings under the call.

Mr. WINGO. Mr. Speaker, I appeal from the decision of the Chair. Plainly, we have a right to follow the order of arrest.

The SPEAKER pro tempore. We will hear the gentleman from Ohio.

Mr. WINGO. I insist that the Chair can not entertain a point of order against an appeal from the decision of the Chair.

The SPEAKER pro tempore. It is not debatable now.

Mr. HOWARD of Nebraska. Oh, no; everything stops. [Laughter.]

The SPEAKER pro tempore. The Chair will hear from the gentleman from Ohio [Mr. LONGWORTH].

Mr. LINTHICUM. Mr. Speaker, I move that the House adjourn.

Mr. LONGWORTH. Mr. Speaker, the gentleman who has just moved to adjourn is responsible for all this delay.

Mr. WINGO. Mr. Speaker, I make a point of order and insist on its being considered.

The SPEAKER pro tempore. The Chair has already overruled the point of order.

Mr. RAMSEYER. Mr. Speaker, I make the point of order that the motion is dilatory.

Mr. WINGO. It is not competent for the gentleman to make a motion under the present status that he occupies before this House. The record shows that the gentleman from Maryland was not present. He was brought in only a moment ago.

The SPEAKER pro tempore. The question is on the motion to adjourn. All those in favor of adjourning will signify their assent by saying "aye"; those opposed, "no."

The question was taken, and the Speaker pro tempore announced that the noes had it.

Mr. WINGO. Mr. Speaker, I insist on my appeal from the decision of the Chair. It is unheard of.

The SPEAKER pro tempore. I withdraw the decision on the point of order until I can hear from the gentleman from Ohio.

Mr. WINGO. Oh, you do?

The SPEAKER pro tempore. The gentleman from Ohio is recognized.

Mr. LONGWORTH. Mr. Speaker, I call attention to paragraph 753 of the Manual. The Manual, in relation to the arrest of absent Members, says——

Mr. SHALLENBERGER. Mr. Speaker, I would like to be heard on the point of order.

The SPEAKER pro tempore. The gentleman from Ohio is recognized at the present time.

Mr. SHALLENBERGER. I can get through while the gentleman is looking through the book he has in his hands. The rule is very plain.

The SPEAKER pro tempore. The gentleman from Ohio is ready to resume.

Mr. SHALLENBERGER. All right.

Mr. LONGWORTH. I call the attention of the Chair to this paragraph, near the bottom of page 330 of the Manual:

> The call of the House is ended by a motion "to dispense with further proceedings under the call," which may be agreed to by less than a quorum as well as by a quorum, and when so agreed to ends all proceedings of the call.

This motion is plainly in order, and permits the House to proceed with its business, which has been interrupted by gentlemen upon the other side of the House.

Mr. MOORE of Virginia. The gentleman himself was not present early in the evening.

Mr. LONGWORTH. Further, Mr. Speaker, I call the Speaker's attention to paragraph 3039 in Hinds' Precedents, Volume IV, page 130:

> The motion to dispense with proceedings under a call is in order, although Members under arrest may not have had opportunity to make excuses.

That is plainly in point, Mr. Speaker, to the present situation.

On April 29, 1892, during proceedings under a call of the House, Mr. William W. Bowers, of California, presented his excuse for failure to attend part of the session of the previous day.

Mr. Richard P. Bland, of Missouri, moved that Mr. Bowers be excused, which motion was agreed to, 128 yeas to 53 nays. Then Mr. Charles J. Boatner, of Louisville, submitted the following resolution:

> "*Resolved*, That all further proceedings against Members for non-attendance at the sessions of the House on yesterday are hereby dispensed with."

Mr. Bland made the point of order that each Member who is included in the warrant of the Sergeant at Arms and is under arrest has a right to give his excuse for his absence and to make such explanation as he thinks proper, and that the resolution submitted by Mr. Boatner was therefore not in order.

The Speaker overruled the point of order and decided that the resolution was in order.

I again call the attention of the Chair to section 3039:

The motion to dispense with proceedings under a call is in order, although Members under arrest may not have had opportunity to make excuses.

Which is precisely the case which is now before us. I insist, Mr. Speaker, on my motion. Gentlemen upon that side of the House have been delaying the passage of a bill for the relief of agriculture, and I insist that these gentlemen have been responsible for whatever delay there has been.

Mr. MOORE of Virginia. Mr. Speaker, I make the point of order that the gentleman is not speaking to his motion.

Mr. LONGWORTH. I have said all I wanted to say.

Mr. WINGO. Mr. Speaker, the gentleman from Ohio reads a decision and he relies solely upon the proposition that the motion is in order, notwithstanding the fact that the arrested Members have not been permitted to give their excuses. That is a different proposition from the rights of the House, and the rule is clear. Rule XV, paragraph 2, provides:

In the absence of a quorum, 15 Members, including the Speaker, if there is one, shall be authorized to compel the attendance of absent Members, and in all calls of the House the doors shall be closed, the names of the Members shall be called by the Clerk, and the absentees noted; and those for whom no sufficient excuse is made may, by order of a majority of those present, be sent for and arrested, wherever they may be found.

Now, the gentleman from Ohio was absent in the early part of the evening, but he got in early enough to make the motion after I had first made it and he found that he could not prevent it by dilatory tactics.

Mr. LONGWORTH. I am responsible for it and not the gentleman from Arkansas.

Mr. WINGO. The record shows the contrary. The rule further provides:

By officers to be appointed by the Sergeant at Arms for that purpose, and their attendance secured and retained; and the House shall determine upon what condition they shall be discharged. Members who voluntarily appear shall, unless the House otherwise direct, be immediately admitted to the Hall of the House, and they shall report their names to the Clerk to be entered upon the Journal as present.

The Members, if we insist upon the strict rule which is being followed here to-night, are not permitted to report their names to the Clerk unless the House permits it. We have acquiesced in their coming in, but we have issued, upon a proper motion, a warrant of arrest to the Sergeant at Arms. The presumption is that he has arrested and brought in Members, but we can not tell until he makes a return upon his warrant whether he has, and whenever that proceeding has been established I shall insist, and do insist, that the return of the Sergeant at Arms should be made and that we should dispose of the motion as to who are in contempt of the House and decide what punishment, if any, we shall administer to them.

Now, Mr. Speaker, how can I make a motion for punishment until I know who the absent Members are that have been arrested and brought in, and how can I tell about the punishment to be administered except upon the final return of the Sergeant at Arms?

All this talk about delay is mere bunk by the gentleman from Ohio. His party either is incompetent or can not or will not keep a quorum here, and we have had to send out and arrest them, very few Republicans being present. [Applause.]

Mr. BARKLEY. Will the gentleman yield?

Mr. WINGO. I yield to the gentleman.

Mr. SANDERS of Indiana. Mr. Speaker——

Mr. BARKLEY. The gentleman from Arkansas has yielded for a question. If the motion of the gentleman from Ohio to dispense with further proceedings under the call is adopted, will that discharge the Republican leader from the custody of the Sergeant at Arms?

Mr. WINGO. I want to be fair. The Republican leader, Mr. LONGWORTH, came in just before the order of arrest was issued.

Mr. LONGWORTH. I made the motion myself.

Mr. WINGO. Yes; I made a motion, and the gentleman tried to head it off by a dilatory motion which the Speaker has admitted was not in order, though the Republican leader wasted time by forcing a roll call.

Mr. LONGWORTH. And that was before the gentleman from Kentucky [Mr. BARKLEY] was present.

Mr. WINGO. I first made the motion, and then to save his face the gentleman from Ohio, seeing he could not prevent it, made the motion to bring in the absentees.

Mr. HILL of Maryland. Mr. Speaker, a parliamentary inquiry.

Mr. SANDERS of Indiana. Mr. Speaker, I want to make this suggestion with reference to the argument made by my friend from Arkansas. He suggests that the House having ordered the arrest of Members must proceed with it until arrest is disposed of, and that when a quorum appears a motion can not be made to dispense with further proceedings under the call. The motion made by the gentleman from Ohio is a motion to dispense with all of these proceedings. A quorum is present, and if the House desires to dispense with the proceedings and proceed with this important agricultural bill, it has the right to do that and does not have to spend two or three hours doing something else in a technical way.

Mr. WINGO. Will the gentleman yield for a question?

Mr. SANDERS of Indiana. Not just now.

Mr. ABERNETHY. How do you know a quorum is present?

Mr. SANDERS of Indiana. A quorum has developed on the roll call.

Mr. ABERNETHY. Let us ascertain and see if one is here.

Mr. HOWARD of Nebraska. He is a mind reader.

Mr. SANDERS of Indiana. The motion offered by the gentleman from Ohio gives the House complete freedom of action. The House has a right on that motion to dispense with further proceedings and immediately go on with the consideration of this agricultural bill; or if the House wants to follow the motion of the gentleman from Arkansas and spend two or three hours on some dilatory tactics, it can vote down the motion of the gentleman from Ohio; but I say that under the rules of the House, which are supposed to furnish liberty of action by the House, the House has the right now at once to dispense with any further proceedings and go right ahead with the agricultural bill.

Mr. WINGO. Will the gentleman yield for a question?

Mr. LONGWORTH. Mr. Speaker, one further suggestion——

Mr. WINGO. Will the gentleman from Indiana yield for a question before he yields the floor?

Mr. LONGWORTH. Mr. Speaker, there is no evidence whatever that any of the gentlemen who have arrived here in sufficient numbers to make a quorum have been arrested. We desire on this side of the House, at least, to proceed with the business of the House. We can proceed if my motion is carried, and I insist upon my motion.

Mr. ASWELL. Mr. Speaker, I ask unanimous consent to proceed for one minute.

The SPEAKER pro tempore. The gentleman from Louisiana asks unanimous consent to proceed for one minute. Is there objection?

Mr. DOWELL. I object, Mr. Speaker.

Mr. ASWELL. Mr. Speaker, I would like to be heard then on the point of order.

Mr. WINGO. May I state to the Speaker that I have assurances from the Republican leaders who have at last arrived that they want to go on and consider the bill and stop their filibuster, and with that assurance I withdraw my point of order.

Mr. DOWELL. I think the gentleman had better proceed with this bill.

Mr. WINGO. I am glad to see my friend is now here.

The SPEAKER pro tempore. The gentleman from Ohio has moved to dispense with further proceedings under the call.

Mr. ASWELL. Mr. Speaker, I renew my request to proceed for one minute.

Mr. DOWELL. Mr. Speaker, I object.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Ohio to dispense with further proceedings under the call.

The motion was agreed to.

Mr. HAUGEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9033) declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9033, with Mr. SANDERS of Indiana in the chair.

The Clerk read the title of the bill.

Mr. VOIGT and Mr. ASWELL rose.

The CHAIRMAN. The gentleman from Wisconsin [Mr. VOIGT] is entitled to recognition. For what purpose does the gentleman from Louisiana rise?

Mr. ASWELL. I rise to yield myself three minutes of my time.

Mr. DOWELL. Mr. Chairman, I did not understand the gentleman from Louisiana.

Mr. ASWELL. I am in control of one-fourth of the time, and I yield myself three minutes.

The CHAIRMAN. Is the gentleman for or opposed to the bill?

Mr. ASWELL. I am opposed to it, but I want to make a statement about this foolish, silly performance to-night brought about in this House by Members on the Republican side.

The CHAIRMAN. The gentleman from Louisiana is recognized for three minutes, and under the rule must confine himself to the bill.

Mr. WATKINS. Mr. Chairman, a parliamentary inquiry.

Mr. ASWELL. Am I recognized, Mr. Chairman?

The CHAIRMAN. Does the gentleman from Louisiana yield for a parliamentary inquiry?

Mr. ASWELL. No; I want to make a statement of three minutes.

The CHAIRMAN. The gentleman from Louisiana is recognized for debate on the bill.

Mr. ASWELL. For more than two hours I have appealed to the Speaker of the House——

Mr. DOWELL. I object to the gentleman stating——

Mr. BLANTON. He is speaking within his rights.

Mr. ASWELL. Mr. Chairman, I decline to yield to the gentleman for any question.

For more than two hours I have repeatedly appealed to the Speaker for recognition to make the earnest appeal I now want to make, to proceed with the business of this House, which is the discussion of this bill. I tried several times to get recognition to make that request.

The next speaker in this debate, the gentleman from Wisconsin [Mr. VOIGT], knows more about this bill than the father of the bill, or both of the two stepfathers of the bill, that are on the program. [Applause.]

Mr. Chairman, I insist that in spite of the fact that the Republican leader on that side insisted and forced the roll call and delayed this procedure for nearly an hour and filibustered in every way he could—I insist, Mr. Chairman, that the committee proceed now to hear from a man who knows the inside and the outside of this bill, the gentleman from Wisconsin [Mr. VOIGT]. [Applause.]

Mr. VOIGT was recognized.

Mr. WATKINS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Wisconsin yield to the gentleman from Oregon to make a parliamentary inquiry?

Mr. VOIGT. I do.

Mr. WATKINS. It is now 25 minutes past 10; does the rule fix 11 o'clock as the time for adjournment?

The CHAIRMAN. It does not.

Mr. VOIGT. Mr. Chairman and gentlemen of the committee, I do not believe that I can live up to the powerful recommendation given me by the gentleman from Louisiana [Mr. ASWELL], but I shall do the best I can to explain the fundamental features of the bill. I shall not take the time to recite to the committee the distress that exists in certain lines of the farming industry. Every member of the committee, and I believe every Member of this House, is satisfied that there is distress in certain lines of agriculture in the United States; and I am sure that every Member of this House wishes to relieve that distress by some fairly workable and reasonably sound measure from an economic standpoint.

I can not support this measure. [Applause.] My record in this House warrants me in stating that I am a genuine friend of the farmer. If I thought there was a reasonable probability of having this measure work out, I should vote for it.

Now, I want to discuss as briefly as I may some of the salient features of this bill, and then I want to take the time to apply the principles of the bill to the commodities mentioned in it and show to the committee why this bill can not do what its friends claim it will do.

First of all let me say that this is a price-fixing measure. I should not condemn this bill because it is a price-fixing measure if I thought that the bill was otherwise workable. The friends of the bill and the worthy chairman of the committee deny that this is a price-fixing measure. Let us see about that. There are three factors which determine prices under this bill, two of which are absolutely fixed. This bill takes the 10-year average of all commodities from 1905 to 1914 and calls that 100. Now, that is an absolutely fixed figure which the directors of the proposed corporation can not change. It fixes another factor, and that is the average price of the respective farm commodities that are mentioned in the bill respecting which it is proposed to declare an emergency. That is another 10-year average figure. So you have two absolutely fixed figures. The third factor is the so-called index number published by the Department of Labor. We all know that that factor fluctuates very little. It is composed of the average price of 400 and more commodities, and that figure is commonly known as the index number. That index number does not vary more than 1 or 2 per cent a month. So you have two absolutely determining factors and you have one practically nonfluctuating factor. From these three factors you determine the fourth factor by a process of arithmetic. How can anybody say that is not price-fixing? Let me read what the majority report says about that:

> Thus the whole matter resolves itself into a few simple arithmetical elements.

As I say, I should vote for the bill although it is a price-fixing measure if I thought it would do the farmer any good. But I can not conceive of a greater calamity that might fall upon the farmers of this country than is contained in the provisions of this bill—to put him up anywhere from 20 to 50 per cent and then drop him into a hole.

Mr. KETCHAM. Where is he now? [Laughter.]

Mr. VOIGT. He is not as bad off now as he will be if you put him up 50 per cent and then drop him. If this bill works at all you might put the farmer up on stilts for 30 days and then give him lower prices than he has now. This would disorganize the farming industry in such a way that the distress you have now will not be a fraction of what it will be then. If you embark on this scheme, as the Secretary of Agriculture told the committee, you will have to renew it—that is, providing it works. Therefore there is nothing in the contention that this is emergency legislation. You can not put prices up artificially and then withdraw your prop without causing the greatest panic this country has ever seen. You will be like the issuers of marks and francs, and your day of reckoning must come.

Of course, this bill is open to all of the objections which may be raised against a price-fixing measure. Price fixing is uneconomic. This bill says that under it the price of live hogs shall be, say, $11 a hundred. It is just as logical to say that it shall be $10 or $12. This bill provides that the price of hogs shall be determined by the price of 400 other commodities that have no relation to hogs; but they say that you take the 400 commodities and average them, and by what that gives you you establish the price of hogs, and similarly you establish the price of corn and of cattle.

Mr. SUMMERS of Washington. Mr. Chairman, will the gentleman yield?

Mr. VOIGT. Yes.

Mr. SUMMERS of Washington. If the bill passes, what would the price of hogs be in August of this year?

Mr. VOIGT. August of 1924?

Mr. SUMMERS of Washington. Yes.

Mr. VOIGT. It would depend upon the index number of that time.

Mr. SUMMERS of Washington. I thought it was fixed.

Mr. VOIGT. It is fixed by that index number.

Mr. SUMMERS of Washington. Would it be the same in October as in August?

Mr. VOIGT. There would be a very slight fluctuation. The point I make is this: You can not claim that this is not a price-fixing measure simply because the price of hogs may in three months' time fluctuate 20 cents a hundred. The majority report says that if the bill had been in force for the last four months the price of hogs would have fluctuated something like 23 cents per hundred pounds. As I said, the price fluctuates with the fluctuation of the index number, but your other two factors are absolutely nonfluctuating, so that you have a fixed and determined price which any office boy can figure out, except that it may vary as the average price of four hundred and some odd commodities varies. That fluctuation is so small as not to be taken into account.

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. VOIGT. Yes.

Mr. TINCHER. Does the gentleman not think that the farmer ought to have the ratio price for his products?

Mr. VOIGT. I say to you that I should be very glad to vote for any measure that I think would work out so as to give him that price.

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield?

Mr. VOIGT. I must decline to yield now any further. After I get through making my statement I shall be glad to answer any questions. The friends of the measure ought to come before this House and say that it is a price-fixing measure.

You can not say that the price of hogs or the price of corn ought to be determined by the price of some other commodity.

That is just as logical as if you said that the price of a suit of underwear should be the equivalent of the price of two hats. That is just as scientific as the plan adopted in this bill. All of you gentlemen who have received any literature or propaganda regarding this bill have seen the working of the bill illustrated on wheat only. I have never seen anybody argue for this bill but illustrated the working of the bill on wheat. The chairman of the committee in his talk here this afternoon did not go any further than to illustrate the operation of the bill on wheat.

Mr. HAUGEN. Oh, I beg the gentleman's pardon, but I referred to hogs.

Mr. VOIGT. Yes; the gentleman referred to hogs, but I did not understand him to show how this bill worked out on hogs, and I am going to do that. The bill provides that the price of hogs shall be $11, and to satisfy some of my friends who say this is not a price-fixing measure I shall say that if the bill had been in operation there would have been a fluctuation in the past four months on account of the variation in the index number of about 23 cents on 100 pounds of hog, as I recall the figures. This bill provides that this export corporation which is created by the bill shall publish this price. The corporation has nothing to say about that price. This price is determined by the bill itself. When the corporation finds that the facts which call for the declaration of an emergency exist it certifies those facts to the President, and the bill provides that the President shall declare the emergency. It does not provide that he may, but it provides that he shall declare the emergency. So, then, if this bill is enacted into law, the directors of this corporation have no discretion whatever. They could not decline to declare the emergency because all the facts are present which authorize the declaration of the emergency. So, then, when you pass this bill in effect you are putting a price of 11 cents per hundred on hogs when the present market price is somewhere around 7 cents. It was down to 6½, I believe, last fall.

Let us see what that is going to do. According to the figures furnished by the Agricultural Department, we slaughtered in the United States, in 1923, 81,500,000 hogs, and in 1922 we slaughtered something like 67,000,000 hogs. In other words, in one year's time, from 1922 to 1923, we increased the slaughter of hogs in this country by 14,500,000, or about 20 per cent. If on a 7-cent market you increase the slaughter of hogs in one year 14,500,000 and you raise the price from 7 cents to 11 cents, what is going to be the production of hogs in the United States during the next year or two?

Mr. BURTNESS. Will the gentleman yield?

Mr. VOIGT. I shall yield later on. I have a small farm; and if this thing takes effect, and I see it is going to work out, and I find I was mistaken, I shall certainly raise about four times the number of hogs I raise on that farm now, and so would every other farm proprietor in this country. Now, you will not only raise 14,600,000 extra hogs when you raise the price 60 per cent, but probably raise thirty or forty million extra hogs. Now, what will take place when you do that? Your equalization fee, or tax, which is prescribed in the bill to meet the loss on the export, is going to be so high as to wipe out any profit to the farmer. Every extra hog you raise that goes for export, of course, increases the loss, and the loss has to be laid on somebody at home; and the more you export, the more you increase the production, the more the loss is going to be to the American farmer and consumer. To my mind this is just a Utopian dream on the part of some gentlemen advocating this bill. Now let us go into the operation of this bill on hogs.

This bill does not permit the corporation that is proposed to be created here to buy or build a slaughtering plant. When the emergency is declared, when hogs are selling under this bill at 11 cents a pound, live weight, the corporation is commanded by the terms of the bill to buy all hogs that are offered in the United States at that price. Just think of it, friends! How could any corporation carry out such a command as that? This corporation by law is commanded to buy all hogs offered at $11 per hundred in the principal markets in the United States, the difference in freight being allowed for.

Mr. VESTAL. Will the gentleman yield?

Mr. VOIGT. For a short question.

Mr. VESTAL. As I understand the gentleman's argument, this bill would prevent the making of any contract for the purchasing of hogs? There could be no individual contract to buy any number of hogs, but they would have to pay this certain price?

Mr. VOIGT. The bill says that when the emergency is declared the price is fixed by operation of law, and this corporation must buy all hogs that are offered at that price. Now, of course, that means that all hogs that are not needed for domestic consumption are going to be sold to this corporation. Anyone may sell privately, of course, but what this corporation will get is the exportable surplus, because, if the world buys hogs at, say, $7 a hundred no one is going to buy hogs at $11 a hundred for export. Consequently nobody will buy hogs for slaughtering in this country unless he knows he can get rid of the hog product in this country on an $11 basis. The surplus we are going to raise, the millions of hogs that will be raised by reason of this inducement of 60 per cent increase in the price, of course, have got to be exported, not in the live form but as hog products.

These hogs which will go for export will be forced upon the corporation, and it must maintain buyers in every hog market in the United States to stand ready every hour in the day to take these hogs at $11 per hundred, and the moment the corporation ceases to do that, then your scheme collapses. This corporation has no power under the bill to build a slaughtering plant. Now let us see what will happen. In the Chicago stockyards last year, 1923, there arrived over 10,000,000 hogs. There arrived in the Chicago stockyards in 1923 over 18,000,000 food animals—hogs, calves, sheep, and cattle.

Mr. LARSEN of Georgia. Will the gentleman yield?

Mr. VOIGT. I will.

Mr. LARSEN of Georgia. Do those hogs bring the same price regardless of grade?

Mr. VOIGT. No; the hogs that would be below the standard grade would be somewhat cheaper, and vice versa. This would be the average run of hogs, I take it.

Mr. REECE. Will the gentleman yield?

Mr. VOIGT. For a short question.

Mr. REECE. What would be the effect of a situation like this: Suppose the packers and livestock dealers should in May contract for hogs at a certain price to be delivered in November and in the meantime an emergency was declared to exist and the price should be fixed by the Government?

Mr. MOORE of Virginia. Will the gentleman allow a suggestion?

Mr. VOIGT. Just allow me to answer this question. This bill exempts existing contracts, but if the price should be raised by operation of law after that contract was made, of course the court would declare the contract void because a law had intervened and injected a new element into the contract.

Mr. MOORE of Virginia. Mr. Chairman, will the gentleman yield?

Mr. VOIGT. Yes.

Mr. MOORE of Virginia. I suggest to the gentleman that he say to the House that he does not yield to anybody, but proceed with his speech.

Mr. VOIGT. I thank the gentleman.

Now, let us see what will happen here. This corporation can not build a packing plant or a slaughterhouse. It is barred from that by the terms of the bill. The stockyards in Chicago—there are many other stockyards in the country, but those are the largest stockyards—are owned by the five big packers in Chicago. On one day last year 86,000 hogs arrived there. Over 100,000 food animals arrived in the Chicago yards in one day in July, 1923. This corporation, under the bill, can not even rent a packing plant, unless it first determines that it can not get facilities at reasonable rates. It can not commandeer a packing plant, nor has it the power of eminent domain.

What will be the consequence? Suppose a day arrives when there are 86,000 hogs in the yards. This corporation must have its buyers there ready to buy these 86,000 hogs at $11 a hundred.

Let us see. The big five Chicago packers that operate the yards say, "We can take 50,000 hogs for home consumption, but there are 36,000 that must go for export." Now, they will say to this corporation, "We will take those hogs at 4 cents a pound. We can not pay more on account of the condition of the export market." They cost the corporation 11 cents.

Now, what is this corporation going to do about that? They have got 36,000 hogs there in the yards of the packers. They must be taken away in the regular process of slaughter. You can not store them; you can not take them out of those yards; you can not ship them back. Consequently this corporation will take any price which the Chicago packers will pay for those hogs.

If there is any gentleman present—any gentleman on the committee—who can tell me a different solution, I should like to have him speak up.

Mr. HAUGEN. Oh, the only thing they would do would be to pass them on to the next town, to the next packer. [Laughter.] If further packers are found they would export the hogs.

Mr. VOIGT. All right. I will take your proposition.

Mr. RUBEY. Mr. Speaker, will the gentleman yield?

Mr. VOIGT. I will yield after a while.

Now, the chairman of the Committee on Agriculture say that the corporation, if they were not satisfied with the price offered by the packers there, would reload those hogs and ship them on to the next town. What town?

Mr. HAUGEN. Most of them go to Buffalo. The gentleman knows that all the hogs that go to Chicago are not all slaughtered in Chicago. They are in transit, many of them, and go right through.

Mr. VOIGT. The Chicago packers, according to the report of the Federal Trade Commission made some years ago, handle about 60 per cent of the entire hog slaughter in the United States. You could not reship those hogs. You could not find packers to take them, because they have no facilities for slaughtering them. The big packers, and possibly a few others, are the only people engaged at the present time in the export business. The small packer can not use them. He has no foreign market where he can send the surplus hog products.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. VOIGT. No.

I say, gentlemen, this corporation would be absolutely at the mercy of the big five packers of the country. I can not see any escape from that conclusion——

The CHAIRMAN. The gentleman from Wisconsin has used 30 minutes.

Mr. VOIGT. I yield myself five minutes more.

I am not willing to vote for a bill that will authorize transactions that will cost the farmers and consumers millions of dollars and put this corporation absolutely at the mercy of the big five packers.

A gentleman who has spoken on the bill says the big five packers are opposed to this bill. Let me tell what happened in the committee about that. A young man came before the committee from the American Institute of Meat Packers. He argued against this bill.

I never received any letter from any packer in the United States protesting against this legislation. When we had the packer legislation before our committee several years ago the packers came down here in droves. The head officials came here. Their high-priced attorneys came here. None of them appeared here and objected to this legislation. So, gentlemen, if I were a packer——

Mr. HAUGEN. I can supply the gentleman with the names of a number of packers who evidently do not think it necessary to correct the gentleman. Let me make just this one correction: The gentleman knows that the packing houses are now run on short time and at 60 per cent of their capacity. He knows the idle packing houses throughout the country. So that there is no trouble as far as the processing of hogs is concerned.

Mr. VOIGT. I want to say on that that we all know—those who are at all familiar with the slaughtering business—that the only people who are engaged in the export business are the big five packers, and they are the only people who can handle these millions of hogs. The only solution the gentleman has in case these packers ask an enormous profit is that they could ship the hogs to the next town, where you could not find adequate packing plants.

Mr. CARTER. Will the gentleman yield?

Mr. VOIGT. For a short question.

Mr. CARTER. Would the corporation be any more at the mercy of the packers than the farmers and stockmen are now?

Mr. VOIGT. There is not any use of going into that. I am just saying here that I am not willing to vote for any legislation like this, and I think this corporation would be a great deal more at the mercy of the packers.

Mr. FUNK. Tell us why. That is a fair question.

Mr. VOIGT. I have tried to tell the committee just why, because there is nobody in this country, except the big five, that can take these hogs for export, and consequently they are going to buy them on their own terms.

Let me show you where this corporation will go broke in less than 60 days, and how during that short time it would do incalculable harm to the farmers, to consumers, and business in general. The packers of this country have four or five hundred million dollars worth of products on hand, not to say anything about the grain dealers and millers. They have a profit overnight of a couple of hundred millions. The corporation must declare the emergency, and the law says it must buy all these products at the fixed ratio price. Now, what would a packer do? I don't say he will do it because he is a packer; any man would do it. He would unload at once on this corporation and take his profit, because he can duplicate his stock at the same ratio price. The packers would run a race to the office of this corporation, to see which one could get his hands first on the $200,000,000 of its capital, and the capital would be exhausted long before it could meet the obligations imposed on it by the law. The bill says the corporation may borrow a billion dollars, but it also says that the Government is not liable for anything it borrows. What banker would loan this corporation money? Under the scheme outlined in this bill, this corporation must die immediately after it is born, leaving a legacy of ruin and panic.

Mr. FAIRCHILD. Will the gentleman yield?

Mr. VOIGT. No; I decline to yield further. Let me show you another thing about this hog proposition. Under this bill any farmer can slaughter his own hogs for home consumption without paying the so-called equalization fee. Under this bill as it now stands a man has the right to buy a hog from a farmer, slaughter that hog himself, and escape the payment of the equalization fee. If you are a farmer and I am a city fellow and you slaughter a hog and sell him to me, I am obliged to pay the so-called equalization fee, which I estimate would run, on a 200-pound hog, anywhere from $2 to $5. Now, men are not going to pay that tax unless they are legally obliged to.

Here is the way the bill works out, according to the legal talent we have had before the committee: If I buy a dressed hog from a farmer, I am obliged to pay the so-called equalization fee. If I buy that hog from a farmer and slaughter the hog myself or have the hog slaughtered, I do not have to pay the fee. If I buy that hog from a farmer and pay the farmer 25 cents for slaughtering the hog for me as my property and have it delivered to me, I do not have to pay any equalization fee. Now, there are three cases where the net result of the operation is the same. In one case there is an equalization fee payable, and in two cases there is not.

Suppose that under this bill a farmer slaughters a half dozen hogs and turns them into sausage and smoked meat and ham, and figures he is going to use them for his own use. Then he finds he has too many hams on hand or he finds he has made too much sausage and he wants to take it to town and sell it.

Under this bill he would not have to pay any equalization fee on the products he sells, because when he slaughtered the hogs he did not slaughter them for market. Now, then, whether that equalization fee is payable or not, and whether the Government is going to collect a tax on that or not remains within the breast of the man who does the slaughtering. If he thinks he is slaughtering for market then there is an equalization fee payable, but if he thinks he is slaughtering for home use and uses his liberal judgment in his own favor there is no fee payable.

Mr. NELSON of Wisconsin. What will be the penalty if he practices fraud?

Mr. VOIGT. I can not take the time now to answer that. That same thing runs all through this bill. It applies to wheat, and it applies to all other products in the bill, so that there would be any quantity of the commodities mentioned in this bill which, by that simple operation, would escape the payment of the equalization fee.

Now, I say to you gentlemen, if by that easy process people can escape the payment of the equalization fee we are going to increase tremendously the local slaughter of hogs. People will not pay that tax if they can escape it, and they can escape it under the bill. Among those hogs which go to the packers you are going to have a very large percentage for export. On that portion which actually goes to the packers you have got to collect the equalization fee on this tremendous overproduction for export. That fee will be so large that there will be nothing left for the farmer and there will be no profit in the transaction for the farmer.

So I say to you gentlemen that to work this thing out on hogs simply can not be done, and the same applies to cattle, calves, and sheep, and all the argument I have made on hogs applies to all these animals.

Now, please bear this in mind: Some of the friends of this bill say that this corporation can start in by trying this thing out first on wheat. They say, "If it works on wheat, we will try it on hogs; if it works on hogs, we will take cattle; and then we will take corn," and so forth.

Now, that will not work for this reason: This corporation can not refuse, in my judgment, to declare an emergency on hogs, for instance, because the moment this bill becomes a law all the facts that call for the declaration of an emergency

exist, and the directors can not justly refuse to declare it. Now, if you declare an emergency on hogs, you must immediately declare an emergency on cattle and sheep.

If you put up the price of pork 60 per cent, people are going to eat more beef. You are going to find that if you raise the price of pork 60 per cent, people are going to eat more poultry, fish, and other food, because the relative price will be cheaper. This will increase the amount of hog products for export.

In order to prevent this, the corporation will immediately have to declare the emergency on beef and sheep, although we are not at the present time exporting any beef. We are on an importing basis as to beef.

This bill will create an exportable surplus.

If you declare the emergency on pork, you must immediately declare the emergency on pork products. If you do not, then you make the packers of this country an immediate present overnight of at least $200,000,000.

Let us see about that. If you raise the price of hogs 60 per cent to-morrow, and that is the absolute price, because this corporation is commanded by law to buy all the hogs that are offered at $11 a hundred, then, of course, all the pork products that are in the country are going up at least 60 per cent in price, are they not? If you are a butcher and you have 10,000 pounds of pork on hand and the price of live hogs is raised 60 per cent, your stock is going up at least 60 per cent, and probably more. According to the last report of the big five packers of Chicago—I looked it up in Moody's book the other day—they had stocks on hand of $252,000,000. Most of that was pork, and if you increase the hogs 60 per cent, you are going to at least increase that $250,000,000 by 50 or 60 per cent, are you not. That is a pure present to the big five packers, and we have 200 other packers in the United States. The big five are interested in a couple of hundred subsidiary corporations, which will also reap a harvest. Therefore, unless you do something by way of levying a tax on the stock which the packers have on hand, you are going to make them a present of several hundred million dollars. You must immediately declare the emergency on hog products and cattle products and sheep products in order to prevent that gigantic gift to those interests.

That is not all. All other food products are going to rise in price when you raise pork 60 per cent. When you raise beef and mutton, other food products are going to rise in price sympathetically.

I dare say that if you put this bill in effect to-morrow, you would make a gift, not to the farmer, not to the man you are trying to help with this bill, but to the nonproducer, to the business man and speculator, who has the stocks on hand—you will make the business interests of this country an immediate present overnight of $500,000,000 by the operation of this bill.

I want to say a word about some of the other products in this bill. Corn is mentioned in this bill. The original bill had cotton in it; and the gentlemen representing the cotton States here had a meeting, I understand, and they unanimously decided—and they acted wisely—that this bill could not apply to cotton, because we export 65 per cent of our cotton, and they asked us to take cotton out. The result would be that if you had a ratio price of 20 cents on cotton, exporting 60 or 65 per cent of the product, if the world price should go down to 15 cents, there would be an equalization fee of 5 cents a pound on cotton. In other words, the people of the United States would pay 25 cents a pound for cotton and we would supply the world with cotton at 15 cents, and we would immediately lose the export of $200,000,000 worth of cotton manufactures, because no manufacturer here could manufacture cotton goods out of 25-cent cotton when the man in England or in Germany or in France could make them out of 15-cent cotton. We would lose that $200,000,000 of exports. That is a phase of this bill I have not time to touch on, but it is a very interesting question—how far a man is affected who is in the exporting business in this country and who is obliged to buy some of these commodities on which a ratio price has been set, or who is obliged to use part of these goods in the composition of anything he exports. He will be out of business in the export world, and there is not a word in this bill to save him. There is no fund established to which he can go. The only people that are provided for explicitly in this bill are the packers and the millers, and those interests have not put up more than a formal objection to this bill. They could not very well urge its passage openly.

Mr. DOWELL. Will the gentleman yield?

Mr. VOIGT. No; I can not yield.

I have said I would vote for the principle of this bill applied to wheat. I would put an artificial price—not a ratio price—on wheat for say two years, and then decrease the price for, say two years. But I would tax every bushel of wheat except that used for seed. Such a bill would be open to the objections against price fixing and would bring about overproduction. My only reason for supporting such a measure would be to give to the wheat growers of the country what I am satisfied they were deprived of during the war period. We fixed the price of wheat by law, and we intended the price to be a minimum guaranty, but the grain corporation by a system of licensing made that price the maximum price, and by that unjust operation deprived the wheat farmers of many hundred millions of dollars. Some have estimated it as high as $2,000,000,000. Equal and exact justice requires that we make that loss to the wheat farmers good, and I am willing to be a party to any plan that will give them what they are entitled to, whether that plan be economic or not. I just want some plan that will work temporarily to accomplish this object but I would not recommend such a plan as permanent legislation.

Now, let us see whether the bill could apply to corn. You will find a very interesting table in the Department of Agriculture year book for 1921, page 165. This table analyzes the corn crop and tells us where it goes. I shall not read all the uses that corn is put to but I will say that all the corn according to this table except about 9 per cent is fed to stock and other animals. According to the Haugen bill all corn used for feed is not liable for any equalization fee. Now, you have the same situation in regard to corn that you have in the case of cotton. You would have 8 or 9 per cent of the entire corn crop of the United States, on which you could collect an equalization fee to meet the loss on the corn that you export. What is the use of holding forth such a camouflage to the farmers of the country? I am unwilling to do that. I am a friend of the farmer, but I will not advocate a scheme, I will not hold out any hope to them, that I know can not be fulfilled. [Applause.]

It might perhaps be better political strategy on my part to favor this bill, but I think it is about time that the truth were told about what the trouble is with the farmer, and how far we can go by way of remedy. I want to say this, that I have studied the matter of agricultural relief for the past three years, and it is a mighty difficult matter for anybody to prescribe for the farmers' ills. We have examined in our committee one plan after another, and there is no plan that is going to give to the farmer an increased price which is economical and sound. You can not take a farm commodity or any other commodity and put an artificial price on it and say that you have something that will hold water, something that is economically sound. The two things do not go together. [Applause.]

One great trouble with us is that we can not find a market for our surplus at a profitable price, because our customer—Europe—has no buying power. The people in Europe are not consuming normal quantities of food. Even in France the per capita consumption of wheat is 2 or 3 bushels less than it was before the war. In my judgment our Government injured the American farmer to the extent of several billion dollars by failing to use its full moral influence to bring about economic restoration in Europe. The United States Steel Corporation has profited many millions by disorganization over there, because its competitors were put out of business, and possibly a few other lines have benefited, but the American farmer surely has been the sufferer.

The farmer should be relieved from legislation which is oppressing him. Reduce the tariff on many things he buys. I am not a free trader, but believe with many friends of the tariff that the existing tariff is an undue burden on our people. Repeal the Esch-Cummins law, or those portions which produce exorbitant freight rates, or by reclassification give the farmer preferential freight rates. Break up the unlawful trusts and price-fixing combinations which have been and are robbing the farmer and the city man as well. Assist the farmer by creating for him a great national cooperative organization, with State and local branches. Pass the Norris-Sinclair bill, or the Aswell bill, or a combination of these bills. Give the farmer economic equality, and he will take care of himself.

In addition to this, and as strictly emergency legislation, I am willing to vote for a bill which will give export certificates for 10 or 15 per cent of the value of wheat, rye, barley, and rice, which shall be good for the payment of import duties. Such a plan can not be applied to animal products, in my judgment. Try this for two years; in the third year make it half the amount, then a quarter, and then stop it. This plan alone will do more good than can be hoped for with the Haugen bill, and it is worthy of serious consideration.

Now they put rice and sheep into this bill, and they want to declare an emergency on them. The fact of the matter is that we have been on an importing basis on mutton for the last 10 years. How in all the world can you operate an export cor-

poration to export mutton and sheep when you have been importing mutton year after year for 10 years? I call that camouflage.

We have got beef in the bill. According to the report of the Tariff Commission we imported millions of dollars worth of beef last year more than we exported. We are on an importing basis. That is a good thing for the farmer, and I hope that it will remain so, so that the farmer will not be dependent on the world price for beef. You are actually going to create an exportable supply of beef, to create the very situation for the farmer that you are trying to avoid, and you are doing it with other commodities mentioned in this bill.

Mr. LONGWORTH. Will not the gentleman discuss his view of the tariff feature before he gets through?

Mr. VOIGT. Look at the bill. You have got sheep in there, and then to cap the climax the authors of the bill have put in wool. As a matter of fact, we import one-half of all the wool used in the United States. The ratio price of wool, if the bill should take effect, is almost 25 cents a pound below the present market price. I will leave it to you to guess why wool was put into the bill.

Mr. TINCHER. Will the gentleman yield?

Mr. VOIGT. Yes.

Mr. TINCHER. What was the ratio price of wool when President Harding was inaugurated on the 4th of March, 1921?

Mr. VOIGT. I do not care what it was.

Mr. TINCHER. Why can you not have a ratio price?

Mr. VOIGT. I shall answer the gentleman's question. When Mr. Harding was inaugurated we were not exporting any wool. We are not a wool-exporting Nation. How could the directors of this corporation sign a document and notify the President that we have an exportable surplus of wool? How could they have done it at any time in the past 25 years? So, then, it does not make any difference what the price of wool was. In 1922 we imported over 250,000,000 pounds of wool; and there is more camouflage in this bill.

I want now to go into the tariff feature. The men who framed this bill originally did not have the slightest idea, in my judgment, about the tariff complications incident to the bill. They provided in the original bill that a tariff or embargo could be levied on the commodities mentioned in it, but they did not seem to think that if we put up the price of lard 4 or 5 cents a pound probably some people would be importing oils from other countries. Coconut oil, for instance, is used as a substitute for lard. Consequently this bill will affect several hundred items that are now on the tariff list, or if they are not on the tariff list we shall have to put them on.

The CHAIRMAN. The gentleman has consumed 20 additional minutes.

Mr. VOIGT. I shall take 10 minutes more. If you raise the price of pork 60 per cent, of course you are immediately going to be flooded in this country by every conceivable article of food which may be used as a substitute for pork, and consequently all such articles will have to be guarded against so far as import is concerned. It is going to be an almost impossible job for this corporation or for the Tariff Commission to keep on adjusting these tariff rates on hundreds of articles so as to prevent those articles and substitutes and derivatives from coming into the country. But it will have to be done or the purpose of the bill will be defeated.

I have advanced some views of my own in addition to the minority report. I have said that I should vote for this bill if the bill with some modifications were applied to wheat only. Under the present bill I think that at least 200,000,000 bushels of wheat would escape the payment of the equalization fee. We use in this country something like seventy or eighty million bushels of wheat for animal feed. If you raise the price of wheat 50 per cent of course no one is going to feed it if he can find something else to feed to his animals. The moment this thing goes into effect, people will feed substitutes, which they can buy 50 per cent cheaper. What will happen? Under this bill that which is now used for feed will enhance the exportable surplus of wheat.

Under this bill the producer of wheat has a right to grind his own wheat into flour for his own use. The farming population, if you speak of it as one-third of our population, eats one-third of the flour which is made in the United States. That one-third will escape the payment of the equalization fee. If a farmer takes his wheat to a mill to have it ground for his own use and he finds that he has had too much flour ground, he has the legal right to sell anyone that flour, and the buyer need not pay the equalization fee, because when the wheat was milled it was not milled for sale. How many people are going to take advantage of that? How many people are going to honestly overestimate their requirements? Right there 150,000,000 bushels of wheat under this bill will escape the payment of the equalization fee.

I have said that if those things were guarded against I would be willing to vote for this bill applied to wheat only, but let us not fool ourselves about this. These other commodities are put in here for logrolling purposes. Can anybody tell me why rice was put into this bill? Why was rice put in, and why was rye left out, and why was barley left out? Last year we exported about $28,000,000 worth of rye and about $11,000,000 worth of rice. Why not put those things into the bill? Those farmers have a right to be recognized if you are going to frame a logrolling bill here. The majority report says that the operation of this bill will cause a well-balanced agriculture, and that for that reason there will be no overproduction. Let us see about that. If I am a farmer and I can get by operation of law 60 per cent more for hogs than I can get at the present time and have it guaranteed to me by the Government, am I going to raise potatoes?

Why, no; we are all going to raise more hogs and less potatoes. The potato farmer will turn to raising hogs and we will have a tremendous export of hogs, and by reason of the scarcity of potatoes we are going to have a fairly high price for potatoes.

Mr. MACLAFFERTY. If the gentleman will permit, will not that in consequence put the price of potatoes rather out of sight?

Mr. VOIGT. It will certainly raise the price of potatoes, but I can not say how high they would go. Now, the legal talent that we have in the committee informed us that the words in this bill, "cattle, sheep, or swine, or any food product, derived therefrom," did not cover milk from the cow.

The chairman this afternoon said it did cover milk from the cow. That is a very important matter. The dairy products in this country amount to something like $2,000,000,000 per year.

Mr. ASWELL. Does the gentleman recall that he himself offered an amendment to include milk?

Mr. VOIGT. Yes; I offered amendments to include the exportable surplus of practically all farm commodities, so as to bring forth some sort of a balanced bill here. If milk is a food product derived from cattle under the meaning of this bill, of course that would take in butter and cheese. If the emergency is declared on food products of cattle, and that should include milk from the cow, then every woman or housewife who buys a pint of milk will have to pay the equalization fee on that pint or quart of milk. The whole thing is unworkable.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. VOIGT. I will.

Mr. SUMNERS of Texas. I want to ask the gentleman if under this bill hogs are worth 11 cents a pound on the basic price of these 400 commodities, and if the number of hogs increase, say, double in two years, would the corporation still have to pay the 11 cents a pound?

Mr. VOIGT. The corporation would pay 11 cents, but when the price got above 11 cents there would be no emergency.

Mr. SUMNERS of Texas. Another question. If the average price of these 400 commodities goes up——

Mr. VOIGT. If the price goes up, of course your 11 cents will rise proportionately.

Mr. SUMNERS of Texas. And you would pay probably 12 cents by raising three times as many hogs?

Mr. VOIGT. Yes; it does not make any difference how many million additional hogs you raised, this corporation has to buy at 11 cents; if the index rises, your 11 cents will rise.

Mr. ASWELL. I do not know whether the gentleman is tired or not, but a great deal of interest has been manifested with reference to the increased cost of living, and the gentleman knows more about that than anybody. Will the gentleman discuss that phase?

Mr. VOIGT. I will take a few minutes.

The CHAIRMAN. The gentleman has consumed one hour.

Mr. VOIGT. I will take five minutes more. Of course no one can say what this scheme would cost the people of the United States. The chairman did not go any further this afternoon than to say that it might increase the price of a loaf of bread one-half a cent. Now, I look at it in this way, gentlemen: The total farm crop of the United States is worth about $8,000,000,000. The major portion of that $8,000,000,000, with the exception of cotton, consists of the food animals, dairy products, and grains. The corn crop of the United States and the hog crop are the two biggest sources of food supply we have in the country. Now, the annual value of the crop on which this bill will operate is probaby between four and five billion dollars. Now, pork is increased 60 per cent, corn increased about 20 per cent, and it is proposed to increase wheat 50

per cent. Now, suppose we strike an average, and say it is on an average 40 per cent. That would be 40 per cent of, say, four or five billion dollars. I am satisfied that if this scheme were even put in practice—and I have no fear it will be, gentlemen—it would cost the consumers of this country an additional $2,000,000,000 per annum. Of course the farmer will pay more for wages and everything he buys. We consumed in the United States last year between nine and ten billion pounds of pork. The rest was exported.

Now, if you figure 4 cents a pound live weight—and, of course, when the hog is slaughtered it amounts to more than 5—you get the sum of $490,000,000 which it will cost the people of the United States, exclusive of those who raise the pork. Of course there is not much use talking about this increased cost, because this bill will never get that far. No President could sign this bill, and everything President Coolidge has said indicates that he would not sign it if passed up to him. It is a pity that we could not have devoted our efforts in framing a workable bill which at least would have given some relief. I am in favor of staying here all summer if necessary and do it.

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. VOIGT. Yes.

Mr. TINCHER. Does the gentleman advance as an argument against this bill the idea that the consuming public could not afford to pay to the American farmer the ratio price?

Mr. VOIGT. I have not made any such argument. Somebody asked me to state what in my judgment the cost of this operation would be to the American consumer. I have not made that statement as an argument against this bill. Somebody has asked me what I thought the cost would be and I have stated it.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. VOIGT. Yes.

Mr. BURTNESS. The gentleman has stated as one of the dangers that he sees in the enactment of this bill the possibility of increase in production all along the line. The only purpose of the bill is simply to give the producer, as I understand it, the same actual price as the producer received on the average during the period from 1905 to 1914, inclusive. What, then, will be the actual incentive to increase the production above what it was during that period?

Mr. VOIGT. I will say to the gentleman, take the case of hogs: If the farmers in this country produced for slaughter 81,000,000 hogs in 1923 at 7 cents per pound, how many hogs will they produce if you guarantee them 11 cents a pound? I think that answers the gentleman's question. [Applause.]

Mr. BURTNESS. Does the gentleman not overlook the fact that a good many of those produced last year were produced at a loss?

Mr. VOIGT. Yes. Let us assume that. How much more pork will they raise if you increase the price and guarantee an advance of 60 per cent by law?

Mr. BURTNESS. Does the gentleman think it would give the farmer an unusual profit?

Mr. VOIGT. No. I am not here to complain that this would give the farmer too much money. I am just stating what the bill would do.

This bill in no way cures the farmer's real troubles. If this thing should work temporarily it will do away with cooperative associations among farmers. The object of cooperation is to secure a better price, but if the Government fixes one price, and no one can get any more or any less, what is the use of cooperation? This bill would do more damage than the farmers could repair in years, and the farmer's great hope lies in the field of cooperation.

Dante M. Pierce, publisher of the Wisconsin Farmer and Iowa Homestead, who enjoys the absolute confidence of farmers, condemns the bill. Edward Nordman, commissioner of agriculture of Wisconsin, writes me that this bill "will simply fool the farmers into believing that something is being done for them, whereas the effect of such a bill will be to do agriculture infinitely more harm than good."

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. VOIGT. I will grant myself five minutes more.

Mr. JACOBSTEIN. Mr. Chairman, will the gentleman yield?

Mr. VOIGT. Yes.

Mr. JACOBSTEIN. I wonder if the condition we find ourselves in is not due to this fact, which the friends of the farmer will not face, namely, we want to restore to the farmer, first, the power of his dollar, and we have taken from the farmer that purchasing power by virtue of the fact that we have increased the price of other articles that the farmer buys, and because of that we now want to give him increased prices for the commodities which he produces to the extent, as the gentleman says, of $1,500,000,000. Why do not these friends of the farmers advocate some scheme such as was suggested in the question of the leader on this side, which will reduce the prices on the articles which the farmer buys? [Applause.]

Mr. VOIGT. There is a great deal in what the gentleman says. I want to say this: I am satisfied that the present high tariff is a detriment to the American farmer. There is no question about that. [Applause.]

Now then the real remedy for this trouble is not your loading up the farmer and consumer here with this exorbitant tariff and then put on top of that what you might call an internal tariff. The people who advocate this bill propose, in order to right this wrong which they say exists against the farmer, which is a wrong against the consumer as well, to pile another wrong on both of them. They propose to cure one wrong by inflicting another.

Mr. JACOBSTEIN. Another question: Is it not a fact that, according to all the laws of economics, if you add two billion or a billion and a half of value—I think your figures are right; I think two billions or a billion and a half would be right—is it not a fact that if you increase values by two billions or a billion and a half you would increase the prices of these 400 articles so that your index number would change with the value of the article? You are going around a vicious circle all the time.

Mr. VOIGT. If you increase the price of these farm products a couple of billion dollars the general index number will rise; and when that number rises, of course, the price of these farm products will go up, and in each case your index number will go up, so that they will all be chasing each other around a circle.

Mr. JACOBSTEIN. In other words, you will be going around a vicious circle all the time.

Mr. VOIGT. Yes.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. VOIGT. Yes.

Mr. SHALLENBERGER. The gentleman referred to the probability that the increased price of hogs of 11 cents a pound would greatly increase the number of hogs produced by the farmers. How does the gentleman explain the fact that during the war, when hogs were 15 to 19 cents a pound, we did not produce as many hogs as are now being produced at 7 cents a pound? Are there not other factors entering into that proposition? For instance, does not the price on corn determine the number of hogs that are produced?

Mr. VOIGT. Yes. Surely the price of corn determines whether it is profitable to produce hogs, and there is a very close relationship between the price of corn and the price of hogs.

Mr. SHALLENBERGER. So that many other factors enter into the price of hogs?

Mr. VOIGT. Certainly. Of course during the war all other commodities were relatively high and transportation facilities were disturbed and we could not get the meat out of the country, but with an open market conditions have changed.

Mr. KETCHAM. Will the gentleman yield?

Mr. VOIGT. Yes.

Mr. KETCHAM. May I say that I agree with the very fine compliments which have been paid the gentleman with reference to his knowledge of this bill, and that is the reason I am asking this question. Very early in the gentleman's discussion he said that later on he would tell about this proposition of price fixing in response to the suggestion of the gentleman from Indiana [Mr. VESTAL]. May I supplement his inquiry by this one: Did not the gentleman confuse the idea of price fixing with the idea of the ratio price, which everybody admits is a fixed price? This ratio price is not the price the producer would receive for his product, nor is it the price that the purchaser would pay. Either of these prices is a matter of individual contract between purchaser and seller.

Mr. VOIGT. I am very glad the gentleman asked that question. The majority of the committee say this is not a price-fixing measure, because anyone is at liberty to sell for any price and anyone is at liberty to buy for any price. Let us examine into that.

The price of hogs is fixed by the law at $11. Now, theoretically, of course, the farmer has the right to sell those hogs for $10, but no one will say that if the Government corporation stands ready to pay him $11 that he is going to sell for $10, and who is going to pay $12 for hogs when the established

market price is $11? Now, $11, or whatever it may be, is going to be the absolute price of that article. [Applause.]

Mr. VESTAL. I do not know whether the gentleman understood my question or not. The proposition I want to get in my mind is this: Let me put a concrete proposition. Suppose the ratio price of corn, for instance, was 80 cents, and on my little farm I want to feed some stock. I want to buy some corn from my neighbor, who has 1,000 bushels of corn to sell. I want to know whether under this bill I can contract with my neighbor at a cash price for less than 80 cents, which is the ratio price.

Mr. VOIGT. Oh, yes.

Mr. VESTAL. Can I go in there and buy this corn from him and pay him cash for it at 70 cents, if he wants to make that contract?

Mr. VOIGT. Oh, yes; you have this situation. The Government stands ready to buy that man's corn at 80 cents. If he is willing to sell to you at 70 cents, he has a right to do that, of course.

Mr. VESTAL. But if the Government buys it at 80 cents, is there not an equalization fee of some kind to be paid?

Mr. VOIGT. Yes.

Mr. VESTAL. Suppose he wants to contract with me, can I buy it without any equalization fee?

Mr. VOIGT. If you are going to use that corn for animal feed then there is no equalization fee. As I said before, there is only 5 or 6 per cent of all the corn raised in the country on which you could collect that fee.

Mr. VESTAL. All I wanted to find out was whether I could make such a contract.

Mr. MORGAN. The gentleman referred to the tariff and its relation to the farmer. The gentleman must know that nearly all of the products on the farm or that the farmer purchases, including steel products, footwear, and the implements he uses are all on the free list, even the fertilizer. [Applause.]

Mr. VOIGT. I will say to the gentleman that I understand there is a tariff on steel.

Mr. MORGAN. There is no tariff on steel.

Mr. VOIGT. There is a tariff on certain steel products.

Mr. MORGAN. Only on certain products that enter into steel production, which is a very small per cent.

Mr. VOIGT. That may be, but that enters into the price of the wagons and the other implements that the farmer buys.

Mr. MORGAN. It is a very small per cent and does not amount to much.

Mr. CHINDBLOM. The gentleman does not want to ruin the farmers' home market.

Mr. VOIGT. There is not much danger of ruining the home market. People must eat, and the farmer feeds us all. Mr. H. E. Miles, director of the Fair Tariff League, says that the steel and wire industries under the Fordney tariff law were given the privilege of adding $351,000,000 to their prices, to cost consumers twice this sum at retail, or $702,000,000. He says the tariff costs Kansas farmers over $41,000,000 and Texas farmers over $86,000,000 a year. In fact, all farm organizations who argue for the Haugen bill claim the tariff discriminates against them, and I voted against the Fordney tariff bill because I believed that to be true.

Mr. HAUGEN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly, the committee rose and the Speaker pro tempore having resumed the chair, Mr. Sanders, of Indiana, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 9033) declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes, and had come to no resolution thereon.

Mr. BLANTON. Mr. Speaker, I make the point of no quorum.

Mr. CHINDBLOM. Mr. Speaker, was the hour of meeting fixed at 11 o'clock for to-morrow or Thursday?

The SPEAKER pro tempore. Thursday.

TO PROVIDE FOR SCIENTIFIC AND SKILLFUL FARMING

Mr. GRIEST. Mr. Speaker, in these times of agricultural depression I am impressed with the importance of enacting into law H. R. 157, reported favorably by the Agricultural Committee, to authorize the more complete endowment of agricultural experiment stations.

A State or nation advances with the development of its natural resources. To use only part of these resources limits the prosperity, opportunity, and progress of any country.

Timber, minerals, water power, coal, oil, and gas have all been considered as valuable capital, yet there is no greater resources than the soil. Particularly suited to the oldest occupation of man, this Nation has recognized the value of the soil and has applied science to the promotion of better agriculture. The development of high-yielding grains, the improvement of livestock, the clearing of cut-over lands, the drainage of marsh soils, the development of rural sanitation, and the fostering of a better rural social life have all made up a part of the Nation's program of advancement.

We must constantly look ahead. Through the application of science to the everyday efforts of country life, new opportunities for progress are constantly open to the farmers of the United States.

True, since 1921 the farming industry suffered the most severe depression which has occurred in a generation. The situation in which the farmer now finds himself, in common with all other producers of raw materials, whether of food, fuel, shelter, or clothing, is that the commodities which he has to sell have gone down in price more than the finished products which he has to buy.

It is to be hoped that the relative price of farm products has reached its lowest level; but whether that is so or not, this outstanding fact remains—the agriculture of to-morrow must more than ever utilize the findings of science in conducting our farming operations. When the margins between costs of production and crop returns are wide, less care is likely to be exercised in applying all of those methods which cut out waste, eliminate leaks and losses, and consequently lower costs of production. Profitable farming in the future must utilize to the fullest all practicable measures to cut not only costs of production but costs of distribution as well. For unless farming can be made profitable and can insure a reasonable living standard the Nation can neither hope to hold its best farmers on the land nor can it expect to attract our best young men and women into farming as a vocation.

Progress in agriculture is possible only through the use of better methods, and these methods can come only by finding and trying out new ideas. The individual farmer has neither the time nor the money to work out many new ideas. Realizing this, our Federal Government, in conjunction with the several States, founded and has supported in the past the State experiment stations. The Purnell bill, under discussion now, calls for an increase in the funds to support experimental work in these stations, for the existing funds are proving entirely inadequate for their needs. And why? First of all, the development of the extension services of these States has multiplied the demands on the institutions for information and service. It must also be remembered that the purchasing power of money has so greatly diminished that the funds now available to each State will do vastly less work than when the early laws were passed. Then, too, new problems in agriculture, such as the distribution and marketing of farm products and the improvement of the rural social life, have arisen and are demanding exhaustive research.

Let us take the typical farm, go the rounds, and see wherein that farm has felt the results of research. A silo stands at one end of the barn. Whence came the silo? Research established the fact that corn preserved in an air-tight, circular container made a nutritious and palatable food for livestock during the winter. A uniform type herd of dairy cattle is grazing in a field of clover. The basis of selection of those animals for high milk production traces back to work in breeding for dairy type at experiment stations. The mouthfuls of clover they are consuming are very likely the result of combining the use of pure seed bred at a college station, good cultural methods established by experimental trials, proper fertilization founded on experimental evidence, and systematic rotation of crops based on experiment station teachings.

Look at the lengthy, upstanding, arch-back "porkers" over in the feed lot helping themselves to a balanced ration from a self-feeder. Where is the chunky, short pig of our forefathers' day? Experiments in feeding and breeding of swine at our experiment stations have shown that economical pork production demands the "1924 model" hog. Why the balanced ration and self-feeder? Feeding trials proved that the old method of raising hogs on corn and water in a dark, dingy pen was obsolete. A potato sprayer is operating in the near-by field. Grandfather would have sneered at the practice of sprinkling the

potato field, but plant pathologists have proven that the yield per acre can be increased at least one-third by proper spraying to control plant diseases. And remember an increased yield means a lowered cost of production and a greater margin of profit to the producer. And so on down the line of farm practices we find the touch of the experiment station's hand, often unknown to the farmer himself. You might ask the farmer where he gained his information for improved practices. His answer might be, "From my neighbor or from my farm paper." But trace these improved practices to their true source and you will find that they emanated from an experiment station in some section of the country.

Thus far, I have been speaking largely in terms of generalities. Now, I am going to give you a few concrete examples of just how our own experiment station in Pennsylvania has been of service to the people of our State.

Take for instance the fertilizer experiments on the college farm that have been running for 40 consecutive years. Incidentally, they are the oldest in America. I am told that the lessons on crop rotations, manure and commercial fertilizers brought out by these experiments have been worth far more to Pennsylvania farmers than the entire cost of experimental work at the college.

The development of one variety of wheat, "Pennsylvania 44," has meant an increased yield per acre of over 5 bushels wherever it was sown. Last year over 100,000 acres were sown to this variety, which was bred by a plant-breeding expert on the experimental staff. Figures show that if this seed was used over the entire State, the value of the wheat crop would be increased $10,000,000 annually over the annual income derived from wheat before this variety was developed. And remember, it does not take any more labor to raise "Pennsylvania 44" wheat than it did to produce the old common varieties.

Experiments in plant breeding at our college have resulted in three other noteworthy contributions to the agricultural prosperity of the country. One strain and two new varieties of tomatoes and a superior strain of cabbage have been of great value to the truck growers and consumers of Pennsylvania. The Penn State Earliana tomato, developed at the college, has given an increased yield of more than 2¾ tons per acre in many instances. Recent tests conducted with Penn State bullhead cabbage, which originated on the station farm, show that it produced 20 tons per acre where supposedly good commercial strains under similar conditions yielded only 17 tons.

Nearly three-fourths of Pennsylvania apple orchards are in permanent sod, and the investigations carried on by the station have proven conclusively the value of nitrogenous fertilizers in sod orchards. As a result, hundreds of fruit growers in the State are using nitrate of soda and are finding it profitable.

Result of research work in animal husbandry have revolutionized the steer-feeding industry in Pennsylvania by proving the value and economy of feeding silage with a proper protein supplement. The value of forage crops for swine and the types best suited for this purpose were also determined and the majority of the hog men of the State have followed the recommendations with great success.

Southwestern Pennsylvania is the most important sheep-producing center in the State. Practically all the sheep grown are fine wools, so that the major portion of the income from these flocks is wool. To find another source of income for these farmers an experiment was started in 1915 to study the value of grade Merino ewes as a farm flock when bred to high-class mutton rams for the purpose of producing "hothouse lambs." I understand that this experiment resulted in these farmers securing a maximum amount of wool and at the same time marketing a high-class lamb at an early age.

Investigations in plant-disease control, carried on for several years, have led to campaigns of disease control out in the State that have saved thousands of dollars to the tillers of the soil. Potato spraying alone has reduced the cost of production per bushel to such an extent that the industry has been practically saved from ruin. Diseases of truck crops have been investigated at our branch station at Bustleton, Pa., and the results have led to the control of lettuce and rhubarb diseases that threatened the industry.

Lancaster, the county which I have the honor to represent, has been, as many of you know, the richest and most productive agricultural county in the United States for more than half a century, as the tabulated statement at the conclusion of these remarks indicates. For more than 200 years, these soils have been pouring forth bountiful crops and to-day most of the land is in a high state of fertility. The 10,000 or more farms in Lancaster County, with their neat, well-kept buildings, their trim fence rows, their bounteous crops, and improved herds, reflect the industry, the intelligence, and the foresight of the pioneers who settled the county more than two centuries ago. Probably in no other part of the world have the abundant gifts of nature been so well preserved for future generations.

And yet Lancaster County, with its naturally fertile fields and its intelligent, industrious class of farmers, will have to credit part of its success to the application of scientific principles in farming. Furthermore, farmers of Lancaster County realize that now, more than ever before, they must depend on science to enable them to maintain the leadership they have held so long and the prosperity that has been theirs.

We have an immense steer-feeding industry within the county turning out from 60,000 to 80,000 choice beeves in a year. For years the practice was to feed corn, bran, and hay as a fattening ration. It remained for science to prove the economy of feeding silage and cottonseed meal, and my constituents tell me that this substitution has really saved the industry in our present economic depression. Truly, it can be said that the many silos dotting the farmsteads stand as monuments to science. The open-shed method of cattle feeding, proven sound and economical by the experiment station, has replaced the old method in Lancaster County and in the leading beef sections of the country.

This county ranks among the leaders in the United States in tobacco production. Where most districts have shown a marked decrease in the yield per acre since 1890, a comparison of these early figures with the United States Government annual report of 1922 shows that the Lancaster County yield has shown a marked increase. And why? Tobacco growers tell me it has been due partly to the farming system practiced and partly to an improved strain developed by the experiment station. More than 50 per cent of the acreage at the present time is planted to this improved strain, which not only yields better but is also of high curing quality. Right in this connection I might say that the steam sterilization of tobacco beds in Lancaster County was originated by an experiment station staff member. This practice has now been adopted in every tobacco-growing district in the country.

Wheat is a part of the crop rotation on many of the farms in our county. For years we raised a score or more of different varieties, some of them ill adapted to our conditions. Then came the development of "Pennsylvania 44" at the station farm, and to-day Lancaster is headed toward a standardization of wheat that will mean not only a better yield but also a uniform, marketable product. Already 2,500 acres of this improved variety is being grown in the county, and the acreage is doubling each year.

Although only a small part of the experimental work has been cited, it is sufficient to prove the immense value this work has been to the producers and consumers. And yet, with all this work, the farmers are ever presenting unsolved problems to the experiment station. Most of the examples I have related have been along the line of production. There are those who argue that too much work has been performed on this side which has resulted in our present depression. I want to say that the main object and ultimate results of this work have not been greater production but more economic production.

Right along this trend of thought are the problems of distribution and marketing of farm products, which are demanding solution in our State and which are the subject of so much discussion all over the country. At the present time our station has a comprehensive research program planned on problems of distribution, marketing, and rural social life, which can not be carried out because of a lack of funds. Would it not be well for us to vote reasonable amounts of money, as carried in the pending bill, to support careful, sane, accurate studies on these problems?

Gentlemen, the future prosperity of the agricultural industry and the maintenance of the present standard of living of our ever-increasing urban population depend primarily on more economical production and proper distribution of our farm products. Just when there is a crying need for research in agriculture, when the very lifeblood and backbone of our farming population are despondent and migrating to cities, we can not afford to refuse to give our support to experiment stations that can do much to place agriculture back on its feet.

Agricultural statistics of the 10 leading counties in the United States, Census of 1920

Counties	Total land area	All land in farms	Value of farm property	Value of crops	Value of livestock products	Value of animals sold or slaughtered	Aggregate value of farm products	Value of products per acre	Rank
Lancaster, Pa	602,240	554,776	$119,842,187	$32,803,002	$8,585,613	$6,759,527	$48,148,142	$86.78	1
Los Angeles, Calif	2,602,880	882,333	396,915,164	62,212,843	9,537,685	1,601,615	73,352,143	83.13	2
San Bernardino, Calif	12,900,480	415,738	99,648,710	26,681,925	1,324,443	391,540	28,397,908	68.31	3
Aroostook, Me	4,129,920	850,208	77,759,326	52,541,205	1,713,022	1,245,143	55,499,370	65.27	4
San Joaquin, Calif	926,720	706,308	140,600,079	39,748,032	3,099,576	1,482,206	44,329,814	62.76	5
McLean, Ill	726,240	714,400	267,332,051	26,887,618	2,186,278	5,892,034	34,965,930	48.94	6
Champaign, Ill	667,520	604,827	233,673,411	23,688,925	1,782,850	2,354,726	27,826,501	46.07	7
La Salle, Ill	733,440	668,560	213,717,738	24,191,389	2,178,056	2,924,537	29,292,982	43.81	8
Tulare, Calif	3,107,840	1,084,234	198,312,596	33,329,607	3,414,764	2,893,918	39,638,289	36.55	9
Whitman, Wash	1,349,120	1,252,485	135,765,506	30,824,407	989,568	1,632,412	83,446,387	26.10	10

HAUGEN-M'NARY BILL

Mr. WILSON of Indiana. Mr. Speaker, under leave granted to extend my remarks, I insert the following:

We have now reached a stage where agriculture has been taxed so long to support other industries that it has become almost useless to try to produce a profit on the farm.

I believe, however, that the great majority of the farmers of the country will refuse to be deceived any longer and will turn their attention to the real opportunities of relief that lie before them of cheaper transportation, and especially water transportation, and to cheaper fertilizers; to cooperation in marketing, to reduction of taxes, and to other feasible plans of relief whereby all the people will be afforded a distinct advantage over present conditions.

The farmer never has and never will ask for charity, for he is not a beggar. All he wants is an equal opportunity with other classes and not to be discriminated against to the advantage of other industries and to his detriment. He is tired of selling his product in the open market and being required to buy his necessities in a protected market, thereby selling at a low price and buying at a high price. The situation of the farmer is worse to-day than at any period in the history of the farming business in this country. It is a gloomy picture that is presented by everyone who has traveled through the Western States and is familiar with the agricultural situation. The wheat farmer is not the only one in trouble. Virtually every farmer is in a bad predicament and facing ruin. They find themselves unable not only to pay their taxes and debts, but they can not even pay their interest.

According to the annual report of the Secretary of Agriculture for 1923:

In 15 corn and wheat producing States 24½ per cent of owners of farms were, in fact, bankrupt; practically one out of every four bankrupt.

One million two hundred thousand left the farm to better their financial conditions in 1922.

In New York alone for the year ending February, 1923, 26,000 moved from the farms to the cities.

In Michigan 10 per cent of the Michigan farms are vacant, and 13 per cent more are only partly worked.

According to the annual report of the Attorney General on bankruptcy among farmers:

The number of Iowa farmers in bankruptcy increased from 60 in 1913 to 489 in 1923.

Farmers' percentage of all cases in bankruptcy increased from 16.8 per cent in 1913 to 52.3 per cent in 1923. In other words, 52 farmers to 48 of all other classes in bankruptcy. The number of farmers in all cases in bankruptcy in all the States increased from 942 in 1913 to 5,940 in 1923, an increase of 4,998 in 10 years.

Bank failures in the United States have increased by leaps and bounds. More State and National banks were closed in the last seven months than in the previous five-year period.

Many suggestions as to what ought to be done to relieve the distressing situation and insure a profit to the farmer for his wheat have been offered by men who assume a knowledge of conditions.

The great need of the farmer to-day is a steady market for his product and a relief from the burdens of the high protective tariff. The great underlying principle that governs the value of wheat in this country is the law that operates in supply and demand. I intend to vote for the McNary-Haugen bill, because it seems to be the only farmers' measure for which I will have an opportunity to vote. However, I am accepting this just as the farmer is accepting it. In their desperation and dire extremity they are like the drowning man grasping at a straw, their plight can be made no worse by this legislation. It is patent that they are not going to get much consideration from this session, so if there is any virtue in this bill let us have it.

I believe a study of the following statistical tables compiled by the Department of Agriculture will convince anyone that we have many customers in the world's markets who are large buyers of our wheat and flour and have been and are now buying in large quantities of these commodities:

Wheat exports from the United States, year ending June 30

Country to which exported	1910	1911	1912	1913	1914	Average 1910–1914
	Bushels	*Bushels*	*Bushels*	*Bushels*	*Bushels*	*Bushels*
Belgium	5,976,110	2,470,787	4,654,171	10,601,248	12,873,372	7,195,138
Denmark	839,499	198,220	483,319	415,479	870,433	561,390
France	855,668	3,648,407	35,977	4,931,709	5,536,731	3,001,698
Germany	5,367,325	721,246	1,588,666	12,112,222	10,983,060	6,154,503
Greece	11,987	36		298,937		62,192
Italy	1,960,044	286,171	533,009	7,217,479	1,839,830	2,367,307
Netherlands	2,695,362	890,221	3,386,444	14,832,000	19,949,519	8,350,709
Norway	147,060				71,895	43,791
Portugal	7,863	100,000	184,800	710,329	1,753,801	551,359
Spain					127,871	25,574
Sweden					272,500	54,500
Switzerland						
United Kingdom	22,393,361	11,298,030	15,765,454	31,548,507	28,025,206	21,806,112
Canada	2,111,370	1,256,783	537,240	851,139	4,124,701	1,776,247
Mexico	3,179,096	273,313	1,491,156	644,377	306,376	1,178,864
Cuba	10,172	11,915	23,200	45,889	52,315	28,698
Brazil	17	21	11	81	4,203	867
Chile	7			8		3
Peru	329,786	79,745	189,656	190,305	21,433	162,185
Venezuela			35	37	121	39
Hongkong		39,195				7,839
Japan	127,498	2,048,382	707,982	4,179,296	4,627,600	2,338,152
Australia	4					1
Philippine Islands		45				9
British South Africa	29,919		4,000	191,362	89,828	65,021
Other countries	627,728	406,793	1,175,092	2,832,570	862,982	1,181,030
Total	46,679,876	23,729,302	30,160,212	91,602,974	92,393,775	56,913,228

Country to which exported	1915	1916	1917	1918	1919	Average 1915–1919
	Bushels	*Bushels*	*Bushels*	*Bushels*	*Bushels*	*Bushels*
Belgium	5,320,685	2,682,919	2,608,044	6,007,986	25,972,439	8,536,415
Denmark	2,754,746	1,655,391	1,157,321			1,113,492
France	49,878,655	21,802,818	16,253,262	3,837,927	13,297,243	21,013,981
Germany	2,652,128					530,426
Greece	8,768,549	11,686,691	4,811,158		96,225	5,072,525
Italy	47,122,740	31,441,667	13,746,412	6,756,191	32,689,845	26,351,391
Netherlands	31,551,992	21,070,335	19,127,675	155,550	3,904,617	15,162,034
Norway	2,504,051	1,838,380	3,156,279	1,014,329		1,702,608
Portugal	859,237	1,863,212	690,989	27,505	1,448,493	950,885
Spain	7,155,971	7,041,608	831,550		248,683	3,059,562
Sweden	4,093,080	4,786,497	5,385,480			2,853,011
Switzerland	520,720	182,613	6,045,709	496,709	5,447,881	2,538,744
United Kingdom	65,911,501	53,550,376	67,976,120	15,129,803	66,147,422	53,743,044
Canada	19,664,674	6,244,732	4,714,836	252,540	26,484,027	11,472,162
Mexico	296,581	17,624	54,597	2,126	1,609	74,507
Cuba	53,604	250,500	50,398	26,014	2,101	76,523
Brazil	1,511,361	1,154,715	166	16,576	10	536,566
Chile	3,580	526,942	48			106,114
Peru	1,016,645	1,326,040	246,034	69,270		531,598
Venezuela	199	480	218			179
Hongkong	118	162				56
Japan	758,517	14,828				154,669
Australia	1,087,829	1,507,690				519,102
Philippine Islands		60				12
British South Africa	1,951,017	389,978	5,058	24	28	469,221
Other countries	4,204,353	2,237,767	2,949,802	326,303	2,842,050	2,512,073
Total	259,642,533	173,274,015	149,831,427	34,118,853	178,582,673	159,089,900

Wheat exports from the United States, year ending June 30—Con.

Country to which exported	1920	1921	1922	1923
	Bushels	*Bushels*	*Bushels*	*Bushels*
Belgium	13,459,601	26,287,508	17,526,947	11,345,230
Denmark		96,000	354,778	52,171
France	27,118,375	24,394,485	5,694,338	14,750,870
Germany	302,849	25,526,994	21,782,679	8,492,567
Greece	706,184	4,825,243	8,024	898,671
Italy	27,245,629	57,123,068	35,656,391	33,771,801
Netherlands	186,877	21,379,662	19,257,764	12,246,730
Norway	186,853	1,054,288	262,671	1,241,986
Portugal		1,537,565	808,066	
Spain	52,206	9,164,153	2,448,806	23,997
Sweden		1,487,800	519,168	472,696
Switzerland	2,154,598	335,364	40,364	
United Kingdom	39,788,117	88,784,515	48,808,181	28,237,471
Canada	8,356,272	10,746,857	29,341,295	31,992,623
Mexico	244,386	1,145,733	3,000,646	1,260,531
Cuba	33,761	27,000		22,231
Brazil	199	2,977,639	1,517,398	135
Chile	4	2,000	600	
Peru		637,948	1,141,991	59,350
Venezuela	82	1	23	2,525
Hongkong				16,667
Japan	10,141	1,295,791	11,002,363	5,353,422
Philippine Islands		3,267		
British South Africa	18,667	521,223	18,700	333
Other countries	2,575,363	14,003,137	9,129,328	4,708,959
Total	122,439,724	293,207,637	208,321,091	154,950,971

SOURCE: Official reports of the Bureau of Foreign and Domestic Commerce.

Wheat flour exports from the United States, year ending June 30

Country to which exported	1910	1911	1912	1913	1914	Average 1910–1914
	Barrels	*Barrels*	*Barrels*	*Barrels*	*Barrels*	*Barrels*
Belgium	13,451	10,991	5,106	20,850	12,721	12,624
Denmark	192,344	242,849	255,045	243,549	288,299	244,417
France	714	4,353	6,783	9,440	13,349	6,918
Germany	233,809	226,227	130,328	170,345	176,485	187,457
Greece	336	218	2,273	2,418	170	1,083
Italy	9,030	13,288	3,599	11,418	18,914	11,250
Netherlands	739,146	860,569	675,429	859,987	958,063	818,637
Norway	150,431	168,968	176,484	266,287	301,397	212,713
Portugal	2,274	2,122	3,057	1,844	2,125	2,284
Spain	589	1,078	1,931	1,376	2,777	1,550
Sweden	62,314	24,864	16,528	50,586	62,939	43,406
Switzerland	3				100	21
United Kingdom	3,161,435	2,790,998	2,372,797	2,428,167	2,809,800	2,712,639
Canada	49,981	42,947	99,760	98,665	122,752	82,821
Mexico	28,469	32,165	22,958	25,738	47,241	31,314
Cuba	791,850	846,685	842,168	907,780	892,705	856,239
Brazil	359,708	520,084	625,399	583,418	748,612	567,444
Chile	4,271	18,034	35,357	28,781	152,324	47,753
Peru	109,196	190,435	88,586	94,343	118,159	120,144
Venezuela	120,617	140,869	174,572	208,517	158,780	160,671
Hongkong	668,692	1,003,529	1,491,073	1,301,306	1,141,095	1,121,139
Japan	217,758	458,397	716,347	878,624	793,259	612,879
Australia			503			101
Philippine Islands	250,442	226,629	308,671	370,939	236,902	278,717
British South Africa	8,492	9,999	8,781	14,605	5,576	9,491
Other countries	1,865,545	2,293,146	2,943,204	2,815,817	2,756,904	2,534,923
Total	9,040,987	10,129,435	11,006,487	11,394,805	11,821,461	10,678,635

Country to which reported	1915	1916	1917	1918	1919	Average, 1915–1919
	Barrels	*Barrels*	*Barrels*	*Barrels*	*Barrels*	*Barrels*
Belgium	724,116	98,559		324,017	792,199	427,778
Denmark	487,477	286,205	168,405	20,331	160,767	224,637
France	2,149,031	2,886,757	1,429,128	4,845,358	3,984,365	3,058,928
Germany	8,240					1,648
Greece	359,998	453,387	398,708	47,937	129,841	275,974
Italy	111,891	1,074,349	987,686	3,385,771	2,393,974	1,590,728
Netherlands	1,725,807	219,644	591,182	69,253	1,117,018	744,581
Norway	967,888	912,743	715,077	214,810	185,345	599,173
Portugal	2,187	5,705	4,585	89,540	42,867	28,977
Spain	23,024	40,744	5,615	78,360		29,549
Sweden	114,611	95,043	21,883	40	18	46,319
Switzerland	1,173		55	182,058	601,301	156,917
United Kingdom	4,156,097	3,145,030	3,015,525	10,055,827	10,896,719	6,253,840
Canada	110,938	50,424	77,115	83,334	33,701	71,102
Mexico	198,088	728,143	930,564	368,550	384,040	521,876
Cuba	924,989	1,124,562	1,016,675	679,689	1,058,028	960,782
Brazil	707,705	734,726	301,614	101,927	31,639	375,529
Chile	254,953	493,403	79,997	2,588	200	166,228
Peru	49,347	98,594	181,023	54,765	3,658	77,477
Venezuela	154,607	171,758	146,812	24,403	74,535	114,423
Hongkong	626,978	356,263	61,800	1,250	1,506	209,559
Japan	68,542	54,475	4,083	69	27	25,439
Australia	366	161	15	15		111
Philippine Islands	303,792	385,371	76,089	549	6,039	154,368
British South Africa	45,493	23,944	10,955	10	89	16,098
Other countries	1,905,432	2,080,709	1,728,187	1,049,509	2,284,104	1,809,586
Total	16,182,765	15,520,669	11,942,778	21,879,951	24,181,979	17,941,627

Wheat flour exports from the United States, years ending June 30—Continued

Country to which exported	1920	1921	1922	1923
	Barrels	*Barrels*	*Barrels*	*Barrels*
Belgium	1,201,191	665,191	123,479	42,672
Denmark	18,576	87,173	359,403	194,869
France	2,852,952	11,385	10,174	11,529
Germany	278,135	1,988,070	1,516,353	1,062,684
Greece	155,001	419,917	63,810	317,738
Italy	2,484,823	315,277	59,068	54,280
Netherlands	117,224	1,263,405	917,560	982,736
Norway	11,428	242,134	408,419	216,555
Portugal	57,968	805	3,270	3,821
Spain	96,407	174,665	860	1,274
Sweden	102,102	223,482	137,734	105,507
Switzerland	11,577	2	1,125	501
United Kingdom	4,743,341	3,090,158	3,190,762	1,913,833
Canada	16,313	35,501	68,216	66,595
Mexico	261,054	359,803	245,665	365,954
Cuba	1,598,144	986,344	1,068,721	1,088,582
Brazil	381,451	622,036	327,018	477,598
Chile	520	2,007	10,568	28,612
Peru	15,654	92,109	65,367	111,374
Venezuela	136,276	148,855	77,308	83,001
Hongkong	158,180	142,495	973,255	825,197
Japan	106,933	18,598	629,012	344,569
Australia	85		5	2,681
Philippine Islands	98,659	197,704	333,046	469,858
British South Africa	647	44,258	1,785	11,395
Other countries	6,767,319	5,148,465	5,213,856	6,199,734
Total	21,651,961	16,179,956	15,796,819	14,882,714

SOURCE: Official reports of the Bureau of Foreign and Domestic Commerce.

Wheat, including flour, in bushels, exported from the United States, year ending June 30

Country to which exported	1910	1911	1912	1913	1914	Average 1910–1914
	Bushels	*Bushels*	*Bushels*	*Bushels*	*Bushels*	*Bushels*
Belgium	6,036,640	2,520,247	4,077,148	10,695,073	12,930,630	7,251,948
Denmark	1,705,047	1,291,640	1,631,021	1,511,449	2,167,779	1,661,267
France	868,881	3,667,995	66,275	4,974,188	5,596,801	3,032,828
Germany	6,419,871	1,739,262	2,175,142	12,878,775	11,777,242	6,998,058
Greece	13,499	1,017	10,228	509,818	765	67,065
Italy	2,000,679	345,967	540,305	7,268,860	1,924,943	2,417,931
Netherlands	6,021,519	4,762,741	6,425,874	18,701,942	24,260,803	12,034,576
Norway	824,000	764,356	794,178	1,198,292	1,428,181	1,001,001
Portugal	18,095	109,549	198,556	718,627	1,763,363	561,638
Spain	2,650	4,851	8,600	6,192	140,367	32,550
Sweden	280,413	111,888	73,467	227,637	555,726	249,826
Switzerland	14				450	93
United Kingdom	36,619,819	23,857,521	26,443,040	42,475,259	40,689,306	34,012,989
Canada	2,336,284	1,450,045	986,169	1,295,121	4,677,085	2,148,941
Mexico	3,307,296	418,055	1,594,467	760,198	518,960	1,319,777
Cuba	3,573,497	3,821,997	3,812,956	4,130,926	4,069,487	3,881,773
Brazil	1,618,703	2,340,399	2,814,307	2,625,462	3,372,957	2,554,366
Chile	19,227	80,153	159,106	129,522	685,459	214,893
Peru	821,168	936,703	588,293	614,849	553,149	702,832
Venezuela	542,776	633,910	785,609	938,363	774,631	723,058
Hongkong	3,009,114	4,555,073	6,709,828	5,855,877	5,134,928	5,052,964
Japan	1,107,409	4,111,168	3,931,544	8,133,100	8,197,310	5,096,106
Australia	4		2,264			454
Philippine Islands	1,126,989	1,019,875	1,389,020	1,609,226	1,096,059	1,254,234
British South Africa	78,133	44,996	43,514	257,084	114,918	107,729
Other countries	9,022,680	10,725,952	14,419,512	15,508,746	13,269,052	12,588,188
Total	87,304,318	69,311,760	79,689,404	142,879,596	145,590,350	104,967,085

Country to which exported	1915	1916	1917	1918	1919	Average 1915–1919
	Bushels	*Bushels*	*Bushels*	*Bushels*	*Bushels*	*Bushels*
Belgium	8,579,207	3,126,435	2,698,044	8,366,062	29,537,334	10,461,417
Denmark	4,948,392	2,943,313	1,915,143	91,490	723,451	2,124,358
France	50,549,295	34,793,224	22,684,338	25,642,038	31,226,885	34,779,156
Germany	2,689,208					537,842
Greece	10,388,531	13,726,933	6,580,343	215,716	680,509	6,314,407
Italy	47,626,259	36,276,103	18,191,699	21,992,161	43,462,728	33,509,698
Netherlands	39,318,124	22,058,734	21,787,994	467,188	8,931,198	18,512,647
Norway	6,859,547	5,945,724	6,374,125	1,980,974	834,052	4,398,884
Portugal	869,079	1,888,884	621,612	439,435	1,641,395	1,096,281
Spain	7,239,579	7,224,956	876,818	352,620	248,683	3,192,531
Sweden	4,608,830	5,214,101	5,483,954	180	81	3,061,447
Switzerland	525,998	182,673	6,086,047	1,315,970	8,153,735	3,241,873
United Kingdom	84,613,937	67,763,011	81,345,982	60,381,025	115,162,658	81,885,323
Canada	20,163,895	6,471,640	5,061,854	627,543	26,685,682	11,792,123
Mexico	1,187,963	3,294,268	4,242,135	1,660,601	1,729,789	2,422,951
Cuba	4,216,654	5,311,029	4,625,438	3,084,614	4,763,227	4,400,672
Brazil	4,696,033	4,460,982	1,357,429	475,248	142,386	2,226,496
Chile	1,150,868	2,747,256	360,994	11,646	900	854,141
Peru	1,238,707	1,769,713	1,060,638	315,712	16,461	880,246
Venezuela	695,931	778,391	660,872	709,814	335,468	515,883
Hongkong	2,621,519	1,603,346	278,108	5,625	6,777	903,075
Japan	1,066,956	259,966	18,374	310	122	269,146
Australia	1,089,476	1,508,401	68	68		519,603

Wheat, including flour, in bushels, exported from the United States, year ending June 30—Continued

Country to which exported	1915	1916	1917	1918	1919	Average 1915–1919
	Bushels	*Bushels*	*Bushels*	*Bushels*	*Bushels*	*Bushels*
Philippine Islands	1,367,064	1,734,230	842,400	2,470	27,176	694,668
British South Africa	2,155,735	497,726	54,358	60	424	541,662
Other countries	12,778,797	11,600,955	10,726,732	5,049,062	13,120,518	10,655,211
Total	332,464,975	243,117,026	203,573,928	132,578,632	287,401,679	239,827,227

Country to which exported	1920	1921	1922	1923	1924	Average, 1920–1924
	Bushels	*Bushels*	*Bushels*	*Bushels*	*Bushels*	*Bushels*
Belgium	18,864,960	28,830,808	18,082,603	11,534,554		
Denmark	83,592	488,278	1,972,092	929,216		
France	39,866,659	24,445,717	5,740,121	14,802,750		
Germany	1,554,461	34,473,309	28,606,267	13,274,645		
Greece	1,403,688	6,714,870	295,169	2,328,492		
Italy	38,417,332	58,541,814	35,881,652	34,016,061		
Netherlands	714,383	27,064,384	23,386,784	16,669,042		
Norway	238,259	2,143,891	2,100,516	2,216,484		
Portugal	280,858	1,541,186	833,381	17,194		
Spain	486,008	9,950,146	2,452,676	29,730		
Sweden	459,459	2,493,469	1,138,971	947,478		
Switzerland	2,206,694	335,372	45,426	2,588		
United Kingdom	61,133,151	102,690,226	63,166,610	36,849,720		
Canada	8,429,660	10,906,611	29,648,237	32,293,840		
Mexico	1,419,729	2,765,251	4,106,138	2,906,019		
Cuba	7,225,409	4,465,534	4,809,244	4,920,850		
Brazil	1,716,729	5,776,936	2,988,979	2,149,191		
Chile	2,344	11,032	48,156	128,754		
Peru	70,443	1,052,438	1,436,143	560,533		
Venezuela	613,324	669,849	347,909	376,390		
Hongkong	711,810	641,228	4,379,648	3,730,054		
Japan	491,340	1,290,482	13,332,917	6,453,942		
Australia	382		23	12,064		
Philippine Island	443,966	892,935	1,498,707	2,114,271		
British South Africa	21,579	720,381	26,732	51,610		
Other countries	33,028,239	37,171,230	32,591,676	32,607,852		
Total	219,864,548	366,077,439	279,406,777	221,923,184		

Wheat, wheat flour, and wheat, including flour: Domestic exports from the United States, year ending June 30, 1910–1923

Year ending June 30—	Wheat	Wheat flour	Wheat, including flour
	Bushels	*Barrels*	*Bushels*
1910	46,679,876	9,040,987	87,364,318
1911	23,729,302	10,129,435	69,311,760
1912	30,160,212	11,006,487	79,689,404
1913	91,602,974	11,394,805	142,879,596
1914	92,393,775	11,821,461	145,590,350
Average 1910–14	56,913,228	10,678,635	104,967,085
1915	259,642,533	16,182,765	332,464,975
1916	173,274,015	15,520,600	243,117,026
1917	149,831,427	11,942,778	203,573,928
1918	34,118,853	21,879,951	132,578,632
1919	178,582,673	24,181,979	287,401,579
Average 1915–19	159,089,900	17,941,627	239,827,227
1920	122,430,724	21,651,961	219,864,548
1921	293,267,637	16,179,956	366,077,439
1922	208,321,091	15,796,819	279,406,777
1923	154,950,971	14,882,714	221,923,184

Compiled from Commerce and Navigation of the United States, 1914–1918, and Monthly Summaries of Foreign Commerce of the United States, June, 1919–1923.

We should endeavor to increase this list of buyers by every legitimate means. The disposal of our surplus products in foreign markets at a fair price is the one vital thing necessary for prosperous times among the farmers. Temporary advantages may be gained by placing fictitious values on grain or by storing great quantities of it, but eventually this surplus must be disposed of or it will come back upon the home market if stored in this country or upon the foreign market if allowed to accumulate there. As soon as this condition arises the price of the farmer's product will fall or the markets both foreign and domestic will be glutted. So it is the duty of this Nation to see to it that the surplus is not only exported but consumed. The farmer is not greatly impressed with the idea that the Government can fix the price on his wheat by simply placing a fictitious and arbitrary price thereon, then relieve his anxiety by buying up his wheat and his troubles at fancy prices and dumping the surplus on a foreign market at whatever price can be obtained and without regard as to whether that particular country needs it or not.

What the farmer wants is to get down to the only real practical solution of the difficulty and that is to so cut down the cost of production and delivery to a market that is able and ready to eat and pay for what he produces so that there will be left to him a profit.

We must have an honest demand from foreign countries for our wheat as it comes upon the market. It must be kept moving toward the point of consumption in order to avoid congestion of both our home and foreign markets because congestion would cause a depression and lower prices. It is obvious the more active the demand for our wheat from outside buyers the stronger the markets here at home.

First, it is necessary for us to do all that can be done through our Government to broaden and expand a foreign demand for our wheat. Teach these people to eat more wheat bread. If there is no other way, I would favor an active, intensive advertising campaign throughout foreign countries to instruct and enlighten the people concerning the benefits to be derived from eating the derivatives of American wheat. This would stimulate the markets here at home and make for higher prices to the producer.

Second, we must lessen the cost of production and reduce the taxes, both Federal and State. Let Congress repeal the Fordney-McCumber tariff law, which is one of the greatest evils that was ever foisted upon the American farmer. This law levies a tax upon him every minute in the day by adding to the cost of everything he buys from his hat upon his head down to the shoes upon his feet. It decreases the demand for the farmer's wheat abroad, which is evinced by the falling off in our exports for the years 1922 and 1923 as against 1921, as follows: Wheat: Exports, 1921, 293,267,637 bushels; 1922, 208,321,091 bushels; 1923, 154,950,971 bushels; a difference of 138,316,666 bushels, or nearly one-half. Wheat flour: Exports in 1921 were 16,179,956 barrels; in 1922, 15,796,819 barrels; and in 1923, 14,882,714 barrels; a difference of 1,297,242 barrels. Wheat, including flour: Exports in 1921 were 366,077,439 bushels; 1922, 279,408,777 bushels; 1923, 221,923,184 bushels; a difference of 144,154,255 bushels.

It increases the cost of production. This is shown by the following table, which gives the cost of farm machinery for the year 1923 as far in excess of that for the year 1914, when the farmer's wheat was sold at practically the same price.

STATEMENTS SHOWING THE COST OF PRODUCING AND DELIVERING TO MARKET FOR THE DIFFERENT YEARS MENTIONED A BUSHEL OF WHEAT IN SOUTHERN INDIANA ON LAND OF A HIGH AVERAGE PRODUCING QUALITY

These statements are based upon the cash value of the land for the year mentioned, taking 15 acres of land with an average yield of 18 bushels per acre as a basis.

For the crop harvested in 1914 on land valued at $100 per acre; assessed at $66 per acre

Interest at 6 per cent, on $1,500	$90.00
Taxes at $2, on $990	19.80
Plowing at $1.25 per acre	18.75
Harrowing and rolling four times	9.00
Drilling at 26⅔ cents per acre	4.00
Cutting at 50 cents per acre	7.50
Twine, 2 pounds per acre at 10 cents	3.00
Putting in shock—two men, one day each	4.00
1¼ bushels of seed per acre at $1.10 per bushel	20.625
Total cost of production	176.675
Threshing 270 bushels at 8 cents per bushel	21.60
Use of 135 bags two days at one-half cent per day	1.35
Hauling to market, 3 miles, at 3 cents per bushel	8.10
Total cost of production and delivering to market 270 bushels of wheat	207.725
Average cost per bushel	0.7693
October, 1914, selling price of wheat	1.00
Cost of production and delivering to market	0.769
Profit to the farmer	0.23

For the crop harvested in 1917 on land valued at $100 per acre; assessed at $66 per acre

Interest, at 6 per cent on $1,500	$90.00
Taxes, at $2 on $990	19.80
Plowing, at $1.50 per acre	22.50
Harrowing and rolling four times	12.00
Drilling, at 33⅓ cents per acre	5.00
Cutting, at 66 cents per acre	10.00
Twine, 2 pounds per acre, at 25 cents	7.50
Putting in shock, two men one day each	6.00
1¼ bushels seed per acre, at $2.20	41.25
Total cost of production	214.05
Threshing 270 bushels, at 10 cents per bushel	27.00
Use of 135 bags two days, at one-half cent per day	1.35
Hauling to market, 3 miles, at 3 cents per bushel	8.10
Total cost of production and delivering to market 270 bushels of wheat	250.50
Average cost per bushel	0.927
October, 1917, selling price of wheat	2.00
Cost of production and delivering to market	0.927
Profit to the farmer	1.073

For the crop harvested in 1923 on land valued at $120 per acre; assessed at $100 per acre

Interest, at 6 per cent on $1,800	$108.00
Taxes, at $2.20 per acre	33.00
Plowing, at $1.75 per acre	26.25
Harrowing and rolling four days, at $4 per day	16.00
Drilling, at 40 cents per acre	6.00
Cutting, at 80 cents per acre	12.00
Twine, 2 pounds per acre, at 25 cents	7.50
Putting in shock, two men one day each	10.00
1¼ bushels seed per acre, at $1.20 per bushel	22.50
Total cost of production	241.25
Threshing 270 bushels, at 10 cents per bushel	27.00
Use of 135 bags two days, at one-half cent per day	1.35
Hauling to market, 3 miles, at 3 cents per bushel	8.10
Total cost of production and delivering to market 270 bushels of wheat	278.70
Average cost per bushel	1.032
Average selling price for crop	1.00
Loss to farmer	0.032

Comparative cost of machinery for producing wheat for the above-named crops and the equivalent in bushels of wheat

FOR THE CROP HARVESTED IN 1914

	Cost	Number of bushels of wheat
Sulky plow	$35.00	35 bushels at $1.
Harrow	18.00	18 bushels at $1.
Drill	75.00	75 bushels at $1.
Roller	25.00	25 bushels at $1.
Binder	125.00	125 bushels at $1.
Wagon	80.00	80 bushels at $1.
Labor, common	1.00	1 bushel at $1.
Labor, harvesting	2.00	2 bushels at $1.

FOR THE CROP HARVESTED IN 1917

	Cost	Number of bushels of wheat
Sulky plow	$65.00	32½ bushels at $2.
Drill	135.00	62½ bushels at $2.
Harrow	35.00	17½ bushels at $2.
Roller	38.00	19 bushels at $2.
Binder	165.00	82½ bushels at $2.
Wagon	90.00	45 bushels at $2.
Labor, common	1.50	¾ bushel at $2.
Labor, harvesting	3.00	1½ bushels at $2.

FOR THE CROP HARVESTED IN 1923

	Cost	Number of bushels of wheat
Sulky plow	$54.00	54 bushels at $1.
Drill	126.00	126 bushels at $1.
Harrow	27.00	27 bushels at $1.
Roller	36.00	36 bushels at $1.
Binder	225.00	225 bushels at $1.
Wagon	135.00	135 bushels at $1.
Labor, common	1.35	1.14 bushels at $1.
Labor, harvesting	5.00	5 bushels at $1.

It increases the cost of living in every way, not only of farm machinery but of everything else that the farmer has to use in the manufactured line. This all goes to make up a high cost of living, which prevents the farmer from enjoying a profit for his labor on the farm.

The farmer's dollar—The purchasing power of the farmer's dollar since 1890

(Includes food and farm products with all other products)

	Cents
1890	83
1891	89
1892	87
1893	87
1894	86
1895	85
1896	81
1897	86
1898	88
1899	83
1900	86
1901	92
1902	95
1903	88
1904	93
1905	90
1906	88
1907	90
1908	93
1909	100
1910	96
1911	97
1912	101
1913	100
1914	105
1915	103
1916	97
1917	107
1918	112
1919	112
1920	96
1921	84
1922	89
1923	

1913–1922, REVISED

Source: The Agricultural Crisis and Its Causes. Report of the Joint Commission on Agricultural Inquiry, Part 1.

Third: The transportation rates from the country elevator, where the farmer's wheat is marketed, to the great seaboard shipping points are too high. No matter how high or how low these rates may be the farmer pays the freight; so if these rates can be reduced, the farmer is benefited to the extent of the amount of that reduction. Reduce transportation by completing the inland waterway system which will give an outlet from the great wheat-producing States of the central, west, and northwestern part of our country directly to the Gulf and to foreign markets at a great saving to the shipper. We must have cheap transportation to meet the competition of the wheat-producing countries of the world. This competition is enormous, as shown by the following tables.

Production of wheat in undermentioned countries

Country	1914	1915	1916	1917	1918	1919
NORTHERN HEMISPHERE						
North America	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*
Canada	161,280	393,543	262,781	233,743	189,075	193,260
United States	891,017	1,025,801	636,318	636,655	921,438	967,979
Mexico						14,239
Europe						
United Kingdom:						
England and Wales	55,456	67,720	54,630	57,320	84,240	63,808
Scotland	2,561	2,959	2,264	2,432	3,216	3,064
Ireland	1,415	3,238	2,827	4,573	5,690	2,452
Norway	389	284	316	439	1,067	1,071
Sweden	8,900	9,660	9,038	6,929	8,898	9,351
Denmark	5,788	7,982	6,044	4,296	6,339	5,923
Netherlands	5,779	7,090	4,786	3,949	5,431	5,856
Belgium	13,972	7,916	6,487	5,044	4,919	10,565
Luxembourg	530	532	433	345	509	466
France	282,689	222,776	204,903	137,096	228,688	187,091
Spain	116,089	139,298	152,329	142,674	135,709	120,250
Portugal	7,018	6,622	7,419	7,429	9,584	8,178
Italy	160,582	170,541	176,530	139,999	183,294	160,709
Switzerland	3,278	3,957	4,082	3,031	5,273	3,891
Germany	145,944	141,676	113,393	51,791	85,865	79,701
Austria	38,024	32,391	27,811	5,993	5,159	5,114
Czechoslovakia						
Hungary	117,777	157,647				
Yugoslavia						
Serbia	9,553	8,451	9,186	8,818		
Greece	13,111	9,050	8,106	11,505	13,722	9,808
Bulgaria	23,206	35,527	29,600	29,067	23,203	29,775
Rumania	49,270	89,241	78,521		21,460	66,020
Poland						
Lithuania						2,646
Latvia						
Esthonia						472
Finland	196	260	247	228	218	262
Russia, including Ukraine and Northern Caucasia	573,384	529,981				
Africa						
Morocco		17,882	18,382	15,656	22,697	16,391
Algeria	33,241	33,849	29,151	28,979	40,236	21,003
Tunis	2,295	8,267	5,511	7,312	11,944	6,981
Egypt	32,850	39,144	36,543	29,334	32,140	30,137
Asia						
Turkey						
Cyprus				1,776	2,598	1,779
Persia						
India	312,368	376,992	323,045	382,144	370,421	280,261
Russia (Asiatic)	264,372	173,479				
Japanese Empire:						
Japan	22,975	26,778	30,137	34,745	32,923	32,561
Chosen	8,343	8,655	9,065	9,153	9,897	8,553
Formosa	181	161	138	125	152	150
Kwantung	33	35	39	27	52	31
SOUTHERN HEMISPHERE						
Peru				2,621	2,282	2,357
Chile	19,000	20,214	22,498	23,120	20,280	19,920
Uruguay	3,596	9,967	5,599	18,061	6,930	5,948
Argentina	169,174	169,019	80,115	223,636	180,182	216,954
Union of South Africa				9,790	7,979	5,129
Java and Madura						
Australia	24,892	179,066	152,420	114,734	75,638	45,975
New Zealand	6,664	7,108	5,051	6,808	6,568	4,569

Production of wheat in undermentioned countries—Continued

Country	Production			
	1920	1921	1922	1923
NORTHERN HEMISPHERE				
North America	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*
Canada	263,189	300,558	399,786	474,199
United States	833,027	814,905	867,598	785,741
Mexico	[1] 14,951		18,626	
Guatemala				
Total comparable with 1923	1,096,216	1,115,763	1,267,384	1,259,940
Europe				
United Kingdom:				
England and Wales	68,382	69,776	61,312	54,816
Scotland	2,080	2,568	2,530	[1] 2,320
Ireland	1,403	1,451	1,417	1,269
Norway	999	972	643	587
Sweden	10,822	12,385	19,381	11,082
Denmark	7,290	11,146	9,249	8,855
Netherlands	5,993	8,562	6,161	6,678
Belgium	10,274	14,495	10,615	12,590
Luxemburg	431	621	173	540
France	226,929	325,467	243,315	290,474
Spain	138,605	145,150	125,469	157,110
Portugal	10,376	9,418	9,782	12,964
Italy	[2] 141,337	194,071	161,041	224,836
Switzerland	3,586	3,574	2,348	3,593
Germany	82,583	107,798	71,933	105,439
Austria	5,434	6,530	7,422	8,826
Czechoslovakia	26,362	38,682	33,621	36,226
Hungary	36,284	52,715	54,720	67,677
Yugoslavia	43,011	51,809	44,472	61,893
Greece	11,188	11,170	9,553	13,356
Bulgaria	30,003	29,290	37,704	36,223
Rumania	61,809	78,563	92,008	102,311
Poland	22,741	37,409	42,378	53,351
Lithuania	2,199	2,840	3,274	2,965
Latvia	389	784	978	1,641
Esthonia		427	761	737
Finland	267	230	296	472
Russia, including Ukraine and Northern Caucasia			138,418	[3] 192,000
Total comparable with 1923		1,215,251	1,043,135	1,279,831
Africa				
Morocco	17,947	23,241	12,894	20,050
Algeria	8,433	34,906	18,233	35,610
Tunis	5,229	10,619	3,674	9,921
Egypt	31,710	37,010	36,648	40,654
Total comparable with 1923	93,319	105,776	71,449	109,734
Asia				
Cyprus	2,266	2,425	2,496	2,611
India	377,888	350,357	366,987	369,152
Russia (Asiatic)			45,359	
Japanese Empire:				
Japan	30,155	28,575	27,617	28,408
Chosen	10,984	10,705	9,922	8,101
Formosa	141	110		
Kwantung	30	62		
Total comparable with 1923	421,266	392,663	407,023	406,267
SOUTHERN HEMISPHERE	1920-21	1921-22	1922-23	1923-24
Peru	3,001	2,800		
Chile	22,190	23,636	23,815	25,001
Uruguay	7,708	9,944	8,152	(5,000)
Argentina	156,133	191,012	195,842	259,336
Union of South Africa [4]	7,323	8,419	6,697	6,027
Australia	145,874	120,099	109,201	127,350
New Zealand	6,872	10,586	6,305	4,259
Total comparable with 1923	277,096	347,160	349,162	426,961
Grand total		3,102,117	3,138,152	3,481,234

[1] Commercial estimate.
[2] Old boundaries.
[3] All Russia, including Ukraine.
[4] Exclusive of native districts which produced 350,000 bushels in 1918 and 290,000 bushels in 1921.

SUMMARY

Therefore, reduce taxes; lower transportation rates; repeal the Fordney-McCumber tariff law; broaden our marketing conditions; stimulate more consumption of wheat abroad.

The farmer is no fool, he is not asking for advice or special favor, he has been as patient as Job. Too much agitation keeps his mind disturbed; too many measures introduced or talked about build up hope for relief in his mind only to be followed by disappointment at failure of realization. For three years Congress has held out "farm-relief measures" to the farmer and with no results.

We are within 10 days of adjournment and still no downright whole-hearted action on the part of the administration to solve the farmer's problem. The farmer is tired of "sop" for political prestige. He knows better how to handle the problems out on the farm than the man in the office or on the street. He is tired of being told that he ought to diversify his crops, or that he ought to produce less of this or more of that—all he wants or expects from this Government, that he so nobly supports, is just an equal chance with his fellowman. He wants a square deal. I am sure if he gets that he will be able to take care of himself.

This agricultural bill for the relief of the farmer has met with only lukewarm assistance from the leaders of the majority side of this Chamber. I have a 100 per cent roll-call average and have been on the floor of the House every day during this session. Anyone sitting here in Congress can very easily see that the majority party, which is responsible for legislation, is not afire with that unbounded enthusiasm about the farmer's dire distress, even at this eleventh hour of the session, that characterized their every ingenuity and resourcefulness to come to the aid of the wealth of this country in the early days of this session.

The farmer, by his experience during the last two years or more has learned this fact, which is now deep-seated in his mind—that in so far as any kind of special legislation in his behalf is concerned, there is none to be expected.

There has been nothing, so far, of a practical nature submitted to Congress for the relief of the farmer, nor is there likely to be until the political complexion of the two branches change, for the measures that are necessary to bring such relief to the farmer are in themselves political.

It is of great importance to the welfare of the Nation that the farmer gets some real relief from the situation that is not only facing him but is now upon his back like a ferocious wild animal crushing the very life out of him.

I appeal to the Members of this House to place the farmer upon an equal basis with the rest of the business world. Legislate for him as you do for other lines of business, so he, too, may enjoy some of the blessings of prosperity. If you will do this you will soon find this Nation happy and prosperous.

Mr. SUMMERS of Washington. Mr. Speaker, the question is asked, Why not include fruit, alfalfa, and truck crops in this bill? The McNary-Haugen bill in its direct application is limited to major farm products that dominate farm prices that enter largely into foreign trade and the prices of which are fixed in foreign markets. But the very evident fact should not be overlooked that when you give a fair price to two and a quarter million wheat farmers and millions of corn, hog, and cattle growers you increase the purchasing power of many millions of people who become better customers for other farm commodities.

Again, the application of this bill can not be localized. In many States the farmer can with about equal financial returns devote his acreage to producing the things named in this bill or he can turn his attention to dairying, fruit growing, trucking, and so forth. Evidently a fair price for corn, livestock, and wheat will prevent undue encroachment upon other specialized farming.

My friends, let us not forget that our interests are all interrelated. For many years I worked on a diversified farm—grew corn and wheat, oats and hay, milked the cows, suckled the calves, fed the hogs, and gathered the eggs. Later I carved a cotton plantation out of the jungles of Mississippi where cane and timber stood thicker than the hair on my head and mosquitoes were more numerous than the locusts of Egypt; later I grew barley and spuds, and developed from raw land an irrigated ranch on which we grew apples and berries and alfalfa; on another ranch we grew nothing but wheat. Naturally I am for the farmer. However, the observation I wish to make is this—that when the big branches of agriculture are prosperous their prices are generally reflected to other farm crops and we all prosper. Forty million people connected directly with agriculture in the United States form the best market in the world for our factories and wholesalers and retailers.

No class, no industry can long prosper alone. Labor and capital, farmer and manufacturer, city and country are each dependent upon the other; in justice we should and economically we shall move up and down together.

Mr. SMITH. Mr. Speaker, anyone who has given thoughtful consideration to the economic system under which the farmers of the country are laboring must realize that the farmer is greatly handicapped under present conditions and is entitled to

any relief and encouragement that can be afforded by Congress. I believe that the bill under consideration will bring relief and hope to the farmer, where dismay and discouragement now prevail.

Having been born and reared on a farm, familiar with the implements of tillage, conversant with the conditions that enter into the life of the great army of producers on the soil and fortified by a degree of practical knowledge gained by experience and study, I feel that I am speaking advisedly.

It was declared by the late James J. Hill, the "empire builder," that we solve problems not by side-stepping but by grappling with them, by arousing public interest, forming public opinion, and engaging the thoughtful consideration of all who may be interested in the public welfare.

There must be something economically wrong, in the light of present-day conditions, when the consumer is required to pay more than he should pay in a market of abundant commodities, while producers—the farmers—are facing bankruptcy.

The prosperity of the manufacturers and lack of it in the farming section is proof that a disarrangement of our economic system exists. What logical or satisfactory answer can be made to the farmer who asks why he should pay greatly increased prices for agricultural implements, harness, shoes, and, in fact, everything that he and his family must buy, while his wheat has steadily declined from $2 a bushel to 70 cents, and during this time he must face a substantial increase of his taxes?

There must be found an adjustment of this unfair discrimination, and, in my opinion, the provisions of this bill, if honestly and faithfully carried out, will solve the problem.

This measure creates an agricultural export corporation, with an authorized capitalization of $200,000,000, which is under the management of a board of directors and an administrative director appointed by the President.

It is proposed that this corporation shall purchase and export surplus wheat and other commodities of the farm in the world markets, which will have the effect of increasing the price of those commodities in the domestic market.

A CRUCIAL TEST

Opposition to this bill has been expressed in some quarters on the ground that it is paternalistic and is a price-fixing proposition; that it will encourage the overproduction of wheat and other products in disregard of the normal demand.

Much of this opposition comes from grain speculators and exporters. They predict that the bill, if enacted into law, will interfere with their prosperity; that by artificial methods which will interfere with the law of supply and demand business will be completely demoralized.

It is argued by some well-informed authorities that exporting of surplus farm products under the provisions of the proposed law is impracticable and unprofitable. They assert that unprofitable production rights itself by driving the surplus producers out of business.

On the other hand, it is contended by those thoroughly familiar with the workable basis of the measure that it is practicable, and that once in operation would add $2,000,000,000 to the buying power of the farmers. After an analytical study of the bill, I share this latter opinion.

The corporation would fix ratio prices, make purchases and sell abroad. To guard against loss a certain percentage would be deducted from the ratio price when purchases are made. The amount returned would depend upon the sales abroad.

There is a further strengthening of the system by giving to the President the power to impose embargoes on importations of foreign commodities when foreign competition threatens to reduce domestic prices below the ratio figure.

There is strong sentiment for this bill, not only among individual farmers of the West, but from nearly all the large farm associations such as the Farm Bureau Federation, the Farmers' Union, and the grange.

The argument is advanced, and justly so, that the Government has helped the railroads and the wage earners, and it is high time that the farmers should now be helped; that the farmer should get American prices for his products when sold in America.

The farmer is surfeited with advice about the kinds of crops he should plant. He is told to diversify his products. He is urged to align himself with cooperative marketing associations. I dare say there is no one who has greater faith in the efficacy of cooperative commodity marketing than I have; but the very first step necessary to put the farmer on his feet is the enactment of this measure and the speedy application of its provisions.

DESERTING THE FARMS

According to the statistics compiled by the Sears-Roebuck Agricultural Foundation, since last year another million people left the farms for the cities. This, too, in the face of an increase in population of 1,400,000. This means that there were 2,400,000 more persons to feed and a million less producers to do the feeding.

The report states that—

this condition warrants industrial and commercial leaders doing something definite to help the farmer get on his feet.

What is the significance of this desertion of the farm for the city? What is causing the farmers to leave the homes and flock to the industries where good wages enable him and his family to live in comfort? It is not so much overproduction as the need of cheaper distribution.

In 1922, 1,120,000 persons left the farm, and 7.3 per cent of the habitable farmhouses were standing vacant, while the cities are having a building boom for needed homes.

Bank failures in agricultural regions have been greater in the first seven months of this fiscal year than the combined failures for the five previous years.

As a result of this great exodus to the cities, what will be the inevitable outcome? Underproduction. Unless relief, such as this bill provides, is extended to the farming industry, we are liable to awaken to find ourselves in the throes of economic disaster.

RAILROAD FREIGHT RATES

One of the greatest handicaps under which the farmers of the West have been placed in the matter of getting their products to market is excessive freight rates.

A joint resolution (S. J. Res. 107) passed the Senate on May 12, 1924, directing the Interstate Commerce Commission to adjust freight rates to relieve depression in any basic industry, particularly agriculture. It was reported to the House on the 27th instant.

On the 19th instant the Senate passed Senator GOODING'S bill (S. 2327) to amend section 4 of the interstate commerce act, which will be considered by the House at the next session.

The readjustment of freight rates, as proposed in these measures, will enable western farmers to transport their products on a fair and equitable basis, thereby rendering great aid to the farmer.

With reduced freight rates and the proper functioning of the pending bill when enacted, a foreign market will be opened up for the farmers who are producing more than our market will consume, and through the application of the provisions of this measure the foreign market can be reached.

A BASIS OF PERMANENT SUCCESS

Mr. Speaker, while I earnestly hope the enactment of this bill will afford immediate temporary relief to the farming industry, I am mindful of the fact that permanent rehabilitation of agriculture, so essential to the farmers' success, can be accomplished only through the establishment of a system of cooperative commodity marketing.

By means of the organization of a cooperative marketing system, the great spread between the farmer and the consumer must necessarily be eliminated. Not counting cotton or tobacco, the consumer paid the farmer in 1922 for his crop $22,500,000,000. Out of this stupendous sum the producer, or the agriculturist, received only $7,500,000,000. The middlemen, railroads, commission merchants, and so forth, pocketed the rest.

Turning to a serious consideration of the system of cooperative commodity marketing, we are forced to a realization that we are living in the midst of a thoroughly organized and highly trained business world. In the industrial world, labor is holding a commanding position by reason of its perfect organization. Every line of worth-while business and industry is organized. The farmer must be educated to the advantages of cooperation, accept the principle and put it in practice.

Efforts to organize from the standpoint of production have not been satisfactory, but organized from the standpoint of marketing is quite a different proposition and can be and is being made a success.

Cooperatives in California dispose of their products every year in excess of $250,000,000. Why is it not just as practicable to organize the potato growers as it has been to organize the tobacco growers?

The farmer is receiving about $1 for potatoes for which the consumer pays $3. Does it not stand to reason that the farmer should receive more of the price the consumer pays?

A few weeks ago I saw an article in the Evening Star of this city giving the results of an experiment of cooperative

commodity marketing tried out by the growers and canners of tomatoes of eastern Maryland. One of the outstanding features of the experiment showed that it did not result in higher prices to the ultimate consumer. Success was due to the fact that the plan eliminated waste, allowing canned tomatoes to be sold at prevailing market prices, but with a large profit to the producers.

Both growers and canners were allowed cost of production, and profits were then divided on a basis of 60 per cent to the grower and 40 per cent to the canner. The canner paid one-half of the cost of hauling the tomatoes to the cannery. Heretofore the farmers had to bear the entire cost of hauling.

After full settlement was made the farmer found that he had received 27 cents a basket for his tomatoes. This price was 2 cents above the highest contract price and considerably more than 2 cents above the average contract price.

Judging from popular opinion it is very evident that the plan will be tried elsewhere in Maryland during the coming summer. It means higher return to the grower through elimination of waste. That is efficiency—the same thing that every manufacturer is striving for.

Mr. Speaker, the time, study, and consideration given to the system of cooperative commodity marketing as a means of solving many of the difficulties under which the farming industry is now laboring convinces me that the farmers would be benefited by its adoption.

I am so thoroughly convinced of its practicability that I shall ask the indulgence of the House while I present an analysis of the more important phases that enter into a discussion of the question.

A VERY EFFECTIVE MEASURE

Among the deluge of agricultural bills introduced in the present Congress in my opinion one of the outstanding bills is that introduced and sponsored by Representative ARTHUR B. WILLIAMS of Michigan.

Application of the provisions of this bill would result in eliminating waste in the marketing of farm products. Prices would be stabilized to the benefit of the farmer and the consumer. Distribution would be so regulated that community needs will be satisfactorily met. Gluts and famines would be avoided.

As a basis for carrying out President Coolidge's recommendations as to cooperative marketing I regard this bill as a practical application of principles involving the very best interests of the farming industry.

A practical farmer, successful manufacturer, and financier, Representative WILLIAMS of Michigan has embodied in his bill the result of years of study from every angle of the agricultural problem. If enacted, it would enable the administration to fulfill the desired permanent relief of the farmer.

Individuals and associations that have considered measures of relief so far introduced are loud in their praise of the Williams bill as a solution of the marketing problems of the farmer, and especially cooperative marketing. This method is presented in a simple yet comprehensive manner. The fundamental basis of success is the establishment of a marketing agency. This agency functions in carrying products from local cooperatives to the consuming public.

In general the farming industry is divided into production districts. The marketing agencies gather up produce from the cooperatives within these districts and ship the same to the big terminal markets, such as Chicago, New York, and other established centers. The district marketing agencies are in league with the terminal marketing associations handling agricultural products.

This enables the district cooperative agencies to keep closely in touch with prices, and eliminates the hazards that have surrounded such shipments when the farmers, ignorant of marketing conditions, ship their products without a sale in advance.

There is a provision for inspection as to grading, quality, and condition at points of origin, and, if necessary, in transit and at terminal marketing destinations.

All of these associations are under charter; that is, a certificate of approval is issued by the Federal Marketing Bureau upon condition that the associations will agree to the provisions set out in the act. Each association agrees to arbitrate rules prescribed by the Federal Marketing Board as regards disputes that may arise as to inspection or condition of products shipped. In such case the shipper is protected at terminal markets, even without a sale in advance. The buyer is likewise protected in purchasing at long distance, because he knows what he is to receive.

Commodity organization, which experience has shown is the only kind of organization that can best serve in the cooperative movement, is the basic theory of the bill.

Administration of this act is vested in a Federal Marketing Board of seven members. Five of these members are appointed by the President. The Secretary of Commerce and the Secretary of Agriculture are ex officio members.

Commodity boards of one or three members may be appointed by the Federal Marketing Bureau. These boards may be discontinued as Federal boards if the commodity is sufficiently well organized to establish and maintain its own board.

Members constituting the Federal Marketing Board shall be men known to be interested and friendly to the cooperative marketing idea. In cases of vacancies nominations are to be submitted to the President by cooperative marketing associations as to three of the members and by the terminal marketing associations as to the other two members. In this way the board will be made up of men familiar with the problems involved within the scope of the act.

There are many other splendid features of the Williams bill having for their object the stimulation, encouragement, and development of these various organizations.

An appropriation of $7,500,000 is authorized under the act for each of the two following years, and any unexpended balance may be used by the Federal Marketing Board as a revolving fund from which to make loans payable within a limited period to cooperative marketing and clearing house associations for the purpose of extending their membership.

It is well understood that great waste is now going on due to oversupply in some markets and undersupply in other markets. Such conditions result in deterioration of products and price fluctuations leading to speculation. This must be paid for either by the consumer or the farmer.

The Williams bill would provide for orderly distribution and marketing of farm products and bring the farmer into intimate contact with marketing problems. This will enable the farmer to gain greater knowledge bearing upon diversification and adaptation of products to demand. The handling of products will be reduced to a minimum. Cross hauls, where products are looking for a market, will be eliminated. The great spread between the producer and the consumer will be greatly curtailed.

If for any reason it should be determined that the McNary-Haugen bill can not reach enactment, I am strongly in favor of substituting the Williams-Capper bill as the most feasible solution of the farmer problem. I believe, too, that it would not be necessary to set up any new Federal agency. This could be handled very efficiently by the Department of Agriculture in cooperation with the Department of Commerce.

The Williams-Capper bill is a sound, practical measure, designed to meet conditions as they now exist, have been existing, and are likely to continue to exist if steps are not taken to adopt remedial provisions.

COOPERATIVE MARKETING IN DENMARK

Cooperative marketing is not a new and untried innovation. Not only in this country but in other countries of the world ample proof of its success is a matter of record.

In this connection I wish to quote briefly from "Cooperative marketing in Denmark," by Mr. Chris L. Christensen, investigator, Division of Cooperative Marketing, United States Department of Agriculture:

> In less than 50 years Denmark has changed from a nation of peasant agriculture to the most highly organized agricultural nation in the world. More than 92 per cent of the farmers in Denmark own the land they cultivate.
>
> On his farm, ranging from 5 to 60 acres in size, organized on an efficient business basis for the production and marketing of butter, bacon, and eggs, the Danish farmer is not only self-sustaining but is financially independent. Through cooperative marketing he places on the market a highly standardized product that finds ready demand. His marketing organization costs have been cut to a minimum, so that he receives the largest possible share of the consumer's dollar.
>
> More than 86 per cent of the 205,000 Danish farmers are members of local cooperative marketing organizations which assemble and process the farmers' products.

The major portion of Denmark's surplus production of butter, bacon, and eggs is consumed by the English market. The consumer knows that any product with the Danish stamp is of high quality, and that a regular supply may be depended upon.

The present position of Denmark in the agricultural world is remarkable, by reason of the apparently short time in which it has been attained. With similar cooperative marketing methods this country is capable of attaining the same degree of success.

There was a time when the disorganized efforts of individual Danish farmers to meet the English consumer's demand for a high quality of butter resulted in the shipping of quantities of

mediocre products which affected the prices of the higher grades. In other words, there was not a sufficient quantity of uniform standardized grade to make proper merchandizing possible.

After several years the farmers realized that concerted action to meet the demand was needed. An organized effort to produce and market a uniform product regularly throughout the year met with large success, and by 1890 there were 600 cooperative creameries. The secret of the project was that every effort was devoted toward furnishing the consumer with the high grade of product that he demanded, and for which he was willing to pay high price. There are now 1,335 cooperative creamery associations in Denmark.

Compare 250 cooperative organizations of various kinds in 1885 with more than 5,000 at the present time, and we have food for thought in the farming industry of Denmark. In my opinion, only through such methodical, businesslike cooperative marketing organization will the greatest amount of benefit result to the agricultural interests of the United States.

We are all familiar with the high standard of the Danish bacon. Before they set up a cooperative organization the Danes were forced to market their pigs in Hamburg, Germany, where they were slaughtered and the bacon shipped to England. To shorten the market lane and to receive more of the prices paid by the consumers the hog raisers decided to assemble their products locally, combine the process of killing the pigs and curing the bacon in their own cooperatively owned plants, sending the finished product direct to the English market.

The first cooperative bacon factory was organized in 1887. To-day there are 46 such factories distributed throughout Denmark.

Similar marketing problems confronted the egg producers. A standard quality product was demanded in the foreign markets. There are now 550 egg-collecting associations federated into one central selling agency, which annually markets 300,000 cases of eggs on the basis of 360 eggs to the case.

There are agricultural societies organized to promote the technical and educational side of agriculture and which do not engage in marketing. Fully 90 per cent of the Danish farmers have membership in these societies, which have been an important influence in the production of standardized products.

COOPERATIVE MARKETING AS A BUSINESS PROPOSITION

For years cooperative marketing has engaged the attention and study of men deeply interested in the subject. They are familiar with it as a business organization; they understand it from an economic point of view; they know its scope and limitations.

If a business enterprise formed and organized by groups or associations of farmers for the purpose of marketing their commodities can attain a higher degree of success than could be obtained by individuals working independently, it is inevitable that the system of organization will ultimately be adopted. All that is needed is leadership in the movement. These leaders, however, must be men versed in every detail of cooperative marketing.

In this connection I am taking the liberty of quoting from an address delivered at Cornell University February 12 of this year by Mr. Lloyd S. Tenny, one of the foremost authorities in this country on the all-absorbing subject of cooperative commodity marketing. In part he says:

> In the United States Department of Agriculture we have collected information regarding 9,000 active cooperative organizations. These organizations did approximately $1,700,000,000 worth of business for the farmers in 1923. As far as form of organization is concerned, there is no single fundamental plan that runs through these 9,000 organizations.
>
> Too much emphasis has been placed on forms of organization. The impression that the building of a cooperative machine is the primary essential is too widespread. The first essential is getting farm people ready to work together. Then comes the organization, and then the more important problems of guiding and directing this machine in such a way that you will reach the goal you are seeking.
>
> The first cooperative associations developed around local shipping points. This was a logical starting point. Ten or fifty people with common problems cooperating—working together—to meet these problems. Cooperation could not begin between a dozen men here and a dozen somewhere else, or between a thousand men scattered over a large territory. Cooperation comes from contact. It develops from problems that you can not solve as individuals, but may hope to solve collectively.

It is further stated by Mr. Tenny that cooperative commodity marketing is a recent development in cooperation. It represents in many respects an ideal development.

Through centralization of authority certain things can be accomplished that are fundamental to ultimate success in marketing. For example, a group of farmers in the dairy business combine to build and operate a factory for the manufacture of butter. Collectively they are able to standardize their product, and do many other things that they could not do individually.

These farmers are able to secure better prices for butter, because their product is standardized, and because it can be sold in large uniform blocks. They have improved conditions, but this can not generally affect the market for that commodity.

A small group can not control the distribution of the commodity, and is unable to attain the commanding position in the market that the farmer should have. Only when industry is organized and a large volume of business secured and controlled will the farmers be able to secure the full benefit of collective activity.

The commodity marketing organization, therefore, represents from a business standpoint the highest development of cooperation and is in the main the kind of organization best adapted to meet the larger problems of marketing.

In his very able address Mr. Tenny makes plain so many important points along the line of cooperative commodity marketing that I should like to incorporate, if space would permit, many of his splendid practical observations.

He has such an excellent grasp of the subject as to impress me with the fact that it is not essential to success to set up a separate, expensive agency to handle work that is now being so efficiently performed by the Division of Agricultural Cooperation of the Department of Agriculture.

By enlarging the scope of this important division and making more liberal appropriations of money for the carrying on of its vast and highly useful activities, a great and lasting benefit to the farming industry would be the inevitable result.

THE LARGEST INDUSTRY IN AMERICA

Agriculture is the biggest industry in this country. The development of big commodity organizations, representing large farm interests, is proper and encouraging. When the farmers can say that they are members of an organization that has banking facilities, that has agents all over the world, a new life comes into agriculture. It takes on a new dignity and importance.

At a recent conference in New York 16 of the largest bankers in the city were present. They were there to discuss marketing credit. They said their resources were at the disposal of farmers' cooperative organizations that could furnish as collateral the receipts of warehouses licensed under the Federal warehouse act. The large cooperative commodity marketing organizations have given cooperative marketing standing in the business world. This is an important step forward.

Large commodity marketing organizations are able to secure the economies that come from large-scale organization and operation. Many of these larger cooperative organizations, it is true, have not demonstrated their ability to secure the saving they might have. When these organizations are efficiently directed and managed they will get the advantages and savings of large-scale operation.

It is further stated by Mr. Tenny, and we who are familiar with the subject of marketing will subscribe to his premises, that one of the most important problems in marketing a commodity is distribution. Standardization is even more important, because a product can not be distributed and sold successfully if it is not standardized.

The consumers are educated by manufacturers of every product, from automobiles to breakfast foods, to buy by brand. These brands have been standardized; each represents a product of a certain quality. Consumers have come to depend on these standardized products, and it would be impossible to get them to experiment with miscellaneous products of uncertain quality. They are developing the same attitude toward farm products, and the larger cooperatives are taking steps to cater to this demand.

As a result we have oranges, raisins, butter, eggs, and so forth, represented by brands, products that have been brought to a high degree of standardization. The large cooperative marketing associations can standardize farm products not only by communities but on a larger scale by commodities. The farmer, the dealer, and the consumer are all benefited.

Another advantage of a big organization is that it is possible to secure good business management and good sales management. Such things are specialties. It takes different types of men to manufacture and to sell. Not many farmers are good salesmen. This is not a criticism of the farmer, because salesmanship represents specialized knowledge.

Big organizations, if properly conducted and managed, can get good salesmen. They can employ men who are trained to interpret crop and marketing information, who can look outside the community and determine what effect the activities of other

farmers in the United States and in foreign countries may have on marketing conditions.

These large organizations can establish brands for farm products. These brands have a definite value. The values of our farms are not determined entirely by the number of dairy cows or fruit trees on them. There are other things that go to make value. For instance, brands and trade-marks that represent the products produced. A large cooperative organization makes it possible to establish brands and to make these brands assets of the farmer.

Large cooperative marketing organizations can produce economic advantages through the distribution of the product in respect to time and place. Take eggs for example. Consumption goes on regularly throughout the year; not so production. Eggs are produced in the largest quantity during certain months and consumed in fairly uniform quantities every month of the year.

How can the farmer expect to get the full market value for eggs when he sells them at the time they are produced without regard to supply or demand? An organization that distributes the product uniformly throughout the year is able to overcome, to the extent that its shipments affect the total supply, the alternating periods of oversupply and shortage which the individual farmer can not influence.

This is distribution with respect to time. Distribution with respect to place means putting the products where people are, with all the complex factors of transportation, financing, and wholesale and retail distribution that enter into it. The advantages a large organization enjoys in dealing with the agencies that transport and handle farm products are apparent.

In big cooperative marketing associations there is an overemphasis of the question of control and price. Control, if properly developed as to time and place, is splendid.

But there is always danger in beginning these new movements for the idea to get abroad that it is possible to control price; that during this control in some mysterious way the farmers will obtain larger returns for their commodities. Control of the product from an economic standpoint must be classed among the outstanding advantages of commodity cooperative marketing.

There is danger, however, of spreading broadcast the impression that arbitrary price fixing is feasible. Prices are always relative and not absolute. If the producers feel that through large organizations these prices may be made absolute without regard to the law of supply and demand; if they go beyond the price control that may be obtained through orderly distribution, irreparable damage will be done to the cause of cooperative marketing.

Those of us who have studied the subject know, as Mr. Tenny well exresses it, that—

> there are great possibilities in cooperative marketing. It must be directed intelligently, however, and strong leaders are needed. We can raise our whole industry, our standard of living, our vision and outlook on life by doing our part to establish and maintain our cooperative marketing organizations.

PROGRESS OF THE COOPERATIVE MOVEMENT

A casual review of statistics collected and disseminated by the Division of Agricultural Cooperation, United States Department of Agriculture, should convince those skeptical of the success of cooperative marketing that since 1918 progress in this great field of human endeavor has been phenomenal.

On page 124 of Agricultural Cooperation of April 7, 1924, the number of selling and buying associations reported as active in 1924 is 10,160. This is an increase of nearly 2,000 organizations in less than three years.

Progress has been so rapid that the number of cooperators, the number of commodities handled, and the volume of business done are now enormous. Just how much can not be definitely determined, even after careful study, because of the size and rapid expansion of the movement.

Farmers are turning to cooperation as a solution of their marketing problems. The great amount of energy now being expended in cooperative efforts presages a further expansion of the amount of business done by cooperative organizations. The high type of men in leadership in the various phases of agricultural cooperation is an absolute guaranty of the permanent success of the cooperative movement.

In an address delivered February 8, 1924, before the National Council of Farmers' Cooperative Marketing Associations in this city, Secretary of Agriculture H. C. Wallace gave such pertinent facts relating to cooperative marketing that I earnestly commend his observations to those seeking enlightenment on this very absorbing subject.

Among other things Secretary Wallace says:

> There are limits beyond which the department can not properly pass in the field of organization of cooperative associations. It can not take part in the work of organization of business activities, cooperative or otherwise. We can properly seek out and make available sound principles upon which successful cooperation depends. We can point out conditions which make for success and those which make for failure. We can present historical facts which ought to help those who are interested in the organization and conduct of cooperative enterprises to profit from the experience of similar efforts in the past, both in this country and abroad.

Secretary Wallace states that the department believes in the cooperative marketing of farm products, desires to be helpful to the largest possible degree in giving information as to the sound organization of cooperatives, and proposes to be of the largest possible service to them when organized.

Again the able Secretary of Agriculture says:

> Success in cooperation, as in everything else, depends mainly upon the skill, energy, and efficiency of the management. Therefore, we think that one of the most important services we can render is to help establish and maintain operation.
>
> Among the services we are rendering to cooperatives of various kinds are—
>
> Estimates, forecasts of crop and livestock production, an absolutely essential service to the business administration of cooperative enterprise.
>
> Prompt publication of volume of crops harvested, with comparisons with different years.
>
> A comprehensive marketing news service, reporting shipments, receipts, prices, condition of commodities, etc., distributed by telegraph, by leased wire, by radio, by mail, and through press releases.
>
> The establishment of well-defined and generally accepted standards for farm products. The standards already established are now being used for many of the most important fruits and vegetables.

The Secretary refers to the licensing of public warehousemen under the United States warehouse act, administered by the department, as being of great assistance to cooperative marketing associations, not only in securing improved credit facilities but in contributing toward more orderly marketing.

Mr. Speaker, the bill under consideration is designed to relieve a condition in the farming industry that unfortunately for several years has been exceedingly distressing.

There is no question before the Congress of greater importance to the prosperity and welfare of the country than that of farm relief legislation. It is highly essential to place the farmer on his feet and get him going. In order to enable him to get the start he needs all the aid the Government can give along sound and practical lines, and now is the accepted time to render that assistance.

Apples of the Delicious variety grown in my orchard in Idaho last fall would not command more than a cent apiece, boxed ready for shipment. On the menu in a café in Chicago, where I ate breakfast on my way to Washington, the price of a baked apple was 35 cents. And this unwarranted spread in price between producer and consumer prevails in all lines of commodities, except, perhaps, in the case of producers who are members of cooperative marketing associations.

I have gone somewhat into detail on the great advantages to be derived from a system of cooperative commodity marketing in the hope that after the present emergency has been met there will be an impetus to follow out this line of endeavor as a means of protecting the products of the farm against sudden slumps and price fluctuations. The only thing needed to make farming one of the most profitable industries of the country is a well-organized system of marketing.

Mr. Speaker, we of the West have been patient and forbearing. We have looked on with a complacency that at times belied our feeling at the assistance given other industries since the signing of the armistice.

We have felt that the depression in the great agricultural industry would appeal to all fair-minded men that some measure of speedy relief should be our due. So far we have waited in vain. The propitious moment has arrived when temporary relief afforded by this measure will give to the membership of this great body an opportunity to demonstrate that the farming industry of America is no longer to be ignored.

I trust that by your votes, emphatically expressed in support of this bill, a new era of prosperity, happiness, and contentment will be vouchsafed to that industry that is the sustaining force of our physical life—our very existence.

ADJOURNMENT

Mr. HAUGEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 41 minutes p. m.) the House adjourned until to-morrow, Wednesday, May 21, 1924, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BEERS: Committee on the District of Columbia. S. 703. An act making an adjustment of certain accounts between the United States and the District of Columbia; without amendment (Rept. No. 790). Referred to the Committee of the Whole House on the state of the Union.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 7757. A bill for the abandonment of a portion of the present channel of the south branch of the Chicago River; with an amendment (Rept. No. 791). Referred to the House Calendar.

Mr. LINEBERGER: Committee on Rivers and Harbors. S. 1942. An act to protect navigation from obstruction and injury by preventing the discharge of oil into the coastal navigable waters of the United States; with an amendment (Rept. No. 794). Referred to the Committee of the Whole House on the state of the Union.

Mr. McSWAIN: Committee on Military Affairs. S. 3211. An act authorizing the sale of Gasparilla Island Military Reservation; without amendment (Rept. No. 795). Referred to the Committee of the Whole House on the State of the Union.

Mr. NEWTON of Minnesota: Committee on Interstate and Foreign Commerce. S. 2704. An act to amend paragraph (3), section 16, of the interstate commerce act; without amendment (Rept. No. 796). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WURZBACH: Committee on Military Affairs. H. R. 3556. A bill for the relief of Herman R. Woltman; with an amendment (Rept. No. 792). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 8192. A bill for the relief of Frank Rector; without amendment (Rept. No. 793). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 5257. A bill for the relief of Alonzo C. Shekell; without amendment (Rept. No. 797). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 6775. A bill for the relief of Francis Forbes; without amendment (Rept. No. 798). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 7631) for the relief of Charles T. Clayton and others; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 9088) granting an increase of pension to Ruth M. E. Standage; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 9274) granting a pension to Henry F. C. Toedt; Committee on Invalid Pensions discharged; and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. KETCHAM: A bill (H. R. 9342) for the purchase of a site for public building at Sturgis, Mich.; to the Committee on Public Buildings and Grounds.

By Mr. KNUTSON: A bill (H. R. 9343) authorizing the adjudication of claims of the Chippewa Indians of Minnesota; to the Committee on Indian Affairs.

By Mr. McFADDEN: A bill (H. R. 9344) to amend section 8 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, as amended; to the Committee on Banking and Currency.

By Mr. WILSON of Indiana: A bill (H. R. 9345) granting the consent of Congress for the construction of a bridge across the Ohio River between Vanderburgh County, Ind., and Henderson County, Ky.; to the Committee on Interstate and Foreign Commerce.

By Mr. WOLFF: A bill (H. R. 9346) to permit a rural letter carrier to engage in any business or other occupation; to the Committee on the Post Office and Post Roads.

By Mr. ELLIOTT: Joint resolution (H. J. Res. 267) to amend section 2 of an act to revise and equalize rates of pension to certain soldiers, sailors, and marines of the Civil War and the war with Mexico, to certain widows, including widows of the War of 1812, former widows, dependent parents, and children of such soldiers, sailors, and marines, and to certain Army nurses, and granting pensions and increase of pensions in cases approved May 1, 1920; to the Committee on Invalid Pensions.

By Mr. REED of New York: Joint resolution (H. J. Res. 268) for the participation of the United States in an international exposition to be held at Seville, Spain, in 1927; to the Committee on Industrial Arts and Expositions.

By Mr. MEAD: Memorial of the Legislature of the State of New York, requesting that Congress make liberal appropriations for the carrying out of the spirit of the national defense act; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ACKERMAN: A bill (H. R. 9347) for the relief of the United States Portable Building Co.; to the Committee on Claims.

By Mr. COLE of Ohio: A bill (H. R. 9348) granting a pension to Joe S. Castor; to the Committee on Invalid Pensions.

By Mr. ELLIOTT: A bill (H. R. 9349) granting an increase of pension to Martha Shoemaker; to the Committee on Invalid Pensions.

By Mr. GLATFELTER: A bill (H. R. 9350) granting an increase of pension to Margaret A. Foose; to the Committee on Invalid Pensions.

By Mr. JACOBSTEIN: A bill (H. R. 9351) granting an increase of pension to Adeline Ringelstein; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9352) granting a pension to Sarah Morley Gillette; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9353) for the relief of the Rochester Merchandise Co.; to the Committee on Claims.

By Mr. McREYNOLDS: A bill (H. R. 9354) for the relief of William P. Quarles, known as Qualls; to the Committee on Military Affairs.

Also, a bill (H. R. 9355) granting an increase of pension to George W. Pinion; to the Committee on Pensions.

By Mr. MacGREGOR: A bill (H. R. 9356) granting an increase of pension to Mary Bershig; to the Committee on Invalid Pensions.

By Mr. RANKIN: A bill (H. R. 9357) for the relief of the estate of R. C. Bumpass, deceased; to the Committee on War Claims.

By Mr. ROBINSON of Iowa: A bill (H. R. 9358) granting a pension to Adah I. Tomlinson; to the Committee on Invalid Pensions.

By Mr. SNELL: A bill (H. R. 9359) granting insurance to Lydia C. Spry; to the Committee on World War Veterans' Legislation.

By Mr. TAYLOR of Tennessee: A bill (H. R. 9360) granting an increase of pension to Mary Collins; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2817. By the SPEAKER (by request): Petition of employees of the Maintenance of Equipment Department, Pennsylvania Railroad system, southwestern region, protesting against the Barkley bill; to the Committee on Interstate and Foreign Commerce.

2818. By Mr. ARNOLD: Petition of the executive committee of the Marion County (Ill.) Farm Bureau, in favor of the McNary-Haugen bill; to the Committee on Agriculture.

2819. Also, petition of the Richland County Farm Bureau, Ill., favoring the passage of the McNary-Haugen bill; to the Committee on Agriculture.

2820. Also, petition of the Crawford County Farm Bureau of Illinois, indorsing the McNary-Haugen bill; to the Committee on Agriculture.

2821. Also, petition of the executive committee of the Clinton County Farm Bureau, Ill., favoring the passage of the McNary-Haugen bill; to the Committee on Agriculture.

2822. By Mr. CRAMTON: Petition of the Romeo Monday Club, protesting against the drainage of the Winneshiek bottom lands along the upper Mississippi; to the Committee on Agriculture.

2823. By Mr. GARBER: Petition of Chamber of Commerce, Fairview, Okla., urging that sufficient appropriations will be made by Congress to carry out the provisions of the national defense act of 1920; to the Committee on Ways and Means.

2824. By Mr. KIESS: Petition of citizens of Tioga, Pa., opposing any bill proposing a modification of the existing prohibition law; to the Committee on the Judiciary.

2825. By Mr. KINDRED: Petition of board of aldermen, city of New York, N. Y., indorsing congressional bill for increase in salaries of postal employees; to the Committee on the Post Office and Post Roads.

2826. By Mr. KVALE: Petition of S. R. Simonson and 222 other residents of Benson, Swift County, Minn., urging Congress to protect eggs as a source of farm income by an adequate tariff; to the Committee on Ways and Means.

2827. By Mr. MOORE of Illinois: Petition of the La Grange Chapter of the Izaak Walton League of America, indorsing bill for the conservation of the upper Mississippi known as the game refuge bill; to the Committee on Agriculture.

2828. By Mr. MORROW: Petition of Dona Ana County Federation of Women's Clubs, Mrs. Thomas Branigan, president, Las Cruces, N. Mex., favoring results obtained by the special commission on narcotics, recommending that conference be held in England; to the Committee on Foreign Affairs.

2829. By Mr. RAKER: Petition of W. D. Allen Manufacturing Co., Chicago, Ill., opposing passage of Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2830. Also, petition of L. D. Pike, commander Glendale Camp, No. 67, United States War Veterans, indorsing passage of Bursum pension bill over President's veto; to the Committee on Invalid Pensions.

2831. Also, five letters from residents of Tacoma, Wash., in re bill to change the name of Mount Rainier to Mount Tacoma; to the Committee on the Public Lands.

2832. Also, petitions of A. Goodman, secretary Golden Gate Brass Manufacturing Co., Los Angeles, Calif., and Hans Barkan, M. D., San Francisco, Calif., indorsing San Carlos Dam bill (S. 966); and Wm. A. Brunnette, president White Earth Reservation, Mahnomen, Minn., opposing passage of bill giving $50 per capita payment to the Red Lake Indians only; to the Committee on Indian Affairs.

2833. Also, petition of Robert D. McCrimmon, Tacoma, Wash., and Fred L. Arndt, Groveland, Calif., in re bill to change name of Mount Rainier to Mount Tacoma; to the Committee on the Public Lands.

2834. Also, 35 letters and telegrams in regard to the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

SENATE

WEDNESDAY, *May 21, 1924*

(Legislative day of Tuesday, May 20, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. HOWELL. Mr. President, it has been suggested to me that it might be well to have a quorum.

Mr. EDGE. Will the Senator withhold that just a moment?

Mr. HOWELL. Certainly.

Mr. EDGE. The pending question is the motion made by myself that Senate bill 1898 shall be made the unfinished business. If the Senator will yield for the purpose, I shall appreciate it very much, that the motion may be put so the matter can be settled; and I shall then yield to the Senator from Nebraska, of course.

The PRESIDENT pro tempore. Does the Senator from Nebraska yield for that purpose?

Mr. HOWELL. I yield.

Mr. FLETCHER. I think we had better have a quorum. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fernald	Ladd	Shields
Ashurst	Ferris	Lenroot	Shipstead
Ball	Fletcher	Lodge	Shortridge
Bayard	Frazier	McKinley	Simmons
Borah	George	McLean	Smith
Brandegee	Gerry	McNary	Smoot
Broussard	Glass	Mayfield	Spencer
Bruce	Gooding	Moses	Stanfield
Bursum	Hale	Neely	Stephens
Cameron	Harreld	Norbeck	Sterling
Capper	Harris	Norris	Swanson
Caraway	Harrison	Oddie	Trammell
Colt	Heflin	Overman	Underwood
Copeland	Howell	Pepper	Wadsworth
Cummins	Johnson, Calif.	Pittman	Walsh, Mass.
Curtis	Johnson, Minn.	Ralston	Walsh, Mont.
Dale	Jones, N. Mex.	Ransdell	Warren
Dial	Kendrick	Reed, Pa.	
Edge	Keyes	Robinson	
Edwards	King	Sheppard	

Mr. CURTIS. I was requested to announce that the Senator from Iowa [Mr. BROOKHART], the Senator from Washington [Mr. JONES], and the Senator from Montana [Mr. WHEELER] are attending a meeting of a special investigating committee of the Senate.

The PRESIDENT pro tempore. Seventy-seven Senators have answered to their names. There is a quorum present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 30, 31, 44, 45, 55, and 59 to the aforesaid bill; and that the House receded from its disagreement to the amendments of the Senate numbered 8, 25, 28, 40, 43, 48, 50, 51, 52, 53, 54, and 60, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker of the House had signed the enrolled bill (H. R. 8905) to authorize the settlement of the indebtedness of the Kingdom of Hungary to the United States of America, and it was thereupon signed by the President pro tempore.

POSTMASTERS AND POSTAL EMPLOYEES

The PRESIDENT pro tempore. The question is on the motion made by the Senator from New Jersey [Mr. EDGE] that the Senate shall proceed to the consideration of Senate bill 1898.

Mr. HOWELL. Mr. President, I have the floor, have I not?

The PRESIDENT pro tempore. But the Senator from Nebraska yielded to the Senator from New Jersey to allow the Chair to put the motion that has just been stated by the Chair.

Mr. HOWELL. Very well; let the motion be put.

Mr. UNDERWOOD. Mr. President, will the Senator from New Jersey yield to enable me to introduce a bill?

Mr. EDGE. I hardly feel, under the arrangement entered into with the Senator from Nebraska, that I really have a right to yield. It is through his courtesy that I have been able to ask for a vote on my motion, which will only take a moment. Then I am quite sure the Senator from Nebraska will yield to the Senator from Alabama.

Mr. UNDERWOOD. Very well.

The PRESIDENT pro tempore. The question is on the motion of the Senator from New Jersey.

The motion was agreed to, and the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service, which had been reported from the Committee on Post Office and Post Roads with an amendment in the nature of a substitute.

THE FARMERS' PROMLEMS—ADDRESS BY SENATOR LADD

Mr. FRAZIER. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered on the 3d instant by my colleague, the senior Senator from North Dakota [Mr. LADD], on "The Farmers' Problems," before the Political Study Club, in the city of Washington.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the address will be printed accordingly.

The address is as follows:

Ladies of the Political Study Club: Any complete understanding of the farmers' problems or of the farmers' place in modern society involves a far more comprehensive study than is possible in the hour at our disposal. Only a few of the most important angles of the subject can be more than briefly indicated.

Organized society originated in the more or less permanent settlement of nomadic pastoral families at places where soil and climate, with volunteer and rudely cultivated crops, offered abundant pasture for cattle and ample food for man. Civilization began when the solitary human animal abandoned the venatic or hunting stage for the nomadic, pastoral stage. Families and tribes were nomadic, wandering groups, which moved with the seasons and according to the need and supply of pasturage for flocks and herds, which furnished their food and clothing.

It was a great step in advance when these wandering people became sedentary—forming permanent settlements and increasing the supply and variety of food even by a primitive cultivation of the soil.

As population increased and flocks and herds enlarged these settlements became the objects of plunder by predatory and unsettled tribes. This made every member of the settled tribes a warrior, subject to call at any moment for the defense of his tribe and its property.

At this stage of social development came the first great division of labor. Special aptitudes indicated those individuals best qualified to be the fighting members. These, the warriors of the tribe, or groups of tribes, called clans, enjoyed certain privileges and special advantages. They were largely exempt from other than warrior services; their families were supported by the labor of the group; their privileges became hereditary. From among them chiefs, kings, and aristocracy developed. With further increase in populations a fiercer competition for locations led to larger apportionment of tribal wealth to the support of its warrior establishment and the fortification of towns and cities.

Increasing demands for greater variety of goods led to further division of labor, still further enlarging the burden of social support on the food producing farmer; that is, leaving the farmer a still smaller share of the products of his labor, but with no increase of his facilities, while adding to his labors.

As we follow the course of agriculture down to Homeric and Mosaic times we find firmly established a system of agricultural production in which, in the most highly civilized countries—Egypt, Mesopotamia, Greece, and India—the land belonged to an aristocracy of overlords, while farm labor was performed by slaves. A rigid caste system prevailed—an arrogant priesthood shared with monarch and military overlord all the wealth produced by agriculture except a bare subsistence.

ROME'S RISE AND FALL

About the middle of the fifth century B. C. the Romans occupied a territory about 20 miles square. There were not more than 150,000 people who lived on this land. Most of the families had small holdings, where father and sons lived and worked together, growing wheat, for the most part, with a patch of vines or olive trees. Most of their tools and clothing were made at home. Even the patricians were peasants, farming and working with pick and plow. These families were free. They owned their land, and the noblest families were farmers. Roman history relates the account of Cincinnatus and the plow. The proprietor worked his own fields and tended his land and stock as faithfully as any of his less wealthy neighbors.

Yet with the growth of Roman power and the extension of Roman dominion the status of the free farmer was changed from freedom to serfdom.

Roman wars were essentially slave-hunting expeditions, with land grants to a corrupt senatorial oligarchy and slaves selling at from $3 to $50 a head. The free farmer soon vanished. He became a slave himself with his family, or drifted into the city to become submerged in the cloaca gentium that was Rome. From the second century A. D. to the beginning of the twelfth there was a transformation of social order in Europe that is without parallel in history. The entire framework of society broke down. Population dwindled, commerce, arts, wealth, and freedom vanished. The people were reduced by poverty and misery to the most degraded conditions of slavery and serfdom. Regardless of various explanations that have been given of this phenomenon, it marks the lowest ebb in the tides of social progress. In all the recessions from social well-being to social degradation it is the farmer who first feels the shock of approaching depression, and he is the last to feel impulse of a revival of activity and progress.

FROM CHARLEMAGNE TO NAPOLEON

The status of the farmer, the food producer of the state, was fixed for centuries by the feudalism established by Charlemagne in the eighth century. Feudalism lasted in Continental Europe until destroyed by the armies of Napoleon. Chattel slavery existed in France at the time of the revolution, and the church was the last slave owner to emancipate its slaves.

History repeats itself. Agricultural development, as related to the industry as a whole and as to individual farmers in America, is following the course outlined from the beginning in other lands and other times. First a freeman, a citizen, economically independent; the pioneer, the adventurer who enters upon and tames the outlying lands, subdues the continent, and breeds the men who fight the battles of his country and direct its early policies. By whatever means the result is brought about, under any form of government the same tendencies are found in operation to reduce the farmer to an inferior economic and social position. The Sudra in India is the Helot in Greece, the peon in Spanish America, the serf in Russia, the tenant farmer in our own country. Even our small capitalistic farmer feels the effect of forces operating in the social body to fulfill the predictions of our early statesmen.

On August 7, 1787, Mr. Madison, speaking to the suffrage provision of the proposed Constitution, in the Constitutional Convention, said:

> "In future times a great majority of the people will not only be without land but any other sort of property"—

And he goes on to say what may be the result—

> "These will either combine under the influence of their common situation—in which case the rights of property and the public liberty will not be secure in their hands—or what is more probable, they will become the tools of opulence and ambition, in which case there will be an equal danger on another side."

On the same day Gouverneur Morris said:

> "The time is not distant when the country will abound with mechanics and manufacturers who will receive their bread from their employers. * * * Nine-tenths of the people are at present freeholders."

The time predicted by Madison and Morris has come, much sooner, probably, than was believed possible by these far-sighted statesmen; the time predicted by Macaulay when the free land of America has been exhausted or absorbed and the real test of democracy in America be applied. As always, the acceptance of the régime of civil society by the farmer and laborer is not the result of any free choice on his part, but the effect of his condition of practical peonage, brought about by the absorption of opportunity—i. e., free land—which forces him to accept the economic and political domination of the proprietor class. The first, then the primary, factor in the farmers' problem is the question of access to land. Even under existing conditions when the farmer buys land he only buys a job, pays for the opportunity to work, pays for the right to produce wealth for other people to use. Before, however, enlarging upon this feature, I want to call attention to the contributions made by American farmers to the American people in other ways than by following his avocation.

FREEDOM AND THE FARMER

Emerson has recorded in imperishable verse how "the embattled farmers stood by the rude arch that spanned the flood, to fire the shot heard round the world." In the rush and clamor of a materialistic age we lose sight of the moral consistency of the farmers who gave life and being to the Republic, for without them the Republic could not have been. The warrior service of the farmer of those far-off colonial days must not be forgotten when we reckon up his account. Again, fourscore years later, it was the American farmer, then, as now, the largest single group in industry, who led the agitation to abolish chattel slavery in America. Think for a moment of the position of free men engaged in agriculture with half the country operating farms by slave labor! Neither capital nor labor devoted to agriculture could possibly compete with a system operated by unpaid labor. Either unpaid labor must be raised to the economic level of paid labor or paid free labor must sink to the level of unpaid slave labor.

Again the issue came at a time before there were continental railways. The only economic outlet for the products of agriculture from the vast areas of the Northwest was by way of the great rivers, the Ohio, Mississippi, and the Missouri. All these streams found their way to the ocean highways of the world through the heart of slave labor territory, and would thereby be subject to the exactions and impositions of a foreign state. It was Lincoln's happy phrase, "the Mississippi flows unvexed to the sea." It was no purely philanthropic spirit that led the farmers of the Nation to take up the sword when all compromise had failed to free themselves from the economic tyranny of a slave oligarchy; to free themselves they were obliged to make others free as well. And this has always been the spirit of the farmer at every stage of his development; from the time when the first mechanic murdered the first farmer in the Garden of Eden.

LAND, OPPORTUNITY, FOOD

Reverting to the first factor of the farmers' problems—access to land—we realize that land is opportunity. All wealth is the product of labor as applied to opportunity. If opportunity is free, the cost of wealth to the consumer is the cost of the farmer's labor only—the consumer pays only the wages of the farmer. If, however, the farmer must pay for the privilege of producing wealth, the cost of his opportunity must be added to the price the consumer pays for the farmer's

products. That is one reason, although not the only one, for the high cost of living. A glance at the records will show the steady advance in the market price of lands during our life as a Nation, namely, the farmer's opportunity.

Another factor of the farmer's problem lies in the discrimination against the farmer in the distribution of the burdens and benefits of civil government.

SPECIAL PRIVILEGE FOR WHOM?

From an early period in our history as a Nation, even before, while we still were 13 ununited States, we adopted a policy of granting special privileges to manufacturers of commodities necessary to a civilized life. Massachusetts erected tariff walls against other States. Connecticut, Rhode Island, New Jersey, New York—others did the same.

The theory was that with abundant national resources and intelligent labor it would be unwise to permit other nations, particularly Great Britain, to possess the American market, sending raw materials and coin to England as payment. Also, that by giving American manufacturers power to monopolize our market domestic competition would bring about such reduced prices that imports would be unprofitable and therefore impossible, when our infant industries would be able to stand alone. It is a cardinal principle of the political party with which I affiliate that protection, wisely gauged so as to avoid creating monopolies and to develop all the Nation's resources, is undoubtedly a great advantage in preventing the leveling of labor the world over. Unfortunately, for the success of this theory, the laws of competition were set aside by the selfish, avaricious beneficiaries of the tariff system through combinations, price fixing between them, market zones, division of market territory, pools; numerous effective devices were adopted to the same end.

THE FARMER PENALIZED

The tariff system has operated at the expense of the farmer. While he was being told that the system was building up the home market for his produce, the price for his produce in his home market was fixed in a foreign market where he has to sell all his surplus in competition with all the world. The price for the bulk of all produce is always fixed by the price of the surplus. Everything the farmer buys he buys in a protected market and pays, as a rule, all the traffic will bear. If the drawback provision of the present tariff law which was inserted at the instance of the large milling combinations of the country were repealed, the farmers of the spring wheat region would no doubt reap the benefit of the tariff on wheat, for the reason that there is usually a shortage of the hard spring wheat which the millers must have to mix with the softer grades in order to meet the market requirements as to flour.

Another factor to be considered is trans-Atlantic shipping. We have spent 60 years trying to recover the supremacy we had in world merchant marine that was destroyed by British influence during the Civil War. We have given tariffs to ship makers at the expense of ship users. It has cost about twice as much to build ships in America, or, it is so claimed on rather doubtful evidence—as it costs to build the same ships in other countries. That is—half the cost of American ships is dead capital and can only be supported by excess rates for service. When we recall that the freight is taken out of the farmers' selling price; that his wheat and other products sell at a price that pays the freight, all of which is taken off the price he would otherwise receive, it is seen at once as a serious loss. But that is only the index of the farmer's loss. Only 5 per cent of all American commerce ever sees salt water. Of this 5 per cent, one-half consists in farmers' produce. (We are speaking here of normal times.) So that 2½ per cent of all American commerce fixes the price of 97.5 per cent of all the commerce of the Nation in the products of agriculture.

THE RAILROADS DEVELOP

Another factor in the farmer's problems is that of transportation. On the 4th day of July, 1828, Charles Carroll of Carrollton, the last surviving signer of the Declaration of Independence, laid the first rail of the Baltimore & Ohio Railroad. Mr. Carroll said he considered that event second only to that of signing the Declaration of Independence, if even second to that. In a few weeks it will be 96 years ago. The story of the American railroad is an epic with all the elements of cosmic drama. Within a century the American people have developed the greatest system of railroad transportation the world has ever known, or is likely to know, under the existing dispensation.

Without noting in detail the steps by which results were obtained, it is sufficient to say that with the physical expansion of the system there was a progressive development of political and economic power that practically dictated the life of industry by railroad authorities and of courts and legislatures.

They discriminated between cities building up on the one hand and destroying on the other, to further the private interests of those in control. Every device to evade responsibility to local control was made use of to continue their abuses, until in 1887 the interstate commerce law was enacted for the express purpose of erecting a "buffer state" between the railroads and an outraged public opinion. Pending its adoption, the combined railroad interests set to work to change the provisions of the bill, and it received the signature of the President in such form as to be practically worthless. Unjust discrimination still continues, reckless combinations are entered into, passes are issued to officials, and where it is deemed necessary, blocks of railroad stocks are bestowed in liberal quantities. In nearly every State when railroad commissions have been established they have proven to be failures. When a determined stand has been taken against encroachments of railroads by commissions, the courts have set aside the verdict of the commissions. In the leading cases decided by the Supreme Court of the Republic, the court, usually by a divided court, undertook to determine the reasonableness of legislation and assumed, under a thin disguise, the functions of an upper legislative body, which, while it could not originate legislation, could absolutely veto laws touching the use or protection of property.

It assumes that the fixing of rates is a judicial question, against the time-honored principle of all Anglo-Saxon courts; that the determination of questions of public policy is a function of the legislature and not the courts, whose only duty is to lay down a rule and not to vote on the wisdom of a policy. Not only so, but in order to decide, as in the Minnesota Rate case, the court had in effect to reverse itself and overrule the decision it had handed down in previous cases when the same issue, practically, had been presented, as in Munn v. Illinois.

The effect of these decisions filters down through all the Federal and State courts and becomes the law of the land.

TAKING ALL THE TRAFFIC WILL BEAR

While imposing rates for service, delicately adjusted to "all the traffic will bear," these monopolies exert their powerful influence on public officials to shift their fair share of the expenses of government. In a near-by county in Maryland, it is said, a railroad earning 8 per cent on a capitalization of $200,000 per mile of double track has been assessed at $7,500 per mile, while the farms it runs through are assessed at more than they would sell for, or cost their owners, at the same time that splendid crops of peaches, canteloupes, melons, tomatoes, potatoes, cucumbers are rotting in the fields or being fed to swine because the railroads want more than these fruits would bring to haul them to market in near-by cities.

It is probable that abuses of the sovereign power delegated to the railroads of the country have done more to arouse popular resentments than any other one influence. Consolidations, discriminations, and extortions by railroads started the granger movement in 1867. By 1877 the Supreme Court sustained the constitutionality of granger laws, only to see them repealed through the political power exerted by railroads. But the necessity for relief kept the farmers in action to curb the excesses of their principal oppressors, at that time the railroads.

FARMERS BEGIN TO ORGANIZE

This is neither the time or the place to follow the historic development of the different methods or organizations through which the farmers endeavored to protect themselves against their abuses by monopoly. Yet the grange movement was only one and the earliest expression of the farmers' awakening consciousness of his position. He found himself like the Hindoo, Sudra—at the bottom of the economic scale; there was no one below him to whom he could pass the burden. Through every economic stratum of organized society the higher was always able to shift its burden to the one next below, while the farmer stood on the ground and had to dig his living out of the earth with his own hands. He had to support with his labor the many-storied economic structure, the foundation of which rested in his own fields while its towering pinnacles glittered in the palatial stock exchange, board of trade, and the bankers' temples of Mammon.

It was as evident to the farmers of 1867 as it is to them in 1924, that the only remedy for his troubles must come through political action; therefore, organization must be developed to that end. With granger laws repealed, nullified, further organization was necessary. Independent farmers' organizations sprang up in 1873-74 in many States of the Middle West, all having the same general purpose. There were independent parties, reform, antimonopoly, farmers' parties; all the result of an ardent will to remove the causes of the injustice felt by this great group and to do this by constitutional and lawful political means.

THE FARMERS' FIGHT

Continuously since the late "sixties" there have sprung up sporadic groups of farmers animated by these principles, Farmers' Alliance, Farmers' Union, Farmers' Cooperative Unions, Equity Societies, Agricultural Wheel, Farmers and Laborers Union, Southern Alliance, Northwestern Alliance, Populist Party, People's Party, Nonpartisan League. The backbone of all these movements consisted of actual farmers, although there were large numbers of citizens of rural towns and villages in full sympathy who felt the farmers' troubles as their own. These movements are now history, yet their inspiration survives and the experience they developed has helped the farmers in dealing with the later forms of oppression. While the farmers' present problems still include the problems of the past, there are new problems

that are but slightly and indirectly felt by those who are not farmers; these grow out of conditions and legislation of recent origin.

SOME FARMERS' REAL PROBLEMS

Consider there are 15,232,658 automobiles and gasoline trucks in operation in the United States as shown by a recent report by the Government. Accurate estimate is impossible, but if we can assume each of these vehicles displaces two horses, 30,000,000 horses furnished a market for the agricultural produce of not less than 60,000,000 acres of good farm land. At the modest figure of $10 an acre of profit the farmer has an income less by $600,000,000 than he would if there were no automotive vehicles in the country. I am aware that some, possibly many, automobiles now in use would be wanting if the owners had to use horse-drawn vehicles; yet you will appreciate the fact that the farmer is met with a condition that seriously affects the value of his land and the market for his produce. It is not a question of the value of the automobile to society as an improved mechanical device, it is purely a problem and a condition to which the farmer must adjust himself.

Again, recent legislation has abolished the farmers' market for 108,000,000 bushels of grain, 2.3 per cent of the total grain crop of the country that formerly was consumed in making alcohol and malt, spirituous, and fermented beverages; that is, 2.3 per cent of the total grain acreage of rich land must be converted to other crops or lie idle. Here, again, it is not a problem in ethics as related to the farmer. It is a condition to which he must adjust himself as the facts of a changing order overtake him in the flowing stream of social history, and the farmers' readjustment makes readjustment necessary for all other groups and industries.

THE MERCHANT MARINE DESTROYED

We have helped to destroy the merchant marine that had cut the cost of ocean transport down to half or less than half it was prior to the World War, and I sometimes wonder if that was not one factor in making the war. Yet the fact remains we have helped to ruin the market for the American farmer, both at home and abroad. And this also, is not to be discussed here; as a problem of ethics it is purely considered in this connection as a serious factor in the farmers' problems. So serious is it that since these laws—Esch-Cummins law, immigration law, and Federal reserve law—have been operative not less than 3,000,000 farmers have forsaken their profession, abandoned their farms, and added their families to the number of consumers rather than producers of food. This is not a situation peculiar to the West and Northwest. In New York and Pennsylvania alone more than 4,300 farms have been literally abandoned, thrown away, in the last three years. So serious is it, I am advised, that in this year of 1924 more than 1,500,000 more farmers will also forsake their farms and flock to the cities, just as they did in the same circumstances in old Rome, when bread and circuses were provided by the state to keep them from rebellious outbreak.

LAND PRICES AND PROPERTY

These contributing causes of the farmers' problems are reflected in the market prices of farm lands, which are only from 25 to 50 per cent of 1920 inflated prices. When the significance of the situation and the methods employed to bring about present conditions are considered, we approach the central factor of the farmers' problems.

I wish to quote the conclusions of a distinguished American, scion of a distinguished family, a family intimately associated with generations of American history, the son and grandson of Presidents, whose name he bears—Brooks Adams. In his historic contribution to modern scholarship, The Law of Civilization and Decay, he outlines a philosophy based on the experience of thousands of years. It is as follows:

> "Throughout the ages it has been the practice of the moneyed class first to create a period of high prices, to encourage investment, enterprise, speculation, during which they sell property and commodities of all kinds, lands especially, and then to cause a deflation period of swift panic, during which prices of all properties fall rapidly, and at the lowest level of prices they proceed to buy in, at panic prices, the properties they had previously sold; on which they again proceed to elevate prices to former levels, only to repeat the process. The means by which the process is conducted vary from time to time, yet the result is always the same, the mortgage engulfs the pledge."

This process has been demonstrated by 16 such periodic panics in less than a century and a half of our national life. With us, as in practically every case since the panic in Rome under Tiberius, the means was by creating an immense expansion of the amount of money or in modern days by enlarging the volume of bank credit (concentrated or controlled) by virtue of the power granted under the Federal reserve bank act. We should not forget, however, the administrative abuses which have been made possible under private control and monopoly.

Without undertaking to discuss this act itself, it is enough to say that on a basis of less than five billions of actual money there was issued a volume of credit of more than $60,000,000,000. As a result the price level of all commodities was raised correspondingly.

HOW PANICS ARE MADE

On May 18, 1920, without a word of warning or notice, the balloon credit structure was punctured, discounts were raised, loans were withdrawn, cut down, refused, and the entire fabric of American commerce, exchange, manufacture, transportation, plunged into chaos, and threw 6,000,000 workers on the streets, by the most heartless, vicious, cruel, and unconscionable stroke of avaricious depravity known in the business history of the civilized world. The Federal reserve bank act was represented as intended to stabilize prices, to make panics impossible, to give a flexible, adjustable monetary device that would assure security to business ventures. Yet it was deliberately used to rip over $60,000,000,000 from the possessors of property and commodities and hand it over to the interests which secured the enactment of the law.

Can those who see the situation as does the farmer marvel that he feels that he has a problem?

Several problems? That he feels that he has a duty to perform?

Market bulletins in the summer of 1920 showed that the price of fat lambs, carload lots, dropped from 22 cents to 8 cents a pound within a few days. This precipitous fall in prices was general. It cut the market price of all commodities and services in the same way and to the same extent. It was observed at all primary markets and affected all forms of farm products. Nor was it a transient matter; it continued and now prevails.

It is important to note that under governmental control and by monopoly manipulation that same year, while the price received by the farmer for his wheat dropped nearly 50 per cent the price of mill feed—bran and shorts—increased in retail price nearly 100 per cent. I have seen the farmers bring in a load of wheat and sell this wheat for less than another farmer paid for the same weight of wheat byproudets, mill feed, being delivered at the rear of the same elevator as feed for the farmers' dairy animals. In other words, it would have been more economical for the farmer to have fed the wheat itself.

As to wheat growing in the United States, the future is not reassuring. This is a problem not only for the wheat farmer but for all other farmers and business men and all men engaged in industry. There are opening up vast areas of wheat-producing lands in Canada, in the Argentine, Brazil, Manchuria—virgin soils, cheap labor. There are no artificial tariff barriers that prevent consumers of wheat produced in these parts of the world from paying for the things they buy in things they produce.

Advances in the agricultural arts have made it possible for one man adequately equipped with apparatus and understanding to handle more acres of land than a dozen men could properly cover half a century ago. The fitness of certain soils for certain crops, intensive culture, a knowledge developed by experiment of chemical relations in plant foods, foreknowledge of weather conditions, food values for livestock at different stages of growth and preparation for market, the "farm factory" principle that "finishes the farm product most nearly for consumption"—all these and others have tended to reduce the cost of production of farm products. The most important of these is the great advance in machinery. In place of the forked stick that still is the Hindoo Sudra's plow, or the wooden spade of the Peruvian husbandman, we have the giant tractor-drawn gang plows that turn six furrows at once, cultivating machines operated by gasoline engines, harvesting machines, threshing machines that practically abolish human and animal labor on the great farms of the country. Yet with every advance in technique, every multiplication of power, not a single hour of toil has been lifted from the back of labor.

The economy of effort, the advantage from all these improvements has been absorbed largely by the cost of the machines to the farmer, who must use them or fall behind in the fierce competition he must meet; and partly also by the increase in the market price of land. Competition does not affect the price of the implements and machinery the farmer must use, for the reason that the great bulk of all the farmer's machinery is made by a combination of manufacturers—Harvester Trusts—that have grown to international proportions. It is no solace to the farmer's troubles, no solution of his problems to tell him there is no tariff on farm machinery, for the simple reason that the trust controls the production of all such commodities.

Again, the reflection of higher technique in higher land values, merely adds to the farmer's burden. If he is to have a return of 6 per cent on investment, he must work more than twice as hard on $100 land as he would have to work on $50 land. Therefore, while with better roads, telephones, rural free-delivery mail, superior technique and apparatus, some farmers may have made money as land speculators, only an insignificant few have made financial successes as cultivators of the soil.

FERTILITY DEPLETED

Meanwhile, as an offset to any advance in land values there has been a constant decrease in fertility, soil exhaustion, owing to unintelligent cropping. The average production of corn, wheat, and other staple crops has suffered a steady and progressive decline. Lands that once produced from 30 to 40 bushels of wheat or 60 to 75 bushels of

corn per acre now produce only 12 to 20 bushels of wheat and 25 to 40 bushels of corn, notwithstanding all improvements in farm methods.

This condition has given rise to the fertilizer problem and the fertilizer combination. The World War concentrated official attention to this problem, which was not only a farmer's problem but a national problem and one which has not yet been placed in satisfactory course of solution. As a result of acute shortage of the important element of nitrogen in commercial fertilizers the Government, under the Department of Agriculture, has been conducting experiments through the Bureau of Nitrogen Research in order to develop methods of extracting nitrogen from the atmosphere, in quantities and at a cost making it available for agriculture.

It is encouraging to be able to say that these experiments have demonstrated the possibility of producing atmospheric nitrogen at a cost of less than half of that shown by other processes. But the fertilizer combination or monopoly still operates to levy all the traffic will bear for this vital necessity for successful agriculture. When it is necessary to use 1 ton of highly nitrogenous fertilizer on each acre of land in order to raise potatoes economically, it becomes important to know whether it will cost $35 or only $20 a ton, and also whether potatoes will bring 15 cents or 75 cents a bushel on the markets.

THE FARMERS HAVE A GAMBLER'S CHANCE

As a matter of fact, the farmer is the greatest gambler on earth. He gambles on the seasons and the weather; he gambles on the labor market and on grasshoppers, army worm, chinch bugs, the boll weevil, and other vermin. He takes a chance on accident and disease for himself and all his creatures. His horses and cattle, his sheep and swine, his poultry, and his orchards sicken and die. He contends with the blackleg in his pastures and with other blacklegs at every step of the way from the farm to the bank, where he has often had to overdraw in order to pay freight and commission after selling for less than the cost of raising his crop.

The barest outline of the market problems of agriculture fully explain the sense of resentment universally felt by farmers against conditions and influences responsible therefor. It has, quite by accident, of course, come about that "after harvest" the farmer is expected to be in funds and most anxious to discharge all his obligations. Therefore his fixed obligations—interest on his mortgage (if he has been fortunate enough to borrow money), store bill, taxes, fertilizer bill, machinery account, blacksmith and doctor's bills, and all and sundry accounts payable—are presented for payment. Now, it has, quite by chance, of course, usually happened that from July to late November there has been a money stringency; money has been "tight," absorbed in "moving the crops." This naturally presses the farmer to take lower prices for his crop in order to meet his bills with ready money. Then, too, owing to the same cause, cars are scarce, hard to get, "moving the crops," which also tends to force down the price. Last December there were thousands, hundreds of thousands, of tons of wheat lying on the ground at shipping points in Montana and North Dakota for want of cars; wheat hauled in from 30 or 40 miles to shipping station, only to be piled out in the weather till the railroads could (?) take care of it. Elevator space gorged with wheat, private houses commandeered to store wheat.

In Michigan and Minnesota hundreds of acres of potatoes were left to freeze and rot in the ground because they would not pay the labor cost of digging them. Millions of tons of alfalfa, the finest stock feed on earth, rotted down in the stack in Colorado, Wyoming, and other States because it would not pay for hauling to the shipping point.

It is an economic truth demonstrated by all commercial history that the flow of manufactured goods must be balanced by the flow of farm products, foodstuffs, and clothing materials. Otherwise manufacturing would stop. All trade, all commerce, is essentially exchange of the products of different industries. Quite apart from questions of theory, political or social, voluntary trade can not exist on any other basis. Under an imperialism such as Rome developed, enforced trade—i. e., tribute—was enforced upon her colonies—Sicily, Spain, Gaul, Egypt—and paid very largely in wheat, while from the Balkans immense quantities of pork were constantly flowing to the capital city. The lack of adequate or equivalent return in goods resulted in the impoverishment of the colonies and insurrection and rebellion only held in check by military force that only added to the burdens of the colonial population. So long as Rome was able to pay her frontier armies, Rome and the Empire was secure. When, however, the gold and silver money of the government was exhausted, when the mines of Spain were worked out and Rome could no longer pay her soldiers, the armies evaporated, defenses broke down, and the eager northern hordes broke through. The initial blunder lay in the idea that the natural laws of economics could be ignored and defied, even by the mistress of the world, the Empire of Rome. It might be an advantage if modern states could profit by the blunders of ancient times.

WHERE THE FARMERS' PROFITS GO

There are three general groups who share in the division of the wealth produced in America. These may be roughly described as, 1, the capitalist group; 2, the municipal labor group; 3, the farmer group. The income and excess profits tax reports indicate the composition of the first group with sufficient clearness. The second group may be considered as represented by organized labor, although organized labor strictly construed consists of only a minor number. The third group embraces all farm labor or farmers.

The share of our annual wealth enjoyed by these groups, respectively, may fairly be estimated by the individual income received by the average member of each group. The bureau of Economic Research in the Department of Agriculture has issued a report on farm incomes for the year 1922, showing the average daily earnings of American farmers, including as cash at market prices the home-raised commodities required for subsistence, with the cash returns for produce sold, and reckoning the average number of actual farm workers at two and one-half persons per farm, it shows the average daily income per farm to be within a fraction of 78 cents per day.

In contrast, consider the cash income of the workers in the building trades of our cities. At this time, here in our Capital City, the bricklayers are demanding an advance from $12 to $14 per 8-hour day for a 5-day week. In the Pittsburgh district, plate rollers have been receiving cash incomes of from $460 to $650 per month, while their employers, specially protected manufacturers, pay dividends running toward 100 per cent on stock that is a watery capitalization of the privilege of private taxation.

PRODUCERS—FARMERS—MUST ORGANIZE FOR POLITICAL ACTION

The principle of "organization" has been urged upon the farmers as their only means of self-protection. The Hon. SIDNEY ANDERSON, chairman of the Agricultural Commission and also chairman of the agricultural conference here, after many months of investigation said to the assembled representatives of agricultural organizations, in effect:

> "There is no fairy wand of legislation that can afford relief to American farmers. Your oppressors are organized; you must adopt their tactics—organize!"

To organize farmers means the organization of all the people not included in the two first groups; that means the coordination of interests as divergent as the potato farmers of Maine and the sheep herders of New Mexico, the apple men of Oregon and the cotton men of Alabama, the dairy men of Wisconsin and the beef raisers of Texas, the tobacco men of Connecticut and the citrus men of Florida and California.

It must be evident to all that this kind of organization is impractical. In cases where groups of farmers engaged in similar production, as wheat growers, have undertaken to organize, and as organizations took action to prevent unlawful acts to their injury, as in the case of the Chamber of Commerce of Minneapolis, in 1917, seven years ago this month—no final result has as yet been obtained while the unlawful practice complained of is still in operation; and it would appear that the way is being paved to reject the findings and justify the Minneapolis Chamber of Commerce in continuing the practices so well known to all grain growers in the Northwest. As in the granger laws previously mentioned, when the Supreme Court sustained these laws, the only escape for monopoly was to amend or repeal them, and that was what happened.

There is a method of organization, however, that will bring relief to farmers and so help to solve the farmers' problems. If they are denied the opportunity and benefits of economic organization, they are driven to the only alternative of political organization.

The weary years of hope deferred, the disillusionment, the loss of faith in parties has been a bitter experience; but even so, they have had their value. They have been a training school, severe and relentless, yet out of it they are coming, as the children of Israel came out of the wilderness, disciplined, hardened, fused into a compact mass with a common idea.

THE FARMER AND SOCIETY

While the farmer may become unduly self-conscious under the concentrated gaze of the society in which he suddenly has become so conspicuous and important a part because of "problems" that seem peculiarly his own, the fact is that these so-called farmers' problems are social problems and are equally important to all the groups making up society. Society, the social body, is organic not mechanistic. It has a vitality, a consciousness, even though this consciousness be as yet unconscious of itself—dormant. Society is the more or less truthful embodiment of the principle of cooperation, and its political organization, method of social expression, must be either cooperative or coercive in form and function. Evan a casual study of history embracing the field now available for purposes of comparison shows that the earliest method of subjugation of men was through physical force. Can we visualize a society in which scholars, philosophers, artists, physicians, poets were chattel slaves? Yet Plato was a slave in the quarries of Syracuse until redeemed by a wealthy Athenian. Seneca and Epictetus were slaves. Horace was the son of a redeemed slave.

FEUDALISM AND THE LASH

The next step in the emancipation of the masses of mankind came with the establishment of military feudalism under Charlemagne, by which the masters enforced unrequited labor through overlordship of land. Economic domination was even more complete under feudalism

than under the chattel slavery. The lash of hunger entwined with the lash of ambition sufficed to compel a surplus production that glutted the avarice of overlords and built the cathedrals that are the wonderful monuments of a credulous people's faith and of a religion that was the chief instrument of their enslavement.

THE MONEY OR CREDIT EVIL AND MODERN SLAVERY

In our time the means of subjugation is the monetary system, the confiscation of the people's credit power through a law-made power to manufacture substitutes for money. The principal business of those to whom this power is delegated by government is the manufacture of debts. And if people will not willingly submerge themselves in debts, so great has this power grown that debts are forced upon them through the agency of war. International "financiers" are this very day working out a program that, if it succeeds, will chain the world into lock step for centuries, as they have chained the peoples and the industries of all nations.

There is, however, and most fortunately, a simple and effective way of escape from these conditions, one that assures future immunity, only waiting for the intelligence and patriotism of the people to awake to their power and opportunity—that is, for the Nation to reassume the exercise of its sovereign power to issue and regulate the value of the money of the people.

PETITIONS AND MEMORIALS

Mr. ROBINSON presented memorials of sundry citizens of the third congressional district of Arkansas, remonstrating against the passage of the so-called Howell-Barkley railway labor bill, which were referred to the Committee on Interstate Commerce.

Mr. JOHNSON of Minnesota presented numerous petitions of sundry citizens in the State of Minnesota, praying for the passage of legislation providing an equipment maintenance allowance to rural mail carriers, which were referred to the Committee on Post Offices and Post Roads.

Mr. FERNALD presented a resolution adopted by the National Canners' Association, favoring the appropriation of an additional $75,000 for a plant disease survey, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted by the National Canners' Association, favoring a substantial reduction in taxes, which was referred to the Committee on Finance.

He also presented a resolution adopted by the National Canners' Association, favoring an amendment to the Constitution relative to the regulation of child labor, which was referred to the Committee on the Judiciary.

Mr. WILLIS presented petitions of sundry citizens of Wilmington, Lebanon, and Oregonia, all in the State of Ohio, praying an amendment to the Constitution granting equal rights to women, which were referred to the Committee on the Judiciary.

He also presented numerous petitions of sundry citizens in the State of Ohio, praying for the passage of legislation providing an equipment maintenance allowance to rural mail carriers, which were referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted at the annual meeting of the Congregational Conference of Ohio, representing 225 churches, favoring a reconsideration of the action of Congress relative to Japanese immigration on the immigration bill, and the founding of measures hereafter upon friendly diplomatic negotiations consistent with the historic friendship of the two nations, which was referred to the Committee on Immigration.

He also presented a resolution of the Bellevue (Ohio) Chapter No. 15, Izaak Walton League of America, favoring the passage of House bill 4088, to establish the Upper Mississippi River Wild Life and Fish Refuge, which was referred to the Committee on Commerce.

He also presented a resolution of the Lakewood (Ohio) City Council, protesting against the passage of legislation authorizing the Sanitary District of Chicago to increase the amount of water diverted from Lake Michigan, so as to further lower the level of Lake Erie, which was referred to the Committee on Commerce.

REPORTS OF COMMITTEES

Mr. KEYES, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 7113) to establish a dairy bureau in the Department of Agriculture, and for other purposes, reported it without amendment.

Mr. CAMERON, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 3093) granting certain public lands to the city of Phoenix, Ariz., for municipal, park, recreation, playground, or public convenience purposes, reported it with amendments and submitted a report (No. 569) thereon.

Mr. BURSUM, from the Committee on Pensions, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

A bill (H. R. 6426) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and certain soldiers and sailors of wars other than the Civil War and to widows of such soldiers and sailors (Rept. No. 570); and

A bill (H. R. 6941) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war (Rept. No. 571).

Mr. LADD, from the Committee on Agriculture and Forestry, submitted a report (No. 572) to accompany the bill (S. 3047) authorizing joint investigations by the United States Geological Survey and the Bureau of Soils of the United States Department of Agriculture to determine the location and extent of potash deposits or occurrences in the United States and improved methods of recovering potash therefrom, heretofore reported by him without amendment.

Mr. NORBECK, from the Committee on Agriculture and Forestry, to which was referred the joint resolution (S. J. Res. 127) to provide that the powers and duties conferred upon the Governor of Alaska under existing law for the protection of wild game animals and wild birds in Alaska be transferred to and be exercised by the Secretary of Agriculture, reported it without amendment and submitted a report (No. 573) thereon.

Mr. SMOOT, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them each without amendment and submitted reports thereon;

A bill (H. R. 2882) to provide for the reservation of certain land in Utah as a school site for Ute Indians (Rept. No. 574); and

A bill (H. R. 2884) providing for the reservation of certain lands in Utah for certain bands of Paiute Indians (Rept. No. 575).

Mr. CAMERON, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 498) providing for a recreational area within the Crook National Forest, Ariz., reported it without amendment and submitted a report (No. 576) thereon.

Mr. LADD, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them severally without amendment and submitted reports thereon;

A bill (H. R. 656) to add certain lands to the Plumas and to the Lassen National Forests in California (Rept. No. 577);

A bill (H. R. 1442) authorizing issuance of patent to Charles Swanson (Rept. No. 578);

A bill (H. R. 4481) authorizing the Secretary of Commerce to exchange land formerly used as a site for the Point of Woods Range Lights, Mich., for other lands in the vicinity (Rept. No. 579); and

A bill (H. R. 7109) to authorize acquisition of unreserved public lands in the Columbia or Moses Reservation, State of Washington, under acts of March 28, 1912, and March 3, 1877, and for other purposes (Rept. No. 580).

Mr. BURSUM, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 3024) providing for the acquirement by the United States of privately owned lands within Rio Arriba and Taos Counties, N. Mex., known as the Las Trampas grant, by exchanging therefor timber within the exterior boundaries of any national forest situated within the State of New Mexico, reported it without amendment and submitted a report (No. 581) thereon.

He also, from the same committee, to which was referred the bill (S. 2979) to extend the provisions of the homestead laws so as to allow certain credit in lieu of permanent improvements for the period of enlistment to soldiers, nurses, and officers of the Army, and the seamen, marines, nurses, and officers of the Navy and the Marine Corps of the United States, reported it with amendments and submitted a report (No. 582) thereon.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. UNDERWOOD:

A bill (S. 3353) authorizing the Secretary of the Treasury to remove the quarantine station now located at Fort Morgan, Ala., to Sand Island, near the entrance of the port of Mobile, Ala., and to construct thereon a new quarantine station; to the Committee on Commerce.

By Mr. WALSH of Massachusetts:

A bill (S. 3354) to authorize the appointment of Machinist Henry F. Mulloy, United States Navy, as an ensign in the regular Navy; to the Committee on Naval Affairs.

By Mr. SMITH:

A bill (S. 3355) granting the consent of Congress to the counties of Marion and Florence, in the State of South Carolina, to construct a bridge across the Peedee River at or near Savage Landing, S. C.; to the Committee on Commerce.

By Mr. EDGE:

A bill (S. 3356) for the relief of Joy Bright Little; to the Committee on Naval Affairs.

A bill (S. 3357) to amend sections 2 and 5 of the act entitled "An act to provide the necessary organization of the customs service for an adequate administration and enforcement of the tariff act of 1922 and all other customs revenue laws," approved March 4, 1923; to the Committee on Finance.

By Mr. FERRIS:

A bill (S. 3358) for the relief of Morgan Miller; to the Committee on Claims.

By Mr. LODGE:

A joint resolution (S. J. Res. 130) for the participation of the United States in an international exposition to be held at Seville, Spain, in 1927; to the Committee on Foreign Relations.

AMENDMENT OF TRANSPORTATION ACT OF 1920

Mr. RANSDELL submitted an amendment intended to be proposed by him to the bill (S. 3315) to amend section 206 of the transportation act, 1920, approved February 28, 1920, which was referred to the Committee on Interstate Commerce and ordered to be printed.

THE PERIL OF NARCOTICS

Mr. CAPPER submitted the following concurrent resolution (S. Con. Res. 10), which was referred to the Committee on Printing:

Resolved by the Senate (the House of Representatives concurring), That there shall be printed as a Senate document an eight-page article entitled "The peril of narcotics—A warning to the people of America," by the International Narcotics Education Association, and that 50,000,000 additional copies shall be printed, of which one-half shall be for the use of the Senate and one-half for the use of the House of Representatives.

IMPROVEMENT OF THE SENATE CHAMBER

Mr. COPELAND submitted the following resolution (S. Res. 231), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Architect of the Capitol be authorized and directed, under the supervision of the Senate Committee on Rules, to consult with architects of repute and expert in ventilation and acoustics with a view to improving the living conditions of the Senate Chamber, and giving attention to rearrangement and reconstruction, including a plan to place the Chamber in direct contact with the outer wall or walls of the building, and to report with plans to the President pro tempore of the Senate on the first Monday of December, 1924. The expenses hereunder, not to exceed the sum of $10,000, shall be paid out of the contingent fund of the Senate.

CLAIMS OF THE CHOCTAW AND CHICKASAW INDIANS

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. HARRELD. I move that the Senate insist on its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the President pro tempore appointed Mr. HARRELD, Mr. CURTIS, and Mr. KENDRICK conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ANTHONY, Mr. DICKINSON of Iowa, and Mr. JOHNSON of Kentucky were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message also announced that the Speaker of the House had signed the enrolled bill (S. 2922) to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army, and it was thereupon signed by the President pro tempore.

FARM LOAN BOARD

Mr. HOWELL. Mr. President, as stated at the outset of my remarks on yesterday, the names of four nominees for membership on the Federal Farm Loan Board are now on the Executive Calendar awaiting action by the Senate. The candidates were selected by President Harding and hence have been in office as recess appointees. Two have served approximately 15 months and the other two about 12 and 11 months, respectively. In short, these nominees have been a majority of and in control of the Federal Farm Loan Board for nearly one year, and to all effects and purposes, considering the circumstances, since March 4, 1923. Therefore, in passing upon these nominees it should be kept clearly in mind that the Senate is not dealing with recent appointees, but with those who have records as members of the Farm Loan Board. As a consequence the question to be decided in considering these nominations is not one of mere personality, but whether the Senate can afford to place its stamp of approval upon the records of these recess appointees.

For several months past the Senate Committee on Banking and Currency has had under consideration the nominations in question. Various persons have appeared for and against confirmation and evidence has been adduced and facts developed at such hearings, which I presented yesterday.

The Federal Farm Loan Board, and hence its nominees, constituting a majority of the membership thereof, in my opinion stand convicted of the following charges, which I discussed yesterday.

1. Violation of a cardinal principle of public policy, enunciated in section 6 of Article I of the Constitution of the United States, prohibiting a legislative officer from enjoying the emoluments of any office created during his incumbency.

2. Unlawful procedure in approving of the creation of a new official for the Federal farm-loan system to be known as fiscal agent.

3. Looseness and gross carelessness in the conduct of the affairs of the board, indicating incompetency.

4. The unlawful withdrawal of funds from the Treasury of the United States and the disbursement of such funds without the authority of Congress.

5. Looseness and neglect in the disbursement of funds.

On yesterday I discussed these charges, so far as I have read them here at this time. I will not attempt at this period in my remarks to recapitulate, but will proceed with the next specification, which is——

6. Misapplication of funds.

As pointed out yesterday, some $37,000 were transferred from the Treasury to an account in the Franklin National Bank in the name of the farm-loan commissioner, Mr. Lobdell, and this account was checked upon from time to time until on February 16 of last year there remained in the account but eighty-six dollars and some cents. This account was established in September of 1922. So during that period of about 16 months this $37,000 was expended by checks drawn by the farm-loan commissioner.

I have pointed out here that checks were drawn payable to employees. Those checks were cashed; the money was used; and the board has no record as to whom that money was paid. Now, I propose to show that checks were also drawn on this account as loans to employees and as presents to employees. I further propose to show that loans were made to members of the board.

In the testimony elicited in the examination before the Banking and Currency Committee of the Senate the following questions were asked of Mr. Lobdell, who was then farm-loan commissioner and in whose name this account was carried:

Q. In the case of Henry I. Raley he was on the Treasury pay roll, was he not?

Judge LOBDELL. Prior to that time?

Q. No. He went on the pay roll on the 1st day of February when his wife quit.

Judge LOBDELL. That is my impression—yes; the same date.

Q. Now, then, he was on the Treasury pay roll, and yet you paid him $160 out of this fund. Do you hold that this fund did not belong to the Government?

Judge LOBDELL. Yes, sir.

Q. Then, if that is true and you paid this money, you violated the law of March 3, 1917, which is to this effect:

"On and after July 1, 1919, no Government official or employee shall receive any salary in connection with his services as such an official or employee from any source other than the Government of the United States, except as may be contributed out of the treasury of any State, county, or municipality; and no person, association, or corporation shall make any contribution to or in any way supplement the salary of any Government official or employee for the services performed by him for the Government of the United States.

Q. He was working for the Government of the United States, was he not? And yet out of this fund that you say does not belong to the Government you paid him $160?

Judge LOBDELL. That is correct.

Q. * * * Now, then, I should like to ask you about Millie V. Raley. On February 1, 1923, she ceased to be employed by the Farm Loan Bureau.

Millie V. Raley, I might add, Mr. President, was the wife of Mr. Raley.

Judge LOBDELL. Yes; that is right.

Q. The moment she ceased to be employed Henry I. Raley became employed?

Judge LOBDELL. That is right.

Q. You advanced him $100, as stated?

Judge LOBDELL. Yes, sir.

Q. And then you gave Mrs. Raley on that day a present of $133.65?

Judge LOBDELL. Whatever the amount states; yes, sir. The expression is hardly a fair one, though, Senator. The Senator is aware of the established usage of the Treasury. Where an employee has been in the service for three years or more, and is separated from the service, he may receive one month's absence with pay—may be paid for an additional month. * * * In that instance it became necessary to deprive her of the month's leave to which she was entitled with pay as a clerk and pay this from this fund.

Q. But she was working for the Government of the United States, was she not, when she drew that?

Judge LOBDELL. Yes, sir.

Q. And you took from this fund, that you have said had nothing to do with the Government of the United States, and made her a present of $133.65?

Judge LOBDELL. I have stated the facts; yes, sir.

Mr. President, I do not wish to be offensive, and, as I have said here, I have not charged the members of the board with dishonesty; but as we know, in an engine room they have, or used to have in the old days, what was called a "slush bucket." It contained grease, and that grease was put upon the bearings to make them run smoothly. From that expression the term "slush fund" has been developed. It means a fund that is drawn upon to make things run smoothly and to be applied where it is desired to be generous at the expense of somebody else. That is what this fund was used for in many cases. Any such transaction in connection with Government or public funds should be deprecated in the severest terms. Government affairs, public affairs, can not be run in that way.

Here was a young woman who resigned as an employee of the Government of the United States. They took $133.65 out of a fund which they held had no relation to the United States and paid it to her. It was a gift, according to their statement.

There was no appropriation made by Congress from which they could have made that gift. The day she resigned what took place? They put her husband on the pay roll of the United States at $1,640 a year, and then on the day that he assumed his duties they took from this fund and gave him $100, and at the end of six months they gave him another $60 out of the same fund. They stated that his salary was to be $1,800 a year, but the Treasury pay roll would allow him only $1,640, so they resorted to this fund and drew out $160 and gave it to him, and they gave him $100 before he had earned a cent. How did they explain it? Well, they said he was to travel for the Farm Loan Board, and that really this was an advance of traveling expenses. I said: "I thought you said this was salary." "Well, yes; we did consider it salary afterwards." I said: "Then he did traveling for you, did he?" "Yes." "Then I should like to see his statement of expenses for the next month." They said they could not produce it at that time, nor did they produce it. I insisted that the best evidence that this money was used for traveling expenses was his rendered account for traveling expenses, and in my opinion they can not show any vouchers; at least, they have not furnished a voucher.

It may be urged that this is a small matter; but I have been unable, and this committee has been unable, to go into but the mere edge of the accounts of the Federal Farm Loan Board. They allowed me to make inquiries into less than some 20 items, covering $7,000. Then the committee went into executive session and reported these nominees to the Senate. After months had been spent in preparing this statement, covering $881,000,000, it must be apparent to anyone that no Senator here could, in a few days, analyze that statement that took 10 accountants six or seven weeks to prepare. It is a mere cash statement without giving a description of items. It must be evident that in order to know what has been going on in the Farm Loan Board that these items must be scanned with the greatest care, and the little things would indicate how the big things were handled. That you may know how the big things were handled, let me tell you that they have paid some $8,000,000 for the sale of bonds, yet they have no written contract with any bond house.

Mr. FLETCHER. Mr. President, may I interrupt the Senator?

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Florida?

Mr. HOWELL. I do.

Mr. FLETCHER. The Senator refers to the decision of the committee in discontinuing any further inquiry into these accounts and the other matters that the Senator brought to the attention of the committee, and proceeding to report out the nominations.

The Senator will remember that there were several bills introduced—I introduced a bill early in December—to place this board back on its original basis of five instead of seven members, with the Secretary of the Treasury as chairman of the board, making four members to be confirmed by the Senate instead of six members to be confirmed by the Senate as provided in the intermediate credits act, which amended the original farm loan act in several respects. Those bills the committee never has acted upon. If the bill which I presented to the Senate, and which has been under some consideration by the committee, although the main consideration has been devoted to the question of confirmation of these nominees, had been reported out by the Senate and become law, then the names of members of this board to be submitted to the Senate would have been only two instead of four. So that was one question to be determined, whether this membership should not be reduced, in which event there would be only two names submitted instead of four. The committee has never passed on that question; and the reply, when I urge consideration of those bills, is that the session has so far progressed, and the adjournment is so nearly in sight, that the committee has not had time to report out those bills, and neither House of Congress has time to consider them, and therefore the legislation can not be changed, and there is nothing to do but accept the situation as it is.

That is the response the committee makes to that suggestion. Whether or not that is a good reason for voting to confirm these nominees is a matter to be considered; but that is the reason given now why we can not have action upon the proposition that this board as now constituted is larger than it ought to be, and ought to be put back where the original act placed it, namely, five members instead of seven. If that were done, then there would be no occasion for four nominations. The occasion then would be for only two names to be sent in; but the answer is that that can not be done, because we are too near to the close of the session, and it is impossible to obtain legislation, and therefore there is nothing to do but to accept the situation as it is and act upon the nominations before the committee. The result was that the nominations were reported out.

Mr. MOSES. Mr. President, let me interject, if the Senator from Nebraska will permit me, that I am very much interested in what the Senator from Florida says, that we are near the close of the session. I hope he has some real foundation for that belief.

Mr. FLETCHER. I am simply giving the response of the committee, and I only know, so far as that committee is concerned, that it seems to be impossible ever to get a quorum of the committee, and the reason assigned is because, if we should pass the legislation in the Senate, it can not be acted on in the other body, and therefore there is no use of holding any further meetings. That is the situation of the public business. You can scarcely get a quorum of a standing committee.

Mr. HOWELL. Mr. President, the Senator from Florida has made it very clear that he has urged a bill for the reduction of the number of the members of the Farm Loan Board from six to four, the number of members prior to March 4, 1923. That bill was introduced early in this session. It was supplemented by a similar bill introduced by the senior Senator from Idaho [Mr. BORAH], but the committee has not considered those

bills, although the distinguished Senator from Virginia [Mr. GLASS] during the hearings interposed the following:

Senator GLASS. Governor [Norris], after all, are not the functions of the farm-loan boards distinctly administrative and supervisory, and are they not authorized under the law to employ agencies to do the detail work of the system, and if one man, to wit, the Comptroller of the Currency, can supervise the entire national banking system, comprising nearly 8,000 commercial banks, why may not five men administer and supervise this system that is not nearly so varied in its operations as the commercial bank system of the country?

Mr. NORRIS. I do not quite catch your question, Senator.

Senator GLASS. I say, if one man, the Comptroller of the Currency, for instance, may effectively supervise and administer the whole national banking system of the country, with its great variety of business and interests, why may not a board of five members administer and supervise this other system?

Mr. NORRIS. Of course they may. I think there is quite a distinct difference, though, between the functions of the comptroller with regard to the national banks and the functions of this board with regard to these Federal land banks. If the national banks of the country were issuing obligations every day secured by the notes that they had taken from their customers, and the comptroller was required to put a certificate on each one of these obligations, then you would have a situation that would be parallel to the situation of the Farm Loan Board with regard to these land banks.

Senator GLASS. Well, the comptroller has to do more than that. He has to watch the detail business of every national bank. He has to watch every loan that the bank makes, the character of the collateral securities, etc. He has to supervise the issuance of notes; in other words, the Comptroller of the Currency is a czar of the whole national banking system, and he is charged with the duty of knowing intimately every detailed operation of every bank. It is true he does not do it himself; he appoints his bank examiners and his agents; he has his various departments there; and would it not be just as easy for five men to create these departments and appoint these examiners and to intimately supervise the business of this system as seven men?

Mr. NORRIS. I think it would be if they relied, as the comptroller necessarily does, on his examiners and chief examiners.

Senator GLASS. But, Governor, if five men supervise the operations of the great Federal reserve banking system, whose business is so infinitely greater than the business of the farm loan banks that it is not comparable—if five men could do that, why could not five men do this?

Such is the opinion, evidently, of the Senator from Virginia, and these bills are before the committee. Why has not the committee acted on them? The measures are simple. Well, Mr. President, there are four appointees involved, and I am afraid that is largely the reason why this action has not been taken.

But, to proceed, Mr. President, it has been urged, as I have stated before, that the items to which I have referred are comparatively small items. Mr. President, it is the small details about a business that indicate how the big details are taken care of. It is the small details about a business that can be easily gone into; but when you come to the big matters it takes much investigation, and it must be admitted by any Member here that merely to understand that cash statement—Treasury's record of analysis—without going into the items is a task, and yet the committee allowed me to ask questions respecting 20 items only.

Mr. President, It has taken six weeks of work to produce this statement—from what? From deposit slips, check stubs, correspondence. That is all the Treasury employees had to work with. Oh, yes; they had the memories of a young woman and one or two other employees. After working with these they finally produced this statement, which is nothing but a mere statement of receipts and expenditures.

I was asked yesterday if it was not a fact that this statement balanced. Mr. President, if you consider the case of any bank defaulter you will find that his accounts balanced right along. It was only when they went in and found how they balanced that they found the defalcation.

I am not charging here a defalcation, but I am simply using this as an illustration. It is very easy to make an account balance. I can hand out $100 and authorize its expenditure, and those to whom I give it may come back and hand me $20 and say they have expended the other $80, and the account balances; but that does not indicate to me for what they have exepended it; and that is what the Farm Loan Board does not do. After weeks were spent in providing this statement—in fact, it was nearly two months—after my attention was called to the fact that the statement was completed I began to analyze it. It was a task. I could go into only parts of it. Senators know the various duties of a Senator. I had not the time. I could go into parts of it only. I could but sit up nights and study these accounts, and then, when I had gone into certain items, I was up against a stone wall, because I had no documents to examine so as to determine what they meant.

So, when the chairman of the Committee on Banking and Currency said they were ready to proceed, I wrote the following letter to the chairman of the Committee on Banking and Currency:

MY DEAR SENATOR: I would suggest in connection with the continuance of the hearings respecting the Farm Loan Board matters that the following procedure be adopted:

(1) That Maj. Walter O. Woods, of the Treasury Department, who was in charge of the recent analysis of the fiscal agent's accounts, be first called before the committee for examination.

(2) That Judge Lobdell follow Major Woods and submit all vouchers in connection with payments made by checks upon the Treasury Department whose numbers I will submit in another letter.

(3) That the Farm Loan Board shall submit all books, vouchers, and memoranda in connection with the Franklin National Bank account.

(4) That certain employees of the Federal Farm Loan Board, whose names will be subsequently afforded, be called for testimony.

(5) That Governor Cooper, of the Farm Loan Board, together with Board Members Landes, Corey, and Jones, be also asked to appear before the committee for further examination.

This is a letter which I addressed to the chairman of the Committee on Banking and Currency when this analysis had been completed, and the letter is dated May 12, 1924.

The committee proceeded with hearings on last Wednesday. The first hearing began in the morning about 10 o'clock and lasted until noon. Major Woods was on the stand that morning. He had not finished his testimony when the recess was taken. At 2 o'clock the committee assembled again, and it proceeded with an examination of just one other witness besides Major Woods—Judge Lobdell. I think there was a third witness brought in, one called at the last moment for just a few words respecting a signature, but outside of Judge Lobdell not another witness was called, although I had asked that other witnesses be present, and that I have the privilege of examination.

Finally, after a number of objections had been made, the following took place:

Senator GLASS. I move we go into executive session.

The ACTING CHAIRMAN. It has been moved that we go into executive session. If there is no objection, that will be in order.

Senator HOWELL. I would call the committee's attention to my letter of the 12th instant to Senator MCLEAN—you have a copy of it here—in which I request a certain course to be followed, and that I be allowed to present and have the privilege of examining certain witnesses. I just want to call it to the attention of the committee again.

The ACTING CHAIRMAN. Very well. The committee will now proceed to executive session.

They did so, and these appointees were reported out for confirmation.

So I wish it to be distinctly understood, Mr. President, that I had not finished the examination. The examination would take a considerable time, and the Banking and Currency Committee is not the proper committee before whom this matter should be presented, because there are 15 members of the Banking and Currency Committee, and it must be recognized that they can not all be present at prolonged hearings. This investigation is something that ought to be conducted by a special committee.

Mr. President, during nearly half of the sessions there were but five or less members in attendance on the Banking and Currency Committee meetings—that is, up to the time this analysis report was made. During that period some 26 hours were consumed. I occupied, in questions and answers, some 3½ hours of that time, and then my attention was challenged to the state of the board's accounts and the unlawful expenditure of money. It was then that I introduced a resolution in the Senate calling upon the Secretary of the Treasury for an analysis of the Farm Loan Board account, including the sources of their various receipts. As I have stated, it took nearly two months to furnish that report, and during that period there was no hearing by the Committee on Banking and Currency.

After the report had been made one hearing was granted, the hearing I have described, at which I was allowed to investigate less than 20 items out of hundreds of thousands of items, covering expenditures of $881,000,000, and those 20 items amounted to less than $7,000.

Naturally, I feel that no adequate investigation of the affairs of the Farm Loan Board has taken place. I feel that such an investigation is absolutely necessary. I do not say this as an enemy of the farm-loan system. I am one of its most ardent friends; but a great public enterprise like the Farm Loan Bureau, conducted by the public, can not persist unless it is handled in a manner beyond suspicion.

I am jealous of the conduct of the affairs of this institution. It has been of tremendous value to the farmers of this country, and it ought to be guarded in the most careful manner. Therefore, as this enterprise has been in existence some six years, and shortcomings have begun to develop, I think a friendly investigation into its affairs should be provided for by the Senate, so that we may know all the facts and provide for the future.

I call attention to a fact that suggests that there should be an investigation, at least in a friendly way. It cost about $4,000,000 for the expenses of the Farm Loan Board for the three years 1917, 1918, and 1919. For 1920, 1921, and 1922—I think I am stating the years correctly—these expenses and salaries amounted to about $6,000,000. Although the total of loans over those six years had aggregated in the neighborhood of $800,000,000, during the latter three-year period only $75,000,000 more was loaned than in the preceding three years.

Why this increase in expenses? It may have been entirely proper, but when you investigate the methods that have developed in the conduct of the small affairs of this institution, and when you remember the board created the office of fiscal agent and promoted one of their own number to that office at a salary of $25,000 a year, when he had been getting but $10,000, performing all duties of both fiscal agent and farm loan commissioner, it suggests that the reins have been loosened and that something should be done in the interest of the farmers, who must pay the bill.

Mr. KING. Will the Senator yield?

Mr. HOWELL. I yield.

Mr. KING. In the examination which was made before the committee, and from the information obtained by the Senator, does he justify the increases in salaries and compensation and expenditures, or does he think from that information that the reins have been too much loosened, and that there ought to be a tightening up of the reins and more of economy and retrenchment in the administration of the affairs of that important department?

Mr. HOWELL. Mr. President, I will answer that question in this way: It challenges my attention, but I have been in executive work, and I know how expenses may increase, and properly increase; but in view of the fact that but $75,000,000 more business was done during the latter period, and the expenses were in the neighborhood of $2,000,000 more, in the interest of the farm loan system I think it ought to be looked into by Congress.

Congress is becoming more and more a board of directors of these great institutions, and when we make an investigation of this kind it should not be looked upon as a hostile investigation, but merely as a check up to let officials know that Congress has its eye on them and proposes to determine what ought to be done; as a matter of fact, recommendations for such legislation as may be necessary should come after a careful investigation of what has been going on.

Mr. President, in my opinion, as stated before, the Farm Loan Board, and hence these nominees who have constituted a majority of that board for practically one year, are guilty of the following acts:

(1) Violation of a cardinal principle of public policy enunciated in section 6 of Article I of the Constitution of the United States, prohibiting a legislative officer from enjoying the emoluments of any office created during his incumbency. Prior to July 1, 1923, Charles E. Lobdell was a member of the Farm Loan Board and served as farm loan commissioner or chairman of the board. In addition he performed the duties of fiscal agent of the land bank system, as had all farm loan commissioners preceding him. His salary was fixed by Congress at $10,000 per annum. On June 12, 1923, at a meeting of the members of the Farm Loan Board and the 12 land bank presidents, the farm loan commissioner was relieved of the duties of fiscal agent through the creation of a new office to be known as fiscal agent, at a salary of $25,000 per annum. Of course, this was done by and with the approval of the Farm Loan Board, both as to the creation of the office and the fixing of the salary.

On the same day it was arranged that Mr. Lobdell should become the new fiscal agent, and he assumed his duties some 20 days later; that is, on the date that his resignation as member of the board and farm-loan commissioner took effect. Thus a member of a quasi-legislative board became the beneficiary of a new office with an increase in salary of two and a half times, for the performance of but part of his previous duties, a result rendered possible only by the approval of the board in question, of which he happened to be the chairman.

(2) Unlawful procedure in approving of the creation of a new official for the farm-loan system to be known as fiscal agent.

The Federal Farm Loan Bureau is the creature of Congress, and nowhere has Congress delegated authority to change the system or create additional officers. As a matter of fact, Congress has specifically named the list of officials, and each year in the Treasury appropriation bill fixes the salaries of all officials of and within the bureau.

(3) Looseness and gross carelessness in the conduct of the affairs of the board, indicating incompetency. As incredible as it may seem, during a period of about six years, the board has received and disbursed $881,000,000 and yet has never provided itself with books of account, its records consisting merely of deposit slips, check stubs, and correspondence. It recently took the Treasury Department, employing 10 accountants and working double shift, from March 12 to about May 1, or nearly seven weeks, to compile a mere statement of receipts and expenditures from the farm-board records. Moreover, the accountant in charge of this work testified that he would have been unable to make up the statement from the records afforded him without the aid of the memories of several of the employees of the board.

(4) The unlawful withdrawal of funds from the United States Treasury and the disbursement of such funds without the authority of Congress. Between $65,000 and $70,000 have been drawn from the Treasury without authority and expended for various purposes. An unofficial opinion of the Comptroller General declares these funds to belong to miscellaneous receipts of the Treasury. Moreover, under date of May 13, 1923, the Undersecretary of the Treasury has called upon the farm-loan commissioner for reinbursement of a part, if not all, of this money immediately.

(5) Looseness and neglect in the disbursement of funds. Public moneys have been expended without vouchers or receipts. Mr. Lobdell, the fiscal agent, admitted on the stand that he could not tell to whom money had been paid that had been secured by cashing certain checks. He also admitted that he had received certain sums of money for the expenditure of which he could account only in a general way.

(6) Misapplication of public funds. On September 22, 1922, Mr. Lobdell, as farm loan commissioner, opened an account with the Franklin National Bank by depositing $5,000 drawn from the Federal Treasury, part of the $65,000 to $70,000 referred to above. From that time down to February 16, 1924, further similar deposits in this bank had been made, totaling more than $37,000. This account was drawn on from time to time by the farm loan commissioner, so that the balance remaining in the bank on the last day indicated—February 16, 1924—was $86.53. The deposit in this bank was treated as a sort of petty cash fund, except that the expenditures therefrom were made without vouchers or receipts. Presents to employees were made from this fund, likewise what must be considered either loans or advances to employees. In another case one of these nominees had succeeded in drawing some $2,000 from the Treasury on account of salary for which Congress had made no appropriation. As a consequence he was called upon to put it back, a simple matter, as Farm Loan Commissioner Lobdell gave him a check on this fund, so that he could put it back in the Treasury without taking it out of his own pocket.

Mr. President, as I have indicated, I think there ought to be an investigation of the Farm Loan Board, a thorough investigation, in fact, of the whole farm loan system. Therefore I have introduced and ask consideration of the following resolution:

Resolved, That the President of the Senate pro tempore is authorized to appoint a special committee of three Members, which shall investigate the Federal farm loan system and the Federal Farm Loan Board and report its findings, together with recommendations for corrective legislation. The committee is authorized to hold hearings, to sit during the sessions and recesses of the Sixty-eighth Congress, and to employ a stenographer at a cost not to exceed 25 cents per hundred words. The committee is further authorized to send for persons and papers, to require by subpœna the attendance of witnesses, the production of books and documents, to administer oaths, and to take testimony.

The expenses of the committee shall be paid from the contingent fund of the Senate.

I move that the Senate now take up the resolution (S. Res. 229) and act thereon.

Mr. EDGE. Mr. President——

The PRESIDING OFFICER (Mr. JONES of New Mexico in the chair). Does the Senator from Nebraska yield to the Senator from New Jersey?

Mr. EDGE. I understood the Senator had yielded the floor with the making of his motion.

Mr. HOWELL. I make the motion that the resolution be now taken up for consideration.

The PRESIDING OFFICER. The Chair desires to state that inasmuch as the resolution provides that the expenses shall be paid out of the contingent fund of the Senate, under the statute relating to that subject the resolution must be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. HEFLIN. I suggest to the Senator that that might be done, and the committee could report it back in the morning.

Mr. HOWELL. I inquire which Senator is chairman of that committee?

The PRESIDING OFFICER. The junior Senator from New Hampshire [Mr. KEYES] is chairman of the committee.

Mr. HEFLIN. I see the junior Senator from New Hampshire on the floor.

Mr. HOWELL. Of course, I think this is a matter of tremendous importance.

Mr. EDGE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New Jersey will state it.

Mr. EDGE. As I understand the parliamentary situation, the unfinished business is Senate bill 1898. The motion made by the Senator from Nebraska is therefore not in order.

The PRESIDING OFFICER. The Chair will further state that even the introduction of the resolution will have to be by unanimous consent.

Mr. EDGE. I was just going to raise the point that the unfinished business is before the Senate; that the introduction of the resolution at this time would require unanimous consent; and that it will be necessary under the circumstances to obtain that consent.

Mr. KING. Mr. President, will the Senator from Nebraska yield to me?

Mr. HOWELL. I yield.

Mr. KING. May I have the attention of the Senator from New Hampshire [Mr. KEYES], chairman of the Committee to Audit and Control the Contingent Expenses of the Senate? My information is that a resolution similar to the one which is now offered by the Senator from Nebraska has been pending for some time before the committee of which the Senator from New Hampshire is chairman. May I inquire of the Senator whether there is any probability that the resolution will be reported out by the committee?

Mr. KEYES. I understand, though I am simply speaking from memory, that the Senator from Nebraska introduced a resolution five or six days ago, and that it was referred to the Committee to Audit and Control the Contingent Expenses of the Senate. I was advised a day or two later that the Senator from Nebraska had introduced another resolution in exactly the same words and requested that it lie on the table. That is the resolution to which the Senator from Nebraska has now referred, I suppose. The committee therefore has done nothing whatever about the resolution referred to it and had not been asked to do anything about it.

Mr. KING. If the Senator still permits the resolution to which he has now addressed himself to lie upon the table, will the Committee to Audit and Control the Contingent Expenses of the Senate, at as early a date as possible, act upon the one which is now before the committee, understanding that the Senator from Nebraska permits the other resolution to lie upon the table, expecting some prompt action upon the part of the committee?

Mr. KEYES. Of course, the committee will consider fairly and as promptly as possible any resolution that is referred to it.

Mr. KING. If the Senator from Nebraska will pardon me, of course he knows better what he ought to do than do I, but in view of the statement just made by the Senator from New Hampshire [Mr. KEYES] I think he can rely upon prompt action by the committee on his resolution. I therefore suggest that he allow the resolution for which he has just asked consideration to lie on the table. If the Committee to Audit and Control the Contingent Expenses of the Senate does not promptly report the resolution, he can move to discharge it from the further consideration of the resolution and bring the resolution to the attention of the Senate, when I am sure action will be taken, one way or the other.

Mr. NORRIS. Mr. President, will the Senator from Nebraska yield to me?

Mr. HOWELL. I yield.

Mr. NORRIS. I should like to suggest to the Senator that if the other resolution, which is now in the hands of the committee, is not the same as this resolution——

Mr. HOWELL. It is identical with it.

Mr. NORRIS. The resolution is identical? Oh, well——

Mr. KING. I had in mind the fact that the resolutions were identical.

Mr. DIAL. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator from Nebraska [Mr. HOWELL] has the floor. However, a parliamentary inquiry has been made, and the Chair will listen to it.

Mr. DIAL. I understand that the Senator from Nebraska has asked unanimous consent to introduce a resolution, and I object.

Mr. HEFLIN. No; the resolution has been already introduced.

The PRESIDING OFFICER. The resolution has already been introduced by the Senator from Nebraska, and he now moves that it be taken up for consideration. The Chair has ruled that the resolution can not be considered at this time, because it provides for the payment of expenses out of the contingent fund of the Senate and under the statute would, therefore, have to be referred to the Committee to Audit and Control the Contingent Expenses of the Senate. The Chair further understands that a similar resolution has heretofore been introduced by the Senator from Nebraska and been referred to that committee. Inasmuch as this resolution would necessarily be similarly referred, the Chair suggests that a simplification of the procedure would be for the Senator from Nebraska to withdraw this resolution and await the report of the Committee to Audit and Control the Contingent Expenses of the Senate on the other resolution when it would be in order for consideration.

Mr. HOWELL. Well, Mr. President——

The PRESIDING OFFICER. If the Senator from Nebraska will withdraw his motion and then permit the resolution to lie on the table, that would be the proper procedure, and the Senator would thereby get the matter in proper form from the parliamentary point of view.

Mr. HOWELL. I withdraw my motion.

Mr. DIAL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from South Carolina?

Mr. DIAL. I do not ask the Senator to yield to me. I thought he had yielded the floor.

Mr. HOWELL. I wish to call the attention of the Senate to Senate Joint Resolution 128, which is lying on the table, and which reads as follows:

Resolved, etc., That no person shall be employed under the Federal farm loan act, approved July 17, 1916, or any amendment or amendments thereof, at a rate of compensation exceeding $10,000 per annum, on and after the passage of this resolution.

Mr. President, I wish to give notice that at the conclusion of the consideration of the unfinished business I shall seek to bring this joint resolution before the Senate.

Mr. EDGE. Mr. President, several Senators wish to discuss the question which has been before the Senate during the last few hours, so I shall not attempt to speak at length upon the unfinished business at this time, but as I have the floor I wish to make a request.

I ask unanimous consent that the formal reading of Senate bill No. 1898 be dispensed with and that the bill be read for action on the committee amendment.

The PRESIDING OFFICER. The Senator from New Jersey asks unanimous consent that the formal reading of the bill be dispensed with and that the committee amendment be first acted upon. Is there objection? The Chair hears none, and it is so ordered.

Mr. DIAL. Mr. President, we have just listened for several hours to the arraignment by the Senator from Nebraska [Mr. HOWELL] of the Farm Loan Board. It was suggested to him on yesterday by the able Senator from Virginia [Mr. GLASS] that this matter ought to be discussed, if discussed at all, in executive session. However, the Senator from Nebraska, who has stated that he is a friend of the Farm Loan Board, has seen proper to go on and to arraign that board here before the public. The Senator from Nebraska, I repeat, has stated that he is a friend of the system, but, Mr. President, I hope the

system has not many more such friends. It seems to me that if he had had the good of that board at heart, if he had heard of anything wrong going on in connection with its operation or that there were any corrections which ought to have been made, he would have gone to the board and pointed them out. Instead of that, however, he has had that board investigated by the Banking and Currency Committee of the Senate. The investigation required the assistance of 10 employees of the Government for six weeks, and I think it has been stated that they even had to have relays of employees engaged in the investigation. After that long investigation of the system from its inception eight years ago, covering an examination of the receipts and expenditures aggregating over $800,000,000, the final result is that a report is made which shows that their accounts balance to a cent; yet the Senator from Nebraska wishes to go on now and to have a resolution adopted providing for a further investigation.

The Senator from Nebraska complains of harsh treatment at the hands of the Banking and Currency Committee of the Senate. He has laid the facts before the Senate; but the conclusion that some of us have come to is that the Banking and Currency Committee extended to him every courtesy and gave him every opportunity to bring out any facts that he had against the farm-loan system. It seems to me, after putting the Government to all this expense and harassing the system for all this time, when he is unable to prove wrongdoing in a single instance, he ought now to be satisfied. I hope that no other resolution on this subject that he may offer will be adopted by the Senate.

I firmly believe, Mr. President, in investigating anything that is wrong, in exposing any fraud, and in going to the bottom of any corruption; but when it comes to the point that a committee of the Senate shall be appointed to investigate any and all departments of the Government, I am satisfied that, if we follow such procedure, we will be in session here all the time and no good will ensue, and that, on the contrary, great harm will follow, as it will follow in this instance.

There is no charge, the Senator said, of any fraud or any moral wrong, but it is a mere question of bookkeeping. Mr. President, we all know that even expert bookkeepers differ. If we were to employ one set of accountants they might say that a certain system ought to be adopted, whereas if we employed another set they might claim that the system recommended by the first set was all wrong, and that an entirely different system should be adopted. So there is nothing, as it seems to me, in this instance to investigate. I am satisfied that the board has nothing to conceal from any Senator or from anyone in authority who wants information for legitimate purposes.

Mr. HEFLIN. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Alabama?

Mr. DIAL. I yield.

Mr. HEFLIN. If I heard the Senator from Nebraska correctly when he was reciting the amounts paid out by Mr. Lobdell, in one instance there was paid out $500 in one week, and, I believe, $1,000 in another week, and $1,500 in another week or two. Does not the Senator think that there ought to be an accounting for those large expenditures and that Mr. Lobdell ought to be required to tell the Senate just what he did with that money and all about it?

Mr. DIAL. There was an accounting, Mr. President.

Mr. GLASS. Mr. President, there was a complete accounting. The Senator from Alabama evidently was not in the Chamber yesterday when the statement was made.

Mr. HEFLIN. I did not hear all the discussion yesterday for I was not here during a portion of the debate.

Mr. GLASS. There has been a complete accounting for every cent that was expended to the satisfaction of every member of the Banking and Currency Committee.

Mr. DIAL. Mr. President, there ought to be an accounting at all times; but where would we ever stop if we should undertake to investigate all the departments of the Government all the time? If there is anything wrong and any charge is to be made against any department of the Government it ought to be specified, but no one ought to come here in a muckraking effort to have an investigation because he imagines there is something wrong somewhere or other.

Mr. HEFLIN. I think the departments ought to be so conducted that they would not fear an investigation and that they ought to be ready and willing to have an investigation at any and all times.

Mr. GLASS. That is true of the Farm Loan Board.

Mr. DIAL. The Farm Loan Board has nothing to hide so far as I know; it has nothing to conceal. I am not against an investigation where an investigation should be had and where it would accomplish good.

Mr. HOWELL and Mr. GLASS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from South Carolina yield; and if so, to whom?

Mr. DIAL. I yield to the Senator from Nebraska.

Mr. HOWELL. I wish to call attention to the fact that a $1,000 item was one of the next items that I was coming to, but the committee would not allow me to go on with the hearing. There were 212 items in connection with the Franklin National Bank account alone, and just before I got to item 76 I was stopped and was not allowed to go into that item.

Mr. GLASS. Mr. President, will the Senator from South Carolina yield?

Mr. DIAL. I yield.

Mr. GLASS. Mr. President, I assert that the Senator from Nebraska was not stopped at any point in the proceeding. The Senator knows perfectly well that he was told by me and by other members of the committee that if he had any single item at all different in its nature to the items which he had theretofore repeatedly presented, the committee would be very glad to hear him further; but the Senator could not say, or at least did not say, that any item that he contemplated presenting was any different from the items that he had already presented. A member of the committee from Pennsylvania repeated my suggestion that the committee did not care to hear an accumulation of testimony of exactly the same sort. So the Senator from Nebraska was at liberty at any time and at all times to proceed with the inquiry if he had anything beyond mere opinions and inferences to present.

Mr. HOWELL. Mr. President——

Mr. GLASS. He never presented, Mr. President, a specific charge; he never did anything but draw deductions and inferences from his own suspicions.

Now, I wish to present to the Senate a sample of the sort of inquiry that the Senator from Nebraska was presenting to the committee.

The PRESIDING OFFICER. The Chair will state that the Senator from South Carolina has the floor. If he yields to some other Senator for a speech that would be equivalent to yielding the floor. Does the Senator from South Carolina desire to yield the floor?

Mr. GLASS. I suggest to the Presiding Officer that the Chair is totally in error in assuming that I am going to make a speech.

Mr. DIAL. It is perfectly agreeable to me to yield to the Senator for an explanation.

The PRESIDING OFFICER. If the Senator from South Carolina yields for that purpose the Chair withdraws the observation.

Mr. GLASS. What I purposed doing was answering a statement made by the Senator from Nebraska that he was shut off as he was about to present some item of tremendous importance, different from any other item that he had presented theretofore. I want to indicate to the Senate, just in a word, with the permission of the Senator from South Carolina, the character of this inquiry as it was being conducted.

For example, a check was presented covering in the aggregate the items of expenditures, as explained to the committee, of one of these periodical bond issues. That check was made in total to the chief clerk of the board, and this chief clerk would take the sum thus drawn regularly from the bank and expend it among those employees who on this emergency work had worked overtime, night and day. This particular check bore two indorsements—the indorsement of the clerk in whose name it was made and the indorsement of a Mr. Thornberry also. Now, note what happened, and just get a picture of the sort of suspicions and inferences and mere opinions that the committee was expected to sit interminably and listen to:

Senator HOWELL (holding the check in his hand). Mr. Chairman, I examined this check, and there was no Thornberry's signature on it. I examined it. You can see that it is new ink on this check. I want you gentlemen of this committee to look at that check. I examined it personally myself.

A little later on another check was presented at one of these periodical bond-sale activities of the board which also was indorsed by this chief clerk and by Mr. Thornberry. Again the Senator from Nebraska projected a mere inference and a suspicion before the committee, implying—yes, and charging—that the indorsement to this check was a forgery, and that the ink on this check was new.

Senator HOWELL. I want to state again I examined these checks and I examined the check book. I went into this field account and

made notes, and my stenographer sat by me. I would swear that that second name was not on the check.

He again appealed to us to look at the ink, and stated that it was new. Now, what subsequently happened?

Mr. Thornberry was put on the witness stand, and testified that he had indorsed those checks 14 months theretofore with this chief clerk, and stated why he had indorsed them—that the check was drawn on the bank where he kept his account, the officials of which knew him personally well, and did not know this chief clerk, and that he went there with the chief clerk to identify her, and indorsed those checks then.

Mr. President, that is a fair sample of the sort of testimony and the kind of inferences that the Senator from Nebraska presented to the Banking and Currency Committee, apparently with the expectation that we were to sit there interminably and listen to that sort of thing.

Now, just one word more, with the indulgence of the Senator from South Carolina.

For what was the Banking and Currency Committee meeting? It was not meeting for the purpose of investigating the Farm Loan Board, either its receipts or its expenditures or any of its activities. No resolution of the Senate authorized it to meet for any such purpose. The Banking and Currency Committee was in session to determine the personal qualifications and fitness of four nominees to membership on the Farm Loan Board, and yet we were confronted there from day to day with testimony that had no more relevancy to the very purpose for which we were convened than if there were not a Banking and Currency Committee in existence; and the Senator from Nebraska confronted us with every cash entry that had been made by the Farm Loan Board from its institution seven years ago up to the day of the inquiry.

If there is anybody on earth who can tell me that which the Senator from Nebraska never did tell any of us—what relation to the fitness and qualifications of these four gentlemen these cash entries seven years ago had—I should like him to rise here now and tell me. They had no relation whatsoever to the matter with which the Banking and Currency Committee was immediately and directly charged.

Mr. HOWELL. Mr. President——

Mr. GLASS. Yet we were supposed to sit there from day to day and permit the Senator from Nebraska to present—charges? Why, no; he has never yet presented a charge. He has said, time and time again, that he did not want to be understood as impeaching the character or the integrity of one of these men. Present what? Present his mere suspicions and inferences, in which not one of the members of the committee participated.

Mr. HOWELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Nebraska?

Mr. DIAL. I yield for a short question—not for a speech. I want to get through. I will yield for a question.

Mr. HOWELL. Very well. I should like to reply to the statement of the Senator from Virginia.

Mr. DIAL. If the Senator will be brief, I shall be glad to yield to him. I do not want to yield the floor. I want to get through.

Mr. HOWELL. Mr. President, the Senator from Virginia [Mr. GLASS] has called attention to an incident that occurred during this examination in which I questioned the signature on the back of a check. The idea of the Senator evidently is to lead the Senate to believe that I am so prejudiced in this matter that I am unduly suspicious.

What could this check incident have to do with the fact that the Farm Loan Board kept no books, and they kept no books for the last year while these four nominees were in office? How could the question of a name on a check have anything to do with the fact that from the Franklin National Bank about $30,000 has been expended, while these nominees were in office, without any vouchers? How can it have anything to do with the fact that this committee refused to allow me to go into this $30,000 of expenditures that have taken place while these four nominees were in office?

Mr. GLASS. Mr. President, as a matter of fact, it has nothing to do with any of these imaginary things which the Senator has stated, because they are purely imaginary. They are not facts.

Mr. DIAL. Mr. President, I was not in the Senate all the time yesterday while the Senator from Nebraska [Mr. HOWELL] was making his speech; neither have I been able to be here all the time to-day; and I therefore do not undertake to answer all of his charges. In fact, I think it would be unnecessary to undertake to do so. I want to conclude, and I shall take up only a few minutes longer.

The Senator has arraigned Judge Lobdell here in various aspects. I want to say that, so far as I know, Judge Lobdell is a man of the very highest character, the highest standing, and one of the best-known business men in the United States. It is not my duty to defend Judge Lobdell. He does not come from my section of the country; he does not belong to my political party, but I should be a very poor kind of Senator if I were not to state my views of this distinguished man.

Early after taking my seat I had business dealings with Judge Lobdell, and have been brought in contact with him often ever since I have been in Washington, some five years. I want to say that I have met no representative of any department of the Government who stands higher in the estimation of the people who know him than does Judge Lobdell. He impressed me as a man of sincerity, of ability, of conscientiousness, and who desired to do the very best that could be done for the institutions under his charge. He is well posted in the financial world. He disposed of some $200,000,000 of bonds of these various banks per annum, and many hundreds of millions have been disposed of on advantageous terms to the banks, and the farmers of the country get the benefit of that.

My friend from Nebraska [Mr. HOWELL] made the statement yesterday that Judge Lobdell's salary was paid out of the Treasury. Mr. President, that statement is incorrect. It shows that he is not posted about what he is talking about. Judge Lobdell's salary is paid by the individual banks of the country, and does not come out of the Treasury; but that is not very material.

Mr. HOWELL. Mr. President, may I ask the Senator a question?

Mr. DIAL. I yield; yes.

Mr. HOWELL. Have the farm-loan banks contributed one dollar to the payment of Judge Lobdell's salary?

Mr. DIAL. Every dollar since he has occupied this new position.

Mr. HOWELL. Not one dollar.

Mr. DIAL. I beg the Senator's pardon, then.

Mr. HOWELL. Not an assessment has been made on the banks to pay Judge Lobdell. The money has come out of the Treasury fund entirely.

Mr. DIAL. My information, then, is in error. I still maintain that the Senator's information is wrong. My information is that these 12 banks contribute their pro rata share toward Judge Lobdell's salary and not a dollar of it is paid out of the Treasury.

That brings up a point regarding the Secretary of the Treasury. I am not a defender of the Secretary of the Treasury, but this is the first time I have ever heard of him being accused of needing a guardian.

The Senator accuses the board of carelessness and of loose conduct and all kinds of unbusinesslike methods. As a matter of fact, when a bond issue is disposed of some money is held until the expenses have been liquidated; then the transaction is closed. The member banks are satisfied. They investigate the vouchers, they audit the vouchers, they approve of the payments, and the matter is closed, and nobody cares to go back behind it, so far as I know, except some one who is instigating the Senator from Nebraska—some disgruntled employee, perhaps, around here taking up the time of the Senate and causing expense to the taxpayers of the United States in our going back to investigate something where there is nothing to investigate.

Mr. HOWELL. Mr. President——

The PRESIDING OFFICER (Mr. MCNARY in the chair). Does the Senator from South Carolina yield to the Senator from Nebraska?

Mr. DIAL. I yield.

Mr. HOWELL. I would like to ask the Senator if he has ever seen an audit of any of the accounts of the Farm Loan Board by the presidents of the banks?

Mr. DIAL. No; I have not had any occasion to see any.

Mr. HOWELL. I will state for the Senator's information that there is no such audit extant.

Mr. DIAL. Mr. President, the Senator from Nebraska speaks in great suspicion of a little account down here at some bank in the city of Washington. I would like to know where this board would keep its accounts except in some bank. I confess that my experience with the Treasury is limited, but I do not presume the Treasury of the United States is prepared to carry a meal account for the Farm Loan Board or any other institution, to pay checks for meal tickets or automobile hire or something like that.

Mr. HOWELL. Mr. President——

Mr. DIAL. I will not yield now. My understanding is that the Secretary of the Treasury, is not prepared and would not

want to handle these accounts, and has no way of turning the vouchers back. Therefore, instead of this board being condemned for having an account in some bank in Washington, I do not see how they could carry on their business without having an account in Washington.

Mr. HOWELL. Mr. President——

Mr. DIAL. I yield now.

Mr. HOWELL. Is the Senator aware of the fact that all of these expenses were drawn from the Treasury formerly on Treasury checks, until September 22, 1922; that the total amount that has been drawn amounts to between $65,000 and $70,000, and that only $37,000 has been drawn from outside banks? In other words, they could have continued to deal with the Treasury just as they always had dealt with the Treasury, but they wanted this account because it was handier.

Mr. DIAL. I presume they did, and they should have credit for that. I presume that is satisfactory to everybody in the United States except the Senator from Nebraska.

Mr. President, that shows the folly of the Senate trying to go into the details of every department of the Government. We would be here until the year 2000 if we should allow propositions similar to this to obtain. They had a little account payable for current expenses. Any bank could return the checks, and the accounts would balance. What criticism could be made of that? I presume if the Treasury discontinued the custom, it was because they got tired.

There has also been a great fuss made here about some little accumulated interest between the Treasury and the bank. It seems to me they are competent to settle that matter, instead of bringing it here for the attention of the Senate. It is a question we are not able to solve.

Mr. President, as the Senator from Virginia said, the account balanced to the cent, and satisfied every member of the Banking and Currency Committee that everything was all right, and it does seem to me that it ought to satisfy everybody else. If my distinguished friend from Nebraska was dissatisfied with that committee, he could have moved in the Senate to have the committee discharged, and could have brought the matter up before another committee or before the Senate, or could have had some other disposition made of the matter.

Mr friend referred yesterday to my distinguished fellow citizen and fellow townsman, ex-Governor Cooper, of South Carolina, who is president of the board at this time. I could not hear the reading of all the letter, and I did not get the exact gist of some little difference of opinion between the Undersecretary of the Treasury and Governor Cooper, but I do not know that that was in any way important.

I do want to say this in behalf of Governor Cooper, that he was raised in my county on a farm. I knew him when he was a little boy, and I have known him ever since. The people of South Carolina honored him by giving him the highest position in the State at their disposal, to wit, the governorship, and I have yet to hear anyone breathe a breath of suspicion against Governor Cooper. He is simply incapable of doing anything wrong or crooked, or anything that would cause any just criticism at the hands of any well-posted man in the United States.

I know the other members of this board pleasantly, not intimately, however; but I have made some investigations, and I am glad that even the Senator from Nebraska has nothing so say against their honesty, against their integrity, and against their standing. He only criticizes some little irregularities in bookkeeping.

This matter should not have been discussed here in public, to go out and injure this great system which we have been trying to build up, a new system, a system that has enemies from without, and which should have no enemies from within.

I am satisfied that my good friend from Nebraska has been misled by some disgruntled person who has some grouch against the board, or against some member of the board, or against the system, and when the Senator fully posts himself he will see that there is nothing to investigate, he will know there is nothing wrong, and we may hope this great system may go on to the great prosperity to which it is entitled.

SENATOR BURTON K. WHEELER

Mr. STERLING obtained the floor.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McNARY in the chair). The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Bayard	Brookhart	Bursum
Ashurst	Borah	Broussard	Cameron
Ball	Brandegee	Bruce	Caraway
Copeland	Harreld	Moses	Spencer
Curtis	Harris	Neely	Stephens
Dale	Heflin	Norbeck	Sterling
Dial	Howell	Norris	Swanson
Edge	Johnson, Calif.	Oddie	Trammell
Edwards	Johnson, Minn.	Overman	Underwood
Elkins	Jones, Wash.	Pepper	Wadsworth
Ferris	Kendrick	Ralston	Walsh, Mass.
Fletcher	Keyes	Ransdell	Walsh, Mont.
Frazier	King	Reed, Pa.	Warren
George	Ladd	Robinson	Wheeler
Gerry	Lodge	Sheppard	Willis
Glass	McKinley	Simmons	
Gooding	McNary	Smith	
Hale	Mayfield	Smoot	

The PRESIDING OFFICER. Sixty-nine Senators having answered to their names, a quorum is present.

Mr. ASHURST. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Arizona?

Mr. STERLING. I yield.

Mr. ASHURST. I ask unanimous consent to have printed in the RECORD an article published in the New Republic of May 21, 1924, entitled "Hands off the investigations." I also ask to have printed in the RECORD an editorial published in the Christian Science Monitor of May 15, 1924, entitled "Senator WHEELER's vindication."

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

[From the New Republic]

HANDS OFF THE INVESTIGATIONS

So grave were the first disclosures made by the WALSH and WHEELER investigations that the immediate response of the country was profound humiliation. Only the recently disavowed organ of the Republican National Committee ventured brazenly to attack the exposers and minimize the exposure. But as the effect of the impact of these disclosures wore off, partly because of the very extent of the revelations, public preoccupation with private worries and bewilderment over the variety of complicated issues were exploited by various powerful forces, from a variety of motives ranging from the lowest to moral confusion, all with a view to discrediting investigation and arresting its further progress. The gathering forces against the investigations and the investigators reached their culminating reinforcement in the support of a President who, while professing a desire to vindicate the law, assumes that law and order are bounded by the Penal Code, and helped to create an atmosphere in which necessary investigation could not thrive. The President's lead was promptly followed by such guardians of the public interest as Judge Gary. The most disheartening experience of the Ballinger investigation repeats itself; the condemnation of the most powerful is reserved for the exposers and not for the exposed.

Emboldened by the successful offensive against the pending investigations in Washington, various suggestions are afloat with a view to curbing future WALSH and WHEELER investigations. Professing, of course, that wrongdoing, impropriety, and unwholesome standards in public life should be exposed, critics, who have nothing to say for the astounding corruption and corrupting soil which have been brought to light, seek to divert attention and shackle the future by suggesting restrictions in the procedure of future congressional investigations. Not only do members of the bar thus propose to hamper a power which has been exercised since 1789, but even one of our financiers, who is a self-appointed mentor for all our national ills, urges curbs upon Congress drawn from his deep study of comparative parliamentary procedure.

A proper judgment of the WALSH and WHEELER investigations involves a consideration of (1) the situation which confronted them, (2) their accomplishments, (3) their alleged abuses. Only after such consideration can we properly assess (4) the pertinence of any formal change in the procedure of congressional investigation.

(1) Situation confronting WALSH and WHEELER: When the Harding administration began—in fact preceding it—the air was full of indications of the sinister influences that were to prevail and were prevailing in the conduct of some of the vital departments of the Government. Around Fall and Daugherty suspicions steadily clustered. Washington was thick with talk, and not the talk of irresponsibles. As time went on the intimations became more and more outspoken; but every influence of authority, of powerful social connections, of the press, the whole milieu of officialdom in Washington was on the side of those in power and against disclosure and truth telling. More than that, when things could no longer be stemmed and an investigation of Daugherty's administration was entered upon by a House committee, the forces of wrongdoing rendered such an investigation abortive and futile, and thereby served to discredit further accusations and their investigation.

For nearly two years the efforts to uncover wrongdoing in the disposal of our public domain were hampered by every conceivable obstruction on the part of those in office and those influential out of

office; involving members of the President's official entourage and including perjury before a Senate committee on the part of one of the closest friends of the late President and one on close terms with the present Executive. The vast investigatorial agencies of the Government not only failed to cooperate with the efforts to unearth wrongdoing; they positively sought to frustrate congressional activity.

Governmental machinery, prestige, wealth, agencies of publicity—all were for covering up things. No one who has not had some experience of the power the Government can exert is able to realize the tremendous pressure against which WALSH and WHEELER were contending. Both the hostile resources and the inertia which they had to overcome were incredible. The odds which they thus encountered must be felt, and not merely intellectually admitted and lightly dismissed.

(2) Accomplishments of WALSH and WHEELER: These are beyond question. The bills filed by the Government against the Sinclair and Doheny leases are based upon the findings of the Walsh committee, namely, corruption and conspiracy rendered possible through Secretary Fall's corruption and Secretary Denby's guileless incompetence; the disgrace of, and pending grand jury inquiry into, a recent member of the Cabinet—Fall; the resignation of another member through incompetence—Denby; the dismissal of a third member—the Attorney General—because of an enveloping, malodorous atmosphere.

It is safe to say that never in the history of this country have congressional investigations had to contend with such powerful odds, never have they so quickly revealed wrongdoing, incompetence, and low public standards on such a wide scale, and never have such investigations resulted so effectively in compelling correction through the dismissal of derelict officials. All this, it must be remembered again and again, was done by Congress against obstructing executive departments and, to put it mildly, unassisted by a President who, unlike Roosevelt, is not a crusader against wrongdoing.

(3) Alleged abuses: One would like to have a bill of particulars of these alleged abuses. Objection is frequently taken against irrelevant, unfair, and unsubstantial charges and to the character of some of the witnesses. It is not easy to be patient with such an attitude. What were the irrelevant charges before the Walsh committee, and what were the improprieties in pursuing those charges? Certainly Senator WALSH has established all the charges surrounding the oil leases up to the hilt. Objections are made to the testimony centering around alleged prenomination and preelection affairs in 1920. Surely it was relevant to ascertain whether interests were on the lookout to put into the Department of the Interior a man who, honestly or dishonestly, held one attitude rather than another toward our natural resources. Necessarily much of this was hearsay and gossip. Nevertheless there emerged definitely the fact that Hamon spent a huge sum of money for campaign purposes. If these aren't "leads" properly to be pursued, then we had better frankly admit that the power of congressional investigation is a sham and not an effective instrument for ventilating issues for the information of Congress and of the public.

What are the specific objections to be made against the hearings conducted by Senator WHEELER? Of course the character of the witnesses in many instances was disreputable. It is of the essence of the whole Daugherty affair that the Attorney General of the United States was involved in questionable association with disreputable characters. It is naïvely suggested as to these individuals that "they are not competent witnesses. But they are exhibits." But in order to be exhibits they had to be witnesses. This is the kind of hairsplitting that has for decades been attacked as a disgrace to American criminal procedure. In suggesting that WHEELER's witnesses were not competent witnesses but merely "exhibits," perhaps all that was intended was that Senator WHEELER should have preceded the calling of each one of his disreputable witnesses by a speech stating that they were disreputable. Surely this is a naïve suggestion. It is difficult at best to get witnesses to talk. This criticism is familiar to everyone who has ever had anything to do with criminal prosecutions, namely, an attempt to divert attention from the misconduct of the defendant to the character of the witnesses against him. Of course the character of a witness is a relevant item.

As to Daugherty, it was a damning item. But the testimony of such people is not at all incompetent, and their character, as the New York World pointed out in an editorial on April 24, may be conclusive testimony on the issue of the fitness of a man to be Attorney General of the United States. If by the witnesses which Senator WHEELER produced he was able to furnish a "living demonstration of the atmosphere which prevailed in and around the Attorney General of the United States," how possibly could that conclusion have been demonstrated except in the way in which Senator WHEELER demonstrated it? Eminent lawyers might have done it a little differently, but the chances are very strong that they wouldn't have done it at all. It requires pertinacity and high indifference to the winds that blow to drive through the obstacles which faced Senator WHEELER. The performance of such a man in such a situation can not be finely weighed by a distant onlooker, after the event, on an apothecary's scale. We have clear indications as to how a "better lawyer than Senator WHEELER" would have dealt with the situation. The indications are furnished by the attitude of Senator PEPPER; they are furnished by the supine silence of the bar before Senator WHEELER began, for from the time of his appointment as Attorney General lawyers widely knew Daugherty's unfitness for the post; they are revealed in the criticisms by the bar, not of Daugherty but of his exposer, after the first flicker of indignation over the disclosures had subsided.

(4) Revision of procedure of congressional investigations: Nothing in the experience of the Walsh and Wheeler investigations reveals the need of changing the process or confining the limits of congressional investigations. The proper scope and methods of procedure appropriate to congressional investigations depend on the conception of the part they play in enabling Congress to discharge its basic duties. This has been nowhere better expressed than by Woodrow Wilson in his Congressional Government:

> "It is the proper duty of a representative body to look diligently into every affair of government and to talk much about what it sees. It is meant to be the eyes and the voice and to embody the wisdom and will of its constituents. Unless Congress has and uses every means of acquainting itself with the acts and the disposition of the administrative agents of the Government, the country must be helpless to learn how it is being served; and unless Congress both scrutinizes these things and sifts them by every form of discussion, the country must remain in embarrassing, crippling ignorance of the very affairs which it is most important that it should understand and direct. The informing function of Congress should be preferred even to its legislative function."

Undoubtedly the names of people who have done nothing criminal or wrong, or nothing even offending taste, perhaps, have been mentioned in connection with these investigations.

A number of such instances appeared in connection with "Ned" McLean's name. All those references are pertinent in showing the ramifications of McLean's influence in official Washington. Also the names of counsel were mentioned who have had dealings with the Department of Justice which were wholly proper. But where so much that the Department of Justice was doing under Daugherty was not innocent it is highly important that even innocent transactions in the general field of fraud and suspicion be explained in order to separate the sheep from the goats. The question is not whether people's feelings here and there may be hurt or names "dragged through the mud," as it is called. The real issue is whether the danger of abuses and the actual harm done are so clear and substantial that the grave risks of fettering free congressional inquiry are to be incurred by artificial and technical limitations upon inquiry. Any quantitative and qualitative judgment of what WALSH and WHEELER were up against, what they produced and how they produced it, leaves the experienced and disinterested mind, duly regardful of the investigating duties of Congress, wholly without justification for changing congressional procedure.

It must be remembered that our rules of evidence are but tools for ascertaining the truth, and that these tools vary with the nature of the issues and the nature of the tribunal seeking facts. Specifically, the system of rules of evidence used in trials before juries "are mainly aimed at guarding the jury from the overweening effect of certain kinds of evidence." That system, as pointed out by Wigmore, "is not applicable by historical precedent or by sound practical policy" to "inquiries of fact determinable by administrative tribunals." Still less is it applicable to inquiries by congressional committees. Of course, the essential decencies must be observed, namely opportunity for cross-examination must be afforded to those who are investigated or to those representing issues under investigation. Despite Daugherty's statement to the contrary, that opportunity has been scrupulously given by the Brookhart committee.

It must be remembered that in various fields there is no legal protection against harm due to unfettered speech. The only safeguards are those secured by social and moral pressure. Thus the immunities enjoyed by judges and legislators for anything said by them as judges and as legislators are founded on deep experience. So also the abuses of the printing press are not sought to be corrected by legal restriction or censorship in advance, because the remedy is worse than the disease. For the same reason congressional inquiry ought not to be fettered by advance rigidities, because in the light of experience there can be no reasonable doubt that such curtailment would make effective investigation almost impossible.

Our criminal procedure has been constantly under fire by the legal profession, from Chief Justice Taft down, because of its self-defeating technicalities. In a report to the American Bar Association vigorous demand has recently been made for the liberalization of rules of evidence and procedure in criminal cases. Taken in connection with the proposal to curb the investigating powers of Congress, what is urged, in effect, is that we abandon the technical limitations which have been established to protect men from being sent to jail too readily, but introduce them into a field where they have never been resorted to and where they are wholly out of place, namely, in the exercise of the informing function of Congress.

A good deal must be left to the standards which Congress imposes upon itself and its committees; a good deal must be left to the duty of

newspapers to report fairly and not sensationally, and to interpret wisely; a good deal must be left to the good sense of people.

In conclusion, there is no substantial basis for criticism of the investigations conducted by Senator WALSH and Senator WHEELER. Whatever inconveniences may have resulted are inseparable incidents of an essential exertion of governmental power, and to talk about these incidents is to deflect attention from wrongdoing and its sources.

The procedure of congressional investigation should remain as it is. No limitations should be imposed by congressional legislation or standing rules. The power of investigation should be left untrammeled, and the methods and forms of each investigation should be left for determination of Congress and its committees as each situation arises. The safeguards against abuse and folly are to be looked for in the forces of responsibility which are operating from within Congress and are generated from without.

FELIX FRANKFURTER.

[From the Christian Science Monitor, May 15, 1924]

SENATOR WHEELER'S VINDICATION

The report of the senatorial committee which has been inquiring into the circumstances attendant upon the indictment of Senator WHEELER, of Montana, constitutes a complete vindication of the accused Senator. It does not, however, deal sufficiently with the phase of that attack upon the Montana Senator which is of the utmost importance. Mr. WHEELER was conducting an investigation into alleged irregularities and corruption existing in certain executive departments of the Government. The committee of which he was the head was bringing to light, in a way that was convincing, evidence which affected very materially men of eminence under this administration and prominent figures in the Republican Party organization. Suddenly he was indicted in his home State on charges which a Senate committee now declare to be wholly without foundation. Evidence was presented to the committee which investigated the circumstances of this indictment, that witnesses before the grand jury in Montana were employees of the Republican National Committee and of the Department of Justice. It was shown, to the satisfaction of the unprejudiced mind at any rate, that the attack upon Senator WHEELER at his home was made through political agencies, by the active agents of the Republican Party organization and with the aid of employees of two executive departments.

In brief, it was shown to this committee that there was more than a reasonable suspicion that the agencies of the great Federal Government of the United States had been freely employed to "frame up" this United States Senator, to block him in the discharge of his duties, and to render nugatory all that he had been doing in the way of uncovering corruption in executive departments.

The committee, apparently, is content with reporting a vindication of Senator WHEELER, but who is to vindicate the politicians who used the agencies of two executive departments for his injury? It is to be hoped that Senator BORAH in presenting the committee report will address himself somewhat to this question.

Mr. STERLING. Mr. President, I desire to speak upon the majority report and upon the views of the minority in the matter of the investigation of the charges against Senator WHEELER. Let me begin with an excerpt from the minority report. The report reads in part as follows:

> In the face of and contrary to what is believed to be sufficient evidence at least to warrant the action of the grand jury, the majority has specifically and definitely found that Senator WHEELER has not committed any act in violation of law. In doing this the majority has encroached upon the functions of the judicial branch of our Government. Their conclusions prejudice the issue made by the pending indictment and a plea of "not guilty" which it is assumed will be entered; and to this extent the majority report obstructs and interferes with the due administration of justice. In the face of the majority report, which will doubtless be given wide publicity in Montana, how can the Government hope to secure an unprejudiced jury to try the case? How can respect for the courts be maintained if their hands are to be tied and their freedom of action embarrassed by the unwarranted interference of a coordinate branch of the Government?

Mr. President, I am inclined to make that statement from the minority report as a kind of text for what I may say to-day. Of course, I shall make some reference to the evidence, from which the Senator from Idaho [Mr. BORAH] read at considerable length in his address on yesterday.

I can find no warrant in law or under the Constitution of the United States for this proceeding. Senator WHEELER had, so far as the record shows, been duly indicted for an offense against the United States by a Federal grand jury in Montana. That indictment is pending. So far as the record is concerned, no effort has been made and no proceedings have been taken for the purpose of setting aside that indictment.

A word as to the authority of the Senate in regard to its membership. It is provided in section 5 of Article I as follows:

> Each House shall be the judge of the election, returns, and qualifications of its own Members, and a majority of each shall constitute a quorum to do business, but a smaller number may adjourn from day to day and may be authorized to compel the attendance of absent Members in such manner and under such penalties as each House may provide.

The pertinent part of this, of course, is the very first clause, that "each House shall be the judge of the election, returns, and qualifications of its own members." What are the constitutionally prescribed qualifications of a Member of the Senate? They refer to age, they refer to citizenship, they refer to inhabitancy. Is he 30 years of age? Has he been nine years a citizen of the United States? Has he been a resident or an inhabitant of the State from which he is chosen for a period of one year before he was chosen? Those are the three qualifications upon which the Senate undoubtedly has a right to pass.

One further qualification may be involved in the word "election" and in the right of the Senate to be the judge of the election and returns of elections of its Members. The election of its Members, it may be said, or of any Member, may have been accomplished through fraud and corruption. The Senate, of course, would refer a charge of that kind to its Committee on Privileges and Elections, and it would be determined from the report of that committee or by the action of the Senate upon the report of the committee as to whether the Member was disqualified because of the use of fraud and corruption in securing his election.

So, Mr. President, I see no constitutional authority for this proceeding, a proceeding upon the part of the Senate to determine the guilt or innocence of a Senator who has been lawfully charged with having violated a statute of the United States by a grand jury and whose case is pending in the court where the indictment was found. True, here is another clause of the Constitution that might possibly be invoked by those who entertain another view:

> Each House may determine the rules of its proceedings, punish its Members for disorderly behavior, and, with the concurrence of two-thirds, expel a Member.

I do not believe that it will be contended for a moment that this provision of the Constitution applies to this case or to any like case. The behavior here involved can not be such as is contemplated by the term "disorderly behavior" in the Constitution. An act committed by the Senator, this or any other Senator, outside of the Senate of the United States, and involving other conduct quite apart and distinct from his conduct here in the Senate, can not be disorderly behavior within the meaning of the Constitution.

It is said that with the concurrence of two-thirds the Senate may expel a Member. But what principle would be infringed if, after an indictment has been returned by a grand jury, the Senate of the United States should proceed to act upon that, determine the guilt or innocence of the Member, and expel him before trial by the petit jury having jurisdiction in the case? I contend that such a course would be violative of the principle which recognizes the three several departments of the Government—the executive, the judicial, and the legislative. Already the judicial department of the Government, through the finding of the indictment, has jurisdiction in this case and of the alleged offense upon the part of Senator WHEELER.

As I have tried to show in a brief allusion to that matter in the minority report, to now summon before a committee of the Senate, appointed to investigate this case, the witnesses for the prosecution in advance of the trial by the petit jury in Montana would be to give the Senator from Montana an advantage which no other person, no other citizen of the United States, would have. The effect of publishing the report of the majority in this case, circulated, as it will be, throughout the State of Montana, read by every qualified juryman probably within that State, can be nothing else than to prejudice in advance of trial public sentiment against the Government and in favor of the defendant who is charged.

Mr. President, I think this case is absolutely without parallel in our legislative history. There is nothing like it. It is hoped that there will be nothing like it in the future. I hope now that Senators will rid themselves, if they have any feeling of that kind in advance, of all partisan and all personal feeling and be just as impersonal as they possibly can be in the consideration of this question and the fundamental principles involved.

Mr. GEORGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Georgia?

Mr. STERLING. I yield.

Mr. GEORGE. I would like to inquire of the Senator if, in his judgment, the Senate exceeded its authority in investigating the truth or authorizing the investigation of the truth of the charge made in the indictment? Where does the Senator find his authority for investigating the grand jury and determining whether it acted on probable or improbable cause?

Mr. STERLING. I have expressed myself before on that, I will say to the Senator. I expressed doubt of our right to go to that extent; but I conceded that much that we might go to that extent; that since it had been charged by Senator WHEELER so vigorously that this was a frame-up and that the Government officials and prosecuting officers had been influenced by improper motives, I said we will go at least that far to determine whether such are the facts.

Mr. GEORGE. I fail wholly to see how the Senate of the United States could investigate any grand jury sitting in any State to determine whether or not that grand jury acted on probable or improbable cause.

Mr. STERLING. The charge was specifically made by the Senator from Montana that this was a "frame-up" and that the Government officers instituting the prosecution were governed by improper motives.

Mr. GEORGE. Yes; I understand that.

Mr. STERLING. I thought the evidence taken before the committee might develop the fact as to whether or not that was true.

Mr. GEORGE. I am curious to know how the Senator could determine whether or not it was a "frame-up" if he were not going into an investigation as to the facts in the case.

Mr. STERLING. The facts to that extent I was willing to have presented and discussed and considered.

Mr. GEORGE. The Senator certainly knows that even perjured testimony, if the grand jury were acting in good faith, might afford probable cause for its action.

Mr. STERLING. That may be true; and I think, perhaps, the way would have been left open before the committee to show that the testimony that was given before the grand jury was perjured testimony. I do not know that I should have objected to that.

Mr. GEORGE. That seems to me Mr. President, to be going into the merits of the charge; and I do not see how the Senator can escape that conclusion.

Mr. STERLING. No; it is not going into the merits of the charge exactly to show that some witness had perjured himself in giving testimony.

Mr. President, there is a case from which I want to read and read liberally. It is the case of Burton against The United States, which is found in Two hundred and second United States Supreme Court Reports. There is more of a parallelism between that case and the case at bar, if I may use that expression, than we are apt to think on first blush, both in regard to the law and in regard to the evidence in the case. First, I wish to read from the opinion of the court with reference to the law involved. The statute under which Mr. Burton, who was then a Senator from Kansas, was indicted is substantially the same as the statute here. It was section 1782 modified by the later section 113 of the Criminal Code, to which attention is called in the report.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Virginia?

Mr. STERLING. I yield to the Senator.

Mr. GLASS. May I inquire of the Senator—and I make the inquiry because I am not familiar with the facts—whether or not at the time of his indictment Senator Burton was engaged in any investigation of the Department of Justice?

Mr. STERLING. No; I do not think so. He was indicted, I will say to the Senator from Virginia, for doing some work before the Post Office Department.

Mr. GLASS. But he was not engaged at the time in an investigation involving the integrity of the Department of Justice?

Mr. STERLING. Oh, no. I think I understand what the Senator means now.

Mr. GLASS. I hope so. I try to make myself understood.

Mr. STERLING. Yes; and I understand the insinuation there is in it, I will say to the Senator from Virginia.

Mr. GLASS. There is no insinuation about it at all.

Mr. STERLING. I recall the Senator's intimation yesterday in a colloquy with the Senator from Idaho [Mr. BORAH], and what was then said about my acting the part of a prosecutor in this case, and his charge that the Department of Justice—he did not say the Department of Justice but he meant it; he said "one of the executive departments of the Government"—was engaged, as I understood the Senator from Virginia, in practically a blackmailing proceeding.

Mr. GLASS. Yes; but what has that to do with my simple and courteous inquiry of the Senator from South Dakota as to the facts in this case? I do not recall the exact circumstances of the indictment of Mr. Burton, and I wanted to know of the Senator from South Dakota if Mr. Burton was at the time of his indictment engaged in an investigation of the Department of Justice.

Mr. STERLING. On the face of it the Senator's question is fair, and I say, no.

Mr. GLASS. My question is intended to be fair.

Mr. STERLING. I say, in answer to the Senator's question, no.

Mr. GLASS. I merely want to develop the fact.

Mr. STERLING. The court says:

> A statute like the one before us has direct relation to those objects and can be executed without in any degree impinging upon the rightful authority of the Senate over its Members or interfering with the discharge of the legitimate duties of a Senator.

The court refers to the statute, the object of which is apparent, although the court discusses it at some length.

> The proper discharge of those duties does not require a Senator to appear before an executive department in order to enforce his particular views, or the views of others, in respect of matters committed to that department for determination. He may often do so without impropriety, and so far as existing law is concerned may do so whenever he chooses, provided he neither agrees to receive nor receives compensation for such services. Congress, when passing the statute, knew, as indeed everybody may know, that executive officers are apt, and not unnaturally, to attach great, sometimes, perhaps, undue, weight to the wishes of Senators and Representatives. Evidently the statute has for its main object to secure the integrity of executive action against undue influence upon the part of members of that branch of the Government whose favor may have much to do with the appointment to, or retention in, public position of those whose official action it is sought to control or direct.
>
> The evils attending such a situation are apparent and are increased when those seeking to influence executive officers are spurred to action by hopes of pecuniary reward. There can be no reason why the Government may not, by legislation, protect each department against such evils; indeed, against everything, from whatever source it proceeds, that tends or may tend to corruption or inefficiency in the management of public affairs. A Senator can not claim immunity from legislation directed to that end simply because he is a member of a body which does not owe its existence to Congress and with whose constitutional functions there can be no interference. If that which is enacted in the form of a statute is within the general sphere of legitimate legislative, as distinguished from executive and judicial action, and not forbidden by the Constitution, it is the supreme law of the land—supreme over all in public stations as well as over all the people. "No man in this country," this court has said, "is so high that he is above the law. All the officers of the Government, from the highest to the lowest, are creatures of the law, and are bound to obey it. Nothing in the relations existing between a Senator, Representative, or Delegate in Congress and the public matters with which, under the Constitution, they are respectively connected from time to time can exempt them from the rule of conduct prescribed by section 1782. The enforcement of that rule will not impair or disturb those relations or cripple the power of Senators, Representatives, or Delegates to meet all rightful or appropriate demands made upon them as public servants.

I pass over much of the opinion because I desire to call the attention of the Senate to the language of the court concerning the instructions or the failure to give certain instructions to the jury. I read from page 373.

> It is insisted, however, that the court below erred in not directing the jury to acquit the defendant; in other words, that the evidence in support of the indictment was so meager that the jury could not properly have found him guilty of any offense. We can not assent to this view—

There was a great conflict of testimony in this case, but there was enough to send the case, in the opinion of the court, to the jury for decision—

> We can not assent to this view. There was beyond question evidence tending to establish on one side the defendant's guilt of the charges preferred against him; on the other side, his innocence of those charges. It will serve no useful purpose to set out all the testimony. It is sufficient to say that the whole evidence has been subjected to

most careful scrutiny, and our conclusion is that the trial court was not authorized to take the case from the jury and direct a verdict of not guilty. That course could not have been pursued consistently with the principles that underlie the system of trial by jury. It was for the jury to pass upon the facts, and, as there was sufficient evidence to go to the jury, this court will not weigh the facts and determine the guilt or innocence of the accused by the mere preponderance of evidence, but will limit its decision to questions of law.

In its charge to the jury the circuit court held the scales of justice in even balance, saying all that was necessary to guard the rights of the accused. Nothing seems to have been omitted that ought to have been said nor anything said that was not entirely appropriate. Upon the general question of guilt or innocence, and as to the rules by which the jury should be guided in their consideration of the case, the circuit court, in substance, said that the indictment was not evidence in any sense, but only an accusation which it was incumbent upon the Government to sustain by proof establishing guilt beyond a reasonable doubt; that the presumption of law was that he was innocent of the accusation as a whole and as to every material element of it, and that such presumption abided with him from the beginning to the end of the trial, and required, at the hands of the jury, an acquittal, unless a careful, intelligent, fair consideration of the whole evidence, attended by the presumption of innocence, produced in the mind, beyond a reasonable doubt, the conviction that the defendant was guilty; and that they, the jury, were the sole judges of the credibility of the witnesses and of the weight to be attached to their testimony.

So, Mr. President, the benefit of every presumption that is in favor of the defendant in a criminal case will be accorded to Senator WHEELER when he appears for trial before the petit jury in the State of Montana—every one of them. What more can he ask than that?

Mr. President, let me submit another view for a moment. We understand how this case stands before the Senate here to-day; but suppose it were the case of a man who was in the minority and that minority was a small minority in the Senate of the United States. He has been indicted in his own home State; he protests his absolute innocence; he says he is not guilty, and he wants to appear before a petit jury in that State and show that he is not guilty; and yet the Senate of the United States, under the influence of cabal or faction or party prejudice, should say to that man, "We are going to try you here; we are going to determine your guilt or innocence here in this forum." That is the situation here; a parallel case, with the shoe, in a sense, upon the other foot.

Mr. HEFLIN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Alabama?

Mr. STERLING. I yield.

Mr. HEFLIN. Does not the Senator think that a United States Senator is entitled, as early as possible, to have the body in which he sits as a Member express its opinion as to whether or not he has been slandered in being charged with a criminal offense?

Mr. STERLING. No, sir; not, under the circumstances, to express its opinion as to his guilt or innocence. Let me say to the Senator from Alabama that I shall not object to the Senator from Montana sitting here. I shall not object to his keeping his place in the Senate, having his vote, having his place on committees, doing his work here; but I should expect that he would appear before the trial court, whenever it meets, to defend his case there. I am raising no question as to his right to sit here.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Montana?

Mr. STERLING. I yield to the Senator from Montana.

Mr. WALSH of Montana. Does not the Senator remember that just exactly the case he speaks of was heard and determined in this body, namely, the case of a Member who was indicted and was insisting, before the Senate acted, that he should be tried by a petit jury?

Mr. STERLING. When? Where?

Mr. WALSH of Montana. Right in this body.

Mr. STERLING. When?

Mr. WALSH of Montana. Away back in 1807.

Mr. STERLING. No; I do not remember it.

Mr. WALSH of Montana. I shall be glad to call the attention of the Senator to it.

Mr. STERLING. If the Senator will call it to my attention later, I may have something to say about it.

Mr. HEFLIN. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from South Dakota further yield to the Senator from Alabama?

Mr. STERLING. Yes; I yield.

Mr. HEFLIN. In view of the fact that the main witness on whose testimony this flimsy charge against Mr. WHEELER was founded——

Mr. STERLING. Yes; another prejudgment of the case.

Mr. HEFLIN (continuing). Mr. Coan admitted or stated before the committee that he went up to see what he could find on WHEELER at the instance of the Republican National Committee, and when the question was asked, "Why did you do that?" he said, "Well, WHEELER was attacking the administration, and nobody would get up and reply," and he criticized Republican Senators for not saying something in reply to Senator WHEELER, and he at the instance of the Republican National Committee goes up to see if he can not get something against a Senator who has led a fight to oust a crooked Republican Attorney General——

Mr. STERLING. I do not think that is a fair inference, by any means, to draw from the testimony of Mr. Coan, if the Senator will read that testimony.

Mr. HEFLIN. I read it yesterday.

Mr. STERLING. Let me proceed:

The circuit court was equally direct and impartial in what it said in relation to the particular issues of fact raised by the indictment and evidence. After explaining the nature of the proceeding before the Post Office Department, in respect of which, the indictment alleged, the defendant acted as counsel for the Rialto Co., for compensation received and to be received, and after referring, with some fullness, to the specific charges in the several counts, the court called attention to the questions that were common to all the counts.

And I read this because it is so pertinent and appropriate here.

It said to the jury: "Was the defendant a Senator of the United States for the State of Kansas during the times covered by the transactions under investigation? It is admitted that he was, and therefore you will have no difficulty in determining that. Was the Rialto Grain & Securities Co. an existing corporation carrying on business of the character described during the times covered by the transactions under investigation? There was proof that it was, and no proof to the contrary, so you will have no difficulty with that. Was a proceeding pending before the Post Office Department from November 18, 1902, to March 26, 1903, to determine whether or not a fraud order should be issued against that company?"

That was the matter in which it was charged that Senator Burton had appeared in behalf of the Rialto Co. The question was as to whether a fraud order should be issued by the Post Office Department or not.

If the evidence shows that the officers of the Post Office Department, at the instance of private individuals or otherwise, had before that time set on foot an inquiry to determine whether or not satisfactory evidence existed that the Rialto Grain & Securities Co. was engaged in conducting a scheme or device for obtaining money through the mails by means of false or fraudulent pretenses, representations, or promises, as charged in the indictment; and if the evidence further shows that that inquiry had not been concluded, and was, during the period named, in the charge of any of the officers of the Post Office Department then charged with the performance of any duty in respect of such inquiry—then I charge you that there was such a pending proceeding before the Post Office Department, as described in the indictment, and as referred to in the statutes before mentioned; and also that it was a proceeding in which the United States was both directly and indirectly interested.

Mr. President, it is not necessary now, in the first place, that Senator WHEELER should have appeared before the Commissioner of the General Land Office, Mr. Spry. According to this authority—and I think it is in accord with other authorities—if he appears before any official of that department having charge of or connected with the business about which he wishes to interview the department it is sufficient, and comes within the plain terms of the statute.

In this connection I want to call attention to one thing so frequently alluded to by the Senator from Idaho [Mr. BORAH] in his speech, and I think by the Senator from Arkansas [Mr. CARAWAY] the other day, to the effect that he was not an attorney of record.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Idaho?

Mr. STERLING. I do.

Mr. BORAH. I did call attention to the fact that he was not an attorney of record, but I did not assert that it was necessary for him to be an attorney of record in order to be guilty. That was one of the incidents of the proof. Mr. Spry testified that anyone who appeared there to urge a cause or

to represent a cause was noted upon the docket and noted in the record. I called attention to that fact as an evidenciary fact of the fact that he was not there.

Mr. STERLING. I think the Senator from Idaho knows full well that to make a man liable under this indictment or under this charge he would not need to be an attorney who was registered in the Land Department or in the General Land Office at all.

Mr. BORAH. Oh, no; that was just one of the evidenciary facts in the case—that is all.

Mr. STERLING. I read a little further from this opinion.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Montana?

Mr. STERLING. I yield.

Mr. WALSH of Montana. I have been endeavoring to follow the discussion of the Burton case by the Senator. I have not been able, however, to apprehend exactly what the point is that the Senator is seeking to establish.

Mr. STERLING. The point is simply this—that in order that Senator WHEELER or anybody else might be liable under the charge made, he would not have to be a registered attorney in the Land Department or registered as counsel at all. That was not necessary.

Mr. WALSH of Montana and Mr. ROBINSON addressed the Chair.

The PRESIDING OFFICER. Does the Senator from South Dakota yield, and, if so, to whom?

Mr. STERLING. I yield first to the Senator from Montana.

Mr. WALSH of Montana. I was going to remark that I rather think everybody will concede that.

Mr. STERLING. Well, it ought to be conceded.

Mr. ROBINSON. Mr. President, I want to ask the Senator from South Dakota whether anyone has contended that it is necessary for Mr. WHEELER to have been registered in order to have violated the statute against practicing in the department?

Mr. STERLING. No; I do not think anyone has.

Mr. ROBINSON. Then may I inquire of the Senator why he addresses himself in such detail to that proposition?

Mr. STERLING. I am not addressing myself in great detail to it. I will say to the Senator from Arkansas that I mentioned it rather incidentally than otherwise, because it was very appropriate to my remarks here.

Mr. ROBINSON. Of course, I have no objection to the Senator addressing himself in detail to any feature of the subject that he thinks necessary, relevant, and material; but since no issue is made upon the point I wondered just why it is that the Senator finds it necessary.

Mr. STERLING. I think Governor Spry was asked, when on the stand, as to whether Mr. WHEELER was a registered attorney or not, and the Senator from Idaho made mention of the fact, and quoted from Governor Spry's testimony in that regard.

Mr. BORAH. Mr. President, of course I asked Governor Spry if he had been registered as an attorney; and if Governor Spry had answered "Yes; he was registered as an attorney, and appeared as an attorney," I have an idea that the Senator from South Dakota would have gone into great detail on that feature of it.

Mr. STERLING. I probably would. Yes, sir; I probably would have gone into detail about it.

It [the court] then called the attention of the jury to the particular counts charging the defendant with having agreed with the Rialto Co. to receive a stated compensation for services to be rendered in the proceeding before named. Touching those counts, the court said: "Did he make such an agreement?" That he made an agreement of some character to act as counsel for that company for a stated compensation is conceded. The real question is—

I should like to have Senators have this particular proposition in mind with reference to certain features of this case—

The real question is whether that agreement included, among other matters in relation to which he was to serve the company, the proceeding in the Post Office Department before named.

And the question arises in this case—I will say so now—whether an agreement for a retainer of $10,000 a year included other services than that of attending to certain cases out in the State of Montana and before the State courts of Montana. That is the question.

Mr. ROBINSON. No; if the Senator pleases; that is not the question. The question, according to the rule the Senator has just read, is whether the retainer, the contract of employment, contemplated services in the matter of the permits referred to in the charge against Mr. WHEELER.

Mr. STERLING. I do not see any particular difference between the statement made by the Senator from Arkansas and my own statement in that regard.

Mr. ROBINSON. If the Senator knows what he said, he is bound to recognize a very material difference. The Senator from South Dakota stated that the real question was whether the employment contemplated other services than representation of Mr. Campbell in the courts of Montana. I say, that according to the rule he has just read the real question is not respecting other services, but whether it contemplated the service referred to in the indictment, namely, in connection with the oil permits.

Mr. STERLING. Let me read this statement again:

The real question is whether that agreement included, among other matters in relation to which he was to serve the company, the proceeding in the Post Office Department before named. Upon that question the evidence is conflicting, and it is your duty to weigh the evidence and determine the truth.

We may concede that it is conflicting in this case.

If, among other things, it was intended by the defendant and the Rialto Grain & Securities Co. in making the agreement that he would, in part consideration for the compensation he was to receive, appear as agent or attorney of such company before the Post Office Department, or any of its officers charged with any duty or having any authority over such fraud order proceedings, for the purpose or with the intent of influencing or obtaining action on their part favorable to such company in said proceeding, whether by way of stopping the investigation or ultimately preventing the issuance of a fraud order, then I charge you that the agreement of the defendant was violative of the statute; otherwise it was not. The offense prescribed in the statute consists in the agreement to receive compensation for the rendition of such services. The mere agreement to render the services is not an offense. It is the agreement to receive compensation for the rendering of them which constitutes the offense.

It should be carefully observed that the actual rendition of services is not a necessary element of this offense. The offense is complete and the defendant's guilt is established if the evidence shows that he made an agreement to render such services for compensation.

I further charge you—

Said the trial court in its charge—

that if he appeared as agent or attorney of such company before the Post Office Department, or any of its officers charged with any duty or having any authority over such fraud order proceeding, for the purpose or with the intent of influencing them in respect of their action in said proceeding, and did then arrange with the department, or any of its officers, that a hearing should be had in respect of such matter, and then also assured the department, or any of its officers, that it was the purpose of said company to comply strictly with the law, and then also arranged that no action should be taken against said company in said proceeding without his first being notified thereof, that that would constitute services within the meaning of the statute.

Mr. President, I have read at length from this case in order that our minds in a way might be prepared for what I believe to be a just and proper consideration of the present case.

Mr. HEFLIN. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Alabama?

Mr. STERLING. I yield.

Mr. HEFLIN. The Senator a moment ago stated that I had not correctly quoted Mr. COAN's testimony. With his permission, I would like to read just a few lines. I read now from the record:

The CHAIRMAN. Who employed you to go to Montana?

Mr. COAN. Mr. Lockwood—George B. Lockwood—of the Republican National Committee.

Senator SWANSON. Is he a member of the Republican National Committee?

Mr. COAN. Yes, sir.

Senator SWANSON. And he is also interested in the National Republican?

Mr. COAN. Yes, sir; he is secretary of the Republican National Committee.

Senator SWANSON. At that time were they interwoven?

Mr. COAN. I do not know the connection exactly. I did not ask him when he gave me the job whether they were interwoven or not.

The CHAIRMAN. You may take the witness.

Senator SWANSON. Did he tell you the purpose for which he employed you?

Mr. COAN. Yes; I was sent out to Montana to investigate some of these stories about Senator WHEELER. WHEELER had been attacking the administration and everybody in public life here, and nobody seemed to be willing to get up and answer him, and they thought it was up to somebody to find out who this fellow was and what he had been doing.

Senator SWANSON. Who thought so?

Mr. COAN. The Republican National Committee.

Senator SWANSON. And they sent you there for that purpose?

Mr. COAN. Yes.

And so forth.

That is what I stated awhile ago more briefly than I have stated it now, and I did so from memory. I ask the Senator now if he does not think I quoted Mr. Coan correctly?

Mr. STERLING. My attention was diverted, and I could not say whether the Senator quoted him correctly or not. I am going to assume that he did for the purpose of the case.

Mr. HEFLIN. I have read it now. It is correct in the hearing, is it not?

Mr. STERLING. I think it is not material to the real inquiry before the Senate, I want to say to the Senator from Alabama, with all due respect.

Mr. HEFLIN. I submit to the Senator that if a Republican National Committee or a Democratic National Committee seeks to get something on a Senator who is leading a fight as a Senator in the interest of good government, and the purpose of getting that something is to cripple him and to smear him, as it has been suggested, if the Senator does not think that is a material thing for the Senate to consider? If committees can do things like that, the time will come when Senators will be afraid to attack crooked officials, backed by big, crooked interests of the country.

Mr. STERLING. Mr. President, after referring to this authority, and at the length I have, I want to give now a little attention to the testimony, and I hope to be reasonably brief in that. I can not help, in reading some of this testimony, from recalling an old quotation from Shakespeare, I think it is, and I think it occurs in Hamlet, to this effect, if not the exact language:

The lady doth protest too much, methinks.

I call attention to the testimony of Mr. Stout, briefly, to two or three things he said. Mr. Stout was not a witness before the grand jury. He is an acquaintance of Mr. WHEELER and of Mr. Campbell, and in the course of the inquiry this occurred:

The CHAIRMAN. Now, you may state the conversation that you had with Mr. WHEELER.

Mr. STOUT. Well, I advised him of Mr. Campbell's desire to retain him—his firm. We talked it over for some time. He stated finally the terms under which he would undertake the case. I told him that that was a matter that would have to be taken up with Mr. Campbell, and that I would telephone him; and during the course of that conversation Mr. WHEELER stated that, of course, he could not represent him except in the State courts there. In other words, assuming that Mr. Campbell might have some business in the public-land department of the Government, he advised me at that time to so advise Mr. Campbell that he would not represent him in anything except the litigation local to Montana and in the State courts.

Mr. President, the one thought I have in mind in hearing testimony of that kind—and there is more like it in the course of the investigation—is this, that the grand jury, with the evidence before it as it was, might have looked upon a statement like that, had Mr. Stout himself been before the grand jury, as a statement somewhat akin to a self-serving declaration, or a statement that was so obviously refuted by other testimony that it should not be regarded.

Again and again throughout this testimony in this very apparent attempt to show that Mr. WHEELER, when spoken to in the first instance in regard to it, said that he could not do anything outside of business in the courts of the State of Montana; and yet, hardly does he reach Washington before he appears in the office of Mr. Booth, the Solicitor of the Interior Department, and is by Mr. Booth introduced to the Commissioner of the General Land Office, Governor Spry, and in the first conversation on that mere introduction he refers to the constituent of his, Mr. Campbell, for whom he desires just and fair treatment. It shows that he was at least interested in Mr. Gordon Campbell's affairs from the time he went there. I will show a little later on the relationship of Mr. Booth to this whole transaction.

Let it be remembered that this evidence shows that there are two indictments now pending in the State of Montana against Mr. Gordon Campbell, indictments for using the mail for fraudulent purposes, and it was in his interest that Mr. WHEELER spoke to Governor Spry, and spoke to Edwin Booth, the solicitor of the department; and, mind you, the evidence further shows the intimate friendly relations between Mr. Booth and Mr. WHEELER for years past. I think the testimony shows that their families visited each other soon after Mr. WHEELER's arrival here in Washington.

Turning over a little further, I quote from Mr. Campbell's testimony:

The CHAIRMAN. What was the value of the property covered by these lawsuits? To what extent were your entire holdings involved?

Mr. CAMPBELL. That is a pretty hard matter, Senator. We have quite a large oil field, and it is quite valuable. The area is about four times larger than the Teapot Dome.

Reference is made to Mr. Beaulieu, and the statement is that "Mr. Beaulieu was our title lawyer." If I remember the testimony correctly, Mr. Beaulieu was in the office occupied by Mr. Campbell at Great Falls, Mont.

Further on the chairman called the attention of Mr. Campbell to the conversation that Mr. Stout had had with Mr. WHEELER, and Mr. Campbell said:

I think Mr. Stout came to Great Falls, and we were quite friendly, and I used to talk my matters over considerably with Mr. Stout, being a friend, and I had told him, or practically he knew, about my lawyers, and how some of them had not treated me right, as I called it; so I said: "It is funny that I can not get a lawyer that will stand pat with me and will work for me and make a fight." Most of the lawyers, when I would take them in, would want to compromise with somebody and give them a lot more of my land—compromise instead of making a fight.

No particular point is made in regard to that testimony of Mr. Campbell. Then the following occurred:

The CHAIRMAN. State what it was—the terms.

Mr. CAMPBELL. Mr. WHEELER asked me the character of these suits, and, in fact, I think Mr. WHEELER had known in a general way what they were, and I told him about the suits that were coming up and what I wanted to do in starting some other suits, which we did, countersuits, and I wanted him to handle all of my litigation on these suits, and we talked the matter over from his standpoint, and he informed me—

Here comes a repetition again of the statement made by Mr. Stout, although it does not appear that Mr. Campbell had asked him as to whether or not he would be in a position to take the matters at the land office here and try to adjust the matter of permits. He said:

And he informed me that, of course, he could not do anything for me if any land matter came up. I told him that Mr. Beaulieu was attending to all our land matters; that he was employed for that purpose.

Senator STERLING. Exactly what did you mean by "land matters" there?

Mr. CAMPBELL. Well, I had a permit, and some of our leases were in bad shape. We had to clear the title of them. There were a great many mortgages against this land and liens in different ways that had to be cleaned up.

Where in the the name of common sense would the title be cleared except before the Land Department here in Washington, the department which had jurisdiction over these oil and gas land permits?

Unconsciously, I think, not realizing the effect of it, Mr. Campbell referred, when I asked him what was included in the land matters, at once to the fact that he had a permit.

Mr. HEFLIN. If the Senator will permit me, Mr. Stout and Mr. WHEELER and all testified that they could not represent him in matters——

Mr. STERLING. Oh, I have quoted their testimony, their statements, verbatim as they made them.

Mr. HEFLIN. But the Senator said that the titles would have to be cleared here. That would not make any difference in view of the fact that they stated they could not remain here.

Mr. STERLING. I will show the connection a little later between Mr. WHEELER's activities, if I may so term them, and the matter of permits.

Mr. BORAH. I have only one suggestion to make to the Senator. I hope it will not interfere with his argument. I am afraid the Senator arguing so earnestly here that Mr. WHEELER is guilty will have a bad effect upon the jury in Montana.

Mr. STERLING. I intended at the outset to say that if I seemed to get earnest in the course of the discussion it was perhaps habitual with me, and I did not mean thereby to be personal.

Mr. BORAH. I do not object to the Senator getting earnest. He is more interesting when he is earnest. But the Senator is complaining that we are arguing for Senator WHEELER's inno-

cence, and therefore may prejudice the jury in Montana toward his innocence, while the Senator is arguing that he is guilty, and I am wondering what effect that may have in Montana.

Mr. STERLING. I was thinking about the argument of the Senator from Idaho yesterday, the forceful, able, strong argument which he made for the purpose of showing that Mr. WHEELER could not possibly be guilty. If there is anything to be said in that respect, consider them as in a way an offset.

Mr. BORAH. Very well.

Mr. GLASS. Mr. President——

Mr. STERLING. I yield to the Senator from Virginia.

Mr. GLASS. It just occurred to me that the Senator from Idaho has made no concealment of the fact that he does think that Senator WHEELER is innocent, and his argument confessedly was to convince the Senate of that fact, whereas the Senator now speaking has insisted that he is not after convicting Senator WHEELER and yet the tendency of his whole argument is in that direction.

Mr. STERLING. I hope the Senator from Virginia will take this view of it, that perhaps I am earnest in regard to the inferences which I think from the whole testimony the grand jury might draw, and not as expressing any conviction of mine that Mr. WHEELER is guilty.

Mr. BORAH. As I understand, the Senator is then addressing his argument to the fact that there was probable cause for action upon the part of the grand jury?

Mr. STERLING. Yes; that I think is apparent.

Mr. HEFLIN. In that connection, the Senator is aware of the fact that the district attorney leads in the investigation of cases before the Federal grand jury and that this district attorney was appointed by Mr. Daugherty.

Mr. STERLING. That has an awful significance, that he was appointed by Mr. Daugherty. He might for all that be the best United States district attorney in the whole country.

Mr. GEORGE. Mr. President, I would like to ask the Senator a question. I do not quite understand the Senator's position here, having filed a minority report and frankly saying that his object is to show that the grand jury had probable cause in returning the indictment. Now, the Senator is a very fair-minded man. I want to ask him if that is not raising a fictitious question——

Mr. STERLING. Oh, no.

Mr. GEORGE. And if in his judgment it is not purely a fictitious issue that is being raised? Whatever may have been the correct view of the matter, the Senate did appoint a committee to make an investigation and the committee made the investigation. There is a majority report exonerating Senator WHEELER. There is a minority report filed by the Senator from South Dakota, and that minority report confines itself to one proposition, to wit, that the grand jury acted on probable cause. Does that appeal to the Senator as being a fair way to dispose of a question that touches the honor of a Member of this body? If the minority report should receive the approval of the Senate, are we to vote to reject the majority report upon the ground that the grand jury in Montana had probable cause, shutting our eyes to the more pertinent inquiry dealt with entirely in the majority report that Senator WHEELER was entirely guiltless of any offense?

I want to ask the Senator candidly if he does not think that he is raising a fictitious question, and if he does not think that he is calling upon the Senate to vote on this important matter, involving as it does the honor of a fellow Senator as well as the honor of the Senate itself, upon a fictitious issue?

It seems to me that is very vital. The Senator's argument may be ever so impressive as an argument why the Senate ought never to have appointed the committee to make the investigation; but the investigation has been made, the majority report is before us, and it exonerates Senator WHEELER. Are we to reject that majority report upon the purely fictitious issue now presented to us, to wit, that while that may be true, nevertheless the grand jury in Montana had probable cause for its action? That is the question; that is the plain question; and I want to ask the Senator if he thinks he is dealing fairly with that question?

Mr. STERLING. Which of the two views is the better, the more reasonable view? Mr. WHEELER having been indicted by a grand jury, with the case yet to be tried before a petit jury, which is the better and more reasonable rule, to now pass upon the question of the guilt or innocence of Mr. WHEELER, or, in the face of the charge that this was a frame-up and that the Government officials acted improperly and with improper motives, determine the question as to whether or not there was probable cause?

Mr. GEORGE. I would say to the Senator that he seems to be confusing the two points. We are not trying Mr. WHEELER on the indictment for the purpose of imposing sentence.

Mr. STERLING. That is true.

Mr. GEORGE. We are not usurping the function of the court. We are acting as a Senate.

Mr. STERLING. But the point is that the matter will be before the petit jury to determine, and for us to determine in the Senate that he is innocent of the matter with which he is charged is sure to prejudice the jury that will be called to try the cause.

Mr. GEORGE. I understand; but I am putting the question to the Senator in this way. What he now says would have been pertinent in resistance to the motion to appoint a committee in the Senate or to hear that testimony, but the committee was appointed and the testimony was heard. There is before the Senate a majority report exonerating Mr. WHEELER, not dealing with the question of the propriety or impropriety of the grand jury action, and the Senator raises here, and I repeat it, a purely fictitious question. I ask him if he believes it is fair to raise a fictitious issue when a serious question touching the honor of a Member of this body, involving a crime against the laws of the country, a question that goes to the very honor of the body itself that undertakes the investigation—is that fair, is it just, and how can the Senator justify the raising of an issue that he himself must concede to be purely fictitious?

Mr. STERLING. I justified the minority report, and upon the ground that we at least have no right, no authority, to try the question of the guilt or innocence of Mr. WHEELER.

Mr. WALSH of Montana. But the Senator from Georgia calls attention to the fact that the Senate directed the committee to do so, and the Senator from South Dakota accepted the appointment.

Mr. STERLING. True, and I admit all that. That is what the Senate directed the committee to do, to investigate the charges. The resolution read:

Resolved, That a committee consisting of five Members of the Senate be appointed by the President pro tempore to investigate and report to the Senate the facts in relation to the charges made in a certain indictment returned against Senator BURTON K. WHEELER, etc.

Mr. WALSH of Montana. If the Senator believed that the Senate had no power to do that, how can he reconcile his acceptance of an appointment on the committee?

Mr. STERLING. I did not think there was any Senator who perhaps at first blush thought that the Senate was without power to determine this thing. I did not. It was not clear in my own mind as to what the Senate could or should do in the premises under the charge made by Senator WHEELER to the effect that this was a frame-up and that the Government officers acted under improper influence or from bad motives. It was somewhat confusing to me.

Mr. WALSH of Montana. Let me call the attention of the Senator to the fact that the resolution does not direct the committee to inquire whether there was a frame-up or not. The committee was not asked to determine that question.

Mr. STERLING. But that was the charge.

Mr. WALSH of Montana. The committee was asked to determine what the facts were.

Mr. HEFLIN. Before the Senator from South Dakota leaves that point I want to suggest that the Senator himself voted for the resolution asking for the investigation.

Mr. STERLING. Did I?

Mr. HEFLIN. Yes, sir.

Mr. STERLING. I am not sure. Can the Senator show that by the RECORD?

Mr. HEFLIN. Everybody here voted for it.

Mr. STERLING. Did I vote for it?

Mr. HEFLIN. There was not a dissenting vote.

Mr. STERLING. Is the Senator sure I voted for it?

Mr. HEFLIN. It was unanimous.

Mr. STERLING. Was I here?

Mr. HEFLIN. It was a viva voce vote.

Mr. STERLING. I am not sure that I was here at the time the resolution was voted for.

Mr. CARAWAY. May I ask the Senator a question?

Mr. STERLING. I yield to the Senator from Arkansas.

Mr. CARAWAY. The Senator just now made the statement that when he accepted appointment as a member of the committee he was not clear as to the right of the Senate. When the conviction came to the Senator that the resolution conferred no authority upon the committee to investigate, why did not the Senator raise that question and not report upon the evidence at all, and come back and ask that the committee should be discharged, because it was instructed to inquire into a matter about which the Senate had no authority to inquire?

Mr. STERLING. The Senator from South Dakota appreciated the charges made by the junior Senator from Montana that this was a frame-up and that the officers acted through improper motives. I knew that that involved some inquiry into the facts, a production of facts before the committee. Just how far the committee would go I did not know, and I did not care particularly about limiting the inquiry of that one particular thing. The investigation went on. The witnesses were heard. The case was closed, and in executive session I said that the conclusions of the committee should be at least limited to that one thing as to whether there was probable cause for returning the indictment.

Mr. CARAWAY. I, of course, should not have mentioned what went on in the executive session of the committee, except that the Senator sees fit to do it. Did not this occur, that the case was closed, no one wanted to hear another witness, the committee met and after discussion left to the chairman, by direction of the committee, the duty to make the report, and that until the report was prepared and ready to be signed the Senator did not even suggest that this theory should be discussed at all?

Mr. STERLING. I did not assent to any report the chairman of the committee might make.

Mr. CARAWAY. But the Senator did agree that the chairman should prepare the report.

Mr. STERLING. He was to prepare a report for the committee to examine, certainly.

Mr. CARAWAY. And the Senator never suggested that this theory should be considered in preparing the report, did he?

Mr. STERLING. Oh, no; I did not suggest it openly, nor did any other member of the committee suggest a theory on which the report should be based.

Mr. President, I want to go on with the testimony of two witnesses who were before the grand jury. That testimony has been liberally quoted from by the Senator from Idaho [Mr. BORAH] in his remarks. First, I will quote from the testimony of Mr. Glosser. I wish to say with reference to the testimony of those two men, Rhea and Glosser, that they were not swift witnesses by any means, with apparent anxiety to testify in a way that might injuriously affect Senator WHEELER. On the contrary, they were very slow and deliberate witnesses; they only responded to questions that were asked them on the witness stand; but they impressed me as being thoroughly reliable and honest in their testimony. They testified as to what they actually saw and heard or believed that they saw and heard.

Mr. Glosser was connected with different aspects of the oil busines for many years. He has now the western territory for the Continental Supply Co.; has known Gordon Campbell three or four years, was associated with him as his private secretary from November, 1922, to the first part of November, or the last part of October, 1923; he is not sure but he thinks Campbell introduced him to WHEELER somewhere between the 1st and 15th of January, 1923. He saw WHEELER several times in Campbell's office during January and February of 1923.

It will be remembered that the testimony of Glosser and Rhea was directed to what occurred in room 222 at the Rainbow Hotel at Great Falls, Mont. Glosser testified that he discussed all of Campbell's business with WHEELER.

I refer now to the testimony beginning on page 79, as follows:

The CHAIRMAN. Yes; he was there working on cases. But was there any conversation—did you have any conversation with Mr. Wheeler—about his employment?

Mr. GLOSSER. You mean with reference to his direct employment by Campbell?

The CHAIRMAN. Yes.

Mr. GLOSSER. Only in so far as Campbell's business was affected. I would never discuss with the Senator his deal with Campbell or anything like that. I talked of Campbell's business to the Senator.

The CHAIRMAN. What was the nature of the business you talked of to him?

Mr. GLOSSER. We had discussed at various times various lawsuits, all the land titles, and Campbell's business generally in the prospecting field, and the outcome there. All of Campbell's business was at various times discussed, or a good part of it.

He discussed with Mr. WHEELER all of the land titles which were in question here in Washington in the Land Department of the Government. All of Campbell's business, or a good part of it, was at various times discussed. When we come to read the record we shall come to the conclusion that the great and the important part of all of Campbell's business was here in the General Land Office at Washington. The testimony continues:

Senator STERLING. With Mr. WHEELER?

The CHAIRMAN. With Mr. WHEELER?

Mr. GLOSSER. Yes; with Mr. WHEELER.

The CHAIRMAN. Was there anyone else present when you were discussing this business of Mr. Campbell with him?

Mr. GLOSSER. Yes.

The CHAIRMAN. Who was present?

Mr. GLOSSER. There were several at different times. Mr. Rhea was present several times and Mr. Campbell was present, and at other times I think Mr. Harvey was there.

The CHAIRMAN. What was the nature of the discussion? How did you come to discuss it with him? What was the nature of the matter discussed?

Mr. GLOSSER. We discussed the matters because WHEELER was representing Mr. Campbell and I was representing Mr. Campbell, too, and it was natural that we should discuss the business Campbell had—

And remember, Mr. President, that Mr. Glosser was Mr. Campbell's private secretary for a period of just about a year—

We had that common point in view, of arriving at the same thing; a lot of business—that is, all of Campbell's business.

The CHAIRMAN. I understand; but is there any specific subject matter in the business which Mr. WHEELER had charge of that you could now recall that you talked over with him?

Mr. GLOSSER. Yes; Mr. Campbell had a good many lawsuits, and they were discussed in a general way; and one lawsuit in particular that Mr. WHEELER was handling at that time was discussed a good bit. Other times the land titles were discussed, and Government permits, and everything that Mr. Campbell had anything to do with was discussed.

There is no impeachment or refutation of that testimony.

Mr. CARAWAY. Mr. President, will the Senator from South Dakota pardon me a moment?

Mr. STERLING. Yes.

Mr. CARAWAY. Will the Senator from South Dakota just read the next part of that testimony?

Mr. STERLING. Does the Senator refer to the testimony following what I have just read?

Mr. CARAWAY. Yes, sir.

Mr. STERLING. It reads as follows:

The CHAIRMAN. Were you ever present when Mr. Campbell and Mr. WHEELER talked over the terms of his employment?

Mr. GLOSSER. You mean his compensation?

The CHAIRMAN. Yes.

Mr. GLOSSER. No; I was never present when they talked that over.

The CHAIRMAN. Did you ever talk over with Mr. WHEELER the scope of his employment—what he was employed to do?

Mr. GLOSSER. No; I never discussed that point with Mr. WHEELER. I took it for granted; to represent Mr. Campbell.

Remember, Mr. President, that the contract was for a compensation of $10,000 a year. It was called a retainer of $10,000 a year. It was not a written contract; it was oral. Just how we are to determine what services were to be included for which that compensation of $10,000 a year was to be paid I hardly know. I think it is a matter of inference, however, from all the testimony, an inference that the grand jury was warranted in drawing.

Mr. CARAWAY. May I ask the Senator a question?

Mr. STERLING. Yes.

Mr. CARAWAY. The Senator from South Dakota says that the scope of the employment of Mr. WHEELER was a matter of inference, but Stout and Campbell testified——

Mr. STERLING. Not exactly the scope of his employment was a matter of inference.

Mr. CARAWAY. Well, the service which Mr. WHEELER was to render.

Mr. STERLING. What he was to do for the $10,000?

Mr. CARAWAY. That was testified to by everybody who knew anything about it, was it not?

Mr. STERLING. Yes.

Mr. CARAWAY. Campbell testified about it, Stout testified about it, Beaulieu testified about it, and Mr. Harvey testified as to what was reported to the officers of the company; that when they were asked to ratify the contract they were told what WHEELER's employment was to consist of.

May I add that there is not a line of testimony from beginning to end by anybody who pretended to know that does not set forth exactly what WHEELER was to do for $10,000. If the Senator thinks there is, I wish he would put his finger on that testimony.

Mr. STERLING. The Senator from South Dakota will refer to the whole testimony.

Mr. CARAWAY. There was not a single witness who pretended to know who did not say that Mr. WHEELER's employment was confined exclusively to litigation in the State courts of the State of Montana.

Mr. STERLING. There were a good many witnesses who did not pretend to know——

Mr. CARAWAY. Of course.

Mr. STERLING. What he was doing, but the evidence shows what he was doing.

Mr. CARAWAY. Where does the evidence show what he was doing? I ask the Senator to refer me to a single witness who said WHEELER did anything except in the State courts.

Mr. STERLING. I will quote from the record and from the documentary evidence to show that.

Mr. CARAWAY. Of course if the Senator does not want to point it out, very well. I assert now that every man who knew or who had any right to know said that the scope of Mr. WHEELER's employment was confined to litigation in the State courts of Montana.

Every man connected with the Department of the Interior, all of them, I take it, men of character, one of them for 37 years a practicing attorney in the State of Montana, and by the Republican administration appointed Solicitor for the Department of the Interior, and the other twice Governor of the State of Utah and appointed Commissioner of the General Land Office, testified that Mr. WHEELER had not prosecuted cases before that office. Therefore I hope the Senator will not merely draw an inference and say there is some question about what Mr. WHEELER was to do or what he did do, because I assert—and I am willing to go over the testimony line by line with the Senator—that there is not a line of anybody's testimony anywhere that undertakes to say that Mr. WHEELER was to do anything except what he said he was to do, and that is to appear in the courts of Montana. There is not a scintilla of evidence by anybody, respectable or otherwise, to the effect that he ever appeared before the Land Office in the interest of Mr. Campbell.

Mr. STERLING. The Senator can say those things in his own time. I refer to the record, and will show from the record what might be a proper inference for a grand jury to draw in regard to the compensation and what it was to cover.

Mr. CARAWAY. May I say that when the Senator comes to quote the testimony I hope he will go on through it and will not stop like he did a few moments ago in the case of Glosser's testimony?

Mr. STERLING. The Senator may call my attention to any part of the testimony he chooses, and I will be glad to read it if the Senator so requests.

Mr. CARAWAY. What I was about to say was that it strikes me—and I want to be perfectly respectful to the Senator from South Dakota——

Mr. STERLING. Oh, yes; there is no question but that the Senator is. I have not intimated by any sign that I think otherwise.

Mr. CARAWAY. What I was about to say was that while I agree it must have been unintentional, yet it strikes me that it is hardly fair to read a general statement when if the specific question and answer following it are read it will appear that the witness specifically stated that he knew nothing about it.

Mr. STERLING. Will the Senator point out to what he refers that I have omitted?

Mr. CARAWAY. The Senator referred to the testimony where Mr. Glosser said he had talked over with Mr. WHEELER his employment, but the Senator stopped there. Then I asked him to read the questions and answers which followed, in which Mr. Glosser specifically said, "I never talked with WHEELER. I do not know what he was to do or what he did do." The Senator ought not to stop with a general statement when there is a specific statement.

Mr. STERLING. I think the Senator from Arkansas himself draws an improper inference from the testimony. Let me read it.

Mr. CARAWAY. Very well.

Mr. STERLING. Let me read again the statement which I have read and the answer to it. In answer to the chairman, Mr. Glosser said:

> Yes; Mr. Campbell had a good many lawsuits, and they were discussed in a general way; and one lawsuit in particular that Mr. WHEELER was handling at that time was discussed a good bit. Other times the land titles were discussed, and Government permits, and everything that Mr. Campbell had anything to do with was discussed.

Now, let us see if what follows refutes that statement. I will read it:

> The CHAIRMAN. Were you ever present when Mr. Campbell and Mr. WHEELER talked over the terms of his employment?
>
> Mr. GLOSSER. You mean his compensation?
>
> The CHAIRMAN. Yes.
>
> Mr. GLOSSER. No; I was never present when they talked that over.
>
> The CHAIRMAN. Did you ever talk over with Mr. WHEELER the scope of his employment—what he was employed to do?
>
> Mr. GLOSSER. No; I never discussed that point with Mr. WHEELER. I took it for granted; to represent Mr. Campbell.

Mr. CARAWAY. Yes.

Mr. STERLING. The chairman then asked:

> What was the nature of these lawsuits in which Mr. WHEELER was acting?
>
> Mr. GLOSSER. The lawsuits?
>
> The CHAIRMAN. Yes.
>
> Mr. GLOSSER. They were suits that Mr. L. C. Stevenson and his associated companies had filed against Campbell individually and Campbell's companies.

Is there anything in that that tends to contradict what Mr. Glosser has previously said? No; there is not one word.

Mr. CARAWAY. No; there is everything to contradict the inference that I drew from what the Senator said, that there was some doubt about what WHEELER was expected to do, because when you read that, the witness says that he did not know, except that he was looking after lawsuits in Montana; and may I just read on page 81, where the same question came up again? He was asked to go into particulars as to what Mr. Campbell's business was.

> The CHAIRMAN. Do you know of his having anything to do with the other litigation, aside from the receivership?

The Senator read about the receivership.

> Mr. GLOSSER. Yes. Mr. Campbell's lawyer was in touch with Mr. WHEELER's office. Mr. Baldwin prepared a good many papers for us; briefs, as I recall, they were—legal stuff. I did not understand it.
>
> The CHAIRMAN. But with reference to these other suits?
>
> Mr. GLOSSER. These other suits?
>
> The CHAIRMAN. Then there was a libel suit brought, was there not?
>
> Mr. GLOSSER. A libel suit? I think that was incorporated in the same suit. I am not sure. There were a whole lot of suits.
>
> The CHAIRMAN. There was a libel suit for some $100,000?
>
> Mr. GLOSSER. I do not recall that suit right now.
>
> The CHAIRMAN. You do not?
>
> Mr. GLOSSER. No, sir.

Now:

> The CHAIRMAN. Did you ever talk over with Mr. WHEELER at any time the scope or extent of his employment, and what the different things were that he was to do as attorney?
>
> Mr. GLOSSER. No; I do not think I did.

No inference could be drawn from his testimony, when it is all read, that Mr. WHEELER was presumed to have had something else to do.

Mr. STERLING. The inference is that they had talked the matter over, and talked about all of Mr. Campbell's business, the lawsuits as well as other business. He was his private secretary.

Mr. CARAWAY. Oh, but when he was asked what Mr. WHEELER did he commenced to talk about the State court suits in Montana, and then specifically and emphatically stated that if he had anything else to do he never heard of it. The inference ought not to be left. The Senate is entitled to have the testimony.

Mr. WALSH of Montana. Mr. President——

The PRESIDENT pro tempore. Does the Senator from South Dakota yield to the Senator from Montana?

Mr. STERLING. I do.

Mr. WALSH of Montana. The Senator is commenting upon the testimony appearing at page 80. I should like to ascertain just his view about that to which he has invited the attention of the Senate, and particularly this statement by Mr. Glosser, to which the Senator attaches some importance:

> Yes; Mr. Campbell had a good many lawsuits, and they were discussed in a general way; and one lawsuit in particular that Mr. WHEELER was handling at that time was discussed a good bit. Other times the land titles were discussed, and Government permits, and everything that Mr. Campbell had anything to do with was discussed.

I see up above, again, the expression "the land titles" were discussed. Obviously, the witness makes a distinction between land titles and Government permits, and very properly so, because a great many of these oil wells are drilled upon property

that has passed into private ownership, as the Senator well knows, and those are usually spoken of as land titles.

The permits are something else. Apparently permits, Government permits, were one of the subjects of discussion. That discussion, as I understand, was participated in, the parties present being Mr. Campbell, Mr. WHEELER, Mr. Rhea, and Mr. Glosser. Am I correct?

Mr. STERLING. Oh, no; the Senator is wrong there. This is a conversation between Mr. WHEELER and Mr. Glosser. This is not an account of the conversation at the Rainbow Hotel. That is a different matter.

Mr. WALSH of Montana. Oh, very well; only Mr. Glosser and Mr. WHEELER.

Mr. STERLING. Mr. WHEELER and Mr. Glosser; yes.

Mr. WALSH of Montana. What I want to know is how the Senator draws the conclusion that Mr. WHEELER was employed in some way or other in connection with the permits just because the subject of permits was mentioned in the course of the conversation?

Mr. STERLING. I think that will appear a little more clearly to the Senator from Montana when I refer, a little later on——

Mr. WALSH of Montana. I dare say it may appear clearly somewhere else, but it obviously does not appear clearly or otherwise here. They talked about the land titles, they talked about the permits, they talked about the litigation. I suppose probably they talked also about the drilling, and possibly they talked about the geological structures, and they might have talked about a lot of things. They might have spent the evening talking about permits, and yet that would not indicate that Mr. WHEELER was hired in connection with those permits.

Mr. STERLING. It has this significance, that it brings home to Mr. WHEELER a general knowledge of Mr. Campbell's business, his land business, his permit business, and so forth, to show that through conversation with Mr. Glosser, who was Mr. Campbell's private secretary, he could not help but become familiar with the general business in which Mr. Campbell was engaged.

Mr. WALSH of Montana. Oh, yes; and I presume we may indulge the assumption that Mr. WHEELER knew that Mr. Campbell had some Government permits.

Mr. CARAWAY. Mr President, may I just call attention to one thing, though? On page 46 of part 2 of the hearings, Beaulieu testifies:

> I asked Mr. WHEELER some question with reference to a law point concerning a certain permit, and Senator WHEELER had lived in Montana so long that he used pretty strong language sometimes—plain—and he said, "I do not know a ——— ——— thing about Government permits."

I remember what the language was. It seemed to be peculiar to the West, and I will not quote it.

> I would not know one of the ——— things if I saw it. Besides, I told Campbell I would not have anything to do with his Government land.

That was his answer.

That is the only time he was ever asked, in all this record, anything about a Government permit, and he swore like a sailor, and said he did not know anything about one and would not know it if he should see it, and he had told Campbell that he would not have anything to do with it.

Mr. STERLING. On what page is that?

Mr. CARAWAY. That is at the bottom of page 46 and the top of page 47 of part 2 of the hearings.

Mr. STERLING. Oh, yes; I am glad the Senator called attention to that. I will refer to it later on.

Mr. WALSH of Montana. Mr. President, I rose a moment ago to ask the Senator in all seriousness whether he considers that the fact that permits were mentioned in the course of an evening's general discussion of Mr. Campbell's business is any proof that Mr. WHEELER was employed to get Government permits, or to have anything at all to do with the Department of the Interior?

Mr. STERLING. I call the attention of the Senator from Montana to the fact that he again seems to confuse what occurred here, when they were talking about permits, with what occurred at room 212, Rainbow Hotel, Montana. I will get to that, and I will read it.

Mr. WALSH of Montana. Yes; we will bear this in mind when we come to consider the other matter; but I took it, from what the Senator said, that he considered this as proof of his contention.

Mr. STERLING. Some proof to be taken in connection with all the evidence in the case.

Now, I go to page 87, if anyone is following, the meeting at the Rainbow Hotel, beginning on page 86:

> Senator STERLING. Very well. Now, where was this conversation, or this meeting, rather, when you say WHEELER and Campbell and Mr. Rhea and yourself were present?
>
> Mr. GLOSSER. In the Rainbow Hotel.
>
> Senator STERLING. In the Rainbow Hotel?
>
> Mr. GLOSSER. Yes.
>
> Senator STERLING. How did you come to go to the Rainbow Hotel?
>
> Mr. GLOSSER. Mr. Campbell told me to get a room there.
>
> Senator STERLING. For what purpose?
>
> Mr. GLOSSER. Well, for two purposes. He wanted to talk to Mr. WHEELER, and he wanted to get uptown. He had been staying at my house, and he wanted to get uptown. He lived at the hotel practically all the time when he was in town.
>
> Senator STERLING. At what time in the day or evening did you meet?
>
> Mr. GLOSSER. In the evening—early evening—as I recall it.
>
> Senator STERLING. How long were you there together?
>
> Mr. GLOSSER. Oh, possibly an hour or an hour and a half.
>
> Senator STERLING. Did anybody else come into the room at all while you were there?
>
> Mr. GLOSSER. I think Mr. Cooper, and Mr. Jackson came in, too, just for a second.
>
> Senator STERLING. They did not remain?
>
> Mr. GLOSSER. No, sir.
>
> Senator STERLING. They did not participate in the conversation?
>
> Mr. GLOSSER. No, sir.
>
> Senator STERLING. Did you hear all the discussion there, Mr. Glosser?
>
> Mr. GLOSSER. In that room that night?
>
> Senator STERLING. Yes.
>
> Mr. GLOSSER. Yes; I was there all the time.
>
> Senator STERLING. Just what was said in your hearing there by Mr. Campbell or Mr. WHEELER in regard to oil permits?

Mr. CARAWAY. Will the Senator tell me where he is reading?

Mr. STERLING. On page 87 now.

Mr. CARAWAY. From which volume of the hearings?

Mr. STERLING. It is the same in all the copies. It begins with page 1 and runs through the successive numbers.

Mr. CARAWAY. I have just the first edition.

Mr. STERLING. I continue reading from page 87:

> Mr. GLOSSER. There was a great deal said about oil permits that night. We talked in a general way about the number of permits Mr. Campbell had and the details of handling them through here, etc., like that; and Mr. Campbell was at that time—one permit in particular was referred to; the Phil MacGowan permit seemed very valuable. It was in Mr. Rhea's name, and he had just had an offer on it.
>
> Senator STERLING. What was said, as near as you remember, about the Phil MacGowan permit?
>
> Mr. GLOSSER. We talked about the Phil MacGowan permit, and Mr. Campbell said this: "If Mr. WHEELER can get this fixed up in Washington——
>
> The CHAIRMAN. Was Mr. WHEELER present?
>
> Mr. GLOSSER. Yes; Mr. WHEELER was present.
>
> Senator STERLING. What did he say?
>
> Mr. GLOSSER. He said, "If Mr. WHEELER can get this thing fixed up in Washington, we can afford to cut on the money"—slice, or something. That was the substance of it. The exact words I could not speak.
>
> Senator STERLING. What did Mr. WHEELER say in regard to it?
>
> Mr. GLOSSER. I do not recall that he said a word about it. I do not think he made any reply. Oh, yes, he did; but not at that particular time.
>
> Senator STERLING. But during that evening?
>
> Mr. GLOSSER. During the evening Mr. WHEELER left us under the impression there was nothing to worry about getting permits fixed up; that the matter could be fixed up in Washington very easily; it was merely a matter of getting the details worked out through the department.
>
> Senator STERLING. What, if anything, did he say about the things he might have to do in order to get the matter adjusted?
>
> Mr. GLOSSER. I do not recall exactly what he said, but he left us under the impression—or, at least, he left me under that impression—that with his connections down here he would have access to getting action on these permits.
>
> Senator STERLING. Did Mr. WHEELER give Mr. Campbell any assurance at that time as to what he could do?
>
> The CHAIRMAN. I think it might be well to let the witness state what he said.
>
> Mr. GLOSSER. What is the question?
>
> Senator STERLING. State all that was said.
>
> Mr. GLOSSER. I think I have covered it pretty well.

Senator STERLING. Yes.

Mr. GLOSSER. We talked about these permits, and particularly this one that we thought was valuable, because we had been offered so much money for it—Mr. Rhea had had an offer on it—and Mr. Campbell turned to Mr. Rhea at one time, and he said, "Now, if WHEELER can get this stuff fixed up for us we can afford to cut the stuff up some way." That was the substance of it.

Then an objection was made to asking his interpretation.

Mr. GLOSSER. Mr. WHEELER said after that there was nothing to worry about about permits; that they could be fixed up in Washington; not to worry about it.

Senator STERLING. He said that to whom?

Mr. GLOSSER. I imagine to the people who were there.

Senator STERLING. Were you all sitting there?

Mr. GLOSSER. Yes; sitting there very close. It was a small room.

Senator STERLING. Did you have some conversation with Mr. Campbell in regard to the compensation to be paid Mr. WHEELER?

Mr. GLOSSER. Yes, sir.

Senator STERLING. Was this while you were acting as private secretary to Mr. Campbell?

Mr. GLOSSER. Yes, sir.

Senator STERLING. And you say your work as private secretary lasted until in November, 1923, if I remember?

Mr. GLOSSER. The latter part of October.

Senator STERLING. The latter part of October, 1923?

Mr. GLOSSER. Very near the 1st of November.

Senator STERLING. And then you were in his employ as his private secretary at the time of this conversation at the Rainbow Hotel?

Mr. GLOSSER. Oh, yes.

Senator STERLING. Was there any particular way in which you reached room 212 that evening?

That is perhaps immaterial. I shall want to call attention a little later to Mr. Glosser's testimony.

Turning now to page 92——

Mr. WALSH of Montana. Mr. President——

The PRESIDENT pro tempore. Does the Senator from South Dakota yield?

Mr. STERLING. I yield.

Mr. WALSH of Montana. Before the Senator passes that, I want to inquire of the Senator whether Mr. Glosser seeemed to be a very unwilling witness?

Mr. STERLING. Not an unwilling witness, I might say, but a witness who had to be asked questions for everything that was stated. He did not volunteer anything.

Mr. WALSH of Montana. Had he made some affidavits prior to that?

Mr. STERLING. He made some, and I will have occasion to refer to the affidavits.

Mr. WALSH of Montana. I observe it took the Senator quite a long while to get this answer out of him.

Mr. STERLING. Yes.

Mr. WALSH of Montana. He was first asked:

Just what was said in your hearing there by Mr. Campbell or Mr. WHEELER in regard to oil permits?

That question would seem to bring out the entire conversation. Glosser answered:

There was a great deal said about oil permits that night. We talked in a general way about the number of permits Mr. Campbell had and the details of handling them through here, etc., like that; and Mr. Campbell was at that time—one permit in particular was referred to; the Phil MacGowan permit seemed very valuable. It was in Mr. Rhea's name, and he had just had an offer on it.

You will observe that he has not said anything there about what Mr. WHEELER said. Some further matter comes up, and he is again asked:

What was said, as near as you remember, about the Phil MacGowan permit?

Mr. GLOSSER. We talked about the Phil MacGowan permit, and Mr. Campbell said this: "If Mr. WHEELER can get this fixed—

He does not say anything about what Mr. WHEELER said, and the Senator from South Dakota comes at him again:

What did Mr. WHEELER say in regard to it?

Mr. GLOSSER. I do not recall that he said a word about it. I do not think he made any reply. Oh, yes; he did; but not at that particular time.

Senator STERLING. But during that evening?

Trying to get out of him what Mr. WHEELER said, but he does not give anything Mr. WHEELER said. Then he said:

Mr. GLOSSER. During the evening Mr. WHEELER left us under the impression there was nothing to worry about, getting permits fixed up; that the matter could be fixed up in Washington very easily; it was merely a matter of getting the details worked out through the department.

But that is not satisfactory. So the Senator from South Dakota comes at him again:

Senator STERLING. What, if anything, did he say about the things he might have to do in order to get the matter adjusted?

Mr. GLOSSER. I do not recall exactly what he said, but he left us under the impression—or at least he left me under that impression—that with his connections down here he would have access to getting action on these permits.

Up to this time the Senator from South Dakota has not been able to corkscrew out of him the statement that Mr. WHEELER said anything, but he comes at him again, and finally, on page 88, Senator CARAWAY interrupts:

Senator CARAWAY. Let us have the witness state what was said, and perhaps after a while we will arrive at the question whether he had any understanding of the thing. Let the witness state first what was said. I think that would be fair.

Senator STERLING. Very well.

Now, Mr. Glosser comes forward:

Mr. WHEELER said, after that there was nothing to worry about, about permits; that they could be fixed up in Washington; not to worry about it.

Mr. STERLING. The important thing about this whole conversation is that there was a small room at the Rainbow Hotel, these four men were in it, sitting close together, and one could not speak aloud without each of the others having heard it; the talk was largely about permits and the fixing up of permits, and the assurance on the part of Mr. WHEELER that when he came to Washington it would be an easy matter to have these permits fixed up, and they need not worry about it.

Mr. WALSH of Montana. But the point is that the witness, having at least four different times either expressly or impliedly declared that he did not know what Mr. WHEELER said, then finally says that Mr. WHEELER said so-and-so.

Mr. CARAWAY. Will the Senator from South Dakota yield?

Mr. STERLING. I do not think we can take all these statements together and say that they are without significance. We have, in addition, Mr. Rhea's testimony, who was one of the four who were there. I yield to the Senator from Arkansas.

Mr. CARAWAY. I want to call attention to the fact that this same man Glosser made two affidavits touching this very question before he was cross-examined, and substantially he did not say one thing in those affidavits that he said in his testimony. His affidavits appear on page 125. One was taken, and then after Rhea had given his statement they got Glosser to come back and give another, and in neither of them did he ever pretend to say that WHEELER said a thing. He said what Campbell said. That was all he testified about.

Mr. STERLING. At the top of page 92 I asked Mr. Glosser the following:

Senator STERLING. Do you know how many Government permits Gordon Campbell held?

Mr. GLOSSER. The number of them, do you mean?

Senator STERLING. Yes.

Mr. GLOSSER. There were about nine, I believe.

Senator STERLING. About nine. Have you been present here during the testimony?

Mr. GLOSSER. No, sir.

Senator STERLING. And have you heard these permits described by names and numbers?

Mr. GLOSSER. No, sir. I was here the other day, but there were no permits mentioned, I don't think.

Senator STERLING. Can you give the names and numbers of those permits?

Mr. GLOSSER. I could not give you the numbers. I could give you the names of them, I think.

Now I want to call the attention of the Senate to a very significant part of this testimony. Under the law, of course, a man can hold in his own name or by assignment permits covering land to the extent of 2,560 acres, and that only; but this witness testified to the effect that Mr. Campbell owned or controlled permits covering about, as I think he said, 10,000 acres of land, and he gives the names and gives the occupations of some of the men who hold these permits; and there is no question, I think, but that these permits were held by these men not for their own individual benefit and in good faith but that they were held for Mr. Gordon Campbell. I think it is significant that we should know what kind of a client Mr. WHEELER had in this transaction and these several transactions. I think it is worth while.

Mr. NORRIS. May I interrupt the Senator?

Mr. STERLING. Certainly.

Mr. NORRIS. The Senator has heard all the evidence in the case, and I want to ask him if after hearing all the evidence he believes that Senator WHEELER was guilty of a violation of the statute?

Mr. STERLING. I am not going to say that, not by any means. What I am going to say is this: That I think under the circumstances, under the evidence before us, the grand jury was warranted in its action in finding the indictment. Senator WHEELER in a trial before a petit jury may be able to explain and refute successfully all that is said here by these various witnesses; and I use the word "explain" advisedly.

Mr. NORRIS. Was it not the duty of the committee to ascertain whether in their judgment he had violated the law?

Mr. STERLING. I do not think so.

Mr. NORRIS. The Senator does not believe that?

Mr. STERLING. No; that is not my theory of what we should do.

Mr. NORRIS. Let me ask the Senator another question. Was the hearing full? I mean, was there any evidence the Senator knew anything about that should have been brought before the committee that was not produced?

Mr. STERLING. I will hardly say as to that. I do not now think of any particular piece of evidence that might have been brought before the committee that was not produced. There was a very important piece of evidence, which is in the RECORD, an affidavit by one E. M. Harvey. If E. M. Harvey were before a petit jury, his testimony——

Mr. NORRIS. If the Senator were trying anyone in a criminal case, either as judge or jury, would he consider an affidavit?

Mr. STERLING. Oh, no; but the affidavit is here. It is a part of this record.

Mr. NORRIS. Very well; let us take the affidavit. If the evidence is all produced here, and the Senator has heard it all, he must then have formed an opinion, it seems to me, as to whether the evidence establishes the guilt of the Senator or not. That is the question I am asking him—whether, after hearing all the evidence, which he says was complete, he believes Senator WHEELER to be guilty of the charge?

Mr. STERLING. I am not trying that question, and I do not think the Senate should try it. I do not think a committee of the Senate should try it, notwithstanding the broad scope of this resolution referring it to the committee.

Mr. NORRIS. Whether it should or not, it seems to me that is the question submitted to them. It seems to me that is what we have a right to know here from the judges who heard the evidence—whether it impresses them to the extent that they believe in the guilt of the man charged?

Mr. STERLING. Had there been aspersions upon the character of Mr. WHEELER, or upon any Member of this body, impugning his motives, charging him with misconduct involving no moral turpitude, or anything of that kind, and no indictment yet found by a grand jury, the Senate might then consider the question as to whether it should investigate the matter, and might investigate it; but when the courts have acted, and an indictment has been found, and then here in the Senate of the United States we try the question of the guilt or innocence of the party charged; though he is a Member of this body, we are doing two things: First, we are giving that Senator an advantage that the average citizen would not have in a trial before a petit jury, if we find him innocent of the charge.

Mr. NORRIS. That depends on whether we find him innocent or not.

Mr. STERLING. In the second place, we would be encroaching upon the functions and the duties of another department of the Government.

Mr. NORRIS. If the Senator will permit, if the guilt or the innocence of Senator WHEELER is not involved in this investigation, I do not know what is involved.

Mr. STERLING. We should not report. I am frank to say that.

Mr. NORRIS. What is the use of having a committee make an investigation if they do not report? I can see how the Senator's argument might have had some weight if it had been presented when the resolution as to whether we should take any steps was before us. Then it might have had some weight, and at that time it was not known whether a majority of the committee would report favorably or unfavorably. If the report had been unfavorable, and had gone before the petit jury, or in some way had gotten to them, then it would have had the opposite effect.

Mr. STERLING. Certainly it would. It would have unduly prejudiced the petit jury against Senator WHEELER.

Mr. NORRIS. But having acted as we did, there is no way now to take it back. Having started in and made the investigation, it seems to me that a Member of the Senate is entitled to know from members of the committee who heard the evidence, especially when they admit that they have heard all the evidence they could hear of or found out about, that we are entitled to know what the impressions of the members of the committee are as to the fact of guilt or innocence.

Mr. STERLING. Just in a word I would suggest to the Senator from Nebraska my solution of this case. Considering where we are now in the matter of the reports and in the matter of the discussion, my suggestion is that the Senate should take no action, leaving this matter in absolute abeyance, leaving Senator WHEELER to occupy his place in the Senate, to go on with the performance of his duties in the Senate, remitting him, however, for the determination as to whether he is guilty or innocent of the charge to the only competent body to determine that, the petit jury in the United States District Court for Montana?

Mr. CARAWAY. May I interrupt the Senator just at this time, and I will not interrupt him any more, because I know he wants to finish his remarks.

I want to read what the man who took much credit to himself for having worked up the case thought about it, if I may. I am reading from the testimony of Mr. Grorud.

Mr. STERLING. What page?

Mr. CARAWAY. It is in another hearing.

Mr. STERLING. Oh, in another hearing.

Mr. CARAWAY. Mr. Grorud is a Republican. Whether that is to his credit or not I will not argue. He was formerly an assistant attorney general in the State of Montana. Whether that is anything to his credit, we will let it pass. But Coan, who said he is an Irishman—and I certainly hope he was joking about that, as he did about everything else, because I am part Irish myself—went to Montana. The Senator from Alabama [Mr. HEFLIN] read the testimony a moment ago. He went out under the employment of certain people to get something on WHEELER and somebody else; and here is how he went about getting it, and here is what he thought when he knew all the facts. I shall skip all the things where he identified himself and where he met Mr. Coan. He said:

> What did he say to you about that?
>
> He is talking about his business out there.
>
> Mr. GRORUD. Well, he first came to me and wanted to get something on Senator WALSH. In this connection I may state that while I was assistant attorney general I had occasion to make some investigations in Butte, Silver Bow County, in regard to some election frauds, illegal voting, and Mr. Coan came to me and wanted an affidavit from me, and he stated that he wanted me to make a strong affidavit. I told him that I would make an affidavit or testify as to the facts for him; and I also said to him that as far as Senator WALSH was concerned he had nothing to do with that, and he was not connected with that in any shape or form. Well, he said he knew that, but he wanted something on WALSH, so that he could smear him because he wanted to stop him in the oil investigations here at Washington.
>
> The CHAIRMAN. Now, go ahead and state what was said about Senator WHEELER.
>
> Mr. GRORUD. Well, in one of the conversations he said something about WHEELER—he knew, of course, that Mr. WHEELER and myself had been law partners, and he said something about having WHEELER smeared.
>
> Senator MOSES. Was that WHEELER or WALSH?
>
> Mr. GRORUD. WHEELER.
>
> Senator MOSES. You testified a moment ago that he wanted to have Senator WALSH——
>
> Mr. GRORUD. That he wanted to have Senator WALSH smeared.
>
> The CHAIRMAN. This conversation occurred after Senator WHEELER'S indictment out there?
>
> Mr. GRORUD. Oh, yes. He had already smeared WHEELER in such a shape that he had him sewed up, he said, and I said to him, "How did you ever happen to put this over?" I said, "You can't get any place with that," because I thought I knew something about the case that he had for Mr. Campbell. "Well," he said, "we don't care anything about that. We just simply want to smear him." I said to him, "Supposing now that the case is set down for trial?" "Well," he said, we will see to that; that the case don't come up for trial immediately. We will simply hold it over him, because we had to do something to stop him." And he said, "Well"—he said—he just simply wanted to smear him; that is all. He knew that he couldn't get any place.

Now, then, does the Senator from South Dakota want to lend himself to carrying on the process that he talks about, that he said all he had in it was a desire to smear two Senators; that he knew the charge was false and wanted a man to make a false affidavit and help him smear them? I want to ask the Senator

if his report does not simply carry on the smearing process? I know, of course, the Senator does not intend to do it, but in effect is not that all it is doing?

Mr. STERLING. Oh, no; it does not, and the Senator knows it does not. He knows, too, that I am not engaging in a smearing process.

Mr. CARAWAY. I did not say the Senator was engaged in it.

Mr. STERLING. I decline to yield further to the Senator from Arkansas.

Mr. CARAWAY. I am sure I am perfectly willing, Mr. President, to refrain from interrupting the Senator further.

Mr. STERLING. I was about to refer to some very important testimony. I mentioned some permits. He had testified that there were about nine permits, and then continued:

Senator STERLING. Can you give the names and numbers of those permits?

Mr. GLOSSER. I could not give you the numbers. I could give you the names of them, I think.

Senator STERLING. I wish you would give the names.

Mr. GLOSSER. Jim MacGowan; Fred MacGowan; Dan MacGowan, and there was another MacGowan permit; the name I do not recall now; the Rasmussen permit, the Scott permit, the Lincoln permit, the Klinedinst-Clark permit, and the Campbell permit.

Senator STERLING. Do you remember anything about the Scott permit?

Mr. GLOSSER. Do I remember anything about it?

Senator STERLING. Yes.

Mr. GLOSSER. Yes; I remember some of the things about it. There was an assignment of it.

Senator STERLING. Was that one held by Mr. Campbell?

Mr. GLOSSER. Mr. Campbell held all these permits, I think, by assignment.

Senator STERLING. Do you know how many acres were involved in these various permits?

Mr. GLOSSER. They check up to about 10,000, as I recall it now.

Senator STERLING. Ten thousand?

Mr. GLOSSER. Acres.

Senator STERLING. How did he come to control all of this acreage under Government permits?

Mr. GLOSSER. He would have to have some one else take them up, and take assignments back.

Senator STERLING. Do you know any of the parties that he had take them up?

Mr. GLOSSER. Yes; I know most of them.

Senator STERLING. Who were they?

Mr. GLOSSER. I just got through naming them.

Senator STERLING. Those are the parties that Mr. Campbell had to take up these permits?

Mr. GLOSSER. The original applicants for the permits.

Senator STERLING. They are the original applicants?

Mr. GLOSSER. Yes.

Senator STERLING. And they were afterwards assigned to Mr. Campbell?

Mr. GLOSSER. Assigned in blank, most of them.

Senator STERLING. Do you know how much of such lands within any field a man is permitted to hold?

Mr. GLOSSER. Yes.

Senator STERLING. Were these all in the same field?

Mr. GLOSSER. Yes.

Senator STERLING. It all was in the one field?

Mr. GLOSSER. Yes.

Senator STERLING. And the limit is 2,560 acres, is it not?

Mr. GLOSSER. The limit is 2,560 acres that one man can hold in his name, as I understand the law. I am not familiar with the law. I know one man can not apply for more than that.

Senator STERLING. These permits, you say, were assigned in blank to Mr. Campbell?

Mr. GLOSSER. Assigned in blank. Campbell held a blank assignment from the original people that filed the applications.

Senator STERLING. Do you know in what capacities they had been acting; what their occupation was, and so forth, before they made these assignments to Mr. Campbell—these assignments in blank?

Mr. GLOSSER. Yes; Lincoln was working for Campbell. Lincoln, one of the men, was a clerk in Campbell's office. Jim MacGowan was the engineer working under Campbell. Fred was Jim's brother; Dan is his brother, and Phil MacGowan is his brother.

Scott and Rasmussen, I think, are local people up there; and of course Gordon Campbell had his own permit.

Senator STERLING. Do you know how much Gordon Campbell's permit covered?

Mr. GLOSSER. Possibly 2,500 acres, I believe. I know it comes pretty close to the 2,560 acres. It is a four-figure permit, I know; quite a tract of land.

So there we have it, acreage to the amount of 10,000 acres, or nearly so; with permission under the law to any one person to hold only 2,560 acres, and the men holding the permits under blank assignments either in his employ or the near relatives of those who were in his employ. No wonder that he had to have attorneys in Montana. No wonder that he wanted somebody to look after his business before the General Land Office at Washington.

I want to call attention briefly to the testimony of William W. Rhea. He had been in the oil business all his life. His testimony is found at page 108. He met Senator WHEELER once, and that was on January 15, 1923, at the Rainbow Hotel. At page 109 he testified that he was one of the four persons present at the meeting at the Rainbow Hotel:

The CHAIRMAN. Can you recall, so as to be definite as to the conversation, what was said in regard to the matter of his employment at that time? Do you recall the conversation?

Mr. RHEA. Yes, sir.

The CHAIRMAN. Now, state what was said in the presence of Mr. WHEELER.

Mr. RHEA. The main conversation between Mr. Campbell and Mr. WHEELER and myself was in regard to the Phil MacGowan permit. Mr. Campbell said that Senator WHEELER, on his arrival in Washington, would be able to put this permit through—get it approved.

The CHAIRMAN. What did Mr. WHEELER say?

Mr. RHEA. He did not reply anything, except he said that we did not need to worry, that this would all be taken care of when he got back here.

In this respect the testimony of Glosser and of Rhea is exactly the same. The language used was that he "would attend to it when he got to Washington" and they "need not worry about it."

Mr. WALSH of Montana. May I inquire of the Senator if Senator WHEELER did anything about it when he got to Washington?

Mr. STERLING. I think he did.

Mr. WALSH of Montana. What did he do?

Mr. STERLING. I will come to that a little later if the Senator from Montana will permit me. I think the record evidence will show that.

Mr. WALSH of Montana. I want to inquire about that because I thought the fact as to whether this conversation did take place was to be very largely determined by what Senator WHEELER did afterwards.

Mr. STERLING. There is evidence looking that way, anyhow.

The CHAIRMAN. Did you say anything?

Mr. RHEA. Yes.

The CHAIRMAN. What did you say?

Mr. RHEA. Gordon Campbell suggested to me that in case Senator WHEELER—well, I am getting ahead of myself. I had an offer on this permit at that particular time, was dealing with some people in Colorado as to selling, and Mr. Campbell knew what I was to get for it—what I was figuring on getting for it. He told me that in case that this permit could be gotten through, we should be able to give Senator WHEELER quite a good slice of it. I believe that was the exact language.

The CHAIRMAN. Was that in the presence of WHEELER?

Mr. RHEA. Yes, sir.

The CHAIRMAN. What did WHEELER say to that?

Mr. RHEA. He did not reply, that I remember.

The CHAIRMAN. Was he taking part in the conversation?

Mr. RHEA. He had been, right along.

The CHAIRMAN. Did he not make any reply when the question of slicing the matter was discussed?

Mr. RHEA. I do not think he said a word.

The CHAIRMAN. Now, have you stated all that you said in this conversation with Mr. WHEELER?

Mr. RHEA. Not exactly.

The CHAIRMAN. State it all, Mr. Rhea.

Mr. RHEA. Gordon Campbell in this talk—I told him that I had my attorney employed to take care of this permit, and that I did not feel that I was entitled to pay anyone anything more.

The CHAIRMAN. Go ahead.

Mr. RHEA. I believe that was all of it.

The CHAIRMAN. What I am trying to find out, Mr. Rhea, is what you said, if anything, to WHEELER.

Mr. RHEA. I did not say anything to Senator WHEELER in regard to taking any part.

The CHAIRMAN. Did he say anything to you?

Mr. RHEA. Yes; he says, "You don't need to worry. On my arrival in Washington this will all be taken care of."

The CHAIRMAN. He said that to you instead of to Campbell, did he?

Mr. RHEA. He said it to both of us.

The CHAIRMAN. Was it said in response to anything that you said to him?

Mr. RHEA. Well, I can't say. That is a long time ago, you know. A man can't remember just the exact words.

Mr. WALSH of Montana. I want to ask the Senator a question or two about this particular testimony at the top of the page.

Mr. STERLING. Page 110?

Mr. WALSH of Montana. Yes; as follows:

Mr. RHEA. Gordon Campbell suggested to me that in case Senator WHEELER—well, I am getting ahead of myself. I had an offer on this permit at that particular time, was dealing with some people in Colorado as to selling, and Mr. Campbell knew what I was to get for it—what I was figuring on getting for it. He told me that in case that this permit could be gotten through, we should be able to give Senator WHEELER quite a good slice of it.

I believe that was the exact language that appears several times here, Mr. President. I want to ask the Senator if it does not appear perfectly conclusively that so far as that was concerned it did not fall under the original employment for the $10,000?

Mr. STERLING. I do not think so.

Mr. WALSH of Montana. If it did fall under the original employment for $10,000, why should anybody propose that a "slice" be given to WHEELER? This is an entirely different transaction, is it not?

Mr. STERLING. Yes.

Mr. WALSH of Montana. Very well. Now, Mr. President, let me follow that. This proposition having been made, as has been repeatedly stated by the Senator from Idaho [Mr. BORAH] so forcefully and eloquently, it appears that Mr. Rhea rejected the proposition, for he said:

I told him that I had my attorney employed to take care of this permit, and that I did not feel that I was entitled to pay anyone anything more.

So there is not any contract there. Would the Senator from South Dakota call that a contract?

Mr. STERLING. I think the Senator from Montana can see that the question goes a little deeper than that. Suppose there had been a specific agreement for an annual retainer of $10,000; yet here in this conversation between the four of them when the suggestion was made in the presence of these two witnesses, Rhea and Glosser, that Mr. WHEELER should get a pretty "good slice" of it, he remained absolutely silent.

Mr. WALSH of Montana. Oh, yes; I understand all that; but I submit to the Senator whether the very testimony itself does not disclose that, whether a contract was made or not, it was not the contract that was originally made for the $10,000?

Mr. STERLING. It is not asserted or contended that there was any contract made to pay Mr. WHEELER anything additional or to give him any "slice."

Mr. WALSH of Montana. No; both parties regarded that it did not fall under the $10,000 agreement, because they were trying to make arrangements for paying Mr. WHEELER for something else.

In the second place, Mr. President, the original agreement, as I understood it, as contended by the Senator from South Dakota, was to look after Mr. Campbell's permits, not after Mr. Rhea's.

Mr. STERLING. Well, one inference that might be drawn from it, I will say to the Senator from Montana, is that, notwithstanding the agreement to pay compensation of $10,000 a year in the way of a retainer, they could afford to be generous and give a premium, something in addition to that, if this permit should be allowed or sustained.

Mr. WALSH of Montana. Of course, they might be able to afford to; but that is not the proposition. What I say is, Mr. President, that the testimony itself discloses that this transaction had no relation to the original agreement. How could it have? Of course, they might do this, but they did not do it. They are endeavoring to make a specific agreement with reference to this specific permit.

Mr. STERLING. Well, one version of the contract——

Mr. GLASS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from South Dakota yield to the Senator from Virginia?

Mr. STERLING. I yield.

Mr. GLASS. If it is so tiresome to the Senator, he need not yield.

Mr. STERLING. I am beginning to feel a little tired, and perhaps I showed it, but I am glad to yield to the Senator from Virginia.

Mr. GLASS. I merely want to suggest to the Senator from Montana [Mr. WALSH] that in the course of his inquiries it seems to me he has lost sight of a more or less important matter. The Senator from South Dakota [Mr. STERLING] has laid stress upon the fact that Mr. WHEELER made no response to this suggestion. Of course, he made no response to the suggestion, because the man Rhea anticipated him by himself speaking up and saying that he did not propose to give anybody any "slice"; that he had employed his own attorney to conduct the case, and he did not propose to give anybody else any additional compensation. So the testimony, it seems to a layman, shows not only that WHEELER did not accept the proposition but that the man Rhea himself declined to accede to any such suggestion.

Mr. STERLING. Now, Mr. President, I am going to call attention to some of the documentary evidence, and I shall close with that.

Mr. Pratt, from the Department of Justice, brought before the committee, at the request of the chairman and with the concurrence of the other members of the committee, certain documentary evidence, which was largely read into the record, though some of it was put into the record without reading. Under date of March 8, 1923, Mr. WHEELER writes Mr. Campbell the following letter:

UNITED STATES SENATE,
Washington, D. C., March 8, 1923.

Mr. GORDON CAMPBELL,
Great Falls, Mont.

DEAR SIR: I wish that you would have your office send me a detailed report of the condition of your permit that we discussed with the Standard Oil Co. of California, in order that when I take it up with the Department of the Interior that I will be able to intelligently discuss the matter.

This letter, being dated March 8, 1923, could not have been very long after Mr. WHEELER's arrival in Washington.

I have been extremely busy since arriving here trying to get located, and have an appointment this afternoon with some people from California, who have signified a desire to hear what I have to say with reference to your holdings and Kevin's.

* * * * * * * * * * *

Within the next day or two I will also take the matter up with some other parties here in the city, whom I think will be interested.

With kindest personal regards, I am, your sincerely,

B. K. WHEELER.

Then, on March 13, from Washington, we have a telegram from Mr. WHEELER to L. V. Beaulieu, in care of Gordon Campbell, Great Falls, Mont. L. V. Beaulieu, it will be remembered, was described as the land title attorney whose office was with that of Mr. Gordon Campbell at Great Falls. Here is the telegram:

L. V. BEAULIEU,
Care Gordon Campbell, Great Falls, Mont.:

Secure and mail at once complete list Gordon Campbell syndicate and individual holdings, giving each separate legal description and character of title, dividing acreage into two classes—that in which title is absolute and unquestionable and that in which title may be in doubt. Am writing letter in full to-morrow. Do not wait for letter for this information.

B. K. WHEELER.

On March 13 Mr. Campbell wired Mr. WHEELER as follows:

Received wire. Am forwarding map and list of all acreage with explanation and condition of titles. Expect to leave for Washington latter part of week, making trip through field with Thompson, who remained here ever since Helena meeting trying to formulate deal along same lines as put to us in Helena. Will take matter up with you personally in Washington before anything is done or agreements made. How long do you expect to be in Washington? Regards.

GORDON CAMPBELL.

Then follows the original telegram of March 14, from Washington, sent by Senator WHEELER to Gordon Campbell at Great Falls, Mont., in which he says,

Leaving Saturday for Europe. Have taken your matter up with parties. Writing Baldwin. Suggest see him.

On the same date Mr. Campbell wired WHEELER as follows:

GREAT FALLS, MONT., *March 14, 1923.*

B. K. WHEELER,
United States Senate, Washington, D. C.:

Please advise when you expect to return. Believe matter of Lincoln permit vitally important. Is it possible you can discuss matter with solicitor and I can come to Washington and discuss matter with

him with view to satisfactory settlement, even during your absence? Feel this permit should have prompt attention. Choteau well looking. Best.

GORDON CAMPBELL.

Then on the same day Mr. WHEELER wired Mr. Campbell, and it is evident from the telegram itself, short though it is, that he refers to the previous telegram received from Mr. Campbell. The telegram is as follows:

WASHINGTON, D. C., *March 14, 1923.*

GORDON CAMPBELL,
Great Falls, Mont.:

Have already discussed permit with solicitor, but did not have number. Wire that to me, and I will arrange to have you see him in person if you come here.

B. K. WHEELER.

Then comes a telegram from Campbell to WHEELER, dated March 14, as follows:

GREAT FALLS, MONT., *March 14, 1923.*

B. K. WHEELER,
Senate Chamber, Washington, D. C.:

Reply to your wire. Date permit referred to is No. 051978. Will be glad to see solicitor Washington any time convenient. Advise.

GORDON CAMPBELL OFFICE.

Then, on April 7, 1923, comes a most important letter from Edwin S. Booth. It is addressed to L. V. Beaulieu, Helena, Mont., and to James T. Baldwin, Butte, Mont. It will be remembered that Mr. Baldwin was Mr. WHEELER's law partner at Butte, and Beaulieu was the man who was the title lawyer, so it is stated, in Mr. Gordon Campbell's office at Great Falls. It is a long letter, and I am not going to read it, but in that letter are described the various permits about which there was question of title. I mention the following:

Great Falls 052142: Walter F. Scott.
Great Falls 052143: Darrel B. Rassmussen.
Great Falls 051978: Louis E. Lincoln.
Great Falls 051977: Daniel A. MacGowan.
Great Falls 052136: Phillip S. MacGowan.

It is to be observed from this that Mr. Glosser was not talking wildly when he was describing or giving the names of the different persons who held the permits.

I wish to call attention to one paragraph in that long letter from Mr. Booth to the gentleman I have mentioned:

I have personally placed Mr. Campbell in touch with Mr. Freely, of the firm of Vogelsang, Brown, Cram & Feely, whom I consider one of the best, if not the best, firms in Washington dealing in public-land matters, and I have assured Mr. Campbell that they will give him every consideration and will do his work absolutely properly. I suggest that when these papers are forwarded for filing in Washington that they be sent to the firm named, for the personal attention of Mr. William G. Feely, who will bring them over to the department and see that they are properly filed and will do anything further that may be necessary.

Just a word in regard to that and the mention of Mr. Feely's name. It was insisted by Mr. Edwin Booth, the writer of this letter, that Mr. Feely should be employed to do this work—a man who had worked with or under Mr. Booth as Solicitor of the Department of the Interior. Mr. Herrick had been formerly the attorney for Mr. Campbell here in Washington, or perhaps the attorney for Messrs. WHEELER and Baldwin, attending to any matters in which they were interested here before the department; but Mr. Booth insisted that Mr. Herrick should be dismissed and that Mr. Feely should be installed in his place as the attorney to look after the matter.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER (Mr. OVERMAN in the chair). Does the Senator from South Dakota yield to the Senator from Idaho?

Mr. STERLING. I do.

Mr. BORAH. Do I understand the Senator to say that Mr. Herrick had been associated with WHEELER and Baldwin?

Mr. STERLING. I think I said that he was the attorney for Campbell or the attorney for WHEELER and Baldwin.

Mr. BORAH. That "or" should be left out.

Mr. STERLING. Does the Senator think so?

Mr. BORAH. Yes. There is not a particle of evidence nor an insinuation in the evidence to the effect that he was associated with WHEELER and Baldwin, or had anything to do with them, or represented anything that they represented, or was asked to represent them in any way. He had one permit.

Mr. STERLING. I said "Campbell or WHEELER and Baldwin." I did not think it made any great or particular difference so far as that was concerned, and I said, as I remember the testimony, that it was for either one or the other or perhaps both; but I will accept the Senator's statement in that regard, that he was only the attorney for Mr. Campbell, though I think I can refer to a letter here that will throw a little light on it.

The letter describes other permits—the Daniel A. MacGowan permit—and Mr. Booth then gives certain memoranda in this letter showing what ought to be done in regard to the various permits. There is an acknowledgment of the receipts of these letters by Beaulieu or by Baldwin, and on page 141 of the record there is this letter from Beaulieu to Booth:

DEAR MR. BOOTH: Re Walter T. Scott permit, Great Falls serial No. 052142. Further answering your letter of April 7 and in accordance with the suggestion therein contained with reference to this permit, I inclose herewith consent of surety to grant an application for extension of time to comply with permit.

And there are several other letters in regard to these permits.

Now, Mr. President, to show both the character of Mr. Campbell and in a sense that of Mr. Booth, I quote from a letter of May 4, 1923, written by Campbell to Booth. He says, among other things:

If you can arrange this with Mr. Goodwin—

Mr. Goodwin was an Assistant Secretary of the Department of the Interior.

If you can arrange this with Mr. Goodwin, as we talked in your office, and can get us the permit through by W. W. Rhea assigning to a mutual friend, or, as you spoke, to have some other party make application for the permit, and throw the whole thing out, arrangements can be made to take care of this and Mr. Goodwin. My idea would be, after title was obtained, to assign you and Mr. Goodwin 40 acres out of this lease.

Mr. Booth was solicitor of the Department of the Interior up until May 1, when he left that department; but this letter is dated May 4, and there is nothing to show that Mr. Campbell knew that Mr. Booth had at that time left the Department of the Interior. He says:

This is valuable ground and possibly the best half of section in the Kevin field, as the big wells that have come in since my return are only half a mile away, and this offset well is good and is a big well; they are drilling deeper in the Ellis sand, which will mean possibly a 1,000 or 1,500 barrel well—so you see how important it is that we get our hooks on this half section, to which we thoroughly believe we are entitled. The 40 acres would make you and Mr. Goodwin more money than you would otherwise make in some time.

We will appreciate it very much if this arrangement is satisfactory. We are all set to move in a rig and start a well immediately after we get the permit and guarantee from the Interior Department to protect this permit and offset well. This is strictly confidential.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Montana?

Mr. STERLING. Yes.

Mr. WALSH of Montana. I wish to inquire if there is any evidence that Senator WHEELER knew anything at all about that letter?

Mr. STERLING. I do not know that there is, about this particular letter.

Mr. WALSH of Montana. Then what importance has it?

Mr. STERLING. Taking it all in all, I think it has some importance. It is a letter written to Mr. Booth, with whom Mr. WHEELER conferred in regard to these various permits.

Mr. WALSH of Montana. Who said that he did?

Mr. STERLING. I think the evidence shows that he did. I think there is some admission on his own part that he did.

Mr. WALSH of Montana. What evidence?

Mr. STERLING. He talked with Mr. Goodwin. The evidence shows it. I can not take the time now to point it out to the Senator, but the Senator will find it. It is in the record, and I think he will find part of it from Mr. WHEELER's own testimony.

Mr. WALSH of Montana. The Senator from Montana searched for it, and learned that Mr. Booth and Mr. WHEELER were talking about financing Mr. Campbell.

Mr. STERLING. I suggest that the Senator renew his search, because he will find it there.

Mr. WALSH of Montana. I thought the Senator from South Dakota was so familiar with it that he could point me to it.

Mr. STERLING. No; not at once.

Mr. WALSH of Montana. I have not been able to find it.

Mr. STERLING. I may, a little later refer the Senator to it. The Senator will excuse me now. I want to go on.

He says, further:

If a company was formed in Spokane on this land, or part of it, if you would rather ride for an interest in the company, we can arrange that, also.

With very best wishes, I remain,

Sincerely yours,

GORDON CAMPBELL.

And this is at a time when he evidently thought Mr. Booth was still connected with the Department of the Interior.

Then, on May 19, 1923, is the following letter from Booth to Campbell——

Mr. WALSH of Montana. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Dakota further yield to the Senator from Montana?

Mr. STERLING. I do.

Mr. WALSH of Montana. I notice the Senator from Idaho [Mr. BORAH] on the floor. A controversy seems to have arisen between the Senator from South Dakota and myself, the Senator from South Dakota referring to the letter from Campbell to Booth about 40 acres, and so on. I interrogated the Senator from South Dakota as to whether Mr. WHEELER knew anything about that letter. The Senator from South Dakota said that there was no evidence that he did, but that it was a letter from Mr. Campbell to Mr. Booth, with whom Mr. WHEELER had conferred in relation to these permits.

I said that my recollection of the testimony was to the effect that the talk that Mr. WHEELER had with Mr. Booth about the matter was not in relation to the permits at all, but was with relation to the financing of Mr. Campbell's operations; but the Senator from South Dakota insists that there is testimony here that Booth and WHEELER conferred about the permits.

Mr. BORAH. I do not know of any such testimony. I have overlooked it if there is. Mr. Booth testified positively, you will recall——

Mr. STERLING. I did not hear Mr. Booth's testimony, I will say; I was absent at the time.

Mr. BORAH. Mr. Booth, in answer to the specific question whether there was any discussion about these permits, about their standing in the department, or if he was asked by Mr. WHEELER in any way to take any action in regard to them, replied in the negative. He stated that the discussion and a telegram which was sent after Mr. WHEELER talked with Booth with reference to information and data concerning the permits were exclusively for the purpose of enabling him to talk to these parties with reference to financing the proposition. I read that yesterday.

Mr. STERLING. Mr. President, just one word in regard to this business, covering it all, without taking the time to look up the specific testimony.

The evidence shows that Mr. WHEELER when he came here saw Mr. Booth. Mr. Booth, as I remember the testimony, took him to the Commissioner of the General Land Office, Governor Spry, and there was then mention made of Gordon Campbell and his interests, and the wish was expressed by Senator WHEELER that Gordon Campbell should be accorded fair and just treatment; that he had some matters before the Land Department. There was that, and then I think the evidence further shows clearly that there was talk between Mr. Booth and Mr. WHEELER—not specifically, perhaps, but in a general way—about Mr. Gordon Campbell's business and the permits in which he was interested.

Mr. WALSH of Montana. Mr. President, will the Senator pardon a further interruption?

The PRESIDING OFFICER. Does the Senator from South Dakota further yield to the Senator from Montana?

Mr. STERLING. Yes.

Mr. WALSH of Montana. The Senator some time ago felt that some inference should be drawn from the fact that as soon as Mr. WHEELER came to Washington he called on Mr. Booth down at the Interior Department. I feel like saying in that connection that the first time I went to the Interior Department here, as my recollection now serves me, after Mr. Booth came here, I called on him, also. Mr. Booth did not live in my city; he lived in Butte, but he is a very delightful and agreeable gentleman, and a most accommodating gentleman, although politically we have never been allied at all, but I felt it my duty, and indeed a pleasant duty, to call on him. Why should any improper inference be drawn from the fact that Mr. WHEELER went to pay his respects to Mr. Booth when he came to Washington?

Mr. STERLING. I call the attention of the Senator to some correspondence that I have already read.

Mr. BORAH. Let me read this from Mr. Booth:

The CHAIRMAN. This list of properties you were sending for was sent for as the result of this conversation with reference to financing the land?

Mr. BOOTH. Yes.

The CHAIRMAN. That had nothing to do with departmental matter?

Mr. BOOTH. No, sir.

Mr. STERLING. Now, I again call attention to some of the documentary evidence:

Mr. WHEELER wires Mr. Beaulieu, the attorney in care of documentary evidence:

Secure and mail at once complete list Gordon Campbell Syndicate and individual holdings, giving each separate legal description and character of title, dividing acreage into two classes, that in which the title is absolute and unquestionable and that in which title may be in doubt. Am writing letter in full to-morrow. Do not wait for letter for this information.

Then Campbell wires WHEELER on the same date:

Received wire. Am forwarding map and list of all acreage, with explanation and condition of titles. Expect to leave for Washington latter part of week, making trip through field with Thompson, who remained here ever since Helena meeting trying to formulate deal along same lines as put to us in Helena. Will take matter up with you personally in Washington before anything is done or agreements made. How long do you expect to be in Washington? Regards.

Then WHEELER wires Gordon Campbell:

Leaving Saturday for Europe. Have taken your matter up with parties. Writing Baldwin. Suggest see him.

What is the proper inference from that? Who are the parties with whom he is taking it up? I think the plain inference is simply that Mr. Booth was the "parties" with whom he was taking it up, and the telegram following corroborates that.

Then follows Campbell's reply:

Please advise when you expect to return. Believe matter of Lincoln permit vitally important. Is it possible you can discuss matter with solicitor and I can come to Washington and discuss matter with him with view to satisfactory settlement even during your absence? Feel this permit should have prompt attention.

That is from Gordon Campbell to B. K. WHEELER. In reply, Mr. WHEELER wired Mr. Campbell:

Have already discussed permit with solicitor, but did not have number. Wire that to me, and I will arrange to have you see him in person if you come here.

Does that evidence show that Mr. WHEELER and Mr. Booth did not have some understanding in regard to the permits that were controlled by Campbell or in which Campbell was interested? We could not have any better proof; and, Mr. President, they sent that list, and that is the foundation of the long letter written by Mr. Booth to Beaulieu, to Baldwin, and a copy of which he sent to Mr. WHEELER himself, according to the evidence, showing that he knew, or at least thought he knew, of Mr. WHEELER's interest in it; else why send him a copy of this important letter that he had written to Beaulieu and Baldwin; Beaulieu, the attorney in Mr. Campbell's office, and Baldwin, Mr. WHEELER's partner? Not content with sending it to Mr. Baldwin, he sends a copy of it to Mr. WHEELER, as though he recognized his personal interest in it.

Mr. President, there are a number of letters here which I am not going to take the time to read. The letters show the utmost friendliness between Mr. Campbell and Mr. WHEELER, about their visiting together, going on trips together, and having reference to their families, and so forth. It is important, perhaps not very, but significant in showing the relationship between these parties, and one from which a grand jury might draw some inference.

Then there are some letters which refer to the compensation which is due on the original contract for $10,000. The correspondence shows that there were two checks drawn, each for $2,000, to apply on the retainer fee of $10,000, and a remonstrance on the part of Mr. WHEELER, in a couple of the letters, as I recall, against Mr. Campbell's long delay in paying the fee.

There is one affidavit, the affidavit of Mr. E. M. Harvey, which I am going to read in conclusion. It is as follows:

I, Edward M. Harvey, being first duly sworn, depose and say that—

I am a resident of Eugene, Oreg., where I have resided for the past 20 years.

January 2, 1922, I attended a meeting of the unit holders of Gordon Campbell-Kevin syndicate, at Lewistown, Mont., and was at that time elected to the board of trustees of the above-named syndicate, to hold office for a period of three years.

In December, 1922, I came to Great Falls, Mont., to attend a stockholders' meeting of the American Refinery Co., and remained in Great Falls until January of 1923, in order that I might attend the annual meeting of the unit holders of the Gordon Campbell-Kevin syndicate. At this same time Mr. Campbell and I, being the majority of the board of trustees of this syndicate, held a meeting in the offices of the syndicate in Great Falls, at which meeting there were present Mr. Campbell, Mr. Glosser, and myself. At this meeting I told Mr. Campbell that I was very much dissatisfied with the title the syndicate held to certain acreage and informed him that he would at some time be in trouble with the Government unless steps were taken to correct the defects existing in the titles. Mr. Campbell assured me that steps would be taken to perfect these titles, and suggested the advisability of getting drilling contracts from the persons in whose names the permits had been issued. He further assured me that he would immediately obtain such drilling contracts. He also informed me that he had employed the firm of Wheeler & Baldwin, of Butte, Mont., to defend a suit for receivership filed by one L. C. Stevenson, of Great Falls, former fiscal agent for the syndicate and trustee. He further informed he that the firm of Wheeler & Baldwin would attend to the perfecting of these defective titles, and would attend to such other litigation as might be necessary in connection therewith.

Where would they attend to the perfecting of the titles? Not in a State court of Montana but right here before the General Land Office. I continue reading:

It was further agreed that the firm of Wheeler & Baldwin should do any and all things necessary for the protection of the unit holders in Gordon Campbell-Kevin syndicate. It was stipulated at this meeting that the firm of Wheeler & Baldwin should receive an annual salary or retainer of $10,000, divided equally between the syndicate and Gordon Campbell individually. I objected to the amount of salary because I considered $10,000 excessive, but was influenced by the fact that Mr. WHEELER had just been elected United States Senator, and was further influenced by remarks made by Mr. Campbell and Senator WHEELER. In this connection I protested to Senator WHEELER personally, and he replied, in substance, "You people have a great amount of valuable acreage; and if we can save just one 40 acres of that for you, we have paid our salary." I therefore consented to the employment of Wheeler & Baldwin at the salary above stated.

Mr. BORAH. The Senator will recall that one of the reasons why Mr. Campbell employed Mr. WHEELER was that Mr. Campbell said that every time he had a lawsuit, whether he was right or wrong, they gave the other fellow 40 or 80 acres of land in order to compromise, and he was getting tired of giving away his land.

Mr. STERLING. I do not know whether he said they gave them 40 acres or not, but he was tired of the compromising spirit of some of his attorneys.

Mr. BORAH. And giving away part of the land every time he had a lawsuit.

Mr. STERLING. Yes; but that is not particularly relevant to this matter.

Mr. BORAH. I take it that he hired WHEELER to save his land.

Mr. STERLING. Yes; but what was the scope of the employment? This statement in this letter fairly indicates what the scope of the employment is.

Mr. BORAH. The Senator seems to think that he could not save any land unless he came to Washington. That was the object of all the lawsuits in Montana, to save his lands.

Mr. STERLING. It was not to perfect titles to the lands.

Mr. BORAH. But it was to save his land.

Mr. STERLING. Here is the other statement. The Senator did not hear this, evidently. He just came in:

He further informed me that the firm of Wheeler & Baldwin would attend to the perfecting of these defective titles, and would attend to such other litigation as might be necessary in connection therewith.

That is his statement.

Mr. BORAH. Is that the affidavit of Mr. Harvey?

Mr. STERLING. That is the affidavit of Mr. Harvey; yes.

Mr. BORAH. Does the Senator contend there was only one class of titles involved here, and that they were pending at Washington?

Mr. STERLING. Oh, no; there might have been titles to property on patented lands.

Mr. BORAH. And so there were, and the title to all this property was really involved. It was a question of perfecting titles with reference to all of it, but the titles did not have to be perfected here at Washington, and there were no titles perfected here at Washington. It was simply a question of adjusting the leases.

Mr. STERLING. What was all this correspondence about? Why did Mr. Booth make out the list of all the permits and send it, with instructions and suggestions as to what should be done in regard to perfecting them?

Mr. BORAH. Mr. Booth sent out this information, which was called for, that is true; but so far as perfecting titles with which Mr. WHEELER was connected is concerned the evidence shows very clearly the evidence related to the titles which were involved in the litigation in Montana.

Mr. STERLING. Not all of it. Some of the testimony may have shown that, that may have been contended, but I say the language of this affidavit of Mr. Harvey does not imply that, but it implies the perfecting of all titles, whether they were titles to property on patented lands or whether they were titles to property on Government lands, and the correspondence here shows—and it connects Mr. WHEELER with it, too—that it was with reference to permits.

Mr. BORAH. Was this indictment founded upon an affidavit before the grand jury?

Mr. STERLING. I do not think it was.

Mr. BORAH. The Senator is now appealing to pure hearsay testimony.

Mr. STERLING. I am appealing to the record that was made and to evidence that was admitted.

Mr. BORAH. Pure hearsay testimony, which was introduced, to which the attention of the witness was never called, which was never before the grand jury, which was not made in the presence of Mr. WHEELER, and by the statements in which he is in no sense bound. It is just the same kind of testimony as if somebody should stand outside of this Chamber and say that the Senator from South Dakota was guilty of misconduct as an officer.

Mr. STERLING. Mr. President, the affidavit of Mr. Harvey was admitted to the record under conditions something like these: It was stated by the chairman of the committee, the Senator from Idaho, that this was an affidavit; that the original of this affidavit he thought was on the way here at the time. I said the affidavit ought to go in the record. He said that if it was insisted that the affidavit should go into the record he thought we ought to subpœna Mr. Harvey, and I said that if Mr. Harvey had be to subpœnaed before this affidavit went into the record I should ask for a delay until Mr. Harvey could get here, because I wanted the affidavit to go into the record. Mr. Harvey was a trustee——

Mr. BORAH. Mr. President, if the Senator will refresh his recollection by reading the RECORD, he will find that the Senator from Idaho did not say that the original of the affidavit was on the way. I said the original of the letter of Colonel Williard was on the way. But the Senator should state further that when the Senator from South Dakota insisted upon putting in this hearsay testimony, I said that I would not object to it going into the RECORD, but the RECORD discloses that I stated at the time that it was pure hearsay, that Mr. WHEELER was not bound by it, and that if the Senator wanted to rely upon hearsay testimony, he could do so if he desired.

Mr. STERLING. I think the Senator said it was not relevant. That was one objection he made. But I say it is relevant.

There are a number of matters in the record and some documentary evidence to which I would like to call attention, but I confess to being a little weary. I am going to close with the statement I have made. I think I have made evident my position in regard to the matter. It seems to me an absurd proposition, if I may so characterize it, for the Senate, on the report of a committee, to come in and try the question of the guilt or innocence of any Member of this body, an indictment having been found by a grand jury against him. It is absolutely without precedent, without a parallel, and to what will it lead? I am quite satisfied that the question will come back to plague us again and again if we start out now upon a course of this kind.

I would like to have the Senate bear in mind the illustrations I gave near the beginning of my remarks. Of course, the present case is an illustration of one side of it. It would give to Senator WHEELER, if the majority report of the committee is agreed to, a privilege, a right, an advantage that no other citizen would have.

This finding, of course, and the report already have gone out, and every man in Montana qualified to sit on a jury probably will have heard of it. What will be the position of the Government in a case of that kind? Are you dealing fairly and justly by your Government? Are you pursuing a course that will create satisfaction and content among the people when they learn that by this course a jury impaneled and sworn to try the cause have been prejudiced and caused to prejudge the case by what has occurred here in the Senate of the United States? I hope we will think of the consequences of action of this kind. On the other hand, taking the other illustration, he

is a poor man belonging to the minority and the minority is a very small minority in the Senate, but it is an era of prejudice, party spirit runs high, and the majority say, "Here, this man has been indicted. Let us try him and see whether he is guilty or not."

Mr. WALSH of Montana. Mr. President, will the Senator yield?

Mr. STERLING. I yield.

Mr. WALSH of Montana. I remember that that possibility was the subject of consideration in the Constitutional Convention, but it was answered by saying, "We will make the requirement two-thirds of the Members of the Senate," and it is fairly to be assumed that party spirit will never run so high that two-thirds of the Senate will expel a Member without just cause.

Mr. STERLING. When it comes to the matter of expulsion, that is not exactly involved in this case. The question of expulsion might arise in this case should the Senate find otherwise.

Mr. WALSH of Montana. Suppose the committee had reported that Senator WHEELER was guilty; what would be the necessary consequence?

Mr. STERLING. Then the next question would have been the question of expulsion, I grant.

Mr. WALSH of Montana. Of course, it would have been the question of expulsion.

Mr. STERLING. I grant that; but that shows the evil of pursuing a course of this kind.

Mr. WALSH of Montana. The Senate has no power except with reference to expulsion.

Mr. STERLING. That is true; but the Senate's power extends to every part of the United States where the action of the Senate is known. Its influence so extends. What it does and what it says by its formal vote or action here is bound to have its influence on the people of the United States.

What have they done over in the House in the Langley case, just called to my attention a few moments ago? I had forgotten about it, but I understand that this is the situation: The committee there, of which former Senator BURTON, of Ohio, is at the head, refused to go ahead with the investigation until the matter has been determined by a jury.

Mr. WALSH of Montana. Mr. LANGLEY was not at the time engaged in prosecuting an inquiry vigorously against the Department of Justice that procured the indictment.

Mr. STERLING. That is aside. That does not go to the principle of the thing at all.

Mr. WALSH of Montana. I shall discuss the principle a little later.

Mr. STERLING. That does not go to the principle. I am not here going into the motives of men at all. I am talking now for the time and in a sense, Senators, I am pleading, not only talking, that we do not adopt this precedent in this case. As I suggested awhile ago, a solution of mine would be to let the matter remain in abeyance, stand where it is in the Senate now without asking for a vote until the matter has been tried by a jury. I shall hope that Senator WHEELER is acquitted; that he will be able to explain and refute everything that has been said; but I can not go over the evidence, as I have said before, examine it, having heard the greater part of it, without coming to the conclusion that there was at least enough to warrant the grand jury in returning the indictment against Mr. WHEELER.

He will have full opportunity now to explain everything. If he remains here with that indictment pending, he will do differently—and I shall not object—from what other Members of the House and of the Senate have done who, when an indictment had been lodged against them, retired and awaited trial without participating in the work of the Senate. But I shall not object or say one word against Mr. WHEELER performing every duty that devolves upon him as a Senator of the United States.

Mr. BROUSSARD. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Louisiana?

Mr. STERLING. I yield.

Mr. BROUSSARD. Was not the resolution to investigate this matter adopted by the Senate after the indictment had been returned?

Mr. STERLING. Oh, yes; it was.

Mr. BROUSSARD. Did the Senator object to that resolution?

Mr. STERLING. No; I interposed no objection.

Mr. BROUSSARD. The Senator served on the committee?

Mr. STERLING. I am sorry to say I did not interpose an objection.

Mr. BROUSSARD. The Senator has made a report to the Senate, and we must act upon it.

Mr. STERLING. Let the Senator from Louisiana bear with me while I say that I let it go partly out of sympathy with the idea that possibly there had been an intentional frame-up and misconduct upon the part of Government officials or those representing the Department of Justice, as charged by Senator WHEELER. That was the feeling I had, for if there is anything I despise from the bottom of my heart it is anything like that. The committee will remember that when a particular name was about to be mentioned by a witness I put a stop to his testimony at that instant. I would not have nor stand for it, because it involved—well, I will not say what or whom just now.

So, Mr. President, with what I have said I conclude my discussion of the case, the last thing to express being the hope that the action of the Senate will be to hold in abeyance both of the reports here made, and let the law and the orderly processes of the law take their course. I do not see how we can consistently, wisely, or constitutionally do otherwise.

Mr. BORAH. Mr. President, I want to put in the RECORD in connection with the speech of the Senator from South Dakota [Mr. STERLING] just a paragraph from the evidence. The Senator referred to the testimony of Mr. Harvey, but he did not go to the record where Mr. Harvey was sworn and testified and was cross-examined. He took an affidavit which had been made under the direction of certain influences and persons in Montana and read from that affidavit; but Mr. Harvey appeared here and testified; he was examined and cross-examined. He was one of the trustees of this institution. As trustee he was called upon to ratify the contract made with Mr. WHEELER, and he was specifically asked what the contract was, as he understood it. He made inquiry as trustee as to what it was, and this is what he testified to:

The CHAIRMAN. As I understand, it became your duty as trustee to approve of this contract?

Mr. HARVEY. To ratify it; yes, sir.

The CHAIRMAN. Now you may state, Mr. Harvey, what that contract of employment was and the scope of the employment which Mr. WHEELER was given.

Mr. HARVEY. You mean the entire thing he was employed for?

The CHAIRMAN. Yes.

Mr. HARVEY. So far as I know. Well, Mr. WHEELER'S employment, as far as I knew, was only to appear in a suit for receivership filed by L. C. Stevenson against the syndicate; and also to appear, or bringing some other actions that we contemplated bringing, in behalf of the syndicate. That was everything that I knew anything about that he was employed for.

The CHAIRMAN. Was Mr. Glosser present when this ratification took place?

Mr. HARVEY. I think he was.

The CHAIRMAN. Was anything said to the effect that that contract covered any other matter than that which you have now stated?

Mr. HARVEY. No, sir; absolutely none.

The CHAIRMAN. Did you ever know, as trustee of this syndicate, of any other employment of Mr. WHEELER for any other purpose than that which you have designated?

Mr. HARVEY. Absolutely none.

Mr. NORRIS. Mr. President, the Senator from South Dakota [Mr. STERLING], with an eloquence often common to him, has beseeched his fellows here in the Senate that in the consideration of the Wheeler matter we should banish from our hearts and our souls all thought of partisanship. For the benefit of the Senator from South Dakota particularly, I want to read, commencing with the third verse of the seventh chapter of Matthew:

And why beholdest thou the mote that is in thy brother's eye, but considerest not the beam that is in thine own eye?

Then skipping three words of the fifth verse, I read again:

Cast out the beam out of thine own eye; and then shalt thou see clearly to cast out the mote out of thy brother's eye.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed the joint resolution (S. J. Res. 89) authorizing and permitting the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., as are

necessary for the use and benefit of the National Guard of the State of Arkansas, with an amendment, in which it requested the concurrence of the Senate.

WAR DEPARTMENT APPROPRIATIONS

The PRESIDING OFFICER (Mr. OVERMAN in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WADSWORTH. I move that the Senate insist upon its amendments, consent to the conference requested by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. WADSWORTH, Mr. JONES of Washington, Mr. SPENCER, Mr. FLETCHER, and Mr. HARRIS conferees on the part of the Senate.

FAMILY OF LIEUT. HENRY N. FALLON, RETIRED

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 946) for the relief of the family of Lieut. Henry N. Fallon, retired, which were, on page 1, line 4, to strike out "the family" and to insert "Amy L. Fallon, mother"; on page 1, line 7, to strike out "them" and to insert "her"; page 1, line 8, strike out "their" and to insert "her," and to amend the title so as to read: "An act for the relief of Amy L. Fallon, mother of Lieut. Henry N. Fallon, retired."

Mr. WALSH of Massachusetts. I move that the Senate concur in the amendments of the House.

Mr. WADSWORTH. Will the Senator state the effect of the amendments?

Mr. WALSH of Massachusetts. The House amendments changes the payment from a payment to the family of the lieutenant to his mother who is really entitled to the reimbursement.

The amendments were concurred in.

NATIONAL GUARD BUILDINGS AT CAMP PIKE, ARK.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 89) authorizing and permitting the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., as are necessary for the use and benefit of the National Guard of the State of Arkansas, which was to strike out the preamble.

Mr. CARAWAY. I move that the Senate concur in the amendment of the House. It merely strikes out the whereas.

Mr. WADSWORTH. The House made no change in the body of the joint resolution?

Mr. CARAWAY. Absolutely none.

Mr. WADSWORTH. I have no objection to concurring in the amendment of the House.

The amendment was concurred in.

NORTHERN PACIFIC LAND GRANTS

Mr. LADD. Mr. President, I ask unanimous consent for the present consideration of the joint resolution (H. J. Res. 237) directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes. The joint resolution has been reported from the Committee on Public Lands and Surveys with amendments, and will, of course, have to go back to the House. The Department of Agriculture is very much interested in having it enacted into law during this session.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota?

Mr. ROBINSON. To what does the joint resolution refer?

Mr. LADD. It is a joint resolution which provides for the appointment of a committee to investigate the land holdings of the Northern Pacific Railroad, asked for by the Secretary of the Interior and the Secretary of Agriculture, and approved by the President.

Mr. EDGE. I do not wish to object, but in order that it may be clearly understood that the various matters which are receiving the consideration of the Senate do not interfere with the unfinished business, I have no objection, following the practice necessary under parliamentary usage, to having the unfinished business temporarily laid aside with the understanding that it will be restored to its present status as the unfinished business before the Senate.

The PRESIDING OFFICER. Without objection, the unfinished business is temporarily laid aside. Is there objection to the request of the Senator from North Dakota?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which had been reported from the Committee on Public Lands and Surveys with amendments on page 1, in line 4, to strike out "1927" and insert "1925"; on page 2, in line 12, after the word "shall," insert the words "unless further extended"; in line 13, to strike out "1927" and insert "1925"; and in line 14, after the word "adjudicated," to insert the words "at the direction of Congress," so as to make the joint resolution read:

Resolved, etc., That the Secretary of the Interior is hereby directed to withhold until March 4, 1925, his approval of the adjustment of the Northern Pacific land grants under the act of July 2, 1864, and the joint resolution of May 31, 1870, and he is also hereby directed to withhold the issuance of any further patents and muniments of title under the said act and the said resolution or any legislative enactments supplemental thereto or connected therewith, until after Congress shall have made a full and complete inquiry into the said land grants and the acts supplemental thereto for the purpose of considering legislation to meet the respective rights of the Northern Pacific Railroad Co. and its successors and the United States in the premises: *Provided*, That this act shall not prevent the adjudication of any claims arising under the public land laws where the claimants are not seeking title through the grants to the Northern Pacific Railroad Co., or its successors, or any acts in modification thereof or supplemental thereto: *Provided further*, That the inhibition against the approval of said land grants and the issuance of patents and muniments of title thereunder shall, unless further extended, terminate on March 4, 1925, unless on said date said land grants and the proceedings thereunder are being adjudicated at the direction of Congress in the courts, in which event the approval of said land grants and the issuance of patents and muniments of title shall await the final adjudication thereof.

SEC. 2. The Secretary of the Interior is hereby directed to advise Congress of the status of the said Northern Pacific land grants, recommending such action as he believes right and proper for the further adjustment thereof.

SEC. 3. That a joint committee of both Houses of Congress is hereby created to be composed of five Members of the Senate to be appointed by the President thereof and five Members of the House of Representatives to be appointed by the Speaker of that body. Any vacancy occurring on the committee shall be filled in the same manner as the original appointment. The said committee is hereby empowered and directed to make a thorough and complete investigation of the land grants of the Northern Pacific Railroad Co., and its successor, the Northern Pacific Railway Co., under the act of July 2, 1864 (13 Stats. p. 365), and the joint resolution of May 31, 1870 (16 Stats. p. 378), and any other acts of Congress supplemental thereto or connected therewith, and the facts and the law pertaining thereto and arising therefrom, and to report to Congress its conclusions and recommendations based thereon. Said committee or any subcommittee thereof is hereby empowered to sit and act during the session or recess of Congress or of either House thereof in the District of Columbia or elsewhere in the United States; to require by subpœna or otherwise the attendance of witnesses and the production of books, documents, and papers; to take the testimony of witnesses under oath; to obtain documents, papers, and other information from the several departments of the Government or any bureau thereof; to employ stenographers to take and to make a record of all evidence taken and received by the committee and to keep a record of its proceedings; to have such evidence, record, and other matter required by the committee printed and suitably bound; and to employ such assistance as may be deemed necessary. The chairman of the committee or any member thereof may administer oaths to witnesses. Subpœnas for witnesses shall be issued under the signature of the chairman of the committee or the chairman of any subcommittee thereof. And in case of disobedience to a subpœna this committee may invoke the aid of any court of the United States or of the District of Columbia within the jurisdiction of which any inquiry may be carried on by said committee in requiring the attendance and testimony of witnesses, and the production of books, papers, and documents under the provisions of this resolution. And any such court within the jurisdiction of which the inquiry under this resolution is being carried on may in case of contumacy or refusal to obey a subpœna issued on any person under authority of this resolution issue an order requiring such person to appear before said committee and produce books and papers, if so ordered, and give evidence touching the matter in question, and any failure to obey such order of the court may be punished by such court as a contempt thereof. Every person who, having been summoned as a witness by authority of said committee or any subcommittee thereof, willfully makes default, or who having appeared refuses to answer any question pertinent to the investigation herein authorized, shall be deemed guilty of a misdemeanor and upon conviction thereof be punished by a fine of not more than $1,000 and imprisonment for not more than one year.

The sum of $50,000, or so much thereof as may be necessary, is hereby authorized to be appropriated, out of any money in the Treas-

ury not otherwise appropriated, to pay the necessary expenses of said joint committee, the sum to be disbursed by the secretary of the committee upon vouchers to be approved by the chairman of the committee.

The amendments were agreed to.

The joint resolution was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the joint resolution read a third time.

The joint resolution was read the third time, and passed.

NAVAL APPROPRIATIONS—CONFERENCE REPORT

Mr. HALE. I ask unanimous consent that the Senate proceed to the consideration of the conference report on the naval appropriation bill which is now upon the table. I ask that the unfinished business may be temporarily laid aside for that purpose.

The PRESIDENT pro tempore. In the absence of objection the unfinished business will be laid aside, and the Chair lays before the Senate the conference report on the naval appropriation bill, which has heretofore been read.

The report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 9, 10, 18, 21, 32, 41, 46, 47, 49, and 64.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 5, 7, 12, 13, 14, 15, 16, 17, 23, 26, 27, 33, 34, 35, 37, 38, 39, 42, and 61, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,550,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$3,409,826; for aviation material, equipment, fuel, and rental of hangars, $320,174; in all, $3,900,000, not more than $1,242,289 of"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$62,500"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$17,550,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,100,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "*Provided further*, That no part of this or any other appropriation contained in this act shall be available for maintaining in commission, exclusive of vessels of other types, more than 4 cargo ships, 2 transports, and 1 ammunition ship, unless, in case of emergency, the President should otherwise direct. Nothing in this proviso shall be construed to hinder the return of any vessel to the port where it will be decommissioned"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "plant appliances as now defined by the 'Navy Classification of Accounts'"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "*And provided further*, That in computing for any purpose the length of service of any officer of the Navy, of the Marine Corps, of the Coast Guard, of the Coast and Geodetic Survey, or of the Public Health Service, who was appointed to the United States Naval Academy or to the United States Military Academy after March 4, 1913, the time spent at either academy shall not be counted"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "in all, $50,000"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "No officer of the Navy or Marine Corps, while on leave of absence engaged in a service other than that of the Government of the United States, shall be entitled to any pay or allowances for a period in excess of that for which he is entitled to full pay, unless the President otherwise directs"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$1,385,000"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$8,911,800"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "and limiting the number of officers and enlisted men"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "and that no part of the moneys herein appropriated for the Naval Establishment or herein made available therefor shall be used or expended under contracts hereafter made for the repair, purchase, or acquirement, by or from any private contractor, of any naval vessel, machinery, article or articles, that at the time of the proposed repair, purchase, or acquirement, can be repaired, manufactured, or produced in each or any of the Government navy yards or arsenals of the United States, when time and facilities permit, and when, in the judgment of the Secretary of the Navy, such repair, purchase, acquirement, or production, would not involve an appreciable increase in cost to the Government"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 8, 25, 28, 30, 31, 40, 43, 44, 45, 48, 50, 51, 52, 53, 54, 55, 59, and 60.

FREDERICK HALE,
LAWRENCE C. PHIPPS,
CLAUDE A. SWANSON
(With exception of Senate amendment No. 64, which I insist upon),
Managers on the part of the Senate.

BURTON L. FRENCH,
GUY U. HARDY,
JOHN TABER,
JAMES F. BYRNES
(Not in agreement on amendment No. 64),
W. B. OLIVER
(Not in agreement on amendment No. 64),
Managers on the part of the House.

The PRESIDENT pro tempore. The question is upon agreeing to the conference report.

Mr. NORRIS. Mr. President, I had hoped that the Senator from Tennessee [Mr. MCKELLAR] would be here when the conference report was taken up. I had my attention called to one item in the conference report, but since that has occurred I have conferred with quite a number of Senators on the particular change in the Senate amendment that has been made by the conference report. I was at first going to ask that we delay the consideration of the conference report until the Senator from Tennessee, who was the author of the amendment that has been modified, could be here, but after conferring with a number of Senators in regard to the modification I have reached the conclusion that it was not so important as I had been led to believe it was; and even regardless of that, as a result of

conference with Senators who were friendly to the attitude taken by the Senator from Tennessee and myself, I reached the conclusion that it would be useless to try to change the amendment, which would necessarily bring about the rejection of the conference report. So I myself am not going to make any further objection to the conference report.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The conference report was agreed to.

The PRESIDENT pro tempore. The Chair lays before the Senate the action of the House of Representatives on certain Senate amendments, which will be read.

The reading clerk read as follows:

Resolved, That the House recedes from its disagreement to the amendments of the Senate Nos. 30, 31, 44, 45, 55, and 59 to the bill (H. R. 6820) entitled "An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes," and concurs therein.

That the House recede from its disagreement to the amendment of the Senate No. 8, and concur therein with an amendment, as follows: In line 1, of the matter inserted by said amendment, after the word "That," insert the following: "until June 30, 1925."

That the House recede from its disagreement to the amendment of the Senate No. 25, and concur therein with an amendment, as follows: At the beginning of the matter inserted by said amendment, insert the following: "during the fiscal year 1925."

That the House recede from its disagreement to the amendment of the Senate No. 28, and concur therein with an amendment, as follows: Restore the matter stricken out by said amendment to read as follows: "*Provided further*, That hereafter upon the presentation of satisfactory evidence as to his age and upon application for discharge by his parent or guardian presented to the Secretary of the Navy within 60 days after the date of his enlistment, any man enlisted after July 1, 1924, in the naval service or Marine Corps, under 21 years of age who was enlisted without the written consent of his parent or guardian, if any, shall be discharged for his own convenience."

That the House recede from its disagreement to the amendment of the Senate No. 40, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert: "; repair and fitting out pier (limit of cost, $1,190,000), $250,000; in all, $350,000."

That the House recede from its disagreement to the amendment of the Senate No. 43, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert: "marine railway accessories house, $20,000; in all, $198,000."

That the House recede from its disagreement to the amendment of the Senate No. 48, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert: "; storage for torpedoes, $140,000; in all, $155,000."

That the House recede from its disagreement to the amendment of the Senate No. 50, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert:

"Supply depot, Marine Corps, San Francisco, Calif.: Construction of extensible building, including grading of site, $500,000, no part of such sum to be obligated until the Secretary of the Navy shall have determined that it is adequate completely to construct, equip, and otherwise make said building ready for occupancy and use, including the preparation and final conditioning of site: *Provided*, That the Secretary of the Treasury is hereby authorized to transfer to the Navy Department a tract of land situated in the city of San Francisco, Calif., consisting of four 50-vara lots fronting 275 feet on the north side of Harrison Street, and extending back, bounded by Spear and Main Streets 275 feet, for use as a site for the building herein authorized."

That the House recede from its disagreement to the amendment of the Senate No. 51, and concur therein with an amendment as follows: In line 2 of the matter inserted by said amendment, strike out "$410,000" and insert in lieu thereof "$560,000."

That the House recede from its disagreement to the amendment of the Senate No. 52, and concur therein with an amendment as follows: After the word "*Provided*" in the first line of said amendment insert "*further*."

That the House recede from its disagreement to the amendment of the Senate No. 53, and concur therein with an amendment as follows: After the word "Florida" in the last line of said amendment insert the following: "; and such additional water supply is hereby authorized: *Provided*, That the sum of $150,000 hereinbefore appropriated for new construction, buildings, and improvements at air station, Pensacola, Fla., shall not be available until the Secretary of the Navy shall determine that in his judgment a water system capable of furnishing an adequate supply of water for such station can be completed within the limits of the funds herein provided, and until the Secretary of the Navy, at the direction of the President, has accepted the conveyance of lands and rights of way as herein authorized."

That the House recede from its disagreement to the amendment of the Senate No. 54, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert: "Until June 30, 1925, if for any cause the number of civilian professors or instructors employed in the United States Naval Academy on January 1, 1924, shall be reduced after such latter date, no commissioned officer of the Navy shall be detailed or allowed to teach the subject or subjects theretofore taught by such civilian professors or instructors whose service connection with the academy may have been so terminated: *Provided*, That in reducing the number of civilian professors no existing contract shall be violated: *Provided further*, That no civilian professor, associate or assistant professor, or instructor shall be dismissed, except for sufficient cause, without six months' notice to him that his services will be no longer needed."

That the House recede from its disagreement to the amendment of the Senate No. 60, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert: "toward the construction of one fleet submarine (mine-laying type) heretofore authorized, to have the highest practicable speed and greatest desirable radius of action and to cost not to exceed $5,300,000 for construction and machinery and $850,000 for armor, armament, and ammunition; and the Secretary of the Navy shall have prepared plans and estimates of cost of a scouting submarine and a submarine capable of accompanying the fleet, each to have the highest practicable speed and greatest desirable radius of action, such plans and estimates to be in readiness for submission to Congress on the first day of the next regular session."

Mr. HALE. I move that the Senate concur in the amendments of the House of Representatives to the amendments of the Senate.

The motion was agreed to.

POSTMASTERS AND POSTAL EMPLOYEES

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service.

The PRESIDENT pro tempore. The question is on the amendment reported by the Committee on Post Offices and Post Roads in the nature of a substitute for the bill.

Mr. BORAH. Mr. President, what is the bill now before the Senate?

Mr. WADSWORTH. It is the Postal Service bill.

The PRESIDENT pro tempore. The unfinished business is before the Senate.

Mr. BORAH. But that is only technically before the Senate.

Mr. EDGE. I agree with the Senator from Idaho.

Mr. WALSH of Montana. Mr. President——

Mr. BORAH. I yield to the Senator from Montana.

Mr. WALSH of Montana. I do not know what the purpose of the Senate is with respect to discontinuing business at this time, but I desire to discuss the matter which has been before the Senate during the afternoon at some length.

Mr. BORAH. Mr. President, it is apparent that we can not conclude this matter to-night, and I do not suppose that we want to continue in session. It is now half past 5 o'clock. I am about to move that the Senate take a recess until to-morrow at 12 o'clock.

Mr. EDGE. Will the Senator withhold that motion for a moment? I should like to suggest that, inasmuch as the unfinished business is not a long bill and the amendment is in the nature of a substitute for the bill, I think it would be in order to have it read, and I had hoped that the Senate would remain in session long enough to have the amendment read. I shall not ask the Senate to act on the amendment, but after it shall have been read, then any amendment that any Senator may wish to submit will be in order, but we will at least have reached that stage. When that shall have been done, it was my intention to move a recess until 12 o'clock to-morrow.

Mr. BORAH. The Senator from Utah is not here, and he wants to be here.

Mr. EDGE. Not at this stage, I am quite sure, because there is nothing that he could do under the request already granted that the formal reading of the bill be dispensed with and that the bill be read for amendment, the committee amendment to be first considered. As I have explained, the amendment is in the nature of a substitute for the entire bill, but necessarily under the rules it must be read. When that shall have been done, I will not make any effort to-day to have the committee amendment adopted, but the bill will then be open to amendment offered by any Senator on the floor.

Mr. WALSH of Montana. I suggest to the Senator from New Jersey that in that case he make the request in a different form, namely, that the reading of the amendment proposed be dispensed with.

Mr. EDGE. I have already asked and received unanimous consent that the formal reading of the bill be dispensed with and that the bill be read for the purpose of the committee amendment, which, as I understand, is the usual form.

Mr. WALSH of Montana. Then I suggest to the Senator that he make a further request that the reading of the amendment in the nature of a substitute be dispensed with.

Mr. EDGE. I am ready to do that; and I ask unanimous consent that the reading of the amendment in the nature of a substitute be dispensed with and that the bill when taken up be subject to amendment.

Mr. OVERMAN. I do not think, Mr. President, that is exactly fair. There may be some Senators who desire to amend the amendment.

Mr. WADSWORTH. They will have an opportunity to do so.

Mr. EDGE. Under the unanimous-consent agreement an opportunity will be afforded them to do that.

Mr. OVERMAN. But if the Senator secures unanimous consent to dispense with the reading of the amendment at this time, I think that would be unfair to absent Senators who may desire to offer amendments to it.

Mr. EDGE. My request for unanimous consent, if I may say so to the Senator from North Carolina, and which was made upon the suggestion of the Senator from Montana, is simply to waive the reading of the amendment, so that when the unfinished business shall be really before the Senate more than technically, any Senator may offer any amendment to any part of it.

Mr. OVERMAN. The reading could have been completed by this time; it will not take long to read it.

The PRESIDENT pro tempore. The Chair understands the Senator from New Jersey asks unanimous consent that the reading of the amendment reported by the committee may be dispensed with.

Mr. OVERMAN. I shall object to that, since I know some Senators are interested in having the amendment read.

The PRESIDENT pro tempore. Objection is made. The Secretary will read the amendment.

URGENT DEFICIENCY APPROPRIATIONS

Mr. WARREN. Mr. President, I was about to ask the Senator who is in charge of the unfinished business to yield to me for a moment in order to complete the consideration of an appropriation bill which was interrupted on day before yesterday by a Senator who has since told me that he has no objection to the bill being taken up and completed. There is only one more amendment to be offered to the bill, and then, so far as I know, it may be passed.

The PRESIDENT pro tempore. It will be necessary that the pending bill be laid aside before the Senate can take up the bill suggested by the Senator from Wyoming.

Mr. WARREN. I assumed that the Senator from New Jersey would take that course.

Mr. EDGE. Very well, Mr. President, for the purpose indicated I have no objection, and I ask unanimous consent that the unfinished business may be temporarily laid aside, in order that the Senate may consider the measure which the Senator from Wyoming desires to bring to its attention.

Mr. ROBINSON. Mr. President, I will inquire if the bill in charge of the Senator from Wyoming is the measure in which the Senator from Utah [Mr. KING] is interested?

Mr. WARREN. It is the bill the Senator from Utah objected to, but he has since told me that he had no objection to its consideration and passage.

Mr. ROBINSON. I merely wanted to make sure as to that. I observed that the Senator from Utah was absent from the Chamber and I felt in duty bound to give him an opportunity to be present.

Mr. WARREN. Of course, I would not take advantage of the absence of the Senator from Utah. I had an understanding with him.

Mr. ROBINSON. I know the Senator would not do that.

The PRESIDING OFFICER. Is there objection to laying aside temporarily the unfinished business? The Chair hears none, and it is so ordered.

Mr. WARREN. I will say that there was an amendment pending when the bill was laid aside. That amendment refers to a fund which I believe expires to-day. I have no objection to the amendment going on the bill, subject, of course, to its consideration in conference.

The PRESIDENT pro tempore. Does the Senator from Wyoming ask that the appropriation bill be taken up for consideration? The bill is not before the Senate as yet.

Mr. WARREN. I supposed that it was before the Senate. I ask that it may be considered at this time.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes.

The PRESIDENT pro tempore. The pending amendment, proposed by the Senator from Delaware [Mr. BALL], will be stated.

The READING CLERK. On page 2, after line 2, it is proposed to insert the following:

> Any unexpended balances of appropriations made for the rent commission of the District are hereby reappropriated and made available during the life of said commission.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

POSTMASTERS AND POSTAL EMPLOYEES

Mr. EDGE. Mr. President, I request that the unfinished business be now placed before the Senate.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees of the Postal Service.

ANNIVERSARY OF ENACTMENT OF HOMESTEAD LAW (S. DOC. NO. 113)

Mr. CAMERON. Mr. President, 62 years ago this day a new epoch occurred in this country. It was the dawn of a new era of national prosperity, and the settlement of the West, to come into its full being when the Civil War, which rocked the Nation at the time, should cease.

To-day is the sixty-second anniversary of the enactment of the homestead law. The part which this generous act has played in the upbuilding of the western portion of our country is unparalleled in the history of any government. The story of the United States homestead act, and its manifold benefits to the people and prosperity of the country is interestingly and authoritatively portrayed in an article written by Mr. George R. Wickham, Assistant Commissioner of the General Land Office.

I request that this article be printed as a Senate document, that the people of the United States may keep afresh in their minds the great heritage left them by Abraham Lincoln, when, on May 20, 1862, he affixed his signature to a law which stands out so conspicuously as a landmark to the wonderful prosperity of our country.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the article will be printed as a public document.

Mr. FLETCHER. Mr. President, what is the request? There is a rule about the printing of public documents. I do not know what this is. The rule and the law is—we can not get away from it—that in order to make a matter a public document we must have an estimate of cost submitted along with the application. I do not know what this is.

Mr. CAMERON. I will show it to the Senator.

Mr. FLETCHER. I observe that it is not very long, so I will simply call attention to that fact. I have no objection.

ADDRESS BY DR. NICHOLAS MURRAY BUTLER

Mr. WADSWORTH. Mr. President, I ask unanimous consent that there be printed in the RECORD a copy of an address delivered by Dr. Nicholas Murray Butler.

Mr. ROBINSON. Mr. President, we can not hear a word of the proceedings.

Mr. WADSWORTH. I am asking unanimous consent that there be printed in the RECORD a copy of an address delivered by Dr. Nicholas Murray Butler, the president of Columbia University, a few days ago on a matter of considerable interest to a great many citizens.

The PRESIDENT pro tempore. Is there objection?

Mr. DIAL. Mr. President, I question whether we ought to grant that permission or not. What is the subject? Will the Senator tell me?

Mr. WADSWORTH. The eighteenth amendment.

Mr. DIAL. I object, Mr. President. We had a speech the other day from that gentleman, and I feel that it ought not to be circulated throughout the United States in the CONGRESSIONAL RECORD. When we have presidents of institutions of learning teaching young men how to drink whisky we do not want to distribute their utterances through the columns of the RECORD.

The PRESIDENT pro tempore. Objection is made.

ALLEGED CORRUPT ELECTION PRACTICES

Mr. WALSH of Massachusetts. Mr. President, I desire to call the attention of the Senate for a brief time to a matter that has been called to my attention by the mayor of the city of Boston. It relates to corrupt practices in national elections.

I doubt if the Senate and the country is aware that there is probably no Federal corrupt practices law applicable to the election of United States Senators that is constitutional. The Federal corrupt practices law was passed before United States Senators were elected by popular vote as a result of a constitutional amendment. It also was passed before the Newberry case was decided by the Supreme Court. Part of the act was declared unconstitutional in the Newberry decision—that part of it which it was believed applied to primary elections. It is probable that the whole law is unconstitutional by reason of the fact that it was passed before the constitutional amendment providing for the election of Senators by direct vote of the people. The result is that we are facing a national election with practically no Federal corrupt practices of law to control or limit the expenditure of moneys or campaign funds by candidates or political parties.

On April 10 I submitted a resolution calling the attention of the Senate to the absence of law regarding the collection of contributions between elections and other irregularities. In that resolution I asked the Committee on Privileges and Elections to give some attention to this important subject and to report a bill for the Senate's consideration. In January the Senator from Oklahoma [Mr. OWEN] presented a very carefully drawn bill providing for a corrupt practices law that would be effective in regulating our elections. Up to the present time no action has been taken by this committee upon either of these measures.

Very recently the mayor of the city of Boston sent me a communication calling my attention to what he believed were abuses of the corrupt practices act or, at least, improper practices in collecting money for the approaching campaign.

The State of Massachusetts has a good corrupt practices law. If the allegations made by the mayor are taking place in Massachusetts and are illegal, they can be prosecuted under the act of that State. In my opinion they can not be prosecuted under any Federal law. In fact, there is, unfortunately, no Federal law which reaches the regulation of campaign funds and expenditures for the election of President or Vice President. It is doubtful if such a law would be constitutional because of the fact that the several States elect the electors who elect the President.

I have no personal knowledge of the methods being employed in Massachusetts to raise campaign funds, but the mayor's letter does disclose a situation there which indicates that an unusual effort is being made by unusual means to raise large sums of money for the Republican campaign. Since his first letter he has written me a second letter stating that attempts are being made to organize all the varied business interests of that State to raise systematically a very large campaign fund. One letter being circulated for funds by an industrial group alleged that in 1920 Massachusetts contributed $500,000 to the election of President Harding, and it makes an appeal that the funds to be raised for President Coolidge should be larger, by reason of the fact that he is a citizen of that State. It is possible that a million dollars may be raised in Massachusetts alone. It is easy to conceive the possibility of a fund being raised reaching into many millions throughout the Nation. It is evident from these letters that the industries of the country are to be solicited without any consideration of their being beneficaries in tariff and other legislation. Will they contribute toward the cause of good government or in the hope of paying for special favors received or to be received in the future?

I have called attention to this matter because I am going to present Mayor Curley's letters in the nature of petitions and ask that they be referred to the Committee on Privileges and Elections, and I have myself drawn a resolution, which I shall present, calling attention to the chaotic and unsatisfactory state of our Federal law. In view of our experience with the Newberry case, in view of the fact that we practically have no Federal law that is enforceable, and even some States have no corrupt practie law, I urge that this committee take immediate action in order that we may go into the coming campaign with the Congress indicating a desire for an honest election. Let us not adjourn until some attempt to regulate and control the raising of campaign funds and teh expending of campaign contributions has been made. We should not place the Congress before the American people in the light of indifference to the importance of honest and pure elections.

The various States have corrupt practices acts. The State of Massachusetts limits to $1,000 the amount that any individual can contribute; but I note in this letter which the mayor has written that the solicitor makes a statement which, I believe, is in the very teeth of the law, to wit, that the contributors can give as much as they desire, and that the solicitor will see that the sum contributed is so distributed that it will be within the statutory provisions.

Mr. WALSH of Montana. Mr. President, will the Senator read that part of the letter?

Mr. WALSH of Massachusetts. In this letter, which has been circulated by a committee in the interest of the election of the President, this statement is made:

> There is no limit to the amount an individual may give the committee.
>
> Notwithstanding the fact that the law of Massachusetts limits to $1,000 the amount that may be given for all election purposes by an individual.
>
> Large contributions will be so divided as to give full observance to the requirements of the statutes.

It seems to me that that expression is very clearly in the teeth of the law. Making that statement may not be a violation of law, but certainly the solicitor who receives a sum of money and does not report the exact sum that was paid to himself would be violating, as I understand it, the corrupt practices act of the State of Massachusetts and possibly the Federal law. If it is not illegal to state what is in that circular letter, it certainly would be illegal to do what was promised.

Mayor Curley, justifiably indignant over such methods, has asked me to inaugurate an investigation. He thought that I was serving on some committee that was engaged in some such work. Unfortunately we have no such committee. The only investigating committee with which I have been associated is the committee that has been investigating the Veterans' Bureau. It does not seem to me that an investigation, though helpful, is necessary, because if the law has been violated, prosecutions can be made in the State of Massachusetts; but the situation does require some Federal law upon this subject, and especially some Federal law controlling the amount of money that can be raised and expended in Federal elections.

I want to repeat that in my opinion, in view of the decision in the Newberry case and in view of the fact that the corrupt practices act that is on the statute books was passed before the constitutional amendment providing for the direct election of Senators by popular vote, there is practically no law that would be sustained by the courts affecting the election of United States Senators and possibly Members of the House.

Mr. President, I ask that these letters from his honor, the mayor of Boston, be inserted in the RECORD and be transmitted to the Committee on Privileges and Elections, and that a resolution presented by myself be read for the information of the Senate and referred to the same committee with the request that the Committee on Privileges and Elections, having had before it the Owen bill since January last and having had a resolution introduced by myself upon this subject in April, make some effort to indicate to the country that the Senate of the United States believes in corrupt practices laws and intends to enact a law which will control the abuses likely to result in election of Federal officers by reason of the raising of large campaign contributions without restriction as to amount or method of expenditure.

There being no objection, the letters were referred to the Committee on Privileges and Elections and ordered to be printed in the RECORD, as follows:

HON. DAVID I. WALSH,

United States Senate, Washington, D. C.

MY DEAR SENATOR: The senatorial committee investigating the existence of certain corrupt transactions, activities, and persons, of which you are a member, would do a much-needed public good at this time by turning its attention to and its light on an organized plan for corruption, designed to "solicit" contributions from business firms, corporations, manufacturing concerns, and trade organizations, the

funds so collected to be spent to secure the nomination and election of Federal and State officers—Republicans—from the Presidency of the United States down. This organization is known as the Massachusetts Calvin Coolidge Finance Committee and its announced purpose, as can be seen by the inclosed copy of the original letter of solicitation, is that of "collecting funds to make sure of the nomination and election of Calvin Coolidge." I assume the Massachusetts organization is duplicated in every other State where tariff-protected interests can be reached; and without doubt the mind and man back of this nation-wide corruption campaign is the chairman of the Republican committee, William Butler, of New Bedford, mill owner and millionaire, and one of the notorious industrial group of Massachusetts, fat and growing fatter by the exploitation of child labor and underpaid, overworked mill operatives in certain Southern cotton factories.

The following paragraph has a sinister significance and indicates a cynical determination to evade the provisions of the corrupt practices laws and get around the limitations of expenditures for political purposes incorporated in Federal legislation:

> "There is no limit to the amount an individual may give the committee. Large contributions will be so divided as to give full observance to the requirements of the statutes."

An eminent American has said: "Public office should represent the result of the voluntary act of the people and not be the sequence of an auction." The intimate private and political relations of the Republican national chairman and the pseudoprophet of law and order, who dictated Mr. Butler's appointment as his own choice as campaign manager, leaves no doubt in the mind of any honest and self-respecting American that the President of the United States is not only the inspiration of this scandalous plan to corrupt the American constituencies but is fully cognizant of its purposes and aims and is aiding and abetting this audacious attempt to buy the national election of 1924. This document and the bold campaign of corruption it visualizes illustrate the sustained hypocrisy and manifest unfitness of their authors, organizers, and beneficiaries; and the exposure of the plot to make the 1924 election "the sequence of an auction" is a paramount duty that must not be delayed. The sooner the people of the United States learn something of the subterranean activities of the Republican Party, its candidates, and leaders, the better for the safety of the country. If the public offices of the United States can be bought and sold in 1924, the beneficiaries of the foul transaction will transfer the control of national legislation and administration to the industrial, commercial, and financial underwriters of this outrageous bargain.

You, my dear Senator, have a personal as well as a public interest in this treasonable scheme; you are one of the targets of the dirty dollars of the Massachusetts Calvin Coolidge finance committee; but I am certain your sense of public duty will outweigh any personal consideration and guide your action.

Coming as it does on the heels of the betrayal of New England's industrial interests—the preference shown by the Washington administration for convict prison labor over free labor, the transfer of the Army shoe industry from the factories of Massachusetts to the Federal Prison at Fort Leavenworth, the gift of contracts for Naval khaki cloth to British mills in Manchester, England, and the refusal to give contracts to the Amoskeag Mills of Manchester, N. H., where unemployed American workers walk the streets idle and hungry—it becomes evident that this conspiracy of corruption, to which the aid and sympathy of Calvin Coolidge and his friends are pledged, is a well-considered plot to crush and degrade the American worker. The constant stream of phrase and flummery, humbug, and hypocrisy that flows from the White House is intended to conceal the iniquity and baseness of this scheme to Europeanize American labor and cripple American democracy, and its stealthy progress can only be arrested by a swift and thorough senatorial investigation that the American people may know the peril they are in; for it is idle to expect that the engineers of this corrupt scheme will set the machinery of law in motion to embarrass themselves. You can do the work they will not, dare not, do.

The Walworth Manufacturing Co. of Boston, from which the corrupt correspondence emanated, is a highly protected concern, whose head is president of the Boston Chamber of Commerce; the signer of the circular letter, "G. F. Elliott, chairman pipe fittings and allied-material group," is some inconsequential figurehead behind whom the corruptionists work; and I believe an early descent on this group of conspirators will serve the public good. The sale of Massachusetts must not be permitted; its consummation would be a victory for the deadliest enemies of American liberty.

I earnestly ask early and effective investigation of this audacious scheme to destroy the good name of Massachusetts and the integrity of representative government in America.

With the assurance of my personal regard, I am,

Sincerely yours,

JAMES M. CURLEY, *Mayor.*

GENERAL OFFICE WALWORTH MANUFACTURING CO.,
Boston, Mass., April 24, 1924.

_____,

_____.

DEAR SIR: The Massachusetts Calvin Coolidge finance committee has delegated to me the chairmanship of the pipe fittings and allied material group in the matter of collecting funds to make sure of the nomination and election of Calvin Coolidge.

The money goes—first, to the national Coolidge preconvention fund for maintaining Calvin Coolge headquarters and organization work; secondly, to pay a proportion of the national committee expense; thirdly, to maintain the Masachusetts State committee's active work of registration and Americanization throughout all our districts, and to carry on the active campaign for all Federal and State offices as soon as nominations are over.

There is no limit to the amount an individual may give to this committee. Large contributions will be so divided as to give full observance to the requirements of the statutes. All contributions must be voluntary.

I assume that you will wish to have a share in making sure of the election of Calvin Coolidge, and I am inclosing a card furnished me by the finance committee.

Your check should be made to Louis K. Liggett, and if you will send it to me for forwarding to him I can keep correctly my records of our group. In any event, whether your response is a check or a signature of promise on the inclosed card, will you kindly make it promptly, so I may make my full report without much delay.

Yours truly,

G. F. ELLIOTT,
Chairman Pipe Fittings and Allied Material Group.

CITY OF BOSTON, OFFICE OF THE MAYOR,
City Hall, May 15, 1924.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Your telegram addressed to me this day in answer to communication forwarded you under date of May 13, relative to solicitation of campaign funds for the Republican Party, and in which communication was included a paragraph clearly indicating that it was the purpose of those in charge of the raising of funds to violate the statutes, both Federal and State, has resulted in the receipt by this office of additional requests for funds and would rather strengthen the opinion expressed in the original communication that it is the purpose to conduct an auction rather than an election, unless the Federal and State authorities intervene.

I have taken the liberty of forwarding copies of all communications to your colleague, Senator THOMAS J. WALSH of Montana, in addition to forwarding copies to you, and have likewise directed the attention of the attorney general of Massachusetts to a request for funds which has been circulated in the city of Newton in the name of Thomas W. White, supervisor of administration in the department of administration and finance of this State, a Republican officeholder, and which communication is clearly in violation of the corrupt practices act.

Respectfully yours,

JAMES M. CURLEY, *Mayor.*

NEWTON, MASS., *May 1, 1924.*

DEAR SIR OR MADAM: The Massachusetts Calvin Coolidge Finance Committee has been formed, with Mr. Louis K. Liggett as chairman. Committees are now working throughout the State to raise funds, and as members of the committee in the city of Newton we are writing you.

This is presidential year and money contributed will be used to finance the nomination of Mr. Coolidge, the National and State Republican Committees, and to provide for the further expenses of these committees throughout the year 1924.

Massachusetts should and will take the lead in financing the work that is necessary to elect Calvin Coolidge. State pride and our knowledge of the man, his character, his judgment, will give him our united support.

This is not an intensive campaign for funds. You are therefore asked to give liberally and promptly. You have the assurance that when you have made this contribution you will not be called upon again this year for additional funds.

All contributions must be voluntary. No corporation may contribute and no public-office holders are solicited.

Please make your check payable to the order of Louis K. Liggett, chairman, and send it to Leverett Saltonstall, 240 Chestnut Hill Road, Chestnut Hills, Mass.

Trusting for a generous and prompt response, we are,

Very truly yours,

THOMAS W. WHITE.

MAY 12, 1924.

A member of our committee will call on you within the next few days to accept your contribution to the Calvin Coolidge campaign fund.

Five hundred thousand dollars was raised in Massachusetts for the Harding campaign, and there are many reasons why we should raise more for Calvin Coolidge. The remarkable character and statesmanship of our candidate and State pride should make this task easy.

The fund represents the contribution of the Massachusetts business men to the national Coolidge fund for maintaining Calvin Coolidge headquarters and organization work, also our proportion of the national committee expenses, and for maintaining the Massachusetts State committee work of registration and Americanization throughout all our districts, and to carry on the active campaign for all Federal and State officers as soon as nominations are over.

Strong political opposition in Massachusetts is anticipated and an aggressive campaign must be conducted to secure a straight Republican ticket. We must all beware of overconfidence and do our utmost to achieve the desired result.

Your contribution to this fund will be the only one we will ask of you this year.

The satisfaction of giving and giving liberally to maintain a Massachusetts man in the highest office within the gift of the people of these United States, the assurance that a continuation of the present safe and sane administration will constitute the best possible business insurance for business in general and for the shoe and leather industry in Massachusetts in particular, should be sufficient incentive (all other considerations aside) to make your contribution as liberal as possible.

Very truly yours, E. J. BLISS, *Chairman.*

Mr. WALSH of Massachusetts. Mr. President, I ask that the resolution I submit be read for the information of the Senate.

Mr. SPENCER. Mr. President, may I ask the Senator a question?

Mr. WALSH of Massachusetts. I should like to have the resolution read. Then I shall be glad to answer the Senator's question.

The PRESIDENT pro tempore. The resolution will be read.

The resolution (S. Res. 232) was read, as follows:

Whereas existing Federal laws relating to corrupt practices in the appointment or choosing of presidential electors and in the election of United States Senators and Representatives in Congress have been enacted in piecemeal fashion and consist of six separate acts of Congress, passed, respectively, in 1907, 1909, 1911, 1912, and 1918; and

Whereas parts of such laws have been rendered obsolete or inadequate by the adoption of amendments to the Constitution of the United States, and parts have been declared unconstitutional by the United States Supreme Court; and

Whereas such laws fail to require proper publicity in respect of contributions made between election dates, with the result that large unreported contributions have been made after elections, oftentimes in the hope of political reward or favor; and

Whereas there is no law regulating the methods of soliciting campaign contributions, and no record of the activities of persons making campaign solicitations is required; and

Whereas some of the States have no laws relating to corrupt practices in campaigns for nomination and election, and such laws in other States vary greatly as to their provisions: Therefore be it

Resolved, That the Committee on Privileges and Elections is authorized and directed to report to the Senate, as soon as practicable after investigation, upon the advisability of revising the Federal laws relating to corrupt practices in elections, with a view to (1) eliminating the ambiguous, obsolete, and unconstitutional portions thereof, (2) adding thereto provisions to remedy present defects and inadequacies, and (3) requiring the treasurer of each political committee which solicits or accepts contributions or makes expenditures for the purpose of influencing the appointment or choosing of presidential electors, or the election of United States Senators or Representatives in Congress, to file with the Clerk of the House of Representatives between the first and tenth days of each month in the calendar year in which a general election of United States Senators or Representatives in Congress is held, and at least quarterly during every other year, complete as of the day next preceding the date of filing, stating—

(a) The name, address, and amount of contribution of each contributor to the committee;

(b) The total amount of contributions from every source;

(c) The form of letter or petition used in soliciting contributions;

(d) The names and addresses of persons soliciting, in person or by mail, political contributions; and

(e) Detailed information as to all expenditures.

The committee is further authorized and directed to report to the Senate, as soon as practicable after investigation, (1) upon the advisability and probable cost of preparing for publication as a Senate document a compilation of the laws of the several States relating to corrupt practices in respect of the appointment or choosing of presidential electors and the election of United States Senators and Representatives in Congress, including primary elections and nominating conventions, and (2) upon the advisability of preparing a uniform State law in respect thereof, with a view to submitting such law to the several States for adoption.

Mr. WALSH of Massachusetts. I yield now to the Senator from Missouri.

Mr. SPENCER. I fully agree with the Senator from Massachusetts, both as to the desirability and as to the importance of some such consideration. But did not the Senator from Massachusetts refer to some bill that had been introduced by the Senator from Oklahoma?

Mr. WALSH of Massachusetts. Yes; the Senator from Oklahoma [Mr. OWEN] introduced a bill in January, which has been pending before the Senator's committee since that time. Otherwise I would have introduced a bill instead of offering a resolution. I thought that bill was very carefully drawn, and it seemed to me to meet all the requirements of a corrupt practices law.

Mr. SPENCER. That is the very point I was about to ask the Senator about. I read that bill with a great deal of interest, but neither the Senator from Oklahoma nor anybody else has ever even intimated to the committee that he wanted that bill considered. My impression is that that bill, immediately after its introduction, was referred to a subcommittee, who have had it ever since, doubtless waiting for the author of the bill to come before it, and it would be exceedingly helpful if the Senator from Massachusetts had the time for him to prepare such a bill, or, if he thinks the Owen bill answers the requirements, to let us know about that.

Mr. WALSH of Massachusetts. I do not think that on a matter of such importance as regulating the manner of conducting elections the Committee on Privileges and Elections ought to wait for the initial step to be taken by the Senator who introduced the bill. It seems to me that subject is of such importance that remedial legislation should be framed by the committee itself, especially in view of what the Senator's committee learned by reason of its investigation of the Newberry case, and by reason of the comments in the press of this country in regard to abuses in connection with the campaign contributions which appeared recently in testimony before one of the investigating committees, that campaign contributions after elections, of which no report was made, were made in large amounts by persons who later became beneficiaries of favors that the present administration was able to give them.

Mr. SPENCER. The initial difficulty in the way, I am free to say to the Senator from Massachusetts, is this, that the Committee on Privileges and Elections is now hearing the senatorial contest from Texas, which is taking all their time, and whether they will have any opportunity to frame a bill in the remaining days of this session, if the session shall conclude next month, I am free to say is somewhat doubtful.

Mr. WALSH of Massachusetts. Does not the Senator think that it is a very bad spectacle for the Senate to go before the country in the national election that is approaching without any satisfactory law affecting the election of United States Senators or other Federal officials?

Mr. SPENCER. I quite agree with the Senator that the matter ought to have consideration, and that there should be some law, and that is the reason I hope perhaps his mind is so clear upon the subject that he might put his thought in the form of proposed legislation.

Mr. WALSH of Massachusetts. I shall be very glad to do that; but, in my opinion, the Owen bill with some amendments is a very good bill.

Mr. ROBINSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from Arkansas?

Mr. WALSH of Massachusetts. I yield to the Senator.

Mr. ROBINSON. I wanted to inquire whether the bill of the Senator from Oklahoma provided for periodical reports?

Mr. WALSH of Massachusetts. As I recall, it does not; but in the resolution which I introduced in April I suggested that the committee report a bill which would require periodical reports.

Mr. ROBINSON. The problem of preparing an effective corrupt practices act grows out of the ease with which such statutes are evaded. Usually they require a report prior to and immediately subsequent to an election, and by waiting until after the expiration of the time fixed in the statute to make the contribution a violation is avoided, and publicity is also avoided.

Mr. SPENCER. What does the Senator mean by "periodical reports"?

Mr. WALSH of Massachusetts. Between elections.

Mr. ROBINSON. I mean reports between elections.

Mr. SPENCER. By campaign committees?

Mr. ROBINSON. I mean that a committee considering such a resolution as that the Senator from Massachusetts has just offered might report a bill requiring the campaign committees to make periodical reports. I suppose the Senator knows what I mean by periodical reports?

Mr. SPENCER. I understand what that expression means; but I did not know who was to make the report.

Mr. ROBINSON. Weekly, or monthly, or every quarter. Of course, there still remains the probability of evasion. The same is true of limitations on amounts that may be contributed. We may provide in the statute that no one shall contribute more than $100 to a campaign fund, and that is evaded by some wealthy contributor simply handing out $100 to 100 different persons, and of having the contribution actually made by some one else. I do not know how that could be reached; but I am wondering why the Senate can not take up the bill referred to by the Senator from Massachusetts and consider it, either now or at an early date.

Mr. WALSH of Massachusetts. Since the Senator from Missouri addressed me a moment ago, my attention has been called to the fact that the Mayfield case is being heard by a subcommittee of the Committee on Privileges and Elections. Why could not a subcommittee be appointed to consider this resolution?

Mr. SPENCER. There has been a subcommittee in existence, as I remember it, since the bill of the Senator from Oklahoma was introduced considering it.

Mr. WALSH of Massachusetts. Who is on the subcommittee?

Mr. SPENCER. I think the senior Senator from New York [Mr. WADSWORTH] is the chairman of that subcommittee; but I do not want to trust entirely to my memory in the matter. It was brought up before the full committee at once on being introduced, and my recollection is that one of the questions that was raised at the time was that the bill of the Senator from Oklahoma covered contributions in regard to primary elections; and of course the Senator will realize the difficulty that might arise out of that, in view of the decision of the Supreme Court in regard to our power to legislate in regard to primary elections.

Mr. WALSH of Massachusetts. I think it will be a matter of serious criticism, and properly so, in the campaign if Congress adjourns finally without any attempt made to pass some Federal law regulating campaign contributions.

Mr. ROBINSON. Perhaps it would be just as well to deal with the regulation of the general elections, and not attempt to control expenditures in the primaries at present.

Mr. SPENCER. That is one of the reasons why the committee referred the matter to a subcommittee.

Mr. ROBINSON. In view of the decision of the Supreme Court and difficulties that grow out of it.

Mr. WALSH of Massachusetts. I ask that an editorial in the Baltimore Sun on this subject be printed in connection with my remarks.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun of May 15, 1924]

WHAT ABOUT IT, MR. PRESIDENT?

President Coolidge is fast becoming a man of poignant political sorrows. On the same day that the New England Republican Senators, save GREENE, of Vermont, who is ill, deserted him in a body in the fight over his veto of the Bursum pension grab, he was sorely wounded in Boston—in Boston itself, of all places in the world. For it was publicly revealed there that the devotees and beneficiaries of high protection are gathering a "bar'l" for Mr. Coolidge's campaign with a disregard of political morality so absolute and unashamed as to have won them high place in Republican affairs in the time when Aldrich, Hanna, and Quay were supreme.

There is a law in Massachusetts which limits the sums that may be contributed by one donor to campaign funds. George F. Elliott, one of the heads of a manufacturing concern and an official of the Massachusetts Coolidge finance committee, who is directly charged with raising funds from pipe fittings and allied material groups, thinks that law is nothing as between men who wish four years more of Coolidge and the Fordney-McCumber tariff law. So Mr. Elliott writes to prospective donors and explains that there is no limit to the amounts that may be given, the law to the contrary notwithstanding. Says he:

"Large contributions will be so divided as to give full observance to the requirements of the statutes."

That for the law when it gets in the way of campaign funds for Coolidge and the tariff wall. Now, as to political morality, Louis K. Liggett is chairman of the finance committee, a subdivision of which Mr. Elliott represented when he wrote that message. When the message becomes known it is necessary for Mr. Liggett, as the superior of Mr. Elliott in the committee's work, to approve or disapprove the action of his enthusiastic subordinate. He hesitates not a moment. With the statement public before all eyes that Mr. Elliott had proposed evasion of the law, Mr. Liggett gives his complete indorsement. More, he boldly maintains the evasion of the law is within the law. He says:

"I take full responsibility for Mr. Elliott's letter. Before that letter was mailed I showed it to a lawyer, who said it was within the law."

It is superfluous to argue the merits of the question that is projected by Mr. Elliott and Mr. Liggett. The facts speak for themselves. These men not only seek brazenly to evade the law, but they convey a suggestion of deliberate connivance to prospective donors that raises the whole panorama of bargaining between big politics and big business, in which governmental favors are one article of exchange and campaign contributions are another. That kind of bargaining is an old and familiar story, and as infamous as it is old and familiar. We have had glimpses of it for years. One of the latest glimpses was given in the oil investigation when the political contributions of Sinclair and Doheny were uncovered.

But while it is superfluous to argue the merits of the question projected so shamelessly by these two back-home champions of the President, it is not superfluous to ask what the President is going to do about it. If Mr. Liggett indorses whole-heartedly Mr. Elliott, does the President indorse whole-heartedly Mr. Liggett? This is not some campaign occurrence far away from the President's notice. It is an indecency that has been exposed in his own most intimate political household. The purse bearer for the President in the President's own home has said publicly that he will evade the law, and that he will evade it after consultation with a lawyer who has told him that the evasion will be within the law. This purse bearer of the President in the President's own home has put himself on the moral level of the smarter denizens of the underworld who use a certain class of lawyers preventively, rather than curatively. Will the President give that approval even the tacit approval of silence, or will he condemn it unsparingly?

Early in April Senator BORAH raised the question of how to control campaign contributions. On April 11 the President saw the Washington correspondents in one of his regular interviews with them, and the same day a dispatch was sent to the Sun in which this appeared:

"The White House has let it be known that the Executive agrees with Senator BORAH and others that great sums of money should not be accepted by party committees from selfish interests, and that neither great nor small sums should be accepted from men who expect a financial return from their investment."

In the case that has come to light in Massachusetts a concrete drive is being made in a specific industrial group for contributions larger than the law permits. Will the President be as moral in this concrete case as he was in his abstract meditations before the Washington reporters?

Mr. SPENCER. Mr. President, may I say, in addition, that we do not have any provision of law regulating an election contest in regard to a Senator of the United States. The law upon the statute books was enacted when Senators were elected by the legislatures, and therefore applied only to the members of the House. Now that Senators are elected by popular vote, the necessity of some provision of law regulating generally election contests is, of course, most important. The Committee on Privileges and Elections have practically agreed on such a law, and it will come before the Senate, I hope, in the next few days. It would obviate thousands of dollars of expense in the present Texas senatorial contest, because, there being no law covering the case, we have to do with the counting of the ballots, and have already expended over $35,000 in that contest alone, all of which is cared for in the law regulating contested elections of Members of the House, because when there are ballots to be counted, they are counted at the seat where the ballots are cast, by the contestant and contestee, under provisions of law. We having no such law, we bring the ballots here and count them ourselves.

Mr. ROBINSON. From press reports I have read lately I suppose the committee also labors under the embarrassment of having no rules of evidence applicable in the consideration and determination of such cases.

Mr. SPENCER. That is quite true.

Mr. ROBINSON. I suppose in all such cases, and probably in the case to which the Senator has referred, the committee has found many offers of evidence that proved to be wholly irrelevant and immaterial.

Mr. SPENCER. We may expect that. I do not think we have as yet had such, but we expect it.

Mr. ROBINSON. May I ask the Senator from Missouri whether he or his committee have given consideration to the adoption of a resolution or some other measure which will fix as applicable to such cases the rules of evidence applied in civil cases in United States courts?

Mr. SPENCER. Not directly, but indirectly. Much of the testimony which we are now considering would, under the bill providing for contested elections, if it became a law, never come before the Senate. All this testimony would be taken as it is in the case of the House of Representatives; merely the result of it would come to the Senate for their consideration. To that extent the character of the evidence and the amount of it would be cared for, but the committee has not considered any rules of evidence in connection with election contests.

Mr. LODGE. Mr. President, I do not propose to enter on a general discussion of election laws at this late hour. I only rise because the letter which my colleague has asked to have inserted in the RECORD refers to my own State, and to the capital city of the State, and is written by the mayor of the city.

The election laws of Massachusetts, I am sure my colleague will bear me out in saying, are very elaborate and very thorough, so elaborate and so thorough that I think some people fail to understand them occasionally; but they are very elaborate, and they put on the restrictions to which my colleague referred.

I should like to see the election laws of the United States, of which I think there is more than one, formulated and put in proper form, and also very much improved, as they can be; and I think that ought to be done now, when an election is coming on. The stronger we make them the better I shall like them. We can not make them too strong.

This is a letter from the mayor of Boston. It consists chiefly of a very violent and personal attack upon the coming chairman of the Republican National Committee, Mr. Butler, and on the President of the United States, who are not involved in this at all in any way. The text is taken from a circular sent out by a man named Elliott, whom I do not know, but who I think is an officer of the Walworth Manufacturing Co., a large manufacturing company.

It is in response to a personal call that was issued by two gentlemen well known to me, Mr. White and Mr. Liggett, to raise a fund for the coming presidential campaign. There is nothing secret about it. It is the kind of fund that is always raised, and it is perfectly legitimate to raise it. It all turns on the statement in a circular letter that Mr. Elliott sent out acting for the branch covering this one trade. He says:

> There is no limit to the amount an individual may give the committee. Large contributions will be so divided as to give full observance to the requirements of the statute.

I have not had an opportunity to examine thoroughly or, indeed, really at all, the statutes of the State, but I am very sure that the limitation of $1,000 applies to all gifts to any political committee.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. ROBINSON. That would seem to relate to the matter that I discussed a moment ago in connection with the statement of the junior Senator from Massachusetts as to the practice of evading limitations on the amount of contributions that may be made by an individual or corporation by dividing them up and having the contributions actually come in the name of several individuals or corporations.

Mr. LODGE. There are all sorts of ways of evading those provisions of the law.

Mr. ROBINSON. It seems to me that a fair construction of the language the Senator has read indicates a purpose on the part of the writer to invite evasions of the Massachusetts statute. That is the point I wanted to bring to the attention of the Senator from Massachusetts. The natural import of the language which the writer employs is that the statute limiting contributions is easily evaded by splitting up large contributions and submitting them in the names of several persons.

Mr. LODGE. I do not know what method he proposes, but there are methods of giving a great deal more than a thousand dollars.

Mr. SWANSON. Will the Senator read that statement again? It seems to me he said he would do it.

Mr. LODGE. He said that "large contributions will be so divided as to give full observance to the requirements of the statute."

Mr. SWANSON. As I understand from that language, it means that if a large contribution comes in the law will be evaded because he himself will divide it up.

Mr. LODGE. That is the possible inference, but I do not think he is so stupid as that. That inference may be drawn, but I do not believe that is intended. That would require an almost superhuman stupidity.

Mr. ROBINSON. What is the construction that the Senator himself places on it?

Mr. LODGE. It never occurred to me that he was going to divide it himself.

Mr. ROBINSON. That is what he said.

Mr. LODGE. No; he said that "large contributions will be so divided."

Mr. ROBINSON. What does it mean if it does not mean that?

Mr. LODGE. I should think it means they would be divided by his committee.

Mr. ROBINSON. What does it mean if it does not mean that in order to evade a provision of the statute which limits the contribution, if one makes a contribution in excess of the limitation it will be divided up so there will be no apparent violation of the statute? I say that is a willful evasion of the statute if it means what the language seems to imply.

Mr. LODGE. I think it does not mean to imply it.

Mr. SWANSON. He gives assurance that it will be divided.

Mr. LODGE. That may be the inference. There are many other ways in which it can be done.

Mr. SWANSON. But he says it will be divided.

Mr. LODGE. But it does not follow that he will divide it with his own hand.

Mr. SWANSON. In other words, he will let his committee do what he will not do himself.

Mr. LODGE. Not necessarily. The money may come in to him in small contributions. The Senator is more familiar with those matters than I am.

Mr. SWANSON. Oh, no. This is in Massachusetts.

Mr. LODGE. The Senator's general information surpasses mine on that question.

Mr. SWANSON. I want to get the Massachusetts method. It seems to me to be a very expert method.

Mr. LODGE. However, I did not start in to discuss the law. I admit that there ought to be, as my colleague suggested, a complete revision of the Federal law. I did want to make a protest against the language used in regard to men in high position and of unblemished character against whom there is not one scintilla of evidence to show that they have anything to do with it. This is a perfectly independent committee. My colleague knows both of the men, Mr. White and Mr. Liggett, who signed the circular.

Mr. WALSH of Massachusetts. I know they are very good Republicans.

Mr. LODGE. Oh, yes; they are Republicans undoubtedly. There is no question about that.

Mr. WALSH of Massachusetts. And incidentally good citizens.

Mr. LODGE. I do not know Mr. Elliott, who signed the circular, and who is evidently connected with the Walworth Co., but there is not a scintilla of evidence against either of the other men.

Mr. WALSH of Montana. I have another letter from Mayor Curley to which was attached what purported to be copies of similar appeals being sent out by other industrial groups.

Mr. LODGE. I think those letters were sent out by Mr. Liggett and his committee, which is the committee that is doing all the work, to all the trades and industries in Boston. I take it from his letter that that is what has been done.

Mr. WALSH of Montana. I had an idea that the letters, copies of which I received, were letters which were sent out by the various trades to the corporations and companies pursuing that trade.

Mr. WALSH of Massachusetts. I think that is true, but my colleague has not seen those letters. There are subsequent letters which the mayor sent to the Senator from Montana and myself.

Mr. LODGE. I got the impression from the Liggett letter that they have this voluntary committee. These men hold no party position, but they constitute a voluntary committee to raise money for the presidential campaign. The money is being raised by a very common method of obtaining subscriptions of any kind, by one man taking a specific trade and going through that trade and collecting money from the members of that trade.

Mr. WALSH of Montana. That is the impression I got, and that from some central authority form letters were being sent to the various trades to send to their members.

Mr. WALSH of Massachusetts. The Senator has stated the facts as I understand them.

Mr. LODGE. This is being sent out as a circular letter in the name of the Calvin Coolidge Finance Committee, which has been formed with Mr. Louis K. Liggett as chairman. Mr. Liggett's name is well known. He is the head of the great organization bearing his name. He is a very able and energetic man, of high standing in a business way. Mr. White, whom I have known for many years, holds an important office at the statehouse.

Mr. WALSH of Massachusetts. He was chairman of the commission on economy and efficiency.

Mr. COPELAND. Mr. President, will the Senator yield for a question?

Mr. LODGE. Certainly.

Mr. COPELAND. What is the purpose of raising this enormous sum of money?

Mr. LODGE. I am sorry the Senator from New York is so innocent as that. They are very apt to raise funds in a campaign. I have known them to be raised even in New York for the ordinary and legitimate expenses of a campaign. The expenses are stated in one of the letters as follows:

> The money goes first to the national Coolidge preconvention fund for maintaining Calvin Coolidge headquarters and organization work; secondly, to pay a proportion of national committee expenses; thirdly, to maintain the Massachusetts State committee's active work of registration and Americanization through all our districts and to carry on an active campaign for all Federal and State officers as soon as the nominations are over.

All, I believe, legitimate election expenses.

Those are the usual purposes. What I wish to say and all I desire to say is that the language of the mayor in regard to Mr. Butler, and still more in regard to the President, is violent and abusive and wholly unjustifiable. They have no connection, either of them, with this committee that I am aware of, and none appears.

Mr. WALSH of Massachusetts. I think my colleague will agree that the mayor usually speaks forcibly and without fear.

Mr. LODGE. He does. Of course, he is a man who, as my colleague knows, has been twice mayor of Boston and would be extremely sensitive about the expenditure of money for political purposes. But there was no need of giving rein to his feelings in that violent manner.

Mr. WALSH of Massachusetts. He has an added interest in having the corrupt practices act obeyed, as he is likely to be the candidate of his party for governor. Therefore he would naturally want to limit the amount of money his opponent could raise illegally and improperly to help defeat him and the other candidates of his party.

Mr. LODGE. Certainly. He is a candidate for governor; that is true. I do not know whether this letter has been printed in the RECORD. I hope it has not.

I wish to say about Mr. Butler that I have known him for a great many years. As a young man he was in the State legislature, and more than 30 years ago was president of the State senate. Then he went out of politics entirely. He has not been in active politics at all since. He has taken no more interest than any man ought to take who tries to do his duty to his party and to his State and country. He was an able lawyer and held a high position at the bar. He then was drawn into manufacturing owing to the growth of the cotton industry in the city of New Bedford, where there has been a very great growth of textile industries. He was a very warm personal friend of former Senator Crane, and he has been a personal friend of Governor Coolidge. He is a man of high character and perfectly incapable of doing anything dishonest or that would break the law. He certainly never would think of having anything done that could by any possibility be distorted into a breach of the law. He is a man of property and a business man entirely. On the withdrawal of former Senators Weeks from the national committee he was elected in his place, and has been a member of the national committee for less than a year, which is the only political office I have known of his holding for 30 years. He is a man who deserves and has the respect of everyone who knows him, both at the bar and in business.

As to what is said about the President——

Mr. SWANSON. Will the Senator permit me, before he leaves Mr. Butler, to make an observation? He has given some very interesting information, but with reference to the vital question he has given no information as yet. Has he disapproved of the circular letter and stated that he would not receive any contributions in excess of $1,000? That seems to be the vital point.

Mr. LODGE. I do not think that it is the vital point at all. He has nothing to do with receiving money.

Mr. SWANSON. He is chairman of the committee.

Mr. LODGE. He is not chairman of the committee.

Mr. SWANSON. He will be chairman of the national committee.

Mr. LODGE. He will not raise any money improperly, and the Senator can rest assured of that.

Mr. SWANSON. Has he expressly disapproved of the letter?

Mr. LODGE. Of course he has nothing to do with it whatever. He has no more to do with it than I have.

Mr. SWANSON. The Senator expresses disapproval of it, does he not?

Mr. LODGE. Certainly, if it is a breach of the law of Massachusetts, as I am afraid it is.

Mr. WALSH of Montana. I should like to inquire of the Senator if he has any information as to who the party is that is responsible for that letter?

Mr. LODGE. I do not know him personally. The letter is from the Walworth Manufacturing Co., which is a very large and long-established company, and is signed by Mr. Elliott as chairman of the "Pipe Fittings and Allied Material Group."

Mr. WALSH of Montana. They solicit those engaged in that business, but I call the attention of the Senator to the fact that it seems likely these form letters were sent out to the different trades and lines of business from some central authority. What I want to know from the Senator, if he can tell us, is who the central authority is with which the idea originated?

Mr. LODGE. This is a voluntary committee; it is not a part of the State committee of Massachusetts at all, and has nothing to do with it.

Mr. WALSH of Montana. Are we to understand that Mr. Liggett is the head of the committee from which the communication emanates?

Mr. LODGE. It is a voluntary committee; but it is a political committee, and under our law it is obliged to make returns.

Mr. ROBINSON. It must have some head. It would not just form itself without suggestion from somebody. What the Senator from Montana [Mr. WALSH] is trying to find out is who is responsible.

Mr. LODGE. I am afraid the Senator has not followed my remarks. I stated all that. The Massachusetts Calvin Coolidge Finance Committee has been formed with Mr. Louis K. Liggett as chairman. A moment ago I stated who he was, and I mentioned that the letter was signed by Mr. Thomas W. White, secretary of the committee, I believe, who is a well-known man in my State. He lives at Newton, which is the date mark on this communication.

Mr. WALSH of Montana. It would seem, then, that responsibility for it must be laid at the door of Mr. Liggett.

Mr. LODGE. The man who made the request about the funds, as I said, is Mr. G. F. Elliott, of the Walworth Co., who acts for the particular group of manufacturers from whom they are trying to raise money. As I said, I will not read what is said about the President; it is mere unworthy abuse without a shred of proof. I do not suppose the President knows that the committee exists. But the President needs no defense either here or in Massachusetts or in the country. His character and high public services are a complete answer to such wanton abuse. This, as I have said, is a voluntary committee and not one of the regular committees.

Mr. ROBINSON. Mr. President, can the Senator from Massachusetts give us any information as to the success of these efforts and the result?

Mr. LODGE. No; I have not the faintest idea as to that. I do not have anything to do with money, so far as politics is concerned, on either side. I occasionally hear about Democratic expenditures, but I hear very little of those of my own party.

Mr. WALSH of Massachusetts. I ask unanimous consent that the resolution be received and that it be referred to the Committee on Privileges and Elections.

The PRESIDENT pro tempore. The Senator from Massachusetts asks unanimous consent to submit the resolution which has been read. Is there objection? The Chair hears none, and the resolution will be received and referred to the Committee on Privileges and Elections.

Mr. WALSH of Massachusetts. Mr. President, I merely wish to add this thought. The real abuse in the raising of funds and the expenditure of money in campaigns is that there is no limit at all upon the amount that may be collected and expended by political committees. Individual candidates may be limited in some States, but not political committees. Some laws define for

what purposes money may be employed to promote a campaign—advertising, distributing circulars, printing, postage, and conveying voters back and forth from the polls; but almost unlimited amounts can be spent in advertising and in distributing circulars and in carrying voters to the polls. The only way to cure the evil of possible advantage to parties and candidates making large expenditures of money in our elections, in my opinion, is to limit the amount that may be so expended by political committees as well as by candidates.

Mr. ROBINSON. Mr. President, if the enterprise illustrated by this letter is State-wide, the indications are that very large sums of money will be raised as the result of this movement.

The senior Senator from Massachusetts [Mr. LODGE] made a very modest and, I will say, mild defense of that procedure, but he can not escape the natural effect of the language employed in those campaign letters soliciting contributions. It indicates a deliberate, organized purpose to evade the statutes of Massachusetts. The senior Senator from Massachusetts finally expressed the opinion somewhat hesitatingly, mildly, and in no sense censoriously, that the letter constitutes the indication of a purpose to violate the election laws of Massachusetts.

It is a very singular thing that an organization should be effected for the purpose of reaching out to the great business interests of the State of Massachusetts and of soliciting contributions from them at a time when there can be no legitimate occasion for the expenditure of large sums.

Mr. WALSH of Massachusetts, Mr. LODGE, and Mr. COPELAND addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Arkansas yield; and if so, to whom?

Mr. ROBINSON. I yield first to the junior Senator from Massachusetts.

Mr. WALSH of Massachusetts. I think a significant thing about the information conveyed by the mayor is that the industries are being grouped and a distinct campaign for funds from each particular industry is being made, showing that an enormous sum of money possibly may be raised.

Mr. ROBINSON. It is a systematic effort to reach all of the business interests of the State and to have them contribute. Now I yield to the senior Senator from Massachusetts.

Mr. LODGE. The Senator said I spoke mildly. I did not think it was worth while to storm about it. I have been sitting here and hearing these outbreaks of virtue about matters of this kind, but there is not a Member of the Senate who does not know that money is raised for campaigns in every State in the United States.

Mr. ROBINSON. Yes.

Mr. LODGE. If the Senator will allow me a moment more, I do not say it is raised improperly; I make no charge of that kind, but to sit here and to talk as if we did not know that money for legitimate purposes was raised in every State is ridiculous, and I am not going to storm about something as to the existence of which we are all aware.

Mr. ROBINSON. Mr. President, the righteous indignation of my good friend, the Senator from Massachusetts, is not justified. We all know that campaign contributions are solicited by political committees, and we all know that campaign contributions are made, but here in the home State of the Senator from Massachusetts persons affiliated with the political organization of which he is the head in the Senate of the United States adopt a procedure which enables them to solicit from all the organized industries of the State of Massachusetts campaign contributions, with the declaration that if they see fit to make large contributions the statute forbidding them will be evaded by the very simple process of dividing them up so as to make them appear to be in conformity to law when, in fact, they are in violation of the law.

Mr. LODGE. Mr. President——

Mr. ROBINSON. I yield to the Senator from Massachusetts.

Mr. LODGE. I was not defending violations of law; I am as much opposed to such violations as is the Senator.

Mr. ROBINSON. The significance of this——

Mr. LODGE. If the Senator will allow me, I should like to say——

Mr. ROBINSON. Just a moment. The significance of this subject and of this discussion is that in the Senator's State persons affiliated with the political organizations to which he belongs are conducting a comprehensive campaign for the express purpose of procuring contributions in violation of the law of the State that binds the Senator from Massachusetts and that binds those who are seeking the contributions, and they are raising money that will be expended not only in Massachusetts but in influencing and controlling the elections in other States.

Mr. LODGE. Undoubtedly, Mr. President, and if there is any illegality there it ought to be punished; but as to money being spent in other States, I think I am putting it moderately when I say that nine-tenths of the money expended on behalf of the party of the Senator from Arkansas, as well as for mine, is raised in the city of New York.

Mr. ROBINSON. Mr. President, I seem to be unable to bring to the comprehension of the senior Senator from Massachusetts the relevancy of this matter. Here is an organization which calls itself the Calvin Coolidge Finance Committee sending letters to business men in Massachusetts asking them to contribute liberally to campaign purposes and telling them, in effect, that if they make large contributions they need not fear prosecution for volation of the law, because the committee will arbitrarily divide the contributions so that no violation will appear.

Mr. President, it is not relevant for the Senator to answer, as he has attempted to do, that contributions made in New York are expended in various States of the United States.

Mr. LODGE. No; but if the Senator will allow me——

Mr. ROBINSON. The point of this discussion is that the Republicans in Massachusetts are deliberately violating, at this early stage in the campaign, the election laws of Massachusetts, and the Senator from Massachusetts does not seem to feel any very great indignation about it.

Mr. LODGE. I understand that perfectly. If the Senator will allow me——

Mr. ROBINSON. He has not even made up his mind yet whether the language employed by the political committee constitutes an expression of purpose to violate the law.

Mr. LODGE. The only reason I referred to other States was because the Senator berated me because this money was to go into other States.

Mr. ROBINSON. The Senator is mistaken; I have not berated him; I could not do so.

Mr. LODGE. That is not illegal; it is not illegal to raise the money by groups, but it is illegal, under the laws of Massachusetts, to raise money in subscriptions of more than a thousand dollars each, as it proposes in the communication, if it is correctly copied.

Mr. SWANSON. Mr. President, will the Senator permit me to read something that has not been read?

Mr. ROBINSON. With pleasure.

Mr. SWANSON. First, I read the following statement:

> There is no limit to the amount any individual may give to this committee.

Mr. LODGE. I have already read that.

Mr. SWANSON. That is in violation of the law.

Then, there is another statement which I will read.

> A member of our committee will call to see you within the next few days to accept your contribution to the Calvin Coolidge campaign fund. Five hundred thousand dollars was raised in Massachusetts for the Harding campaign, and there are many reasons why we should raise more for Calvin Coolidge.

Mr. ROBINSON. Mr. President, that has an added significance when it is remembered that there was not an iota of opposition to Mr. Coolidge in Massachusetts. There could not have been any justification for raising locally a fund in Massachusetts to secure the indorsement of the President. The object of it manifestly was to secure an enormous fund for the purpose of influencing the election.

Mr. HEFLIN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Senator from Alabama?

Mr. ROBINSON. I have concluded all I wish to say.

Mr. HEFLIN. Mr. President, right in line with what the Senator from Virginia read, I wish to state that the Republican Party is seeking to do in this instance just what it did in 1920. The Republican Party relies on money, money, money, all the time. In a bulletin issued by that party in 1920, it is stated:

> Harding and Coolidge have the confidence of the people, but, boys, get the money.

That is from an official bulletin issued by the treasurer's office of the Republican National Committee.

Mr. President, this matter ought to be gone into very thoroughly, because an effort is going to be made to buy the approaching election. There is not any doubt of that. The men who made millions of dollars out of the Government in time of war are going to contribute largely to the Republican cam-

paign fund. The profiteers, those to whom Mr. Mellon has refunded $300,000,000, are going to give to the Republican campaign fund, and those who have opposed so bitterly adjusted compensation for the ex-service men are going to contribute largely to the Republican campaign fund, and they are going out now and starting thus early to raise an enormous fund to help control the election and to purchase the electorate where it may be done. There is not any doubt about that. The Senate ought to do something, as well as the House, to prevent the corrupt use of money in a campaign. The very life of the Nation is at stake, and it is high time that the people were waking up to what is going on.

We have seen enough here to convince us that the Republican Party do not intend to appeal to the sober judgment of the American people, but they intend to use money—enormous sums of money—to control the election in 1924, and we owe it to the people we represent here and to the people who shall come after us to see that the money bags of America do not control the election of 1924, flaunting at the head of their list, "The Calvin Coolidge Campaign Finance Committee," and telling the people that "You can contribute, through us, all that you want to contribute. There is no limit to it. This is the way to evade the law. We want the money." It is in keeping with the conduct of that party in 1920, when Governor Cox charged, and charged truthfully, that they raised the biggest campaign fund ever raised in the history of the Government.

I want to say this before I sit down: The Senator from Massachusetts is mistaken so far as the Democratic Party is concerned when he says that nine-tenths of its campaign funds are raised in New York. That is true of the Republican Party, it may be, but not true of the Democratic Party. Over half the funds raised by the Democratic Party come from subscriptions throughout the country, from $1 to $2.50 and $5 and $10, some $25 and some $50, rarely over $100. That is the way the Democratic Party gets its money—from the rank and file of the party who believe in that party. It does not take much money for the Democrats, because we have so much right and principle and justice on our side that we do not have to have so much money.

I want this election determined as free as possible from the use of money. We must do something to protect the interests of the United States.

CONDITION OF RAILROAD EQUIPMENT

The PRESIDENT pro tempore laid before the Senate a communication from the chairman of the Interstate Commerce Commission, which was read and, with the accompanying report, referred to the Committee on Interstate Commerce:

INTERSTATE COMMERCE COMMISSION,
Washington, May 17, 1924.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES.

SIR: In compliance with the provisions of Senate Resolution 438, dated February 26, 1923, the Interstate Commerce Commission has the honor to transmit herewith a report for the month of April, 1924, showing the condition of railroad equipment and the related information indicated in the resolution in so far as such information is available.

Respectfully submitted.

H. C. HALL, *Chairman.*

INSTALLATION OF RADIO DEVICES IN SENATE CHAMBER

The PRESIDENT pro tempore laid before the Senate the following communication from the Secretary of War, which was read and ordered to lie on the table:

WAR DEPARTMENT,
Washington, May 17, 1924.

The PRESIDENT PRO TEMPORE,
United States Senate.

SIR: The receipt is acknowledged of the communication dated May 3, 1924, of the Secretary of the United States Senate transmitting Senate Resolution 197, Sixty-eighth Congress, first session, passed April 24 (calendar day, May 2), 1924, requesting the Secretary of War and the Secretary of the Navy to cooperate in the appointment of a joint commission of radio experts to investigate and report to the Senate upon the problems relative to the installation and maintenance of certain electrical transmission and receiving apparatus and radio equipment for broadcasting the proceedings of the Senate throughout the country.

In reply I am pleased to advise you that I have designated Maj. Joseph O. Mauborgne, Signal Corps, on the part of the War Department. Major Mauborgne will cooperate with the representative of the Navy Department in investigating and reporting to you the estimated cost of installation, maintenance, and operation of the proposed systems suggested in paragraphs 1 and 2 of the Senate resolution referred to.

Sincerely yours,

JOHN W. WEEKS,
Secretary of War.

RECESS

Mr. EDGE. Mr. President, the Senate has made such wonderful progress to-day in disposing of the unfinished business that I think it is hardly necessary to ask the Senate to remain in session this evening; but I do want to give notice, seriously, that I shall ask the Senate to remain in session Friday evening if it is impossible to dispose of the bill during the day sessions to-morrow and Friday.

I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 6 o'clock and 35 minutes p. m.) the Senate took a recess until to-morrow, Thursday, May 22, 1924, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

WEDNESDAY, *May 21, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

How great and marvelous are Thy works, O Lord, and how bountiful is Thy mercy. Give us this day the token of Thy presence. So conscious are we of our limitations that we wonder how Thou canst love us so and care for us so tenderly. Surely Thou hast planned for us a great destiny and in the ages to come we shall know and understand Thy amazing redemption. In the meantime enable us to go forward from strength to strength with an abiding faith in God as our Father and in Jesus Christ as our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

TAXATION

Mr. ROMJUE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on a resolution introduced by me some days ago.

Mr. LONGWORTH. Reserving the right to object, is it the gentleman's own remarks?

Mr. ROMJUE. It is.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ROMJUE. Mr. Speaker and gentlemen of the House of Representatives, the question of taxation is always an important one, and in fact it is usually one of the most important public questions our people are required to deal with. I hope the time may come when it may be the habit of mankind to consider all public questions thoughtfully, and free from prejudice and passion, and that the human mind may take its course and reach its final decision on any public matter, unfettered by any false premise and guided only with a purpose to be right and just, as the light and information is given to us on any matter of public concern. Therefore it is, in my judgment, necessary in the solution or proper adjustment of any question of public welfare to get at the tap root of the question if we are to intelligently understand it.

If no wrong exists, no remedy is needed. If any wrong or injustice or inequality exists, it should be balanced and a remedy sought out and applied, and even when sought out and applied we must still know that perfection or exact equality is not one of the ministrations of humanity, but surely it should be the common purpose to approach as closely as possible to a state and condition of exact justice and equality for all, within the promised protection of our Government, whether National, State, or local.

Sometimes confusion exists as to taxes and taxation, because many are apt to think of the subject as a whole and do not stop and take time to separate and classify the different kinds of taxes and the sources from which they come and the purposes to which they are devoted. These are all vital matters, and in order to have a more interesting and intelligent view of the theory and practice pertaining to taxes and taxation we should at least direct our attention to the fact that there are different kinds of taxes.

First, there are national taxes.

Second, there are State taxes.

Third, there are the more local taxes, such as—

(a) County and municipal taxes.

(b) School taxes.

I think we have a more interesting view of the taxation question when we realize that national taxes are separate and distinct from our State or other local taxes and that the national taxes are levied alone by our national law.

These national taxes may be and are of different kinds and character.

First, there is the national revenue law, which involves and includes the income-tax feature as one of its principal items.

Most everyone understands and knows of the existence of the national income law.

Then, secondly, there is another national tax, or that which amounts to it, which is much more deceptive and misleading to the public.

THAT IS WHAT IS KNOWN AS THE TARIFF

The present tariff law as a species of taxation forces a large number of people to pay tribute to the few, or by it the great mass of our people are paying tribute to the class, and the high-tariff law or tax is imposed for the benefit of a few special industries, and this law or tariff tax ought to be repealed, and, in my opinion, will be repealed or modified when the management of the Government is intrusted to those who oppose the high protective tariff law or tax.

This law is deceptive and injurious, particularly to the farmer of our country, and at this particular time of depression and low prices weighs heavily upon him. When he buys the manufactured article he frequently uses on the farm in the price paid he contributes or pays part of it, as the tariff law demands, but the tariff he pays being included in the purchase price paid, the purchaser or farmer does not always think of it as a tax yet it is exactly that, and he pays it.

Now, for a moment let us look at the income tax. Of course, everyone knows that the income-tax feature of our national law provides a tax upon the incomes of persons above a certain amount of income. For instance, you are not required to pay any national income tax at all unless you have made at least a certain sum during the year. That is in case you are a married man, no national income tax is assessable against you unless your income was over $2,500 during the year, and the higher your income goes above $2,500 per year the higher goes the tax in grades.

There is a certain exemption of a small amount of this sum from taxation for dependents, such, for instance, as a child or children of the taxpayer. In case the taxpayer is not married the national income tax is not collected from him on any sum until his profits exceed $1,000 per year, then the tax is to be paid, and the higher his income goes above that amount the greater is the tax by grades. It is no longer disputed that a fairly framed income tax is a just method of taxation. The more wealth made or accumulated, the greater the ability and obligation to pay taxes for the legitimate support of the Government and its institutions.

For a moment, now, let us turn our attention to the matter of taxation, which is levied by the local or State government. Each State levies taxes which are separate and distinct from the national income tax and the national tariff tax. For instance, take the State of Missouri, in which I live. The State government in Missouri levies a tax upon all farm land in the State. No part of this tax collected from the tax on farm land goes to the Federal Government; none whatever; but the tax on the farm lands of the people of the State of Missouri goes to the State, county, and local governments for State and local purposes. No part of the tax on the farmers' land can be used to pay the national public debt; in other words, the bonds issued by the National Government to defray the expenses of the recent World War can not be paid by taxes on the farm lands of various States under the present existing laws; no part of such taxes can be used to pay the expenses incurred by the late or any other war of our country under existing laws.

In order to maintain the State government, of course, it is necessary to impose and collect some tax, but the amount of tax levied and assessed and collected should never be excessive, and should at all times be limited to the reasonable necessities of the time, and the necessity to collect and the ability to pay any tax should be given most thoughtful consideration when any such tax is imposed or levied. The levy, assessment, and collection of taxes on the farm lands, for instance, in Missouri are all matters of State administration, and the amount of these taxes are to be determined by the State and local authorities. For instance, in Missouri within the last three and one-half years taxes, especially on the farm lands, have been greatly increased, while the State rate has been cut from 15 to 7 cents, which is about one-half of the old rate, yet at the same time the present State administration in Missouri has increased the valuation for taxation purposes on the farm land, and in many instances three times as high and sometimes even more than that, as was the valuation for taxation purposes when the State rate was 15 cents. In other words, there are at least two important factors in determining the amount of tax paid on the farm lands in Missouri—first, the rate; and, secondly, the valuation. As stated before, the rate has been cut within the last three and one-half years almost in the middle; in other words, the rate has come down about one-half, but at the same time the valuation placed upon the farm lands for taxation purposes has been advanced or fixed by the present State administration approximately three times as high as the original valuation under the old rate and often even higher than that.

This, of course, makes the taxation on farm lands considerably more than they were prior to the present State administration. Moreover, the valuation for taxation purposes made on the farm lands of Missouri by the present State administration were fixed at a time when the actual value of the land was higher than at the present time; in other words, a valuation was employed at a time when there was a general upward swing of land values, and when they were really at their peak, not only in Missouri but all over the United States. Since that time everybody knows that farm land values have depreciated, not only in Missouri, but elsewhere in the United States, occasioned in large part by the low and depressed prices of the farmers' products during the past three years.

Now, with the present low prices of the farm products which have fallen to the farmer in the last three years, and with an advanced and increased tax which is imposed upon his land, he finds himself under a considerable burden. Now, if any class of citizens are in a very prosperous condition financially, the expense burden they have to meet is not so injurious as is the case where the prosperity is not existent.

On April 8, 1924, I introduced the following joint resolution, which is as follows:

Joint resolution providing for the calling of a conference of the governors of the various States for the purpose of furnishing relief to the masses of the taxpayers of the country, and particularly to furnish relief by lessening the burdens of taxation to a more reasonable status on the agricultural lands of the various States

Whereas in many States in the United States the prices of agricultural products have suffered a depression during the past two or three years and the prices of such products still remain in many respects at a figure unprofitable to the producer of such farm products; and

Whereas some of the separate States of the United States have imposed excessive and burdensome taxes on farm lands and agricultural interests of such respective States to such an extent that said land taxes imposed by said States have become oppressive and unreasonably and unnecessarily burdensome to the landowners; and

Whereas said State and county taxes ought to be regulated and altered so as to become less burdensome to the agricultural sections of the various States of the United States: Therefore, for the good of the state of the Union, be it

Resolved, etc., That the President of the United States call a conference of the governors of the various and several States of the United States for the purpose of advising and conferring with said governors, with the object in view of having the governors of said various States take the proper procedure necessary for the reduction of the State and county taxes on the farm lands and agricultural interests of the various States.

Resolved further, That, in view of the gravity of the situation, the President shall call said conference as speedily and early as is possible compatible with the general public interests.

Resolved further, That on and at the assembling of said conference any tax-paying citizen or group of citizens who are burdened by the excessive local State and county taxes on their land or agricultural interests have the right to and are requested to appear at said conference and be given an opportunity of expressing their views and relating to the various governors and the President all the facts pertaining to the unreasonable taxes, State and county, now existing on the farm lands and agricultural interests of the country.

Now, relief ought to be given by a reduction of the taxes on farm lands in the State of Missouri, and any other State where the farmers are similarly situated; and a conference along the lines suggested in the resolution ought to be called before the election, instead of afterwards, for the reason that there is considerable distress existing among the agricultural sections of our country, and any possible relief in any way at all legitimate ought to be given as early as possible. In the first place, the taxes never should have been increased on the farm lands in the State of Missouri, especially under the existing conditions of the last few years; but now that they have been increased as stated heretofore, a reduction ought to follow under the existing conditions, and the farmer ought to have the benefit of that reduction this year; and if a conference of this kind as suggested in the resolution is postponed until November, or

afterwards, there will not be time to give the relief to the farmers at their next tax-paying date, and, as said before, the reduction ought to come before the election.

Now, there has been considerable said and, in my opinion, a great deal of false impression created through the metropolitan press, or big newspapers of our country, regarding the tax problem. Much has been said about the Mellon tax plan. The truth is, that if the plan outlined in the above resolution calling for a reduction of the taxes on the farm land is carried out and made effective, and that before the election and not afterwards, it will bring some measure of relief to five hundred times more farmers than would the original Mellon plan. Now, if it is the policy to relieve, where relief is needed, then any administration in charge of governmental affairs ought to pursue the course that will bring the greatest needed relief. While we are discussing the tax question and the resolution above referred to, I desire to say that the proposed Mellon plan as it was originally offered would have meant a benefit to only 106 people in the State of Missouri among all income-tax payers of that State, whereas under what is known as the "Democratic, or Garner-Simmons tax plan," which was the tax bill finally passed and which is now a law, 172,413 income-tax payers of the State of Missouri will be benefited. In other words, the original Mellon plan would hardly be of any relief from taxation purposes to a single farmer in the State, because his income is not sufficient to be affected thereby, but the Mellon plan was calculated to and, in my opinion, it would have meant the relieving of the very large incomes made by the large business interests of the country of taxation, and of them only, without giving any reduction to the mass of citizens of our country in the way of reduced taxes. Now tax reduction ought to mean, and be, tax reduction, and the whole mass of the people of the United States ought to be the ones benefited by a tax reduction, and not a special few, while the great mass do not receive any tax reduction whatever; therefore, in my opinion, the purpose set forth in the resolution which I introduced and which is hereinbefore set out ought to be followed, so that the agricultural interests, which are more depressed now than any other class of business or industry, ought to have the benefit of the tax reduction from the various State administrations where the taxes on farm lands are excessive. The Mellon plan would not bring a single penny's reduction on the present taxes against farm lands. If any State administration where there is an excessive tax now existing on land will follow the provisions and requirements and purpose of the resolution introduced by myself and heretofore referred to there will be some benefit come in the matter of tax reduction for the agricultural interests.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had insisted upon its amendments to the bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes, had agreed to a conference with the House thereon, and had appointed Mr. HARRELD, Mr. CURTIS, and Mr. KENDRICK as the conferees on the part of the Senate.

The message also announced that the Senate had passed joint resolution and bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. J. Res. 102. Joint Resolution authorizing the Secretary of War to modify certain contracts entered into for the sale of boats, barges, tugs, and other transportation facilities intended for operation upon the New York State Barge Canal;

S. 825. An act for the relief of Archibald L. Macnair; and

S. 106. An act for the relief of Robert F. Hamilton.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate numbered 21, 22, and 23, to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes, had agreed to the amendments of the House of Representatives to the amendments of the Senate Nos. 22 and 23 to the foregoing bill.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Under clause 2 of Rule XXIV, Senate bills and joint resolution of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. J. Res. 102. Joint resolution authorizing the Secretary of War to modify certain contracts entered into for the sale of boats, barges, tugs, and other transportation facilities intended for operation upon the New York State Barge Canal; to the Committee on Interstate and Foreign Commerce.

S. 825. An act for the relief of Archibald L. Macnair; to the Committee on Claims.

S. 106. An act for the relief of Robert F. Hamilton; to the Committee on Military Affairs.

EXTENSION OF REMARKS

Mr. TREADWAY. Mr. Speaker, on page 8836 of the RECORD appears extension of remarks made by the gentleman from New York [Mr. CELLER]. He asked unanimous consent to extend his own remarks. I will quote the exact language of the gentleman. "I ask unanimous consent to extend my remarks in the RECORD." Under that leave he publishes four and a half pages from a New York newspaper. I maintain that that is beyond the privilege of extending his own remarks and it ought not to appear in the permanent RECORD.

Mr. BLANTON. Mr. Speaker, following the remarks that are to be made by the gentleman from New York [Mr. BOYLAN] this morning, I ask unanimous consent to proceed for five minutes. I have consulted the majority and minority leaders, and they have no objection.

Mr. TREADWAY. Mr. Speaker, I intended to move to strike the matter placed in the RECORD by the gentleman from New York [Mr. CELLER] out of the RECORD.

The SPEAKER. The Chair suggests to the gentleman that that ought not to be taken up in the absence of the gentleman from New York [Mr. CELLER].

Mr. CULLEN. I was about to suggest, Mr. Speaker, that the gentleman from New York [Mr. CELLER] has gone to New York for a slight operation, and I hope the gentleman from Massachusetts will refrain from bringing this matter up until he returns.

Mr. TREADWAY. I was not aware that the gentleman was absent. I am glad to withdraw my motion.

Mr. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by printing a speech that I made in Philadelphia last Friday.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

WHAT ELSE COULD FRANCE HAVE DONE?

Mr. ROGERS of Massachusetts. Mr. Speaker, under the leave to extend my remarks in the RECORD I include a speech I made before the American Academy of Political and Social Science, Philadelphia, Friday afternoon, May 16, 1924, which is as follows:

During the last year or two criticism has, both in Europe and in America, been leveled at France because of her international program and policy. Much of this—I believe nearly all of it—is based upon either the misunderstanding or the overlooking of essential facts. Throughout my paper I ask you to keep in the background of your minds two questions: First, what else could France have done? Second, what would the United States have done in France's place?

Let us picture France at the moment of the armistice. The geography of Europe was unchanged. France by victory had not acquired the protective oceans of the United States or the defensive channels of England. Germany, an unrepentant and virtually unscathed enemy, was still next door. Upon the standards of France perched victory; but only after four years of unexampled horror, during which her soil had without intermission been the battle ground and the graveyard of the world. Her public debt had increased thirteenfold. In respect to finances, as well as to man power, she was shattered almost unto death. She had the memory that twice within a half century had she been invaded and almost wiped off the earth by the same relentless enemy. Mr. Pierrepont Noyes has this afternoon accurately phrased her natural—even, indeed, her inevitable—emotions when he said:

> "After the war France felt herself in greater danger than ever. Germany was still Germany, with a population of more than 60,000,000 very effective people—effective from a military standpoint and even more so as regards economic ability to produce the mechanical requirements for modern warfare. Furthermore, it was a Germany likely to nurse during many years a desire for revenge."

President Wilson remarked to me in the spring of 1919: "France feels an almost superstitious awe of Germany." Was that emotion strange? Was any other emotion possible? If we keep always in our minds the thought of that "superstitious awe," much of the confused history of the past five years becomes clarified.

In 1918 and 1919 France had two dominant emotions. The one was a yearning for complete security; the other was the insistence that she be repaid by the vanquished for at least part of the damage which she, innocent of wrong, had sustained. Security and repara-

tion. These were the objectives in 1918. I believe they have been the objectives ever since.

During the negotiations of the first six months of 1919, which culminated in the treaty of Versailles, France never faltered. She pursued single mindedly the path to her goal. Was there anything in her conduct during those months which was strange or unnatural? She sought to draw the fangs of her enemy. Should we have done anything different in her place? Is there the slightest evidence either of imperialism or of militarism in her program or action during that period? She sought merely safety—the right to be let alone. It is always difficult to dogmatize concerning the state of mind of a nation or of an individual. But to my mind it is clear beyond argument that the France of 1919 was seeking only what any patriotic nation in her place would have insistently sought.

Has the state of mind of France become fundamentally altered in the intervening five years? That is the charge against her made by many. It is worth while to examine the basis for this charge. It may be subdivided into four specifications:

(1) That her maintenance of a considerable army and particularly her expansion of aircraft evidence a militaristic and imperialistic aspiration.

But is this reasonable? Was there any encouragement in the events at the Paris conference, or elsewhere in the world, to a policy of demobilization? Would we have whittled our Army to impotence if we had been in the situation and plight of France?

Take the matter of aircraft. It can not be questioned that French airplanes are more numerous to-day than at the time of the armistice. This is the one element in the French policy that more than any other has alarmed Britain.

Yet is it not entirely consistent with a reasonable defense policy to assume that France has always intended her aircraft for use to defend herself against further attack by Germany? Even if she were mistaken in fearing such an attack, was not, after all, her fear a most reasonable one? Certainly there can be no certainty that France even thought of conflict with Britain in her aviation policy and development.

We must ascertain as best we can the purpose of France in expanding her aircraft. To me the preponderance of the evidence is strongly to the effect that the French policy in this regard was and is wholly defensive. Again I say the United States would have done the same or more if we had been in the place of France. France could not afford the construction of an adequate fleet of capital ships. Aircraft was the cheapest defense. Hence her aviation policy. It should be noted that the French budget for national defense is to-day but 41 per cent of our own and but 37 per cent of England's. We are only in remote danger of a transoceanic attack by another great power. Yet the mere suggestion that we are falling below the 5-5-3 ratio of naval strength arouses this country to alarm and to action. The critics of France choose to forget that her naval ratio, voluntarily assumed, is: United States, 5; Great Britain, 5; France, 1.75. I believe it to be the fact that France's use of her military and naval strength has been moderate and free from truculence. Italy is sometimes said to have become a swashbuckling nation. I do not believe that indictment can fairly be laid, on the facts, to the door of France. Bear in mind, too, that France has constantly been reducing the size of her army. Does that policy point to a hidden aspiration to wage offensive warfare or to annex territories beyond her present boundaries?

(2) It is alleged that the Rhineland and Bavarian separatist movements had the strong though secret espousal and assistance of the French Government. In my opinion there is not a scintilla of evidence that the French Government, as such, at any stage has lent its support to the separatists in Germany.

Of course, very many Frenchmen have favored an independent Rhineland region as the best method of permanently securing the safety of France. To my mind there is much force in the arguments from a French standpoint in favor of the desirability of the movement. But I repeat that there is no evidence that the responsible Government of France has at any time lent aid or comfort thereto. It would even have been natural if such aid and comfort had been extended. A buffer state is a time-honored defensive against an adjacent foe. Yet France withstood the temptation. Still less did she desire to annex the Rhineland region. She knew, from her own bitter experience, the danger to pence of a reversed Alsace-Lorraine arrangement.

But assuming she had gone as far as her enemies assert. Are we in the United States in a position to cast the first stone? Let us think over the story of Mexico in 1847 and in 1914; of Panama; of Hawaii; and of the Philippines, before we condemn our sister Republic.

(3) It is alleged by the critics of France that in her dealings with the smaller powers of Europe she has shown a militaristic or imperialistic policy. But here again is it not natural that she should seek as a measure of defense to effect alliances and to promote the strength of the smaller powers of Europe which border upon Germany or which may hinder the spread westward of bolshevism? The formation of alliances is certainly consistent with sound protective measures. A cordon of states imbued with the French viewpoint and adjacent to Germany may unquestionably be regarded as a safeguard against trouble from Germany. Should not we have done the same if we had been in the position of France? Remember always, too, the "superstitious awe" phrase of Wilson.

In my deliberate judgment every phase of France's program as she has dealt with the smaller powers of Europe is consistent with a determined effort on her part to maintain the status quo in Europe as established by the treaty of Versailles. Nothing sinister or offensive need be predicated upon her program in this regard.

(4) And now we come to the apex of the indictment hurled against France by her critics—her policy relative to occupying the Ruhr.

As to this a United States Senator, a member of the Senate Committee on Foreign Relations, said within a fortnight:

> "The invasion of the Ruhr is as immoral as the invasion of Belgium."

It is difficult to argue against so extreme and, as I believe, so utterly unfounded a charge as this. Let us first ask ourselves if the occupation of the Ruhr was necessarily either militaristic or imperialistic. Clearly the answer must be in the negative. There was no inherent impropriety in the action, as I shall undertake to prove. Was not the program of the Ruhr consistent with the pursuance of the policy of obtaining reparation? Why should not the responsible head of the French Government be believed when he said publicly within a year:

> "We have no intention of annexing any portion of German territory and we dismiss with the contempt they deserve the accusations of imperialism brought against France. We have, therefore, no mad idea of confiscating the Ruhr, but we shall hold it until we are paid our due."

I repeat with emphasis that it certainly can be plausibly maintained that the occupation might promote the pursuit of reparation. Further, I remind you that when France entered the Ruhr a little over a year ago she was desperate, and that the occupation seemed the only available method of securing reparations, without which she faced national bankruptcy and disaster.

These things being so, there remains the inquiry as to the legality of the operations in the Ruhr. Unless their illegality can be established, is there any just cause to condemn France out of hand for doing what she did?

At this point I desire to quote the clause of the treaty of Versailles on the strength of which she embarked upon her great experiment:

> "The measures which the allied and associated powers shall have the right to take in case of voluntary default by Germany, and which Germany agrees not to regard as acts of war, may include economic and financial prohibitions and reprisals and, in general, such other measures as the respective Governments may determine to be necessary in the circumstances."

To establish the legality of the so-called invasion it is necessary to prove:

(a) The fact that Germany was in default.

(b) The fact that it was proper to occupy the Ruhr, assuming the fact of default by Germany.

(c) The fact that single-handed action by France was permissible if the first two elements became established.

Was Germany in default between 1919 and 1923? The answer is so obviously in the affirmative that perhaps it seems superfluous to establish the point by citations.

Five different times were the defaults declared by the responsible spokesmen for the allied powers:

(a) In April, 1920, at San Remo, the Allies stated that—

> "Germany had not carried out her undertakings as regards either the destruction of war material, or the reduction of the army, or the coal deliveries, or reparations, or the cost of armies of occupation. She does not even seem to have considered the means of fulfilling her obligations. The Allies unanimously declare that they can not tolerate any longer breaches of the treaty of Versailles, that the treaty must be carried out."

(b) On June 30, 1920, the Reparation Commission notified to the allied governments the default of Germany as regards coal deliveries.

(c) On March 3, 1921, Mr. Lloyd-George, speaking as president of the supreme council and officially for the allied powers, said to the German delegation:

> "We are convinced that the German Government is not merely in default but deliberately in default."

(d) On May 5, 1921, the supreme council resolved that—

> "The German Government is still in default in the fulfillment of the obligations incumbent upon it under the terms of the treaty of Versailles."

(e) And finally, in January, 1923, the Reparations Commission, by a majority vote, declared the German Reich was in general default as regards all her obligations contracted under the treaty of Versailles.

Default being thus inescapably established, was occupation of the Ruhr by France an appropriate and lawful consequence? Certainly the language of the treaty is very broad. Certainly the Allies through-

out the post-war period unanimously regarded occupation of German soil as a possible and even probable remedy for German defaults. Even Great Britain, which was so opposed to the occupation of the Ruhr when it came, had, in several instances, joined in the threat to occupy a part of German soil. In one instance she joined in the actual occupation. Let us examine these instances:

(a) In April, 1920, at San Remo, the Allies stated that they were "resolved to take all steps, even including, if it be necessary, the occupation of a further part of German territory."

(b) On July 9, 1920, at Spa, the Allies threatened to proceed to the further occupation of German territory, whether it be the region of the Ruhr or some other.

(c) In January, 1921, in Paris, the Allies announced their intention, if Germany did not alter her position, to impose "sanctions," including "occupation of the Ruhr or any other territory."

(d) At the London meeting of the Supreme Council held in February and March, 1921, of which mention has already been made, a distinct threat was made to "occupy the towns of Duisbourg, Ruhrort, and Dusseldorf on the right bank of the Rhine." The occupation of the three towns followed, British troops joining the French troops for that purpose.

(e) At a conference of the allied governments held in London in May, 1921, the Supreme Council passed resolutions—

> "To proceed forthwith with such preliminary measures as may be required for the occupation of the Ruhr Valley by the allied forces on the Rhine * * * failing fulfillment by the German Government * * * to proceed to the occupation of the valley of the Ruhr and to take all other military and naval measures that may be required."

Such occupation was to continue so long as Germany was in default.

In the light of the foregoing extracts from the records of the Allies there can be no dissent from the proposition that all the Allies, including Great Britain, regarded, and I believe rightly regarded, Germany as in default and occupation of the Ruhr as an appropriate consequence of that default. Was joint action by the Allies nevertheless necessary? Bonar Law, later Prime Minister of England and one of the fairest of allied statesmen, thought not. On October 28, 1920, he stated in the House of Commons that—

> "the terms of paragraph 18 clearly left to each of the respective Governments to determine upon the action that it may seem necessary to take under the said paragraph."

The British for domestic reasons were bitterly opposed to the Ruhr occupation. Early in January, 1923, Bonar Law was in Paris making a last effort to avert the French action. On January 5, 1923, he became convinced that his mission was hopeless. He prepared to return to London. On that day he said to Poincare—

> "If I believed that we could get the money out of Germany by applying the French plan, I should support it."

In effect, then, he bade the French Godspeed in their great undertaking. He did not question the right, but the practicability, of the plan. The legality was not, and in my judgment could not, be questioned by the British.

So we come back to the observation of the distinguished United States Senator who was unable to differentiate between the occupation of the Ruhr and the invasion of Belgium. Two differences seem fairly obvious. The one was in direct furtherance of a treaty; the other was in direct violation of a treaty. The one was the first step in an aggressive war of conquest; the other was an effort to secure the payments to which a peace-loving country believed it had an inalienable right.

I assert, then, that the occupation of the Ruhr was a natural step to take. It is said by some Americans that the invasion of the Ruhr provoked a German resentment which makes a new war inevitable. On the other hand, countless occurrences since the armistice have given the French ample ground for the conviction that German resentment was inevitable and unquenchable from the moment the Versailles signatures were affixed and that the occupation of the Ruhr neither added thereto nor subtracted therefrom.

To my way of thinking, the extraordinary thing about the French Ruhr policy is not the fact that they occupied but that they waited four years before they occupied. I doubt if such an example of national patience under equal provocation can be found in the history of the world. Certainly it can not be found in the history of the United States. Take the case of Venezuela; take the case of the destruction of the *Maine;* was the attitude of the United States in either instance notable for calmness or protracted patience? In neither instance do I criticize the United States policy or viewpoint. But I do assert that if the United States had been in the place of France we should have occupied the Ruhr not later than 1920.

France took the only step, in my judgment, which a patriotic nation could take. There wasn't anything else for her to do. Her action was a legal action and the results to France have justified the gravity of the step which she took 16 months ago.

It may safely be said that without the Ruhr there would have been no possibility of such a frame of mind in Germany as would have led to the formulation of the Dawes report and its probable acceptance by Germany.

Weighing the German state of mind a year and a half ago and the inconvenience to the world which in the minds of many has resulted from the French policy, history may regard the Ruhr occupation as a worth-while means to a highly desirable end. But whether the world was inconvenienced or not, France took the step which she had the right to take and which, in my judgment, she was abundantly justified from every national standpoint in taking.

I suppose there will be some who will say, even though they admit all the facts as I have recited them, that nevertheless France's motive throughout has been an aggressive or destructive one. My own view is that this conception is not tenable. I believe the French to be a peace-loving people. As I have said before, it is difficult to be dogmatic concerning another's state of mind. We can certainly assert, at least, that the foregoing facts are consistent with a sincere desire on the part of France for peace at home and abroad.

Let me set forth some of the elements that seem to make this viewpoint the more probable, and, indeed, the only probable, one.

The French are a thrifty race and hate taxation. This state of mind resists appropriations beyond the bare necessities of national defense. We all know that these have been large enough in all conscience in the last 10 years, not only in France but in countries as remote from Europe as the United States. Expenditures for offense are anathema to the French. The elections of last Sunday seem to indicate that even the program of Poincaré, which I do not regard as one of offense, may be deemed by the majority of the French people to involve excessive burdens upon them.

Indeed, is it probable that a modern republic, a truly representative government, would ever be militaristic? The peasant class of France is, and always has been, a peace-loving population.

Let me quote the words of a skilled observer on his return within two or three weeks from a careful survey of France:

> "Is France militaristic, imperialistic? That, again, is a familiar American question. As to this, I can only say that during many weeks in Paris, in which I met men of every rank and station in life—soldiers, statesmen, simple citizens—I never heard a single word spoken which suggested anything beyond the profoundest desire for peace."

Of course in any country one can always find extremists in any view. In the United States you can find both jingoes and extreme pacifists in large number. In saying what I say of the French people, I am dealing with what I believe to be the majority—the warp and woof of the nation. Is any other attitude conceivable after what France endured from 1914 to 1918—to say nothing of the succeeding years? Self-preservation and nothing more must be the national policy. Self-aggrandizement can have no room in the breasts of the French people.

We saw the general restlessness of France when the three German towns were occupied in 1921. We see renewed evidences of restlessness now in the elections of Sunday. While these elections are not to be interpreted as likely to result in a withdrawal from the Ruhr, yet the swing to the left is certainly not a swing toward additional military demonstration. If anything, the reverse is the fact.

The French as a people have been believers in the League of Nations. If they had been actuated by hopes of aggression would they have been likely to espouse the "cause of the covenant"?

But most of all they showed what underlay their whole thought and even existence in their intense yearning for the guaranty treaty with the United States and Great Britain. In the failure to ratify that treaty, in my judgment, the United States took the gravest possible step in its effect upon the remainder of the world. That treaty was in 1919 the greatest contribution to peace which America could have made. Our ratification would have meant a complete change of the streams of history. The fact that France so eagerly wished the guaranty treaty—a defensive treaty solely—is the best refutation of a militaristic state of mind.

You remember the small boy who, with awe-stricken wonder, listened to his father's comments after he had pounded his finger with a hammer. He said, "Mother, the words were the same as the minister used last Sunday, but they were arranged differently." The facts which Mr. Noyes and I rely upon are substantially the same, but to me the evidence seems clearly to overthrow his conclusions as to French objectives.

Of course, it is true that for the immediate recovery of Europe a policy of cancellation all around—a policy of letting bygones be bygones—had in 1919 much to commend it. It might well have hastened Europe's recovery. But would you and I have acted differently from France? Had not she a right to seek security and repayment? Was it reasonable to ask her to give up either one? Does the evidence of the past five years give us in the United States a plausible ground for criticizing bitterly our great ally?

I repeat, perhaps to weariness, that I regard the conduct of France since the armistice as marked by rare toleration and moderation—and by a patience which is almost unexampled in history. I believe that all the evidence negatives the existence in France of any considerable or controlling body of thought which can fairly be termed aggressive.

I think of France always as a nation shattered by war, fearful of a new attack when the enemy at her gates again sees the opportunity to strike. I think of how France since America was in her cradle has been a true friend of the Western Republic. I think of how we fought side by side in the years of trial, making common cause for the preservation of civilization. And as I ponder these things and many others, it is in my heart to resolve every presumption in favor of our lifelong friend and brave ally. Common understanding, common sympathy, and a common purpose between the United States and France! These should be our aspiration, for from them will come the abiding peace for which the world passionately longs.

PERMISSION TO ADDRESS THE HOUSE

Mr. BLANTON. Mr. Speaker, I renew my request that I may be allowed to address the House for five minutes after the gentleman from New York [Mr. BOYLAN] has concluded.

The SPEAKER. The gentleman from Texas asks unanimous consent to address the House for five minutes after the gentleman from New York has concluded. Is there objection?

Mr. LAGUARDIA. Reserving the right to object, I made a similar request of the majority leader a short time ago.

Mr. BLANTON. I have consulted the majority leader and the leader on this side and they have no objection.

Mr. LAGUARDIA. I understood that there would be no other requests made. I couple with the request that I may be allowed to proceed for five minutes following the gentleman from Texas.

Mr. GARRETT of Texas. Mr. Speaker, I would like to ask the gentleman from Illinois, acting chairman of the Committee on Military Affairs, if he proposes on the last day that the committee has to allow all this talk to be made when we have bills on the calendar?

Mr. McKENZIE. I will say that it is not my purpose to permit the day to be used by Members in making speeches. However, the gentleman from Texas has asked for five minutes and the gentleman from New York for five minutes, and I shall not object to these two requests, but if there are any further requests to be made I shall have to object.

The SPEAKER. Is there objection?

Mr. HOWARD of Nebraska. Reserving the right to object, I was going to ask a question. Will this time be taken out of the time for the consideration of the agricultural legislation?

The SPEAKER. The agricultural bill does not come up to-day.

Mr. HOWARD of Nebraska. Very well; I wanted to know about it. It is all right.

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas and the gentleman from New York?

There was no objection.

WAR DEPARTMENT APPROPRIATION BILL.

Mr. ANTHONY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 7877, making appropriations for the War Department, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Kansas asks unanimous consent to take from the Speaker's table the bill H. R. 7877, making appropriations for the War Department, disagree to the Senate amendments, and ask for a conference. Is there objection?

Mr. GARRETT of Tennessee. Let me ask the gentleman if that is agreeable to the ranking minority member of the committee.

Mr. ANTHONY. I think it is satisfactory to the gentleman from Kentucky and the gentleman from Texas.

Mr. HULL of Iowa. Reserving the right to object, there was an appropriation of $30,000, as I understand, for the repairs of the bridge over the Mississippi River at Rock Island.

Mr. ANTHONY. For the maintenance.

Mr. HULL of Iowa. For repairs, and it is absolutely essential to the bridge. This is an important and essential bridge to the commerce of the country. I understand that appropriation has been cut to $20,000, which would make it dangerous. I want to know if the House conferees will kindly watch that appropriation and try to see it restored?

Mr. ANTHONY. I think all of the conferees are of the opinion that $30,000 is necessary.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The SPEAKER appointed as conferees on the part of the House Mr. ANTHONY, Mr. DICKINSON of Iowa, and Mr. JOHNSON of Kentucky.

CALL OF THE HOUSE

Mr. CULLEN. Mr. Speaker, I make the point that there is no quorum present.

The SPEAKER. The gentleman from New York makes the point that no quorum is present. Evidently there is no quorum present.

Mr. ROGERS of Massachusetts. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Dominick	Manlove	Salmon
Ayres	Drane	Mansfield	Schafer
Begg	Dyer	Mead	Scott
Berger	Edmonds	Merritt	Snell
Bixler	Fairchild	Michaelson	Sproul, Kans.
Boies	Fish	Mooney	Stalker
Bowling	Fleetwood	Morin	Steagall
Brand, Ga.	Geran	Mudd	Stengle
Browne, N. J.	Gibson	Nelson, Wis.	Sullivan
Buckley	Gifford	Newton, Minn.	Sweet
Burdick	Goldsborough	O'Brien	Swing
Butler	Graham, Ill.	O'Connor, La.	Swoope
Byrnes, S. C.	Greenwood	O'Connor, N. Y.	Taylor, Colo.
Cable	Howard, Okla.	Oliver, N. Y.	Temple
Celler	Kahn	Park, Ga.	Thomas, Ky.
Clark, Fla.	Kent	Patterson	Vare
Cole, Iowa	Kindred	Peavey	Ward, N. Y.
Collins	Lampert	Perkins	Ward, N. C.
Connolly, Pa.	Langley	Perlman	Wason
Cramton	Larson, Minn.	Phillips	Weller
Curry	Lilly	Porter	White, Me.
Davey	Lindsay	Prall	Williams, Tex.
Deal	Little	Quayle	Wilson, Miss.
Dempsey	McFadden	Reed, W. Va.	Winslow
Dickstein	Magee, Pa.	Rosenbloom	Yates

The SPEAKER. Three hundred and thirty-three Members have answered to their names, a quorum.

Mr. RAMSEYER. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were reopened.

SALARIES OF POSTAL EMPLOYEES

Mr. RAMSEYER. Mr. Speaker, I ask unanimous consent to print in the RECORD a letter from the Postmaster General giving the department estimates of the increased cost involved in the bill (H. R. 9035) to increase the salaries of the postal employees, and giving also the views of the department on the proposed legislation.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

Mr. LAGUARDIA. Mr. Speaker, in the absence of my chairman, I shall object.

Mr. RAMSEYER. Oh, I am sure that the chairman would have no objection to it.

Mr. LAGUARDIA. I object.

The SPEAKER. Objection is heard.

THE ROLL CALL

Mr. KINCHELOE. Mr. Speaker, I rise to a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. KINCHELOE. Mr. Speaker, I make this parliamentary inquiry for the purpose of maintaining the integrity of the RECORD, and I am asking for information because I do not know how to correct it under the circumstances, which I shall state in a moment. This first roll call last evening, gives the names of those who failed to answer to their names. Therefore all those whose names do not appear in this list are recorded as being present. I know, and everyone else knows, for instance, that the gentleman from Kansas, Mr. TINCHER; the gentleman from Ohio, Mr. LONGWORTH; the gentleman from Ohio, Mr. BURTON, were not here, and that fact was commented upon facetiously here. Yet the RECORD shows that they were here and voting, when everybody knows they were not. I make the parliamentary inquiry for the purpose of asking if there is any way to correct the RECORD.

The SPEAKER. The Chair thinks the gentleman does not exactly state the facts.

Mr. KINCHELOE. I hate to differ with the Speaker, but I think I am stating the facts.

The SPEAKER. This is what is stated in the RECORD, as the Chair understands it. Directly below the first roll call you read:

During the roll call the following occurred:

Then the RECORD goes on for three or four pages with proceedings which occurred, all which are intended to appear as happening during this first roll call, which was not completed until after other roll calls.

Mr. KINCHELOE. If the Speaker will permit, it shows that immediately following what happened there, there was another roll call.

The SPEAKER. Exactly.

Mr. KINCHELOE. And the point I am making is that on the first roll call it shows that these gentlemen were present when, as a matter of fact, they were not present.

The SPEAKER. The gentleman does not catch the Chair's meaning. The Chair says that during the first call, according to the RECORD, "the following occurred," and the Chair assumes that that means that the other roll calls were part of the incidental proceedings, and that the first call shows really the Members who were present at the very end of the proceedings, after all of these other proceedings had transpired.

Mr. KINCHELOE. Mr. Speaker, everyone knows that these gentlemen mentioned, the gentleman from Ohio [Mr. LONGWORTH], the gentleman from Kansas [Mr. TINCHER], were not here on the second roll call, and yet that shows that they were here.

The second roll call was on a vote to dispense with further proceedings under the call, and it shows those who voted nay, and among those are to be found the names of the gentleman from Kansas and the gentleman from Ohio, when, as a matter of fact, they were not here.

The SPEAKER. They were here before the roll call was completed.

Mr. KINCHELOE. But that is another roll call altogether.

The SPEAKER. Perhaps the Chair does not understand the gentleman. Let the Chair state his understanding of the matter. The first roll call which appears is a roll call that was pending during the whole evening. A quorum appeared finally on that roll call. That roll call was pending while the other roll calls, subsequently appearing in the RECORD, were taken, and while the other proceedings were going on, so that when those other proceedings were finished, this roll call, which is printed first, was completed, and it shows the names of the Members who were there at the end—in a negative way, of course—because it records only the names of those who failed to answer to their names.

Mr. KINCHELOE. The first call was on a point of no quorum.

The SPEAKER. Yes.

Mr. KINCHELOE. And on page 9044 of the RECORD it shows that "the following Members failed to answer to their names," and then those whose names are absent from that list are the three gentlemen to whom I have referred. Then comes next another roll call on the motion to dispense with further proceedings under the call, which was a yea-and-nay vote, and among those answering nay are to be found the names of the gentleman from Kansas [Mr. TINCHER] and the gentleman from Ohio [Mr. LONGWORTH]. As a matter of fact, they were not here, and they will not say that they were here and voted.

The SPEAKER. The Chair did not at first understand the gentleman. The gentleman thinks that the RECORD of some of the subsequent roll calls shows that some gentlemen are recorded as present who were not present?

Mr. KINCHELOE. Absolutely; on the second roll call.

The SPEAKER. The Chair did not at first understand the gentleman to mean that.

Mr. KINCHELOE. The point I am making, and I am asking it in good faith, because it is not a personal matter, is, How is the integrity of the RECORD to be preserved if it is misrepresented like that was?

The SPEAKER. The Chair did not understand the gentleman. Of course, if the RECORD is incorrect, it ought to be corrected. Will the gentleman state some specific person who was here and let us see in regard to it?

Mr. KINCHELOE. I will state that the gentleman from Ohio [Mr. LONGWORTH] was not here on the second roll call, and I will say that the gentleman from Kansas [Mr. TINCHER] was not here on the second roll call, and they will not say they were here, and the RECORD shows they were here and voted "no."

Mr. LONGWORTH. So far as I am concerned, I have not looked at the RECORD and do not know——

The SPEAKER. The Clerk at the desk says that the gentleman from Ohio came in during the roll call.

Mr. KINCHELOE. Then the Clerk at the desk is mistaken about it. The parliamentary inquiry I propound is, What is the procedure to correct the RECORD when we know it needs correction?

The SPEAKER. It ought to be corrected, the Chair thinks, and the procedure would be to ask unanimous consent to correct the RECORD as is done every morning when mistakes are made.

Mr. RANKIN. Mr. Speaker, may I be heard?

Mr. MCKENZIE. A parliamentary inquiry.

The SPEAKER. The Chair recognizes the gentleman from Mississippi.

Mr. RANKIN. Mr. Speaker, I beg to differ from the gentleman from Kentucky [Mr. KINCHELOE] about this RECORD. At first glance I thought the RECORD was wrong; but I will call the attention of the Chair to just what happened. In the first place there was a point of no quorum made by the gentleman from Kentucky [Mr. KINCHELOE]. On the roll call it developed that there was no quorum; therefore that roll call could not be completed, and the House was at a standstill. Then, later, the gentleman from Kentucky made a motion that the House adjourn; and on that roll call we failed to develop a quorum. Then the motion was made—whether it was in order or not, it was made and no point of order made against it—to dispense with further proceedings under that call, and that motion was lost. We stayed here for some time waiting for a quorum; and when enough Members finally came in to develop a quorum under the last call the gentlemen whose names were mentioned were among them.

The proceedings under the second call had not been dispensed with, and, in my opinion, they had a right to vote and also they had a right to be recorded as constituting a quorum under the unfinished call, or, at least, the clerk was justified under the situation as it then existed in recording them as he did.

The first roll call had not developed a quorum and could not be closed. It was open until we developed a quorum or the House adjourned. We had refused to dispense with further proceedings under the second call, which left it still open.

Under this situation I submit the clerk was justified in recording those Members who appeared and asked to be recorded on those unfinished roll calls.

Mr. KINCHELOE. Mr. Speaker, I want to say this in conclusion, that every one of these roll calls showed there was not a quorum at any time here, and they voted no on a proposition when they were not here.

The SPEAKER. The first roll call, as the Chair stated, was pending during the whole evening so the men who came in could be recorded on that, although they were not here when their names were called. Of course, on the other roll calls men could not be recorded who were not here, and in that respect the RECORD, if errors were made, should be corrected.

Mr. MAPES. Mr. Speaker, I want to correct the RECORD.

The SPEAKER. The gentleman from Michigan is recognized.

Mr. MAPES. Mr. Speaker, first I would like to call the attention of the gentleman from Kentucky and the House to the fact that further on in the record of the proceedings, after the first roll call, giving the names of those who did not answer to their names, is the statement that subsequently 36 Members appeared and answered to their names. The men whom the gentleman from Kentucky had in mind may have been included in that 36. In looking over the roll call I notice that my name does not appear among those who failed to answer to their names, and I at no time answered to my name on a roll call last night, and I would like to have the RECORD corrected accordingly.

The SPEAKER. Without objection the correction will be made.

There was no objection.

Mr. TINCHER. Mr. Speaker, I had not noticed but one roll call showing I was absent and not voting until my attention was called to it by the statement of the gentleman across the aisle. I was not here when the roll call was ordered last night and I do not have any notion as to how much the RECORD is wrong. One thing I want to call to the attention of the Speaker and the House is the gentleman from Kentucky [Mr. KINCHELOE] named three Republicans whose names do not appear on this first list as being absent and complained it should show. I had the good fortune to come in with two Democratic Members, very good gentlemen, and we came in together and our names appear exactly alike throughout the roll call. [Laughter.]

Mr. BARKLEY. Mr. Speaker, will the gentleman yield?

Mr. TINCHER. Yes.

Mr. BARKLEY. During this melee last night I came in at least half an hour earlier than did the gentleman from Kansas [Mr. TINCHER], which I think can be demonstrated by many Members on the floor, and answered to my name, and was here when the gentleman from Kansas and his colleagues came in. Yet his name appears as answering on the roll call and mine appears as not answering.

Mr. TINCHER. I am sure I was not to blame for that. I came in with the distinguished gentleman from Texas [Mr. CONNALLY] instead of with the distinguished gentleman from Kentucky [Mr. BARKLEY]. [Laughter.]

Mr. BARKLEY. Mr. Speaker, I may be a little bit confused about this——

The SPEAKER. Would it not be wise to let this go over until to-morrow and let the gentleman ascertain where the mistakes were?

Mr. BARKLEY. I ask unanimous consent that wherever the gentleman from Kansas is recorded as present I be recorded as present. [Laughter.]

Mr. ASWELL rose.

Mr. GALLIVAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GALLIVAN. I would like to ask what is the regular order?

The SPEAKER. The regular order has been these requests to correct the RECORD. The gentleman from Louisiana [Mr. ASWELL] is recognized.

Mr. ASWELL. Mr. Speaker, the gentleman from Kansas named another gentleman on this side of the Chamber as being with him last night. That gentleman is reported as being absent on the roll call and TINCHER present. Entirely impersonally I want to state the fact that can be verified by a dozen gentlemen who stood with me at this door last night after the House had unanimously decided to issue warrants to arrest the gentleman from Kansas [Mr. TINCHER] and other absent Members who were away on this important occasion in the discussion of farm legislation. After the House had sent a warrant to arrest the gentleman from Kansas [Mr. TINCHER] and those along with him came panting into that door, and six of us came and looked at the clock as he walked into this House exactly as the clock struck 10; after two roll calls and a delay of two hours the self-styled friend of the farmer appeared ahead of the arresting officers. [Laughter and applause.]

Mr. LONGWORTH. Mr. Speaker, I desire to prefer a request for unanimous consent. It is evident that this slight misunderstanding arose from the fact of the peculiar wording of the rule under which we were acting, which provided that the House should stand in recess between the hours of 6 and 8. I am quite certain that there is nobody on either side of the House who desires to prevent the orderly transaction of this business, and of course it is much more difficult to have a quorum always present in the House than it is in Committee of the Whole. I therefore ask unanimous consent that the rule be amended by striking out the provision as to the recess and permit the House to go into Committee of the Whole and act as in the Committee of the Whole.

Mr. ASWELL. I object.

ORDER OF BUSINESS

Mr. MOORE of Virginia rose.

The SPEAKER. The gentleman from Virginia will be recognized.

Mr. MOORE of Virginia. I am only going to take a minute. I want to make an inquiry of the gentleman from Ohio [Mr. LONGWORTH]. It is apparent that we can not have a large attendance at night sessions. I will ask the gentleman if he will not move to amend the rule, and request unanimous consent for that purpose, to dispense with a night session to-morrow night?

Mr. LONGWORTH. That was what I intended to do. My purpose was merely to cut out that part of the rule which provides for the recess. In other words, the committee can then go on until it is tired of the discussion. That will prevent what occurred last night in consequence of the House meeting at 8 o'clock, when almost certainly there could not be a quorum. If the House will consent to amend the rule and simply strike out that portion of it pertaining to recess we can save time and dispense with night sessions.

Mr. MOORE of Virginia. I assume that the gentleman would be willing to dispense with the night session.

Mr. LONGWORTH. I hope we can finish with the debate to-morrow, and by staying until perhaps 7 or 8 o'clock, staying as late as possible, we can make substantial progress.

Mr. MOORE of Virginia. I hope the gentleman will ask for unanimous consent.

Mr. ASWELL. Mr. Speaker, reserving the right to object, I made an appeal as earnestly as I could yesterday to the gentleman from Ohio [Mr. LONGWORTH] and to the chairman of the Committee on Rules [Mr. SNELL] to omit from the rule any reference to night sessions.

The SPEAKER. The Chair understands that is the request.

Mr. ASWELL. I insisted then, as I do now, that that was a fatal mistake, and unless the gentleman from Ohio [Mr. LONGWORTH], or the gentleman from Virginia [Mr. MOORE], will state in this unanimous-consent request that the night session is eliminated from the rule, I shall object.

Mr. LONGWORTH. Will the gentleman consent to this, that I prefer the request in this way: That the Committee of the Whole continue in session until 7 o'clock?

Mr. ASWELL. That is all right.

Mr. LONGWORTH. Then I will modify my request to that extent.

The SPEAKER. The gentleman from Ohio asks unanimous consent that the arrangement made yesterday for an evening session be modified, and that instead it be agreed that the Committee of the Whole stay in session to-morrow evening until 7 o'clock, and not later. Is there objection?

Mr. SUMMERS of Washington. Mr. Speaker, I object to that request. We have before us a bill that every man in this Congress should want to understand. We have had an explanation of some features of it, an explanation from some angles, and I believe we should have an opportunity to fairly present the bill to all of the Members. Now, I know this request is made in the best of good faith, but I do not believe gentlemen on the other side [Democratic] ought to interfere with the debate. If we remain in Committee of the Whole, then it only requires 100 for a quorum; and if some Members, who are not particularly interested, do not want to remain they will not have to do so, but business will not be interfered with.

Mr. LONGWORTH. Will the gentleman yield?

Mr. SUMMERS of Washington. Yes.

Mr. LONGWORTH. Under this arrangement—and I think it is fair, although I would personally like to take up more time in general debate—if we meet at 11 o'clock and keep a quorum here we can debate this bill for eight hours. It seems to me this is the most satisfactory arrangement we can expect, and I think it is in the interest of the consideration of this bill. So I hope the gentleman will not object.

Mr. MOORE of Virginia. Will the gentleman yield to me for a minute?

Mr. SUMMERS of Washington. Yes.

Mr. MOORE of Virginia. The gentleman, I hope, will not assume that there is any effort being made on this side of the House to block debate, because this side of the House is just as willing to proceed with the matter——

Mr. CHINDBLOM. Mr. Speaker, I demand the regular order.

The SPEAKER. The gentleman from Illinois demands the regular order. Is there objection to the request of the gentleman from Ohio? [After a pause.] The Chair hears none.

IMPRISONMENT OF EAMON DE VALERA

The gentleman from New York [Mr. BOYLAN] is recognized for 10 minutes.

Mr. BOYLAN. Mr. Speaker and gentlemen of the House, while we are sitting here calmly to-day, having liberty of person and enjoying peace and the pursuit of happiness, an American citizen is languishing in a foreign jail, and despite the fact that the gentleman from New York [Mr. LAGUARDIA] and I introduced resolutions, which were referred to the Committee on Foreign Affairs, requesting that the Congress of the United States demand the release of this American citizen and his colleagues, nothing whatever has been done by this House. And a subsequent resolution which I introduced, calling upon the Secretary of State for any information he might have relative to this man's status, was answered by him stating that he had no information whatever.

The Hon. Eamon de Valera is now and has been for eight months imprisoned, held without charge or trial, in solitary confinement in the prison at Arbor Hill, Dublin. He was arrested four months after he had persuaded the most militant group of the republican army to lay down their arms and inaugurate the constitutional campaign for the republic.

In our country we have criticized those who would endeavor to change the form of government by revolution or by anarchy, and we have justly criticized them, but we have never denied to any man or any group of men the right to seek changes in government by constitutional means, and these are the constitutional means adopted by the patriots in Ireland who are now in prison.

De Valera was seized while publicly addressing his constituents. He is an Irish patriot leader. He was elected President of the Irish Republic in 1919 following the last general elections of all Ireland, with over 80 per cent of the Irish electorate voting for the Irish Republic.

He is to-day the elected leader of the party supporting the Irish Republic, which won 44 seats out of 153 in the Irish Congress at the elections in last August.

He was arrested under the abrogation of habeas corpus rights, which abrogation has been condemned as constituting a fraud under the constitution of the Irish Free State.

Mr. DENISON. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. DENISON. Did I understand the gentleman to say that Mr. de Valera is an American citizen?

Mr. BOYLAN. He is; yes.

Mr. DENISON. How can an American citizen be elected President of the Irish Republic?

Mr. BOYLAN. Well, the Irish Republic was not recognized, and de Valera is but actuated by the same motives that actuated Lafayette to come to America, that actuated Steuben and that actuated Pulaski, Kosciusko, and all the other famous patriots, liberty loving as they were, to come and help a country achieve a liberty, a liberty which you, sir, now enjoy and of which you are the accredited Representative of a constituency.

Mr. DENISON. But we could not have elected Lafayette President of this Republic.

Mr. BOYLAN. I decline to yield further, as I have only a few minutes.

No charge of any kind has been made against Eamon de Valera or his colleagues. Their only crime, in the eyes of their captors, is their steadfast defense of the republican ideals of government.

The interest of liberty-loving Americans in his cause is best evidenced by the numerous indignation meetings and resolutions passed throughout the country. To-day millions of our countrymen are desiring and praying for the release of Hon. Eamon de Valera and his fellow prisoners. These Americans love and sympathize with de Valera and the Irish Republic cause because they maintain that they are in consonance with the American traditions and ideals since Jefferson's day, which would accord to men and nations struggling for liberty America's full sympathy and early recognition. They believe that they are only actuated by American ideals of human liberty as defined in the Declaration of Independence and upon which the governmental institutions of America are established.

Our Government has intervened in many cases with foreign countries in behalf of men and women unjustly imprisoned. When the ministers of state were tried in Greece in a procedure that was a mockery of justice, with their so-called judges, their accusers, and condemned on trumped-up charges that might be made against anyone on the losing side of armed conflict; when an archbishop, his vicar general, and a host of their clergy were persecuted by the Soviet Government of Russia, our Government not only deplored but protested these acts of Greece and Russia, and has steadfastly declined to recognize the Soviet Government; and it will be to its eternal credit for our Government to refuse ever to recognize that Government until those in office and their successors renounce or make reparation for such atrocities before God and civilization.

But if these were enormities, what must be said of the reign by which those occupying the seats of government in Ireland have endeavored to save their failing fortunes by illegal proceedings? Greece and Russia, at least, went through a form of trial. What hearings were ever given to Childers, Mellowes, O'Connor, Barrett, and McKelvey or Daly, to say nothing of scores of others who went to death? De Valera and his colleagues are State prisoners. They have been confined nearly a year in prison without any charge being lodged against them. They are not criminals. They are patriots seeking to establish a republican government in their native land. They look to our great Republic with its splendid ideals to intervene and help them in their hour of necessity.

I believe, therefore, that it is a proper matter in which the Congress should intervene and request the discharge of these liberty-loving patriots from prison.

What is going to be the action of this House, seated as we are here to-day, in the very temple of liberty, under the Dome of the great Capitol, basking in the power of this Government of ours whose influence radiates throughout the entire world? Those seeking liberty of conscience or liberty of thought or action have ever looked to America. What would those illustrious descendants of the Pilgrim Fathers say, what would those descendants of the first families of Virginia say, what would the other illustrious Americans sitting here to-day, whose forbears have taken part in the struggle for American liberty—what would they say if they heard that the Sixty-eighth Congress sat quietly and sat supinely without endeavoring to raise a finger in defense of the liberty and rights of an American citizen incarcerated in a foreign jail?

Mr. BLANTON. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. BLANTON. Suppose we should demand their release and the demand should be ignored, then what?

Mr. BOYLAN. My colleague, you know that the demand of the Republic of the United States could not be ignored. I know you, sir, as a student of government, as a student of the history and the traditions of America know and realize the power of America, and you know the power and the influence of the American Congress, and you know, sir, that if a demand of that kind were made it would not be refused.

Mr. BLANTON. Would our distinguished colleague yield further?

Mr. BOYLAN. Certainly.

Mr. BLANTON. I do not think our good friend from New York would ever want our Government to make a demand unless it made that demand good and unless it required the obedience of that demand, and the gentleman ought to think along that line.

Mr. BOYLAN. I am thinking along those lines, and I know that a request of our Government would not and could not be ignored. I believe we all follow the traditions of the fathers, I believe we are loyal to the institutions of our country, and I believe that we believe in upholding the rights of our fellow citizens, no matter in what country or in what clime they may be. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

By order of the House, the gentleman from Texas is recognized for five minutes.

VOTING ON BARKLEY BILL

Mr. BLANTON. Mr. Speaker, our distinguished colleague from Mississippi [Mr. QUIN] is one of the most lovable men in this House. He is such a valuable Member that we could hardly hold a session successfully without his presence. When he appears on the floor there is always such a spontaneity of applause that in his zeal sometimes he says things he would hardly say if he was not under such strain.

Because I saw fit day before yesterday to vote against the Barkley bill, which creates 45 commissioners drawing salaries from $7,000 to $12,000 a year each, he claimed that I was voting against the interests of the poor women and poor children and poor men of the country, while, in fact, my vote was in their interest specifically.

I notice in the RECORD for that day, May 19, 1924, that he and I did not vote together on that matter. One of the main votes is found on page 8894 of day before yesterday's RECORD, where the proposition was to go into the Committee of the Whole House on the state of the Union for the consideration of that Barkley bill. I find that I voted with our minority leader, the Democratic leader of this House, FINIS GARRETT, of Tennessee, while the gentleman from Mississippi [Mr. QUIN] voted the other way.

Our friend, Mr. QUIN, helped to elect FINIS GARRETT his Democratic leader. He was elected unanimously by the Democrats of this House, and on the Barkley bill I followed my leader and I voted with him against that motion, but our friend from Mississippi voted for it.

Then the next important vote that came up that day is on page 8940. The motion was to refer the Barkley bill back to the committee for proper consideration. I voted again with the Democratic leader of this House, the gentleman from Tennessee [Mr. GARRETT], for the motion, and our friend PERCY, from Mississippi, voted against him and against the motion.

Then I find the last important vote that came up that day on the Barkley bill was to strike out the enacting clause. There was a vital question for Democrats to decide. On it and this Barkley bill the RECORD shows that I looked to the great Democratic leader of this House, FINIS GARRETT, and I followed him, and the great Democratic leader and myself voted together for that motion to strike out the enacting

clause, and our distinguished friend from Mississippi [Mr. QUIN] voted against him. [Applause.]

So I find that our friend from Mississippi was voting against his own Democratic leader on that measure, but I will forgive him and I hope the Democrats of Mississippi will forgive him. He is so valuable here we will have to forgive him. Every man every once in a while errs. We must give our friend from Mississippi the right to err once in a while. He gets off the reservation once in a while, and I know the provocation.

Mr. KUNZ. Will the gentleman yield?

Mr. BLANTON. I regret I can not.

Mr. KUNZ. For just one simple question?

Mr. BLANTON. I regret I can not yield, as I have only a few moments left. I know the provocation that influenced him, and I forgive him. If it were necessary, all of us would do anything we could to get the Democrats of Mississipi to forgive him, and they will. He is otherwise such a valuable legislator they will give him the right to be wrong once in a while. [Laughter and applause.]

IMPRISONMENT OF EAMON DE VALERA

The SPEAKER. The gentleman from New York [Mr. LAGUARDIA] is recognized.

Mr. LAGUARDIA. Mr. Speaker, now that the House is again in a good humor, my task is easier than it would have been a few moments ago.

I listened with a great deal of interest to the remarks made by my distinguished colleague from my State [Mr. BOYLAN], who has given the subject a great deal of thought and study.

On March 5, 1924, I introduced a resolution (H. Res. 208), which was referred to the Committee on Foreign Affairs, the same committee to which my colleague's resolution was referred. Since that time we have been seeking to get a hearing. Permit me to read my resolution:

House Resolution 208

Whereas it has been the policy of people of the United States to give their moral and material support to any people endeavoring to obtain freedom and independence; and

Whereas the people of the United States admire leaders who make sacrifices for the cause of liberty, and the Government of the United States has always offered an asylum to such leaders; and

Whereas Eamon de Valera, formerly provisional president of Ireland, has been languishing in prison for several months, and it being impossible to ascertain the cause of his imprisonment other than that he was one of the leaders in the recent struggle for Irish freedom; and

Whereas the said Eamon de Valera is a native of the United States and an honorary citizen of many cities of the United States, and his mother a resident of the State of New York: Be it

Resolved, That it is the sense of the House of Representatives of the United States that in the absence of any specific charge of crime committed by the said Eamon de Valera his continued imprisonment without a trial is against the morals, custom, and policy of liberty loving people in this advanced age; and be it

Resolved further, That the Secretary of State be, and he is hereby, directed to transmit this resolution to the Government of Great Britain as a protest against the continued imprisonment of Eamon de Valera under the conditions hereinbefore set forth.

Before introducing this resolution, gentlemen, I looked up the precedents, and I found that there is nothing unusual in a resolution of this kind. I think that this great Republic of ours has established a record in the history of the world as being ready at all times to assist any people who are striving to attain independence. It is as natural for an American to sympathize with the cause of liberty as it is for a mother to love her own child.

In 1848, when the Hungarian rebellion against the Hapsburg dynasty took place, this country not only openly expressed its sympathy with the Hungarian rebellion but sent an observer to Budapest, right on the spot, to report the progress of that revolution. After the fall of the Hungarian independence the Austrian Government called upon this Government for an explanation.

The Hungarian revolution of 1848 failed. As I have just stated, the Austrian Government protested to this Government for having received representatives and leaders of the Hungarian independence movement and protested very vigorously against our attitude toward Hungary and our sympathy with their leaders.

We were perfectly frank about it. We did not hesitate a moment then to tell Austria that we were interested in the freedom of Hungary as we are sympathetic with any movement of any people seeking their independence. Let me read the frank, bold, courageous, and real American statement of President Taylor in a special message on the subject dated March 28, 1850:

My purpose, as freely avowed in this correspondence, was to have acknowledged the independence of Hungary had she succeeded in establishing a government de facto on a basis sufficiently permanent in its character to have justified me in doing so, according to the usages and settled principles of this Government; and although she is now fallen and many of her gallant patriots are in exile or in chains, I am free still to declare that had she been successful in the maintenance of such a government as we could have recognized we should have been the first to welcome her into the family of nations.

I believe we are quite justified in taking a keen interest in the movement for Irish freedom. Eamon de Valera, former provisional president of the Irish Republic, typifies the spirit of Irish liberty. I know of no better expression of the attitude of this Government in such questions than to read the message of Daniel Webster, Secretary of State, to Mr. Hulsemann, Austrian chargé d'affaires, dated December 21, 1850:

In the course of the year 1848 and the early part of 1849 a considerable number of Hungarians came to the United States. Among them were individuals representing themselves to be in the confidence of the revolutionary government, and by these persons the President was strongly urged to recognize the existence of that government. In these applications, and in the manner in which they were viewed by the President, there was nothing unusual; still less was there anything unauthorized by the law of nations. It is the right of every independent state to enter into friendly relations with every other independent state. Of course, questions of prudence naturally arise in reference to new states brought by successful revolutions into the family of nations; but it is not to be required of neutral powers that they should await the recognition of the new government by the parent state. No principle of public law has been more frequently acted upon within the last 30 years by the great powers of the world than this. Within that period 8 to 10 new states have established independent governments within the limits of the colonial dominions of Spain on this continent; and in Europe the same thing has been done by Belgium and Greece. The existence of all these governments was recognized by some of the leading powers of Europe, as well as by the United States, before it was acknowledged by the states from which they had separated themselves.

If, therefore, the United States had gone so far as formally to acknowledge the independence of Hungary, although, as the event has proved, it would have been a precipitate step, and one from which no benefit would have resulted to either party, it would not, nevertheless, have been an act against the law of nations, provided they took no part in her contest with Austria.

I have heard it suggested by Members that my resolution is improper or, at least, unseeming, in that it seeks to interfere in a purely local matter of a foreign government. That is not so. I would not think of bringing in a resolution of any kind that could by any possible fair construction embarrass my colleagues or the American Government. I have simply followed precedent, and there are several instances where this Government not only took a sympathetic interest in the cause of freedom but also in the individuals who inspired and fought the battles of liberty.

A similar case was that of Louis Kossuth, the great Hungarian liberator. The policy of the American Government was laid down in a letter of instructions written by John M. Clayton, Secretary of State, to Mr. Marsh, our representative in Turkey, on January 12, 1850:

You are well aware that the deepest interest is felt among the people of the United States in the fate of Kossuth and his compatriots of Hungary, who have hitherto escaped the vengeance of Austria and Russia by seeking an asylum within the boundaries of the Ottoman Empire. The accounts respecting them have been so conflicting—sometimes representing them as having escaped and at others as being captive—that we have not known what to credit, and have therefore declined to interfere in their behalf; nor do we now desire to interfere by entangling ourselves in any serious controversy with Russia or Austria. But we can not suppose that a compliance with the dictates of humanity, now that the contest with Hungary is over, would involve our friendly relations with any other power. Should you be of the opinion that our good offices would avail anything to secure their safety and their escape from the hands of those who still pursue them, it is desired by your Government that you should intercede with the Sultan in their behalf. The President would be gratified if they could find a retreat under the American flag and their safe conveyance to this country by any one of our national ships which may be about to return home would be hailed with lively satisfaction by the American people.

The attitude of the American Government could not be stated in clearer and more concise language. If it was proper in 1850 to protest against the action of two foreign Governments and courageously go to the protection of a champion of liberty, as expressed in the letter of instruction of Secretary of State Clayton, surely my resolution simply expressing a desire, if you please, on the part of the Representatives of the American people is within the confines of propriety and international comity.

The case of Eamon de Valera stands on all fours on the facts and the law as laid down in the case of the liberator, Louis Kossuth.

Mr. WAINWRIGHT. What did he do that his own people put him in jail?

Mr. LAGUARDIA. That is the subject of inquiry. There is not a human being that is in a position to state whether Eamon de Valera violated any law. I say that this great leader, Eamon de Valera, will have a glorious place in history as a champion of liberty. He has been incarcerated, no charge lodged against him, no indictment, and they have refused to release him on a habeas corpus, refused to place him on trial; and I say that is an outrage for any civilized country to commit against any of its own subjects or a citizen of another country.

Mr. VAILE. Is he a subject or citizen of this country? That seems to be in doubt.

Mr. LAGUARDIA. He was born in New York State; his mother is a resident of the city of Rochester. I am sure that Eamon de Valera's gallantry, courage, and noble purpose in fighting for the freedom of the people of Ireland is a guaranty that he never took an oath of allegiance to the King of England.

Mr. HOLADAY. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. HOLADAY. Does the gentleman believe that if an American citizen leaves this country and goes to another country, encourages an insurrection or a civil war, becomes a candidate for President of that country, and is elected or defeated, gets in trouble, is entitled to claim the protection of the American Government?

Mr. LAGUARDIA. I claim we have here sufficient precedents in this country to establish the fact that it is proper for this House to give its moral support to any people any place in the world who are seeking to govern themselves and seeking to overthrow any foreign sovereign oppression. [Applause.]

Is it not a common occurrence for diplomatic representatives to seek to intervene and seek clemency on behalf of their nationals who have come in conflict with the law? Surely, if it is proper for a foreign government to ask its representative to use his good offices on behalf of a national who violated the criminal laws of another country, how much more proper and more lofty is it for a government to ask a friendly government of another country for information concerning the status of a man who, it will be admitted, has not violated any criminal laws but has only espoused the sacred cause of liberty. At this point let me read a letter from the Attorney General bearing on this subject:

> In response to your letter of the 2d instant, requesting to be advised whether it is customary for an ambassador, minister, or consul accredited to this country to ask for clemency, and if such requests are frequently made, you are advised that the pardon attorney informs me that a limited number of requests have been made by ambassadors and ministers through the State Department concerning nationals of their representative governments during the past four or five years, and a few requests for status of certain prisoners' cases have been made direct to this department by consuls accredited to this country.
>
> It is not understood, however, that the ambassadors or ministers have in any instance asked for executive clemency in the sense of making a recommendation that presidential relief be extended.

I do not believe that we are in the slightest overstepping the bounds of propriety or in the slightest impairing the dignity of this House when as Representatives of the free people of America we hail Eamon de Valera as the champion of a great cause for human liberty and ask our Department of State to use its good offices in seeking the liberation of this liberty's champion and to protest against his continued unlawful, unjustifiable imprisonment. [Applause.]

CALENDAR WEDNESDAY

The SPEAKER. This is Calendar Wednesday, and the Clerk will call the roll.

The Clerk called the roll of committees.

Mr. McKENZIE (when the Committee on Military Affairs was reached). Mr. Speaker, I call up the bill (H. R. 4820) to amend the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved June 10, 1922. The bill is on the Union Calendar, and I ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Illinois calls up the bill H. R. 4820 and asks that it be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That section 3 of the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved June 10, 1922, be, and the same is hereby, amended by inserting immediately after the first sentence thereof the following sentence:

"Such officers whenever entitled to Federal pay, except armory drill and administrative function pay, shall receive as longevity pay, in addition to base pay provided but not exceeding the maximum pay prescribed by law, an increase thereof at the per cent and time rates up to 30 years provided in the ninth paragraph of section 1."

Mr. McKENZIE. Mr. Speaker, in line 6, page 2, I move to strike out the word "ninth" and insert the word "tenth."

The SPEAKER pro tempore (Mr. TILSON). The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 2, line 6, strike out the word "ninth" and insert the word "tenth."

The amendment was agreed to.

The Clerk read as follows:

What constitutes field duty, sea duty, an assignment as quarters, or a permanent station, within the meaning of this section, shall be determined for each of the services, including adjunct forces thereof, mentioned in the title of this act under such regulations as the President may prescribe from time to time, and such determination shall be conclusive for all purposes.

The following committee amendment was read:

Page 4, line 4, strike out the paragraph and insert in lieu thereof the following: "Regulations in execution of the provisions of this section in peace and in war shall be made by the President and shall, whenever practicable in his judgment, be uniform for all of the services concerned, including adjunct forces thereof."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 3. That section 10 of said act be, and the same is hereby, amended by adding thereto the following paragraphs:

"The retainer pay of all men who were on that day transferred members of the Fleet Naval Reserve or the Fleet Marine Corps Reserve shall be computed on the rates of pay authorized for enlisted men of the naval service by the act approved June 10, 1922: *Provided*, That the retainer pay of said reservists shall be not less than that to which they were entitled on June 30, 1922, under decisions of the Comptroller of the Treasury in force on that date.

"That all enlisted men of all the services mentioned in the title of this act who served as warrant or commissioned officers in any of said services, including adjunct forces thereof, shall be credited with all active service so performed during the period from April 6, 1917, to December 31, 1921, in the computation of their enlisted service for longevity pay purposes, and shall be paid accordingly."

With the following committee amendment:

Page 5, line 1, correct the spelling of the word "enlisted."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 4. That section 20 of said act be, and the same is hereby, amended by inserting the words "and flight surgeons" after the words "qualified aircraft pilots," and by adding thereto a penultimate sentence and amending the final sentence thereof to read as follows:

"Officers, warrant officers, and enlisted men of the National Guard participating in exercises or performing duties provided for by sections 92, 94, 97, and 99 of the national defense act, as amended, and of the reserves of the services mentioned in the title of this act called to active duty shall receive an increase of 50 per cent of their pay while on duty requiring them to participate regularly and frequently in aerial flights, and when such flying duty involves travel they shall also receive the same allowances for traveling expenses as are or hereafter may be authorized for the Regular Army. Regulations in execution of the provisions of this section shall be made by the President and shall,

whenever practicable in his judgment, be uniform for all the services concerned."

With the following committee amendment:

Page 5, line 8, strike out all of lines 8 to 12, inclusive, and insert the following:

"SEC. 4. That section 20 of said act be, and the same is hereby, amended by striking out the last sentence of said section 20 and inserting in lieu thereof the following:"

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. LAGUARDIA. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. LAGUARDIA: Page 6, line 4, add the following as a new section: "The discrimination now existing in the method of computing service of officers of the Army is hereby removed and hereafter service and what shall be counted for all purposes in computing length of service for all officers shall be the same as now provided by law for officers who were first commissioned as lieutenants in the Army in 1916."

Mr. McKENZIE. Mr. Speaker, I make the point of order against that amendment: As I understand it, first, it is an amendment to the national defense act, while the bill under consideration is a bill simply amending the service pay act of Congress.

Mr. LAGUARDIA. Mr. Speaker, the bill that we have before us amends the national defense act, and this is just one additional amendment to the bill. The whole bill is amendatory of the national defense act.

The SPEAKER pro tempore. That question alone would not be decisive. Is it germane to the paragraph? The Chair has not had an opportunity to examine the amendment.

Mr. McKENZIE. I make the point of order that it is not germane to the paragraph or to the bill.

The SPEAKER pro tempore. Will the gentleman from New York address himself to the feature of whether his amendment is germane to the subject matter of the paragraph?

Mr. HILL of Maryland. Mr. Speaker, can we have the amendment again reported?

The SPEAKER pro tempore. Without objection the Clerk will again report the LaGuardia amendment.

There was no objection, and the Clerk again reported the amendment.

Mr. McKENZIE. Mr. Speaker, I gather from the reading of this amendment that it is a proposition that involves some 1,300 or 1,400 officers of the Army, and it goes back and involves the question of longevity pay for West Point service, and it is a proposition to give constructive service to every man who came into the Army from civil life prior to 1916. That is what I gather from the amendment; and if that is true, then that is an amendment to the national defense act and not to the pay act. It is an amendment that is so far-reaching that I am frank to say from just simply hearing it read that I would not be able to pass upon it, but I think I can scent what the object is. It is a matter that ought to be given serious consideration.

Mr. LAGUARDIA. Mr. Speaker, I respectfully submit that the gentleman is not arguing the point of order, but is arguing the merits of it.

Mr. McKENZIE. Mr. Speaker, I make the point of order that it is an amendment to the national defense act.

The SPEAKER pro tempore. The Chair calls the attention of the gentleman from New York to the fact that his amendment seems to be the computing of pay and would inquire whether that is germane to the subject matter of this bill. Regardless of what actually is meant, but simply going to the subject matter of the bill, is the subject matter presented by the gentleman the same subject matter as that considered in the bill. That determines the question of germaneness. Will the gentleman address himself to that subject?

Mr. LAGUARDIA. Mr. Speaker, this is an act according to the title of the bill to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, the Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and the Public Health Service.

Mr. McKENZIE. Mr. Speaker, let me call the attention of the Chair to the fact that the very first sentence of the amendment seeks to remove existing discrimination between officers now in the Army, as to their commissions and their length of service. The pay act has nothing whatever to do with discrimination.

Mr. LAGUARDIA. Mr. Speaker, the very title of this act and its first provision in the enactment clause refers to section 3 of an act to readjust, and so forth, and it is provided, and it is hereby amended by inserting, and so forth. Then it proceeds to make changes, and the very purpose of this bill is to amend existing law. What my amendment does is to take the personnel mentioned in the enacting clause and amend existing law pertaining to longevity allowance and their retirement. It is clearly within the bill, and is germane to the subject.

The SPEAKER pro tempore. Upon such hasty examination as the Chair is able to make of this long bill and the subject matter contained in it, and so far as he is able to apply the amendment of the gentleman from New York to it, it seems to the Chair to deal with the same general subject matter, and while not called upon to pass upon the merits or the demerits of the amendment, the chair is inclined to rule that it is germane to the subject matter under consideration, and, therefore, overrules the point of order.

Mr. McKENZIE. Mr. Speaker, I ask for a vote.

The SPEAKER pro tempore. The question is on agreeing to the amendment offered by the gentleman from New York.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 5. That section 21 of said act be, and the same is hereby, amended by substituting a colon for the period and adding the following proviso at the end thereof:

"*Provided*, That the pay and allowances of the members of the Naval Academy Band shall be not less than that which was authorized for the various ranks and ratings in said bands on June 30, 1922, under decisions of the Comptroller of the Treasury in force on that date."

Mr. WRIGHT. Mr. Speaker, I offer an amendment.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

At the end of section 5 insert a new section as follows:

"SEC. 6. That section 17 of said act be, and the same is hereby, amended by adding to the first sentence thereof: *Provided*, That the pay saved to an officer by section 15 of this act or by the act of September 14, 1922, shall be construed as the pay provided by this act for the purpose of computing retired pay. Further, by striking out the figure '6' in line 13, page 6, and inserting in lieu thereof the figure '7.'"

Mr. WRIGHT. Mr. Speaker, this is a committee amendment, and was unanimously agreed upon.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 6. That the provisions of this act shall be effective from and after July 1, 1922.

Mr. McKENZIE. Mr. Speaker, that should be numbered section 7.

The SPEAKER pro tempore. Without objection, the numbering will be changed.

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. McKENZIE, a motion to reconsider the vote by which the bill was passed was laid on the table.

TRANSFER OF CERTAIN MATERIALS, MACHINERY, ETC., FROM WAR DEPARTMENT TO THE DEPARTMENT OF AGRICULTURE

Mr. McKENZIE. Mr. Speaker, I call up the bill H. R. 7269. This bill is on the Union Calendar, and I ask unanimous consent that it be considered in the House as in Committee of the Whole House on the state of the Union.

The SPEAKER pro tempore. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 7269) to authorize and direct the Secretary of War to transfer certain materials, machinery, and equipment to the Department of Agriculture.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that this bill be considered in the House as in Committee of the Whole House on the state of the Union. Is there objection. [After a pause.] The Chair hears none. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to transfer to the Department of Agriculture, under the provisions of section 7 of the act approved February 28, 1919, entitled "An act making appropriations for the service of the

Post Office Department for the fiscal year 1920, and for other purposes," and acts amendatory thereto, for use in the improvement of highways and roads as therein provided, the following war materials, machinery, and equipment pertaining to the Military Establishment, out of the reserve stocks of the said Military Establishment, to wit: 2,000 5-ton caterpillar tractors complete with tools and spare parts; 500 ordnance mobile machine-shop units complete with tools and spare parts; and 5,000 motor trucks, 1 to 5 ton capacity. The freight charges incurred in the transfer of the property provided for in this provision shall be defrayed by the Department of Agriculture, and if the War Department shall load any of the said property for shipment, the expense of said loading shall be reimbursed to the War Department by the Department of Agriculture by an adjustment of the appropriations of the two departments. The title of said materials, machinery, and equipment shall be and remain vested in the State for use in the improvement of the public highways, and no such materials, machinery, and equipment in serviceable condition shall be sold or the title to the same transferred to any individual, company, or corporation.

The committee amendments were read as follows:

Page 2, line 3, strike out "two thousand," and insert "one thousand five hundred."

Page 2, line 4, after the word "parts" strike out "500 ordnance mobile machine-shop units complete with tools and spare parts."

Page 2, line 6, after the word "and" strike out "five," and insert in lieu thereof "four."

Page 2, line 7, strike out the word "one," and insert in lieu thereof "three-quarters."

The question was taken, and the amendments were agreed to.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. McKENZIE, a motion to reconsider the vote by which the bill was passed was laid on the table.

SALE OF REAL PROPERTY NO LONGER REQUIRED FOR MILITARY PURPOSES

Mr. McKENZIE. Mr. Speaker, I call up the bill H. R. 9124. This bill is on the Union Calendar, and I ask unanimous consent that it be considered in the House as in Committee of the Whole House on the state of the Union.

The SPEAKER pro tempore. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 9124) authorizing the sale of real property no longer required for military purposes.

Mr. BLANTON. Mr. Speaker, reserving the right to object, this bill should be considered in Committee of the Whole House on the state of the Union.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that it may be considered in the House as in Committee of the Whole House on the state of the Union.

Mr. BLANTON. I am just reserving the right to object to find out exactly what the provisions of this bill mean. Under the terms of this bill could the Secretary of War dispose of any piece of this property to any municipality for less than the appraised price after it has been appraised?

Mr. McKENZIE. No; he could not. That is my understanding. We have a provision in the bill——

Mr. BLANTON. There is going to be no giving back of this property to municipalities?

Mr. McKENZIE. I will say very frankly to the gentleman that I expect to offer an amendment. The gentleman from Texas knows there are a number of bills on the calendar reported from the committee.

Mr. BLANTON. That is what I want to have an understanding about. There are a number of such bills on the calendar where municipalities, Mr. Speaker, in order to get the Government to establish these cantonments and camps in their district, have bought land from a commercial standpoint and given it to the Government, thereby causing the Government to establish cantonments and build even street-car tracks and water systems and paved streets and roads and spend millions of dollars in the community, all of which benefited them, and now when the war is over they want to get the land back.

Mr. McKENZIE. To all of which I was opposed.

Mr. BLANTON. And if the gentleman is going to offer that kind of an amendment—why, it is almost impossible to oppose an amendment offered by a committee chairman, and especially such a distinguished gentleman as the gentleman from Illinois—we ought to stop it now when we can do so. We have no chance whatever to defeat any amendment he offers unless we have a chance to discuss it to some extent.

Mr. McKENZIE. Mr. Speaker, I will say——

Mr. BLANTON. So far as this bill is drawn now, there is no objection whatever to it; it is a good bill and ought to pass; but the gentleman ought not to put an amendment of that kind on this bill without thrashing out that proposition in the Committee of the Whole House on the state of the Union.

Mr. McKENZIE. Let me say to the gentleman from Texas my only purpose in doing as I am doing now in getting these bills along is to expedite the legislation——

Mr. BLANTON. The gentleman knows that amendment is subject to the point of order, does he not?

Mr. McKENZIE. No; I do not think so. I want to say this to the gentleman from Texas, because he is fair enough to state his position, and I will be fair enough to the gentleman from Texas to say when these amendments are offered that he shall have his opportunity to move to strike out any particular item.

Mr. BLANTON. Will the gentleman give us as much as 30 minutes against that amendment?

Mr. McKENZIE. I will give the opposition as much as 30 minutes to any and all parts.

Mr. BLANTON. There ought to be some time given Members to oppose such amendments.

Mr. McKENZIE. I will agree to give not exceeding 30 minutes.

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I do not understand that in the House, when we are considering a bill of this kind, the time is controlled——

The SPEAKER pro tempore. It is not controlled in any way whatever, but the bill is considered just as it would be in committee. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to sell or cause to be sold, either in whole or in two or more parts as he may deem best for the interests of the United States, the several tracts or parcels of real property hereinafter designated, or any interest therein or appurtenant thereto, which said tracts or parcels are no longer needed for military purposes, and to execute and deliver in the name of the United States and in its behalf any and all contracts, conveyances, or other instruments necessary to effectuate such sale.

FIRST CORPS AREA

Maine: Narrows Island Reservation, Boothbay, Lincoln County.

Massachusetts: Fort Phoenix, near Fair Haven, Bristol County; Springfield Armory, two small tracts.

Rhode Island: Fort Greene, Newport.

SECOND CORPS AREA

New York: Fort Montgomery, Rouses Point, Clinton County; Sag Harbor Reservation, Sag Harbor, Long Island, Suffolk County.

FOURTH CORPS AREA

South Carolina: Bay Point Reservation on Phillips Island, Beaufort County; Hilton Head Reservation at south entrance to Port Royal Sound, Beaufort County.

Alabama: Fort Gaines, on east end of Dauphin Island, Mobile County.

Tennessee: Park Field, Millington.

SEVENTH CORPS AREA

Arkansas: Camp Pike Booster Pumping Station, near Little Rock.

SEC. 2. In the disposal of the aforesaid properties the Secretary of War shall in each and every case cause the same to be appraised, either as a whole or in two or more parts, by an appraiser or appraisers to be chosen by him for each tract, and in the making of such appraisal due regard shall be given to the value of any improvements thereon and to the historic interest of any part of said land.

SEC. 3. After such appraisal shall have been made and approved by the Secretary of War, notification of the fact of such appraisal shall be given by the Secretary of War to the governor of the State in which each such tract of land is located, and such State, or the county, or municipality in which such land is located shall in the order named have the option at any time within six months after the approval of such appraisal to acquire the same, or any part thereof which shall have been separately appraised, upon payment within said period of six months of the appraisal value: *Provided, however*, That the conveyance of said tract of land to such State, county, or municipality shall be upon the condition and limitation that said property shall be limited to use for public park purposes and upon cessation of such use shall revert to the United States without notice, demand, or action brought.

SEC. 4. Six months after the date of approval of said appraisal, if the option given in section 3 hereof shall not have been completely exercised, the Secretary of War shall sell, or cause to be sold, each of said properties at public sale, at not less than the appraised value, after advertisement in such manner as may be directed by the Secretary.

SEC. 5. A full report of transfers and sales made under the provisions of this act shall be submitted to Congress by the Secretary of War.

SEC. 6. The expense of appraisal, survey, advertising, and sale shall in each case be paid from the proceeds of the sale, whether made in accordance with section 3 or section 4 of this act, and the net proceeds thereof shall be deposited in the Treasury of the United States to the credit of "Miscellaneous receipts."

Mr. McKENZIE. Mr. Speaker, I desire to offer an amendment.

The SPEAKER pro tempore. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McKENZIE: Insert the following as a new section, following section 6:

"SEC. 7. That the transfer from the Department of the Interior to the War Department of the control and jurisdiction over the parcels known as farm No. 1, farm No. 2, and the Sanno tract, now constituting a part of the Government reservation at Carlisle Barracks, Pa., is ratified and confirmed.

"SEC. 8. The Secretary of War is authorized to sell at either public or private sale, upon terms and conditions deemed advisable by him, the land lying north of the Carlisle-Harrisburg highway, being part of the tract of land known as farm No. 2, constituting a part of the Carlisle Barracks reservation, the land to be sold as a whole or in parcels as the Secretary of War may determine, and to execute and deliver in the name of the United States and in its behalf any and all deeds or other instruments necessary to effect such sale.

"SEC. 9. The Secretary of War is authorized to acquire by negotiation or appropriate condemnation proceedings additional land needed at the post of Carlisle Barracks for the use of the Medical Field Service School, to wit."

Mr. BLANTON. Mr. Speaker, as far as the Clerk has read, it is shown very clearly that the amendment is subject to a point of order. I now make the point of order, so that it will save the reading of that amendment further.

This is a bill to authorize the Secretary of War to dispose of certain property at its appraised market value. The Chair will note that in the bill. This amendment that is now offered shows that it authorizes the Secretary of War, first, to give back property and to sell it for less than its appraised value; and, secondly, to acquire new property for a new, specific purpose not within the contemplation of the purpose of the bill. It is not germane to the bill, and it is not germane to the paragraph to which it is offered, and it is clearly subject to a point of order.

Mr. McKENZIE. I will say this, Mr. Speaker, that the bill just read, under consideration, is a bill dealing with real estate, authorizing the Secretary of War to sell and dispose of a certain tract of real estate no longer necessary for military purposes; and as the gentleman from Texas [Mr. BLANTON] says, it is to be sold at not less than the appraised value. But it does not seem to me that a point of order should prevent an amendment authorizing the Secretary of War to dispose of other real estate belonging to the Military Establishment in any other manner than sale for cash. I do not think the words "sale for a consideration and cash value not less than the appraised value" should control. It seems to me it is in the general subject matter.

The SPEAKER pro tempore. The Chair is ready to rule. This is a bill for the sale of real property no longer required for military purposes. It provides for the disposition of a number of pieces of property, and it appears to the Chair that a provision providing for the disposition of other property of the same character would be in order.

The question of acquiring additional property, however, is quite a different proposition. This bill makes no reference in any of its provisions or in its title to the acquiring of new property anywhere. It seems to the Chair that the portion of the amendment providing for the acquisition of new property is not germane to this bill; and therefore, on that ground alone, the Chair sustains the point of order.

Mr. ROMJUE. Mr. Speaker, will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. ROMJUE. I would like to ask the gentleman from Illinois a question. As I read the bill, it gives authority to the Secretary of War to sell this property. It also gives him the power to cause an appraisal. It authorizes the Secretary of War to sell this property, first having had it appraised. It authorizes the Secretary of War to appoint appraisers, which is equivalent to the Secretary of War appraising the property himself. It also authorizes the Secretary of War, before a sale, to advertise the property in any way that he sees fit.

Now, I desire to ask the gentleman from Illinois whether or not, having the power to appoint the appraisers himself, and to sell the property himself, and to advertise it in any manner he sees fit, he does not think that it gives the Secretary of War almost absolute power to dispose of the property in any manner he sees fit?

Mr. McKENZIE. I will say to the gentleman that we went over the matter very carefully in the committee, and we finally arrived at the conclusion that the language in the bill safeguards the Government just as much as it would be possible to safeguard the Government in any other way. The truth about it is simply this, that we must assume that the Secretary of War has the best interests of the Government at heart.

Mr. ROMJUE. I grant that.

Mr. McKENZIE. Now, if you take it out of his hands and put it into the hands of some one else, you must assume that that other party has at heart the best interests of the Government. In other words, I do not think it is quite fair to presume that the officer filling such a position as the Secretary of War will not fill that office faithfully, so far as the interests of the Government are concerned. I appreciate the fact that if men conspire to rob the Government, they can do it under this bill. They can do it under any bill we might write. As a matter of fact, we thrashed that out and came to the conclusion that in the interest of efficiency, and enabling the Secretary of War to do business and get rid of this property, we had to trust something to him.

Mr. ROMJUE. I think that is the only fair presumption, of course, that the officer will be honest in the administration of these duties. But suppose the power to appoint appraisers were placed in the hands of the governor of the State where the land is located. Does not the gentleman think that might safeguard it a little more?

Mr. McKENZIE. Well, it might and it might not. The governor might be interested in the property or have some friends who were interested in it, and he might see that they made a low appraisement. However, I should think the governor would do his duty as I assume the Secretary of War will do his duty. But if the governor had some friend living out in that locality who helped him get his nomination he might make it possible to have a low appraisement and he could come in and buy the property at a low figure. I can very easily see how they could get around that. I am willing to agree with the gentleman from Missouri that if we are going to assume that men will be dishonest they can carry out their dishonesty under this bill, and I can not conceive of any law they can not defeat if they so desire.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. OLIVER of Alabama. Some weeks ago it was disclosed that perhaps there had been some contracts made, which the House did not approve, providing for the payment of large commissions to auctioneers for making sales, and it occurs to me that the gentleman could very properly consider an amendment which would protect against that kind of a commission being paid for the sale of land.

Mr. McKENZIE. Well, I agree with the gentleman from Alabama that that would be possible, but the greater part of this property will not bring any very large amount of money to the Government, and it would seem to me that if we fixed a per diem for auctioneers that they would probably get more money out of it than they would otherwise, and the committee felt it was unwise to go into that on a bill of this character.

Mr. OLIVER of Alabama. The gentleman does not think that a percentage should be paid to an auctioneer if he were only engaged in selling that property for one or two days, does he?

Mr. McKENZIE. Well, I assume that some local auctioneer will probably handle these matters.

Mr. OLIVER of Alabama. I think that is, perhaps, a correct assumption, but at the same time Congress should protect against abusing a privilege like that.

Mr. McKENZIE. I am against robbery in any form, as far as I am personally concerned.

Mr. OLIVER of Alabama. I fully realize that.

Mr. McKENZIE. But I realize that there are some things which must be provided in order to get business of this kind performed.

The SPEAKER pro tempore. The time of the gentleman from Missouri has expired.

Mr. BLANTON. Mr. Speaker, I ask that the gentleman have a minute more so that I may ask a question.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. I want to ask the gentleman from Alabama whether he thinks we ought to take up any matter affecting auctioneers' fees in the absence of our expert auctioneer colleague from Ohio [Mr. BRIGG].

Mr. LAGUARDIA. Mr. Speaker, I move to strike out the last word. Mr. Speaker and gentlemen, when a bill of this kind comes before us it seems to me we should pause for a moment and give some thought to the cost of the Military Establishment and the way in which that cost is increased yearly by the constant purchase and sale of land.

The members of the Military Committee and the Naval Affairs Committee have had the experience of hearing officials of the department come before them and plead the urgency of the immediate acquisition of land here and there. And when the Government goes out to buy land in any locality it always pays top-notch prices, and then in a few years we find that the urgency was exaggerated, that the need of the land was mistaken, and that there is no longer any use for it. Then they come in and ask to be permitted to dispose of the land. Now, that happens every year. We are buying land all over this vast country at high prices and selling it in a few years at a sacrifice, and when we pay the legal expenses and the expenses of the sale there is nothing left.

Why, gentlemen, you now have a bill pending appropriating $6,500,000 for new hospitals, and this added appropriation is necessary only because the millions of dollars heretofore appropriated were injudiciously expended.

You purchased a hospital in my city a few years ago, in the Bronx, and now we find that hospital does not answer the purpose for which it was purchased, and it is intended to sell it at a loss of $1,500,000.

You purchased a hospital at Dawsonsprings about five years ago. Now there are vacant beds there, and we find that hospital is not suitable for tubercular patients and that we must go elsewhere and build another hospital.

We should give more consideration to these appropriation bills for the purchase of sites, for the purchase of land, and for the purchase of new buildings for the Army and Navy. Unless you do that you are going to have a constantly increasing military budget. The money spent will be of no use to the national defense, but it will simply go to real-estate speculators, contractors, favorite sons, and the like. That is the situation now as to the hospital program for our veterans. I do not believe there is a single hospital which has been purchased that is adequate or fitted for the purpose originally intended. They came here on the plea of helping the disabled veterans, when, as a matter of fact, the real purpose would seem to be to promote some land scheme. [Applause.]

As to this bill, I would like to know—and I am sure the chairman of the committee can give us the information—the amount involved in the original purchase of this property.

Mr. McKENZIE. I will say to the gentleman from New York that if he had read the report he would know. It is all in the record.

Mr. LAGUARDIA. Can not the chairman give us the lump sum?

Mr. McKENZIE. No, sir; I can not.

Mr. FREAR. I will state to the gentleman that on page 5 of the report it appears that the value of the improvements at Park Field, Tenn., is $2,128,700 for that one item.

Mr. LAGUARDIA. And that is only one item in the bill. It will be interesting to find out how much the Government realizes on that.

Mr. FREAR. That is just what occurred to me.

Mr. LAGUARDIA. We have such property all over the country, and yet if a Member simply shows an interest in a matter of this kind, involving millions of dollars, he is treated by the acting chairman rather flippantly. I think we have a right to inquire, and I think we have a duty to protect the Public Treasury.

Mr. McKENZIE. Mr. Speaker, will the gentleman yield to me just a moment?

Mr. LAGUARDIA. Yes; certainly.

Mr. McKENZIE. I want to say to the gentleman from New York that before he ever came to Congress some of us were interested in finding out how much real estate was held by the War Department and how much of it was absolutely unnecessary and a needless expense for the Government to carry. There were a number of us on a subcommittee who worked for about a year with some of the officers of the Army in getting up an inventory of all the real estate in the United States and in the insular possessions belonging to or under the supervision of the War Department. After we had that inventory made, we made a report, and in that report we recommended that the War Department dispose of all the unnecessary property which was a needless expense to the Government. Since that time the Secretary of War from time to time has been sending to Congress a number of items representing such real estate.

The SPEAKER. The time of the gentleman has expired.

Mr. McKENZIE. I ask unanimous consent that the gentleman may have two minutes more.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. McKENZIE. This is simply following out that policy, and I think it is a good policy.

Mr. LAGUARDIA. I submit to the distinguished chairman, would it not be proper at this time that the list of property designated in this bill in Massachusetts and Rhode Island and New York and South Carolina and Alabama and various other States be submitted to the Veterans' Bureau? The Veterans' Bureau is in the market now to purchase lands for hospitals, and they are spending money for that purpose. An appropriation will be before us in a few days of $6,500,000. Some of those hospitals are to be placed in the very localities where we are now authorizing the Secretary of War to sell lands. Would it not be prudent and would it not be economical to place this list in the hands of the Veterans' Bureau and see if they could not use some of this land for that purpose? Otherwise these tracts of land will be sacrificed at great loss to the Government, while the Government is buying other land at exorbitant prices.

Mr. McKENZIE. The gentleman is well aware of the fact that if the Veterans' Bureau wants real estate that belongs to the Government all they have to do is to petition and ask the Congress to have it transferred, and I am sure there would be no objection.

Mr. LAGUARDIA. Then why in the name of common sense do they not do it instead of going out and buying new land? That is why the expense of the Government is heaping up all the time, and that is why the disabled veteran is not getting the assistance and care that he should be getting.

Mr. HULL of Iowa. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. HULL of Iowa. Does the gentleman know of any real estate herein laid out for sale that the Veterans' Bureau wants?

Mr. LAGUARDIA. It seems to me that if they are going to build a hospital in Massachusetts or in New York, in all likelihood some of this land would be available.

Mr. HULL of Iowa. Do you know of any case in which they want the real estate?

Mr. LAGUARDIA. If I had been a member of the Committee on Military Affairs, I certainly would have inquired.

Mr. HULL of Iowa. You would have gone into that?

Mr. LAGUARDIA. I certainly would.

Mr. HULL of Iowa. You did not when you were a member.

Mr. LAGUARDIA. Oh, but I did, and if the gentleman will recall, I knew enough about it to reduce the Army by 200,000 men and to cut down the appropriation $170,000,000.

Mr. YOUNG. Mr. Speaker, I move to strike out the last three words.

I think the chairman of this committee and the other members of the committee are to be commended for trying to turn some real estate which is not now needed into ready cash, because I expect there will be greater need for it in the Treasury during the next fiscal year than perhaps for many years to come on account of the unusual demands now being made on the Treasury.

Mr. DEMPSEY. Will the gentleman yield for a question?

Mr. YOUNG. Certainly.

Mr. DEMPSEY. It was suggested that the amount expended on the real estate at Park Field, Tenn., was something over $2,000,000. While that is true, the real estate itself only cost $88,000 and the improvements or the greater part of them, including all the substantial improvements of steel, have been removed, so that what is involved here is simply the land costing $88,000 and some improvements not of any particular value.

Mr. YOUNG. It is an unimproved-land proposition.

While there will be differences of opinion upon other items in the conference report covering the tax-reduction measure, there ought not to be any regarding the decision of the conferees to eliminate the Senate amendment providing for a tax upon undistributed profits, increasing the tax in proportion to the amount of net profits left undistributed.

To my mind, such a tax would encourage unwise and unsound business methods, which in turn would weaken the credit of business concerns, seriously affect the volume of business done, and be accompanied with all the unfortunate results to all kinds of producers on farms or in factories which attend a slump in business.

The commercial structure of this country or any other country that amounts to anything commercially is built upon confidence. Any corporation manager who distributes all net profits to stockholders and goes to his banker for a loan is met with a stony stare. Banks want nothing to do with such corporations. Other concerns which extend credit have the same convictions, and properly so. The proposal to tax undistributed profits would encourage loose business methods and put a heavy penalty upon following business rules which have made our country great and prosperous. Our forefathers have left for us examples of thrift. They formed the habit of spending less than they earned. This good old policy is still followed by many of our people. President Coolidge is and has been a conspicuous example of it. He has never been ashamed of economy in his personal affairs and has set a splendid example for all his countrymen. He also believes there is nothing shabby about economy in public expenditures.

Mr. Speaker, the most unfortunate thing which could happen would be to have our Government adopt a tax policy which would encourage extravagance upon the part of the Nation's citizenship.

This novel tax proposal defies all experience. It is the exception when any business runs along from year to year with the same volume of business. They go ahead or behind. If the volume increases more capital is required to handle it, and business managers ought not to be tempted by national laws to try to do business without adequate capital. When bad years come they should be fortified with a surplus. Otherwise they will face bankruptcy.

Mr. Stuart W. Cramer, chairman American Cotton Manufacturers Association, tells how the cotton industry would be affected. He says:

In the first place, the southern cotton mill industry has almost entirely been built up out of earnings reinvested into more income producing property with more employment of labor to the benefit of merchants, truck farmers, farmers' wives (who sell them chickens, eggs, and the like), and to the general prosperity of their communities—with all of which you are familiar. Senator JONES says in his amendment that he will let the past be bygones, but that he will cripple that sort of thing in the future.

In the second place, even granting, for the sake of argument, that further increase of southern industry should be restricted, this amendment does not take into account the plight of existing mills, who have retained sufficient earnings from working capital on a basis of 10-cent cotton and lower labor costs, but who are now trying to save part of their incomes to build up working capital enough to carry cotton and inventories based on 30-cent cotton and higher labor costs—and, while doing it, practically all are borrowing huge sums of money with heavy interest charges. Frankly, the banks who advance that money do so with the understanding that they will be conservative and pay small dividends, if any, until they get themselves into a safe financial situation. If the banks find that mills will no longer be permitted to do that without heavy restraining taxes, what will be the outcome? Why, obviously, southern mill securities will weaken, many thousands of stockholders will find themselves with questionable investments, the mills themselves will be restricted in what they can do, not only in the extension of their plants but in the way of better homes and welfare work for their communities, and not least, the mills will not be able to buy cotton as freely as in the past, not only on account of the money question, but at such a high price for cotton the price fluctuations are so violent that only mills allowed to accumulate adequate surplus dare take the risk.

The amazing part of this bill (amendment) is that there is no longer any pretense of taxing those most able of all to pay; but in a blind effort to reach some large corporations, who perhaps are doing the very things complained of, it is now proposed to cripple others, who no doubt form a large majority of the whole. If there ever was a time to give business a chance, this would seem to be it. If there ever was a time when struggling corporations should be helped instead of hindred, this should be it. Many corporations are now unable to pay dividends even equalling the legal rates of interest, and many are paying no dividends at all, who are making earnings of less than fair return on their investments and who simply must keep some of their earnings in the business—yet, they are to be taxed just the same percentage as the largest and most prosperous ones. Why, this amendment makes no pretense of letting a corporation earn a fair return on its investment before it begins the butchery of its income; even an excess-profits tax allows a fair return on the investment before it begins to assess a surtax.

Nor is it to be lost sight of that there are thousands of wholesale and retail merchandising corporations and miscellaneous industries trying to adjust themselves to the post-war scale of higher inventories, due to higher prices of materials and labor, who will feel the blighting effect of this antipathy to corporate business.

The taxation of undistributed property is also very unjust to those of small means who own stock in corporations. The corporation which retains, say 60 per cent of its profits would pay a total of 33 per cent of its net taxable income, if I understand it correctly. For example a company with a net taxable income of $100,000, which would retain 60 per cent, would pay 40 per cent thereof, or $24,000. This, plus the flat tax of 9 per cent, or $9,000, would make a total of $33,000, or 33 per cent. Now, if a stockholder happens to have an income small enough to call for a normal rate of only 2 or 3 per cent, and no surtax, if invested in, say, a mortgage, he will be stuck for 33 per cent if he is a stockholder in a corporation which retains 60 per cent of its profits such as I have just referred to, and in addition if he sells his stock for a profit in the future he will be caught for 12½ per cent additional upon such profit under the capital gains and losses provision. That is hitting a man with an income of a few thousands pretty hard.

The effect of this proposal upon small business men is discussed by Mr. W. H. Pouch, vice president of New York Credit Men's Association. In a telegram to me he says:

NEW YORK, N. Y., *May 27, 1924*.

Hon. GEORGE M. YOUNG, M. C.,
Washington, D. C.:

Will you be good enough to lay the following recommendation of New York Credit Men's Association before the House conferees? This Jones amendment will injure credit of smaller business houses more than it will larger corporations, because smaller companies need to conserve their surplus more than large corporations who can finance their requirements through the public:

"Whereas credit men constantly urge upon their merchant debtors a building up of surplus to provide for fluctuations in business, they may well be apprehensive when they note the serious discussion in Congress of modifications in the Government's taxation policy which would seem to encourage the undue distribution of profits and force the reduction of surpluses of business. Such taxation of undistributed earnings, if it is effected, will exhaust surpluses and leave business in a perilous condition whenever an emergency occurs and is an attack upon that stability in business toward which every credit man is forever striving: Therefore be it

"*Resolved*, That the New York Credit Men's Association wishes to be recorded as being opposed to the enactment of the Jones amendment to the tax law now under consideration by Congress, and furthermore that a copy of this resolution be forwarded to the conferees of the House of Representatives and Senate of the Congress."

W. H. POUCH.

Mr. HILL of Alabama. Mr. Speaker, I offer an amendment.

The SPEAKER. The gentleman from Alabama offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. HILL of Alabama: On page 3, line 24, after the period insert: "*Provided*, That no auctioneer or person acting in said capacity shall be paid a fee for the sale of said properties in excess of the sum of $100 a day."

Mr. McKENZIE. Mr. Speaker, let me ask the gentleman, does the gentleman want to pay some auctioneer $100 a day?

Mr. HILL of Alabama. I say the fee shall not exceed that much. The amendment does not require that they shall pay him that amount, but they can not pay him over that amount.

The SPEAKER. The Chair would suggest to the gentleman that we have passed page 3.

Mr. HILL of Alabama. I ask unanimous consent, then, Mr. Speaker, to return to page 3, section 4.

The SPEAKER. The gentleman from Alabama asks unanimous consent to return to page 3, section 4. Is there objection? [After a pause.] The Chair hears none.

Mr. HILL of Alabama. Mr. Speaker and gentlemen of the House, my amendment provides that the Secretary of War shall not pay an auctioneer or a person acting in that capacity over $100 a day for services rendered in the sale of any of this property. Evidence has been submitted to the House on several occasions showing that very excessive and extravagant fees have been paid auctioneers for selling United States property. Some fees have run from $5,000 to $50,000 or $60,000. Some of the pieces of property in this bill may sell for as much as $75,000 or $100,000. We do not want any auctioneer making $1,000 or $5,000 or $10,000 for the sale of a piece of property that will bring in $75,000 or $100,000 to the Treasury. All this amendment does is to limit the Secretary of War so

that he can not pay any auctioneer over $100 a day for selling the property.

Mr. HULL of Iowa. Will the gentleman yield?

Mr. HILL of Alabama. Yes.

Mr. HULL of Iowa. Does not the gentleman think it would be better, if he is going to adopt an amendment of that kind, to put it in the form of a percentage?

Mr. HILL of Alabama. No; I do not think so, because if a piece of property sell for, say, $100,000, if you put the percentage as low as 1 per cent it might give the auctioneer $1,000 for five minutes' work.

Mr. HULL of Iowa. I do not know how it is in the gentleman's country, but I presume that in most parts of the United States there is no self-respecting officer near that place that would auction off a piece of real estate involving a value, say, of $100,000 for $100. If you put that amendment on the bill you would estop the Government from getting an auctioneer that might be necessary to get $10,000 or $15,000 more for the property than could be obtained if you hired a cheap auctioneer.

Mr. HILL of Alabama. It is my judgment that it is not necessary to get an auctioneer to sell the property. Some one in the Quartermaster's Department could sell it just as well as an auctioneer and we could save thousands of dollars to the Federal Treasury.

Mr. HULL of Iowa. I disagree wholly with the gentleman, and I think the experience of gentlemen in the House will bring this to the gentleman's mind that when you are selling anything at auction a cheap auctioneer is the most expensive auctioneer you can hire.

Mr. HILL of Alabama. If you had some complicated proposition where you were selling off a number of lots, where you needed a man with a lot of experience, or if you were down here in a crockery shop trying to get rid of a lot of junk, you might need an expert official who had had experience along those lines. But here you have a piece of property that you are not going to sell in subdivision, that you are going to sell in whole, and I do not doubt but that the Secretary of War can get a man to sell the property for $100 a day. I do not think we should burden the taxpayers of the country by allowing the Secretary of War to pay over $100 a day. As the representatives of the taxpayers it is time for us to protect them by stopping enormous fees being paid auctioneers.

The SPEAKER. The question is on the amendment offered by the gentleman from Alabama.

The question was taken; and on a division (demanded by Mr. HILL of Alabama) there were 23 ayes and 29 noes.

Mr. HILL of Alabama. Mr. Speaker, I ask for tellers.

The SPEAKER. The gentleman from Alabama demands tellers. All those in favor of tellers will rise. [After counting.] Thirty-one Members have arisen, not a sufficient number, and tellers are refused.

Mr. HILL of Alabama. Mr. Speaker, I make the point that no quorum is present. I object to the vote on the ground that no quorum is present.

The SPEAKER. The gentleman from Alabama makes the point that no quorum is present. The Chair will count. [After counting.] There is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 194, nays 128, not voting 111, as follows:

YEAS—194

Abernethy	Carter	Gallivan	Kent
Allen	Casey	Garber	Kerr
Allgood	Clague	Gardner, Ind.	Ketcham
Almon	Clancy	Garner, Tex.	Kincheloe
Arnold	Cleary	Garrett, Tenn.	King
Ayres	Collier	Garrett, Tex.	Knutson
Bankhead	Connally, Tex.	Gasque	Kopp
Barkley	Cook	Glatfelter	Kunz
Beck	Cooper, Wis.	Greenwood	Kurtz
Beedy	Crisp	Griffin	Kvale
Bell	Croll	Hammer	Lanham
Berger	Crosser	Hastings	Lankford
Black, N. Y.	Cullen	Hayden	Larsen, Ga.
Bland	Cummings	Hill, Ala.	Lazaro
Blanton	Davis, Minn.	Hill, Wash.	Lea, Calif.
Box	Davis, Tenn.	Hoch	Lee, Ga.
Boyce	Deal	Holaday	Linthicum
Brand, Ga.	Dickinson, Mo.	Hooker	Logan
Briggs	Doughton	Howard, Nebr.	Lowrey
Browne, Wis.	Drewry	Hudspeth	Lozier
Browning	Driver	Humphreys	Lyon
Buchanan	Eagan	Jacobstein	McClintic
Bulwinkle	Evans, Mont.	Jeffers	McDuffie
Burtness	Favrot	Johnson, S. Dak.	McKeown
Busby	Frear	Johnson, Tex.	McLeod
Byrns, Tenn.	Fulbright	Jones	McNulty
Canfield	Fulmer	Jost	McReynolds
Cannon	Funk	Keller	McSwain
McSweeney	Pou	Sherwood	Underwood
Major, Ill.	Quin	Simmons	Upshaw
Major, Mo.	Ragon	Sinclair	Vincent, Mich.
Manlove	Rainey	Sites	Vinson, Ga.
Mapes	Raker	Smith	Vinson, Ky.
Martin	Rankin	Smithwick	Voigt
Milligan	Rayburn	Speaks	Watkins
Minahan	Reece	Spearing	Weaver
Moore, Ga.	Reed, Ark.	Stedman	Wefald
Moore, Va.	Reid, Ill.	Stevenson	Williams, Mich.
Morehead	Richards	Strong, Kans.	Wilson, Ind.
Morris	Rogers, N. H.	Sumners, Tex.	Wilson, La.
Morrow	Romjue	Swank	Wilson, Miss.
Nelson, Wis.	Rouse	Tague	Wingo
O'Connell, R. I.	Rubey	Taylor, W. Va.	Winter
O'Connor, La.	Sabath	Thatcher	Wolff
O'Sullivan	Sanders, Tex.	Thomas, Okla.	Woodruff
Oldfield	Sandlin	Tillman	Woodrum
Oliver, Ala.	Schafer	Tincher	Wright
Parks, Ark.	Sears, Fla.	Tucker	
Peery	Shallenberger	Underhill	

NAYS—128

Ackerman	Fenn	Lineberger	Scott
Aldrich	Foster	Longworth	Sears, Nebr.
Andrew	Fredericks	Luce	Seger
Anthony	Free	McKenzie	Shreve
Bacharach	French	McLaughlin, Mich.	Sinnott
Bacon	Frothingham	McLaughlin, Nebr.	Snyder
Barbour	Fuller	MacGregor	Sproul, Ill.
Beers	Gilbert	MacLafferty	Stephens
Bloom	Graham, Pa.	Magee, N. Y.	Strong, Pa.
Boylan	Green, Iowa	Merritt	Summers, Wash.
Brumm	Greene, Mass.	Michaelson	Swing
Burton	Griest	Michener	Taber
Campbell	Hadley	Miller, Wash.	Taylor, Tenn.
Chindblom	Hardy	Mills	Thompson
Christopherson	Haugen	Moore, Ill.	Tilson
Clarke, N. Y.	Hawes	Moore, Ohio	Timberlake
Cole, Iowa	Hawley	Moores, Ind.	Tinkham
Cole, Ohio	Hersey	Morgan	Treadway
Colton	Hickey	Murphy	Vaile
Connery	Hill, Md.	Nelson, Me.	Vestal
Crowther	Hudson	Paige	Wainwright
Dallinger	Hull, Iowa	Parker	Watres
Darrow	Hull, Morton D.	Purnell	Watson
Dempsey	Hull, William E.	Ramseyer	Welsh
Denison	James	Ransley	Wertz
Dickinson, Iowa	Kearns	Rathbone	White, Kans.
Dowell	Kelly	Reed, N. Y.	Williams, Ill.
Doyle	Kendall	Roach	Williamson
Elliott	Kiess	Robsion, Ky.	Wood
Evans, Iowa	LaGuardia	Rogers, Mass.	Wurzbach
Fairchild	Leatherwood	Sanders, N. Y.	Wyant
Faust	Leavitt	Schall	Young

NOT VOTING—111

Anderson	Dyer	Little	Robinson, Iowa
Aswell	Edmonds	McFadden	Rosenbloom
Begg	Fairfield	Madden	Salmon
Bixler	Fish	Magee, Pa.	Sanders, Ind.
Black, Tex.	Fisher	Mansfield	Schneider
Boies	Fitzgerald	Mead	Snell
Bowling	Fleetwood	Miller, Ill.	Sproul, Kans.
Brand, Ohio	Freeman	Montague	Stalker
Britten	Geran	Mooney	Steagall
Browne, N. J.	Gibson	Morin	Stengle
Buckley	Gifford	Mudd	Sullivan
Burdick	Goldsborough	Newton, Minn.	Sweet
Butler	Graham, Ill.	Newton, Mo.	Swoope
Byrnes, S. C.	Harrison	Nolan	Taylor, Colo.
Cable	Howard, Okla.	O'Brien	Temple
Carew	Huddleston	O'Connell, N. Y.	Thomas, Ky.
Celler	Hull, Tenn.	O'Connor, N. Y.	Tydings
Clark, Fla.	Johnson, Ky.	Oliver, N. Y.	Vare
Collins	Johnson, Wash.	Park, Ga.	Ward, N. Y.
Connolly, Pa.	Johnson, W. Va.	Patterson	Ward, N. C.
Cooper, Ohio	Kahn	Peavey	Wason
Corning	Kindred	Perkins	Weller
Cramton	Lampert	Perlman	White, Me.
Curry	Langley	Phillips	Williams, Tex.
Davey	Larson, Minn.	Porter	Winslow
Dickstein	Lehlbach	Prall	Yates
Dominick	Lilly	Quayle	Zihlman
Drane	Lindsay	Reed, W. Va.	

The Clerk announced the following pairs:

Until further notice:

Mr. Dyer with Mr. Weller.
Mr. Kahn with Mr. Clark of Florida.
Mr. Madden with Mr. Fisher.
Mr. Cramton with Mr. Sullivan.
Mr. Morin with Mr. Dickstein.
Mr. Boies with Mr. Lindsay.
Mr. Lampert with Mr. Park of Georgia.
Mr. Lehlbach with Mr. Bowling.
Mr. White of Maine with Mr. Johnson of West Virginia.
Mr. Newton of Missouri with Mr. Montague.
Mr. Phillips with Mr. Corning.
Mr. Vare with Mr. Prall.
Mr. Snell with Mr. Harrison.
Mr. Begg with Mr. Tydings.
Mr. Little with Mr. O'Connell of New York.
Mr. McFadden with Mr. Buckley.
Mr. Stalker with Mr. Aswell.
Mr. Temple with Mr. Williams of Texas.
Mr. Winslow with Mr. Kindred.
Mr. Brand of Ohio with Mr. Carew.
Mr. Cable with Mr. Mooney.
Mr. Magee of Pennsylvania with Mr. Steagall.
Mr. Patterson with Mr. Geran.
Mr. Fish with Mr. Dominick.
Mr. Burdick with Mr. Black of Texas.

Mr. Mudd with Mr. Byrnes of South Carolina.
Mr. Gifford with Mr. Collins.
Mr. Fleetwood with Mr. O'Connor of New York.
Mr. Connolly of Pennsylvania with Mr. Drane.
Mr. Sweet with Mr. Taylor of Colorado.
Mr. Curry with Mr. Johnson of Kentucky.
Mr. Butler with Mr. Browne of New Jersey.
Mr. Johnson of Washington with Mr. Celler.
Mr. Sanders of Indiana with Mr. Mead.
Mr. Yates with Mr. Goldsborough.
Mr. Bixler with Mr. Stengle.
Mr. Freeman with Mr. Salmon.
Mr. Gibson with Mr. Howard of Oklahoma.
Mr. Perlman with Mr. Quayle.
Mr. Graham of Illinois with Mr. Huddleston.
Mr. Perkins with Mr. Thomas of Kentucky.
Mr. Swoope with Mr. Hull of Tennessee.
Mr. Cooper of Ohio with Mr. Ward of North Carolina.
Mr. Fitzgerald with Mr. Oliver of New York.
Mr. Porter with Mr. Davey.
Mr. Fairfield with Mr. O'Brien.
Mr. Larson of Minnesota with Mr. Mansfield.
Mr. Ward of New York with Mr. Lilly.

The result of the vote was announced as above recorded.

The Clerk read as follows:

SEC. 7. The authority granted by this act shall not repeal any prior legislative authority granted to the Secretary of War to sell or otherwise dispose of lands or property of the United States.

Mr. GARRETT of Texas. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. GARRETT of Texas: Page 4, line 13, after the words "United States," add a new section as follows:

"That the Secretary of War be, and he is hereby, authorized to reconvey to Elizabeth Moore, guardian of G. Bedell Moore, a minor, her successors, or her said ward, or his lawful or legal representatives or assigns, the camp site of Camp Robert E. L. Michie, containing 400 acres, more or less, as described in the deed of conveyance to the United States dated April 26, 1919, in consideration of the payment by Elizabeth Moore, guardian of the estate of G. Bedell Moore, a minor, her successors, or her said ward, or his lawful heirs or legal representatives or assigns, to the Chamber of Commerce of Del Rio, of the county of Val Verde and State of Texas, of the sum of $8,000."

Mr. GARRETT of Texas. Mr. Speaker, this is in line with the other amendments. It is a bill heretofore considered by the Committee on Military Affairs. The land is located in the district of my colleague from Texas [Mr. HUDSPETH]. It is reconveying land for the same amount of money originally paid for it by the Government. There are no improvements upon it.

Mr. HUDSPETH. Mr. Speaker, this is agreeable to the committee and to the chairman of the committee, and I shall not take up the time of the House by making any further explanation.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ANDREW. Mr. Speaker, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment by Mr. ANDREW: Add a new section as follows:

"SEC. 8. That the Secretary of War be, and he hereby is, authorized and directed to convey by quitclaim deed to the city of Gloucester, in the State of Massachusetts, all the proprietary rights, title and interest of the United States to and in that certain tract of land now known as Old Fort Defiance, which was ceded by gift to the United States Government by vote of a town meeting in Gloucester in 1794 for the purpose of erecting a fortification, and which is now no longer needed for such purposes."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to return to the Fourth Corps Area section of the bill for the purpose of offering an amendment at that place.

The SPEAKER. The gentleman from South Carolina asks unanimous consent to return to the Fourth Corps Area. Is there objection?

There was no objection.

Mr. McSWAIN. Mr. Speaker, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Page 2, after line 17, insert:

"That the Secretary of War be, and he is hereby, authorized to convey by appropriate quitclaim deed to nine trustees and their successors, to be selected by the Chamber of Commerce of Columbia, S. C., and known as 'trustees of Columbia cantonment lands,' approximately 1,192 acres of land within the United States Military Reservation at Camp Jackson, S. C., to wit:

"The following two tracts of land:

"Tract No. 1: Beginning at a stone corner of the Powell, Hampton, and United States Government lands; thence along Hampton lands north 61° 45′ west 8,024 feet to a stone; thence north 47° 5′ west 1,956 feet to a stone; thence north 61° 40′ west 740 feet to a stone; thence north 27° 20′ east across Government lands 2,000 feet to a stone; thence south 87° 40′ east 385 feet to a stone near southeast corner of Camp Jackson incinerator; thence north 6° 20′ east 975.5 feet to a stone; thence north 42° 20′ east 815 feet to a stone; thence north 82° 20′ east 828 feet to a stone; thence north 61° 35′ east 1,430 feet to a stone at intersection of old roads; thence south 72° 40′ east 1,355 feet to a stone; thence south 85° 40′ east 2,798.5 feet to a stone; thence south 27° 50′ west 2,654 feet to a stone; corner of Powell's lands, thence along Powell's lands south 79° 35′ west 1,290 feet to a stone; thence south 11° 40′ west 4,102 feet to a stone, point of beginning, containing in all 705.12 acres.

"Tract No. 2: Beginning at a stone on the eastern side of the Camden public road near the 6-mile post, thence along Camden public road south 89° 45′ west 800 feet to a stone; thence along the Camden public road south 87° 35′ west 985 feet to a stone; thence along the Camden public road south 78° 45′ west 184 feet to a stone; thence south 12° 50′ east 985 feet to a stone; thence north 85° 45′ east 1,240 feet to a stone; thence south 63° 5′ east 1,984 feet to a stone 6 feet from paved road; thence in an easterly and northerly direction 922 feet along paved road to a stone 6 feet from paving; thence south 82° 20′ east 1,050 feet to a stone; thence north 73° 50′ east 1,325 feet to a stone; thence north 8° 20′ east 270 feet to a stone; thence south 86° east 408 feet to a stone; thence south 7° 30′ west 917 feet to a stone; thence south 64° 25′ west 570 feet to a stone; thence south 53° 25′ west 1,460 feet to a stone; thence south 50° 25′ east 323 feet to a stone; thence north 71° 55′ east 1,300 feet to a stone; thence north 52° 15′ east 2,131 feet to a stone on the north side of the Ancrum Ferry Road; thence north 3° 40′ east 4,315 feet to a stone on the eastern side of the Camden public road; thence along said Camden public road south 38° 30′ west 211 feet to a stone; thence south 30° 55′ west 1,039 feet to a stone; thence south 55° 50′ west 620 feet to a stone near the 7-mile post; thence south 67° 55′ west 729 feet to a stone; thence south 69° 40′ west 498 feet to a stone; thence south 55° 55′ west 1,330 feet to a stone on the southerly side of the Ancrum Ferry Road; thence south 75° 20′ west 811 feet to a stone near branch; thence south 70° 15′ west 1,265 feet to a stone; thence south 68° 25′ west 880 feet to a stone near branch; thence north 89° 20′ west 266 feet to a stone, the point of beginning, containing in all 486.88 acres; the land so conveyed being approximately equal in area to the lands donated to the United States by the said chamber of commerce as a part of the site on the said reservation by deeds executed by J. Erwin Belser, trustee, dated July 20, 1917, and November 16, 1917: *Provided*, That prior to such conveyance by the Secretary of War there shall be conveyed to the United States by appropriate deed all the rights of way and other rights reserved in the aforementioned deeds of donation to the United States to the extent that the Secretary of War may require.

"That the Secretary of War is hereby further authorized, in his discretion, to grant by revocable license to the said trustees, their successors or assigns, subject to such conditions and restrictions as he may deem necessary to protect the interests of the United States and to such regulations as he may from time to time prescribe, the right to use, in common with the United States, the existing roadways and railway lines of the United States, steam or electric, now located upon and extending over and across the reservation, and also the right to occupy and use such other lands within the said reservation as he may designate for the construction and operation thereon of steam or electric railway lines to extend to the lands to be conveyed to the said trustees as hereinabove described, the United States to have the right to use without charge any railway lines or tracks so constructed on the reservation: *Provided*, That the said existing roadways and railway lines on the reservation so occupied and used and the railway lines so constructed and operated thereon shall be maintained and kept in a good state of repair, to the satisfaction of the Secretary of War, at the sole expense of the said trustees, their successors or assigns.

"That the said trustees shall hold, use, manage, lease, sell, and convey, or otherwise dispose of said lands, or any portion thereof, and of the proceeds and revenues of the same, for one or more of the following purposes as they may deem best, to wit: Agricultural, industrial, charitable, and educational purposes: *Provided, however*, That no sale or conveyance shall be made by the said trustees of the lands conveyed by the Secretary of War under this act until the Secretary of War shall have given his consent in each instance to such sale or conveyance.

"That a majority of the said trustees shall constitute a quorum competent to transact business, and that the said trustees shall make such by-laws, rules, and regulations for their own government and for the management and control of the said property and the proceeds thereof as they may deem necessary and proper, and that in the event

of any vacancy occurring among the said trustees by death, resignation, removal of residence from Richland County, S. C., or other cause, such vacancy shall be filled from residents of Richland County by selection by a majority of the remaining trustees, such selection to be approved by the chamber of commerce of the city of Columbia, S. C., or its successors; and if there be no successors, then such selection shall be approved by a majority vote of a committee composed of the president of the University of South Carolina, the mayor of the city of Columbia, the senator in the General Assembly of South Carolina from Richland County, the probate judge of Richland County, and the resident judge of the judicial circuit of South Carolina embracing Richland County, or their respective successors."

Mr. GRIFFIN. Mr. Speaker, I reserve the point of order on this amendment for the purpose of asking the gentleman if this is not the same bill that was on the Private Calendar on last Friday night, to which objection was made by the gentleman from Michigan [Mr. CRAMTON]?

Mr. McSWAIN. Yes; that is the same bill that was under consideration at that time. The gentleman from Michigan [Mr. CRAMTON] stated that he wanted more information in respect to it. I am informed by the gentleman from South Carolina [Mr. FULMER] that he has talked the matter over with the gentleman from Michigan and that he is satisfied.

Mr. FULMER. It is in line with the same bill that passed a few moments ago, having in mind identically the same purpose.

Mr. GRIFFIN. Mr. Speaker, I withdraw the point of order.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. GARRETT of Texas. Mr. Speaker, in offering the amendment I did a moment ago, I thought I offered the bill as it was reported by the committee, but I find on examination that I offered the original bill. At the end of the bill is the following language which should be added to the amendment that I offered:

To be distributed by said chamber of commerce to the original donors.

I ask unanimous consent that that language may be added to the amendment that I offered a moment ago, and which was adopted by the House.

The SPEAKER. The gentleman from Texas asks unanimous consent to vacate the action of the House by which the amendment to which he referred to was agreed to. Is there objection?

There was no objection.

Mr. GARRETT of Texas. Mr. Speaker, I ask unanimous consent to amend the amendment by adding thereto the words:

To be distributed by said chamber of commerce to the original donors.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question now is on agreeing to the amendment as modified.

The question was taken, and the amendment was agreed to.

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to again revert for a moment to the Fourth Corps Area for the purpose of offering an amendment in respect to a piece of property in North Carolina.

The SPEAKER. The gentleman from South Carolina asks unanimous consent to revert to the Fourth Corps Area section of the bill. Is there objection?

There was no objection.

Mr. McSWAIN. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. McSWAIN: Page 2, after line 17, insert: That there is hereby granted to the State of North Carolina, without cost to the State, for public uses, all lands belonging to Fort Macon Military Reservation, and now the property of the United States, together with all the improvements thereon, and that the Secretary of War be, and he is hereby, authorized and directed to convey to the said State all right, title, and interest of the United States in said lands and improvements, to be held and used by said State for public purposes: *Provided*, That the following-described land is reserved and granted to the Treasury Department for Coast Guard purposes: Beginning at a concrete monument at the southwest corner of the present Coast Guard property; thence north 299$\frac{4}{10}$ feet to a concrete monument at the northwest corner of the present Coast Guard property; thence north 9° 58" west 1,320 feet, more or less, to Bogue Sound; thence eastwardly about 600 feet along Bogue Sound; thence south 1,340 feet, more or less, to a concrete monument at the northeast corner of the present Coast Guard property, which said monument bears north 134 feet from the center of the top of curb of the old hospital well, also it bears north 84° 22' 30" west 145 feet from the old gun pivot at the northwest corner of the outside wall of old Fort Macon; thence south 299$\frac{4}{10}$ feet to a concrete monument at the southeast corner of the present Coast Guard property; thence south 1,400 feet, more or less, to the Atlantic Ocean; thence westwardly about 200 feet along said Atlantic Ocean; thence north 1,400 feet, more or less, to the south line of the present Coast Guard property; thence west 147$\frac{4}{10}$ feet to the place of beginning, containing 22$\frac{4}{10}$ acres, more or less: *Provided further*, That the Government at all times has the right and privilege of preserving, erecting, and maintaining on said reservation such buildings as Coast Guard stations, signal stations for pilots, lighthouses, etc., as may be incident to the purposes of the Treasury, War, Navy, and Commerce Departments.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. LAGUARDIA. Mr. Speaker, I have an amendment, which I desire to offer. There has been so much confusion that I ask unanimous consent to recur back to the last page after the last section.

The SPEAKER. The gentleman from New York asks unanimous consent to revert back to page 4. Is there objection? [After a pause.] The Chair hears none.

Mr. LAGUARDIA. I offer the following amendment.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 4, line 13, after the period, add the following new section.

The SPEAKER. This should follow the sections already inserted.

The Clerk read as follows:

After the sections already inserted add the following new section:

"SEC. 8. The Secretary of War shall submit a description of the several tracts or parcels of real property herein above designated to the Director of the Veterans' Bureau, who shall certify if any such parcel or tract of real property is suitable for hospital purposes, and the Secretary of War shall transfer to the Veterans' Bureau any tract or percel of land so certified."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the Speaker announced the noes seemed to have it.

On a division (demanded by Mr. LAGUARDIA) there were—ayes 13, noes 62.

So the amendment was rejected.

Mr. RAKER. Mr. Speaker, I offer the following amendment to follow the one just passed.

The SPEAKER. The Clerk will report the amendment.

Mr. McKENZIE. I think the gentleman ought to ask unanimous consent. I think it proper—if he should have submitted his amendment to some member of the committee we might know what is going on, I have no objection to its being reported, but I will not give consent until I hear it reported. I reserve the right to object until after the amendment is reported.

The SPEAKER. The Chair suggests that if the gentleman is going to object, as the amendment is four or five pages, he should object now.

Mr. RAKER. I am offering that at the end of the bill as a new section.

Mr. McKENZIE. The bill has been completed.

Mr. RAKER. No; it is before the House. It has not been completed.

Mr. McKENZIE. I beg the gentleman's pardon.

The SPEAKER (after examining). The Chair does not see how this amendment is in order.

Mr. RAKER. I was going to submit that to the Chair, but I did not have time.

The SPEAKER. The Chair thinks the gentleman will save time by raising the point now.

Mr. McKENZIE. I do.

The SPEAKER. It is not in order.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. McKENZIE, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. McKENZIE. Mr. Speaker, I ask unanimous consent that the bills H. R. 7805, H. R. 490, and H. R. 7145 be laid on the table.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the bills referred to be laid upon the table. Is there objection? [After a pause.] The Chair hears none.

BUILDINGS, ETC., AT CAMP PIKE, ARK.

Mr. McKENZIE. Mr. Speaker, I now call up House Joint Resolution 254.

The SPEAKER. The gentleman from Illinois calls up the joint resolution, which the Clerk will report by title.

The Clerk read as follows:

House joint resolution (H. J. Res. 254) authorizing and permitting the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., as are necessary for the use and benefit of the National Guard of the State of Arkansas.

Mr. McKENZIE. Mr. Speaker, I ask unanimous consent to substitute Senate Joint Resolution 89, which is on the Speaker's table, for the House resolution.

The SPEAKER. Is there objection?

Mr. RAKER. Mr. Speaker, just reserving the right to object, the amendment I just offered were the provisions of the bill (H. R. 3675) to provide for the equitable distribution of captured war devices and trophies. Do I understand the gentleman is going to call that bill up to-day?

Mr. McKENZIE. No, sir; but I will say to the gentleman from California, I expect, however, on the first unanimous-consent day to move to suspend the rules and pass that bill.

Mr. RAKER. Mr. Speaker, further reserving the right to object for a little time, could it not be disposed of to-day?

Mr. McKENZIE. I think not. We had one cannon fight here and I have a very clear recollection of what happened.

The SPEAKER. Is there objection to the request to substitute the Senate joint resolution for the House joint resolution?

Mr. WINGO. I suggest that what the gentleman wants really is to consider the Senate bill in lieu of the House bill.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. This is on the Union Calendar.

Mr. McKENZIE. Mr. Speaker, I ask unanimous consent that this joint resolution be considered in the House as in Committee of the Whole House on the state of the Union.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the Senate joint resolution.

The Clerk read as follows:

Joint resolution (S. J. Res. 89) authorizing and permitting the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., as are necessary for the use and benefit of the National Guard of the State of Arkansas

Whereas on the 22d day of December, 1922, a lease was executed by the United States by the Assistant Secretary of War, Hon. J. M. Wainwright, and the State of Arkansas, by Hon. Thomas C. McRae, governor, conveying to the State of Arkansas certain portions of Camp Pike, Ark., including buildings, roads, walks, and utilities, for the use and benefit of the National Guard of Arkansas; and

Whereas under said lease no permanent construction work can be placed on the reservation without specific authority of Congress; and

Whereas it has become necessary for the proper conduct and training of the National Guard of the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities on said reservation: Therefore be it

Resolved, etc., That the State of Arkansas be, and is hereby, authorized and permitted to erect, maintain, and use such permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., within the areas most suitable, as are necessary for the use and benefit of the National Guard of the State of Arkansas: *Provided*, That no expense shall accrue to the United States by reason of this authorization.

Mr. McKENZIE. Mr. Speaker, I move to strike out the whereases.

The SPEAKER. The preamble?

Mr. WINGO. That is, the preamble; I suppose you can call it that.

The SPEAKER. The gentleman from Illinois moves to strike out the preamble.

Mr. RAKER. On that I desire to be heard. I rise in opposition to the amendment. The whereases are a good many; and whereas there is now pending on the Union Calendar No. 7 the bill H. R. 3675; and whereas the American Legion all over the United States in various towns and cities are desirous of obtaining these trophies and captured war devices; and whereas, according to the report of the Secretary of War, there are many of them outside in the open air and are being rapidly deteriorated; and whereas they are becoming of less value all the time, why can we not have those distributed to where the people are ready and willing to take care of them? Why not distribute them before they are destroyed?

Mr. McKENZIE. I will say, in answer to the gentleman from California, that whereas the gentleman from California is so deeply interested in this subject; and whereas I have long known, without being informed by the gentleman from California, of that situation; and whereas the American Legion boys all over the country are anxious to have those trophies distributed; and whereas it has been impossible heretofore to get action; and whereas I now intend to get action at the very earliest moment [laughter]——

Mr. RAKER. And whereas the Committee on Military Affairs has the call to-day; and whereas they have full power to call up the bill: Therefore be it resolved, That the Committee on Military Affairs call up that bill, the next one on the calendar, so that we may dispose of it within the next 15 minutes. [Applause.]

The SPEAKER. The question is on the motion to strike out the preamble.

The motion was agreed to.

The SPEAKER. The question is on the third reading of the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. McKENZIE, a motion to reconsider the vote whereby the Senate joint resolution was passed was laid on the table.

The SPEAKER. Without objection, the House joint resolution of similar purport will be laid on the table.

There was no objection.

DIRECTOR OF THE BUREAU OF ENGRAVING AND PRINTING

Mr. McKENZIE. Mr. Speaker, I call up Senate Joint Resolution 105, authorizing the President to detail an officer of the Corps of Engineers as Director of the Bureau of Engraving and Printing, and for other purposes. This resolution, Mr. Speaker, is on the Union Calendar. I ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Illinois calls up the resolution, which the Clerk will report.

The Clerk read as follows:

A resolution (S. J. Res. 105) authorizing the President to detail an officer of the Corps of Engineers as Director of the Bureau of Engraving, and for other purposes.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the resolution be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, etc., That the President is hereby authorized to detail an officer of the Corps of Engineers, United States Army, possessing a thorough knowledge of engraving, plate printing, and reproduction printing processes, to duty as Director of the Bureau of Engraving and Printing. The President may also detail from time to time not to exceed two officers of the Corps of Engineers, United States Army, to the Bureau of Engraving and Printing to receive instruction in processes and methods which may be beneficial and useful in the reproduction work of the Corps of Engineers: *Provided*, That the provisions of the national defense act, as amended, referring to duty with troops, shall not apply to any officer detailed under authority of this joint resolution: *Provided further*, That the authority herein conferred upon the President and any detail made pursuant thereto shall cease to exist and become null and void two years after the date of its approval.

The SPEAKER. The Clerk will report the committee amendment.

The Clerk read as follows:

Strike out all after the resolving clause and insert the following: "That the President be, and he is hereby, authorized, in his discretion to direct the said Maj. Wallace W. Kirby to report to the Secretary of the Treasury for duty for a period of six months, and that said Maj. Wallace W. Kirby may, under the direction of the Secretary of the Treasury, perform the duties of Director of the Bureau of Engraving and Printing for a period not to exceed six months, notwithstanding the provisions of section 1222, Revised Statutes, and section 1224, Revised Statutes, as amended by the act of February 28, 1877: *Provided*, That the said Maj. Wallace W. Kirby shall receive no emoluments by reason of the performance of said duties, but shall receive the same pay and allowances from appropriations made for the support of the Army as he would receive if he were performing military duty at the War Department."

Mr. ROGERS of Massachusetts. Mr. Speaker, I suggest to the gentleman from Illinois that it would be well to strike out the words "the said" in line 13 of the resolution reported.

Major Kirby has not been mentioned, so far as I can see, prior to that point.

Mr. McKENZIE. I accept the gentleman's suggestion. Mr. Speaker, I move the amendment suggested.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. McKENZIE: Page 2, line 13, after the word "direct," strike out the words "the said."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KING. Mr. Speaker, I move to strike out the last word.

The SPEAKER. The gentleman from Illinois moves to strike out the last word.

Mr. KING. Mr. Speaker, Senate Joint Resolution 105, now under consideration and passed by that body, authorizes the President to detail an officer of the Corps of Engineers as Director of the Bureau of Engraving and Printing.

The Military Affairs Committee reports the same back with an amendment in lieu thereof, authorizing the President to direct Maj. W. W. Kirby to report for duty for a period of six months to perform the duties of the director of said bureau, and all this notwithstanding section 1222 of the Revised Statutes of the United States by the act of February 28, 1877, which provides that—

no officer of the Army on the active list shall hold any civil office, whether by election or appointment, and every such officer who accepts or exercises the functions of a civil office shall thereby cease to be an officer of the Army and his commission shall be thereby vacated.

It seems to me that this bill should be defeated for two reasons:

First. Because the principle of detailing Army officers to civil positions is detrimental to public policy and the best interests of the Government.

Second. Because it will seriously interrupt and delay the work of the special committee authorized and directed to investigate the duplication of Government bonds and securities.

Men who have spent all their lives in accumulating money must have necessarily excluded the expenditure of any time which might have been devoted to a study of the principles of the fathers, an examination of their accomplishments, or a glance at their words of wisdom. Unhampered by any such advice, free from all scruples that a man of caution should have in governmental matters, where the rights of millions may be involved in his act, an ultra big business man, imbued with the idea of immediate results—always the important thing in his private business—will, without knowledge, experience, study, or advice, rush into the making of bald, crude, and unheard-of suggestions, which, erroneous in themselves, yet because the utterer has made a million or two, will be acquiesced in by the multitude because he is rich. So, in this case, here is a suggestion which, if advocated in the days of the founders, would have been indignantly received; that is, the intermingling of military and civil affairs. The policy of the Government from its infancy has been against such a course, yet now suggested to us in the most casual and calloused way. And because of such attitudes of the richly endowed the moment they become Government officials there is furnished the people an impelling reason for removing from office as quickly as possible the uneducated, the uninformed, the unstatesmanlike, and willful rich.

From 1870 it has been unlawful to do what the Secretary of the Treasury, Andrew W. Mellon, is now asking us to do. While it is proposed to confine the Senate bill to a single case, yet it is the opening wedge.

Furthermore, such a law would be directly in opposition to the economical administration of the Government, for the reason that the average pay of Army officers is greatly above the average pay of civil-service employees now holding executive positions.

Demoralization must result, while a Director of the Bureau of Engraving and Printing would naturally be influenced by a higher loyalty to the Secretary of War than to the Secretary of the Treasury.

This policy followed to its logical conclusion means that with the important key positions throughout held and controlled by Army officers the Secretary of War would possess power and influence far beyond anything intended by Congress and result in great detriment to the wise administration of our republican form of government.

No measure before this House in years has so threatened to overthrow our highly organized merit system of civil service and the restoration of the spoils system, and, what is far worse, under military control.

The Secretary of the Treasury, who enjoys as a pastime riding like a colossus over the statutes of the country, and, in this case, contrary to the ruling of Comptroller McCarl—who, by the way, maintains in law and in precedent one of the real functioning arms of the Government—who ruled that Kirby could not be so detailed, has maintained this Army officer as Director of the Bureau of Engraving and Printing, in spite of the law, in spite of Congress, in spite of decency and honor for nearly three months. Where is the governmental conscience of Andrew W. Mellon?

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. KING. Mr. Speaker, I ask unanimous consent to conclude my remarks in not exceeding 15 minutes.

The SPEAKER. The gentleman asks unanimous consent to proceed for 15 minutes. Is there objection?

There was no objection.

Mr. RAKER. Mr. Speaker, will the gentleman yield right there?

Mr. KING. Certainly.

Mr. RAKER. What is the necessity of appointing an Army officer instead of a civilian as director?

Mr. KING. That is what I am coming to. I am going to show why this particular Army officer has been selected in this case.

Mr. RAKER. Is it contended that they can not find a civilian competent and qualified to do the work?

Mr. KING. There are many civilians right down there in the department who are competent and qualified to fill this position at any time.

Mr. RAKER. Then the purpose is to appoint an Army officer and set aside civilians qualified to do the work?

Mr. KING. Yes; for six months, and then for another six months.

Such a proceeding and the passage of this bill recognizing the Mellon action means the open door to militarism and the eventual undermining of this Republic, for what observer can truthfully declare that signs are not apparent clearly showing that certain interests in this country have in mind the overthrow of the Republic? I do not refer to bolshevism, used as a scarehead, or used as a lullaby by the nurses on Fifth Avenue, when they sing to naughty babies:

Hark, hark, the dogs do bark,
The Bolsheviki are coming to town,
Some in rags, some in shags,
And some in velvet gowns.

It is well, however, to direct our attention to those in velvet gowns. Before you can safely destroy representative government it is necessary to discredit it in the eyes of our people, to decry it and hold it up to ridicule and detestation.

That the public having this view of its representatives will then tolerate the forcible seizure of the Congress and Government by an American Fascisti is apparent to those who heretofore have controlled the public against its own interest and found them as President Wilson said, "a most docile people," which group we may most truthfully refer to as the "American house of overlords," by means of its paid itinerant authors, publicists, orators, professors, lecturers, astrologers, and medicine men, together with its Otto Kahns, its propaganda organizations, its international bank group, its Institute of Politics at Williamstown, Mass., and which in one grand diapason resounds in speech, print, pictures, and radio.

This mass attack for thought control is now being directed in an attempt to break down the faith of the people in those whom they have by their votes elected to the House and Senate.

Secretary of War Weeks, exponent of the house of overlords, tells a graduating class at Western Reserve University that "the legislative branch probably has never been at a lower ebb than it is to-day," and "that to say disparaging things of Congress is a habit."

And now comes on General Dawes, the only man who insists on being called by his military title, more than six years after the war, the "shave tails," the first lieutenants, the captains, majors, colonels, and generals, especially those whose commissions were in the service of supplies, and who, like General Dawes, "smelleth the battle afar off" only, have long since dropped their titles.

The "general," a member in good standing in the American house of overlords, in a tantrum against the bonus at the Hotel Sherman in Chicago before the Illinois Manufacturing Association in banquet assembled, said:

We have to have backbone with the bonus business and less of this miserable demagogic attitude which leads men to go into the Senate and House to represent organized and aggressive minorities—

And yet when Dawes was a candidate for the Senate he called upon every politician in the State of Illinois to help him—

And at the present time—

He said—

it is time to throw them out. These quarreling politicians who run to their rat holes at the very shadow of an organization or a collection of men advocating something or other, or women advocating something in regard to maternity, these miserable, dirty, demagogical rats do just what they want.

Mr. RAKER. Mr. Speaker, will the gentleman yield again right there?

Mr. KING. Yes.

Mr. RAKER. Is it the purpose now to put the gentleman in as director who maintains these views that the gentleman is just speaking about, and then come before Congress to get an act passed so that he might go in and overlord all the civil officers of the Government?

Mr. KING. I would say he is "horse shedding" our witnesses, to use a common phrase.

Mr. RAKER. I do not get that. [Laughter.]

Mr. BLANTON. That is Illinois.

Mr. KING. I take it that the gentlemen of the South understand that term.

Mr. BLANTON. The gentleman's vernacular is all right.

Mr. BOYLAN. Will the gentleman yield?

Mr. KING. Yes.

Mr. BOYLAN. For the edification of those who do not come from the South, will the gentleman kindly give us a more detailed explanation of the term used?

Mr. KING. I expect to have a special paragraph on that in just a moment.

Again Lord Dawes backed Pershing before the Association of Commerce in Chicago December 7, 1922, in his plea for the suppression of the radicals and a "strong army." Sentiments accepted by 1,500 at the association's banquet. Referring to Congress, he said:

There are a lot of demagogues in Congress who have given men, little by little, the chance to undermine the Constitution. We must get a new breed of men in place of those cowards in Congress, who would murder their country for a few votes.

Mr. LAGUARDIA. Who made that statement?

Mr. KING. Charlie Dawes; Brig. Gen. Charles G. Dawes.

Mr. LAGUARDIA. Where did he make that statement?

Mr. QUIN. It is "Hell-and-Maria" Dawes. The gentleman knows who he is.

Mr. KING. And Mrs. O. H. P. Belmont, who, with her money, keeps the women, so far as she can, in line for the policies of the American house of overlords, just stepping off the *Majestic* from hobnobbing with the decadent royalty of Europe, the moment her dainty foot feels American soil, and following the policy of injuring the people's representatives, jauntily says:

I wish we had American men in politics who deserve to be there. We want men in our Government who will not only be respected at home but by European nations. American womanhood can do a whole lot toward putting these men into our Government. Some of the Senators we have are a disgrace, and I say this after having listened to many of them on the Senate floor——

Mr. BLANTON. Will the gentleman yield?

Mr. KING. I shall be pleased to yield.

Mr. BLANTON. Is it not a fact, after all, that the people at home in each district are responsible for who is representing them in Congress, both in the House and in the Senate.

Mr. KING. It is. And the people are sending some good men to the Senate and the House, and the gentleman from Texas is one of them.

Mr. BLANTON. I did not seek that.

Mr. KING (continuing):

We want the right sort of men in politics, but we haven't them now. We will in time.

And so the diabolical work goes on.

And, to cap the climax, along comes Judge Gary, who occupies the "wool sack" in the American house of overlords, at whose dinner talks the hosts of eager, grasping greed rise and sing in unison and "en masse" Lead, Kindly Light, and he leads.

And Overlord Gary says in a recent speech:

Congress is the most inimical thing in this country so far as its welfare is concerned.

He will add, and in his own good time, "Why not abolish it?"

Contrary to these misrepresentations on the part of the agents of the American house of overlords, there never was a time when Congress was as close to the people; when the common people had greater consideration of their rights; and when there was greater honesty and fidelity to duty than in the present Congress. Those who take and advocate opposite views for the purpose of rendering Congress impotent for want of a friendly public sentiment, when the time comes to defend themselves on the hill against the American Fascisti, are enemies of the people.

Further evidence of the Fascisti purposes in this Nation as presented by the American house of overlords is apparent in the unity of thought and action on its part with Mussolini in Italy.

Mr. BLACK of New York. Will the gentleman yield?

Mr. KING. Yes.

Mr. BLACK of New York. Does not the gentleman think he is a little wrong in calling these folks Fascisti? You know the Fascisti want to work, while they do not want to work.

Mr. KING. Well, that may be true, but, still, for the purposes of my present presentation, I prefer to retain that name.

Mussolini is the true interpreter of the Fascisti movement. He says:

The Fascisti government is for liberty, but there must be no foolishness in it.

He says:

Men nowadays are tired of liberty. Liberty must be controlled and dominated. Liberty is no longer a chaste and severe maiden, for whom generations in the first half of the last century fought and died. For the intrepid and restless youth, who are now in the dawn of a new history, other words exercise a greater fascination, namely, order, hierarchy, and discipline.

The Fascisti movement is not afraid to declare itself illiberal or antiliberal. It has already passed, and, if necessary, will again pass without the slightest hesitation, over the body, more or less decomposed, of the Goddess of Liberty.

Gary has approved the Fascisti method of nonelected government in Italy. He summoned his cohorts and runners—the International Chamber of Commerce, which connects with the United States Chamber of Commerce, which in turn distributes the commands into the various chambers of commerce throughout the country for their individual members—to meet in Rome, Italy, the home of organized money's Italian emperor, where they might see, hear, and fraternize with the Fascisti as the Russians were "fraternized" by German soldiers during the war, in order that they might return to America and quietly peddle their poisonous dope among its citizens.

If you do not believe that this liberty-destroying movement has already been started in America, I will give you the name of the man who is permitted to be at the head of it. His name is James C. Dahlman, and he is, or was, the mayor of Omaha. He is known as the grand lictor of the Fascisti in America. Lord Gary has pronounced in favor of it, and said that we Americans can learn something from this movement which has taken place in Italy. General Dawes saw Mussolini and ratified the Fascisti idea for America. We fought to make this world safe for democracy, yet since then the spirit of Garibaldi in Italy is dead. There, free speech and free press has been obliterated. Spain has its dictator, Austria its admiral, and the disheartening policy of Mussolini has permeated the confines of Poland and Rumania, and brought new life to monarchy in Germany.

Mr. RAKER. Will the gentleman yield?

Mr. KING. Yes.

Mr. RAKER. Where does this American house of overlords hold forth, and who are they?

Mr. KING. Well, at some future date, not to be set aside by the House, I shall be very glad to enlighten the gentleman upon that subject. The exact location is not hard to find.

Mr. RAKER. They do not advertise their presence and the place of holding their meetings very often, do they?

Mr. KING. No; I think not. They do have meetings, however.

Mr. QUIN. Will the gentleman yield?

Mr. KING. Yes.

Mr. QUIN. This General Dawes is mentioned as the nominee of the Republican Party for Vice President. Who is responsible for that?

Mr. KING. Well, the rank and file of the Republican Party just now is not having very much to say about it.

Mr. BLACK of New York. Will the gentleman yield?

Mr. KING. Yes.

Mr. BLACK of New York. I, perhaps, can give the gentleman some information as to the whereabouts of these overlords. I think if the gentleman will drop in at the White House some morning he may see some of them at breakfast.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. LAGUARDIA. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois may have five minutes more.

Mr. KING. I would like additional time, because I have some real arguments which I have not yet made.

Mr. MILLS. Reserving the right to object, how much longer does the gentleman desire to proceed?

Mr. KING. Not to exceed six or seven minutes.

Mr. QUIN. Let him have it.

Mr. MILLS. But we have some legislation here which we would like to enact, and the gentleman has already had 20 minutes.

The SPEAKER pro tempore. The gentleman from New York [Mr. LAGUARDIA] asks unanimous consent that the gentleman from Illinois be permitted to proceed for five additional minutes. Is there objection?

Mr. KING. Mr. Speaker, I would like to have seven minutes.

Mr. LAGUARDIA. Then, Mr. Speaker, I modify my request and ask that the gentleman from Illinois have seven minutes.

The SPEAKER pro tempore. The gentleman from New York modifies his request and asks unanimous consent that the gentleman from Illinois may proceed for seven additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. KING. When the American house of overlords has been defeated in some of its fondest hopes—the overthrow of the primary system, the return of the ring system in choosing committees, the abolishment of the seniority rule, the reduction of representation—and, in fact, has failed to cut the words "by the people" entirely out of our governmental policy, then will they be prepared to make the attempt to overthrow our representative Republic and set up a Mussolini hierarchy in America.

For this reason no door should be even slightly opened where the military, which Mussolini says in his country is an ally of the Fascisti, can gain control of our civilian activities. There should be no point of contact where our Army can become an ally of the American Fascisti.

My second reason for opposing this bill is, as I have indicated, it will put the witnesses in the bond-investigation matter under military control.

Now, the second reason for opposing this bill, and perhaps the most important reason, is the fact that it will simply be putting charge of the witnesses who are expected to be called before the committee for the investigation of duplicate bonds in the hands of a military officer.

Now, then, I will not have the time within the limit which has been fixed to explain to you how this man Kirby first got into this department as he did. Why should they take this Army officer? He is not a West Point man; he is not a man educated in military affairs; he is not a Napoleon Bonaparte; nor is he such a wonderful printer. He was a mere photographer over here in the Coast and Geodetic Survey, a maker of maps, and he knows nothing about printing money, engraving money, or anything of that kind. He was put into this department solely because he had practically agreed to take care of these witnesses as against this committee.

Mr. MILLS. Will the gentleman yield?

Mr. KING. Yes.

Mr. MILLS. Does the gentleman know his record abroad during the war?

Mr. KING. I certainly do. He never got anywhere near the smell of powder, as did the gentleman from New York [Mr. MILLS].

Mr. MILLS. Does the gentleman know what he did?

Mr. KING. I know what he did; yes.

Mr. MILLS. Will the gentleman be fair enough to tell the House what he did?

Mr. LAGUARDIA. Will the gentleman yield?

Mr. KING. Yes. I will tell the House what he did, but you have got to give me time to do it. I have a lot of information as to what he has done and what he has not done.

Mr. MILLS. The gentleman has talked for 25 minutes without objection.

Mr. KING. But the gentleman has interrupted considerably.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. KING. Yes.

Mr. LAGUARDIA. Does the fact that a man has a brilliant military record fit him for service in any civil department?

Mr. KING. He never had any military record, any more than Dawes had a military record.

Mr. RAKER. Will the gentleman yield?

Mr. KING. Yes.

Mr. RAKER. What does the gentleman mean by saying this officer is to be put in charge for the purpose of handling witnesses? That is a very suggestive remark.

Mr. KING. The gentleman knows that there has been a committee of this House appointed to investigate duplicate bonds, and he knows that prior to that time there had been considerable talk in the papers and around Congress with reference to that matter.

Mr. RAKER. Yes; that is right.

Mr. KING. Now, at about that time the director down there was required to resign, and for some time they failed to get anybody; but finally along came Mr. Kirby, a military officer, a friend of the former director, and they were looking at that time for somebody who would take charge of these witnesses and increase the morale. Men down there had been charged with bootlegging. They had been charged with selling Government supplies and putting the money into their pockets. They had been charged with bribing a Mexican official. Those men, a number of whom were discharged by President Harding, had been restored by some order, and this man was put down there to take charge.

Mr. RAKER. He was to marshal the witnesses on the subject.

Mr. KING. Yes, sir; and he has. The first day he was in there he called everybody he could find that had ever seen President Harding's special investigator, Mr. Brewer, and examined them and said:

I want to know what you have told Brewer. Have you made any affidavits to Brewer, and what have you done, and what is your connection with this matter?

Since then everything has been as silent as a tomb in that department. That is the kind of efficiency he is rendering. He is rendering efficiency there for the Treasury Department in covering up their shortcomings.

Mr. RAKER. I thought we had police and marshals in the district attorney's office to handle matters of that kind.

Mr. KING. The gentleman is engaging in very deep humor now.

Mr. RAKER. And that they would not appoint a director to do that kind of work.

Mr. KING. I am not here defending the former Department of Justice by any means.

This is simply a block that is put in this bill for the purpose of interfering with the work of this special committee, and if you pass this bill, you will be doing just that. We have already innocently done one thing here. We have cut out an appropriation of $400,000 which was devoted in the Division of Loans and Currency to the payment of the clerks who were counting these coupon bonds, and it is absolutely necessary for this committee to have that information. These clerks were counting and assorting and arranging the bonds. Unless the House passes a bill to restore that, you are going to have a pile of bonds down there as big as a haystack, all in promiscuous order, for the gentleman from South Carolina [Mr. STEVENSON] and myself, and the gentleman from Kansas [Mr. STRONG] and the gentleman from Pennsylvania [Mr. MCFADDEN] and the gentleman from Alabama [Mr. STEAGALL] to go through this summer and assort.

Now, this was done with a purpose. The Treasury never came down here for any other purpose than to put a stop to this committee's work.

Not only that, but I will tell you another thing——

Mr. RAKER. Will the gentleman yield?

Mr. KING. Not just now, because the gentleman from New York may object at any moment.

Here is another thing that happened right here in this House. When they were destroying these bonds, or when they were trying to destroy them, and when they had it up with their attorneys to ascertain whether or not they had the right to destroy them, they came to the committee of this House on the destruction of useless executive papers and tried to get them to take these coupon bonds or these duplicate bonds with duplicate numbers on them and destroy them.

Mr. RAKER. Will the gentleman yield now?

Mr. KING. I yield.

The SPEAKER pro tempore. The time of the gentleman has again expired.

Mr. BLANTON. Mr. Speaker, I rise in opposition——

Mr. RAKER. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois may have five additional minutes to conclude his statement. The gentleman ought to have that time. He is one of the members of this special committee.

The SPEAKER pro tempore. The gentleman from California asks unanimous consent that the time of the gentleman from Illinois be extended five minutes. Is there objection?

Mr. MILLS. Mr. Speaker, reserving the right to object——

Mr. KING. I make the point of no quorum.

Mr. MILLS. Reserving the right to object, may I ask the gentleman whether he expects to conclude in five minutes?

Mr. KING. Of course, I have attempted to answer the questions on the part of the Members, and if any of them desire to ask questions and I have the time, I will answer them. This is the most important bill we will have before us, and is far more important than the New York bill you have in your hand.

Mr. McKENZIE. Could not the gentleman extend his remarks in the RECORD without taking up further time?

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

Mr. RAKER. Will the gentleman yield?

Mr. KING. I yield.

Mr. RAKER. The statement of the gentleman now divulges the fact that the gentleman is a member of this committee to do this investigating which was appointed by the House, and as a member of that committee the gentleman who is now speaking as a member of the committee feels that to carry out his full, sworn duty he will be embarrassed by having Mr. Kirby as the director of that bureau.

Mr. KING. The entire committee of five takes that position, and we would ask the House, if the House would agree to it, not to pass this legislation.

Mr. CHINDBLOM. If the gentleman will permit, may I suggest that the gentleman finish his statement, and not feel under obligation to yield to anyone just because he did not object.

Mr. RAKER. The gentleman from Illinois [Mr. KING] can take care of himself and does not have to be instructed not to answer questions, and I hope the gentleman will not make that suggestion.

Mr. SWEET. Will the gentleman yield?

Mr. KING. I will be very glad to yield.

Mr. SWEET. May I inquire if this is a preliminary report of your committee on investigation?

Mr. KING. No; far be it. I really have an open mind on the subject. I am praying to the Almighty that they can clear this thing up, and I will be glad if they can. I will be glad to give them a clear bill. I think if it should go out that we had to condemn the Treasury Department for a conspiracy in issuing duplicate bonds, it would be a terrible thing.

Mr. SWEET. Will the gentleman yield further?

Mr. KING. I will.

Mr. SWEET. Does it not appear to the gentleman that remarks of this kind would tend to send broadcast the impression that the committee is somewhat prejudiced?

Mr. KING. That is the very argument of Mr. Winston down there, who is doing his utmost to keep everything under cover for fear that the people might begin counterfeiting out in the country, and it would be a terrible thing.

Mr. SWEET. This seems a pretty prejudiced opinion for a committeeman.

Mr. KING. The gentleman says it is a prejudiced opinion, but I assure the gentleman I have no prejudice in the matter. I am trying to present these facts as to why this bill ought not to be passed.

Mr. MOORE of Virginia. Does my friend desire the former superintendent, this man Hill, who has been discussed here on the floor of the House, to be reinstated in place of this Army officer?

Mr. KING. No, sir. The gentleman has an interest in the employees down there in the Bureau of Engraving and Printing——

Mr. MOORE of Virginia. Very much so.

Mr. KING. Mr. Brewer never made any charges against them. This committee has nothing against them, and only so far as it pertains to the duplication of securities are they to be investigated.

Mr. MOORE of Virginia. I will say to my friend that Mr. Winston is not a member of my party, but I do not think you can find a higher-class man in the service than he.

Mr. KING. I agree with the gentleman that he is a high-class man and a good lawyer. He has represented Standard Oil.

Mr. MOORE of Virginia. I do not know whom he represents, but he is a man of splendid character and splendid ability.

Mr. KING. I admit that, but nevertheless he is trying to cover up the duplication of these bonds. Now, gentlemen, I have nothing further to say because I have so much to say on these various propositions and various blocks that have been put in the way of the committee and which confronted President Harding—destruction of bonds, some of them destroyed where we will never find them. There are a number of things that I could mention. I think it is a bad plan in this House when we are just starting out in our inquiry concerning duplicate bonds to put us in such shape by the passage of this bill that we can not get at the true facts in the case.

Mr. GRIFFIN. Will the gentleman yield?

Mr. KING. I will.

Mr. GRIFFIN. Will the gentleman try and tell us why it was necessary to pass a special bill or resolution in order to enable the President to appoint an Army officer to take charge of the bureau? Is it possible that there is only one man in the Nation whom he must appoint to that position.

Mr. KING. No, sir; I know nothing about him personally. But it is plain that the Treasury claims that he is the man that is superior over every other man in God's world for that position.

Mr. BLANTON. Mr. Speaker, I rise in opposition to the resolution.

Mr. GARRETT of Texas. Mr. Speaker, I rise to receive recognition as a member of the Committee on Military Affairs on this resolution.

The SPEAKER pro tempore. Is the gentleman from Texas opposed to the resolution?

Mr. GARRETT of Texas. I am.

Mr. BLANTON. Mr. Speaker, I yield to the gentleman.

The SPEAKER pro tempore. The gentleman from Texas [Mr. GARRETT] is recognized.

Mr. GARRETT of Texas. Mr. Speaker and Members of the House, I am not going to detain you but a minute and a half, and in that time I want to read to you the reasons found in the report of the Committee on Military Affairs for the adoption of this resolution. It is in this language:

> The Secretary of the Treasury advised your committee that the Bureau of Engraving and Printing has been functioning very unsatisfactorily because of disputes between factions within the bureau. As no satisfactory administrative head was available the Secretary of the Treasury believed the only solution was to borrow from the Army Major Kirby, who seems ideally fitted from experience and ability to reorganize the bureau and reestablish confidence and harmony among its 5,000 employees.

I can not give my consent to the passage of this resolution upon that ground. The committee reported further that this resolution must be passed because of the fact that for about 50 years or longer we have had a statute on the books of this Government prohibiting the doing of this identical thing. We have had a law for years and years denying to the President or to the Secretary of War the right to detail an officer of the Army to perform civilian duty.

Now, think of the situation we are in. I raise no question as to the ability or capability of Major Kirby. I have no criticism to make of him as a soldier or as a major in the Army. My criticism of this resolution is that it is legislation that is dangerous and a precedent that this House ought not to establish. Can it be possible that out of the 110,000,000 people in the United States, out of the multiplied thousands of men in civil life that are competent and qualified to transact business in every walk of life that we find ourselves here at the Capital of the United States in a position that, as far as the great Bureau of Printing and Engraving is concerned, that there is only one man, just one, in all the country, and that man is an officer in the Army of the United States, and that he must be taken from the Army and put in this responsible position until they can look about for six months and find some civilian that may take his place. My God, suppose Major Kirby had died 30 days ago. Suppose he should be called hence to-morrow. What would happen? Would we have to close up the Bureau of Printing and Engraving and allow it to stand idle for six months until we could hunt the country over to find some man in private life to perform the duties and discharge the responsibilities of that important position?

Now, gentlemen, that is my objection; I do not believe the House ought to do it. I do not believe that we ought to establish the precedent of setting aside the statutes of the United States by resolution to permit men to be called out of the Army and put into these civilian places by virtue of the fact that they have the peculiar qualifications to do this work.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. GARRETT of Texas. I ask for one minute more.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. GARRETT of Texas. I believe that the proper thing for Major Kirby to do, if he is the man this report indicates that he is and which I do not question, that this place of importance would demand of him that he resign from the Army, put on the plain clothes of a private citizen, go in and do this most responsible work for the Government as a civilian. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Texas has again expired.

Mr. BLANTON. Mr. Speaker, if you gentlemen want to know who selected Maj. Wallace Kirby for this important position, you will not have to go very far to find him. Major Kirby is the protégé of a very distinguished colleague of ours, one of the oldest Members of this House, one of the most loyal Members of the House, a man who sits here in his seat all day long attending to his business, our distinguished colleague from Massachusetts [Mr. GREENE]. [Applause.] He picked him. He told the President to appoint him and put him in charge of this bureau. When he was first put there I was prejudiced against him. I was the most prejudiced man in this House against him, and I will tell you why. There had come to me all sorts of reports that he had been fired from the Coast and Geodetic Survey, and there had come to me reports that he had a bad Army record in France.

I am in favor of the investigation now being carried on by the distinguished gentleman from Illinois [Mr. KING], and I am backing him up 100 per cent in it; but I am also for Maj. Wallace Kirby, because I traced back to their source every one of those adverse reports against him, and I found there was not a single report which was true. I went personally to the Coast and Geodetic Survey and I got his record during every month's stay that he was working in that department, and I found that it was as clean as it could be; there was not a black mark against him. They said that he had as good a record as there was in the Government service and recommended him highly. Then I went to the War Department and searched his record from the time that he went in until the time he came out, and there was not a black mark against it there. His record in France was good.

Mr. KING. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. There was nothing but high encomiums said of him in all departments. Likewise I found his record in the War College first class, and he was highly recommended there. In addition I found that he is the superintendent of one of the largest Sunday-school classes in the District of Columbia, and that is some recommendation worth while for any man. Everyone who attends his class is a friend of his, and I found out something else about Major Kirby.

I was specially interested in the matter because of one fact. I was interested in the Bureau of Engraving and Printing because of some reforms that we have been seeking there ever since I have been in Congress, and I was wanting to know whether Major Kirby was going to carry out those reforms or whether he was going to let them stop, because there were men there who were clamoring to stop them. I found that in every particular Major Kirby was standing foursquare for the reforms in the interest of this Government. I now yield to the gentleman from Illinois.

Mr. KING. I wanted to ask the gentleman if, when he was down at the Coast and Geodetic Survey, they gave him his record on the Rock Creek Park photograph matter?

Mr. BLANTON. No. I found this: There is not a black mark against his record there in that department or anywhere else, and I have it over the signatures of the chiefs of all departments. There was not one criticism there against him. There has not been a more efficient man in the employment of the Government than Maj. Wallace W. Kirby, according to all reports given me by departments. It was by a slow process of investigation that the prejudice that I had at first against this man was absolutely obliterated.

Mr. KING. Did they tell the gentleman anything about his bringing students in there and teaching them in that department and charging tuition fees for it?

Mr. BLANTON. No. I think if the gentleman will spend half as much time as I have spent in investigating Maj. Wallace Kirby's record he will find that there is nothing against it. The gentleman had these reports brought to him, as I had them brought to me, but I did not stop when they were brought. I went to the source and found out what facts existed, and I have the files in my office now, and when I submit them to the gentleman from Illinois and he sees the signatures of the gentlemen who have signed these reports favorable to Major Kirby I know that he will withdraw these insinuations that he is making against him.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. McKENZIE. Mr. Speaker, I have always indorsed the law which opposed the detailing of Army officers into civilian activities of the Government. I think it is a wise law, and when this legislation was first proposed that a general bill should be passed authorizing the detailing of two or three officers to this department I gave out an interview in which I stated that I would be opposed to any such legislation. I am opposed to the principle of this, but after hearing something about this particular case, after consultation with the Secretary of the Treasury who pointed out the great emergency that is existing and his inability to find a man who could fill the position, after having visited Chicago and other large cities and finding that the men who were capable of handling this position will not accept it at the salary paid by the Government, I said to those in authority who were asking for this legislation, "Gentlemen, if you will admit that it is an emergency, if you will permit the Congress of the United States to name the officer specifically, if you will concede that we have the right and ought to limit the period of his detail to not to exceed six months, I shall have no objection to the legislation." All there is to this is that there is an emergency. Major Kirby seems to be able to fill the bill. It is demanded by the people down there and by the men at the head of the Treasury Department and by officials. I think we have not set a precedent in this legislation, but that we have once again declared in this bill that the policy of the Congress of the United States is against the plan of detailing Army officers in civilian pursuits, and there is one thing that makes me rejoice. Being a member of the Committee on Military Affairs, remembering some of the harsh criticisms I have heard made against Army officers, it is somewhat gratifying to know that at least in one of the great bureaus of this Government it seems that at the present time it is necessary to call upon one of our Army officers to fill the place until they search the country over to find some one who has the qualifications to take his place. Mr. Speaker, I ask for a vote.

Mr. BUSBY. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BUSBY: Page 2, line 22, after the word "emoluments," strike out the remainder of line 22, lines 23 and 24, and lines 1 and 2 on page 3, and insert in lieu thereof the following: "Except those provided by law for the Director of the Bureau of Engraving and Printing: *And further provided*, That said Maj. Wallace W. Kirby surrender immediately his commission in the Army."

Mr. BUSBY. Mr. Speaker, I do not know——

Mr. McKENZIE. Mr. Speaker, I make a point of order against the amendment. I do not think it is germane to the purpose of this provision at all. This bill simply provides that he shall draw his Army pay, and certainly we are not in favor of his drawing any more than that, and this amendment would call upon him to surrender his commission, which he should do if he draws civilian pay, but he is not under this bill permitted to draw anything but his Army pay.

Mr. LAGUARDIA. Mr. Speaker, may we have the amendment again reported?

The SPEAKER pro tempore. Without objection, the amendment will be again reported.

There was no objection.

The amendment was again reported.

Mr. BLANTON. Mr. Speaker, the amendment is clearly subject to the point of order and I want to be heard a moment on the point of order.

The SPEAKER pro tempore. The Chair will hear the gentleman from Mississippi on the point of order.

Mr. BUSBY. Mr. Speaker, the point of order just made against this amendment it seems to me will not lie, because the amendment provides for the emoluments or compensation for this same officer. It is a different figure; it is a less amount than is provided for a major in the Army.

Mr. McKENZIE. If the gentleman will yield, I would like to ask him this question: If his amendment is adopted, is it not wholly unnecessary for us to pass this bill?

Mr. BUSBY. That is not to the point of order. The other proposition that is raised is a limitation on the power to serve, and for that reason it seems to me clearly the point of order will not lie.

Mr. BLANTON. If the gentleman will yield, why if we do not pass this bill at all he has got the right, he can surrender his commission and be appointed. We do not have to pass the

bill to give him that right, so therefore the gentleman's amendment is subject to the point of order.

Mr. BUSBY. This is a question for the House to pass upon and not for me to decide. Now, I have nothing further to say on the point of order but I do not see how it would lie against the amendment proposed which deals with the same subject matter as the words in the original bill.

The SPEAKER pro tempore (Mr. ROGERS of Massachusetts). The Chair is ready to rule. The amendment offered by the gentleman from Mississippi provides in part that the person mentioned in this legislation shall surrender immediately his commission in the Army. It seems to the Chair that that is a departure from the subject matter of the bill itself and that it introduces entirely new and irrelevant matter into the joint resolution. Therefore the Chair sustains the point of order.

Mr. STEVENSON. Mr. Speaker, I offer an amendment.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. STEVENSON: On page 3, lines 17 and 18, after the word "printing," in line 17, strike out the words "for a period not to exceed six months" and insert the words "until March 5, 1925."

Mr. STEVENSON. Mr. Speaker, I am opposed to this whole proposition. I do not know Mr. Kirby or anything about him but what I have heard and seen in the prints. I am opposed to the principle, and if you are going to put him in by statute, fix the term of office and fix it so that the next administration, if it is Mr. Coolidge, will have an opportunity to appoint his successor, and if it is somebody else, why that administration will have an opportunity to appoint his successor. After all the barrenness which has been displayed in finding a successor by the present administration I take it is unnecessary for us to direct this administration to search this country to find a man to attend to this outside of Major Kirby——

Mr. LAGUARDIA. If the gentleman will permit, for our tranquillity and peace of mind, will the gentleman give us an idea of who the somebody else will be?

Mr. STEVENSON. We will tell you about it in November, and I think it may be satisfactory to us but not to you. [Laughter and applause.] Now, the gentleman from Illinois [Mr. MCKENZIE] says that he is opposed to this principle. Then why embark on it? It is all foolishness to say that the Secretary of the Treasury can not find a man for the salary he is authorized to pay who can run this bureau down there. This statute of 1870 was enacted because right after the Civil War there grew up a practice of every big Army officer coming back here, with his epaulets and his rank and all that, drifting into civil office, and they filled them from one end of the land to the other, and this statute absolutely prohibiting it was passed because they did not propose to militarize the United States Government in so far as the civil government was concerned. [Applause.] Now, then, this is just simply another manifestation of the same spirit, and I am opposed to it on principle. I do not believe that the Congress was mistaken in 1870 when it said that should not be done. In 1838, as far back as that, under section 1224, they limited it to a certain extent, and in 1870, having seen the evils of the Army officers back from the wars and seen the power they exercised, having seen the evil of Prussianizing the Government, they took away that power, and I think we should be very slow to strike down that safeguard which was placed on it in the past. [Applause.]

Mr. MCKENZIE. Mr. Speaker, I move that all debate——

Mr. BUSBY. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The gentleman from Mississippi makes the point of order of no quorum present. Evidently there is no quorum present.

Mr. MCKENZIE. Mr. Speaker, I move a call of the House.

The question was taken; and the Speaker pro tempore announced that the ayes seemed to have it.

On a division (demanded by Mr. STEVENSON) there were—ayes 46, noes 28.

So a call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Bowling	Celler	Dickstein
Anthony	Britten	Clague	Dominick
Ayres	Browne, N. J.	Clark, Fla.	Drane
Bacharach	Buckley	Clarke, N. Y.	Drewry
Barkley	Burdick	Connolly, Pa.	Edmonds
Begg	Butler	Corning	Fairfield
Berger	Byrnes, S. C.	Cramton	Fenn
Bixler	Cable	Curry	Fish
Bloom	Carew	Davey	Fisher
Boies	Carter	Deal	Fleetwood
Frear	Kent	O'Connell, N. Y.	Smithwick
Fredericks	Kuns	O'Connor, N. Y.	Snell
Freeman	Langley	O'Sullivan	Snyder
Geran	Larson, Minn.	Oliver, N. Y.	Stalker
Gibson	Lehlbach	Park, Ga.	Steagall
Gifford	Lilly	Patterson	Stengle
Goldsborough	Lindsay	Peavey	Sullivan
Graham, Pa.	Lineberger	Perkins	Taylor, Colo.
Graham, Ill.	Little	Perlman	Temple
Haugen	McFadden	Phillips	Tincher
Hersey	Madden	Porter	Vare
Hill, Md.	Magee, Pa.	Prall	Ward, N. C.
Holaday	Martin	Quayle	Ward, N. Y.
Howard, Okla.	Mead	Reed, W. Va.	Wason
Hudson	Miller, Ill.	Robsion, Ky.	Weller
Hull, Tenn.	Mooney	Rosenbloom	White, Me.
Johnson, Wash.	Moore, Ill.	Sabath	Williams, Tex.
Johnson, Tex.	Morin	Salmon	Winslow
Kahn	Mudd	Schneider	Yates
Keller	Nolan	Scott	Zihlman
Kelly	O'Brien	Shreve	

The SPEAKER pro tempore. On this call 310 Members have answered to their names. A quorum is present.

Mr. MCKENZIE. Mr. Speaker, I move that further proceedings under the call be dispensed with.

The motion was agreed to.

The SPEAKER pro tempore. The Doorkeeper will open the doors.

The doors were reopened.

Mr. QUIN. Mr. Speaker, I believe I had the floor when the point of no quorum was made.

The SPEAKER pro tempore. Yes. The gentleman from Mississippi is recognized.

Mr. MCKENZIE. Mr. Speaker, I move that all debate on this resolution and all amendments thereto close in 10 minutes, 5 minutes to be used by the gentleman from Mississippi [Mr. QUIN] and 5 minutes by the other gentleman from Mississippi [Mr. BUSBY].

The SPEAKER pro tempore. The gentleman from Illinois moves that all debate on the pending bill and all amendments thereto close in 10 minutes. The question is on agreeing to that motion.

The motion was agreed to.

Mr. QUIN. Mr. Speaker, I have listened with some amazement to the assaults that have been made on this bill. There seems to be some misapprehension as to the purposes and objects of the measure. The Secretary of the Treasury did not himself select Major Kirby. The President did not select him. After they had all the trouble in the Bureau of Engraving and Printing it became necessary for a competent and capable man to be placed in charge there immediately. According to the evidence before our committee the gentleman from Massachusetts [Mr. GREENE] brought this man to the attention of the Secretary of the Treasury.

Mr. KING. Mr. Speaker, will the gentleman yield?

Mr. QUIN. I can not yield.

We declined to consider his request because we would not accept the idea of the President appointing a military officer to that position. The Secretary of the Treasury came back with the additional request that we might grant him the period of six months in which to look the country over and select a man to take that place. On that plea we saw that there was really a necessity for the Secretary to look about and get a capable man. That position is a strictly technical position and one of high responsibility.

I do not know this Major Kirby. Personally, I do not know the Secretary of the Treasury. But the Secretary of the Treasury of the United States, according to my conception, is entitled to a square deal from this House. [Applause.]

I am a Democrat, and I do not care whether he is a Republican or a Democrat; if he holds the position of Secretary of the Treasury of the United States, he is responsible to all the people, and when he asks us in fairness to give him an opportunity to get a capable and competent man to occupy the position down there in lieu of this man, Major Kirby, I for one am willing to give him the opportunity.

I do not see what the gentleman from South Carolina [Mr. STEVENSON] thinks his motion amounts to, because the purpose of the Secretary of the Treasury under his amendment could not be changed at all. He may select a man in two months. He may get him in 30 days. We limit the entire time to six months. The Secretary of the Treasury, at the expiration of those six months, will be compelled to let Major Kirby go if he has not chosen a man to take his place. It is evident that Secretary Mellon would not ask us now to give him that authority if he could go out and immediately lay his hand on the man qualified to take the place. There may have been rascality in the Bureau of Engraving and Printing, and the Secretary of the Treasury, who is at the head of them all, asks us, as well as the members of his party, to loan him this man, who, as

everybody knows, is ably administering affairs down there. The Secretary should have a sufficient length of time to enable him to go out and select a suitable and capable man in whose hands the interests of the Government in that institution will be safe. There has been talk about bonds being issued in duplicate and about erroneous securities being issued by the department, and the Secretary of the Treasury is vitally interested, as is the humblest man in this Republic, in the soundness of the administration of the Bureau of Engraving and Printing, which prints all the currency money and bonds of the United States Government. We ought to pass this bill. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. BUSBY rose.

The SPEAKER pro tempore. For what purpose does the gentleman rise?

Mr. BUSBY. I rise for the purpose of offering an amendment.

The SPEAKER pro tempore. An amendment is already pending, but the gentleman can have his amendment at the desk for information. Does the gentleman desire his amendment to be read to the House for information?

Mr. BUSBY. Yes.

The SPEAKER pro tempore. Without objection, the Clerk will report the amendment.

Mr. BUSBY. And I will discuss it as soon as it is in order.

The Clerk read as follows:

Amendment offered by Mr. BUSBY: Page 2, line 23, after the word "duties," strike out the remainder of lines 23 and 24 and lines 1 and 2 on page 3 and insert in lieu thereof the following: "except those provided by law for the Director of the Bureau of Engraving and Printing."

The SPEAKER pro tempore. If the gentleman will withhold his discussion a moment, the Chair will put the question on the Stevenson amendment, which, without objection, the Clerk will again report.

There was no objection.

The Clerk again read the amendment.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from South Carolina [Mr. STEVENSON].

The question was taken, and the amendment was rejected.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. BUSBY] offers an amendment, which has just been read, and is recognized for five minutes.

Mr. BUSBY. Mr. Speaker and gentlemen of the House, I offered an amendment just a moment ago which embodied the amendment that is before the House now and another proposition. The two propositions embodied in the amendment held out of order by the Chair were, first, that this individual, to whom we are looking for salvation for six months and who must step down and out at the end of six months, should be put in the same class with every other individual in the United States who should occupy the place he now occupies. That was the first proposition. As to salary, he was to receive not the salary of a major in the Army but the salary of the director of this bureau. The next proposition was—and that goes to the vital thing that is before the House—to have him, as a condition to his serving in that capacity, surrender his commission in the Army.

Now, for 47 years, since the enactment of section 1222 of the Revised Statutes of the United States, so far as I am able to learn, there has never been an exception where an Army officer was put into civilian employment.

You say this is an emergency; you treat it as a light proposition, and you say it is a proposition of no consequence. But it is a proposition of consequence, and, to my mind, this is one of the things which has created discord in this bureau, namely, this man being put at the head of 5,000 people, and they are going to be marshaled into right order by him as a military man.

Mr. McKENZIE. Will the gentleman yield?

Mr. BUSBY. Yes.

Mr. McKENZIE. If I understood the gentleman's amendment when it was read—I could not hear very well—it provides that he shall retain his grade as a major but shall receive the pay and emoluments of the director of the bureau.

Mr. BUSBY. That is it.

Mr. McKENZIE. In other words, you would increase his pay but permit him to still hold his rank in the Army?

Mr. BUSBY. I offered that amendment for this purpose: To show lack of good faith in objecting to it, because it does increase his pay and would not have been in order.

Mr. McKENZIE. I want to say to the gentleman from Mississippi that I am trying to act in all good faith.

Mr. BUSBY. I withdraw that suggestion.

Mr. McKENZIE. And I am opposed to increasing this gentleman's salary.

Mr. BUSBY. I withdraw that suggestion. But the point of order, that being the case, would have been sustained against it.

Mr. McKENZIE. I want to know whether the gentleman is acting in good faith in offering his amendment?

Mr. BUSBY. I have tried to act in good faith, and I mean to see that this thing gets full and fair consideration by all Members of the House. I intend to have a yea-and-nay vote on it or ask for the reading of the enrolled bill.

Mr. BLANTON. This would increase his pay to $7,500 a year and still give him his emoluments?

Mr. BUSBY. That is right. However, I was not so much concerned about this matter as I was the fact that an Army man should be placed at the head of this bureau. I do not care how good he is; there is a principle involved, and I would rather stand by the principle and uphold it than to have him put into this particular place.

Mr. BLACK of New York. Will the gentleman yield?

Mr. BUSBY. Yes.

Mr. BLACK of New York. Does not the gentleman think it is rather desirable that the Army should guard the Treasury for the next six months?

Mr. BUSBY. Well, it should have started about two years ago. It is too late now.

Gentlemen, this proposition is up to you as individuals. It is a question which you individually must settle as to whether or not you are going to depart from this long-established rule of law enacted into statute, and put an Army man into this position, which will mean an opening for an Army man in some other place, and there is no telling how soon we will have all these things that get mixed up straightened out by Army men. That is the situation I wanted to call your attention to. I have no interest in the matter. I do not know any of them, but I do know a principle when I see it, and I am going to try to stand by a principle on this proposition in opposing this bill. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired. All time has expired, and the question is on the amendment offered by the gentleman from Mississippi [Mr. BUSBY].

Mr. KING. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. KING. Is it possible to talk five minutes at this time against the amendment of the gentleman?

The SPEAKER pro tempore. The time has been limited by vote of the House, and all time has expired. The question is on the amendment of the gentleman from Mississippi.

The amendment was rejected.

The SPEAKER pro tempore. The question now comes on the committee amendment as amended.

The committee amendment as amended was agreed to.

The SPEAKER pro tempore. The question now is on ordering the Senate joint resolution to be read the third time.

The Senate joint resolution was ordered to be read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the Senate joint resolution.

The question was taken; and on a division (demanded by Mr. BUSBY) there were—ayes 124, noes 74.

Mr. BUSBY. I ask for the yeas and nays, Mr. Speaker.

Mr. BROWNE of Wisconsin. Mr. Speaker, I demand the yeas and nays.

The SPEAKER pro tempore. Those in favor of taking this vote by the yeas and nays will rise and stand until counted. [After counting.] Forty-seven gentlemen have risen; a sufficient number.

The yeas and nays were ordered.

The question was taken; and there were—yeas 180, nays 121, answered "present" 1, not voting 131, as follows:

YEAS—180

Abernethy	Bland	Christopherson	Davis, Tenn.
Ackerman	Blanton	Clancy	Deal
Aldrich	Boyce	Cole, Iowa	Dempsey
Allen	Brand, Ohio	Cole, Ohio	Denison
Allgood	Browning	Colton	Dickinson, Iowa
Andrew	Buchanan	Connally, Tex.	Elliott
Bacon	Bulwinkle	Cook	Evans, Iowa
Barbour	Burtness	Cooper, Ohio	Fairchild
Beedy	Byrns, Tenn.	Crowther	Faust
Beers	Campbell	Dallinger	Foster
Black, Tex.	Chindblom	Darrow	Free

French	Lea, Calif.	Newton, Minn.	Strong, Pa.
Frothingham	Leatherwood	Newton, Mo.	Summers, Wash.
Fuller	Leavitt	Oldfield	Sweet
Garrett, Tenn.	Longworth	Paige	Swing
Graham, Pa.	Lozier	Parker	Taber
Green, Iowa	Luce	Peery	Taylor, Tenn.
Greene, Mass.	Lyon	Pou	Taylor, W. Va.
Griest	McDuffie	Purnell	Thatcher
Hadley	McKenzie	Quin	Thompson
Hardy	McKeown	Ramseyer	Tilson
Harrison	McLaughlin, Mich.	Reece	Timberlake
Hastings	McReynolds	Reed, N. Y.	Treadway
Hawley	McSwain	Richards	Underhill
Hayden	MacGregor	Roach	Underwood
Hersey	MacLafferty	Robinson, Iowa	Upshaw
Hickey	Magee, N. Y.	Robsion, Ky.	Vaile
Hoch	Major, Mo.	Rogers, Mass.	Vestal
Hudspeth	Manlove	Rogers, N. H.	Vincent, Mich.
Hull, Iowa	Mansfield	Sanders, Ind.	Vinson, Ga.
Hull, Morton D.	Mapes	Sanders, N. Y.	Wainwright
Hull, William E.	Martin	Schall	Watres
Humphreys	Merritt	Sears, Nebr.	Watson
James	Michener	Seger	Wertz
Johnson, Ky.	Miller, Wash.	Shallenberger	White, Kans.
Jost	Mills	Sherwood	Williams, Mich.
Kearns	Montague	Simmons	Williamson
Kerr	Moore, Ohio	Sinnott	Wilson, La.
Ketcham	Moore, Va.	Sites	Wilson, Miss.
Kiess	Moores, Ind.	Smith	Woodruff
Kindred	Morgan	Smithwick	Woodrum
Knutson	Morris	Spearing	Wright
Kopp	Morrow	Sproul, Kans.	Wurzbach
Kurtz	Murphy	Stedman	Wyant
Larsen, Ga.	Nelson, Me.	Strong, Kans.	Young

NAYS—121

Almon	Doughton	King	Reed, Ark.
Arnold	Driver	Kvale	Reid, Ill.
Aswell	Eagan	LaGuardia	Romjue
Ayres	Evans, Mont.	Lampert	Rouse
Bankhead	Favrot	Lanham	Ruby
Beck	Fitzgerald	Lankford	Sanders, Tex.
Bell	Frear	Lazaro	Sandlin
Berger	Fulbright	Linthicum	Schafer
Black, N. Y.	Fulmer	Logan	Schneider
Bloom	Gallivan	Lowrey	Sinclair
Box	Gardner, Ind.	McClintic	Speaks
Boylan	Garner, Tex.	McNulty	Stevenson
Brand, Ga.	Garrett, Tex.	McSweeney	Sumners, Tex.
Briggs	Gasque	Major, Ill.	Swank
Browne, Wis.	Gilbert	Michaelson	Tague
Brumm	Glatfelter	Milligan	Thomas, Ky.
Bushy	Greenwood	Minahan	Thomas, Okla.
Canfield	Griffin	Moore, Ga.	Tillman
Cannon	Hammer	Morehead	Tinkham
Casey	Hawes	Nelson, Wis.	Tucker
Cleary	Hill, Ala.	O'Connell, R. I.	Vinson, Ky.
Collier	Hill, Wash.	O'Connor, La.	Watkins
Connery	Hooker	O'Sullivan	Weaver
Cooper, Wis.	Howard, Nebr.	Oliver, Ala.	Wefald
Crisp	Huddleston	Parks, Ark.	Williams, Ill.
Croll	Jacobstein	Ragon	Wilson, Ind.
Crosser	Jeffers	Raker	Wingo
Cullen	Johnson, Tex.	Rankin	Wolff
Cummings	Johnson, W. Va.	Ransley	
Davis, Minn.	Jones	Rathbone	
Dickinson, Mo.	Kincheloe	Rayburn	

ANSWERED "PRESENT"—1

Dyer

NOT VOTING—131

Anderson	Drewry	Lehlbach	Sabath
Anthony	Edmonds	Lilly	Salmon
Bacharach	Fairfield	Lindsay	Scott
Barkley	Fenn	Lineberger	Sears, Fla.
Begg	Fish	Little	Shreve
Bixler	Fisher	McFadden	Snell
Boies	Fleetwood	McLaughlin, Nebr.	Snyder
Bowling	Fredericks	McLeod	Sproul, Ill.
Britten	Freeman	Madden	Stalker
Browne, N. J.	Funk	Magee, Pa.	Steagall
Buckley	Garber	Mead	Stengle
Burdick	Geran	Miller, Ill.	Stephens
Burton	Gibson	Mooney	Sullivan
Butler	Gifford	Moore, Ill.	Swoope
Byrnes, S. C.	Goldsborough	Morin	Taylor, Colo.
Cable	Graham, Ill.	Mudd	Temple
Carew	Haugen	Nolan	Tincher
Carter	Hill, Md.	O'Brien	Tydings
Celler	Holaday	O'Connell, N. Y.	Vare
Clague	Howard, Okla.	O'Connor, N. Y.	Voigt
Clark, Fla.	Hudson	Oliver, N. Y.	Ward, N. Y.
Clarke, N. Y.	Hull, Tenn.	Park, Ga.	Ward, N. C.
Collins	Johnson, S. Dak.	Patterson	Wason
Connolly, Pa.	Johnson, Wash.	Peavey	Weller
Corning	Kahn	Perkins	Welsh
Cramton	Keller	Perlman	White, Me.
Curry	Kelly	Phillips	Williams, Tex.
Davey	Kendall	Porter	Winslow
Dickstein	Kent	Prall	Winter
Dominick	Kunz	Quayle	Wood
Dowell	Langley	Rainey	Yates
Doyle	Larson, Minn.	Reed, W. Va.	Zihlman
Drane	Lee, Ga.	Rosenbloom	

So the bill was passed.

The following additional pairs were announced:

Until further notice:

Mr. Dyer with Mr. Weller.
Mr. Sproul of Illinois with Mr. Barkley.
Mr. Burton with Mr. Drewry.
Mr. Dowell with Mr. Mead.
Mr. Hill of Maryland with Mr. Rainey.
Mr. Kendall with Mr. Ward of North Carolina.
Mr. Winslow with Mr. Carew.
Mr. Stephens with Mr. Kunz.
Mr. Shreve with Mr. Carter.
Mr. Wood with Mr. Lee of Georgia.
Mr. Bacharach with Mr. Doyle.
Mr. White of Maine with Mr. Oliver of New York.
Mr. Graham of Illinois with Mr. Kent.
Mr. Hudson with Mr. Sabath.
Mr. Fenn with Mr. Taylor of Colorado.

Mr. HILL of Maryland. Mr. Speaker, I desire to vote.

The SPEAKER pro tempore. Was the gentleman present and listening when his name should have been called?

Mr. HILL of Maryland. I was not; but if I had been here, I would have voted "no."

Mr. CARTER. Mr. Speaker, I desire to vote.

The SPEAKER pro tempore. Was the gentleman present and listening when his name should have been called?

Mr. CARTER. No; I was not in the Hall.

The SPEAKER pro tempore. The gentleman can not vote.

Mr. McLEOD. I desire to vote.

The SPEAKER pro tempore. Was the gentleman present and listening when his name should have been called?

Mr. McLEOD. I was not.

The SPEAKER pro tempore. The gentleman does not qualify.

Mr. BARKLEY. Mr. Speaker, I desire to vote.

The SPEAKER pro tempore. Was the gentleman present and listening when his name should have been called?

Mr. BARKLEY. I was present a part of the time.

The SPEAKER pro tempore. The gentleman does not qualify.

The result of the vote was announced as above recorded.

On motion of Mr. McKENZIE, a motion to reconsider the vote whereby the bill was passed was laid on the table.

RETIRED ENLISTED MEN OF THE ARMY, NAVY, MARINE CORPS, OR COAST GUARD

Mr. McKENZIE. Mr. Speaker, I call up the bill (S. 2450) to amend section 2 of the legislative, executive, and judicial appropriation act, approved July 31, 1894.

Mr. McKEOWN. Mr. Speaker, I make the point that there is no quorum present.

The SPEAKER. The gentleman from Oklahoma makes the point no quorum is present. The Chair will count.

Mr. McKEOWN. Mr. Speaker, I understand the bill called up by the gentleman is S. 2450. In that case, I withdraw the point of no quorum.

The SPEAKER. The Clerk will report the title of the bill.

The Clerk read as follows:

A bill (S. 2450) to amend section 2 of the legislative, executive, and judicial appropriation act, approved July 31, 1894.

The SPEAKER. The bill is on the Union Calendar.

Mr. McKENZIE. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the legislative, executive, and judicial appropriation act, approved July 31, 1894, is amended by adding at the end thereof a new sentence to read as follows: "Retired enlisted men of the Army, Navy, Marine Corps, or Coast Guard shall not be construed to hold an office within the meaning of this section."

Mr. STEPHENS. Mr. Speaker, I desire to offer the following amendment.

The Clerk read as follows:

Amendment by Mr. STEPHENS: Strike out all of the printed bill after the word "follows," in line 6, and insert in lieu thereof the following: "Retired enlisted men of the Army, Navy, Marine Corps, or Coast Guard retired for any cause, and retired officers of the Army, Navy, Marine Corps, or Coast Guard who have been retired for injuries received in battle or for injuries or incapacity incurred in line of duty shall not, within the meaning of this section, be construed to hold or to have held an office during such retirement."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. MCKENZIE, a motion to reconsider the vote by which the bill was passed was laid on the table.

CONVEYANCE OF CERTAIN LAND TO THE STATE OF DELAWARE

Mr. MCKENZIE. Mr. Speaker, I call up the bill S. 2431, conveying to the State of Delaware certain land in the county of Sussex, in that State.

The SPEAKER. This bill is on the Union Calendar.

Mr. MCKENZIE. I ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the United States hereby grants, quitclaims, and reconveys to the State of Delaware all that certain piece or parcel of land situate in Lewes and Broadkill Hundred, Sussex County, and State of Delaware, bounded and described as follows: Beginning at a stone, marked "U. S. 1," on the beach opposite the town of Lewes, Del., and located as follows: Bearing to Henlopen Light south 89° 40' east; angle between Henlopen Light and St. Peter's spire 114° 23' 15"; angle between St. Peter's spire and Greenhill Light 80° 33' 55"; angle between Greenhill Light and Upper Breakwater Light 122° 32' 13"; angle between Upper and Lower Breakwater Lights 9° 28' 17"; angle between Lower Breakwater Light and Henlopen Light 33° 2' 29"; thence southerly 1,630 feet, more or less, along the arc of a circle of 1,872.41 feet radius to the north side of South Street, the center of said circle, bearing south 59° 13' east from said stone; thence south 45° west 230 feet, more or less, along said north side of South Street to lands of the United States of America; thence with said lands in a northwesterly direction 180 feet, more or less, to a point; thence leaving said lands, northerly along the arc of a circle of 2,172.41 feet radius having the aforementioned center, 1,838 feet, more or less, to a point which is 300 feet distant from the place of beginning; thence north 30° 47' east 575 feet, more or less, to the low-water line of the Delaware Breakwater Harbor; thence easterly along said low-water line 320 feet, more or less; thence south 30° 47' west 650 feet, more or less, to the place of beginning, containing 16.7 acres, more or less.

Mr. LAGUARDIA. Mr. Speaker, I desire to ask the gentleman from Delaware where this land is. There seems to be no copies of the bill available.

Mr. BOYCE. I hand you a copy of the bill. The land in question was conveyed by the State of Delaware to the United States for canal purposes. It is no longer required, and it is desired to reconvey it to the State of Delaware.

Mr. LAGUARDIA. Conveyed recently to the Government?

Mr. BOYCE. No; years ago. The bill authorizes the Government to reconvey it to the State.

Mr. LAGUARDIA. Did the deed provide that the land would revert to the State if it was no longer needed for canal purposes?

Mr. BOYCE. I can not answer that question.

Mr. COOPER of Wisconsin. I could not hear the gentleman as to where this land was or what it is used for.

Mr. BOYCE. It is land situated in Sussex County, State of Delaware, and was conveyed by the State to the Government without cost to the Government. It is not now needed for canal purposes; and the Secretary of War recommends favorable consideration.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. MCKENZIE, a motion to reconsider the vote whereby the bill was passed was laid on the table.

ENROLLED BILL SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

S. 2922. An act to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army.

SALARIES OF POSTAL EMPLOYEES

Mr. RAMSEYER. Mr. Speaker, I renew my request made this morning to print in the RECORD, in 8-point type, the letter from the Postmaster General on the bill (H. R. 9035) to increase the salaries of postal employees.

The SPEAKER. The gentleman from Iowa asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. RAMSEYER. Mr. Speaker, on the 10th of this month I filed a minority report on H. R. 9035, a bill to increase the salaries of postal employees. On the same day I addressed a letter to the Postmaster General for the Post Office Department's estimate of the increased expenditures carried in said bill, and also for that department's views on the proposed legislation. In response to my letter I received the following letter from the Postmaster General, which I submit for printing in the RECORD for the information of Members of Congress:

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., May 13, 1924.

Hon. C. WILLIAM RAMSEYER,
House of Representatives.

MY DEAR MR. RAMSEYER: I have your letter of the 10th instant, inclosing bill H. R. 9035, reclassifying the salaries of postmasters and employees of the Postal Service, etc., with the majority report of the committee, with request to be furnished with the department's estimate of the increased expenditures carried by the bill; and, further, that the department point out any inequities and to make any recommendations concerning any of its provisions which the department desires to submit.

The following is a summary of the approximate amounts of increased expenditures which will be made necessary should the bill become law:

Postmasters:		
First-class offices		
Second-class offices, 691, at $100 each	$69,100	
Third-class offices, 10,939, at $100 each	1,093,900	
Fourth-class offices, 36,639	2,753,720	
Total		$3,915,820
Assistant postmasters:		
First-class offices, 874, at $300 and $400	432,000	
Second-class offices, 1,841, at $300 and $350	1,001,150	
Total		1,433,150
Clerks, automatic grades, 49,560, at $300		14,868,000
Special clerks, 7,879, at $300		2,363,700
Supervisors, 5,105		1,711,500
City letter carriers, 43,714, at $300		13,114,200
Watchmen, messengers, and laborers, 3,908, at $150		586,200
Printers, mechanics, and skilled laborers, 56, at $300		16,800
Auxiliary service—clerks, 65 cents per hour		892,500
Auxiliary service—carriers, 65 cents per hour		799,000
Clerk hire and assistant postmasters, third-class offices		3,997,360
Salaries, motor-vehicle service		731,135
Village delivery service, 1,174, at $200		234,800
Additional overtime on basis of 306 days		443,810
Additional pay for night work		5,600,296
Inspectors		179,200
Clerks at division headquarters		35,088
Railway Mail Service:		
Salaries, including differential for night work		12,592,971
Travel allowances		1,910,021
Rural delivery service		15,000,000
Grand total		80,425,551

Upon the general subject of salary revision I am in favor of such equitable readjustment of salaries as shall properly meet the conditions existing in the service. However, the extent to which such proposed readjustment is carried in the bill referred to does not appear to the department as being justified by such conditions in the service and the evidence submitted to the joint subcommittee by the department with respect to salaries. As you are aware, there was submitted to the joint subcommittee a proposed revision, the cost of which would approximate $43,000,000. This was also accompanied at the request of the subcommittee by suggestions with respect to the raising of sufficient revenue to meet these expenses by increases in certain postage rates and fees for special services.

The revision noted would, in the view of the department, correct any existing inequalities and provide as much revenue as the department feels can be raised through increased postage rates without danger of impairment of the service. The department further renews its original suggestion that the whole matter of a revision of wages and salaries should be deferred until the result of the cost ascertainment, now in progress, is made known.

If, however, the bill to which your letter refers is to be considered, the department would make certain recommendations with respect to specific features which vary from existing laws and which should be changed in the interest of consistency.

The bill provides in lines 13 to 16, page 19, that for the purpose of promotion and compensation printers, mechanics, and skilled laborers and employees of the United States stamped-envelope agency at Dayton, Ohio, shall be deemed a part of the clerical force. As the service of such employees may properly be required in excess of the regular working hours or on Sundays or holidays the provision should be changed to read as follows:

> "*Provided further*, That printers, mechanics, and skilled laborers, and employees of the United States stamped-envelope agency at Dayton, Ohio, shall, for the purposes of employment, promotion, compensation, and the granting of compensatory time for Sunday and holiday service, be deemed a part of the clerical force."

The bill provides, in lines 12 to 15, page 34, that whenever an employee shall have been reduced in salary for any cause he may be re-

stored to his former grade or advanced to an intermediate grade at the beginning of any quarter following his reduction, whereas lines 20 to 23 provide that whenever the promotion of an employee is withheld because of unsatisfactory service, such employee may be promoted at the beginning of the second quarter thereafter.

The effect of this would be to penalize the employee whose salary was withheld a loss of salary for a minimum of six months, whereas the employee who was reduced might be penalized a maximum of less than three months.

As ordinarily the offense calling for reduction is greater than that calling for the withholding of a promotion, it is felt that the provision for the withholding of a promotion for a period of six months is unjust and inequitable. It is therefore believed that lines 20 to 23 should be changed to read as follows:

> "Whenever the promotion of an employee herein provided for is withheld because of unsatisfactory service, such employee may be promoted at the beginning of any quarter thereafter."

The words "or of any subsequent quarter" should be striken out.

As promotions are made only at the beginning of the quarter, this would provide for the withholding of a promotion for a minimum of three months in each instance.

The bill provides, in lines 11 to 22, on page 27, for the appointment of substitutes to the grade to which they would have progressed had they been appointed to grade 1. The present law provides for promotion of substitutes to grade 2 after one year, at which grade they are appointed to regular positions, and then begin to progress to higher grades. The department believes that the present law is equitable and should be continued.

The bill provides, in line 23, on page 27, to line 2, on page 28, for promotion of substitutes each year, same as regular clerks. This apparently conflicts with the preceding paragraph in the bill.

The bill provides, in line 10, on page 28, to line 2, on page 29, for travel allowance after 8 hours from time of beginning initial run instead of after 10 hours. In the opinion of the department, travel allowance should begin 10 hours after starting initial run, as the present law provides.

The bill provides, in lines 17 to 19, on page 29, for continuing in present classes of all railway post-office lines, no authority being given to department to reclassify them as conditions change, nor is any provision made for classification of new lines. The department should have authority to reclassify lines as conditions change, otherwise an anomalous situation would soon arise whereby more important lines would be in class A and less important ones in class B.

The bill provides, in line 20, on page 29, to line 9, on page 30, for terminal railway post offices and transfer clerks' offices to be divided into classes A and B. They are now all in class A. Also provides for progressive promotions to grade 5 instead of grade 4 in class B, and eliminates nondistributer positions in both classes, which are now in grade 3. The elimination of nondistributer positions is not believed to be warranted. In our opinion, the pay of clerks occupying nondistributer positions should be less than the pay of those doing distributing work.

The bill provides, in lines 10 to 15, on page 30, for double the number of grade 6 places in superintendents' and chief clerks' offices. The increase of grade 6 places in superintendents' and chief clerks' offices is not favored. The present law provides for a grade 6 clerk in the more important positions, and the number of such important positions is now provided for.

The bill provides, in lines 10 to 13, on page 31, for crediting clerks with full time for delay to trains equal to the period of time between the scheduled arrival and actual arrival of the train at destination of run. This would be undesirable legislation, as a large increase in payment for salaries would result, and that increase in pay would be for time in which no work was performed by the clerks.

Very sincerely yours,

HARRY S. NEW,
Postmaster General.

PERSONAL EXPLANATION

Mr. CONNALLY of Texas. Mr. Speaker, I ask unanimous consent to proceed for half a minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. CONNALLY of Texas. Mr. Speaker, I was out of the Chamber this morning when the House met, attending the sessions of the Select Committee on the Shipping Board, of which I am a member. Therefore, I did not hear the colloquy that took place in the House in respect to the proceedings of last night. I want to say that during yesterday forenoon, as well as yesterday afternoon, I was in attendance upon the Select Committee on the Shipping Board, except that I attended the House session from 12 o'clock until 2 o'clock. I remained at my office until about 7 o'clock last evening, after the House adjourned, and I understood that there would be nothing last night except general debate and that no votes would be had. After leaving the House I was unable to return to the House until after supper—something after 9 o'clock last evening. I came into the lobby with the gentleman from Kansas [Mr. TINCHER], as was stated in the RECORD this morning. I want the RECORD to show that I was here and heard the general debate and was present when the House adjourned.

CAPE COD CANAL

Mr. UPSHAW. Mr. Speaker, I ask unanimous consent to consume the other half minute not consumed by the gentleman from Texas [Mr. CONNALLY].

The SPEAKER. Is there objection?

There was no objection.

Mr. UPSHAW. Mr. Speaker, I recently visited the Cape Cod Canal and became thoroughly convinced that the Government ought to own and operate it. I asked the superintendent to write me a letter showing how life has been saved by its operation, and I ask unanimous consent to extend my remarks in the RECORD by incorporating that letter.

The SPEAKER. The gentleman from Georgia asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. UPSHAW. Mr. Speaker and gentlemen of the House, being called to my home city of Atlanta on an important engagement of one year's standing, I was prevented from taking part in the debate on the Cape Cod Canal, and I am therefore taking advantage of the leave granted me to print in the RECORD a remarkable letter from the present manager of the canal. This letter was written at my request through the good offices of Mr. Frank J. Batcheller, one of the leading citizens of New England and one of the most unselfishly patriotic men I have ever known.

I am delighted to learn that the House acted favorably on this measure, and I am sending this information for the Senate, where action is pending.

Before giving this stirring letter from Mr. H. L. Colbeth, "a son of the sea" and a high-class Christian gentleman, I wish to say that while the great consideration of humanity and governmental economy of this matter appealed to me, from all I had heard of the dangers of the Cape Cod shore before I ever saw the situation, my visit and personal inspection by a trip through the canal has made me a thorough and enthusiastic convert on the basis of that axiom in the field of both religion and philosophy that "seeing is believing."

I frankly feel that no Member of Congress could vote against the proposition to have the Government take over and maintain this canal if he could visit the spot, as I have done, and see the great need for himself.

Certainly, if it is right to maintain lighthouses and the Coast Guard to save human lives, then surely every law of humanity, of human and divine economy, should have caused this Government to dig and take charge of the Cape Cod Canal a full century ago.

If this had been done hundreds of lives and millions of dollars in property would have been saved.

We appropriate millions of dollars every year to prevent death and alleviate suffering; we appropriate millions to prevent blight on plant and animal life; we are in the act now of appropriating millions for the commercial development of Muscle Shoals. I believe in all these wise investments, but if they are governmentally considerate and sound, surely an investment like this speaks forth the spirit of humanitarian America. Every lighthouse on the shore beams a welcome of sanity and safety to strangers and our own returning citizens; but in this Cape Cod enterprise is found not only every consideration of humanity but the soundest sort of commercial economy. I urge the support of this measure upon the honored Senators who have not been on the scene, for the Cape Cod Canal governmentally perfected and maintained will be a great national asset. Let us give humanity the benefit of the doubt.

A REMARKABLE, CONVINCING LETTER

CAPE COD CANAL,
Buzzards Bay, Mass., April 14, 1924.

Hon. WILLIAM D. UPSHAW,
House of Representatives, Washington, D. C.

DEAR MR. UPSHAW: At the request of our mutual friend, Mr. Batcheller, of Boston and Duxbury, I shall attempt to briefly bring to your attention in a more or less personal way the dangers attending navigation on the so-called outside route around Cape Cod and through the Nantucket and Vineyard Sounds as compared with the shorter and safer route via the Cape Cod Canal.

My personal experience on the waters above mentioned covers a period of 25 years of active service in all capacities from a sailor

before the mast on the smaller sailing vessels to command of the largest, fastest, and most valuable steamships engaged in coastwise service; and, in addition to the above, my father, my father's and mother's brothers, and my two grandfathers were all shipmasters, making frequent voyages along the New England coast, and among my earliest recollections are the stories of storm, fog, shipwreck, and loss of life on that part of the coast known as "The Graveyard of the Atlantic," between Block Island, R. I., and the northeast extremity of Cape Cod, Mass. In the little town of Machiasport, on the coast of Maine, where I was born and reared, there have been many occasions when the community has mourned the loss of several of its citizens, and sometimes two, three, and four men of one family have been lost in one storm; and, while these mariners sailed all over the world, casualties were more frequent in the vicinity of Cape Cod and Nantucket than elsewhere, and great relief was experienced when ships were reported as having passed these dangerous points in safety.

I was 4 years of age when I made my first voyage around Cape Cod with my father in a sailing schooner which he commanded, he being then engaged in the trade of carrying building material, lumber, stone, and lime from Maine and provincial ports to New York, Philadelphia, Baltimore, and the West Indies, and on the return voyage from New York and Philadelphia cargoes were almost invariably coal, as is the custom to-day, although a large proportion of the coal is moved in barges under motive power furnished by an attending tug. On my first voyage as a seaman, when about 14 years of age, I sailed from my home town to New York and returned to Portland, Me., on a three-masted sailing schooner carrying about 500 tons of cargo.

The outward voyage was without event, other than considerable delay caused by foggy weather and head winds, but on the return trip, deeply loaded with a cargo of coal in the early winter, we experienced severe weather and considerable delay. We lay at anchor in Vineyard Haven, Marthas Vineyard, in a severe easterly gale, during which one vessel broke from her mooring and was driven on the shore, Vineyard Haven being an open and exposed harbor in northeast gales, as a glance at the map will show. Leaving Vineyard Haven after the weather had cleared and the wind had come out from the westward, we proceeded as far as Highland Light, Cape Cod, a distance of about 60 miles, when the wind veered to the northwest and increased to a gale which made it necessary to reduce canvas, tack ship, and sail back for a distance of about 20 miles to an anchorage under the shore of Cape Cod near the town of Chatham. This anchorage, while comparatively safe in westerly gales, was absolutely unsafe when the wind changed toward the northeast. It was then necessary to watch the weather very carefully, and at the slightest indication of the gale blowing itself out to get under way and either return to Vineyard Haven or make another attempt to get around Cape Cod.

Our captain chose the latter alternative, and we stood out by Cape Cod into a rough sea with the wind blowing half a gale from the westward, close-hauled on the port tack with all light sails carefully furled, with double gaskets, and I will never forget the difficulty attending the stowing of the topsails. I am quite sure my grip on the shrouds was sufficient to leave my finger marks on the topmast rigging, some 85 feet above the deck. The distance from Cape Cod to Portland, Me., is about 100 miles, and when we had covered 70 miles the wind suddenly changed to northeast, blowing with almost hurricane force, which made it impossible to do other than run before the wind under reefed canvas, and we squared away, in nautical parlance, for the harbor of Salem, Mass., which was about 45 miles away. Rough seas broke over the vessel's deck continually, and while it was necessary to man the hand pumps frequently we had to watch out very carefully and jump into the rigging when the big combers came over the rail, otherwise nothing could have prevented our being washed overboard. After two or three more delays we reached Portland Harbor in safety and delivered our cargo of anthracite coal.

There is no harbor of refuge between Vineyard Haven, Mass., and Provincetown, a distance of about 70 miles; and as Provincetown is not much frequented by sailing vessels, it is necessary to make a circuitous course at least halfway around the compass; therefore for sailing vessels there is no feasible harbor between Vineyard Haven and Salem or Boston, a distance of approximately 125 miles, or 24 hours' sailing for a small schooner even under favorable circumstances of wind and weather, and the weather on the New England coast during the winter months is not often continuously fair with no change of wind during a period of this length. More often the sailing vessel reaches a point halfway between Vineyard Haven and Cape Cod, when the weather either becomes thick with fog, rain, or snow and southerly gales or suddenly veers to the north and northeast, which compels a return to Vineyard Haven.

I have often heard my father relate an experience of steering a vessel which he commanded from a point off Cape Cod to Boston Harbor, a distance of 60 miles, in a blinding snowstorm with a southeast gale, he never leaving the helm for 10 hours, and his ship being one of three out of a fleet of 20 that reached port with safety, while the others were totally or partially wrecked or delayed for a period of several days. The above is far from an unusual instance; and, without tiring you with too much detail, I can assure you that the Cape Cod Canal is nothing short of a godsend to the smaller coasting vessels and to the seamen and their families, and I might add that most of these men are of the old, hardy New England stock and who are now carrying on the same business established several generations ago by their ancestors—that is, the building, loading, and operating of sailing ships—and if only one life a year could be saved by the Cape Cod Canal—which, by the way, is a ridiculously low estimate—who shall say that the price of $11,500,000 is too much for the Government to pay for a waterway that will save the life of one of our fellow men, and, more especially, if it should be the life of a son, brother, or intimate acquaintance?

DANGEROUS FOGS AND TORTUOUS CHANNELS

Greater even than the dangers incident to storms, tortuous channels, submerged shoals, and swift cross currents is the menace of fog on this section of the New England coast, and Government records show there is 150 per cent in excess of that experienced at the Cape Cod Canal. During thick or foggy weather vessels are navigated almost wholly by sound signals, and if no wind prevails these signals are reasonably safe guides; but on Nantucket Shoals the acoustic conditions are such that sound signals do not carry for more than short distances and are sometimes deflected by varying density of the air, so that the direction from which they originate is extremely difficult to locate; and while in some localities fog will frequently clear when a strong breeze obtains, it is noticeable in the vicinity of Cape Cod and Nantucket that thick fog is prevalent even with a strong gale blowing, which obviously renders sound signals of minimum value.

PASSENGER SHIPS SUNK BY COLLISION

It was my experience on one occasion when chief officer of a steamship to collide with and sink a large passenger steamer, and after rescuing the passengers and crew it was necessary in consideration of the damaged condition of our own vessel to run her ashore on Cape Cod at a point near the Nausett Light station, where the passengers and all except a skeleton crew were taken ashore by the life-savers. Both steamers were equipped with large steam fog whistles which were frequently sounded, but were inaudible for any appreciable distance, which was the primary cause of the collision. On another occasion while groping our way through the tortuous channels over Nantucket Shoals we collided with a steamer which had not heard our signals, fortunately receiving only minor damage, and about two hours later, at a point 20 miles eastward, we ran into a sailing schooner which was quite seriously damaged and eventually towed into port by our ship. The above instances are typical of what is constantly recurring; and within the last few days one of the Savannah & Boston Line steamers carrying passengers and cargo was in collision with a large collier at a point near the Cross Rip Lightship, the accident having resulted in no loss of life, although both steamers were considerably damaged. On March 12, 1924, just one month ago, the six-masted schooner *Wyoming*, one of the largest sailing vessels in the world, was totally wrecked about 4 miles off Chatham, Cape Cod, with the loss of every man on board. This vessel carried over 5,000 tons of coal and loaded to a depth of 29 feet, and was obviously beyond the present capacity of the Cape Cod Canal, but undoubtedly this vessel would have availed herself of this shorter and safer route had such course been practical. It is superfluous to state that total loss of the vessel and crew would not have occurred had this shorter route been available. There have been numerous instances during the past winter, which has been far from severe, speaking comparatively, when vessels have attempted to use the outside route and been forced to change their course and retrace considerable distance to one of the entrances of the canal. This is especially true of vessels bound north.

FREEZE TO DEATH WAITING FOR RESCUE

It was my experience to witness an accident to a tow of coal barges owned by the Philadelphia & Reading Railroad, which stranded on the dreaded shoals known as Peaked Hill Bar off the north point of Cape Cod, when several lives were lost, although the crew of a Coast Guard station were at the scene and did everything humanly possible to assist the distressed vessels. I was in command of a steamer at the time and passed this point a few hours after the heart-rending accident occurred, where human lives were lost within sight of and, in fact, within a short half mile of the land. It was also my experience to see a large five-masted ship totally destroyed by fire near the same point, and while no lives were lost it was a sad sight to see a fine, large ship consumed in flames which lighted the horizon for miles. One menace which can not be overlooked is that men are in danger of freezing to death while awaiting rescue on stranded vessels anywhere on the New England coast, which danger does not obtain in parallel cases farther south where the temperature is much higher. Thirteen Life Saving or Coast Guard stations are maintained by the Government along the seaward side of Cape Cod.

These stations are only 3 miles apart, ample testimony of the danger to life and property. A Coast Guard cutter is maintained at Woods Hole with a regular cruising distance of only 40 miles, although the vessel frequently makes longer trips to aid and assist vessels in dis-

tress. The cruising radius of Coast Guard vessels stationed farther south is sometimes as great as 600 miles, and a personal letter recently received from Commander P. W. Lauriat, in command of the Coast Guard cutter *Yamacraw*, stationed at Charleston, S. C., states that with a much larger cruising radius his present position is a sinecure in comparison with his past experience at the Woods Hole station, in command of the U. S. S. *Acushnet*.

My acquaintance with the waters of the New England coast and my intimate knowledge of the dangers of Cape Cod and Nantucket Shoals are such that I could continue almost indefinitely relating accidents and instances similar to the foregoing, but knowing my communication is already of unpardonable length, I commit the above to you for such consideration as it may receive.

With the assurance that no statements are overdrawn, but to quote from one of the songs in the old Baptist hymnal, "The half has never yet been told." With kindest personal regards, I have the honor to remain,

Yours very truly, H. L. COLBETH,
General Manager.

EXTENSION OF REMARKS

Mr. LAGUARDIA. Mr. Speaker, I ask unanimous consent to extend in the RECORD the remarks made on the floor of the House to-day.

The SPEAKER. Is there objection?

There was no objection.

Mr. KING. Mr. Speaker, I ask unanimous consent to extend in the RECORD the remarks that I made this afternoon.

The SPEAKER. Is there objection?

There was no objection.

ADJOURNMENT

Mr. McKENZIE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 38 minutes p. m.), in accordance with the order heretofore made, the House adjourned until to-morrow, Thursday, May 22, 1924, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

500. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of the Interior, pertaining to the Reclamation Service, for the fiscal year 1925, amounting to $1,146,500 (H. Doc. No. 298); to the Committee on Appropriations and ordered to be printed.

501. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Interstate Commerce Commission for the fiscal year ending June 30, 1925, for valuation of property of carriers, $350,000 (H. Doc. No. 299); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. KELLER: Committee on the District of Columbia. S. 1641. An act to declare Lincoln's birthday a legal holiday; without amendment (Rept. No. 799). Referred to the Committee of the Whole House on the state of the Union.

Mr. WYANT: Committee on Interstate and Foreign Commerce. H. R. 9245. A bill granting the consent of Congress to the Commissioners of Fayette and Greene Counties, Pa., to construct a bridge across the Monongahela River, near Masontown, Fayette County, Pa.; without amendment (Rept. No. 802). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. REECE: Committee on Military Affairs. H. R. 2419. A bill for the relief of Michael Curran; without amendment (Rept. No. 800). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 1415. A bill for the relief of Josiah Frederick Dose; without amendment (Rept. No. 801). Referred to the Committee of the Whole House.

Mr. CELLER: Committee on Claims. S. 225. An act to extend the benefits of the employees' compensation act of September 7, 1916, to Edward N. McCarty; with amendments (Rept. No. 803). Referred to the Committee of the Whole House.

Mr. FREDERICKS: Committee on Claims. S. 335. An act for the relief of John T. Eaton; without amendment (Rept. No. 804). Referred to the Committee of the Whole House.

Mr. BULWINKLE: Committee on Claims. S. 648. An act for the relief of Janie Beasley Glisson; without amendment (Rept. No. 805). Referred to the Committee of the Whole House.

Mr. VINCENT of Michigan: Committee on Claims. S. 1573. An act for the relief of Samuel S. Weaver; without amendment (Rept. No. 806). Referred to the Committee of the Whole House.

Mr. BECK: Committee on Claims. H. R. 917. A bill for the relief of Ernest F. Church, boatswain, United States Naval Reserve Force; with amendments (Rept. No. 807). Referred to the Committee of the Whole House.

Mr. THOMAS of Oklahoma: Committee on Claims. H. R. 4294. A bill for the relief of Casimira Mendoza; with an amendment (Rept. No. 808). Referred to the Committee of the Whole House.

Mr. THOMAS of Oklahoma: Committee on Claims. H. R. 1889. A bill for the relief of Nelly McCanna, residuary legatee and devisee under the last will and testament of P. F. McCanna, deceased; with an amendment (Rept. No. 809). Referred to the Committee of the Whole House.

Mr. BOX: Committee on Claims. S. 2187. An act authorizing the Comptroller General of the United States to consider and settle the claim of Mrs. John D. Hall, widow of the late Col. John D. Hall, United States Army, retired, for personal property destroyed in the earthquake at San Francisco, Calif.; with an amendment (Rept. No. 810). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Indian Affairs was discharged from the consideration of the bill (H. R. 9340) granting a pension to Theodore A. K. Gessler, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HUDSPETH: A bill (H. R. 9361) granting the consent of Congress to the construction of a bridge across the Rio Grande; to the Committee on Interstate and Foreign Commerce.

By Mr. JONES: A bill (H. R. 9362) to provide for the establishment of a dairying and livestock experiment station at Dalhart, Tex.; to the Committee on Agriculture.

By Mr. CARTER: A bill (H. R. 9363) to establish a fish hatchery in the third congressional district of the State of Oklahoma; to the Committee on the Merchant Marine and Fisheries.

By Mr. TILLMAN: A bill (H. R. 9364) granting a pension to deputy United States marshals of the United States District Court of the Western District of Arkansas who rendered special service prior to the admission of the State of Oklahoma into the Union; to the Committee on the Judiciary.

By Mr. THOMPSON: A bill (R. R. 9365) to extend the limitations of time upon the issuance of medals of honor, distinguished-service crosses, and distinguished-service medals, to persons who served in the Army, Navy, or Marine Corps of the United States during the World War; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally refered as follows:

By Mr. ANTHONY: A bill (H. R. 9366) granting a pension to Samuel Thompson; to the Committee on Invalid Pensions.

By Mr. CROWTHER: A bill (H. R. 9367) granting a pension to Alice M. Walrath; to the Committee on Invalid Pensions.

By Mr. MORTON D. HULL: A bill (H. R. 9368) for the relief of Henrietta Barnard; to the Committee on Claims.

By Mr. JOHNSON of Washington: A bill (H. R. 9369) granting a pension to William F. Murray; to the Committee on Invalid Pensions.

By Mr. KENDALL: A bill (H. R. 9370) granting a pension to Lulu Alice Weimer; to the Committee on Invalid Pensions.

By Mr. LOGAN: A bill (H. R. 9371) for the relief of the legal representative of Sylvester Jancovich, deceased; to the Committee on Claims.

By Mr. LOZIER: A bill (H. R. 9372) granting a pension to Thomas M. Frazier; to the Committee on Pensions.

By Mr. MAJOR of Illinois: A bill (H. R. 9373) granting a pension to Mary E. R. Simmennaker; to the Committee on Invalid Pensions.

By Mr. MANLOVE: A bill (H. R. 9374) granting an increase of pension to Crawford Blair; to the Committee on Pensions.

By Mr. MOORE of Illinois: A bill (H. R. 9375) granting permission to Fred F. Rogers, commander, United States Navy, to accept certain decorations bestowed upon him by the Venezuelan Government; to the Committee on Naval Affairs.

By Mr. STRONG of Pennsylvania: A bill (H. R. 9376) granting an increase of pension to Hannah J. Kerr; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 9377) granting a pension to Lines P. Wasson; to the Committee on Pensions.

By Mr. TILLMAN: A bill (H. R. 9378) to pay $2,821.16 to Perry Lee, C. A. Boen, and C. A. Monroe Meadows, of Newton County, Ark.; to the Committee on Claims.

Also, a bill (H. R. 9379) granting a pension to Mary Jane Carter; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2835. By the SPEAKER (by request): Petition of Ardmore (Okla.) Chapter of Izaak Walton League, favoring upper Mississippi River bill; to the Committee on Rivers and Harbors.

2836. By Mr. GALLIVAN: Petition of Boston Spaghetti Manufacturing Co., Boston, Mass., protesting against McNary-Haugen bill; to the Committee on Agriculture.

2837. Also, petition of Associated Industries of Massachusetts, Boston, Mass., protesting against enactment of the McNary-Haugen bill; to the Committee on Agriculture.

2838. By Mr. KING: Petition of the Polly Sumner Chapter of the Daughters of the American Revolution, in favor of changing the name of Mount Rainier to Mount Tacoma; to the Committee on the Public Lands.

2839. By Mr. RAKER: Thirty-six letters from employees of the custodian service at port of San Francisco, Calif., indorsing support of House bill 8352, for the purpose of reclassifying salaries of employees of the custodian service; to the Committee on the Civil Service.

2840. Also, four letters in re Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2841. By Mr. YOUNG: Petition of Bismarck Association of Commerce, Bismarck, N. Dak., protesting against the passage of the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

SENATE

THURSDAY, *May 22, 1924*

(*Legislative day of Tuesday, May 20, 1924*)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Clerk will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Ashurst	Ferris	Ladd	Shipstead
Ball	Fess	Lenroot	Shortridge
Bayard	Fletcher	Lodge	Simmons
Borah	Frazier	McKinley	Smith
Brandegee	George	McLean	Smoot
Broussard	Gerry	McNary	Spencer
Bruce	Glass	Mayfield	Stanfield
Bursum	Gooding	Neely	Stephens
Cameron	Hale	Norbeck	Sterling
Capper	Harreld	Norris	Swanson
Caraway	Harris	Oddie	Trammell
Copeland	Harrison	Overman	Underwood
Cummins	Heflin	Pepper	Wadsworth
Curtis	Howell	Phipps	Walsh, Mass.
Dale	Johnson, Calif.	Pittman	Walsh, Mont.
Dial	Johnson, Minn.	Ralston	Warren
Dill	Jones, N. Mex.	Ransdell	Weller
Edge	Kendrick	Reed, Pa.	Wheeler
Edwards	Keyes	Robinson	Willis
Fernald	King	Sheppard	

Mr. CURTIS. I was requested to announce that the Senator from Iowa [Mr. BROOKHART] and the Senator from Washington [Mr. JONES] are engaged in a hearing before a special investigating committee of the Senate.

The PRESIDENT pro tempore. Seventy-nine Senators have answered to the roll call. There is a quorum present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed the bill (S. 2431) conveying to the State of Delaware certain land in the county of Sussex, in that State.

The message also announced that the House had passed the following bill and joint resolution of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 2450. An act to amend section 2 of the legislative, executive, and judicial appropriation act, approved July 31, 1894; and

S. J. Res. 105. Joint resolution authorizing the President to detail an officer of the Corps of Engineers as Director of the Bureau of Engraving and Printing, and for other purposes.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 4820. An act to amend the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved June 10, 1922; and

H. R. 7269. An act to authorize and direct the Secretary of War to transfer certain materials, machinery, and equipment to the Department of Agriculture.

PETITIONS AND MEMORIALS

Mr. CAPPER presented the petitions of sundry members of the congregation of the Methodist Episcopal Church, of Miltonvale, and of sundry citizens of Hutchinson, both in the State of Kansas, praying an amendment to the Constitution relative to the regulation of child labor, which were referred to the Committee on the Judiciary.

Mr. PEPPER presented the memorial of the Philadelphia (Pa.) Board of Trade, remonstrating against the passage of the Senate bill (S. 2327) to amend section 4 of the interstate commerce act, which was referred to the Committee on Interstate Commerce.

He also presented the petition of the Philadelphia (Pa.) Board of Trade, praying for the passage of the bill (H. R. 8887) to amend an act entitled "An act to provide for the consolidation of national banking associations," approved November 7, 1918; to amend section 5136 as amended, section 5137, section 5138 as amended, section 5142, section 5150, section 5155, section 5190, section 5200 as amended, section 5202 as amended, section 5208 as amended, section 5211 as amended, of the Revised Statutes of the United States; and to amend section 9, section 13, section 22, and section 24 of the Federal reserve act, and for other purposes, which was referred to the Committee on Banking and Currency.

REPORTS OF COMMITTEES

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (S. 2842) to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes, reported it without amendment and submitted a report (No. 583) thereon.

Mr. BALL, from the Committee on the District of Columbia, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 1179. An act to authorize the Commissioners of the District of Columbia to close certain streets, roads, or highways in the District of Columbia rendered useless or unnecessary by reason of the opening, extension, widening, or straightening, in accordance with the highway plan of other streets, roads, or highways in the District of Columbia, and for other purposes (Rept. No. 584);

S. 1340. An act to make the necessary survey and to prepare a plan of a proposed parkway to connect the old Civil War forts in the District of Columbia (Rept. No. 585); and

S. 1935. An act to amend, revise, and reenact subchapter 3, sections 546 and 547 of the Code of Law of the District of Columbia relating to the recording of deeds of chattels (Rept. No. 586).

Mr. BALL also, from the Committee on the District of Columbia, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

S. 1934. An act to amend, revise, and reenact section 549 of subchapter 4 of the Code of the District of Columbia relating to the appointment of deputy recorder of deeds and fixing the compensation therefor (Rept. No. 587); and

S. 2694. An act to enable the trustees of Howard University to develop an athletic field and gymnasium project, and for other purposes (Rept. No. 588).

Mr. BALL, from the Committee on the District of Columbia, to which was referred the bill (S. 3053) to quiet title to original

lot 4, square 116, in the city of Washington, D. C., reported it without amendment and submitted a report (No. 590) thereon.

Mr. COPELAND, from the Committee on the District of Columbia, to which was referred the bill (S. 3280) to regulate in the District of Columbia the traffic in, sale, and use of milk bottles, cans, crates, and other containers of milk and cream, to prevent fraud and deception, and for other purposes, reported it with amendments and submitted a report (No. 589) thereon.

Mr. LADD, from the Committee on Commerce, to which was referred the bill (S. 3292) granting the consent of Congress to the city of Hannibal, Mo., to construct a bridge across the Mississippi River at or near the city of Hannibal, Marion County, Mo., reported it without amendment and submitted a report (No. 591) thereon.

ENROLLED BILLS PRESENTED

Mr. BALL, from the Committee on Enrolled Bills, reported that on the 20th instant that committee presented to the President of the United States enrolled bills of the following titles:

S. 105. An act for the relief of Arthur Frost;

S. 129. An act for the relief of the William D. Mullen Co.;

S. 130. An act for the relief of George T. Tobin & Son;

S. 210. An act of the relief of Peter C. Keegan and others;

S. 589. An act for the relief of James Moran;

S. 1572. An act for the relief of the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J.; and

S. 1698. An act granting permission to Commander Dorr F. Tozier, United States Coast Guard, retired, to accept a gift from the King of Great Britain.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BALL:

A bill (S. 3359) to establish a bureau for children's aid in and for the District of Columbia, to determine its functions, and for other purposes; to the Committee on the District of Columbia.

By Mr. BURSUM:

A bill (S. 3360) granting a pension to John F. Walker; to the Committee on Pensions.

By Mr. FERRIS:

A bill (S. 3361) to correct the military record of Charles T. Hollis, deceased; to the Committee on Military Affairs.

By Mr. WARREN:

A bill (S. 3362) permitting Leo Sheep Co., of Rawlins, Wyo., to convey certain lands to the United States and to select other lands in lieu thereof, in Carbon County, Wyo., for the improvement of the Medicine Bow National Forest; to the Committee on Public Lands and Surveys.

By Mr. REED of Pennsylvania:

A bill (S. 3363) to fix the salaries of certain judges of the United States; to the Committee on the Judiciary.

By Mr. FLETCHER:

A bill (S. 3364) granting an increase of pension to Harriet F. Leonard; to the Committee on Pensions.

By Mr. FERNALD:

A bill (S. 3365) granting an increase of pension to Inzetta A. Small; to the Committee on Pensions.

By Mr. McKINLEY:

A bill (S. 3366) to provide for an examination and survey of the Mississippi and Ohio Rivers at or near Cairo, Ill., for the purpose of determining the practicability and estimating the cost of a tri-State highway bridge over said rivers; to the Committee on Commerce.

MILITARY TELEGRAPH CORPS OF THE ARMY

On motion of Mr. REED of Pennsylvania the bill (S. 1535) granting relief to persons who served in the Military Telegraph Corps of the Army during the Civil War was referred to the Committee on Pensions.

AMENDMENT TO GENERAL DEFICIENCY APPROPRIATION BILL

Mr. ODDIE submitted an amendment proposing to appropriate $800,000 from the reclamation fund, special fund, for continued investigations, commencement of construction, and incidental operations of the Spanish Springs irrigation project, Nevada, intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Irrigation and Reclamation and ordered to be printed.

Mr. JONES of Washington submitted an amendment proposing to appropriate $1,500,000 for continued investigations and commencement of construction of the Kittitas unit of the Yakima irrigation project, Washington, intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Irrigation and Reclamation and ordered to be printed.

FORT GREEN, NEWPORT, R. I.

Mr. COLT submitted an amendment intended to be proposed by him to the bill (H. R. 9124) authorizing the sale of real property no longer required for military purposes, which was referred to the Committee on Military Affairs and ordered to be printed.

CHANGE OF REFERENCE

On motion of Mr. BURSUM, the Committee on Pensions was discharged from the further consideration of the bill (S. 1943) for the relief of Isaac J. Reese, and it was referred to the Committee on Military Affairs.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred to the Committee on Military Affairs:

H. R. 4820. An act to amend the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved June 10, 1922; and

H. R. 7269. An act to authorize and direct the Secretary of War to transfer certain materials, machinery, and equipment to the Department of Agriculture.

POSTMASTERS AND POSTAL EMPLOYEES

Mr. WALSH of Montana obtained the floor.

Mr. EDGE. Will the Senator yield?

Mr. WALSH of Montana. I yield.

Mr. EDGE. In view of the fact that the unfinished business before the Senate is the postmasters and postal employees' compensation bill, I ask unanimous consent that a short editorial from the Pittsburgh Press be read at the desk.

The PRESIDENT pro tempore. Without objection the Clerk will read as requested.

The reading clerk read as follows:

[From the Pittsburgh Press, Friday evening, May 9, 1924]

POSTAL EMPLOYEES' BILL IN DANGER

It will be a surprise, probably, to most readers to learn there is a real threat against the passage of the bill to increase the pay of postal employees.

Such a situation hardly could have been anticipated in view of the cordial public support given the bill.

It is doubtful if there is a more underpaid class of employees in the country, in view of the present costs of living, than the postal employees.

There was no hesitancy on the part of the people in demanding the passage of the bill when they learned it would add only $300 a year to the pay of the various classes of mail carriers and postal employees, bringing their salaries to $1,700, $1,800, $1,900, and $2,100.

The salary bill is in such a position on the calendar of both the Senate and the House that it can not be reached before the adjournment of Congress unless some heroic measure is adopted.

The rescuer is a resolution presented in both Houses to advance the bill on the calendar so that it can come to a vote before the adjournment.

This resolution should be passed without hesitancy by both branches of Congress.

No toleration should be given to the evident plan of opponents of the bill to let it die in the midst of the jam immediately prefacing adjournment, in order that they may accomplish their object without going on record in a vote.

Just why there is opposition to the bill has not been made clear to the public.

Its passage will only be a belated acknowledgment of the richest Government in the world that it has been paying salaries to an army of faithful employees, of which it should have been ashamed.

PERMANENT INTERNATIONAL COURT

Mr. KING. Will the Senator from Montana yield to me?

Mr. WALSH of Montana. I yield.

Mr. KING. Mr. President, President Harding, in a message to Congress, recommended the adherence of the United States to the protocol of December 16, 1920, accepting the statute providing for the Permanent Court of International Justice. In his message he recommended that such adherence by the United States should not be taken to involve any legal relation on the part of our Government to the League of Nations or the assumption of any obligations under the covenant of the League of Nations. He also recommended that the United States should accept the protocol, with a reservation that it be permitted to participate through representatives designated for the purpose and upon an equality with the other States, members, respectively, of the council and assembly of the league, in all proceedings for the election of

judges or deputy judges of the Permanent Court of International Justice or for the filling of vacancies; also that no amendment to the statute providing for the court should be made without the consent of the United States.

Mr. President, I have believed that the United States should take the lead in any movement looking to the establishment of a Permanent International Court to settle disputes and controversies arising between nations. Indeed, I believed that we should have entered the League of Nations and taken part in the organization of the court and other tribunals for which the league makes provision. The recommendation of President Harding did not go as far as I should have liked but I believed it to be a forward movement, and therefore ga it cordial approval. Accordingly, I offered a resolution immediately after President Harding's message, in which he dealt with this matter, and before the adjournment of Congress secured a vote upon its adoption. I regret that the Republican Senate repudiated their President and refused assent to his recommendation. There was a rather full attendance of the Senate when the vote was taken, and every Republican Senator present voted against my resolution. And may I add that every Democratic Senator present, except three, voted for it.

President Coolidge followed in the footsteps of President Harding and recommended the adhesion of this Republic to the protocol to which I have referred. On the 10th day of December, 1923, when Congress convened, I offered a resolution containing the same provisions as found in the resolution offered in the preceding Congress, and which, as I have stated, was defeated. I have spoken upon a number of occasions to the chairman of the Committee on Foreign Relations [Mr. LODGE], who is the majority leader in the Senate. I have asked him as well as other Senators for a favorable report by that committee upon my resolution. No action, as I am advised, has been taken, and it would appear as though the Republicans in this Congress proposed to rebuke President Coolidge, as they rebuked President Harding at the last Congress.

A few days ago the Senator from Massachusetts [Mr. LODGE] presented a resolution dealing with the subject of a world court and had it referred to the committee of which he is chairman. His resolution is unacceptable to those who believe in a vital and living international court, one which measures up to the demands of those who believe that the world should be brought into closer relation and should be bound by stronger bonds of fellowship and good will. It looks to me as though his resolution was offered for the purpose of torpedoing the resolution which I offered or any other rational and practical scheme which might be suggested to bring about the establishment of an effective world court.

Mr. President, when I offered the resolution which I have referred to following the message of President Harding I suggested that perhaps the statute should be amended as a condition precedent to our entrance into the World Court. I was advised, however, that the matter had been fully considered and that it was the view of the able Secretary of State that the reservations suggested in the President's message would sufficiently meet the situation. Further reflection has convinced me that it might be wise to provide that the adhesion of the United States to the protocol of December 16, 1920, shall be conditioned upon the amendment of the statute creating the Permanent Court of International Justice in such a manner as to cover the points contained in the reservations set forth in the resolution which I have offered in two Congresses. Accordingly I have prepared a resolution which I think meets the situation in a satisfactory manner. I shall not take the time of the Senate to read it, but ask that it be printed in the RECORD and referred to the Committee on Foreign Relations.

The resolution (S. Res. 233) was referred to the Committee on Foreign Relations, as follows:

The President of the United States having on the 24th day of February, 1923, transmitted to the Senate a protocol, dated December 16, 1920, of adhesion to the statute of the Permanent Court of International Justice adopted by the assembly of the League of Nations on December 13, 1920, and adjoined to the said protocol; and the President having asked the advice and consent of the Senate to the adhesion by the United States to the said protocol accepting the adjoined statute of the Permanent Court of International Justice, excepting the optional clause for compulsory jurisdiction: Now, therefore, be it

Resolved, That the Senate, two-thirds of Senators concurring, advise and consent to the adhesion by the United States to the protocol of December 16, 1920, accepting the adjoined statute of the Permanent Court of International Justice, excepting therefrom the optional clause for compulsory jurisdiction; such adhesion to be upon the condition that the statute of the Permanent Court of International Justice be first amended to empower the United States to participate through representatives designated for the purpose and upon an equality with the other States, members respectively of the Council and Assembly of the League of Nations, in any and all proceedings for the election of members of the Permanent Court of International Justice, or for the filling of vacancies, and to provide that the statute of the Permanent Court of International Justice shall not be amended without the consent of the United States.

The Senate declares that the adhesion by the United States to said protocol and the adjoined statute does not constitute an assumption by the United States of any of the obligations of Part I of the treaty of Versailles.

SENATOR BURTON K. WHEELER

Mr. WALSH of Montana. Mr. President, it would be a work of supererogation on the part of any Senator to attempt to supplement the splendid presentation of the testimony taken on the hearings conducted by the special committee inquiring into charges against my colleague, Senator WHEELER, made by the senior Senator from Idaho [Mr. BORAH] on yesterday. Were it not for the extraordinary report submitted by the Senator from South Dakota [Mr. STERLING], and the even more extraordinary speech made by him in support of it, I should have nothing to say about this matter.

If I understand the Senator from South Dakota aright, he takes the position that the Senate of the United States has no power to inquire into the facts charged in the indictment against the junior Senator from Montana [Mr. WHEELER] or to make any report to the Senate as to whether or not the facts charged are true; and further, that, if the Senate of the United States has any such power, it is against public policy that it should exercise that power. The contention is made that if we undertake to pass upon the facts so charged in the indictment prior to a determination of that question by a petit jury, we are invading the province of the judiciary.

So much has been said recently, Mr. President, about usurpation upon the part of the Senate of the United States that I feel impelled to meet the issue thus raised by the Senator from South Dakota, who, I regret to say, is absent from the Chamber this morning. Some time ago the power of the Senate of the United States respectfully to represent to the President that a high official of the Government was not, in its judgment, a fit person for the place was questioned, and the Senate was charged with usurpation in that matter. Later on the power of the Senate to call witnesses before it or before one of its committees to give information, upon which the Senate might properly discharge its legislative functions, was questioned. The Senate was charged with invading the functions of the judiciary; and the courts are called upon now to pass upon the right of the Senate in that regard, a right which it has exercised without serious question for something over 130 years, namely, since it came into existence.

Now it is charged that the Senate has no power to inquire into the truth of charges of criminality against one of its own Members in order to determine whether or not he is a fit person to sit here; at least, until the question of his criminality is determined by a petit jury.

Pause for one moment, fellow Senators, to reflect upon what that means. A Senator is charged publicly, through the press or otherwise, or through an indictment against him in the courts of some State with some grave offense, possibly treason. The evidence is such as is generally accepted by the community; practically every Member of the Senate believes that he is guilty; indeed, he may even, as has occurred in the history of the United States Senate, proclaim his want of fidelity to the Government of the United States; and yet we must tolerate his presence here among us; we must permit him to vote upon matters that may affect the very existence of the Nation; we can not get rid of him; we can not expel him; we can not inquire into the facts of his guilt at all until, forsooth, by the slow process of criminal procedure, with all of the incidents of delay that ordinarily attend proceedings of that character; his presence must be tolerated here until a jury shall determine whether or not he is guilty. The proposition, Mr. President, is too absurd for serious contemplation; and I propose to demonstrate its falsity and its shallowness so clearly that no Senator shall be able to take refuge, as I do not imagine any Senator will undertake to take refuge, behind the idea advanced—I might say the pretext proposed—by the Senator from South Dakota, to escape a straight vote upon the question of the exoneration of my colleague from these charges.

The Senator from South Dakota told us on yesterday that this procedure was without precedent. Lest I should misstate what he said, I have before me his language. He said:

Mr. President, I say that this case is absolutely without parallel in our legislative history; there is nothing like it, and it is hoped there will be nothing like it in the future.

I shall presently recur to this reference to history.

The committee proceeded under the following resolution adopted on April 9, 1924:

Resolved, That a committee consisting of five Members of the Senate be appointed by the President pro tempore to investigate and report to the Senate the facts in relation to the charges made in a certain indictment returned against Senator BURTON K. WHEELER in the United States District Court for the State of Montana.

In the report of the Senator from South Dakota is the following statement:

The language of the resolution is broad enough to include an inquiry not only as to whether there was probable cause upon which the Federal grand jury for the district of Montana might properly return an indictment against Senator WHEELER but also whether Senator WHEELER was in fact guilty of the charges laid in the indictment.

Bear in mind that the Senator from South Dakota himself declared that the language of the resolution is broad enough to empower the committee to inquire into these facts, but he asserts that there is no constitutional warrant for doing so.

Mr. President, if the committee had reported as they were directed to report, should the facts justify them in so doing, that the Senator from the State of Montana is guilty of the acts charged in the indictment, what would follow? A resolution of expulsion as a matter of course. Before the Senate can expel a Member it must make investigation as to whether he is guilty of conduct warranting his expulsion. The Senator from South Dakota read from the Constitution, as follows:

Each House may determine the rules of its proceedings, punish its Members for disorderly behavior—

And he commented upon the fact that the charges were not of disorderly behavior, which in all probability contemplated disorderly behavior within the Senate. Quite true; but the Constitution continues:

and, with the concurrence of two-thirds, expel a Member.

The resolution had particular reference as a matter of course to the expulsion of Senator WHEELER from the Senate, provided the facts charged in the indictment were established. The offense alleged is of very grave character, it not only subjects the official guilty of it to fine and imprisonment but the statute itself provides that the culprit shall be disqualified from ever holding any office of honor or profit under the United States; and, although a judgment of guilty would not include expulsion from the Senate, it would justify and, indeed, all but require the Senate to expel. Although the Constitution does not specify the grounds upon which a Senator may be expelled it has never been controverted that if it is established that he is guilty of an offense defined in a statute, particularly one involving moral turpitude, he should be expelled. So the constitutional warrant for inquiring into the matter needs no exposition from anyone, and I am astonished that any Senator should rise in his place and question the power of the Senate to make an inquiry of that character.

Mr. President, when charges of this character are made, such as those in the indictment against Senator WHEELER, the Senate has a duty to perform, a duty which it owes to itself, and a duty which it owes to the Member whose conduct has been challenged. It must perform that duty; it can not escape it. If the Member charged is guilty, he ought to be expelled; if he is innocent, it ought to be so declared in order that he might not be embarrassed in the further discharge of his duties.

The Senator from South Dakota generously suggests that he is quite willing that Senator WHEELER should remain in his seat until the matter shall be determined by a petit jury, but any Senator thus accused is under a cloud meanwhile; his services here are affected to a very considerable extent; the influence that he ought to exercise and would otherwise exercise in this body and outside of this body, under such circumstances, would be seriously affected.

But I say, Mr. President, that the Senate of the United States has a duty to perform no matter what may happen before a petit jury. The United States district attorney for the district of Montana conceives that he has a duty to perform, and he has to proceed with the prosecution of the person charged. The Senate has its duty to perform, to see that a Member tainted, as it is charged my colleague is tainted in this matter, shall not longer remain in the Senate.

It has frequently happened in the history of the Senate that a Senator charged with an offense has preferred to ask the Senate to defer an investigation until the matter shall be tried by a petit jury, where he believes, with all the rules applicable to the trial of a criminal offense, he would be better situated in order to establish his innocence, or, at least, meet the accusation of guilt, than he would be before a committee of the Senate. That, however, is a mere matter of comity between this Senate and the judiciary department.

Neither one can claim precedence over the other. But, Mr. President, this question is not a new one. Quite contrary to the statement made on yesterday by the Senator from South Dakota, the very idea he advances was repudiated by the Senate at an early period in its history in a case in every particular identical with the case under consideration so far as the principle to which the Senator appeals is concerned. The whole matter was discussed and determined, and the views expressed by the Senator from South Dakota were entirely repudiated, and the Senate proceeded to consider the expulsion of a Member while an indictment was pending against him. The proceedings grew out of the celebrated Burr conspiracy.

It will be borne in mind that Aaron Burr, after he retired from the office of Vice President of the United States, was charged with having engaged in a conspiracy to set up an empire in the West, and it is generally believed that he was so engaged. One John Smith, a Senator from the State of Ohio, was charged with complicity with Burr in that conspiracy, and it will be borne in mind that Smith was indicted for participation in that conspiracy, and, being so indicted, a resolution was introduced to expel him from the Senate.

I read from the second volume of Hinds' Precedents, at page 816, as follows:

On November 27, 1807, the Senate, after debate, adopted after amendment the following resolution proposed by Mr. Samuel Maclay, of Pennsylvania.

"*Resolved*, That a committee be appointed to inquire whether it be compatible with the honor and privileges of this House that John Smith, a Senator from the State of Ohio, against whom bills of indictment were found at the circuit court of Virginia, held at Richmond in August last, for treason and misdemeanor, should be permitted any longer to have a seat therein; and that the committee do inquire into all the facts regarding the conduct of Mr. Smith as an alleged associate of Aaron Burr, and report the same to the Senate."

A special committee was appointed to inquire into that matter, the indictment thus pending against Smith. That committee was constituted of the following Members:

John Quincy Adams, of Massachusetts; Samuel Maclay, of Pennsylvania; Jesse Franklin, of North Carolina; Samuel Smith, of Maryland; John Pope and Buckner Thurston, of Kentucky; and Joseph Anderson, of Tennessee.

On December 31 Mr. Adams announced that the committee was ready to report, and made the following motion, which was read and agreed to:

Ordered, That John Smith, a Senator from the State of Ohio, be notified by the Vice President to attend in his place.

The Vice President accordingly notified Mr. Smith in the words following:

JOHN SMITH, Esq.,
Senator from the State of Ohio.

SIR: You are hereby required to attend the Senate in your place without delay.

By order of the Senate. GEO. CLINTON,
President of the Senate.

And Mr. Smith attended.

The committee then submitted its report.

After reciting the facts, the committee of which Mr. John Quincy Adams, afterwards President of the United States, was the chairman, attending to contentions identical with those now advanced by the Senator from South Dakota, among other things in its report said as follows:

The committee have never conceived themselves invested with authority to try Mr. Smith. Their charge was to report an opinion relating to the honor and privileges of the Senate and the facts relating to the conduct of Mr. Smith. Their opinion, indeed, can not be expressed in relation to the privilege of the Senate without relating, at the same time, to Mr. Smith's right of holding a seat in this body; but, in that respect, the authority of the committee extends only to proposal, and not to decision.

I omit, then, and continue:

In examining the question whether these forms of judicial proceedings, or the rules of judicial evidence, ought to be applied to the exercise of that censorial authority which the Senate of the United

States possesses over the conduct of its Members, let us assume, as the test of their application, either the dictates of unfettered reason, the letter and spirit of the Constitution, or precedents, domestic or foreign, and your committee believe that the result will be the same; that the power of expelling a Member must, in its nature, be discretionary, and in its exercise always more summary than the tardy process of judicial tribunals.

Mr. STERLING. Mr. President, I just wish to ask the Senator for the reference; that is all.

Mr. WALSH of Montana. The second volume of Hinds.

Mr. STERLING. From what page is the Senator reading?

Mr. WALSH of Montana. Page 816.

Mr. STERLING. I thank the Senator.

Mr. WALSH of Montana. The committee continues:

The power of expelling a member for misconduct results, on the principles of common sense, from the interest of the Nation, that the high trust of legislation should be invested in pure hands. When the trust is elective, it is not to be presumed that the constituent body will commit the deposit to the keeping of worthless characters. But when a man, whom his fellow-citizens have honored with their confidence, on the pledge of a spotless reputation, has degraded himself by the commission of infamous crimes, which become suddenly and unexpectedly revealed to the world, defective indeed would be that institution which should be impotent to discard from its bosom the contagion of such a member; which should have no remedy of amputation to apply until the poison had reached the heart.

The question upon the trial of a criminal cause before the courts of common law is not between guilt and innocence, but between guilt and the possibility of innocence. If a doubt can possibly be raised, either by the ingenuity of the party or of his counsel or by the operation of general rules in their unforeseen application to particular cases, that doubt must be decisive for acquittal, and the verdict of not guilty, perhaps, in nine cases out of ten, means no more than that the guilt of the party has not been demonstrated in the precise, specific, and narrow forms prescribed by law. The humane spirit of the laws multiplies the barriers for the protection of innocence and freely admits that these barriers may be abused for the shelter of guilt. It avows a strong partiality favorable to the person upon trial and acknowledges the preference that ten guilty should escape rather than that one innocent should suffer. The interest of the public that a particular crime should be punished is but one to ten compared with the interest of the party that innocence should be spared. Acquittal only restores the party to the common rights of every other citizen; it restores him to no public trust; it invests him with no public confidence; it substitutes the sentence of mercy for the doom of justice; and in the eyes of impartial reason, in the great majority of cases, must be considered rather as a pardon than a justification.

But when a member of a legislative body lies under the imputation of aggravated offenses and the determination upon his cause can operate only to remove him from a station of extensive powers and important trust, this disproportion between the interest of the public and the interest of the individual disappears; if any disproportion exist it is of an opposite kind. It is not better that ten traitors should be Members of this Senate than that one innocent man should suffer expulsion. In either case, no doubt, the evil would be great. But in the former it would strike at the vitals of the Nation; in the latter it might, though deeply to be lamented, only be the calamity of an individual.

By the letter of the Constitution the power of expelling a Member is given to each of the two Houses of Congress without any limitation other than that which requires a concurrence of two-thirds of the votes to give it effect.

The spirit of the Constitution is perhaps in no respect more remarkable than in the solicitude which it has manifested to secure the purity of the legislature by that of the elements of its composition. A qualification of age is made necessary for the Members to insure the maturity of their judgment; a qualification of long citizenship to insure a community of interests and affections between them and their country; a qualification of residence to provide a sympathy between every Member and the portion of the Union from which he is delegated; and to guard, as far as regulation can guard, against every bias of personal interest and every hazard of interfering duties, it has made every Member of Congress ineligible to office which he contributed to create and every officer of the Union incapable of holding a seat in Congress. Yet in the midst of all this anxious providence of legislative virtue it has not authorized the constituent body to recall in any case its representative. It has not subjected him to removal by impeachment, and when the darling of the people's choice has become their deadliest foe can it enter the imagination of a reasonable man that the sanctuary of their legislation must remain polluted with his presence until a court of common law, with its pace of snail, can ascertain whether his crime was committed on the right or on the left bank of the river; whether a puncture of difference can be found between the words of the charge and the words of the proof; whether the witnesses of his guilt should or should not be heard by his jury; and whether he was punishable, because present at an overt act, or intangible to public justice, because he only contrived and prepared it? Is it conceivable that a traitor to that country which has loaded him with favors, guilty to the common understanding of all mankind, should be suffered to return unquestioned to that post of honor and confidence where in the zenith of his good fame he had been placed by the esteem of his countrymen, and in defiance of their wishes, in mockery of their fears, surrounded by the public indignation, but inaccessible to its bolt, pursue the purposes of treason in the heart of the national councils? Must the assembled rulers of the land listen with calmness and indifference session after session to the voice of notorious infamy, until the sluggard step of municipal justice can overtake his enormities? Must they tamely see the lives and fortune of millions, the safety of present and future ages, depending upon his vote, recorded with theirs, merely because the abused benignity of general maxims may have remitted to him the forefeiture of his life?

Such, in very supposable cases, would be the unavoidable consequences of a principle which should offer the crutches of judicial tribunals as an apology for crippling the congressional power of expulsion. Far different, in the opinion of your committee, is the spirit of our Constitution. They believe that the very purpose for which this power was given was to preserve the legislature from the first approaches of infection. That it was made discretionary, because it could not exist under the procrastination of general rules; that its process must be summary, because it would be rendered nugatory by delay.

The Senate of the United States was not deterred considering or from voting upon the motion to expel John Smith, a Senator from the State of Ohio, notwithstanding an indictment was pending against him.

Mr. President, how can we escape this reasoning? Why, if we are going to delay action in the Senate in every instance, if we have no power in the premises, as asserted by the Senator from South Dakota in his report here, until an accused Senator shall have been tried by a petit jury, as a matter of course if he appeals, we must wait until the determination of his appeal; and then if there should be found, perchance, some error in the introduction of evidence possibly of no very material character, or some error in the instructions of the court to the jury, or some other irregularity should appear, and a new trial should be ordered, we must allow the Senator to remain a Member of this body until the litigation is eventually determined, and his term possibly brought to an end by the lapse of time. As I said, the proposition is too absurd for serious consideration.

Comity ought to exist in this matter, and I do not undertake to say that under ordinary circumstances, where the offense charged against the Senator is not of a grave character, or the proof in regard to the matter is not entirely clear, and the Senator himself desires that he should not be prejudiced in his trial before the petit jury by any proceedings had in the Senate in anticipation of the trial, the Senate might very properly stay its hand until a determination by that tribunal; but whether it shall do so or shall not do so in the particular case is a matter which addresses itself to the good judgment of the Senate.

It is a fact that in the case of Burton, the Senator, my recollection is, chose to take his chances before a jury, which had to be satisfied beyond a reasonable doubt of his guilt before it could convict him, and so he asked no investigation by the Senate, which deferred action to await the result of the trial. I believe the same proceeding was observed in the case of Mitchell, of Oregon; and, as we were advised, that procedure has been observed in the case of Congressman LANGLEY in the House. But it is a matter for the Senate to determine as to whether it shall or shall not go on.

We all know the circumstances here. At the time this indictment was returned Senator WHEELER was engaged in prosecuting in a most vigorous and commendable way charges against the Department of Justice that it was teeming with fraud and corruption; and so well did he discharge that duty, whatever may be said concerning the character of the witnesses and the nature of the testimony that was adduced; so well did he discharge that duty that public opinion drove the Attorney General from his place, even before a report of the committee was filed, and the President of the United States himself called upon the Attorney General to send in his resignation. The country owes a debt of gratitude to my colleague for his excellent services in that connection.

Bear in mind that while he was engaged in that work the Department of Justice sent some one out to the State of Montana to get something on him for the perfectly obvious purpose of hampering and if possible destroying his work upon

the committee of which he was a member. The direct evidence is to that effect and the circumstances attending the return of the indictment points unmistakably to that conclusion.

The Senator from South Dakota says in his report:

In other words the charge of a frame-up failed entirely of proof.

I do not know what view the Senator from South Dakota may take about this matter; but if he does not believe that the indictment against Senator WHEELER was returned for the express purpose of hamstringing him in the prosecution of his work he stands almost alone among the people of the United States.

Under those circumstances the Senate believed that it would be in the interest of the public to have an immediate inquiry; so that should the charges prove to be unfounded, as most Members believed they would be, Senator WHEELER might not be harassed and embarrassed in the prosecution of his work. The Senate chose rather to proceed than to await the determination of the trial jury, particularly as Senator WHEELER himself asked that the investigation go on, and the resolution was introduced by myself, as I stated at the time, at his request.

So much for the power.

Having in mind the views expressed by that great statesman who in later years was very appropriately called "the Old Man Eloquent," I want to call attention to the views expressed in this minority report. The Senator from South Dakota says:

The language of the resolution is broad enough to include an inquiry not only as to whether there was probable cause upon which the Federal grand jury for the district of Montana might properly return an indictment against Senator WHEELER but also whether Senator WHEELER was in fact guilty of the charges laid in the indictment.

He says further:

A grand jury is one of our time-honored institutions, and has special recognition in our Federal Constitution. Neither the Senate nor the President has any power to control the action of grand juries or in any way to overturn indictments returned by grand juries. When a valid indictment has been found the party indicted must be put upon trial, unless the district attorney concludes, and the court concurs, that for some legitimate reason the indictment should be withdrawn. The legislative branch of the Government nor either House of Congress should attempt to exercise the power to determine, in advance of such trial, whether the defendant is in fact guilty, and its right or power so to determine is seriously questioned. Such determination not only encroaches upon the legal functions of the court but is likely so to prejudice public sentiment at the proper place of trial as to make it difficult and perhaps impossible for either the Government or the defendant to obtain a fair and impartial jury. Furthermore, when a committee of the Senate calls before it, in open session, all the witnesses of the prosecution and examines them before trial, the defendant Senator is accorded an advantage to which no other defendant is entitled under the law, an advantage to which he, merely because he is a Senator, is not entitled.

I will refer to that again directly. I want to read first the further argument along the same line toward the close of this rather remarkable report:

In the face of and contrary to what is believed to be sufficient evidence at least to warrant the action of the grand jury, the majority has specifically and definitely found that Senator WHEELER has not committed any act in violation of law. In doing this the majority have encroached upon the functions of the judicial branch of our Government. Their conclusions prejudice the issue made by the pending indictment and a plea of "not guilty" which it is assumed will be entered; and to this extent the majority report obstructs and interferes with the due administration of justice. In the face of the majority report, which will doubtless be given wide publicity in Montana, how can the Government hope to secure an unprejudiced jury to try the case? How can respect for the courts be maintained if their hands are to be tied and their freedom of action embarrassed by the unwarranted interference of a coordinate branch of the Government? The action of the majority of the committee in assuming to act as a petit jury to determine the guilt or innocence of the person accused, without the necessary orderly proceedings and restraints of a court of justice to safeguard the rights of the Government on the one hand and of the defendant on the other is altogether repugnant to our ideas of justice. "Equality before the law" is one of the cherished principles of our free institutions; it must not be violated by recourse to a proceeding which gives to a United States Senator, when charged with an offense, a privilege not enjoyed by the humblest citizen of the land.

Senator WHEELER, having been charged by a Federal grand jury with the violation of a Federal statute, should be remitted to the proper forum where he will have full opportunity to explain, deny, or refute the charges made against him and where the Government likewise, through its counsel, will be accorded the right to present its case in a lawful and orderly way. That forum is the Federal District Court for the State of Montana; and before a jury duly impaneled and sworn to try the case according to the law and the evidence.

The idea in the mind of the Senator apparently is that in some way or other we are going to try Senator WHEELER in the place of his being tried by a petit jury. The use of the language "remitted to the proper tribunal" conveys that idea. When a person is charged with an offense of which he claims the court has no jurisdiction, he sues out a writ of habeas corpus, and if the judge hearing the writ determines that his contention is not sound, he remits him to the court from which he came in order that the case may be tried. We do not remit Senator WHEELER anywhere. We determine simply whether he ought to be expelled from this body or not. We interfere in no way with the proceeding before the court.

Touching the assertion that a privilege is accorded Senator WHEELER not enjoyed by the ordinary person accused of crime, a word may be said.

The difficulty is that every citizen is not a member of this body. There are only 96 Senators who are subject to expulsion from this body. Every citizen of this country is not subject to expulsion from the United States Senate, and that is why the same matter may be heard in this tribunal and heard in another tribunal without either of them encroaching upon the powers or the functions of the other.

It may be true that a hearing here may indirectly ease the situation of a defendant Senator before a jury trying him, but it may as well be an embarrassment to him. But the duty of the Senate is clear whatever may be such indirect influence.

As pointed out, no matter what we do here, the proceedings in Montana will go on. An acquittal of Senator WHEELER in the courts of Montana would not compel us to retain him as a Member of this body. We would still have the power to go on and expel him. It might be a question whether he was not acquitted by reason of some technical failure of the proof, or some frailty in the indictment. We might prosecute an entirely independent inquiry with respect to the facts whatever the adjudication there might be.

The Senator read at some considerable length from the opinion in the Burton case, for the purpose, as he told us, of establishing that it was not necessary that the Senator should actually be entered as an attorney of record in some proceeding before the department before which he is charged with practicing. Some pages were read for that purpose. That kind of thing perhaps impresses some people, but inasmuch as no one ever even intimated in any wise that that was an essential requirement in order to establish a case against a Senator, it seemed to have little if any purpose.

There was a matter that was determined in the Burton case, however, that is exceedingly important in this connection. I read what the court said about the matter to which I have just adverted:

But the final judgment of conviction did not operate, ipso facto, to vacate the seat of the convicted Senator nor compel the Senate to expel him or to regard him as expelled by force alone of the judgment. The seat into which he was originally inducted as a Senator from Kansas could only become vacant by his death or by expiration of his term of office or by some direct action on the part of the Senate in the exercise of its constitutional powers. This must be so for the further reason that the declaration in section 1782 that anyone convicted under its provisions shall be incapable of holding any office of honor, trust, or profit "under the Government of the United States" refers only to offices created by or existing under the direct authority of the National Government as organized under the Constitution, and not to offices the appointments to which are made by the States acting separately, albeit proceeding, in respect of such appointments, under the sanction of that instrument.

The conviction in Montana would have no effect whatever in the Senate. The Senate might accept its judgment, or might proceed entirely independent of it if it so desired.

But I want to follow this matter a little further in the hope that even the Senator from South Dakota, for whom I have abundant reason for entertaining feelings of regard and esteem, may be induced to change his views.

I have read the language of the resolution under which the committee acted. The Senator said, in language which I have heretofore quoted:

The language of the resolution is broad enough to include an inquiry, not only as to whether there was probable cause upon which the Federal grand jury for the district of Montana might properly return an indictment against Senator WHEELER, but also whether Senator WHEELER was in fact guilty of the charges laid in the indictment.

For myself, I can find no room for such division in the resolution. I can find nothing whatever in the resolution which authorized the committee to go into the question as to whether there was probable cause to find the indictment. I can think of no provision of the Constitution which would authorize the committee to engage in any such inquiry unless, indeed, it be prosecuted as a part of an inquiry into the conduct of the Department of Justice.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER (Mr. PITTMAN in the chair). Does the Senator from Montana yield to the Senator from Idaho?

Mr. WALSH of Montana. I yield.

Mr. BORAH. The committee was very careful not to go into the proposition as to whether the grand jury had probable cause or not.

I did not think that we had any authority to inquire into it. We were authorized to investigate and report upon the facts touching the charge, and that is what we did, and that is the proceeding of the committee. When the question was suggested at one time the Senator from South Dakota seemed to think we had no authority to go into it.

Mr. WALSH of Montana. That was my understanding about the matter—that the committee did not go into that question at all and that there was no room whatever for inquiring into the charge made by the Senator from Montana that he was the victim of a frame-up. I did not understand that the Senate authorized any committee to go into the question as to whether he was the victim of a frame-up.

Mr. STERLING. No; not in terms——

Mr. WALSH of Montana. Certainly the resolution under which the committee acted did not authorize them to do so.

Mr. STERLING. But the Senator from South Dakota very early took the view that the committee had not the power to determine the guilt or innocence of Senator WHEELER but that the facts might assist in determining whether or not the grand jury had probable cause to find him guilty. That is as far as I thought the committee could go, and that belief was induced by the charge made by Senator WHEELER that this was a frame-up and that the prosecuting officers of the Government had been governed by improper motives. I was willing to go into the facts to that extent, but it was difficult to determine, in the investigation by the committee and in the statement of facts or purported facts by various witnesses, as to how far that would reach. I grant that, in the disclosure of facts other than those that were necessary in order to determine whether the grand jury was warranted in finding an indictment or not, it was difficult to draw the line in the examination of the witnesses or in taking their testimony. So without much reference to whether the inquiry was for the purpose of ascertaining whether he was guilty or innocent or not I allowed the testimony to go in.

Mr. WALSH of Montana. But that is a wholly different question. I am not discussing now the question of testimony at all. I am discussing the question of the resolution under which the committee acted. I want to inquire of the Senator from South Dakota where he finds in the resolution any direction to inquire whether the grand jury acted upon sufficient evidence or not?

Mr. STERLING. There is no explicit reference to it in the resolution. I grant that; that is very plain; but I have said that the resolution was broad enough, according to my interpretation of the resolution, to permit the committee to inquire into the question as to whether the grand jury was justified or not, or to go into the whole question of the guilt or innocence of Senator WHEELER.

Mr. WALSH of Montana. I inquire of the Senator, suppose the resolution did expressly direct, and directed nothing else, that the committee inquire into whether there was probable cause for the grand jury to find the indictment, where would the Senator find any justification in the Constitution for that kind of inquiry?

Mr. GEORGE. Why would we want to know it? What interest would it be to the Senate of the United States to know that fact?

Mr. STERLING. This was our interest, and mine as a member of the committee, in finding whether or not the evidence would show any of it or all of it together as to whether there was a frame-up against Senator WHEELER. That was my interest in it.

Mr. WALSH of Montana. I am inquiring of the Senator where he finds in the resolution any direction of the Senate to inquire into either of those questions?

Mr. STERLING. There is no specific direction in the resolution to that effect.

Mr. WALSH of Montana. Very well.

Mr. STERLING. I am free to admit that, but we were to investigate facts, and under my theory of the case the investigation might have been limited to the facts before the grand jury and any facts showing improper conduct or motives on the part of the prosecution.

Mr. WALSH of Montana. I now inquire of the Senator, suppose there were an express direction to the committee to inquire into that subject, where would he find the power in the Constitution to do it?

Mr. STERLING. We would not find the express power in the Constitution to do it no more than we find power in the Constitution to go into the other question.

Mr. WALSH of Montana. Why not? Why is it not involved in the power to expel? The committee in 1807 said that it was.

Mr. STERLING. I have not examined the case decided away back in 1807. There has been no case since that time, practically 120 years ago, in which that proposition was laid down, and that was a case of treason against the United States.

Mr. WALSH of Montana. But the Senator told us yesterday there was no case being a precedent for the present proceeding.

Mr. STERLING. I did; and I was distinctly under the impression that there was no case. The Senator has found a case, decided in 1807.

Mr. GLASS. Does not the Senator think that is a well-seasoned precedent, being 120 years old?

Mr. WALSH of Montana. Moreover, it will be borne in mind that less than 20 years had elapsed since the Constitution was written, and that in all probability not a few of those who contributed to framing it were still in public life.

Mr. STERLING. I will say to the Senator from Virginia that the precedent has never been followed from that time to this, and I do not think there will be another case found where an indictment had been returned when the Senate proceeded to try the guilt or innocence of the defendant.

Mr. GLASS. Perhaps there never was a case—I hope not—just similar to this since that precedent was established.

Mr. STERLING. There is a case pending now in the other House that involves this very principle, and where the committee refused to go on with the investigation until the matter had been decided by the trial court.

Mr. BORAH. Mr. President——

Mr. WALSH of Montana. I yield to the Senator from Idaho.

Mr. BORAH. Of course, we could refuse to go on, just as the House refused to go on; but the House did not refuse to go on because it did not have the power to go on. It had the power to do it if it wanted to.

Mr. WALSH of Montana. The Senate did, as a matter of fact, direct an investigation into the facts charged against Senator WHEELER in the indictment. The language is perfectly explicit. It did not direct any inquiry as to whether the grand jury had probable cause to believe that Senator WHEELER was guilty or could be convicted. It did not direct the committee to inquire whether he was the victim of a frame-up or not. It directed the committee to inquire whether he was guilty of the facts charged against him, with a view to his expulsion if he was or his exoneration if he was not.

The Senator from South Dakota made no objection at the time the resolution was offered in the Senate to the effect that to do so was beyond the power of the Senate under the Constitution. He made no objection to the effect, when the resolution was offered in the Senate, that it would be unwise public policy to pursue that course because we would prejudice the administration of justice in the State of Montana. No; he was perfectly silent about it. No one in the Senate at the time, I dare say, doubted what it was the committee was directed to do. The Senator from South Dakota apparently admits that he recognized the full meaning and significance of the language of the resolution and expected that the committee would go into the question of the facts of guilt or innocence. Not only that, Mr. President, but when the committee proceeded to inquire into the facts the Senator from South Dakota made no objection to the introduction of testimony concerning the truth of the charge upon the ground that the committee had no jurisdiction to inquire into them or that it would be unwise upon the ground of public policy to do so. All of the testimony went in.

The Senator complains that the order of the presentation of the testimony was reversed, but upon an exami-

nation of the record I find that he made no objection about it at the time at all. He said in that connection as follows:

In the presentation of evidence before the committee the customary order was reversed, and eight witnesses were heard who, supposedly, had been summoned at the instance of Senator WHEELER with the view of refuting the charges laid in the indictment and of proving Senator WHEELER was not guilty thereof. This was not in accord with my conception of the proper function of the committee, as above stated, but tended to extend the inquiry far beyond any legitimate scope.

But it was within the scope of the resolution, as admitted by the Senator from South Dakota, and no objection was made either about the order of the presentation of the testimony or against the testimony itself. The Senator, having accepted a position upon the committee which was charged with the duty of going into the matter, said this in his report:

The view here expressed is limited to the first of these propositions—

That is, whether there was probable cause—

namely, as to whether the indictment was justified by the evidence before the grand jury. The second proposition, as to whether Senator WHEELER is in fact guilty of the crime, is not, in my opinion, a proper subject of inquiry by the committee, that being solely a matter for determination by the court in which the indictment is pending.

I inquire, as suggested by the Senator from Georgia, to which end should the committee inquire into the question as to whether there was probable cause for the indictment, as to whether the evidence which came before the grand jury was sufficient or not? Suppose it was sufficient but there was other evidence which wholly overcame that; what should the Senate do? To what end, I inquire, should the Senate prosecute an investigation as to whether the evidence was or was not sufficient? If there was other evidence that overcame that, Senator WHEELER would not be expelled from this body. If evidence other than that heard by the grand jury should be adduced inculpating him he might stand in danger of exculpation. What could the Senate do upon a report either that the grand jury did or that it did not hear evidence sufficient to warrant its action?

Not only then was an inquiry of that kind never authorized by the Senate but the Senate probably never could authorize an inquiry of that kind, and, finally, there was no object in prosecuting an inquiry of that character.

There are a couple of other extraordinary passages in the report to which I invite attention, as follows:

The complaint is here made that the indictment by the grand jury was obtained and found through improper motives and upon evidence insufficient in law to show probable cause for belief in the guilt of the accused.

Who makes the complaint? Where is it made? Something was said in the newspapers to that effect. A great many of us believe that is the case, but what was the committee called upon to inquire into?

For the purposes of this case it may be conceded that the occasion is such as to justify an investigation by a committee of the Senate as to the motives which prompted the prosecution in its beginning and the sufficiency of the evidence before the grand jury to sustain it.

Why, Mr. President, that is just exactly the subject that another committee of the Senate, the Brookhart committee, is going into. They are going into the question as to whether the Department of Justice is not reprehensible in this matter and as to whether it did not prosecute this proceeding without any just foundation for it. That was not within the scope of the inquiry which this committee was directed to make at all.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Idaho?

Mr. WALSH of Montana. I yield to the Senator.

Mr. BORAH. The language in the report of the Senator from South Dakota where he says "The complaint is here made," and so forth, would indicate that there was some complaint of that kind in a formal manner before the committee. Of course, no such thing as that was before the committee at all.

Mr. STERLING. I grant that there was no formal complaint of that kind, but I assumed that that complaint was made in the speech delivered by the junior Senator from Montana [Mr. WHEELER] immediately following the publication of the news that an indictment had been found. Here on the floor of the Senate he made a speech charging the indictment with being a frame-up, and I think charging Government officials with being prompted by unworthy or improper motives, holding out the idea that it was his political enemies who were instigating the prosecution. Hence the words in the report, "The complaint is here made." They refer to the complaint as I understood it to be made by the junior Senator from Montana.

Mr. WALSH of Montana. But I remind the Senator that the committtee was not charged with the duty of inquiring into the truth of the statements made by the junior Senator from Montana upon the floor here; it was charged with the duty of inquiring into the facts charged against him in the indictment; and the Senator from South Dakota endeavors to shift it from the charges in the indictment to the statements made by the junior Senator from Montana on the floor here as to the truth or falsity of the statements made by him or the soundness or unsoundness of the conclusions that he drew.

Mr. BROOKHART. Mr. President——

Mr. WALSH of Montana. I yield to the junior Senator from Iowa.

Mr. BROOKHART. At the time this resolution was passed I here, on the floor of the Senate, referred specifically to this question and requested that the investigation as to a frame-up be left to my committee. That committee has taken testimony in reference to the matter, which has indicated that it was a frame-up; that the claim of the junior Senator from Montana was true; and we shall take more testimony, and we shall investigate the charge to a conclusion. That is a question apart from the guilt or innocence of the junior Senator from Montana.

Mr. WALSH of Montana. Yes; I dare say that the committee of which the distinguished Senator from Iowa is chairman will in due course inquire into the question of whether this was a frame-up or not or whether the evidence submitted to the grand jury was sufficient to warrant an indictment or not, but I again remind the Senator from South Dakota that that was not the duty imposed upon the committee of which he is a member.

Mr. STERLING. It was a duty that I was willing to concede the committee might perform.

Mr. WALSH of Montana. The committee might perform how? Under the resolution?

Mr. STERLING. Under the resolution.

Mr. WALSH of Montana. The Senator from South Dakota continues:

None of the witnesses thus called at the instance of Senator WHEELER had appeared before the grand jury, and obviously their testimony can serve no useful purpose in determining the question of probable cause. In the testimony of these witnesses there is an utter lack of evidence in any manner substantiating the statement of Senator WHEELER that improper motives actuated the Government officers who either made the investigation or presented the evidence to the grand jury which returned the indictment. In other words, the charge of frame-up failed entirely of proof.

But the Senator was not called upon, as I have said, to inquire into that question at all; neither was the committee of which he was a member.

Mr. CARAWAY. There was not a line of testimony elicited by the Senator from South Dakota or anyone else directed to the point that there was or was not a frame-up.

Mr. OVERMAN. Do I understand that the Senator from South Dakota in his report finds that there was no frame-up?

Mr. CARAWAY. Yes.

Mr. OVERMAN. I am surprised at that.

Mr. WALSH of Montana. I have asserted that if the Senator from South Dakota so believes—and I assume that he does, as he has so stated in his report—he stands practically alone among the people of the United States.

Mr. STERLING. Mr. President, I have abundant evidence to show that I do not stand practically alone in my view of this matter. I think it will be found that there is very good authority in support of the view that I have taken. I have fine legal authority, if the Senator will allow me to say so; I have evidence as to that; and so I do not stand alone by any means.

I want to say now to the Senator, once for all—and I do not think from what I said yesterday and from what I say now there can be any misunderstanding of my position—that I state in the minority report that the right of the committee to go into the question of whether the grand jury was warranted in finding an indictment or not is open to serious question; but in view of the statement made here by the Senator's colleague on the floor of the Senate, I thought we might well go into that question. The junior Senator from Montana gravely and

seriously charged that the indictment was a frame-up and that the officers were governed by improper motives. I was attracted at the time by that statement on the part of the junior Senator from Montana, which he made here on the floor of the Senate, and I thought that the committee might well investigate the question as to whether there was evidence going to show that frame-up.

Mr. OVERMAN. But the question is, Did the Senate committee investigate that question?

Mr. STERLING. Yes; they investigated it in a way; some of the testimony must have gone to that, necessarily.

Mr. OVERMAN. Does the Senator from South Dakota think he is justified in finding that there was no frame-up when his committee did not go into that question and refused to go into it?

Mr. STERLING. The Senator from North Carolina is wrong in that respect.

Mr. OVERMAN. I have taken what the Senator himself has stated.

Mr. STERLING. We did not refuse to go into the question. I did not have control of the introduction of witnesses, so far as that is concerned. Witnesses were called, persons of whom I had never heard and did not know. I once suggested to the Senator from Idaho [Mr. BORAH] as to whether it would not be a good idea, in view of the charge by the junior Senator from Montana, to have the district attorney brought here from Montana. At first blush he seemed to think it would be; but later on, after consideration, he said he did not think it would be a good idea, and I rather agreed with him that it would hardly be proper, perhaps, for the United States district attorney to come here and testify before a committee of the Senate.

It is my position that we had no right to go into the question as to whether there was guilt or innocence, but we might have had a right, under the very serious charge made by the junior Senator from Montana, to go into the question of a frame-up and ascertain whether the evidence showed it or not. If it did show it, no one would be quicker to condemn it than myself and no one would have been more receptive to testimony of that kind than myself; but it was not introduced.

Mr. WALSH of Montana. I want to inquire of the Senator whether he had at any time ever insisted that that subject be gone into?

Mr. STERLING. I did not personally and specifically insist upon it; no.

Mr. WALSH of Montana. Exactly.

Mr. STERLING. I did not think it was necessary.

Mr. WALSH of Montana. Exactly.

Mr. STERLING. That committee being constituted as it was and Senator WHEELER having made the statement that he made, I did not think it necessary to remind the other members of the committee that the committee might inquire into the question as to whether or not there was a frame-up.

Mr. WALSH of Montana. I want to make another inquiry of the Senator.

Mr. STERLING. I thought then, let me say to the Senator from Montana, that if there had been evidence apparent to the other members of the committee to the effect that there was a frame-up they would have been quick enough to have brought it to the attention of the committee.

Mr. WALSH of Montana. I want to ask the Senator another question. If he concedes that the only legitimate inquiry that the committee could make was as to the sufficiency of the evidence before the grand jury to indict, did he object when witnesses were called who were not before the grand jury?

Mr. STERLING. I did not.

Mr. WALSH of Montana. Then, if that is the theory of the Senator, why did he not object?

Mr. STERLING. I began to see the situation so far as that committee was concerned, and that they were going on and trying the question of guilt or innocence, and I did not object to that.

Mr. WALSH of Montana. Exactly.

Mr. STERLING. But I said that in its findings the committee should be limited to the question as to whether there was sufficient evidence to warrant the finding of an indictment.

Mr. WALSH of Montana. I understand that now.

I merely want to say in conclusion, Mr. President, that I wish I might take a more charitable view of this report, but I can not help but feel that this is an afterthought of the Senator from South Dakota; that it never occurred to him——

Mr. STERLING. An afterthought since when?

Mr. WALSH of Montana. Since the testimony was all in, because up to that time the Senator had never advanced the idea; and an afterthought, Mr. President, in order to afford some one an opportunity to evade a direct vote upon the question of the exoneration of my colleague.

Mr. STERLING. The distinguished Senator from Montana may entertain such view as he cares to in regard to its being an afterthought, but it was not an afterthought. Furthermore, when it came to the meeting of the committee in executive session, after hearing the report of the majority read, I submitted the opinion that I could not agree to that report; that I considered our proper function was to make the inquiry only as to whether there was evidence showing a frame-up, and that the indictment was the result of that kind of procedure.

Mr. WALSH of Montana. The Senator must appreciate, as a matter of course, as everybody else will, that his minority report simply gives an excuse to some persons to entertain some suspicion against my colleague; and for other people to scatter slander about him over the United States, notwithstanding the Senate may exculpate and exonerate him.

Mr. STERLING. That minority report——

Mr. WALSH of Montana. I appeal to my fellow Senators upon this floor to be bold enough to vote either for the exoneration of my colleague or for his condemnation, and not seek to hide and get away from that issue by any suggestion that, although he is not guilty, the grand jury had sufficient reason for returning an indictment against him, as proposed by the Senator from South Dakota.

Mr. STERLING. Mr. President, if the Senator will allow me, the minority report contains much more than mere conclusions. It refers to the evidence, including the evidence taken before the grand jury, to the oral evidence and documentary evidence, and I submit that that evidence, without explanation, without denial, would warrant the grand jury in finding as it did. That evidence, as I have stated in the report, may be explained, it may be refuted by the Senator from Montana in the proper place.

Mr. CARAWAY. Mr. President, I realize that no useful purpose can be subserved by continuing to discuss the minority report submitted by the Senator from South Dakota. I hope he does not go away, for I wish to call attention to one statement in that report. In the second paragraph he says:

> The language of the resolution is broad enough to include an inquiry not only as to whether there was probable cause upon which the Federal grand jury for the district of Montana might properly return an indictment against Senator WHEELER but also whether Senator WHEELER was in fact guilty of the charges laid in the indictment.

If that is true, if the views that he was to present were to be confined exclusively to the question of whether there was probably ground to warrant the grand jury in returning an indictment, everybody knows that the Senator from South Dakota should have discussed no testimony except that which the grand jury had before it, because if the whole inquiry was as to whether the grand jury had probable ground for believing Senator WHEELER guilty, then no evidence except that which the grand jury had should have been considered by the committee or should have been discussed by the Senator from South Dakota. That is evident; and yet in his report he discusses matters that the grand jury never had an opportunity to consider, and in his speech on yesterday he sought to bolster up the contention that he was justified in his position by reading an affidavit that was never before the grand jury. I can not understand how the Senator from South Dakota, who is a lawyer, can find any excuse for dragging into this discussion evidence that the grand jury never saw and never heard of in order to uphold his contention that the only thing that the committee had a right to inquire into was whether the grand jury had probable cause for believing Senator WHEELER guilty. That is only one of the inconsistent statements that the Senator from South Dakota has made.

I repeat, because I do not want anybody to vote without having at least an opportunity to know it, that skillfully led as some of the witnesses were by the Senator from South Dakota, there is not a line in the testimony, no witness testified to it, that Senator WHEELER ever at any time undertook, for a consideration or without a consideration, to represent Campbell or any other interest before the Department of the Interior, or that he did so represent anyone. If there is anyone who thinks that statement is inaccurate, I shall be glad to yield for him to point out the testimony by which that fact is established.

If, as the Senator said in the conclusion of his minority report, he was actuated only by a sense of duty, and it was abhorrent to his feelings to have to bring in this minority report, I ask him, then, in fairness to the Senator from Montana

[Mr. WHEELER], to withdraw his report, or else put his finger on some line of testimony that would justify it.

Let us take the Rhea case. I shall not read the testimony, because it has been in the RECORD twice. Rhea made an affidavit. Before that, Coan went to Montana in the pay of the Republican National Committee, according to his own sworn testimony, to "get something on" two Senators. He wanted to "smear" them, as he said, in order that they might be compelled to desist from prosecutions before committees of charges against the Department of Justice. I want to read Coan's testimony, because it is of a very remarkable character. On page 127 of the testimony Coan said:

The CHAIRMAN. Who employed you to go to Montana?

Mr. COAN. Mr. Lockwood—George B. Lockwood—of the Republican National Committee.

Senator SWANSON. Is he a member of the Republican National Committee?

Mr. COAN. Yes, sir.

Senator SWANSON. And he is also interested in the National Republican?

Mr. COAN. Yes, sir; he is secretary of the Republican National Committee.

Senator SWANSON. At that time were they interwoven?

Mr. COAN. I do not know the connection exactly. I did not ask him when he gave me the job whether they were interwoven or not.

The CHAIRMAN. You may take the witness.

Senator SWANSON. Did he tell you the purpose for which he employed you?

Mr. COAN. Yes; I was sent out to Montana to investigate some of these stories about Senator WHEELER. WHEELER had been attacking the administration and everybody in public life here, and nobody seemed to be willing to get up and answer him, and they thought it was up to somebody to find out who this fellow was, and what he had been doing.

Senator SWANSON. Who thought so?

Mr. COAN. The Republican National Committee.

Senator SWANSON. And they sent you there for that purpose?

Mr. COAN. Yes.

Coan went to Montana and got two affidavits. First, he got an affidavit from a man by the name of Glosser, upon whom the Senator from South Dakota relies. In that affidavit Glosser never pretended to say what he had been employed to do, but he did say that Campbell had told him about WHEELER's contract. Coan then took Glosser to Denver, Colo., at his expense or at the expense of the Republican National Committee, I presume—because, I take it, that he was furnished expense money—and found a man by the name of Rhea, the only other witness that the Senator from South Dakota quotes with approval; and from Rhea he had an affidavit. In that affidavit there is not a word that Senator WHEELER ever agreed to do anything touching any matter that Mr. Campbell had, so far as witnesses by competent evidence know. There was, however, a statement said to have been made by Campbell. When these two witnesses are put upon the witness stand and are pressed for the exact language of WHEELER, both of them said they never heard him at any time say what the scope of his employment was to be, much less that they, or either of them, knew he was to appear before any department of government.

Take the case of the Rhea permit, the James MacGowan permit: That is the one that the Senator discusses. Rhea said this. I shall not read his testimony. If anyone is interested in it, I shall be glad to do it. Rhea said that he and Campbell and Glosser and WHEELER were in room 212 in the Rainbow Hotel in Great Falls, and that in the course of the conversation Campbell said:

If Senator WHEELER can get this MacGowan permit fixed up, you—

Referring to Rhea—

can afford to give him a good slice of it.

It is perfectly obvious—the Senator from South Dakota knows it—that if the MacGowan permit had been within the things that WHEELER had been employed to do, and for which he had been paid, there would have been no occasion then to dicker for a new deal with WHEELER. There would have been no occasion for Campbell to say: "If WHEELER can do something for the MacGowan permit, you can afford to pay him for it," because the answer is obvious that if the MacGowan permit had been within the things that Campbell had employed WHEELER to do and for which WHEELER had been paid, there would have been no occasion to offer to pay him further for those services; and, in addition to that, the answer of Rhea is obviously to the same effect, because if you concede that the thing happened at all—and I will do that much, though I presume there is nobody on earth that believes it except the Senator from South Dakota—Rhea would have said, "Why, that is what we are paying WHEELER to do"; but, instead, he said: "I have got me a lawyer. That is my permit, and I have got me a lawyer to do that, and I have already paid him, and I am not going to pay anybody else." Therefore that ended it; and the Senator from South Dakota knows that under either theory of that testimony WHEELER had nothing to do with the MacGowan permit for a consideration or without one, because, in the first place, as I say again, and I want to repeat here, if that had been within the purview of the first employment of WHEELER by Campebll there would have been no offer upon his part to pay WHEELER additional for this, and there would have been no occasion for Rhea to have said: "I have got a lawyer to look after this meeting."

So, therefore, the only people that testify about that at all make it absolutely impossible for anybody, however anxious he may be to follow out the policy that brought about this indictment of smearing WHEELER, not to know that that permit had nothing to do with WHEELER's employment. It is denied by the very people that are put on the witness stand to prove it.

There is something that I might refer to here if we wanted to talk about frame-ups. I read this testimony yesterday, but I want to read it again in this connection, because here is the origin of this matter. It comes from people who at least are not in sympathy with Senator WHEELER politically. It comes from a Republican of the State of Montana, who was formerly the assistant attorney general of that State, and it shows this, and I will read it largely for this reason:

Here is Coan, under the employ of the Republican National Committee, who went out and framed up these indictments with somebody to help him here in the department; Coan, who admitted that there was nothing in the case, and we find Coan walking the streets to-day, confessed as a man who had entered into a conspiracy to frame up a Senator and to do it by perjured testimony, enjoying his liberty, with no effort to indict him, no desire to prosecute him, no suggestion that he ought to be prosecuted, and the man against whom he hatched up the conspiracy is to be tried upon what is known to be perjured testimony!

I want to look at the statement of this man. I shall skip the parts that merely show who he was.

Did you have any conversation with him about his business out there?

That is, with Coan.

I did; yes.

What did he say to you about that?

Well, he first came to me and wanted to get something on Senator WALSH. In this connection I may state that while I was assistant attorney general I had occasion to make some investigation in Butte, Silver Bow County, in regard to some election frauds.

Mr. STERLING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from South Dakota?

Mr. CARAWAY. I yield.

Mr. STERLING. I would like to know from what the Senator is reading; that is all.

Mr. CARAWAY. I shall be glad to tell the Senator. I am going to be so much nicer to him than he was to me. He said he would not yield to me, but I am going to yield to the Senator all the time. I was reading from the sworn testimony of a Republican lawyer who was formerly the assistant attorney general of the State of Montana. His name is Grorud, and he testified before the committee investigating the Department of Justice.

Mr. STERLING. Is the Senator reading from the printed testimony?

Mr. CARAWAY. No, sir; it is not in the printed testimony. I have the stenographer's copy.

Mr. BORAH. Transcribed.

Mr. CARAWAY. Oh, yes; taken here under oath before the committee of which the Senator from Iowa [Mr. BROOKHART] is chairman.

I want to read something else that occurred. When Coan was on the witness stand, among other things he testified under the examination first of the Senator from South Dakota:

Senator STERLING. Let me refresh your recollection a little. Do you know the clerk of the hotel at which you were stopping?

Mr. COAN. Oh, yes; Walter Paul.

Senator STERLING. Walter Paul?

Mr. COAN. Yes.

Senator STERLING. Would you like to include Walter Paul?

Mr. COAN. Yes. I would like to have him subpœnaed, Mr. Chairman, Washington, D. C., the Arlington Hotel.

I read that for two reasons. The Senator from South Dakota left me under the impression a minute ago that he was not suggesting witnesses. He was not only suggesting them, but he was asking other witnesses, the men who did the framing, if there was anybody else that they would like to call to help bolster up this case against the Senator from Montana [Mr. WHEELER].

Mr. STERLING. Will the Senator tell us just what he is reading from now?

Mr. CARAWAY. I will do that. I am reading on page 130 of part 3 of the hearings as they appear in the printed copy. Let us go a little further:

Senator STERLING. I think that is all.

The CHAIRMAN. Was there anyone else on your list when you went to Montana aside from WHEELER?

Mr. COAN. What do you mean—anyone else on my list?

The CHAIRMAN. That you were looking after—that you were investigating.

Mr. COAN. Well, yes; I was looking up another Senator. Do you want me to tell you about it?

What happened?

Senator STERLING. No; we submit, Mr. Chairman, that we do not want anything about that.

Of course, that is just one of the coincidences in this case. I want to finish reading this man's testimony. I had never up to that time heard of his having two Senators on the list, but there was a quick objection made by the Senator from South Dakota. I read further.

Now, to Grorud's testimony again:

In this connection I may state that while I was assistant attorney general I had occasion to make some investigation in Butte, Silver Bow County, in regard to some election frauds, illegal voting, and Mr. Coan came to me and wanted an affidavit from me.

Here is the important part of it:

He wanted me to make a strong affidavit.

There is nobody so unsophisticated who does not know that that was an invitation to swear a lie, because if he had wanted only the facts he could have said, "I want you to tell the truth about this," but it shows the great confidence Coan had that if he had the backing of the Republican National Committee he could safely go the limit.

I want you to make it a strong affidavit.

For what purpose? He tells us. I want to show now that he intended the case to be a frame-up.

I told him that I would make an affidavit or testify as to the facts for him, and I also said to him that as far as Senator WALSH was concerned he had nothing to do with that and he was not connected with that in any shape or form.

This is Coan's answer to that statement:

Well, he said he knew that, but he wanted something on WALSH so that he could smear him.

Mr. STERLING. I would like to have the Senator designate just what he is reading from. He is not reading from the hearings here. He is reading the testimony before the Brookhart committee?

Mr. CARAWAY. Yes; and here is a man who admits that he went to a man in this "frame-up," about which the Senator wants to talk, and asked a reputable lawyer—a Republican—a former assistant attorney general of the State of Montana, to make a "strong affidavit," and in the very conversation said, "I know the Senator against whom I want to use it is guilty of no wrongdoing, but I want you to lie about it so that I can smear him." Yet that man is walking the streets of Washington to-day, I presume, unwhipped of justice. Nobody—not even the Senator from South Dakota, who declaimed against frame-ups so eloquently a minute ago—has ever suggested that he ought to be prosecuted for subornation of perjury; oh, no; he is entirely a "reputable" citizen. He is one of the tools of this frame-up.

That is not all.

Well, he said he knew that, but he wanted something on WALSH so that he could smear him because he wanted to stop him in the oil investigations here at Washington.

I am not saying the Senator from South Dakota is consciously aiding in that, but if he were he could not be any more helpful than he is to-day, or was when he proposed the minority report. There is not a thing on God's earth Coan could have suggested had he been permitted to suggest to the Senator from South Dakota that the Senator from South Dakota has not done. I do not say that he would intentionally do it, but it looks to me as if he might pause and see if he is not being used unconsciously by the very crowd that was perfectly willing to commit perjury that they might smear a Senator to make him stop the investigation. That is not all.

The CHAIRMAN. Now go ahead and state what was said about Senator WHEELER.

Mr. GRORUD. Well, in one of the conversations he said something about WHEELER.

I am now quoting what Grorud said:

He knew, of course, that Mr. WHEELER and myself had been law partners, and he said something about having WHEELER smeared.

Senator MOSES. Was that WHEELER or WALSH?

Mr. GRORUD. WHEELER.

Senator MOSES. You testified a moment ago that he wanted to have Senator WALSH——

Mr. GRORUD. That he wanted to have Senator WALSH smeared.

The CHAIRMAN. This conversation occurred after Senator WHEELER's indictment out there?

Mr. GRORUD. Oh, yes. He has already smeared WHEELER in such a shape that he had him sewed up, he said, and I said to him, "How did you ever happen to put this over?" I said, "You can't get any place with that," because I thought I knew something about the case that he had for Mr. Campbell. "Well," he said, "we don't care anything about that."

That is, "We do not care anything about what we are going to do with it"—meaning the case against WHEELER:

"We do not care anything about that. We just simply want to smear him." I said to him, "Supposing now that the case is set down for trial?" "Well," he said, "we will see to that, that the case don't come up for trial immediately. We will simply hold it over him, because we had to do something to stop him." And he said, "Well"—he said—he just simply wanted to smear him; that is all. He knew that he couldn't get any place.

What is significant is that that is exactly what has happened. WHEELER can not get an immediate trial of this case, but they are holding it over him and they are smearing him, and I want to repeat, the Senator from South Dakota unconsciously is lending his most valuable aid in "smearing" WHEELER, because here is a report that is not sustained by the testimony of any man, living or dead; it is not within the purview of the resolution; it never was suggested by anybody when the testimony was being offered and when the report was being considered; it never found anybody to give it breath of life in the committee until after there had been agreement and the Senator from Idaho [Mr. BORAH] had prepared and was ready to have reported the opinion of the committee, and then for the first time the Senator from South Dakota said, "Oh, well; I do not think that is what we ought to have considered," and then brought this minority report on the floor.

I proceed with the testimony:

Well—

He said—

he just simply wanted to smear him; that is all. He knew he couldn't get any place.

If that means anything—I do not think it needs interpretation—it means that he knew that the testimony against WHEELER was an infamous lie. "We know it will not stand up, but we had to smear him, because we simply had to stop him."

Mr. Crim, of the Department of Justice, or who was formerly of the Department of Justice, an ex-Assistant Attorney General, testified to-day before the Brookhart committee investigating Daugherty that one of the great evils in this country at this time is failure to provide stenographers for grand jury proceedings in many of the Federal courts. He said:

Failure to have stenographic reports of these grand jury proceedings often leads to perjury, fixing, and breaking down of justice.

What is suggestive about that is this—and I presume other people have found it out—in this particular case against WHEELER the grand jury kept no notes. For the first time, so far as I ever knew, a grand jury kept no notes of what took place before it. It would not have been so remarkable, possibly, if that had been the rule; but we had one of the jurors before us and he said:

We kept notes in the Butte case, but we kept no minutes in the Wheeler case.

Mr. STERLING. Mr. President, I think in no other case than the first case.

Mr. CARAWAY. There is no record that the grand jury had any other case before it, and whenever the Senator says "the rest of it," he is drawing on his imagination.

Mr. STERLING. I refer the Senator to the testimony.

Mr. CARAWAY. I have it before me, and we would have gotten more except for the fact that the very next question was objected to by the Senator from South Dakota. He shut off testimony, for the reason that he did not want the witness to answer the question as asked.

Mr. STERLING. Will the Senator give me the page?

Mr. CARAWAY. I will be delighted to do it. It is page 101. It strikes me now as showing such poor taste—I will say that and no more—for the Senator from South Dakota to have been so active and earnest in wanting to shut out testimony and then so insistent that his report shall rest upon testimony that was not produced but might have been. In other words, he objected to having certain testimony introduced and then comes into the Senate and says, "If I had had my witnesses, we could have proved that."

When I am talking about "my witnesses," that reminds me that I want to read the Senator's own language to show that he recognized that he had one side of the controversy and the Senate the other. I read from page 139. When there was some question about closing the hearings, or some suggestion by Senator STERLING that he wanted to call a lawyer here by the name of Nyce, the chairman said:

All right; call him up and get him. We are going to close this this afternoon.

Senator STERLING. I do not know whether we will be prepared to close or not, Mr. Chairman.

The CHAIRMAN. You will have to get ready. I am not going to postpone this any longer.

Senator STERLING. Let me suggest right here that as far as that is concerned, the witnesses have all been called by the chairman in this case, every one of them. Not one has been called at our instance.

Who is "our"? Was it Coan, who had framed this case, who had procured perjured testimony, who sought other perjured testimony? Who was "our"? I asked him that question. I said, "Who is 'our?'"

Senator STERLING. Well, to be frank, I will say——

Senator CARAWAY. That is what I want to know.

Senator STERLING. At the instance of those who would like to get at the facts in this case, and that is not assuming that the rest are not anxious to get the facts, but there are different methods of which we are conscious more or less in the procuring of those witnesses.

Senator SWANSON. Have you asked for any witness that has not been summoned?

Senator STERLING. I have not as yet, but it depends somewhat on the course of the testimony as to whether I want to have some particular witness called, and I might, after the conclusion of the testimony, have some other witness.

He never had another witness.

If the Senator thought this resolution was not a proper one, he ought to have objected to it. If he thought, after he got to be a member of the committee, that the committee was not pursuing the proper line of testimony and in the proper way, he ought to have said something about it. If, when all the testimony was in and before the case was closed, there was any suggestion in his mind that there was any further testimony that had not been adduced, he ought to have said so. He should not have waited until the committee had closed its hearings, until the executive meeting had been had in which he had assented that the report should be prepared by the chairman of the committee. He still said nothing. He never intimated to anybody we know anything about that he had any other view until the report was ready to be signed.

Then he did not ask that we reopen the case, and did not say that he had testimony to support his theory, but he for the first time announced this report; and I do not care to repeat his exact language, although I would be delighted if he would tell what he said about the testimony then in the committee. We all remember that distinctly. This Senator from South Dakota then for the first time suggested this remarkable theory that he has brought in. I say, and I take the privilege of saying it and repeating it, that if he did not intend to find the facts according to the resolution he ought not to have sat upon the committee. If he did not intend to vote yes or no, he ought to have made that fact known before the testimony was closed. He ought, and I suggested it then and I think so yet, and I think the people who read the testimony will think so, to say yes or no to this question, "Did Senator WHEELER violate the law?" If he did, he ought to be condemned, and if he did not, no man ought to lend himself to a cowardly conspiracy to smear and besmirch his reputation. He ought to say yes or no. He ought to say he is guilty or he is not guilty.

Mr. STERLING. I almost think the language the Senator has used is objectionable under the rules.

Mr. CARAWAY. I am not talking about the Senator. However, I am willing to let the Senator state his objection.

Mr. STERLING. The objection is this, and the inference is very plain, that the Senator from South Dakota was lending himself to a conspiracy.

Mr. CARAWAY. Here is what I said about the Senator from South Dakota, and I have tried to make it perfectly clear. I said I did not think he had consciously lent himself to it, but if he had there was not a thing on God's earth he had not done, there is not anybody who could have more effectively lent himself to a conspiracy to blacken the reputation of Senator WHEELER than the Senator from South Dakota has lent himself, though I say again that I do not say that the Senator was conscious of that fact. It simply so happens that his report runs in line with the statement that Coan made to the effect that "We know we can not do anything to WHEELER, but we can smear him until his activities shall be stopped, and then when he demands a trial we will put it off." That is what he said was their purpose. That stands undisputed as the purpose of the indictment against Senator WHEELER. I want to disclaim, because I do not want to be offensive to the Senator from South Dakota, that I say he is lending himself to that. I am not intimating that. I am just saying that it so happens that his report does lend itself to the general scheme—unintentionally, of course.

Let me say this in conclusion. I started to read some more of the testimony, but I will not do it. Every Senator must be the keeper of his own conscience, but I do not see how—it does not appeal to me at least—when a fellow Senator is charged with an offense and here is the testimony that covers the case, and every Senator present can read it, and no Senator ought to vote upon it until he does know what the testimony is, because he is now sitting as a court. He has no more right to vote upon this case until he has read the brief than a juror has to shut his ears to the testimony and then vote guilty or not guilty. If a Senator wants to preserve his honor and self-respect he has to know what the facts are and vote upon them accordingly. I say—and I am willing to stop and go to the record—that when he reads the record he will find there is not a witness anywhere who said that Senator WHEELER was guilty of any offense or detailed facts that would lend a suspicion to that conclusion. Now, let Senators read the evidence and, as they would like to be dealt with themselves, let them have the courage to say that under the testimony he is guilty or innocent. Do not try to bring in a Scotch verdict of not proved as to the question "Did WHEELER violate law?" Let us be frank and say either yes or no.

I can not conceive of a Senator—aside from the attitude of the Senator from South Dakota, and I have not been able to fathom his mental processes, but that is my limitation, I know—when he is face to face with the question and must answer it under his oath as a Senator, "Do the facts show that the Senator from Montana is guilty or innocent," wishing to dodge that question. Every man has the right to have his reputation protected. It is the most valuable thing he has. But to avoid answering that question must lead to the conclusion—and I am acquitting the Senator from attempting to do it—that it is playing into the hands of those who framed this case. It is the most effective way of destroying Senator WHEELER's reputation. It is the process by which Coan boldly admitted that he set out to "smear" him in order that he might stop him from disclosing the corruption in the Department of Justice. It is the process, he said, "we have to adopt, and we are not going to try the case because we know we have no evidence to sustain our charge."

I hope, therefore, that the Senator from South Dakota upon reconsideration will lay aside his minority report and let us be frank and say Senator WHEELER is guilty or he is not guilty. If he is guilty, God knows you owe it to your country to say so, and you can not afford to avoid that responsibility. If he is not guilty, you certainly owe it to Senator WHEELER to say so by your vote. A man can do no less and keep his self-respect.

Mr. STERLING. Mr. President, I wish to say just a few words. I shall not detain the Senate long. I do not want my vote on the question of the adoption of the majority report

to be taken as a vote of "guilty" so far as Senator WHEELER is concerned. It can not and should not be so construed. I want to be understood as voting against the majority report which presumes to pass upon the guilt or innocence of Senator WHEELER here, and no more than that. I hope other Senators in the Chamber will take that same view of their duty and their obligation when the matter comes up for a vote. I had hoped that in what I said yesterday I would disabuse the minds of my colleagues in the Senate of the idea that I wanted to vote to the effect that Mr. WHEELER was guilty of those charges. I tried to make that plain to the committee.

Mr. BAYARD. Mr. President, will the Senator yield?

Mr. STERLING. I yield to the Senator for a question.

Mr. BAYARD. Just for a question?

Mr. STERLING. Yes.

Mr. BAYARD. As I understand it, the Senator stated that he interprets the resolution under which the committee was appointed to warrant the majority report and to warrant the minority report. Is that right?

Mr. STERLING. That might be, and still that is hardly a proper construction of it. The majority report, of course, passes upon the guilt or innocence of Senator WHEELER. In making the majority report the committee, of course, took for their foundation the evidence in the case, I suppose. My idea is that we have no right to go further than to find whether the grand jury was justified, whether this was a frame-up or not. The grand jury having found its indictment, in the absence of evidence of a frame-up and without any proof of a frame-up, I think the Senate should await the decision of the petit jury that tries the case.

Mr. BAYARD. I think the Senator misunderstood the purport of my question. I would like him to answer, if he will, categorically, yes or no, whether or not his statements heretofore made on the floor of the Senate in regard to this matter have not been in substance that the resolution appointing the committee was broad enough to admit of the majority report and the minority report?

Mr. STERLING. Not to admit of the majority report, but perhaps to admit of an investigation of the facts and all the facts connected with the case. That is what I have said, and that is what I say in my minority report. A full investigation of all the facts connected with the case or that were admissible in evidence on a trial of the case might have been warranted under the terms of the resolution.

Mr. BAYARD. May I ask the Senator one more question?

Mr. STERLING. Yes.

Mr. BAYARD. Assuming that the answer to my question has been "yes," may I ask the Senator whether, in his opinion, any or every Senator on the floor would be warranted in voting on both of those reports, voting to sustain both of those reports—first, the report of the majority that Senator WHEELER is not guilty of the facts as charged in the indictment, and, second, having voted that way, then voting in accordance with the report of the Senator from South Dakota that the facts disclose that the evidence warranted the indictment?

Mr. STERLING. No; I can not concede that that is the correct view of it at all, that a Senator would be warranted in voting for both of these reports.

Mr. BAYARD. They must adopt one or the other.

Mr. STERLING. Yes; the minority report refers the matter without finding whether Senator WHEELER is guilty or not, and takes the position that the case should go to the jury for trial, without our passing upon his guilt or innocence.

Mr. BAYARD. May I ask the Senator another question? Assuming when the matter comes up for vote that a Senator should vote in the affirmative on the majority report, would he, in the opinion of the Senator from South Dakota, be precluded from voting for the minority report?

Mr. STERLING. I am inclined to think he would be precluded from voting for the minority report.

Mr. BAYARD. Will the Senator state why?

Mr. STERLING. Because, having voted for the majority report, he has voted that Senator WHEELER is innocent of the charges contained in the indictment, and therefore is not in a position by voting for the minority report to refer the matter to the jury for trial. He has already passed upon it. That is what the minority report does; without finding Senator WHEELER guilty of the charges, it would refer the matter to the trial jury.

Mr. BAYARD. Does the Senator maintain that, while thus it may be found that Senator WHEELER is not guilty on the facts found, they can still admit the grand jury of Montana had the right to indict him?

Mr. STERLING. They might possibly agree to it, but it seems to me there is an inconsistency in voting for the majority report and then voting for the minority report.

Mr. BAYARD. Does the Senator think such action would be proper action?

Mr. STERLING. That is the way it occurs to me now. It seems to me that would be the correct position, either to vote for the majority report or to vote for the minority report. There would be no mistake as to position then.

Mr. BAYARD. Does the Senator really think it would be consistent?

Mr. STERLING. Rather inconsistent, I say, to vote for the majority report and then for the minority report. That is the way it appeals to me, I will say to the Senator from Delaware.

Mr. BORAH. Mr. President, I wish to ask the Senator a question.

Mr. STERLING. I yield.

Mr. BORAH. Suppose we had gone into the question of whether the grand jury had probable cause to find the indictment, and suppose we had concluded that the grand jury did not have probable cause for finding the indictment, what then would have been the report and what should the action of the Senate have been?

Mr. STERLING. The report would have been, I think, in accordance with the facts, and with that as the report, I hardly think there would have been necessity then for any further consideration of the case by the Senate. If they had reported according to the facts that they believed the finding of the indictment was not warranted, was, in other words, a frame-up, they could have so reported.

Mr. BORAH. After finding the indictment was unwarranted, the Senator would not have felt the necessity of going so far, in justice to a Member of the Senate, as to exonerate him?

Mr. STERLING. There is some question about that. I am not prepared to say positively whether I would or not, but I am inclined to think, I will say to the Senator from Idaho, had the committee found that here was a frame-up and the facts did not warrant the finding of an indictment, that the Senate would have been justified in passing a resolution exonerating Senator WHEELER.

Mr. UNDERWOOD. Mr. President, will the Senator allow me to ask him a question?

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Alabama?

Mr. STERLING. Yes.

Mr. UNDERWOOD. I have listened to what the Senator has said. He has heard all of the testimony in this case while I have not.

Mr. STERLING. I did not hear quite all of the testimony; there were some witnesses whose testimony I did not hear.

Mr. UNDERWOOD. Do I understand the Senator to say that if he had been a member of the grand jury investigating the case and the evidence that came before the grand jury was the evidence that came before his committee, he would not find an indictment upon that evidence?

Mr. STERLING. Oh, no; the Senator from Alabama misunderstood me if he thought that I so stated; I did not say that. My position has been, and I so state in my report, that I thought the grand jury was warranted in finding an indictment with the evidence, and the inferences that might have been plainly drawn from the evidence which was before it. That is my position.

Mr. UNDERWOOD. The reason I asked the Senator that question was that I understood him to say that he did not report that the junior Senator from Montana was guilty of the charge, and, of course, I assumed from that that he meant that the evidence would not sustain the indictment.

Mr. STERLING. Oh, no; that is not the position; but that, having been indicted by the grand jury, it was Senator WHEELER's business, and without our trial of the case in advance, to appear and stand trial before the petit jury.

Mr. UNDERWOOD. I am not considering that part of the question: I agree with what the other Senators here have stated; that this case can be, and would properly be, tried in the United States Senate; and I am trying to find out the attitude of the Senator from South Dakota. We are proposing to try the case ourselves.

Mr. STERLING. Yes.

Mr. UNDERWOOD. I am one of the judges. I have got to find a verdict. I want to know whether sitting as judges—and the Senator is one of the judges—he thinks the testimony before his committee justifies him in finding a verdict of guilty?

Mr. STERLING. No; I will not say that it does justify me in finding a verdict of guilty.

Now, Mr. President, I wish to call attention to a very few more phases of the evidence in this case.

Much has been made of the testimony of Mr. Cohn, testimony taken largely in another proceeding, being the proceed-

ings conducted by the so-called Brookhart investigating committee, which is investigating the activities or nonactivities of the Department of Justice. Mr. Coan testified before the select committee investigating the Wheeler case. Whatever his testimony may have been elsewhere, there is nothing in his testimony before the select committee that warrants any unfavorable opinion of Mr. Coan. In order that I may point out to the Senate his real attitude, why he went to Montana, and so forth, I wish to read from his testimony.

Senator SWANSON. Is he a member of the Republican National Committee?

The Senator from Virginia was referring to Mr. Lockwood. I wish to say here to Senators that I would not know Mr. Lockwood to-day if I should meet him.

Mr. SWANSON. Mr. Lockwood was the person who employed Mr. Coan to go to Montana.

Mr. STERLING. Yes; he was the person who sent him there.

I saw Mr. Lockwood, as I remember, some years ago and have not seen him since. I have had no conversation with him and do not now recall his features. I never knew Mr. Coan or that there was such a person as Mr. Coan until he appeared here in connection with the work of this committee. Senator SWANSON asked:

Is he a member of the Republican National Committee?

Mr. COAN. Yes, sir.

Senator SWANSON. And he is also interested in the National Republican?

Mr. COAN. Yes, sir; he is secretary of the Republican National Committee.

Senator SWANSON. At that time were they interwoven?

Mr. COAN. I do not know the connection exactly. I did not ask him when he gave me the job whether they were interwoven or not.

The CHAIRMAN. You may take the witness.

Senator SWANSON. Did he tell you the purpose for which he employed you?

Mr. COAN. Yes; I was sent out to Montana to investigate some of these stories about Senator WHEELER.

According to this testimony, Mr. Coan did not go out there to make a story to begin with, but to investigate stories that were afloat concerning Senator WHEELER. I do not know what those stories were; I never heard any of them as against Mr. WHEELER. I never interested myself in his campaign or to learn what his prospects for election were, and I had no feeling one way or the other in regard to it. Mr. Coan says:

Yes; I was sent out to Montana to investigate some of these stories about Senator WHEELER. WHEELER had been attacking the administration and everybody in public life here, and nobody seemed to be willing to get up and answer him, and they thought it was up to somebody to find out who this fellow was and what he had been doing.

If it were true that Mr. WHEELER was attacking the administration—and I did not know of it; I had not heard about it—then there was nothing particularly reprehensible in sending somebody out there to investigate the stories that were in circulation regarding Senator WHEELER.

Mr. SWANSON. Mr. President, will the Senator permit me to interrupt him?

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Virginia?

Mr. STERLING. Yes.

Mr. SWANSON. Do I understand the Senator from South Dakota to occupy the position that if a Senator of this body inaugurates an investigation of the Department of Justice, the proper response is to send somebody to investigate him instead of meeting the question?

Mr. STERLING. As I have said, Mr. Coan went out there to investigate certain stories, as he says, in regard to Mr. WHEELER, and I do not know but what it was proper, if the stories were in circulation, that he should go out and investigate them.

Mr. SWANSON. But that is not the reason he gave. The reason he gave was that WHEELER was attacking the administration——

Mr. STERLING. And everybody in public life here.

Mr. SWANSON. Of course, "everybody in public life" was merely an expression that he put in, but Mr. WHEELER's main activity was against the Department of Justice.

Mr. STERLING. Exactly; this is the version of the Senator from Virginia.

Mr. SWANSON. Do I understand that the Senator approves of the suggestion that when any Senator undertakes to inaugurate an investigation of any department the counter reply should be an investigation by that department of that Senator?

Mr. STERLING. If this were a Democratic administration and a Republican had been elected Senator and there were stories about that Republican Senator elect and he had been attacking everybody in the Democratic administration, I would not blame the administration or the national committee of the Democratic Party for sending somebody out to investigate the stories that had been circulated in regard to that Republican Senator elect.

Mr. SWANSON. It is all right for a Senator to be investigated on account of rumors and reports, but that is not the reason he gave; the reason he gave was Mr. WHEELER's activities and attacks against the Department of Justice. Does the Senator approve the action that was taken?

Mr. STERLING. I suggest that the Senator read the statement. I have read it, and I do not think there can be any question about it.

Mr. SWANSON. Very well. Let the Senator read it again.

Mr. STERLING. Then the Senator from Virginia asked:

Who thought so?

Mr. Coan replied:

The Republican National Committee.

Senator SWANSON. And they sent you there for that purpose?

Mr. COAN. Yes; I went out there, and of course I did not want any stories of dead men or train robbers, and I took affidavits where I got the stories.

What affidavits did he take? He took the affidavits of two men, of Glosser and Rhea. Those affidavits were produced, and they are in the Record. Aside from that, however, the two witnesses, Glosser and Rhea, appeared before the committee and testified and were subjected to cross-examination by members of the committee, but in no instance that I recall was that testimony on the stand before the committee different from the statements in the affidavit which they had already made.

Mr. President, as a basis for the minority report, and the position in the report as to the functions of the committee or what the committee should do, whatever the broad terms of the resolution might permit it to do, there comes in addition to the testimony of Glosser and Rhea, who were witnesses before the grand jury—and I am confining my statement now to evidence before the grand jury—the documentary evidence showing what transpired here and before the Interior Department at Washington after Mr. WHEELER came here. Take Glosser's testimony and Rhea's testimony as to what happened in room 212 at the Rainbow Hotel in Great Falls, Mont., together with the documentary evidence that has been produced in this case with regard to permits, in regard to Senator WHEELER's interest in the permits, in regard to his connection with the solicitor of the Interior Department, Mr. Booth, as shown by telegram after telegram and by letter after letter, and I can not help but think that these things, unexplained and undenied by Mr. WHEELER, furnished evidence enough to warrant the grand jury in acting as it did.

I call attention to another piece of testimony about which comment has been made by the Senator from Arkansas [Mr. CARAWAY].

He refers to the testimony of Mr. Sparling. Mr. Sparling was one of the grand jurors that found this indictment. Mr. President, it is an unusual if not an unallowed proceeding for a grand juror to testify as to what happened before the grand jury, or as to the testimony given before the grand jury, in advance of the final trial before the petit jury in a case. The proceedings of the grand jury are secret.

He testifies:

The CHAIRMAN. What is your business?

Mr. SPARLING. I am in the hotel business, or rooming-house business.

The CHAIRMAN. You were a member of the grand jury which returned the indictment against WHEELER?

Mr. SPARLING. I was.

The CHAIRMAN. Were there any minutes kept of the proceedings of your grand jury?

Mr. SPARLING. Not on this case.

The CHAIRMAN. Nothing at all?

Mr. SPARLING. Nothing.

Senator SWANSON. Did you keep minutes of other cases?

Mr. SPARLING. Well, when the grand jury was first called we kept the minutes of the first case that was called, the Butte case, and after that there were no minutes kept of any cases.

Then he goes on and says:

For information I might say that this case was a sort of a—

Then comes the blank, and I interposed with an objection:

Senator STERLING. Now, I think we will object to any statement as to the case. The question, as I understood the chairman, was simply whether minutes were kept or not?

The CHAIRMAN. Yes.

Senator STERLING. That was all.

The CHAIRMAN. Are there any questions?

Senator WHEELER. I would like to request the committee to ask him as to the number of ballots that were taken.

Senator STERLING. I object to that. I do not think that is proper at all. They might in any given case have a dozen or 20 ballots and it would not be material to any question at issue in the case.

Neither would it have been material. Think of its being testified by a member of the grand jury, in advance of the trial by the petit jury, as to how many ballots the grand jury took, probably for the purpose of prejudicing the petit jury in the trial of that case!

Mr. HEFLIN. Mr. President, will the Senator yield just a moment?

The PRESIDING OFFICER (Mr. LADD in the chair). Does the Senator from South Dakota yield to the Senator from Alabama?

Mr. STERLING. Yes.

Mr. HEFLIN. Does the Senator know whether or not two or three members of the grand jury have stated that they balloted seven or eight times and never returned an indictment against Mr. WHEELER, and that they then were permitted to separate and they were taken out to dine by Republican politicians and told that it was necessary to indict WHEELER, and after that they did indict him?

Mr. STERLING. Let me say that the Senator from South Dakota does not know anything of the kind. I know that it would have been improper to inquire as to the number of ballots taken, and the Senator from Alabama knows that it would have been improper to have given out how many ballots had been taken by that grand jury.

Mr. HEFLIN. Well, it is a fact that members of that grand jury have conveyed that information to Senator WHEELER.

Mr. STERLING. That is aside from the record, and I am confining myself to the record made in the testimony before the committee.

Mr. HEFLIN. But I understand that the Senator objected to having the testimony come out before the committee.

Mr. STERLING. I did object to this testimony. It would not have been proper in any case.

Mr. HEFLIN. It could not get in if the Senator objected to it.

Mr. SWANSON. Mr. President, if the Senator will permit me——

Mr. STERLING. Yes.

Mr. SWANSON. The Senator now says the charge is whether or not this was a frame-up and whether the grand jury were parties to a frame-up. The evidence as to whether or not there was a frame-up involved the conduct of the grand jury and whether the district attorney appeared before them repeatedly and insisted on an indictment. The Senator from South Dakota objected to that being investigated. It seems to me the best proof he could have had of a frame-up would have been the issue made by him of the conduct of the grand jury. Was the grand jury a party to it? Was the district attorney a party to it? We wanted to investigate. The suggestion was made by Senator WHEELER, but we did not think it was pertinent, in which the Senator from South Dakota concurred with us. It was held that we were not discussing the conduct of the grand jury or the conduct of the district attorney; and yet after suppressing this evidence the Senator comes here and says that is the issue.

Mr. STERLING. If the Senator will bear with me, I for the first time here and now have heard that the United States district attorney appeared before the grand jury several times and urged the finding of an indictment. There was no evidence offered before the committee to that effect—not one scintilla of evidence.

Mr. SWANSON. No; and the Senator objected to going into anything in connection with the grand jury to see whether or not it was a frame-up, and now he comes in and makes a report on that line.

Mr. STERLING. Oh, no; the specific question was not submitted to the committee, and the Senator knows that it was not suggested that the United States district attorney might be subpœnaed or that evidence as to his proceedings and conduct before that grand jury might be presented. Not one suggestion of that kind was made.

Mr. SWANSON. I do not know whether it was true or not, but I had heard that the district attorney did appear before the grand jury and that they adjourned without finding the indictment. I did not think we were trying the grand jury, however, nor did the Senator think at that time that we were trying the grand jury. I did not go into it; I did not ask any questions about it, because at that time the Senator's mind and mine were concurring that we had nothing to do with the grand jury. It was as a result of later developments that the Senator and I parted company.

Mr. STERLING. Mr. President, I will read the statement of the chairman. I said:

I object to that. I do not think that is proper at all. They might in any given case have a dozen or 20 ballots, and it would not be material to any question at issue in the case.

And it would not, either from the majority or from the minority standpoint, be material how many ballots were taken.

The CHAIRMAN. I am not so certain about that, but I am not certain enough of it to approve of it at this time. I shall want to look into the law before I make up my mind whether we ought to do that or not. If the effect of taking more than one ballot is what some very able lawyers think, why, we would like to hear it. But I have not made up my mind about it. That is all for the present, Mr. Sparling.

Mr. Sparling, a member of the grand jury, was the witness. No effort was made, following that, by the chairman or any other member of the committee, to prove how many ballots were taken by the grand jury.

Mr. SWANSON. Mr. President, I should like to ask the Senator a question. If he thought the issue was whether or not there was a frame up in the indictment, or whether there was probable cause, why did he not pursue the investigation at that time to ascertain that fact?

Mr. STERLING. That matter was largely in the hands of the other members of the committee.

Mr. SWANSON. It was not a bit more in our hands than in the hands of the Senator from South Dakota. None of us had an idea that that was an issue, except the Senator.

Mr. STERLING. I supposed that the committee were bringing out all the evidence that would affect the case, and in doing so of course we would necessarily bring out the evidence that was before the grand jury.

Mr. SWANSON. But it has been disclosed—the Senator was a member of the committee—that nobody had an idea, except the Senator, that we were passing on the conduct of the grand jury; and he did not conduct the investigation or have any witnesses summoned.

Mr. STERLING. I want to refer briefly to other evidence which has been spoken of here.

I said that the testimony of Glosser and Rhea, unimpeached—their oral testimony before the committee being the same as their testimony by affidavit given to Mr. Coan—together with the documentary evidence before the grand jury, would have warranted the finding of this indictment.

Mr. WHEELER writes on March 8, soon after he came to Washington, to Mr. Gordon Campbell, whose attorney he was:

I wish that you would have your office send me a detailed report of the condition of your permit that we discussed with the Standard Oil Co. of California, in order that when I take it up with the Department of the Interior that I will be able to intelligently discuss the matter.

And then to Mr. Beaulieu, the land-title attorney, he wires on March 13:

Secure and mail at once complete list Gordon Campbell Syndicate and individual holdings, giving each separate legal description and character of title, dividing acreage into two classes, that in which title is absolute and unquestionable and that in which title may be in doubt. Am writing letter in full to-morrow.

That does not refer to this or that one particular permit, Mr. President, but it refers to all the permits—those with undoubted titles and those with questionable titles.

Then Mr. Campbell wires Mr. WHEELER:

Received wire. Am forwarding map and list of all acreage with explanation and condition of titles—

And so forth.

Later Mr. WHEELER wires Mr. Campbell as follows: This is on March 14:

Leaving Saturday for Europe. Have taken your matter up with parties writing Baldwin. Suggest see him.

And the "parties" evidently meant, as the whole testimony would clearly show, I think, Mr. Booth, the Solicitor of the Interior Department.

Mr. President, I think I have nothing more to say, except to call attention to just one phase of the report of the committee in the old case alluded to by the Senator from Montana [Mr. WALSH], with a view to the construction we would at this day put upon certain language of this report.

The report was made by Mr. Adams, apparently the chairman of the committee. It was an investigation of the facts concerning an indictment of Mr. Smith, a Senator from Ohio, for complicity in the Aaron Burr conspiracy, and treason against the Government was involved, the most serious of crimes involving capital punishment. He said, in his report:

> The question upon the trial of a criminal cause before the courts of common law is not between guilt and innocence but between guilt and the possibility of innocence.

I disagree with that interpretation of the law by Mr. Adams, and I say that it is not the interpretation we put upon it to-day.

> If a doubt can possibly be raised, either by the ingenuity of the party or of his counsel or by the operation of general rules in their unforeseen application to particular cases, that doubt must be decisive for acquittal.

Nor is that quite right, Mr. President. It must be a reasonable doubt entertained by the jury under all the evidence in the case and under proper instructions from the court as to what a reasonable doubt is before they can acquit.

Viewed as we now view jury trials in criminal cases under modern rules of procedure, without the extreme technicalities of the common law to govern as at the time of the report in the Smith case, persons charged with offenses are not apt to be acquitted from a mere possible doubt; hence, one important reason for the action of the Senate at that time does not now exist. It is assumed, it is presumed, that there will be a fair and impartial trial by the petit jury without unreasonable delay, and that a defendant may not be acquitted on the possibility of a doubt instead of a reasonable doubt.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the amendments of the Senate Nos. 1 and 2, and had disagreed to the amendment of the Senate No. 3 to the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes.

PERMANENT COURT OF INTERNATIONAL JUSTICE

Mr. PEPPER. Mr. President, I ask unanimous consent, out of order, to introduce a Senate resolution, and request its reference to the Committee on Foreign Relations.

There being no objection, the resolution (S. Res. 234) was read and referred to the Committee on Foreign Relations, as follows:

Whereas the Senate has had under consideration the message from the President of the United States dated February 24, 1923, in which the Senate is asked to consent to the signature by the United States of the protocol of December 16, 1920, establishing the Permanent Court of International Justice, and has likewise had under consideration the message from the President of the United States dated December 6, 1923, in which this proposal is again commended to the favorable consideration of the Senate; and

Whereas the proposal thus submitted and commended contemplates the signature of the protocol by the United States upon such conditions as will enable the United States to give its adherence to the court while remaining wholly free from any legal relationship to the League of Nations; and

Whereas it is desirable to express with greater precision the safeguards suggested in general terms in the message of President Harding: Now, be it therefore

Resolved by the Senate of the United States—

First. That the Senate approves the pending proposal and advises the adherence of the United States to the Permanent Court of International Justice upon the terms hereinafter specified.

Second. That permission to the United States to participate in the election of future judges should, in the opinion of the Senate, take the form of an amendment to those portions of the statute of the court which prescribe that the election shall be by the assembly and Council of the League of Nations.

Third. That the Senate advises the President to communicate with the States which have adhered to the court for the purpose of securing assent to such amendments to the protocol and the statute as will accomplish the disassociation of the court from the League of Nations.

Fourth. That the Senate advises and consents to the signature by the United States of the protocol of December 16, 1920, when the same shall have been amended as specified in the first annex to this resolution and when amendments shall have been made to the adjoined statute as specified in the second annex hereto.

Fifth. That the signature of the United States of America shall be understood to be affixed subject to the declaration that the United States disclaims all responsibility for the exercise by the court of the jurisdiction to render advisory opinions, and subject to the further declaration that the United States intends to adhere to the Monroe doctrine as a national policy and assumes no obligations inconsistent therewith.

Sixth. That the signature by the United States herein referred to is a signature to the protocol as set forth in this resolution but not to the so-called optional clause referred to in article 36, paragraph 2, of the statute of the court.

Seventh. That the Senate advises the President that a third international conference similar to The Hague conferences of 1899 and 1907 be called not later than the year 1926 for purposes which shall include the giving of effect to the recommendation of the committee of jurists upon the basis of whose report the court was established, regarding the clarification and further development of international law, and the codification thereof.

FIRST ANNEX TO THE RESOLUTION

PROTOCOL OF SIGNATURE

The signatories of this protocol, through the undersigned, duly authorized, declare their acceptance of the adjoined statute of the Permanent Court of International Justice, and hereby declare that they accept the jurisdiction of the court in accordance with the terms and subject to the conditions of the above-mentioned statute.

The present protocol shall be deposited, after ratification, with the secretary general of the permanent court of arbitration at The Hague. The said protocol shall remain open for signature by all nations generally recognized by treaty or diplomatic relations with the signatories.

The adjoined statute shall come into force as an amendment of or substitute for the existing statute as soon as all the signatories of the protocol of 16th December, 1920, shall have deposited their assent thereto with the secretary general of the permanent court of arbitration at The Hague in a single copy, the French and English texts of which shall both be authentic.

SECOND ANNEX TO THE RESOLUTION

A. Substantive amendments to the adjoined statute

(1) Strike out article 4 and substitute a new article, as follows:

"ARTICLE 4

"The present judges and deputy judges constituting the Permanent Court of International Justice shall retain their offices under the statute of the court."

(2) Strike out the first paragraph of article 5 and substitute the following:

"ARTICLE 5

"Vacancies which occur either by expiration of term or otherwise shall be filled by the States which at that time are signatories to the protocol. At least three months before the date of an election to fill any such vacancy the secretary general of the Permanent Court of Arbitration shall address a written request to the members of the Permanent Court of Arbitration inviting them to undertake, within a given time, by national groups, the nomination of persons in a position to accept the duties of a member of the court."

(3) Strike out article 8 and substitute a new article, as follows:

"ARTICLE 8

"Representatives of all the signatories to this protocol shall meet at such time and place as may be designated by the said secretary general and shall proceed to an election. The representatives of all signatories shall ballot as an electoral assembly. The States named in the Versailles treaty as the principal allied and associated powers, together with such five of the other signatory States as shall be selected by the signatories, shall ballot as a separate electoral council. The assembly of signatories and the council of signatories shall proceed independently of one another to elect, first, the judges, then the deputy judges. In each electoral body each signatory State shall have one

vote; but not more than one vote shall be cast in either assembly or council by the British Empire and the States included therein."

(4) Strike out article 10 and substitute a new article, as follows:

"ARTICLE 10

"Such nominee as shall receive a majority of votes in the electoral assembly and a majority of votes in the electoral council shall be elected a judge or deputy judge, as the case may be. In the event of more than one national of the same signatory State being elected by the votes of both the assembly and the council, the eldest of these only shall be considered as elected."

(5) Strike out article 34 and substitute a new article, as follows:

"ARTICLE 34

"Only States can be parties in cases before the court."

(6) Strike out article 35 and substitute a new article, as follows:

"ARTICLE 35

"The court shall be open to all States generally recognized by treaty or diplomatic relations with the signatories.

"When a State which is not a signatory is a party to a dispute, the court will fix the amount which that party is to contribute toward the expenses of the court."

B. Formal amendments to carry the foregoing into effect

(1) In the following articles strike out "assembly (or "assembly of the League of Nations") and "council" (or "council of the League of Nations") and substitute "assembly of signatories" or "council of signatories," as the case may be:

Articles 3, 12, 32, and 41.

(2) In the following articles strike out "member of the League of Nations" and substitute "signatory State":

Articles 26 and 27.

(3) In the following articles strike out "the Secretary General of the League of Nations" and substitute "the Secretary General of the Permanent Court of Arbitration," articles 7 and 18.

(4) In article 1, after "established," substitute a period for a comma and strike out "in accordance with article 14 of the covenant of the League of Nations."

(5) In article 7 strike out the last six words and substitute "each of the signatories."

(6) Transfer the last two paragraphs of article 12 to a new article to be numbered article 13.

(7) Strike out in articles 12 and 31 "articles 4 and 5" and substitute "article 5."

(8) Strike out the first sentence of article 14 and transfer the residue of the article so that it shall become the last sentence in article 5 as amended.

(9) In article 36 strike out the first 17 words of paragraph 2 and substitute "a State," and for the words "they recognize," in the same paragraph, substitute "it recognizes."

(10) In article 40 strike out the last paragraph.

Mr. PEPPER. I ask leave also to submit a memorandum explanatory of the resolution, which I move be printed as a Senate document with the resolution and referred to the Committee on Foreign Relations.

The motion was agreed to.

URGENT DEFICIENCY APPROPRIATIONS

Mr. WARREN. Mr. President, I ask that the action of the House of Representatives relative to the amendments of the Senate to House bill 9192, being the urgent deficiency appropriation bill, be laid before the Senate.

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives, agreeing to the amendments of the Senate Nos. 1 and 2 to the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes, and disagreeing to the amendment of the Senate No. 3.

Mr. WARREN. I move that the Senate recede from its amendment No. 3.

Mr. ROBINSON. Mr. President, I ask the Senator from Wyoming to state the substance of the amendment.

Mr. WARREN. Amendment No. 3 embodies the legislation proposing to correct the account against the Freer estate. We shall have to consider that matter at a later time, for the House of Representatives will not now agree to the Senate amendment.

Mr. ROBINSON. The result of the motion which the Senator has made, if agreed to, will be that the Senate amendment will go out of the bill?

Mr. WARREN. Yes; and that will leave the matter stand for the present in the same position it now occupies.

Mr. ROBINSON. No action is taken upon it?

Mr. WARREN. No action is taken upon it, so far as this bill is concerned.

Mr. ROBINSON. Very well.

The PRESIDENT pro tempore. The Senator from Wyoming moves that the Senate recede from its amendment No. 3.

The motion was agreed to.

CLAIMS OF THE CHOCTAW AND CHICKASAW INDIANS (S. DOC. NO. 114)

Mr. HARRELD submitted the following conference report, which was ordered to lie on the table and to be printed:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, and 6, and agree to the same.

That the Senate recede from its amendment numbered 7.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: Strike out the language proposed to be inserted by the Senate and in lieu thereof insert the following: "*Provided, however,* That the attorney or attorneys employed as herein provided may be assisted by the regular tribal attorney or attorneys employed under existing law under direction of the Secretary of the Interior"; and the Senate agree to the same.

J. W. HARRELD,
CHARLES CURTIS,
JOHN B. KENDRICK,
Managers on the part of the Senate.

HOMER P. SNYDER,
FREDK. W. DALLINGER,
W. W. HASTINGS,
Managers on the part of the House.

AFFAIRS OF THE EASTERN BAND OF CHEROKEE INDIANS OF NORTH CAROLINA (S. DOC. NO. 115)

Mr. HARRELD submitted the following report, which was ordered to lie on the table and to be printed:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3852) providing for the final disposition of the affairs of the Eastern Band of Cherokee Indians of North Carolina, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, and 4; and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: Strike out the language proposed to be inserted by the Senate and in lieu thereof insert the following: "That in the preparation of said roll the act of the State of North Carolina of March 8, 1895, chapter 166, entitled 'An act to amend chapter 211, laws of 1889, relating to the charter of the Eastern Band of Cherokee Indians' shall be disregarded"; and the Senate agree to the same.

J. W. HARRELD,
CHARLES CURTIS,
JOHN B. KENDRICK,
Managers on the part of the Senate.

HOMER P. SNYDER,
FREDK. W. DALLINGER,
W. W. HASTINGS,
Managers on the part of the House.

CALL OF THE ROLL

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The principal clerk will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Ashurst	Fernald	Keyes	Shortridge
Ball	Ferris	King	Simmons
Bayard	Fess	Ladd	Smith
Borah	Fletcher	Lodge	Smoot
Brandegee	Frazier	McKinley	Spencer
Brookhart	George	McLean	Stanfield
Broussard	Gerry	McNary	Stanley
Bruce	Glass	Neely	Stephens
Bursum	Gooding	Norbeck	Sterling
Cameron	Hale	Norris	Swanson
Capper	Harreld	Oddie	Trammell
Caraway	Harris	Overman	Underwood
Colt	Harrison	Pepper	Wadsworth
Copeland	Heflin	Pittman	Walsh, Mass.
Cummins	Howell	Ralston	Walsh, Mont.
Curtis	Johnson, Calif.	Ransdell	Warren
Dale	Johnson, Minn.	Reed, Pa.	Weller
Dial	Jones, N. Mex.	Robinson	Wheeler
Edge	Jones, Wash.	Sheppard	Willis
Edwards	Kendrick	Shipstead	

The PRESIDENT pro tempore. Seventy-nine having answered to the roll call, there is a quorum present.

ORDER OF BUSINESS

Mr. EDGE. Mr. President, I understand that under the unanimous-consent agreement the Senate will go into executive session in about five minutes. Inasmuch as under another unanimous-consent agreement we are to meet at 8 o'clock to-night to consider unobjected bills on the calendar, I am going to ask that at the conclusion of the executive business we continue in regular session until 8 o'clock in order to give us an opportunity to go forward with the unfinished business. Likewise I have been asked by the chairman of the Committee on Appropriations——

Mr. ROBINSON. Mr. President, I am sympathetic with the purpose of the Senator to make progress with the bill he has in charge, but there has been a tacit arrangement for some days that the Senate would recess until 8 o'clock to-night at the conclusion of our proceedings to-day, and a number of Senators have made arrangements with that procedure in view. I do not think the Senate can remain in session continuously. I believe we ought to take a recess. I suggest that the Senator ask that his bill be temporarily laid aside and that the consideration of it be resumed to-morrow. I myself would make no objection to an earlier meeting to-morrow, if the Senator thinks it desirable.

Mr. EDGE. I was just about to conclude my statement by saying that I have been requested by the chairman of the Committee on Appropriations to lay the unfinished business aside temporarily in order that the Agricultural appropriation bill may be considered. I had intended to do that at the conclusion of the executive session. So I am meeting the request of the Senator from Arkansas as well as the request of the Senator from Wyoming.

Mr. ROBINSON. The Senator's proposal contemplated a continuous session.

Mr. EDGE. My proposal in addition contemplated a continuous session for the dual purpose of aiding in having the consideration of the Agricultural appropriation bill concluded, if possible, and that I might go on with the bill I have in charge.

Mr. ROBINSON. We all want to expedite the Agricultural appropriation bill, but it will be impracticable to remain in session until 8 o'clock and then proceed with the calendar after that hour.

Mr. EDGE. I am very glad indeed to try to meet the request of the Senator from Arkansas. May I make the suggestion, that at the conclusion of business this evening, at 11 o'clock, we take a recess until 12 o'clock to-morrow, and that the unfinished business then be proceeded with, with the understanding that if the consideration of the Agricultural appropriation bill shall not have been concluded it will, of course, take precedence. I am extremely anxious to get some action on the bill I have in charge, and in that I believe I have the sympathy of a large majority of the Members of the Senate. I appreciate thoroughly that under the rules any subject can be taken up, and I also appreciate the importance of various subjects being taken up, but at the same time legislation is important, and I sincerely hope, without asking for unanimous consent, that on the convening of the Senate to-morrow we will be enabled to proceed with the unfinished business.

Mr. HEFLIN. Mr. President, I am very anxious that we shall take up the bill in charge of the Senator from New Jersey, to which he has just referred. I think it ought to be considered speedily and passed at the earliest moment possible. I was about to suggest to him that if he finds he can not get his arrangement for this afternoon, that we proceed with the bill to-morrow, and see if we can not get a night session to-morrow night and finish its consideration.

Mr. EDGE. I suggested yesterday that we have a night session to-morrow night, and I shall certainly suggest it again to-morrow, if we are not able to complete the consideration of the bill in the meantime.

Mr. WARREN. Mr. President, as far as possible I would like to have some agreement, or at least some understanding, for the consideration of appropriation bills. The Agricultural appropriation bill has been ready for more than a week, and if we can conclude our business in executive session in a short time, I would like to have the Senate go back into legislative session and proceed as far as we can with that appropriation bill, fulfilling the engagement for a recess from 6 to 8, after which we will consider the calendar.

Then, when we adjourn to-night, I would like to have an adjournment taken until 11 o'clock to-morrow morning, when, if we have not already finished the Agricultural appropriation bill, we could complete it. The point is that there are other appropriation bills ready for consideration, and we are very anxious to have them acted on at the earliest possible time. All I have to state now is that I shall ask, in executive session, if there be any time left this afternoon, that the Senate shall return to legislative session for the purpose of considering the Agricultural appropriation bill.

EXECUTIVE SESSION

The PRESIDENT pro tempore. The hour of 3 o'clock having arrived, under the unanimous-consent agreement entered into the Senate will now proceed to the consideration of executive business. The Sergeant at Arms will clear the galleries and close the doors.

The Senate thereupon proceeded to the consideration of executive business. After 3 hours and 35 minutes spent in executive session the doors were reopened and, on motion of Mr. CURTIS (at 6 o'clock and 35 minutes p. m.), the Senate took a recess until 8 o'clock p. m.

EVENING SESSION

The Senate reassembled at 8 o'clock p. m., on the expiration of the recess.

The PRESIDENT pro tempore. The Clerk will report Order of Business 464, the first order of business on the calendar.

SCHOONER "ITASCA"

The bill (S. 51) for the relief of the owner of the schooner *Itasca* and her master and crew was announced as first in order, and was considered as in Committee of the Whole, as follows:

Be it enacted, etc., That the claim of the owner of the schooner *Itasca* arising out of the collision between said schooner and the United States submarine *R–8* off Brenton Reef lightship, Newport, R. I., on the 20th day of August, 1920, for and on account of the losses alleged to have been suffered in said collision by the owner of said schooner *Itasca* and by her master and crew, may be submitted to the United States court for the district of Massachusetts, under and in compliance with the rules of said court sitting as a court of admiralty; and that the said court shall have jurisdiction to hear and determine the whole controversy and to enter a judgment or decree for the amount of the legal damages sustained by reason of said collision, if any shall be found to be due, either for or against the United States, upon the same principle and measure of liability, with costs and interest at the rate of 4 per cent per annum until said judgment or decree is satisfied, as in like cases in admiralty between private parties with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act.

Mr. OVERMAN. I think an explanation should be made of the bill.

Mr. ROBINSON. The Senator from Maryland [Mr. BRUCE] reported the bill and asked me to look after it in the event it was called this evening. The bill refers the claim to the Court of Claims for adjudication. It was called on a former occasion, and I myself objected to its consideration because it authorizes the court to render judgment, but I found that it is in the usual form in such cases, and I think there is no objection to it. A number of other bills following it on the calendar are in the same situation, Nos. 466, 467, 468, and 469. Those bills all merely provide for referring cases to the Court of Claims for hearing and determination, and I think they should be passed.

Mr. OVERMAN. I am not going to make any objection to them, but it has been against our rule to allow the Court of Claims to render judgment.

Mr. ROBINSON. In this class of cases I myself made that statement on a former occasion, but upon investigation found that I was in error. The bill conforms to the precedents.

Mr. OVERMAN. Is it not for tort?

Mr. ROBINSON. Yes.

Mr. OVERMAN. The Court of Claims has no jury to assess damages. If the Senator has examined it, however, I do not object.

Mr. ROBINSON. I have examined it and find that the bill conforms to precedents.

Mr. KING. Mr. President, may I inquire of the Senator from Arkansas whether it is usual to allow interest in favor of any claimants after judgment?

Mr. ROBINSON. After judgment is rendered, the judgment usually bears interest, but interest is not allowed on the claim prior to the judgment.

Mr. KING. Yes; I know that, but I do not have any recollection of a case in which provision was made that interest should be allowed after judgment.

Mr. ROBINSON. That is the uniform rule.

Mr. KING. It would seem to me that ought not to be the case until after final judgment. The bill would seem to indicate that interest would begin to run from the judgment rendered by the Court of Claims.

Mr. OVERMAN. We had a case like that before the Committee on Appropriations where interest was claimed from the time judgment was taken in the court below when there was an appeal, and we refused to allow interest until after the final adjudication.

Mr. ROBINSON. The bill provides only for interest after judgment and until judgment is satisfied, and I think that is proper. If an appeal should be erroneously made and the judgment of the lower court affirmed, every reason which would justify interest in case no appeal was taken would apply to justify interest where an appeal was taken.

Mr. KING. I agree with the Senator, if we allow interest at all, but I do not have any recollection of a case where interest was allowable even after judgment.

Mr. ROBINSON. I think that is the rule. All judgments bear interest.

Mr. KING. I shall rely upon the judgment of the Senator from Arkansas. I have no knowledge of it.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

HARRY SIMPSON

The bill (S. 773) to extend the benefits of the employers' liability act of September 7, 1916, to Harry Simpson was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

EASTERN TRANSPORTATION CO.

The bill (S. 785) for the relief of the Eastern Transportation Co. was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That the claim of the Eastern Transportation Co., a corporation organized and existing under the laws of the State of Delaware and doing business in the city of Norfolk, Va., owner of the barge *Sweetser Linthicum*, against the United States for damages alleged to have been caused by collision between the said barge and the United States barge *Old Dominion* in tow of the United States tug *Sagamore* in Chesapeake Bay on the 25th day of August, 1918, may be sued for by the said Eastern Transportation Co. in the District Court of the United States for the Eastern District of Virginia, sitting as a court of admiralty and acting under the rules governing such court, and said court shall have jurisdiction to hear and determine such suit and enter judgment or decree for the amount of such damages and costs, if any, as shall be found to be due against the United States in favor of the Eastern Transportation Co. or against the Eastern Transportation Co. in favor of the United States upon the same principles and measures of liability as in like cases in admiralty between private parties and with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BROOKLYN EASTERN DISTRICT TERMINAL

The bill (S. 1038) for the relief of the Brooklyn Eastern District Terminal was considered as in Committee of the Whole and was read as follows:

Be it enacted, etc., That the claim of the Brooklyn Eastern District Terminal, a corporation organized and existing under the laws of the State of New York, with its principal place of business in the city of New York, in said State, owner of the tugboat *Integrity*, against the United States for damages alleged to have been caused by collision between the said tugboat and the United States hopper dredge *Raritan*, in New York Harbor, New York, on or about the 30th day of September, 1920, may be sued for by the said Brooklyn Eastern District Terminal in the United States District Court for the Southern District of New York, sitting as a court of admiralty and acting under the rules governing such court, and said court shall have jurisdiction to hear and determine such suit and to enter a judgment or decree for the amount of such damages and costs, if any, as shall be found due against the United States in favor of the Brooklyn Eastern District Terminal, or against the Brooklyn Eastern District Terminal in favor of the United States upon the same principles and measures of liability as in like cases in admiralty between private parties and with the same right of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by the order of the said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

SCOW "W. T. C. NO. 35

The bill (S. 1039) for the relief of the owner of the scow *W. T. C. No. 35* was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the claim of William T. Charlesworth, a citizen of the State of New York, and owner of the scow *W. T. C. Numbered 35*, alleged to have been injured in Hell Gate, New York Harbor, N. Y., by reason of damages sustained in the collision with the United States ship *Lake Tahoe* on the 23d day of July, 1918, for and on account of the alleged damage to said *W. T. C. No. 35* by reason of said collision with the United States ship *Lake Tahoe*, may be submitted to the United States District Court for the Southern District of New York, under and in compliance with the rules of said court sitting as a court in admiralty, and said court shall have jurisdiction to hear and determine the whole controversy and to enter a judgment or decree for the amount of the damages sustained by reason of said collision, and damage, if any, shall be found to be due said owner, on the same principles and measure of liability, with costs, as in like cases in admiralty between private parties, with the same rights of appeal: *Provided*, That the libel in the suit herein authorized shall be filed not later than six months after the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

NEW YORK SANITARY UTILIZATION CO., SCOW "NO. 14"

The bill (S. 1040) for the relief of the owners of the New York Sanitary Utilization Co., scow *No. 14*, was considered as in Committee of the Whole, and we read, as follows:

Be it enacted, etc., That the claim of the New York Sanitary Utilization Co., owner of the scow *No. 14*, alleged to have been injured in a collision with the United States dredge *Raritan* in the upper bay of New York, on the 9th day of March, 1916, for and on account of the alleged damage to said scow *No. 14*, by reason of said collision, may be submitted to the United States District Court for the Southern District of New York, under and in compliance with the rules of said court, sitting as a court of admiralty; and said court shall have jurisdiction to hear and determine the whole controversy and to enter a judgment or decree for the amount of the damages sustained by reason of said collision, if any, shall be found to be due said owner, on the same principles and measure of liability with costs, as in like cases in admiralty between private parties, with the same rights of appeal: *Provided*, That the libel in the suit herein authorized shall be filed not later than six months after the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

MAINTENANCE OF RECLAMATION PROJECTS

The bill (S. 2836) relating to the deposit of funds available for maintenance of reclamation projects was considered as in Committee of the Whole.

The bill had been reported from the Committee on Irrigation and Reclamation with an amendment to strike out all after the enacting clause and insert:

Be it enacted, etc., That hereafter funds available for the operation and maintenance of Federal irrigation projects may, in the discretion of the Secretary of the Interior, be kept on deposit in banks within or near such projects, and the Secretary of the Interior shall require surety bonds in suitable amounts executed by acceptable surety companies to protect the United States against loss.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF MERCHANT MARINE ACT, 1920

The bill (H. R. 6202) to amend sections 11 and 12 of the merchant marine act, 1920, was considered as in Committee of the Whole.

Mr. JONES of Washington. Mr. President, I desire to state just briefly that this is a House bill, and the purpose of it is simply to amend sections 11 and 12 of the merchant marine act of 1920 so that part of the funds set aside for construction purposes may be used for Dieselizing some of the ships, up to the amount of $25,000,000, but those ships are not to be Dieselized until some one is ready to purchase the ships or they can be leased for a period of five years. It is a House measure and the Dieselizing development is considered of very great importance. It is being put into effect in ships of foreign countries, and it is hoped that we can follow the same policy.

Mr. KING. Reserving the right to object, I understand that the bill calls for an authorization to expend $25,000,000.

Mr. JONES of Washington. No; it does this. Under the shipping act a ship construction loan fund was created out of the funds received from the sale of ships, and so forth, up to $125,000,000 that may be loaned under certain restrictions for the construction of new ships. I understand there is about $66,000,000 in that fund. The bill simply permits the use of a part of that fund up to $25,000,000, if it should be required, in Dieselizing the ships. That can not be done with the funds under the law as it is now. Under the law as it is now the fund can be used only for the construction of new ships. This would permit the use of a part of the fund for Dieselizing ships that we already have.

Mr. FLETCHER. It would help very greatly in the disposition of some of the ships which we can not otherwise sell.

Mr. JONES of Washington. We think so.

Mr. FLETCHER. The Government is entirely protected because under the terms of the bill we are bound to get back more than the amount we loan, and in addition to that we will get back the fair valuation of the ships.

Mr. JONES of Washington. Under the law as it is they can loan up to two-thirds of the value of the ships, but under the amendment proposed in the bill they can only loan up to 50 per cent unless additional security of a satisfactory character to the board is furnished.

Mr. ROBINSON. Is the report of the Senate committee unanimous?

Mr. JONES of Washington. It is.

Mr. KING. Mr. President, I confess that I do not like to object to a measure which two such distinguished Senators indorse, but I can not bring myself to support a bill until I know more about it. We know that the expenditures of the Shipping Board have been so unsatisfactory as to bring criticism if not condemnation from every quarter. Any recommendation by the Shipping Board I confess that I should look upon with—I will not say suspicion, but I should like to scrutinize it before I approve it. We have appropriated more than $3,000,000,000 to the Shipping Board, and all of its assets would not sell for $200,000,000. This is an authorization for an expenditure of $25,000,000 more, and will perhaps more quickly effectuate the complete liquidation of the entire concern. It will go into the hands of receivers, of course, and the sooner it is wiped off the map and charged to profit and loss the better for the Government.

Mr. JONES of Washington. Let me read one clause from the bill:

Provided further, That no part of such fund shall be expended upon the reconditioning of any vessel unless the board shall have first made a binding contract for a satisfactory sale of such vessel in accordance with the provisions of this act, or for the charter or lease of such vessel for a period of not less than five years.

This is not specially a recommendation of the Shipping Board. The Merchant Marine Committee of the House spent, I think, a couple of months working over the problem and considering the question and preparing the bill. I believe it is really for the very great interest of the merchant marine. It will help us out. We have our troubles, and there is no question about it. We are trying to work to get out of the matter as best we can and build up our merchant marine. I hope there will be no objection to it.

Mr. FLETCHER. The cost of operating a Dieselized ship would be much less than the operating cost of a coal burner.

Mr. JONES of Washington. From the investigations, which I have made quite fully, if we are going to keep up at all with the other shipping countries, we have to have many of our ships Dieselized to meet the situation.

Mr. KING. Let me ask just another question, and I shall not object. Does not the Senator think it is unwise to permit this organization to sell its resources, its assets, its ships, and make no accounting to Congress, but utilize the funds which it receives in further expenditures? It seems to me that the organization, as well as every other public agency, when it sells property ought to cover the proceeds derived therefrom into the Treasury, and then the Congress may make an appropriation, if it desires to do so, for purposes of this character or any other purpose; but to turn the funds back into the Treasury and permit their expenditure by these agencies without authorization of Congress, it seems to me to be a very unwise and a very fatuous policy.

Mr. JONES of Washington. We require that now, except as to this particular fund which they have to spend in a certain prescribed way. The Senator will remember that we appropriated $30,000,000, I think, in the last bill to help defray the expenses of the board, although we do allow them to use some of the proceeds in this way. It seems to me that it is absolutely essential in carrying on the business, which is really a commercial business. If we should require them to get out of the Treasury every dollar that they spend and to put every dollar of income they get from voyages, and so forth, into the Treasury, there would be a further handicap.

Mr. KING. I had reference more particularly to proceeds derived from the sale of property, from the sale of ships and accumulated stores and assets to the extent of hundreds of millions of dollars. They have not accounted to the Treasury for the proceeds derived from the sale of those properties.

Mr. JONES of Washington. I think the proceeds from the sale of their ships must go into the Treasury, except as they go into this fund, which must be accounted for.

The bill had been reported from the Committee on Commerce with amendments.

The first amendment was, on page 2, line 7, after the word "economical," to insert the word "engines," and in line 10, after the word "with," to insert the word "engines," so as to make the clause read:

That section 11 of the merchant marine act, 1920, be, and the same is hereby, amended to read as follows:

"SEC. 11. (a) That during a period of five years from the enactment of this act (merchant marine act of 1920) the board may annually set aside out of the revenues from sales and operations a sum not exceeding $25,000,000, to be known as its construction loan fund. The board may use such fund to the extent it thinks proper, upon such terms as the board may prescribe, in making loans to aid persons citizens of the United States in the construction by them in private shipyards or navy yards of the United States of vessels of the best and most efficient type for the establishment or maintenance of service on lines deemed desirable or necessary by the board, provided such vessels shall be equipped with the most modern, the most efficient, and the most economical engines, machinery, and commercial appliances or, in the equipment by them in private shipyards or navy yards of the United States of vessels already built, with engines, machinery, and commercial appliances of the type and kind mentioned."

The amendment was agreed to.

The next amendment was, on page 3, line 21, after the word "If," to insert the words "sufficient and satisfactory," and in line 24, after the word "but," to strike out the words "such additional amount shall not exceed one-half the market value of the additional security furnished, and," so as to make the clause read:

(e) No loan shall be for a greater sum than one-half the cost of the vessel or vessels to be constructed, or than one-half the cost of the equipment hereinbefore authorized for a vessel already built:

Provided, however, If sufficient and satisfactory security is furnished in addition to the mortgage on the vessel or vessels the board may increase the amount loaned, but in no case shall the total loan be for a greater sum than two-thirds of the cost of the vessel or vessels to be constructed, or than two-thirds of the cost of the equipment and its installation for vessels already built.

The amendment was agreed to.

Mr. JONES of Washington. On page 2, line 6, after the words "shall be," I move to insert the words "fitted and," so that it will read "shall be fitted and equipped."

The PRESIDING OFFICER. Without objection, the amendment will be agreed to.

Mr. JONES of Washington. On page 2, line 8, after the words "or in the," I move to insert the words "outfitting and," so that it will read "in the outfitting and equipment."

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PROTECTION OF ALASKAN FISHERIES

The bill (H. R. 8143) for the protection of the fisheries of Alaska, and for other purposes, was announced as next in order.

Mr. JONES of Washington. The Senator from Utah [Mr. KING] desires to speak probably 15 or 20 minutes on this bill, so that I will ask that it go over to-night in the hope that in the very near future we shall be able to take up the bill when he may have the time he desires.

The PRESIDENT pro tempore. The bill will go over.

BRIDGE ACROSS THE TUG FORK OF BIG SANDY RIVER, W. VA.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 5218) granting the consent of Congress to the Pittsburgh Coal, Land & Railroad Co. to construct a bridge across the Tug Fork of Big Sandy River at or near Nolan, in Mingo County, W. Va., to the Kentucky side, in Pike County, Ky.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 1638) authorizing the Court of Claims to adjudicate the claim of Capt. David McD. Shearer for compensation for the adoption and use and acquisition by the United States Government of his patented inventions was announced as next in order.

Mr. OVERMAN. Let that bill go over.

Mr. SHEPPARD. This bill has passed the Senate on two or three former occasions. It proposes to authorize the Court of Claims to pass upon the claim of Captain Shearer.

Mr. OVERMAN. If Captain Shearer patented his inventions while he was an officer, the patents belong to the Government.

Mr. CURTIS. The senior Senator from Utah [Mr. SMOOT] asked me to object to the consideration of the bill.

Mr. OVERMAN. I object to the consideration of the bill. We can never get the bill passed. If Captain Shearer was an Army officer when his patent was granted, I repeat, it belongs to the Government.

Mr. SHEPPARD. Mr. President, allow me to say that Captain Shearer claims that he developed his patents not as a result of any direction or employment by the Government, and that the Government, under the decision of the Supreme Court, is not entitled to take these patents without compensation. He wants the court to pass upon the claim.

Mr. OVERMAN. Congress has always turned such bills down. It has done so time and again.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1740) to provide relief for the victims of the airplane accident at Langin Field was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3011) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof, was announced as next in order.

The PRESIDING OFFICER (Mr. CURTIS in the chair). The senior Senator from Utah [Mr. SMOOT] desires that this bill be passed over, and the bill will go over.

The bill (S. 1574) for the relief of John O'Neil was announced as next in order.

Mr. KING. Let that bill go over.

Mr. CAPPER. Mr. President, may I ask that the bill be temporarily passed over? The Senator from New Jersey [Mr. EDGE] who introduced the bill will be here shortly, and he is very much interested in it.

The PRESIDING OFFICER. The bill will be passed over.

BLACKFEET INDIAN ALLOTTEES, MONTANA

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 2879) to provide for the disposal of homestead allotments of deceased allottees within the Blackfeet Indian Reservation, Mont. It provides that the allotments of Blackfeet Indians designated as homesteads under section 10 of the act of June 30, 1919 (41 Stat. L. p. 16), imposing restrictions on alienation, shall after the death of the original allottee be subject to partition, sale, issuance of patents in fee, or any other disposition authorized by existing law relating to Indian allotments.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 626) to prevent the sale of cotton and grain in future markets, was announced as next in order.

Mr. OVERMAN. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 147) for the relief of Albert Wood was announced as next in order.

Mr. DIAL. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1230) to amend section 11 of the act entitled "An act for the retirement of public-school teachers in the District of Columbia," approved January 15, 1920, was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1642) to provide for the purchase and sale of farm products was announced as next in order.

Mr. OVERMAN. I suppose that bill will have to go over, as the Senator from Nebraska [Mr. NORRIS], who reported it, is not present.

The PRESIDING OFFICER. The bill will be passed over.

SALE OF LANDS AT ADGER, IDAHO

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 7500) to authorize the sale of certain lands at or near Adger, Ada County, Idaho, for railroad purposes.

The bill was read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and hereby is, authorized to sell and convey to the Oregon Short Line Railroad Co., a corporation organized under the laws of the State of Utah, and authorized to do business in the State of Idaho, its successors and assigns, for a sand and gravel pit for railroad purposes, and at a price to be fixed by appraisement at not less than $25 per acre, and under such terms, conditions, and regulations as the Secretary of the Interior may prescribe, the following-described lands, situated in Ada County, Idaho:

All that part of the south half of the northeast quarter, the north half of the southeast quarter, and the southeast quarter of the southeast quarter of section 25, township 1 north, range 2 east, Boise meridian, and lot 3 and lot 4 of section 30, township 1 north, range 3 east, Boise meridian, within the following-described area:

Beginning at the intersection of the present southwesterly right-of-way boundary of the main line of the Oregon Short Line Railroad Co., with the range line common to township 1 north, range 2 east, and township 1 north, range 3 east of the Boise meridian, 100 feet southwesterly, measured at right angles, from the center line of main track of said railroad, said intersection also bearing north, 1,619.63 feet from the section corner common to sections 25 and 36 of said township 1 north, range 2 east, and sections 30 and 31 of said township 1 north, range 3 east; thence north 51° 7' west, along said southwesterly right-of-way boundary, being 100 feet southwesterly from and parallel to said center line of main track for a distance of 2,660.22 feet; thence south 642.32 feet to a point in the east and west center line of said section 25, which is 600 feet southwesterly, measured at right angles, from the said center line of main track; thence south 51° 7' east along a line which is 600 feet southwesterly from and parallel to said center line of main track for a distance of 2,660.22 feet to a point in the said range line common to township 1 north, range 2 east, and township 1 north, range 3 east; thence north 89° 56' east, 795.36 feet, to a point in the said southwesterly right-of-way boundary; thence north 51° 7' west, along said southwesterly right-of-way boundary, being 100 feet southwesterly from and parallel

to said center line of main track, for a distance of 1,021.76 feet, to the point of beginning, and containing, in all, 36.39 acres, more or less: *Provided*, That there shall be reserved to the United States all gas, oil, coal, or other mineral deposits found at any time in the said lands and the right to prospect for, mine, and remove the same.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 2647) for the relief of Lena Garagnon Owens was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 4012) to reimburse William H. Flagg and others for property destroyed by mail airplane No. 73, operated by the Post Office Department, was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

EVA B. SHARON

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 5136) for the relief of Eva B. Sharon. It directs the Secretary of the Treasury to pay to Eva B. Sharon, for repairing damages to her dwelling caused by blasting of rock in connection with construction of Le Claire Lock in the Mississippi River at Le Claire, Iowa, in September, 1916, the sum of $267.25, in full settlement of all damages against the Government.

Mr. KING. I should like to inquire whether the work referred to in this bill was being done by contract or by the Government?

Mr. CUMMINS. As I understand, the work was done by the Government, and as the result of blasting, a poor woman's house which stood on the banks of the Mississippi River was damaged. The amount involved is only $267.25, and the claim is approved by the War Department and the engineers in charge.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 2518) for the relief of Austin G. Tainter was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

TRANSFER OF LANDS TO COLORADO NATIONAL FOREST

The bill (H. R. 2713) to transfer certain lands of the United States from the Rocky Mountain National Park to the Colorado National Forest, Colo., was considered as in Committee of the Whole. It proposes to transfer those portions of the following-described tracts now within the Rocky Mountain National Park to the Colorado National Forest, and that they shall hereafter be subject to all laws relating to the use and administration of the national forests: Section 10; northwest quarter of southeast quarter, southwest quarter of the northeast quarter, and the southwest quarter of section 11; northwest quarter of the northeast quarter, north half of the northwest quarter, and the southwest quarter of the northwest quarter of section 15; and the northeast quarter of section 16; township 6 north, range 75 west, sixth principal meridian.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

LAND IN FLOMATON, ALA.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 4437) to quiet titles to land in the municipality of Flomaton, State of Alabama.

The bill was read as follows:

Be it enacted, etc., That all the right, title, and interest of the United States of America in and to the lands situated in the municipality of Flomaton, State of Alabama, being 40 acres of land described as southwest quarter of the southwest quarter of section 34, township 1 north, range 8 east, of St. Stephens meridian, be, and the same are hereby, granted, released, and relinquished by the United States to the equitable owners of the equitable titles thereto and to their respective heirs and assigns forever, as fully and completely in every respect whatever as could be done by patents issued according to law: *Provided*, That the confirmations granted hereby shall amount only to a relinquishment of any title that the United States has or is supposed to have in and to any of said lands, and shall not be construed to abridge, impair, injure, prejudice, or divest in any manner any valid right, title, and interest of any person or body corporate whatever, the true intent of this act being to concede and abandon all right, title, and interest of the United States to those persons, estates, firms, or corporations who would be the true and lawful owners of said lands under the laws of Alabama including the laws of prescriptions, in the absence of said interest, title, and estate of the United States.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

EDGAR WILLIAM MILLER

The bill (S. 3170) for the relief of Edgar William Miller was announced as next in order.

Mr. KING. Mr. President, I shall object to the consideration of the bill unless I have an explanation of it.

Mr. WADSWORTH. Mr. President, this is a case which appealed very strongly to the members of the Committee on Military Affairs. This officer was court-martialed in 1914 for what I might describe as bad habits. He was reduced a large number of files eventually, but the first sentence of the court-martial was dismissal from the Army.

Mr. KING. Was he a West Pointer?

Mr. WADSWORTH. No. He is a medical officer; he is a Regular Army officer, however. As I have said, he was at first sentenced to dismissal from the Army. General Crowder, who was Judge Advocate General of the Army at that time, in consultation with the then Secretary of War persuaded the Secretary to lighten the sentence into a heavy reduction of files. A letter from General Crowder in the case indicates that he assured Secretary Baker that he would be personally responsible, if such a thing were possible, for this officer's future good behavior. The Secretary of War modified the sentence in that way. Two years later he went into the World War.

This officer became the commander of the ambulance companies of the Second Division and finally chief surgeon of the Second Division and was with that division through its entire active service in France. He received, as I recollect, three citations for bravery and excellent administrative ability and came out of the war with splendid credit to himself.

We are now in the year 1924. His dereliction took place 10 years ago. His habits have been perfect since then, and in the meantime he has distinguished himself. The present Judge Advocate General of the Army and the Secretary of War join in a recommendation to Congress to the effect that this officer has been punished enough. He has lost six years of promotion, being now six years in the matter of promotion behind the place which he would have occupied on the promotion list of the Medical Corps had he not been court-martialed back in 1914.

This bill is to restore to that splendid officer the place that he would have occupied to-day in the Medical Corps list were it not for that old court-martial. The officer has earned it, and the Military Affairs Committee begs the Senate to do justice to him.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill. It authorizes the President of the United States, in his discretion, to appoint, by and with the advice and consent of the Senate, Edgar William Miller, now a major in the Medical Corps, Regular Army, a lieutenant colonel of the Medical Corps, Regular Army, to take rank at the foot of the list of lieutenant colonels, Medical Corps; but no back pay or allowance shall accure as a result of the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

CONSTRUCTION OF WATER AND SEWER MAINS, CORINTH, MISS.

The bill (S. 3026) authorizing the Secretary of War to permit the city of Corinth, Miss., to construct, operate, and maintain water and sewer mains under and along the Government approach roadway to the Corinth National Cemetery, was considered as in Committee of the Whole. It authorizes the Secretary of War to permit the city of Corinth, Miss., to construct, operate, and maintain water and sewer mains under and along the Government approach roadway to the Corinth National Cemetery, on such terms and conditions as he deems advisable, and without expense to the United States.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

AMERICAN ACADEMY IN ROME

The bill (S. 2834) relating to the American Academy in Rome was considered as in Committee of the Whole.

The bill had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and to insert:

That the act entitled "An act to permit the American Academy in Rome to enlarge its purposes, and for other purposes," approved June 6, 1912, is amended by striking out "$3,000,000" and inserting in lieu thereof "$10,000,000."

SEC. 2. That section 3 of the act entitled "An act to incorporate the American Academy in Rome," approved March 2, 1905, as amended, is hereby repealed.

Mr. FLETCHER. Mr. President, will the Senator from Pennsylvania explain what this bill means? Does it involve simply an increase in the capital stock of this corporation?

Mr. PEPPER. Mr. President, the American Academy in Rome was organized by artists, sculptors, and painters at the time of the Chicago World Fair in order to establish and maintain in Rome a center for the artistic education of American students studying abroad. At that time the Congress granted a charter to the academy, but, because it was supposed the academy might become a suppliant for appropriations of public money, a very low limitation was placed upon the value of the property which it was to be permitted to acquire and a provision was inserted in the charter to the effect that nobody who was an officeholder of the Federal Government should be a trustee in the institution.

Time has passed on, and the academy has always been self-sustaining; it has never made and never will make an application for appropriations, but it has acquired valuable real estate, and endowments have been given to it by will and deed. It is one of the greatest institutions now maintained by Americans in the Old World.

The two amendments which if this bill passes will be perfected are, first, to raise the limit of the total value of property which the institution may acquire, and, in the second place, to remove the provision to the effect that the office of trustee is incompatible with the holding of office under the Government.

Mr. ROBINSON. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Arkansas?

Mr. PEPPER. I yield to the Senator from Arkansas.

Mr. ROBINSON. Does the bill impose any liability or obligation on the Government of the United States?

Mr. PEPPER. None whatever.

Mr. ROBINSON. Will any appropriation or expenditure of public funds be necessary to effectuate its purposes?

Mr. PEPPER. None at all, sir. The institution is abundantly self-supporting, and it is because it is so prosperous that it has become necessary to ask for an amendment raising the limit of the value of the property which the institution is permitted to hold. The bill has been reported by unanimous vote of the committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HAINES STREET, PHILADELPHIA, PA.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 4981) to authorize the Secretary of War to grant permission to the city of Philadelphia, Pa., to widen Haines Street in front of the national cemetery, Philadelphia, Pa. It authorizes the Secretary of War, in his discretion, to permit the city of Philadelphia, Pa., to use and occupy for street purposes all or any part of a strip of land, 8 feet 6 inches in width, off the south side of the Philadelphia National Cemetery, in that city, and along the Haines Street frontage of the cemetery, but the city shall remove the present stone wall marking the boundary line between the cemetery and the street, and grade, build, and maintain a sidewalk and curb along the frontage of the cemetery and care for and maintain the street the same as other public streets of the city.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2570) to provide for the establishment, operation, and maintenance of foreign trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes, was announced as next in order.

Mr. JONES of Washington. I do not think we can consider that bill under the unanimous-consent rule. The bill was incorporated as an amendment in the tariff law that was passed in the preceding Congress, but went out in conference. Under the circumstances I ask that the bill may go over.

The PRESIDING OFFICER. The bill will be passed over.

PROTECTION OF ANTELOPE AND OTHER GAME ANIMALS AND BIRDS

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2761) to authorize the withdrawal of lands for the protection of antelope and other game animals and birds.

The bill was read as follows:

Be it enacted, etc., That, subject to valid existing rights and entries heretofore initiated under the public land laws, any or all of the following-described lands in Government ownership may be withdrawn from entry and disposition by proclamation of the President for the purpose of protecting and propagating antelope and other game animals and birds: National forest lands—Township 18 north, range 7 east, Black Hills meridian, section 24, south half, and south half north half; section 25, all; township 18 north, range 8 east, sections 17 to 20, inclusive; section 21, west half; sections 29 to 32, inclusive. Public lands—Township 18 north, range 7 east, section 5 to 9 inclusive; sections 13 to 23, inclusive; section 24, north half north half; sections 26 to 36, inclusive; and those parts of sections 3, 4, 10, and 11 lying south and west of the Riva Road: *Provided*, That the withdrawal of the lands herein authorized shall not affect existing withdrawals for national forest purposes.

SEC. 2. That the State of South Dakota is hereby authorized and permitted to erect and maintain a good, substantial fence inclosing in whole or in part such areas as may be designated and set aside by the President under the authority of section 1 hereof. The State shall erect and maintain such gates in this fence as may be required by the authorized agents of the Federal Government in the administration of the national forest lands embraced therein, or to provide ingress and egress to persons occupying lands within said inclosure. The right of the State to maintain said fence shall continue so long as the area designated by the President shall be given protection by the laws of the State of South Dakota as a game refuge.

Mr. KING. Mr. President, I should be glad to have an explanation of the bill, particularly the second section which grants to the State of South Dakota permission to fence certain lands. I am not quite clear as to what is involved.

Mr. NORBECK. Mr. President, complying with the request of the Senator from Utah, I wish to state that the purpose of this bill is to give the State permission to include some Government lands in a game preserve that we are about to provide for the protection of a remaining band of antelope, that species being nearly extinct. The State owns a great deal of land right next to the forest reserve, and this bill will permit them to include 6,000 acres in the United States forest reserve. There is no obligation on the part of the Government and there will be no appropriation asked for. The State will maintain it. It is merely a question of providing grazing grounds for the animals.

Mr. KING. I was about to inquire of the Senator whether there was any possibility of the State applying to the Federal Government for a part of the maintenance charge or the cost of upkeep?

Mr. NORBECK. No; I can assure the Senator they will not even ask for any.

Mr. KING. Does the Senator think that the language of the bill would exculpate the Government from any liability?

Mr. NORBECK. Absolutely. The State government has no such thought. They have all the funds ready with which to do the work. It will be maintained by the game department of the State, which has a good annual revenue.

Mr. KING. It may not always be so prosperous.

Mr. NORBECK. Of course, that is a possibility.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

JOINT RESOLUTIONS PASSED OVER

The joint resolution (S. J. Res. 47) establishing a congressional committee to consider ways and means through legislation to lighten the responsibilities of the President was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The joint resolution (H. J. Res. 184) proposing an amendment to the Constitution of the United States was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

CUSTER STATE PARK GAME SANCTUARY

The bill (S. 2699) to amend an act creating the Custer State Park Game Sanctuary in the State of South Dakota was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That upon recommendation of the Secretary of Agriculture the area designated as the Custer State Park Game Sanctuary under the provisions of the act of June 5, 1920 (41 Stat. L. p. 986), may by proclamation of the President be enlarged to embrace a total of not to exceed 46,000 acres, and the act of June 5, 1920, shall otherwise apply with equal force to the additional area authorized by this act.

Mr. KING. Mr. President, does this bill purpose to create another national park?

Mr. NORBECK. No; it does not. The State now has a game sanctuary in South Dakota adjoining the State park. The State has a State park 8 miles by 12 in the forest. It already has 40 miles of game-tight fence inclosing herds of elk, deer, buffalo, and so forth; and in the State sanctuary itself the State has spent several thousand dollars for highways. The purpose of this bill is to enlarge the boundary so as to get the fence out of the rocky ridges and down on more level ground. It proposes no transfer of any property to the State. No money will be asked for. The Government retains the timber. The State has the right to fence the area for the protection of the animals, but is not allowed to kill them.

Mr. KING. Mr. President, I should like to inquire what reservations or restrictions there are by which the control of the property may be assumed by the Government later on if it should desire to do so?

Mr. NORBECK. This is not a new bill. This is an amendment to an act passed about four years ago increasing the acreage. That is the only change that is made. They will have the same powers that they have under the present law.

Mr. KING. Mr. President, this may be all right, but it does seem to me that where the Government transfers land to the State by proclamation or otherwise, giving the State control over it, there ought to be some restrictive provisions in the bill, some conditions under which the Government may reassert its title and resume control over the territory.

Mr. NORBECK. May I explain? I am afraid the Senator misunderstood me. There is no transfer of title. The title remains in the Government of the United States. The State of South Dakota will be permitted to fence this land and have the control of the grazing as long as it is used for that purpose. The Government retains all other control of it.

Mr. KING. Is there a unanimous report from the committee?

Mr. NORBECK. Yes, sir; there is a unanimous report. A similar bill has also been reported from the House committee.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ALASKA GAME COMMISSION

The bill (S. 2559) to establish an Alaska game commission, to protect game animals, land fur-bearing animals, and birds in Alaska, and for other purposes, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Agriculture and Forestry, with amendments.

Mr. KING. Let the bill be read.

The reading clerk proceeded to read the bill.

Mr. ROBINSON. Mr. President, I inquire of the Senator reporting the bill what expense is contemplated to the Government or to Alaska?

Mr. NORBECK. None whatever. This is a measure in the interest of efficiency and economy. There are two or three reasons for passing it, but the main one is that at the present time there are two departments enforcing the game laws of Alaska. The Agricultural Department has game wardens looking after the fur-bearing animals and certain other things; the Interior Department has game wardens looking after the elk and moose, and so forth; and frequently two game wardens will be in the same territory, one under the Interior Department and the other under the Agricultural Department.

Mr. ROBINSON. This bill concentrates them in which department?

Mr. NORBECK. It makes the money that has been appropriated for the two departments available to be used under one of them.

Mr. ROBINSON. Which department?

Mr. NORBECK. Under the Agricultural Department.

Mr. ROBINSON. The members of the commission receive no compensation?

Mr. NORBECK. The members of the commission will receive compensation. I said there were two or three reasons for the passage of the bill. One reason is that the people of Alaska complain bitterly about the rigidity of the present law and the lack of any chance to express themselves on it; so the purpose of the bill is to provide for a commission of five members, four of whom will be residents of Alaska, one from each of the judicial districts. Only one of them will be salaried. The others will have per diem and expenses, but the intention is to have a commission of five.

We must keep in mind the fact that Alaska is about half the size of the United States proper, that some of these wardens may be 2,000 miles apart and at places more, and this bill places more responsibility and authority on the people up there, hoping to get their cooperation. This is the one bill that has met with the approval of the people of Alaska and the two departments affected and all the animal lovers and the outdoor people, men like Hornaday, of New York City, and the Boone and Crockett Club, and other people who are trying to preserve our native game animals from extinction.

One of the troubles with the present law is that hunters may exterminate some species, whereas if we can get a regulation that is elastic they can set aside certain areas and protect them, and make the hunters go perhaps a little farther, in order to save certain species that are threatened with extinction.

Mr. ROBINSON. Of course, I think the object of conserving the game in Alaska is a meritorious one. I have had no opportunity of studying the provisions of this bill. I inquire of the Senator from North Dakota if the committee is unanimous?

Mr. NORBECK. Yes; it is. We had hearings.

Mr. FLETCHER. May I inquire of the Senator whether it meets with the approval of the Delegate from Alaska?

Mr. NORBECK. It does. Mr. SUTHERLAND is here, and interested in the bill.

Mr. COPELAND. Mr. President, I should like to say that a number of my constituents seem to be very much interested in this bill. They seem to be urging strongly that the bill be put through in the interest of conservation.

The PRESIDING OFFICER. The amendments of the committee will be stated.

The first amendment of the Committee on Agriculture and Forestry was, on page 13, line 1, after the word "sold," to strike out "for use within the Territory but not for export" and to insert "under such restrictions as the Secretary may deem to be appropriate"; in line 9, after the word "serving," to strike out "and" and to insert "or"; and in line 11, after the word "cannery," to insert "or other commercial," so as to make the section read:

SEC. 10. Regulations: That the Secretary of Agriculture, upon consultation with or recommendation from the commission, is hereby authorized and directed from time to time to determine when, to what extent, if at all, and by what means game animals, land fur-bearing animals, game birds, nongame birds, and nests or eggs of birds may be taken, possessed, transported, bought, or sold, and to adopt suitable regulations permitting and governing the same in accordance with such determinations, which regulations shall become effective 90 days after the date of publication thereof by the Secretary of Agriculture; but no such regulation shall permit any person to take any female yearling or calf moose, any doe yearling or fawn deer, or any female or lamb mountain sheep except under permit for scientific, propagation, or educational purposes; or to use any dog in taking game animals; or to sell the heads, hides, or horns of any game animals, except the hides of moose, caribou, deer, and mountain goat which the regulations may permit to be sold under such restrictions as the Secretary may deem to be appropriate; or to use any shotgun larger than a No. 10 gauge; or to use any airplane, steam or power launch, or any boat other than one propelled by paddle, oars, or pole in taking game animals or game birds; or to sell any game animals, game birds, or parts thereof, to the owner, master, or employee of any coastal or river steamer or commercial power or sail boat, or to procure for serving or to serve any such game animals, game birds, or parts thereof, in any cannery or other commercial mess house, or to the employees on any such steamer or boat; nor, except as herein provided, shall prohibit any Indian or Eskimo, prospector, or traveler to take animals or birds during the close season when he is in absolute need of food and other food is not available; but the shipment or sale of any animals or birds or parts thereof so taken shall not be permitted, except that the hides of animals so taken may be sold within the Territory; but the Sec-

retary, by regulation, may prohibit such native Indians or Eskimos, prospectors, or travelers from taking any species of animals or birds for food during the close season in any section of the Territory within which he shall determine that the supply of such species of animals or birds is in danger of extermination; nor shall any such regulation contravene any of the provisions of the migratory bird treaty act and regulations.

The amendment was agreed to.

The next amendment was, on page 14, line 6, before the word "license," to insert "and trapping," so as to make the paragraph read:

SEC. 11. License: Subdivision A. Nonresident hunting license.—That, except as otherwise permitted by this act, or by regulation made pursuant thereto, no nonresident shall take or possess any of the animals or birds protected by this act without first having procured a nonresident hunting and trapping license as herein provided.

The amendment was agreed to.

The next amendment was, on page 14, line 17, after the word "legally," to strike out the word "taken" and to insert "acquired," and at the end of line 17, after the word "him," to strike out "not to exceed the number he could legally have taken during the two years immediately preceding his removal from the Territory," so as to make the paragraph read:

Subdivision B. Resident shipping license.—That no resident of the Territory shall export any game animal or part thereof, except that he may export for mounting and return to the Territory in any one year but not for sale, not to exceed two heads or trophies of each species of game animal legally killed by him, upon first procuring a resident shipping license as herein provided, but the Secretary may by regulation permit a citizen of the United States who has been a resident of the Territory for at least two years and who is removing his residence from the Territory to export trophies of game animals legally acquired by him, upon first procuring a resident shipping license as herein provided.

The amendment was agreed to.

The next amendment was, on page 15, line 5, after the word "half-breeds," to insert "who have not severed their tribal relations by adopting a civilized mode of living or by exercising the right of franchise," so as to make the paragraph read:

Subdivision C. Resident hunting and trapping licenses: That the commission, whenever it shall deem expedient, may by regulation require residents of the Territory to procure resident hunting and trapping licenses authorizing them to take animals and birds protected by this act, and when such licenses shall have been required of residents the fee therefor shall be as follows: For each hunting license the sum of $2 and for each trapping license the sum of $2, but no such license shall be required of native-born Indians, Eskimos, or half-breeds who have not severed their tribal relations by adopting a civilized mode of living or by exercising the right of franchise. After the expiration of 60 days from the adoption of such regulation no resident shall take any animal or bird protected by this act without having first procured resident hunting and trapping licenses as herein provided.

The amendment was agreed to.

The next amendment was, on page 16, line 25, after the word "half-breed," to insert "who has not severed his tribal relations by adopting a civilized mode of living or by exercising the right of franchise," so as to make the paragraph read:

Sudvision H. Fur dealers, licenses, fees: No person shall buy or sell the skins of fur-bearing animals, or engage in, carry on, or be concerned in the business of buying, selling, or trading in the skins of fur-bearing animals protected by this act without first having procured a license as herein provided, but no license shall be required of a native-born resident Indian, Eskimo, or half-breed who has not severed his tribal relations by adopting a civilized mode of living or by exercising the right of franchise, or of a hunter or trapper selling the skins of such animals which he has lawfully taken, or of a person not engaged or employed in the business of trading in such skins to purchase them for his own use but not for sale.

The amendment was agreed to.

The next amendment was, on page 18, line 5, after the word "the," to strike out "executive officer" and to insert "members of the commission"; in line 6, after the word "issued," to insert "by members of the commission and"; after line 17, to strike out "Nonresident big game hunting license, $50," and to insert "Nonresident big game, small game, and fur-bearing animal hunting and trapping license, $50"; after line 20, to strike out "Nonresident trapping license, $50"; after line 21, to strike out "Nonresident small game license, $10" and to insert "Nonresident small game hunting license, $10"; on page 19, line 1, before the word "for," to strike out "$20" and to insert "$5"; at the end of line 1, after the word "each," to strike out "moose"; in line 2, after the word "trophy," to strike out the comma and the words "and for each other trophy of big game, $10" and to insert "of big game"; and at the end of line 6, to strike out "$5" and to insert "$2," so as to make the subdivision read:

Subdivision I. Fees and applications for, and issuance of licenses: Licenses, with the exception of alien special licenses and resident shipping licenses, shall be issued by the commission through its members, game wardens, and other persons authorized by it in writing to sell licenses. Alien special licenses shall be issued only by the members of the commission, and resident shipping licenses shall be issued by members of the commission and by the collector of customs at the port of shipment. Application blanks for licenses shall be furnished by the commission and shall be in such form as the commission may by regulation determine; and each application shall be subscribed and sworn to by the applicant before an officer authorized to administer oaths in the Territory; and the members of the commission, and its game wardens and other persons authorized in writing by it to issue licenses are hereby authorized to administer oaths to applicants for such licenses. The applicant for a license shall accompany his application with a license fee as follows:

Nonresident big game, small game, and fur-bearing animal hunting and trapping license, $50.
Nonresident small game hunting license, $10.
Resident shipping and return license, $1 for each trophy.
Resident removing from Territory, $5 for each trophy of big game.
Registered guide license, $10.
Alien special license, $100.
Fur farm license, $2.

The amendment was agreed to.

The next amendment was, on page 23, after line 6, to insert the following additional section:

SEC. 17. That nothing in this act contained shall be construed as repealing or modifying in any manner section 6 of the act of Congress approved February 26, 1917 (39 Stat. L. p. 938), entitled "An act to establish the Mount McKinley National Park in the Territory of Alaska."

The amendment was agreed to.

The next amendment was, on page 23, line 13, to change the section number from "17" to "18."

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF JUDICIAL CODE

The bill (H. R. 714) to amend section 101 of the Judicial Code was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2155) to amend and modify the war risk insurance act was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

ROCK CREEK AND POTOMAC PARKWAY COMMISSION

The bill (S. 3016) to enable the Rock Creek and Potomac Parkway Commission to improve the parkway entrance was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the authority of the Rock Creek and Potomac Parkway Commission, as created in section 22 of the public buildings act, approved March 4, 1913 (37 Stat. p. 885), is hereby extended so as to enable them to acquire, by purchase, condemnation, or otherwise, under the same procedure as authorized in the abovementioned act, that portion of the piece or parcel of land now described on the records of the assessor of the District of Columbia as parcel 66/2, which lies between Waterside Drive and Adams Mill Road and the southern boundary of the National Zoological Park and the street laid down to the north and west of square No. 2547 on the present plan of the permanent system of highways for the District of Columbia.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PUBLIC UTILITIES COMMISSION OF THE DISTRICT

The bill (S. 3077) to amend the act of Congress approved March 4, 1913, creating the Public Utilities Commission of the District of Columbia, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, I see the Senator from Delaware here. I should like him to explain this bill.

Mr. BALL. Mr. President, this bill increases the Public Utilities Commission from three to five. At present the Commissioners of the District are the Public Utilities Commission for Washington. Their time is so thoroughly taken up with other matters concerning the District that they do not have time to go thoroughly into the public utility valuations so that they can properly fix rates. This bill provides that one attorney shall be president of the board and shall devote his entire time to the work, and that one Army officer above the grade of captain shall be added.

Mr. COPELAND. Mr. President, I should like to ask the Senator from Delaware whether the Senator from Tennessee [Mr. McKELLAR] would not be very much interested in this bill?

Mr. BALL. Very much.

Mr. COPELAND. Is he in favor of it?

Mr. BALL. The hearings that have been conducted on the street railway fare question gave rise to the necessity for this amendment.

Mr. COPELAND. Does the Senator from Tennessee favor this amendment?

Mr. BALL. I am very sure he would. He discussed it with me one day, and I explained to him that we were so amending the law.

Mr. COPELAND. Mr. President, I should like to be very sure that the Senator from Tennessee is satisfied, because he has given a great deal of study to this problem. I hate to interfere in the matter, but I think the bill ought to go over unless the Senator from Delaware is very certain that the Senator from Tennessee is satisfied with it.

Mr. BALL. Mr. President, I hope the Senator from New York will not object, because unless this bill passes to-night there will be no chance for it to become a law at this session, as it has to go over to the House; and in my judgment it is very important, in settling the controversy in which the Senator from Tennessee is interested, that this bill be passed.

Mr. WALSH of Massachusetts. Mr. President, will the Senator state what salaries are paid the members of this commission?

Mr. BALL. The Army officer, of course, receives no additional salary except an amount sufficient to bring his compensation up to that of the other commissioners. The attorney is paid the same salary as the present commissioners, which now, I think, is fixed at $6,000. Formerly it was $5,000.

Mr. WALSH of Massachusetts. What salary is to be paid the permanent commissioner?

Mr. BALL. The same salary, I think, as the other commissioners.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the act of Congress making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes, approved March 4, 1913, section 8 of which creates the Public Utilities Commission of the District of Columbia, be, and the same is hereby, amended by striking out paragraph 97 of said section 8 and inserting in lieu thereof the following paragraph:

"PAR. 97. That all the powers created by this section and the duty of carrying this section into effect and enforcing the provisions thereof are hereby vested in a public utilities commission of the District of Columbia, to be composed of a citizen of the District of Columbia learned in the law, who shall be appointed by the President of the United States, by and with the advice and consent of the Senate, who shall be chairman of said commission, the Commissioners of the District of Columbia, and an officer of the Corps of Engineers of the United States Army, whose lineal rank shall be above that of captain. The Commissioners of the District of Columbia shall be members of said public utilities commission by virtue of their office and shall exercise the duties of public utilities commissioners as additional and superadded powers to their powers and duties as Commissioners of the District of Columbia. The member of the commission to be appointed by the President and confirmed by the Senate and the officer of the Corps of Engineers who shall be detailed by the President of the United States as a member of said commission shall hold said office for the term of four years. The Commissioners of the District of Columbia shall not receive any additional compensation for their added duties as members of said public utilities commission. The chairman of said commission shall receive a compensation equivalent to that of a Commissioner of the District of Columbia. The officer of the Corps of Engineers detailed as a member of said commission shall be paid such amount in addition to his Army pay and allowances as is necessary to make his salary equivalent to that of a Commissioner of the District of Columbia. The powers, authority, and duties heretofore imposed upon and granted the Commissioners of the District of Columbia as members of the public utilities commission shall be permanent and are hereby imposed on and granted to the present Commissioners of the District of Columbia and their successors in office. The chairman of said commission shall, in addition to his duties as chairman, act as the legal officer of said commission in any action pending before said commission or before any of the courts in which under the provisions of said section the commission is authorized to be represented by counsel, and shall be assisted in said duties by the general counsel of said commission now authorized by law. A majority of said commissioners shall constitute a quorum to do business, and any vacancy shall not impair the right of the remaining commissioners to exercise all the powers of the commission. Any investigation, inquiry, or hearing within the powers of the commission may be made or held by any commission, whose acts and orders when approved by the commission shall be deemed to be the order of the commission. The commission shall have power to adopt and publish rules to govern its proceedings and to regulate the mode and manner of all investigations and hearings pertaining to public utilities.

"No commissioner shall be interested directly or indirectly in any public utility or in any stock, bond, mortgage, or contract of any such public utility; and if any such commissioner shall voluntarily become so interested, his office shall ipso facto become vacant; and if any such commissioner shall become so interested otherwise than voluntarily, he shall within a reasonable time divest himself of such interest, and if he fails so to do his office shall become vacant. Before entering upon the duties of his office each commissioner, the secretary of the commission, the counsel of the commission, and every employee of said commission shall take and subscribe the constitutional oath of office and shall in addition thereto make oath or affirmation before and file with the clerk of the Supreme Court of the District of Columbia that he is not pecuniarily interested, voluntarily or involuntarily, in any public utility in the District of Columbia or elsewhere."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

CHANGE OF NAME OF JEWETT STREET

The bill (H. R. 6028) to change the name of Jewett Street west of Wisconsin Avenue to Cathedral Avenue was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 893) for the relief of John H. Rheinlander was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

MEMORIAL TO DISTRICT OF COLUMBIA SERVICE MEN

The joint resolution (S. J. Res. 73) providing for the appointment of a commission for the purpose of erecting in Potomac Park, in the District of Columbia, a memorial to those members of the armed forces of the United States from the District of Columbia who served in the Great War was considered as in Committee of the Whole.

The joint resolution had been reported from the Committee on the Library, with an amendment, on page 1, line 6, after the word "Stephan," to insert "J. R. McDonald, Gist Blair," so as to make the joint resolution read:

Resolved, etc., That a commission to be composed of Charles A. Baker, Edward F. Colladay, John Joy Edson, Mrs. William Corcoran Eustis, Isaac Gans, E. Lester Jones, Arthur D. Marks, Frank B. Noyes, Anton Stephen, J. R. McDonald, Gist Blair, and any other person who with the approval of a majority of the commission is added thereto or substituted for any member thereof, is hereby created to be known as the District of Columbia Memorial Commission for the purpose of erecting in Potomac Park in the District of Columbia a memorial to those members of the military and naval forces of the United States from the District of Columbia who served their country in the Great War. Such memorial shall be of artistic design suitable for military music and shall take the place of the present wooden band stand in Potomac Park.

SEC. 2. That the Chief of Engineers of the United States Army is hereby authorized and directed to select the site for the memorial and to grant permission for the erection of said memorial thereon: *Provided*, That the site, design, and plans for the memorial shall have been approved by the Joint Committee on the Library acting with the advice of the Commission of Fine Arts: *Provided further*, That the

memorial shall be erected under the supervision of the said Chief of Engineers and that no part of the cost of erection shall be borne by the United States.

The amendment was agreed to.

The joint resolution was reported to the Senate as amended, and the amendment was concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 87) authorizing the erection of a flagstaff at Fort Sumter, and for other purposes, was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

ALMEDA LUCAS

The bill (S. 149) for the relief of Almeda Lucas was announced as next in order.

Mr. DIAL. Mr. President, I should like to have the Senator make an explanation of that bill.

Mr. BAYARD. Mr. President, I report the bill out from the committee.

Lucas obtained a grant of land in Tillamook County, Oreg., which was surveyed by the Government surveyors, and he located upon it and cleared about 10 or 14 acres and built some buildings on it. The testimony shows, under oath, that the buildings cost him upward of nine or ten thousand dollars. A neighbor located another survey, and when the neighbor's survey was put on the ground plan of the county by the Government surveyor it was found that there had been a mistake in Lucas's survey, and that this particular portion of land which he had cleared and built upon did not belong to him. Therefore it was taken away from him, so that he lost his labor and time of clearing 12 or 14 acres and the expense to which he had been put in erecting these buildings.

Mr. KING. Mr. President, it seems to me that if we allow this it will be a very dangerous precedent. Frequently in the West, where we have public surveys and where we know that most of the original surveys were erroneous, we know of very great hardships which resulted from them, and I want to state now that if we adopt this precedent we will be opening the door to subject the Government to claims for very large sums.

Mr. OVERMAN. Let the bill go over, then, Mr. President.

Mr. BAYARD. May I not finish?

Mr. McNARY. I feel that I should say in reply to the statement made by the Senator from Utah that frequently since I have been in the Senate, during my short service, we have had similar legislation passed. Here is the case of a widow with nine children, whose husband died on the land. The land was surveyed by the Government, and this man went on it and put up improvements costing $10,000. The Government subsequently found that the survey was erroneous, and this bill will award the widow one-half of the money her husband expended there during a period of 20 years. The Government's error was so apparent and so obvious to all those who looked into it, from the department and the committee, that the committee reported unanimously in favor of the relief for this widow and her children.

Mr. KING. Let me ask the Senator if he does not know that many of the surveys, both upon agricultural as well as mining land, because of errors, errors oftentimes of the surveyors, and sometimes without their fault, sometimes because the datum line which had been established by the Government had been destroyed, resulted in duplicate entries, and in duplicate patents, in many instances, and that if we adopted this precedent, we would subject the Government to claims for compensation for all who have suffered by reason of any erroneous survey which was made. I ask the Senator if he does not regard it as a dangerous precedent?

Mr. BAYARD. May I interrupt the Senator for a moment? I will state to the Senator from Utah that this claim passed the Senate last year.

Mr. KING. Mr. President, that would not influence me at all.

Mr. BAYARD. I would further state to the Senator that he was present when it was passed. I sat beside him.

Mr. KING. There is no sanctity in our decisions, no certainty that they are right.

Mr. McNARY. Mr. President, it does not establish a precedent at all. There have been literally thousands of claims less meritorious, involving the same principle, that have passed Congress. Here is an instance where the Government told a pioneer he could go on certain land and establish certain improvements; and taking upon that land a large family, he cleared of stumps 13 acres and constructed a home and substantial outbuildings to the extent of $10,000. He died, and his widow, after a resurvey was made, found that the Government had placed him on land on which the Government was not entitled to place him. The Government gets the land back, and all she is asking is to return her 50 per cent of the construction charges put upon the land by her husband.

Mr. KING. If the Government owns the land, and if, as the Senator says, the Government would get it back——

Mr. McNARY. The Government has it back.

Mr. KING. Then why does not the Government convey it to her?

Mr. McNARY. The Government has no opportunity so to do. If the Senator from Utah knew the history of public lands in the West, he would not propound such an inquiry.

Mr. KING. I object to the bill.

The PRESIDING OFFICER. It will go over.

ALICE E. O'NEIL

Mr. EDGE. I ask unanimous consent that we return to order of business 480, Senate bill 1574, for the relief of John O'Neil, which was reached before I arrived in the Chamber and was passed over until I could be present. I would like to have the bill brought before the Senate.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Claims with amendments, on page 1, line 5, to strike out "$10,000" and insert in lieu thereof "$2,500"; in the same line to strike out "John O'Neil" and insert "Alice E. O'Neil"; and in line 7 to strike out "his" and insert "her," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,500 to Alice E. O'Neil, of Newark, N. J., as compensation for the death of her son, Edward L. O'Neil, seaman, first class, U. S. S. *Wyoming*, who was drowned in Guantanamo Bay, Cuba, when obeying an order of a superior officer.

The amendments were agreed to.

The bill was reported to the Senate, as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read, "A bill for the relief of Alice E. O'Neil."

JAMES W. LAXSON

The bill (S. 367) for the relief of James W. Laxson, was announced as next in order.

Mr. DIAL. Let that go over.

Mr. BAYARD. Will the Senator withhold his objection a moment until I explain the bill?

Mr. DIAL. Very well.

Mr. BAYARD. This bill is to pay the sum of $182 to the claimant, James W. Laxson. Laxson made an entry on a homestead and started to cut the timber off the land before the entry was completed. That was forbidden under the Government rules, unless he would use the timber himself; so the Government took the timber which was cut and sold it for $182, and paid the money by mistake into the Public Treasury instead of into a fund in the Interior Department.

At the end of five years, under the act, Laxson made good his entry. After he completed his entry the land was granted to him, but when he made his demand for the sum of $182, for which the timber had been sold, it was found that the money had been improperly turned into the General Treasury and not into the special fund provided, into which the money should have been paid.

Mr. DIAL. Very well; I do not object.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $182 to James W. Laxson for a refund covering timber taken from his homestead entry.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

HANGARS IN FLYING FIELDS FOR THE AIR MAIL SERVICE

The bill (S. 1051) to authorize and provide for the payment of the amounts expended in the construction of hangars and the maintenance of flying fields for the use of the Air Mail Service of the Post Office Department was announced as next in order.

Mr. DIAL. Let the bill go over.

Mr. ODDIE. Mr. President, I will ask the Senator to listen a moment before the objection is insisted on.

Four States are very much interested in this bill, the States of Nevada, Utah, Wyoming, and Nebraska. This question has been studied at length by the department and by the subcommittee, of which I am chairman, of the Committee on Post Offices and Post Roads, and the department has recommended that the bill be passed. I hope the Senator will withdraw his objection, and that the bill will be allowed to pass.

Mr. DIAL. I am on the same committee, and I would like to accommodate my friend, but I shall have to insist on the bill going over.

Mr. WARREN. Mr. President, I hardly think the Senator would want to have the bill go over if he understood the circumstances. I happen to know something of this matter personally, because at my home, and in my private office, Otto Praeger, Assistant Postmaster General some four years ago, called on me in the interest of locating the through mail service. He made a very frank statement that the appropriation they had was not large enough, that on the North Platte they were going to arrange to build the hangars, and while he was not authorized to and could not make a contract, he stated to me that in the next estimate he would certainly cover these expenses.

He besought me to go out and try to raise the money, which I did. The city and county of Cheyenne put up $5,000 apiece, and the Commercial Club put up the balance, a matter of ten or twelve thousand dollars, to build a hangar. Then the citizens clubbed with me to clean up a tract of 200 acres, perfectly level, making it clean, and the Government is using it every day and every night, and has since that time, and has not paid a nickel. The Government has the use of the land and the use of the hangar.

I presume the other locations are much the same. Certainly it was an investment made with the expectation of receiving payment, and nothing prevented payment by the Government but the failure of the department in not sending in an estimate. It has been thoroughly investigated by the Post Office Department, and the Postmaster General has asked that we secure this legislation to cover these four places.

Mr. PHIPPS. Mr. President, I want to ask the Senator from Wyoming if it is not a fact that every one of the stations named in this bill is now being used in the air mail service?

Mr. WARREN. Every day and every night.

Mr. PHIPPS. Every one of them is covered in the bill?

Mr. WARREN. Every one of them. They are the only ones in that thousand miles or more.

Mr. DIAL. Mr. President, there are claims for hangars at different places over the West, and some of those routes have been abandoned. They were merely put in as experimental routes; the cities were anxious for the mail service, and they offered these inducements in order to get the Post Office Department to come out there.

Mr. PHIPPS. Mr. President, if the Senator from South Carolina will allow me, I wish to say that we conferred in the committee at one time over the bill, and that it was the opinion of the Committee on Post Offices and Post Roads that it would not be proper to make allowance for those stations where the Government was not deriving any benefit and was not continuing to use the stations.

The bill in its modified form as it now appears is strictly limited to those stations which are in actual daily, and I will also say nightly, use by the air mail service of the Post Office Department, and I hope the Senator will not insist upon his objection. This matter has had very long and careful consideration.

Mr. DIAL. My recollection is that some of these sites were offered without any contract having been made. The people were anxious to get the mail, and there was no contract made, and perhaps no expectation of any money being paid.

Mr. WARREN. The Senator is very much mistaken in that.

Mr. DIAL. Afterwards they would come in with a bill, not only for these, but for other stations in different parts of the West.

Mr. WARREN. There are none others similar to these.

Mr. DIAL. If the Government takes people's property and uses it, it ought to pay for it. If it needs it in transporting the mail, it ought to pay for it. This air mail business is an experiment, anyway. Of course, the Government ought to pay for the stations if it uses them, but I am not willing to have the Government pay for some place where the people offer some location temporarily for the Government to experiment with it, to get the mail quickly in order to advertise the town.

Mr. ODDIE and Mr. PHIPPS addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield; and if so, to whom?

Mr. DIAL. I prefer not to yield. Let the bill go over for the present.

The PRESIDING OFFICER. The bill will be passed over.

HOSPITAL FACILITIES FOR WORLD WAR VETERANS

The bill (S. 3181) to authorize an appropriation to enable the Director of the United States Veterans' Bureau to provide additional hospital facilities, was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That the Director of the United States Veterans' Bureau, subject to the approval of the President, is hereby authorized to provide additional hospital and out-patient dispensary facilities for patients of the United States Veterans' Bureau, by purchase and remodeling or extension of existing plants, and by construction on sites now owned by the Government or on sites to be acquired by purchase, condemnation, gift, or otherwise, such hospitals and out-patient dispensary facilities to include the necessary buildings and auxiliary structures, mechanical equipment, approach work, roads, and trackage facilities leading thereto; and also to provide accommodations for officers, nurses, and attending personnel; and also to provide proper and suitable recreational centers; and the Director of the United States Veterans' Bureau is authorized to accept gifts or donations for any of the purposes named herein. Such hospital plants to be constructed shall be of fireproof construction and existing plants purchased shall be remodeled to be fireproof, and the location and nature thereof, whether for the treatment of tuberculous, neuropsychiatric, or general medical and surgical cases, shall be in the discretion of the Director of the United States Veterans' Bureau, subject to the approval of the President: *Provided, however*, That the director, with the approval of the President, may utilize such suitable buildings, structures, and grounds now owned by the United States as may be available for the purposes aforesaid, and the President is hereby authorized, by Executive order, to transfer any such buildings, structures, and grounds to the United States Veterans' Bureau upon the request of the director thereof.

SEC. 2. That for carrying into effect the preceding paragraph relating to additional hospital and out-patient dispensary facilities there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $6,500,000, to be immediately available and to remain available until expended. That not to exceed 3 per cent of this sum shall be available for the employment in the District of Columbia and in the field of necessary technical and clerical assistants at the customary rates of compensation, exclusively to aid in the preparation of the plans and specifications for the projects authorized herein and for the supervision of the execution thereof, and for traveling expenses and field-office equipment and supplies in connection therewith.

Mr. REED of Pennsylvania. Mr. President, I offer the following amendments.

The PRESIDING OFFICER. The Secretary will report the first amendment.

The READING CLERK. On page 1, line 6, after the word "Bureau," the Senator from Pennsylvania moves to insert the words "and facilities for a permanent national training school, at a cost not exceeding $350,000, for the blind who are beneficiaries of the United States Veterans' Bureau."

Mr. REED of Pennsylvania. Mr. President——

Mr. FERNALD. I am very glad to accept the amendment.

Mr. ROBINSON. Mr. President, I think a brief statement should be made explaining the amendment.

Mr. REED of Pennsylvania. I would be very glad to have the speech dispensed with, but I really feel that perhaps I should not ask an appropriation of this size without explaining it.

The Government now maintains in the suburbs of Baltimore precisely such a training school as is intended to be erected out of this additional appropriation. The trouble is that the present school is built on leased ground; it is not at all fireproof, and the Government is housing in framed buildings, lined with beaver board, a large group of the most pathetic of all disabled veterans, men who are absolutely blind and absolutely helpless. Those buildings must be made fireproof, or fireproof buildings must be erected. I have been over them myself carefully, and I have always come away heartsick at the thought of the awful consequence of any possible fire there.

Mr. ROBINSON. I think the Senator has well justified the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The Secretary will state the next amendment offered by the Senator from Pennsylvania.

The READING CLERK. On page 2, line 7, after the word "plant," insert the words "and training schools."

The amendment was agreed to.

The READING CLERK. On page 2, line 25, strike out "$6,500,000" and insert in lieu thereof "$6,850,000."

Mr. REED of Pennsylvania. In justice to the amendment I ought to say that this has been submitted to the Director of the Veterans' Bureau and approved by him, to the Director of the Budget and approved by him, and to President Coolidge himself, and approved by him.

The amendment was agreed to.

Mr. FLETCHER. I offer the amendment which I send to the desk, to add a new section.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. Add a new section to read as follows:

SEC. 3. That the following sums be, and the same are hereby, appropriated for the objects hereinafter expressed, namely:

(a) For increase in the limit of cost of construction of those certain public buildings, heretofore authorized by Congress to be constructed and for which appropriations were made, referred to in Senate Document No. 28, Sixty-eighth Congress, first session, $15,130,780, or so much thereof as may be necessary.

(b) For the construction of public buildings on those certain sites, heretofore acquired, for the construction of which buildings no appropriations were made, referred to in Senate Document No. 28, Sixty-eighth Congress, first session, $23,557,500, or so much thereof as may be necessary.

Mr. JONES of Washington. Is that a general public-building proposition? If it is, I am afraid I shall have to object to the consideration of the bill and I do not like to do that.

Mr. FLETCHER. It provides for completing buildings where appropriations have already been made, but not in sufficient amount to complete the building. It is to complete buildings on sites that have already been purchased.

Mr. JONES of Washington. I do not think that it should go on this bill, and if the Senator insists upon it I shall have to object to the consideration of the bill.

The PRESIDING OFFICER. Does the Senator from Florida insist upon his amendment?

Mr. FLETCHER. I do not want to jeopardize the veterans' hospital bill. I thought the Senator would let us have a vote on the amendment.

Mr. JONES of Washington. I do not think so.

Mr. FERNALD. I could hardly permit that myself.

Mr. FLETCHER. If the Senator insists on objecting to the consideration of the whole bill, I will withdraw the amendment.

The PRESIDING OFFICER. The Senator from Florida withdraws his amendment.

Mr. WALSH of Montana. Mr. President, I would like to inquire of the Senator from Pennsylvania if I understood aright that the bill provides for the construction of a single hospital building?

Mr. REED of Pennsylvania. No; it contemplates the erection of six buildings, a school building with rooms for instruction work in music and trades the blind can be taught, a dormitory building, including an infirmary, a recreation building, superintendent's quarters, houses for educational director and chief engineer, and eight double houses for married blinded veterans.

Mr. WALSH of Montana. Is it a single group of buildings?

Mr. REED of Pennsylvania. Yes; it is a single group of buildings.

Mr. WALSH of Montana. How many patients is it expected to accommodate?

Mr. REED of Pennsylvania. At present there are something less than 100, but there are nearly 700 blinded veterans of the last war and it is desired to accommodate more than are now in readiness. It contemplates about 200. It will be capable of some expansion at a comparatively small cost.

Mr. WALSH of Montana. It seems to me to be an enormous amount.

Mr. REED of Pennsylvania. Three hundred and thirty-three thousand dollars is the preliminary estimate.

Mr. WALSH of Montana. But the bill appropriates $6,500,000.

Mr. REED of Pennsylvania. Oh, $6,500,000 includes a great number of hospitals all over the United States. I did not catch the Senator's question. The details of the program are shown in full in the committee's report.

Mr. COPELAND. Mr. President, I am sure that the bill ought to have the unanimous indorsement not alone of Congress, but of the United States, because my mail has been filled for the last two weeks with letters from people who say, "Millions and millions for those who were injured, but nothing for those who are able-bodied." We who were in favor of the bonus have voted for the able-bodied, and certainly all of us are going to vote those who need help such as we have heard described to-night.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OLDROYD COLLECTION OF LINCOLN RELICS

The bill (S. 2434) for the purchase of the Oldroyd collection of Lincoln relics was announced as next in order.

Mr. DIAL. Let the bill go over.

Mr. WILLIS. I hope the Senator will withhold his objection to the bill for a moment, until I can explain what it is.

Mr. DIAL. Very well.

Mr. WILLIS. Senators understand of course to what the bill applies. In this city is the house in which Abraham Lincoln died. In that house is the greatest collection of Lincoln mementos and Lincoln relics in the world. It has been collected by an old gentleman, Mr. Oldroyd, who commenced the collection early in the sixties, perhaps in 1861 or 1862. A public-spirited citizen of this country has already made the offer to the old gentleman that is embodied in the bill. Within a few days another offer has been made larger than the amount contemplated in the bill.

It seems to me, Mr. President, it would be a mistake to permit that great collection of relics of the greatest American to pass into private hands. Mr. Oldroyd is a gentleman with practically no income.

At his advanced age he has got to the place where some disposition must be made of the collection. It seems to me a matter of patriotic duty almost that the Government of the United States should take such action as to prevent the collection going into private hands which, if it did, in all probability would mean that it would be taken out of the city. At any rate the Lincoln relics ought to belong to the people. I trust the Senator from South Carolina will not insist upon his objection.

Mr. DIAL. Mr. President, I have a very high regard for the memory of President Lincoln. It possibly might be well for these relics to belong to the Government, but this is a pretty sorry bill to my mind. It simply undertakes to appropriate $50,000 out of any money in the United States Treasury not otherwise appropriated for the purchase of the entire Oldroyd collection of Lincoln relics, and so forth. There is no competent official designated to pass upon the value of the relics. The Government would not know what it was getting, but would just take the word of some one about it. I submit it has been a long time since Mr. Lincoln's death for anyone to come here now and talk about buying his relics. If we are going to pass a bill at all it ought to be so framed as to put the matter in charge of some responsible person to see what we are buying and to know something as to the value.

Mr. WILLIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Ohio?

Mr. DIAL. Not right now. I know nothing about Mr. Oldroyd and say nothing against him. I never heard of him before so far as I know. This is a loose way to legislate and I am going to object to the bill in its present shape. If it is put in the right shape and provision is made to have somebody investigate who knows something about it, that might be different, but under the bill as now worded the public would not know whether we were buying relics of Mr. Lincoln or relics of some other statesman.

Mr. WILLIS. Mr. President, will the Senator permit the bill to go over without prejudice?

Mr. DIAL. I shall be glad to hear from the Senator, but I will not change my mind until he changes the bill.

The PRESIDING OFFICER. The bill will be temporarily passed over.

BICENTENNIAL OF THE BIRTHDAY OF GEORGE WASHINGTON

The joint resolution (S. J. Res. 85) authorizing an appropriation for the participation of the United States in the preparation and completion of plans for the comprehensive observance of that greatest of all historic events, the bicentennial of the birthday of George Washington, was considered as in Committee of the Whole, and was read, as follows:

Whereas on February 22, 1932, will occur the two hundredth anniversary of the birth of George Washington, the father and founder of the American Republic; and

Whereas the significance of this event transcends in importance any other historic event of a similar kind that has ever before been commemorated by the Nation; and

Whereas past experience has taught that it takes from 5 to 10 years to complete fitting and adequate plans for the commemoration of outstanding historic events; and

Whereas heretofore the celebration of epochal events has always been marred by the incompletion of preparations, monuments, etc., necessitating delays in the inauguration of commemorations; and

Whereas if any commemoration of the bicentennial of the birth of George Washington that is commensurate with its importance and significance to the American people be held, then the time between the present day and the year 1932 is by no means too long for the completion and carrying out of plans: Therefore be it

Resolved, etc., That there is hereby established a commission to be known as the United States commission for the celebration of the two hundredth anniversary of the birth of George Washington (hereinafter referred to as the commission) and to be composed of 19 commissioners, as follows:

The President of the United States; the President pro tempore of the Senate and the Speaker of the House of Representatives, ex officio; eight persons to be appointed by the President of the United States; four Senators by the President pro tempore of the Senate; and four Representatives by the Speaker of the House of Representatives. The commissioners shall serve without compensation and shall select a chairman from among their number.

SEC. 2. That there is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated the sum of ——— to be expended by the commission in accordance with the provisions of this resolution.

SEC. 3. That it shall be the duty of the commissioners, after promulgating to the American people an address relative to the reason of its creation and of its purpose, to prepare a plan or plans and a program for the signalizing of the event, to commemorate which they are brought into being; and to give due and proper consideration to any plan or plans which may be submitted to them; and to take such steps as may be necessary in the coordination and correlation of plans prepared by State commissions, or by bodies created under appointment by the governors of the respective States and by representative civic bodies; and if the participation of other nations in the commemoration be deemed advisable, to invite foreign governments to send representatives to engage in such participation.

SEC. 4. That when the commission shall have approved of a plan of celebration, then it shall submit for their consideration and approval such plan or plans, in so far as it or they may relate to the fine arts, to the Commissioner of Fine Arts, in Washington, for their approval, and in accordance with statutory requirements.

SEC. 5. That the commission, after selecting a chairman and a vice chairman from among their members, may employ a secretary and such other assistants as may be needed for clerical work connected with the duties of the commission and may also engage the services of expert advisors; and may fix their respective compensations within the amount appropriated for such purposes.

SEC. 6. The commissioners shall receive no compensation for their services, but shall be paid their actual and necessary traveling, hotel, and other expenses incurred in the discharge of their duties.

SEC. 7. The commission shall on or before the 4th of March, 1925, make a report to the Congress, in order that enabling legislation may be enacted in the carrying out of the plan or plans finally approved.

SEC. 8. That the commission hereby created shall expire within (one) (two) year after the expiration of the celebration, December 31, 1932.

SEC. 9. This joint resolution shall take effect immediately.

Mr. FESS. Mr. President, I desire to offer an amendment. On page 3, in line 1, in the blank space, I move to insert the numerals "$10,000."

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 3, line 1, after the words "sum of," insert "$10,000."

Mr. KING. Mr. President, I would like to inquire of the Senator whether this is to pay for the celebration or merely for the formulation of the program?

Mr. FESS. This is merely for the use of the commission of 19, or so much of it as may be necessary to plan the celebration.

Mr. KING. I do not see the necessity of any appropriation for merely planning the celebration. Of course, when we come to execute the plan we will require a very much larger sum than $10,000.

Mr. FESS. Very much larger; but there will have to be some clerical force to do the preliminary work. We have never yet had a celebration of this kind when time enough was given to put it into execution by the date it was to conducted. This is eight years hence, and that is not too much time, I think. This is merely to create the commission of 19, headed by the President, to make the recommendations. There will be some clerical assistance that we shall have to provide.

Mr. SPENCER. Do the members of the commission receive any compensation?

Mr. FESS. They do not.

Mr. KING. Does the Senator think he is anticipating if the joint resolution provides, as I understand him, eight years in advance?

Mr. FESS. That is not too long. We have never yet had a celebration that was carried out at the time it was intended to be carried out, as the Senator knows.

Mr. KING. We celebrate the birthday of President Washington every year in a dignified way throughout the country, and very properly. I shall not object.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio.

The amendment was agreed to.

Mr. FESS. On page 4, in line 14, the committee desires to have it provide for two years. I therefore move to amend by striking out "one year" and inserting "two years," so as to read:

That the commission hereby created shall expire within two years after the expiration of the celebration, December 31, 1932.

The amendment was agreed to.

The joint resolution was reported to the Senate as amended, and the amendments were concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

PUBLIC BUILDINGS IN THE DISTRICT OF COLUMBIA

The bill (S. 2284) to provide for the construction of certain public buildings in the District of Columbia was announced as next in order.

Mr. KING. Let the bill go over.

Mr. FERNALD. May I make just a brief statement to the Senator? He is a very shrewd, candid, careful, conservative business man, and he and I as a rule agree on many of these propositions. The matter involved in the bill is a cold proposition. The Government of the United States is paying rentals in this city to the amount of nearly $800,000 annually for public buildings. The rentals are increased all the time, from year to year, in a tremendous way. I shall be very brief. I realize that the bill involves apparently a large appropriation. But recalling that $700,000 to $800,000 in rental is being paid every year, and we are asking in the bill an appropriation of $10,000,000 for the erection of these buildings, Senators will readily appreciate the saving that will be made to the Government.

The rental is but a part of the expense to the Government. For instance, in the Agricultural Department there are 45 different units, and there are 28 of them in buildings rented by the Government. Every Senator knows, if he starts out for any one of those bureaus, that he has to go to a dozen or fifteen different places before he is liable to locate the man he wants to find.

The Director of the Internal Revenue Bureau has stated that there would be a saving in that particular bureau of more than $250,000 a year in his help. The same thing is true as to one or two of the other departments.

It seems to me it is time for the Government to begin erecting its own buildings. Since I have been chairman of the Committee on Public Buildings and Grounds we have expended little or no money for the past six years. I believe that as a business proposition the bill ought to be passed.

Further, I desire to say that in some of the departments they are working the men and women under such conditions that if they were in the employ of a private company or corporation that company or corporation would be dragged into the courts. For instance, 125 young women working in one of the buildings last winter had to be dismissed day after day on account of the cold, it being impossible to keep the building properly heated. It is unwise to continue such conditions.

Now, we are about to add to our employees 4,000 more persons to administer the bonus law which has recently passed. I expect to bear the burdens imposed upon me with Christian fortitude, but I do believe that the Government ought to make provision for those employees now the bill has become a law. We ought to begin to provide for the administration of that act. I made the statement on the floor of the Senate in debating the bill that it would require about 2,000 additional employees, but I find that it will require more than 4,000.

Mr. KING. Mr. President, will the Senator from Maine yield to me?

Mr. FERNALD. I yield.

Mr. KING. The statement was made before the Finance Committee that the number would not exceed 2,000. Of course, everybody knew that when the bill should be passed 4,000 would be required, and very soon 8,000 will be needed.

Mr. FERNALD. That doubtless will be true. The best estimate that we now have is 4,135, to be accurate. Those employees must be housed somewhere; they must have facilities for handling that business. It seems to me we ought to begin the erection of these public buildings now.

Mr. ROBINSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maine yield to the Senator from Arkansas?

Mr. FERNALD. I yield.

Mr. ROBINSON. The bill for which the Senator from Maine [Mr. FERNALD] asks consideration authorizes the appropriation in the aggregate of the sum of $50,000,000. I inquire of the Senator whether that is the estimated amount which the buildings will cost, or whether it is expected that additional authorizations will be required in order to carry out the program which is contemplated in the bill?

Mr. FERNALD. It is expected that that sum will complete the buildings. I wish to say further that this bill has the approval of the President, and also of the Director of the Bureau of the Budget. I repeat, it is simply a business proposition.

Mr. KING. Mr. President, will the Senator from Maine yield to me?

The PRESIDING OFFICER. Does the Senator from Maine yield to the Senator from Utah?

Mr. FERNALD. Yes; I yield.

Mr. KING. Does not the Senator think that a bill of such importance as this ought not to be discussed under the five-minute rule? If the Senator will answer that affirmatively, I think I can assure him that some of us will be glad to join with him in asking its consideration immediately at the conclusion of the bill that is now before the Senate. I have some amendments that I should like to offer to the bill, but we can not consider them under the five-minute rule.

Mr. FERNALD. I realize that.

Mr. KING. I appreciate the necessity of the construction of some of the buildings provided for in this bill, and we, it seems to me, ought to have embarked upon their construction several years ago.

Mr. OVERMAN. Mr. President, I think that an amendment should be added to the bill providing that these buildings shall be erected wherever it is possible to do so on Pennsylvania Avenue. We have a beautiful city here, but the main artery is the commonest street in the town. Under the present system magnificent buildings have been erected in places where they are out of sight. The Interior Department Building, for instance, is in an out-of-the-way place, some distance from other Government buildings where it is inconvenient to go to transact business. We ought to erect all these buildings on the south side of Pennsylvania Avenue, which was the original design of the architects who laid out the city of Washington.

The PRESIDING OFFICER. The time of the Senator from Maine has expired.

Mr. OVERMAN. I merely wish to suggest that I will offer such an amendment to the pending bill if the Senator from Maine does not do so.

Mr. KING. Mr. President, will the Senator from North Carolina yield to me?

Mr. OVERMAN. I yield.

Mr. KING. I will now propound to the Senator from Maine, with the permission of the Senator from North Carolina, a question. I ask the Senator from Maine to let the bill go over to-night, and some of us will join with him in having it called up at an early date.

Mr. FERNALD. I will allow the bill to go over, but will call it up at the first opportunity.

The PRESIDING OFFICER. The bill will go over.

Mr. DIAL. Mr. President, I should like to ask the Senator from Utah [Mr. KING] to allow this bill to go through. I am on the committee from which it has been reported. I am accused of being a little economical, but I desire to say that this bill has had the most careful consideration. As has been stated by our able chairman, of course, we need the buildings; otherwise we are throwing money away by reason of the very high rentals which we have to pay for buildings entirely out of proportion of their worth. The only reason I dislike to advocate the passage of the bill is on account of the high cost of building, but it is a question either of the Government owning its buildings or giving away an equal amount and possibly more money in a short space of time for rent. The committee have discussed the bill most carefully, and it has been thoroughly considered. I think it ought to pass. The session is drawing to a close, and if we do not get the bill through now we shall not get the buildings for some time.

Mr. KING. The "king," the chairman of the committee, having spoken, the "premier" ought to accede to his request.

Mr. DIAL. I think the passage of the bill would be in the interest of real economy—that is the point—and I am glad to have some additional help from the "king."

The PRESIDING OFFICER. The bill will be passed over.

MARINE HOSPITAL SERVICE

The bill (S. 2232) to amend section 2 of the act approved February 15, 1893, entitled "An act granting additional quarantine powers and imposing additional duties upon the Marine Hospital Service," was announced as next in order.

Mr. KING. Let that bill go over, Mr. President.

Mr. JONES of Washington. I hope the Senator will withhold his objection to the bill for a moment.

Mr. KING. I withhold the objection.

Mr. JONES of Washington. I desire to read a couple of sentences from a report on the bill which will explain its purpose. What I shall now read is from a letter of the Secretary of the Treasury. He says:

> In reply I beg to state that the effect of the passage of this bill will be to expedite the business of certain American steamship lines engaged in the coastwise commerce which have found it advantageous to touch at foreign ports, such as Victoria and Vancouver, British Columbia, near the northern frontiers of the United States. Under existing law and regulations, vessels engaged in this commerce are required to obtain bills of health and await quarantine inspection if their itinerary includes ports beyond those that may be classed as adjacent to the border. Inasmuch as the proposed law will not jeopardize in any way the public health of the United States, it is recommended that the same be enacted.

I hope the Senator from Utah will not object to the consideration of the bill.

Mr. KING. I have no objection to the consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

> *Be it enacted, etc.*, That section 2 of the act approved February 15, 1893, entitled "An act granting additional quarantine powers and imposing additional duties upon the Marine Hospital Service," as amended February 27, 1921, is hereby amended by inserting at the end of the first paragraph thereof a new paragraph, as follows:
>
> "The provisions of the preceding paragraph shall not apply to vessels operating exclusively in trade between foreign ports on or near the northern frontier of the United States and ports in the United States; but the Secretary of the Treasury is hereby authorized, when, in his discretion, it is expedient for the preservation of the public health, to establish regulations governing such vessels."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PERLEY MORSE & CO.

Mr. COPELAND. Mr. President, I ask unanimous consent to return to Order of Business No. 439. I was unavoidably absent in the earlier part of the session this evening.

Mr. CURTIS. Mr. President, the unanimous-consent agreement provided that we should begin the consideration of the calendar at Order of Business No. 464. Therefore, it will be impossible under the unanimous-consent agreement to go back to the point suggested by the Senator from New York.

LUKE RATIGAN

The bill (H. R. 1475) for the relief of Luke Ratigan was considered as in Committee of the Whole. It directs the Secretary of the Treasury to place the name of Luke Ratigan on the retired list of the Coast Guard as an oiler, first class, retired, at the rate of pay he would be entitled to receive had he held the rating of oiler, first class, when retired.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

VESSEL FOR COAST GUARD DUTY IN ALASKA

The bill (H. R. 6817) to provide for the construction of a vessel for the Coast Guard was announced as next in order.

Mr. KING. Let that bill go over.

Mr. JONES of Washington. Mrs. President, I do not know whether the Senator has had an opportunity to read the report or not, but I should like to read just a sentence or two from it. The bill does not involve an actual appropriation, but it

authorizes one, so that we can prepare to have a ship to take the place of the cutter *Bear*, that is now about 47 years old. Here is what is said in a letter from the Secretary of the Treasury, which is printed in the report:

> The Coast Guard cutter *Bear*, a wooden vessel built in 1874, has for many years made an annual cruise into the Arctic Ocean for Coast Guard purposes and to extend medical and other aid to the inhabitants along the Arctic shores of Alaska. Her work in that section is too well and favorably known to need comment and too important to permit of interruption. The vessel has performed valiant service, but the duty has been strenuous and the craft has become worn out. It would not be economy to repair her further to keep her in condition for cruising in the Arctic Ocean, and there is no other Coast Guard vessel to take her place. A vessel to replace her must be specially constructed for working in the ice. There is an urgent necessity that a replacement of the *Bear* be provided for at the earliest practicable date.

If we should authorize this vessel, it would probably be a couple of years before it would be constructed. I merely suggest that for the consideration of the Senator.

Mr. KING. I suggest to the Senator that persons have stated to me that the Government now owns vessels which, with but light repairs, could be made suitable for service in this particular kind of work.

Mr. JONES of Washington. Of course, if that is true I would not ask for another vessel, but I think it will be found that there are no vessels now constructed that could be changed at any reasonable cost to perform that service. However, I am willing to let it go over for the present, and I will make inquiry concerning the matter from those who are in a position to know the facts.

Mr. KING. Very well.

The PRESIDING OFFICER. The bill will be passed over.

PRELIMINARY EXAMINATION OF SUNDRY STREAMS

The bill (H. R. 8070) authorizing preliminary examinations and surveys of sundry streams with a view to the control of their floods was announced as next in order.

Mr. KING. I ask that that bill go over.

Mr. ROBINSON. I hope the Senator will not do that.

Mr. JONES of Washington. I hope the Senator will not object to the bill. Let me say to the Senator that after preliminary examinations have been made, before anything can be done toward the adoption of a project a survey must be made and a report made to Congress. All that this bill does is to provide for certain preliminary examinations and surveys with a view to controlling floods. The preliminary examinations that must be made entail only the expenditure of about $4,700. There are only two surveys provided for, one for the North Branch of the Susquehanna River, where a preliminary examination has been made at a cost of $8,000, and the other for the Allegheny and Monongahela Rivers, where $25,000 is authorized to make the survey on the condition that the Commonwealth of Pennsylvania shall contribute $25,000 more. I hope the Senator will not object.

Mr. KING. Let me ask the Senator whether he believes that it is a wise and prudent and proper thing for the Government under the guise of furnishing navigable streams to appropriate further for the Trinity River—we know what the record of appropriation is with respect to that river—and the Brazos River and the Canadian River in New Mexico?

Mr. JONES of Washington. It is not proposed to improve them with a view to navigation at all.

Mr. KING. But it is with a view to making surveys in order to authorize the expenditure of money upon them.

Mr. JONES of Washington. It is for the purpose of flood control and not for navigation at all.

Mr. ROBINSON. It is for the purpose of flood control, under the act of March, 1917. I join with the Senator from Washington in expressing the hope that the Senator from Utah will not object to the consideration of the bill?

Mr. KING. Has the Senator any idea as to the ultimate cost that may be involved?

Mr. ROBINSON. That will depend entirely upon the result of the surveys. The flood control act requires before any existing project shall be modified or changed or a new project adopted that a survey shall be made and a report submitted to Congress and accepted by Congress. The object of a survey is to ascertain the cost, what Federal interest is involved, and the share of expense, if any, which the Federal Government should bear in making the necessary improvements.

Mr. JONES of Washington. Let me say that much more care is exercised than with reference to river and harbor matters. In the case of river and harbor improvements the survey, both preliminary and final, is authorized at one time, but in this instance a preliminary examination must be made and a report submitted to Congress, and then we must provide for a survey, and the report on that survey must be submitted to Congress before an appropriation is made.

Mr. FLETCHER. In addition to that the cost of each one of these undertakings is estimated for before the bill is prepared and the cost is specified in the bill. Each item is known in advance; so that we know exactly what its cost will be because it is set out in the bill.

Mr. JONES of Washington. I hope the Senator from Utah will not object.

Mr. REED of Pennsylvania. Mr. President, will the Senator from Washington yield to me merely to make a short statement?

Mr. JONES of Washington. Certainly.

Mr. REED of Pennsylvania. The State of Pennsylvania has already appropriated the $25,000 which is stated in the second section of the bill to be its share. It is a matter of vital importance to the people of the Allegheny and Monongahela and Ohio Valleys, and I hope very much that the Senate will pass the bill.

Mr. KING. I withdraw my objection.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

> *Be it enacted, etc.*, That the Secretary of War be, and he is hereby, authorized and directed to cause preliminary examinations to be made of the following streams with a view to the control of their floods in accordance with the provisions of section 3 of "An act to provide for the control of the floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes," approved March 1, 1917:
>
> Trinity River, Tex.; Brazos River, Tex.; Canadian River, N. Mex., Tex., and Okla.; North Fork Canadian, Tex. and Okla.; Deep Fork, Virdigris, and Little River, Okla.; Cimarron River, N. Mex. and Okla.; Wolf and Fox Rivers, Wis.; West Fork of White River, Ind.; Guadalupe River, Tex.; Columbia River, between Martins Bluff and mouth of Lewis River, Wash.; Skagit River, Wash.; Pond River, Ky.; Colorado River, Tex.; Red River, Ark.
>
> The sum of $4,700, or so much thereof as may be necessary, is hereby authorized to be expended, out of any funds heretofore appropriated for examinations, surveys, and contingencies of rivers and harbors, to carry out the provisions of this section.
>
> SEC. 2. That the Secretary of War is hereby authorized and directed to cause surveys to be made of the following streams with a view to the control of their floods, in accordance with the provisions of section 3 of "An act to provide for the control of the floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes," approved March 1, 1917:
>
> North Branch of the Susquehanna River, Pa. and N. Y., and the sum of $8,000 is hereby authorized to be appropriated for this purpose.
>
> Allegheny and Monongahela Rivers, and the sum of $25,000 is hereby authorized to be appropriated for this purpose: *Provided*, That no money hereby authorized to be appropriated shall be expended unless and until assurances have been given satisfactory to the Secretary of War that the Commonwealth of Pennsylvania will contribute a like sum of $25,000 for the purpose of making the survey hereby authorized; and the Secretary of War is hereby authorized to receive from the Commonwealth of Pennsylvania such sum of $25,000 and to expend the same as the $25,000 hereby authorized to be appropriated may be expended.

Mr. ROBINSON. I propose the following amendment: At the end of line 6 of page 2, strike out the period and insert a semicolon and the words "and Arkansas River in Kansas, Oklahoma, and Arkansas."

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. JONES of Washington. Mr. President, since this bill passed the House a preliminary survey has been made and has come to Congress on the Puyallup River, Wash., recommending a final survey. So I propose the following amendment.

The PRESIDENT pro tempore. The Secretary will state the proposed amendment.

The READING CLERK. After the word "purpose," on line 21, page 2, it is proposed to insert the following:

> Puyallup River, Wash.; and the sum of $5,000 is hereby authorized to be appropriated for this purpose.

The amendment was agreed to.

Mr. ROBINSON. Mr. President, to effectuate the amendment already agreed to, which I proposed a few minutes ago, I sug-

gest the following amendment: In line 7, page 2, strike out "$4,700" and insert "$6,000."

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 2, line 7, it is proposed to strike out "$4,700" and insert "$6,000."

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

CAROL E. REEVES

The bill (S. 2519) to extend the benefits of the employees' compensation act of September 7, 1916, to Carol E. Reeves was announced as next in order.

Mr. KING. Let that go over.

Mr. JOHNSON of Minnesota. Mr. President, I sincerely hope the Senator from Utah will not object to the consideration of this bill, but will let it go through.

Mr. WILLIS. Mr. President——

Mr. JOHNSON of Minnesota. Does the Senator from Utah withdraw his objection?

Mr. KING. I will withhold my objection in order to have an explanation from the Senator.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, That the United States Employees' Compensation Commission shall be, and it is hereby, authorized and directed to extend to Carol E. Reeves, on account of the death in 1919 of her husband, Harry L. Reeves, from disease incurred in the performance of his duty as a civilian employee of the War Department in Porto Rico during 1918, the provisions of an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to extend the benefits of the United States employees' compensation act of September 7, 1916, to Carol E. Reeves."

BILL PASSED OVER

The bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service was announced as next in order.

The PRESIDENT pro tempore. This bill is the unfinished business.

Mr. CURTIS. Let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

OLDROYD COLLECTION OF LINCOLN RELICS

Mr. WILLIS. Mr. President, a few moments ago Senate bill 2434 was temporarily passed over. I ask unanimous consent to return to that bill, having conferred with the Senator from South Carolina [Mr. DIAL].

The PRESIDENT pro tempore. Is there objection? The Chair hears none.

Mr. WILLIS. Mr. President, I have conferred with the Senator from South Carolina and also with the Senator from North Carolina. I move to strike out all after the enacting clause and to insert the matter which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. It is proposed to strike out all after the enacting clause and to insert:

That the Secretary of State, the Secretary of War, and the Attorney General are hereby designated as a commission with authority, in their discretion, to purchase the Oldroyd collection of Lincoln relics, and that the sum of $50,000, if so much is by the commission deemed necessary, is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, to enable the commission to consummate such purchase.

Mr. ROBINSON. Mr. President, I suggest to the Senator from Ohio that the language is somewhat ambiguous. It authorizes the appropriation of $50,000 if the commission finds that amount is necessary. Why does it not use the usual language—"or so much thereof as may be necessary"?

Mr. WILLIS. I accept that amendment if the Senator will suggest where he desires it to come in. That is what I had in mind.

Mr. ROBINSON. I suggest, too, in connection with the remarks made by the Senator from South Carolina, that this collection should be deposited in the Smithsonian Institution or in the National Museum in Washington.

Mr. WILLIS. I thought of that, and it seemed to me quite as well to let that go over until after it had been determined whether or not the purchase should be made. I accept the amendment suggested.

The PRESIDENT pro tempore. The modification proposed by the Senator from Arkansas, and accepted by the Senator from Ohio, will be stated.

The READING CLERK. It is proposed to strike out "if so much is by the commission deemed necessary" and insert "or so much thereof as may be necessary."

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Ohio, as modified.

The amendment, as modified, was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HANGARS AND FLYING FIELDS FOR AIR MAIL SERVICE

Mr. PHIPPS. Mr. President, I ask unanimous consent to return to Senate bill 1051, Order of Business 518. The Senator from South Carolina objected under a misunderstanding, and has now been assured that the amendments he desires have been incorporated in the bill by the committee.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Post Offices and Post Roads, with amendments.

The amendments were, on page 1, line 4, after the words "directed to," to insert "investigate"; in line 5, after the word "citizens," to insert "found to be"; on page 2, line 1, after the word "Nebraska," to insert "and"; in the same line, after the word "Nebraska" where it occurs the second time, to strike out "or elsewhere"; in line 5, after the words "understanding with," to strike out "an" and insert "a duly authorized"; and in line 8, after the word "hereby," to insert "authorized to be," so as to make the bill read:

Be it enacted, etc., That the Postmaster General is hereby authorized and directed to investigate, adjust, reimburse, and pay to municipalities and citizens found to be entitled thereto the proper and just amounts heretofore expended in the construction of hangars and the maintenance of flying fields, including the lease and clearing of fields therefor, insurance, and other necessary expenses incurred in connection therewith, at Reno, Nev.; Salt Lake City, Utah; Cheyenne, Wyo.; North Platte, Nebr.; and Omaha, Nebr., for the use of the Air Mail Service of the Post Office Department, where such hangars were constructed and such flying fields maintained under an understanding with a duly authorized officer or agent of the Post Office Department that reimbursement therefor would be made.

SEC. 2. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $175,000, or so much thereof as may be necessary to carry out the provisions of this act.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OGDEN CHAMBER OF COMMERCE

The bill (S. 660) for the relief of the Ogden Chamber of Commerce, was announced as next in order.

Mr. McNARY. Let that go over.

Mr. SPENCER. Mr. President, I should like the Senate to know the facts of that bill.

Mr. ROBINSON. May I ask why no printed report or other report accompanies the bill?

Mr. SPENCER. There is a report. The Senator merely does not happen to have it.

Mr. ROBINSON. It does not appear in my file.

Mr. SPENCER. There is a report.

Mr. ROBINSON. I thank the Senator.

Mr. SPENCER. Mr. President, in 1922 the Government requested the Chamber of Commerce of Ogden, Utah, to buy a tract of land which they needed for a water-supply station. The Ogden Chamber of Commerce bought it for $21,000, and held it for the Government for a number of months; and then the Government exercised their option, and bought it for the very same price for which the Chamber of Commerce had originally purchased it. During that time the Chamber of Commerce

had to spend $630 in interest on the money which they had borrowed in order to buy this land, and this bill is to repay that interest money. Nobody made a cent of profit out of it. It is recommended by the Department of War as a bill in common honesty.

Mr. McNARY. Mr. President, I am very much afraid it will create a precedent, and therefore I object to it.

The PRESIDENT pro tempore. Objection is made, and the bill will be passed over.

BILLS PASSED OVER

The bill (S. 2586) for the relief of Robert June was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 1438) for the relief of D. H. MacAdam was announced as next in order.

Mr. FLETCHER. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

PROTECTION OF PERSONS EMPLOYED ON RAILWAY BAGGAGE AND EXPRESS CARS

The bill (S. 863) for the protection of persons employed on railway baggage cars and railway express cars was considered as in Committee of the Whole.

The bill had been reported from the Committee on Interstate Commerce with an amendment to strike out all after the enacting clause and to insert:

That when used in this act—

(a) The term "carrier" means any carrier by railroad or partly by railroad and partly by water subject to the interstate commerce act, including express companies, car-ferry companies, interurban and suburban railway companies, irrespective of whether steam, electricity, or other kind of motive power is used.

(b) The term "commission" means the Interstate Commerce Commission.

(c) The term "express car" means any railway car used for the transportation of money, freight, or other substance by express; the term "baggage car" means any railway car used for the transportation of baggage; the term "express-baggage car" means any railway car used for the transportation of both express and baggage.

SEC. 2. That from and after July 1, 1927—

(a) All express cars, baggage cars, and express-baggage cars, and all parts of such cars used in interstate commerce, shall be of such construction, style, and strength and furnished in such manner as shall be required by the commission and shall be constructed, fitted up, maintained, heated, lighted, and cleaned by and at the expense of the carriers in whose service used.

(b) No express car, baggage car, or express-baggage car shall be used by or in the service of any carrier which is not sound in material and construction and which is not equipped with safety-appliance devices approved by the commission, and with sanitary drinking-water containers and toilet facilities, nor unless such car is regularly and thoroughly cleaned.

(c) The commission shall not allow to be used by any carrier any express car, baggage car, or express-baggage car not constructed of steel or steel underframe or of equally indestructible material, except as hereafter provided, and all such cars accepted for service or contracted for by carriers shall, from and after July 1, 1927, be constructed of steel, and the material used in the construction of such cars or in underframing shall be of such strength, dimensions, weight, and gauge as the commission shall, by regulation and order, prescribe: *Provided, however*, That in the exercise of the power conferred upon the commission by this act the commission may, upon application of a common carrier, after public hearing, and upon final determination on such application, grant such common carrier relief from the provisions of this act, upon a showing, in such cases as where a common carrier operates short trains or operates trains only short distances at a low rate of speed where safety and convenience are not impaired: *Provided further*, That common carriers are relieved from the operation of this act in so far as applicable to cars locked or sealed, when not carrying any person or persons while such cars are in motion.

SEC. 3. The commission shall have power to enforce this act and to make reasonable rules and regulations for that purpose: *Provided*, That any person a citizen of the United States may file with the commission a complaint or an information, supported by affidavit and oath or affirmation, of a violation of this act, and in such case the commission shall take cognizance and proceed to investigate and act as the circumstances warrant.

SEC. 4. Any person, persons, corporation, or any agent or officer of a corporation violating or permitting the violation of any of the provisions of this act shall be guilty of a misdemeanor and shall be fined in any sum not less than $250 nor more than $1,000.

Mr. KING. Mr. President, I should like some explanation about this bill. Is it unanimously reported by the committee?

Mr. ROBINSON. It is unanimously reported by the committee. The committee considered the bill very carefully and amended it by striking out all after the enacting clause and inserting new provisions.

Mr. HARRIS. Mr. President, day before yesterday, near Raleigh, N. C., six people were killed. If this bill had become a law, they would have been alive to-day.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the protection of persons employed on railway baggage cars and railway express and baggage cars, and for other purposes."

BILL PASSED OVER

The bill (S. 412) authorizing the President of the United States to appoint Sergt. Alvin C. York as a captain in the United States Army and then place him on the retired list was announced as next in order.

Mr. WADSWORTH. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

AMENDMENT OF TRADING WITH THE ENEMY ACT

The bill (S. 1548) to amend section 9 of an act entitled "An act to define, regulate, and punish trading with the enemy, and for other purposes," approved March 4, 1923, as amended, was announced as next in order.

Mr. KING. Let that go over.

Mr. SHORTRIDGE. Mr. President, I ask the Senator to listen for a moment and, if he will, withdraw his objection.

Mr. KING. Mr. President, let me say to the Senator that I have had some complaints about this bill. Hearings were had, as I was told, before the House committee, and they refused to assent to the provisions of the bill. It seems to me, from the information I possess, that it lacks merit, and I think we ought to have more time to discuss it than we would have under the five-minute rule. I have several amendments to the bill. I shall be glad to join with the Senator in getting it taken up at a time when they can be discussed.

Mr. SHORTRIDGE. Mr. President, the purpose of this bill is to permit some 300 or more——

Mr. ROBINSON. Objection is made, Mr. President.

Mr. SHORTRIDGE. I want to appeal to the equitable sense of the distinguished Senator from Utah.

The purpose of the bill is to permit some 300 and more claimants to commence and maintain in one proceeding an action to set aside probably 350 contracts. The purpose of the bill, stated in somewhat different words, is, first, to permit a joinder of plaintiffs in one action, it being thought that under the present law of procedure in the Federal courts that may not be done; and, second, to provide that this action which is to be brought shall be tried upon its merits; in other words, that the prospective defendants shall not be permitted to interpose the statute of limitations.

Mr. ROBINSON. Has the statute already run?

Mr. SHORTRIDGE. I think it has.

Mr. ROBINSON. And the bar already operates?

Mr. SHORTRIDGE. I think so.

Mr. ROBINSON. It is a rather remarkable suggestion, after the statute of limitations has already run against a claim, to revive it by congressional legislation.

Mr. SHORTRIDGE. If the Senator will permit me, it is not a vested right; and it is perfectly constitutional, as decided by the Supreme Court in many cases, to provide that the statute may not be interposed.

This bill grows out of the catastrophe in San Francisco. There were a great many losses incurred. There were certain contracts entered into, and it is claimed, it will be alleged, that those contracts were entered into through such misrepresentations as amounted to fraud, and that if the fraud be established a court of equity would set aside such contracts. The property which it is sought to recover is in the custody of the Alien Property Custodian. There it is held, and the only purpose of this bill is to permit a joinder of plaintiffs, to the end that the action may be tried upon its merits. I think the case is just. I think the bill should pass. It involves no more than one action, and the truth will be ascertained, and I assume that justice will be done.

I hope the Senator will permit the matter to be considered on its merits to-night.

Mr. KING. Mr. President, I listen always with delight to the able Senator from California. I have made some little ex-

amination of this matter. It came before the House committee, who gave careful consideration to all of the claims made to arguments perhaps not as able as those which may be made by the Senator from California, and the committee refused to accept the view of the Senator. I think they were right. It is a dangerous thing for the Federal Government to go into a State, set aside a statute of limitations, and by Federal statute revive actions that are already dead. We could debate the matter here, and I think I could convince the Senator himself that he is wrong; but it would take more time than we have under the 5-minute rule. Therefore, I object.

Mr. SHORTRIDGE. Finally, I never heard of this matter being considered by the House committee. When was it heard?

The PRESIDENT pro tempore. The Chair is constrained to say that the time of the Senator from California has expired. The bill will be passed over on objection.

AMENDMENT OF CLASSIFICATION ACT OF 1923

The bill (S. 3010) to amend the classification act of 1923, approved March 4, 1923, was announced as next in order.

Mr. CURTIS. The senior Senator from Utah [Mr. SMOOT] desires that this bill shall go over.

The PRESIDENT pro tempore. The bill will be passed over.

SALE OF MILK IN THE DISTRICT OF COLUMBIA

The bill (S. 2803) to regulate within the District of Columbia the sale of milk, cream, and certain milk products, and for other purposes, was announced as next in order.

Mr. JOHNSON of Minnesota. Mr. President, I object to the bill. My attention has just been called to it to-night. I have not had time to look it over, and I would like to have it go over to-night.

Mr. COPELAND. Mr. President, I hope the Senator from Minnesota will not object to the passage of this bill. It is a progressive bill. It makes for the safety of this community, for the safety of the children and of everybody. It is a well worked out bill, which has been thoroughly studied not only by the author but by the committee, and it would be a calamity to have it go over with the possibility that it might not be enacted.

Mr. JOHNSON of Minnesota. I would like to say to the Senator that I have been told to-night by some parties from Wisconsin that they would like to look into the bill. I think a bill of that nature ought to have gone to the Committee on Agriculture and Forestry instead of to the Committee on the District of Columbia, because there are a lot of dairy products shipped here from Minnesota. I know lots of dairy products are shipped also from the State of Wisconsin.

Mr. GLASS. Mr. President, of course, if there is going to be a specific objection to the bill, it would be a waste of time to discuss it. I simply want to say, in a moment, that this bill was unanimously indorsed by the Commissioners of the District of Columbia; it was considered by a subcommittee of the District Committee, of which the distinguished Senator from New York [Mr. COPELAND], who is a physician, familiar with all such matters, was a member; it was unanimously reported by the subcommittee and unanimously reported by the District Committee, and a similar bill has been reported by the District Committee at the other end of the Capitol, and is now on the House Calendar.

I trust that Senators who have received inspired objections from ice-cream dealers in Washington to this bill will speedily make examination into the merits of these objections, so that when we go on with the calendar again we may have objections, if there are to be objections, which may be defended.

Mr. COPELAND. Mr. President, I would like to make one more appeal to the Senator from Minnesota. The objection that is raised is that under the terms of this bill milk can not be shipped in from an outside State unless it has been passed upon by the health officer of the District. That is the law of every city in the country; and by reciprocity this city will permit milk to come in from Wisconsin which has been passed upon by the health commissioner of Chicago or of Milwaukee. The objection presented to Senators is only a subterfuge on the part of persons who wish to break down the high standard of milk in the District, and I sincerely hope that the bill may be passed to-night.

Mr. JOHNSON of Minnesota. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Minnesota?

Mr. WILLIS. I yield.

Mr. JOHNSON of Minnesota. Mr. President, I would not stand in the way of any bill that was an effort to better conditions for the people in the District. I know that I have been for all the legislation in my own home State which had for its object the making of sanitary conditions better among the farmers and also among the dairymen in the cities, but I have not had time to study this bill, and, as I told the Senator from New York, I had not heard anything about the bill before. Therefore I object. Some letters have come to the Senator from Ohio [Mr. WILLIS] in regard to the bill, which he was about to read.

Mr. WILLIS. Mr. President, I did not desire to object. If I may have the attention of the Senator from Virginia——

The PRESIDENT pro tempore. Objection is made, and the bill goes over.

Mr. WILLIS. Very well.

ALIEN PROPERTY TRADE INVESTMENT CORPORATION

The joint resolution (S. J. Res. 121) to create a body corporate by the name of the "Alien Property Trade Investment Corporation," was announced as next in order.

Mr. KING. Let the joint resolution go over.

Mr. HARRISON. Mr. President, does the Senator from Utah object to it?

Mr. KING. I do.

Mr. HARRISON. This is about the only way we can get some farm relief, I may say to the Senator.

The PRESIDENT pro tempore. The joint resolution will be passed over.

FOREIGN DECORATIONS FOR OFFICERS AND MEN OF THE ARMY

The bill (S. 3187) granting permission to certain officers and men of the United States Army to accept various decorations bestowed in recognition of services to the allied cause was announced as next in order.

Mr. OVERMAN. Let that go over.

Mr. REED of Pennsylvania. I hope the Senator will withhold his objection for a moment.

Mr. OVERMAN. I have talked with the Senator at some time about such bills. This thing of giving wholesale decorations does not appeal to me.

Mr. REED of Pennsylvania. It does not give any decorations. It affects decorations which have been given by foreign governments, and which have been sent to this country but have been held up by the Secretary of State.

Mr. OVERMAN. Of course, there have been thousands of them. What is a decoration worth if there are going to be thousands of them coming to this country?

Mr. REED of Pennsylvania. There are not thousands. The total list is only about 25 that have come in in the last two years, and this cleans them up.

Mr. OVERMAN. How many men have been decorated?

Mr. REED of Pennsylvania. Nobody has been decorated by the United States, and there is no proposition that any shall be.

Mr. OVERMAN. How many bills have we passed authorizing people to receive decorations? The policy of this country is not to have our men receive decorations from foreign governments.

Mr. REED of Pennsylvania. I know, but these are all for services in the last war. We have passed a number of special bills, and it does not seem fair to the men without pull that they should not have been taken care of in the same way with people who had acquaintances here working to take care of them.

Mr. OVERMAN. How many bills have been passed authorizing people to receive decorations?

Mr. REED of Pennsylvania. There have been three at this session that I have known of.

Mr. OVERMAN. I know there have been several.

Mr. REED of Pennsylvania. It did not seem fair to me that people who had influence enough to get a special bill put through should profit by it while others should not have the same treatment.

Mr. OVERMAN. Does this bill clean up the matter of such decorations?

Mr. REED of Pennsylvania. It cleans it up.

Mr. OVERMAN. I do not much favor it, but I withdraw my objection.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the bill was considered as in Committee of the Whole.

The bill had been reported from the Committee on Military Affairs, with amendments, on page 1, line 3, after the words "of the," to insert the words "military forces of the"; on line 4, after the word "States," to strike out the word "Army"; on line 8, to strike out the words "Marine Corps"; on page 2, line 24, to strike out the word "major" and insert the words "lieutenant colonel," so as to make the bill read:

Be it enacted, etc., That the following officers and men of the military forces of the United States be, and they are hereby, authorized to accept the decorations which have been conferred upon them by the countries with which the United States was associated in the World War, namely:

Willis P. Baker, major, cross of officer of the Order of the Regeneration of Poland.

Alfred Barton, captain, Officers' Reserve Corps, chevalier of the Order of the Star of Rumania.

J. E. Barzynski, major, cross of officer of the Order of the Regeneration of Poland.

Charles W. Berry, major general, Belgian croix de guerre.

James E. Chaney, major, Air Service, Italian croce di guerra.

Edward Donnelly, lieutenant colonel, Field Artillery, Italian croce di guerra.

Lee Roy Dunbar, major, cross of officer of the Order of the Regeneration of Poland.

John M. Eager, major, Field Artillery, Italian croce di guerra.

Henry Fritz, private, Company H, Belgian croix de guerre.

William F. H. Godson, lieutenant colonel, cross of officer of the Order of the Regeneration of Poland.

Bertram S. Griffith, corporal, Belgian croix de guerre.

J. G. Harbord, major general, retired, cross with star of commander of the Order of the Regeneration of Poland.

Nelson M. Holderman, captain, chevalier of the French Legion of Honor.

William McFarland, captain, chevalier of the French Legion of Honor.

Charles G. Mortimer, lieutenant colonel, Quartermaster Corps, officer of the French Legion of Honor.

Arthur Poillon, lieutenant colonel, commander of the Order of the Star of Rumania, grand officer of the Order of the Crown of Rumania.

T. Upham, lieutenant colonel, Officers' Reserve Corps, cross of officer of the Order of the Regeneration of Poland.

Frank C. Vincent, major, Belgian croix de guerre.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill granting permission to certain officers and men of the military forces of the United States to accept various decorations bestowed in recognition of service to the allied cause."

REMOVAL OF REMAINS OF GEORGE MAUGER BURKLIN AND ANTON LERCH BURKLIN

The bill (S. 3220) authorizing the health officer of the District of Columbia to issue a permit for the removal of the remains of the late George Mauger Burklin and the remains of the late Anton Lerch Burklin from Glenwood Cemetery, District of Columbia, to Fort Lincoln Cemetery, Prince Georges County, Md., was considered as in Committee of the Whole.

The bill had been reported from the Committee on the District of Columbia with amendments, on page 1, line 8, after the word "Maryland," to insert the words "but such permit shall not be issued until there has been filed in the health department of the District of Columbia a permit from the proper State authorities at the place where said cemetery is located authorizing the interment there of said remains," so as to make the bill read:

Be it enacted, etc., That the health officer of the District of Columbia be, and he is hereby, authorized to issue a permit for the removal of the remains of the late George Mauger Burklin and the remains of the late Anton Lerch Burklin from Glenwood Cemetery, District of Columbia, to Fort Lincoln Cemetery, Prince Georges County, Md. But such permit shall not be issued until there has been filed in the Health Department of the District of Columbia a permit from the proper State authorities at the place where said cemetery is located authorizing the interment there of said remains.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HONORABLE DISCHARGES FROM MILITARY SERVICE

The bill (S. 3241) for the relief of soldiers who were discharged from the Army during the World War because of misrepresentation of age was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, or benefits upon honorably discharged soldiers of the United States Army, their widows and dependent children, a soldier who was discharged between April 6, 1917, and November 11, 1918, both dates inclusive, for fraudulent enlistment on account of misrepresentation of his age, shall hereafter be held and considered to have been discharged honorably from the military service on the date of his actual separation therefrom, if his service otherwise was such as would have entitled him to an honorable discharge: *Provided*, That no back pay or allowances shall accrue by reason of the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

RELIEF OF EARTHQUAKE SUFFERERS IN JAPAN

The bill (S. 3171) for the relief of sufferers from earthquake in Japan was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the action of the Executive in directing the issue, and the issuance of Army supplies out of the current and reserve stock for use of the Army, and in directing payment for supplies and for services rendered in connection with the shipment and transfer of such supplies, including all other extra expenditures, of a value not exceeding $6,017,069.03 for the relief of sufferers from the earthquake in Japan on September 1, 1923, is approved. Credit for all such supplies so issued and funds so disbursed in connection therewith and with relief tendered by the Army shall be allowed in the settlement of the accounts of the officers of the Army.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF NATIONAL DEFENSE ACT

The bill (S. 3248) providing for sundry matters affecting the Military Establishment was considered as in Committee of the Whole.

Mr. WADSWORTH. Mr. President, this, it will be noted, is a Senate bill. There is on the calendar House bill 8886, Order of Business No. 575. That was passed by the House. It is a bill identical with this one, and I ask that we proceed to the consideration of the House bill.

The PRESIDENT pro tempore. The Senator from New York asks unanimous consent that the Senate proceed to the consideration of House bill 8886. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

Be it enacted, etc., That section 87 of the national defense act of June 3, 1916, as amended, be, and the same is hereby, amended by adding thereto the following proviso:

"*And provided further*, That property issued to the National Guard, and which has become unserviceable through fair wear and tear in service, may, after inspection thereof and finding to that effect made by an officer of the Regular Army designated by the Secretary of War, be sold or otherwise disposed of, and the State, Territory, or District of Columbia, accountable, shall be relieved from further accountability therefor; such inspection and sale or other disposition to be made under regulations prescribed by the Secretary of War, and to constitute as to such property a discretional substitute for the examination, report, and disposition provided for elsewhere in this section."

SEC. 2. That section 92 of the national defense act of June 3, 1916, as amended, be, and the same is hereby, amended to read as follows:

"SEC. 92. Training of the National Guard: Under such regulations as the Secretary of War shall prescribe, each company, troop, battery, and detachment in the National Guard shall assemble for drill and instruction, including indoor target practice, not less than 48 times each year, and shall, in addition thereto, participate in encampments, maneuvers, or other exercises, including outdoor target practice, at least 15 days in training each year, including target practice, unless such company, troop, battery, or detachment shall have been excused from participation in any part thereof by the Secretary of War: *Provided*, That an assembly for drill and instruction may consist of a single duly ordered formation of a company, troop, battery, or detachment, or of a series of duly ordered formations of subdivisions or parts thereof, but in the latter case the series of formations of subdivisions or groups must comprehend and include the entire organization, and must be included within the time limit of seven consecutive days within a calendar month. The sum total of the attendance at all the separate consecutive formations announced as constituting that assembly shall be counted as the attendance at the actual military assembly for the required period of time; but no officer, warrant officer, or enlisted man shall be counted more than once, nor receive credit for more than one required period of actual military attendance, even though he may have attended more than one of the formations which constitute the assembly for the required period of time: *Provided further*, That credit for an assembly for drill or for indoor target practice shall not be given unless the number of officers and enlisted men present for duty at such assembly shall equal or exceed a minimum to be prescribed by the President, nor unless the period of actual military duty and instruction participated in by each officer and enlisted man at each such assembly at which he shall be credited as having been present shall be of at

least one and one-half hours' duration and the character of training such as may be prescribed by the Secretary of War."

SEC. 3. That section 109 of the national defense act of June 3, 1916, as amended, be, and the same is hereby, amended to read as follows:

"SEC. 109. Pay for the National Guard officers: Under such regulations as the Secretary of War may prescribe, captains, lieutenants, and warrant officers belonging to organizations of the National Guard shall receive compensation at the rate of one-thirtieth of the monthly base pay prescribed for them in sections 3 and 9 of the pay readjustment act of June 10, 1922, for each regular drill or other period of instruction authorized by the Secretary of War, not exceeding 8 in any one calendar month and not exceeding 60 in one year, at which they shall have been officially present for the entire required period of not less than one and one-half hours. Officers above the grade of captain shall receive not more than $500 a year, and officers below the grade of major, not belonging to organizations, shall receive not more than four-thirtieths of the monthly base pay prescribed for them in section 3 of said pay readjustment act for satisfactory performance of their appropriate duties under such regulations as the Secretary of War may prescribe. In addition to pay hereinbefore provided, officers commanding organizations less than a brigade and having administrative functions connected therewith, shall, whether or not such officers belong to such organizations, receive not more than $240 a year for the faithful performance of such administrative functions under such regulations as the Secretary of War may prescribe; and for the purpose of determining how much shall be paid to such officers so performing such functions, the Secretary of War may, from time to time, divide them into classes and fix the amount payable to the officers in each class. Pay under the provisions of this section shall not accrue to any officer during a period when he shall be entitled under any provision of law to the full rate of his base pay prescribed in section 3 or section 9, as the case may be, of the pay readjustment act of June 10, 1922: *Provided*, That section 9 of an act amending the act entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,' approved May 18, 1917, approved August 31, 1918, shall also apply to the purchase of uniforms, accouterments, and equipment for cash by officers of the National Guard and National Guard Reserve, whether in State or Federal service, on proper identification and under such rules and regulations as the Secretary of War may prescribe."

SEC. 4. That section 6 of the act of March 4, 1923, be, and the same is hereby, amended to read as follows:

"SEC. 6. That officers, warrant officers, and enlisted men of the National Guard injured in line of duty while at encampments, maneuvers, or other exercises, or at service schools, under the provisions of sections 94, 97, and 99 of the national defense act of June 3, 1916, as amended; members of the officers' reserve corps and of the enlisted reserve corps of the Army injured in line of duty while on active duty under proper orders; persons hereinbefore described who may now be undergoing hospital treatment for injuries so sustained shall be entitled, under such regulations as the President may prescribe, to medical and hospital treatment at Government expense, and to a continuation of the pay and allowances, whether in money or in kind, they were receiving at the time of such injuries, until they are fit for transportation to their homes, and upon termination of such medical and hospital treatment shall be entitled to transportation to their homes at Government expense. Officers, warrant officers, and enlisted men of the National Guard injured in line of duty when participating in aerial flights prescribed under the provisions of section 92 of said national defense act as amended shall, under regulations prescribed as aforesaid, be entitled from the date such injury was sustained to the same medical and hospital treatment at Government expense, pay and allowances, and transportation to their homes, as if such injury had occurred while in line of duty at encampments, maneuvers, or other exercises under aforementioned section 94 of the national defense act. And members of the officers' reserve corps and enlisted reserve corps injured while voluntarily participating in aerial flights in Government-owned aircraft by proper authority as an incident to their military training, shall, under regulations prescribed as aforesaid, be entitled, from the date such injury was sustained, to the same medical and hospital treatment at Government expense, pay and allowances, and transportation to their homes, as if such injury had occurred while on active duty under proper orders. Any person hereinbefore described, injured as aforesaid, who shall remain disabled for more than six months, shall, during the period of disability in excess of six months and until fit for transportation to his home, be entitled to medical and hospital treatment and to subsistence at Government expense, and when fit for transportation shall be entitled to transportation to his home at Government expense, but shall not during such period in excess of six months be entitled to other compensation. Any expenditures heretofore made by the Government in caring for persons injured under the conditions specified herein are hereby validated. Members of the reserve officers' training corps and members of the civilian military training camps injured in line of duty while at camps of instruction under the provisions of sections 47a and 47d of said national defense act, as amended, shall be entitled to medical and hospital treatment and transportation to their homes as in the case of persons hereinbefore described, and subsistence at Government expense until furnished such transportation, under such regulations as the President may prescribe. If the death of any person mentioned herein occurs while he is undergoing the training or medical and hospital treatment contemplated in this section, the United States shall pay for burial expenses and the return of the body to his home a sum not to exceed $100, as may be fixed in regulations prescribed by the President."

SEC. 5. Under such regulations as may be prescribed by the Secretary of War, property and disbursing officers of the National Guard accountable for public moneys may intrust money to other officers of the National Guard for the purpose of having them make disbursement as their agents, and the officers to whom the money is intrusted, as well as the officer intrusting the same to him, shall be held pecuniarily responsible therefor to the United States, and the agent officer shall be subject for his official misconduct to all the liabilities and penalties prescribed by law in like cases for the officer for whom he acts as agent.

SEC. 6. Enlisted men of the sixth and seventh grades of the National Guard holding specialists' ratings under the provisions of the national defense act, as amended, shall, in addition to the pay provided in section 14 of the pay readjustment act of June 10, 1922, be entitled to one-thirtieth of the specialists' pay provided in section 9 of said pay readjustment act for each day of participation in exercises provided for by sections 94, 97, and 99, national defense act, as amended: *Provided*, That payments heretofore made to enlisted men of the sixth and seventh grades of the National Guard holding specialists' ratings of one-thirtieth of the specialists' pay provided in section 9 of said pay readjustment act for each day spent in participating in exercises or performing the duties provided for by sections 94, 97, 99, and 110 of the national defense act of June 3, 1916, as amended, be, and the same are hereby, validated.

SEC. 7. That payments made to warrant officers of the National Guard, under the provisions of section 14 of the pay readjustment act of June 10, 1922, for the performance of their duties during the period beginning with the 1st day of July, 1922, and ending with the 29th day of October, 1923, be, and the same are hereby, validated, notwithstanding the nonexistence during said period of regulations authorized to be prescribed by said section, and warrant officers who during said period performed the duties prescribed by the Secretary of War in paragraph 928 (b) of National Guard Regulations, 1922, as amended by changes No. 9 to such regulations, dated October 30, 1923, and who have not been paid therefor, shall be paid in accordance with the provisions of said regulations.

SEC. 8. That payments heretofore made to captains, lieutenants, and enlisted men belonging to organizations of the National Guard for attendance at drills regularly ordered for only a subdivision or part of an organization, under the authority of any provision of the National Guard regulations prescribed by the Secretary of War and in effect at the time said drills were held, be, and the same are hereby, validated.

Mr. ROBINSON. I think the Senator from New York should explain the purpose of the provisions of the bill. It seems to be quite an important measure.

Mr. WADSWORTH. This is a bill which might be termed an omnibus bill, containing features unrelated one with the other. It refers almost entirely to those sections of the national defense act affecting the National Guard.

The first provision is one to simplify the method of condemning property now in the hands of the National Guard—Federal property—so that expense and time may be saved.

The second provision, found on page 2, permits what is known as split drills in National Guard units. That provision has already passed the Senate in a different bill during this session of the Congress.

The next one, on page 4, "Pay for National Guard officers," puts the officers of the National Guard on the same basis as the enlisted men as to the number of drills which they may attend per week or per month or per year, and receive pay for the same, and that provision has already passed the Senate this session in another bill.

The next one, on the bottom of page 5, section 4 of the bill, provides that when a National Guard soldier or officer is injured at a maneuver camp, he may be taken care of in a United States Government Army hospital. That has passed at this session, too, in a Senate bill.

Mr. ROBINSON. May I ask the Senator from New York whether these provisions affecting the National Guard have the approval of the National Guard organizations or their representatives?

Mr. WADSWORTH. They were drawn by the National Guard legislative committee, together with the War Department authorities, and have the approval of both military committees of the Congress.

This provision I have just referred to has passed the Senate at this session in another bill.

I want to offer two small amendments, perfecting in their nature. On line 23, page 2, before the word "or" and after the word "detachment," I move to insert the words "when so authorized by the Secretary of War."

The amendment was agreed to.

Mr. WADSWORTH. At the end of the bill, after line 10, on page 10, I move to strike out the period and insert a semicolon, and add the following:

And said captains, lieutenants, and enlisted men who have heretofore participated in drills held under the conditions described in this section, and who have not been paid therefor, shall be paid in accordance with the provisions of the said National Guard regulations in effect at the time such drills were held.

The amendment was agreed to.

Mr. FLETCHER. The Senator is proposing to amend the House bill?

Mr. WADSWORTH. The House bill.

Mr. FLETCHER. And the page and line correspond to the House bill?

Mr. WADSWORTH. They do.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 3248 will be indefinitely postponed.

BILLS PASSED OVER

The bill (S. 1232) for the relief of Stephen A. Winchell was announced as next in order.

Mr. DIAL. Let that go over.

AMENDMENT OF CLASSIFICATION ACT OF 1923

The bill (H. R. 6896) to amend an act entitled "The classification act of 1923," approved March 4, 1923, was announced as next in order.

Mr. CURTIS. At the request of the senior Senator from Utah [Mr. SMOOT] I ask that the bill may go over.

Mr. STANFIELD. Mr. President, if the Senator from Kansas wants to object, of course we will have to let it go over. I do not know why he should object for a Senator who is not here.

Mr. CURTIS. The Senator from Utah could not be here, and in order to get this unanimous-consent agreement for to-night I agreed with him that we would put over the four bills he objected to. I will object in my own name if the Senator insists.

Mr. STANFIELD. I insist.

Mr. CURTIS. I am for the Senator's bill, but I ask that it go over.

Mr. STANFIELD. I wish to give notice that I shall move to take it up at the first opportunity.

The PRESIDENT pro tempore. The bill will be passed over.

HENRY MARTIN

The bill (S. 2525) for the relief of Henry Martin was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

FREE MAIL PRIVILEGES FOR PUBLICATIONS FOR THE BLIND

The joint resolution (S. J. Res. 115) to provide for the free transmission through the mails of certain publications for the blind was considered as in Committee of the Whole, and was read as follows:

Resolved, etc., That volumes of the Holy Scriptures, or any part thereof, in raised characters for the use of the blind, whether prepared by hand or printed, which do not contain advertisements, (a) when furnished by an organization, institution, or assocation not conducted for private profit, to a blind person without charge, shall be transmitted in the United States mails free of postage; (b) when furnished by an organization, institution, or association not conducted for private profit to a blind person at a price not greater than the cost price thereof, shall be transmitted in the United States mails at the postage rate of 1 cent for each pound or fraction thereof, under such regulations as the Postmaster General may prescribe.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

FOREST LANDS IN FLORIDA

The bill (S. 823) to authorize the acceptance of title to forest lands in the State of Florida and to create national forests therefrom, and for other purposes, was considered as in Committee of the Whole and was read.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

STATUS OF CERTAIN NAVAL OFFICERS

The bill (S. 483) to correct the status of certain commissioned officers of the Navy appointed thereto pursuant to the provisions of the act of Congress approved June 4, 1920, was announced as next in order.

Mr. KING. Let that go over.

Mr. JONES of Washington. If the Senator will just withhold his objection for a moment, I would like to read the following from the report on this bill:

The purpose of this bill is to correct the status of certain officers who were examined and found qualified for appointment in the regular Navy along with a group of several other officers. All of the officers who took the examination at the time mentioned were appointed before June 30, 1922, with the exception of three officers for whom relief is sought through this bill. These three officers did not receive their commissions from the department until after June 30, 1922, through no fault of their own, either because they were traveling from one assignment to another or were officially away from their home stations, so that their commission did not reach them until after June 30, 1922.

I think the Senator should withdraw his objection.

Mr. KING. I withdraw the objection.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill which had been reported from the Committee on Naval Affairs with an amendment, on line 6, after the comma following the parenthesis, to insert the words "who were examined and found qualified in all respects for such appointment prior to June 30, 1922, but whose appointments were delayed subsequent to that date through no fault of their own," so as to make the bill read:

Be it enacted, etc., That all officers of the regular Navy appointed subsequent to June 30, 1922, in accordance with the provisions of the act of Congress approved June 4, 1920 (41 Stat. L. pp. 834 and 835), who were examined and found qualified in all respects for such appointment prior to June 30, 1922, but whose appointments were delayed subsequent to that date through no fault of their own, shall be entitled to count, in the computation of their pay, all service which would have been credited to them had they been so appointed on or before June 30, 1922.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SALARIES OF DISTRICT OF COLUMBIA TEACHERS

The bill (H. R. 6721) to amend the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia," approved June 20, 1906, as amended, and for other purposes, was considered as in Committee of the Whole.

The bill had been reported from the Committee on the District of Columbia with amendments.

The first amendment was, on page 7, line 15, to strike out "the superintendent of schools shall receive a salary of $7,500 per annum" and to insert in lieu thereof:

A basic salary of $8,000 per year, with an annual increase of salary of $1,000 for two years, or until a maximum salary of $10,000 per year is reached.

The amendment was agreed to.

The next amendment was, on page 7, line 21, after the word "act," to insert the words "during the first year of service," so as to make the paragraph read:

The school officers provided for in Article II of this act during the first year of service shall receive compensation at the basic salary fixed herein and not receive credit for services prior to the passage of this act.

The amendment was agreed to.

The next amendment of the committee was, on page 16, to strike out lines 3 to 8, inclusive, in the following words:

And provided further, That nothing in this or any other section of this bill will authorize service rendered prior to July 1, 1924, to be credited to any employee other than teachers and all accredited service shall be confined to service rendered in and to the schools of the District of Columbia.

The amendment was agreed to.

Mr. KING. Mr. President, I want to call attention briefly to the fact that the bill increases the compensation of teachers more han $400,000 the first year, and the maximum increase in the bill over the existing maximum is more than $3,000,000. There are a number of provisions in the bill which are very objectionable to me. There is no doubt in my mind that the bill creates overhead expenses which are entirely too great and tends to a superfluity of employees particularly in the higher grades. The compensation of the teachers, particularly in the primary and elementary and junior high school grades, is quite fair and reasonable. The compensation in some of the higher grades in my opinion is too high, but I am making no objection.

Assurances have been given that legislation which is being formulated will make a correction of some of the evils of which I have spoken. If not, then this bill in my opinion will contain some provisions which will be unfair. I suggest to the Senator in charge of the bill, the Senator from Kansas [Mr. CAPPER], that he ought to limit the operation of the bill to two years, so that if they do not make the reforms suggested we will have at the end of two years a chance to revise the salaries.

Mr. CAPPER. I think that would be unwise. There is no doubt in my mind now that we are going to have the legislation to which the Senator has referred. I know the bill is being prepared with very great care, and I think there will be a plan submitted for the reorganization of the schools of the city of Washington that will meet not only with the approval of the Senator from Utah but of Congress in general.

Mr. KING. If I can have the assurance of the Senator that when the bill comes before the committee—and he and I are members of it—the committee will deal with those features to which I have referred very imperfectly, I shall not press the suggestion which I made.

Mr. CAPPER. I am quite certain the legislation will include the matters spoken of.

Mr. COPELAND. I am glad to join in the statement made by the Senator from Kansas, because those matters can be dealt with in the committee. I hope the bill will pass as it is now before us.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

PALESTINE TROUP

The bill (S. 3090) for the relief of Palestine Troup was announced as next in order.

Mr. DIAL. Let the bill go over.

Mr. McKINLEY. I hope the Senator will withhold his objection for a moment. This old gentleman is a man some 77 years old, who has no desire for a pension. He has raised a family of six sons, and stands very high in Illinois. I do not think the old gentleman is particularly disturbed as to the condition, but this matter has stood as a cloud against his record. He was a boy 16 years old at the time and was wounded and sent home and was not ordered back again. I trust the Senator will not insist on his objection.

Mr. DIAL. I have objected to similar bills, and I shall have to object to this one.

The PRESIDENT pro tempore. The bill will be passed over.

RETIREMENT OF EMPLOYEES IN CLASSIFIED CIVIL SERVICE

Mr. STANFIELD. Mr. President, a little while ago we passed over Order of Business No. 479, the bill (S. 3011) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof. I ask unanimous consent that we return to that bill for the purpose of considering it.

Mr. CURTIS. Mr. President, I asked that the bill go over at the request of the Senator from Utah [Mr. SMOOT], as I explained before.

Mr. STANFIELD. Does the Senator from Kansas understand that this is not the same bill?

Mr. CURTIS. The Senator from Kansas understands. The Senator from Utah [Mr. SMOOT] stated to me that there were four bills of this character which he wanted to have go over, and I told him that I would ask that they go over when they were reached on the calendar.

Mr. STANFIELD. Does the Senator from Utah object to the consideration of the civil service pension retirement bill as well as the reclassification bill?

Mr. CURTIS. Yes; he does.

The PRESIDENT pro tempore. Objection is made to the request of the Senator from Oregon.

AUSTIN G. TAINTER

Mr. JOHNSON of Minnesota. Mr. President, I ask unanimous consent to have the Senate return to calendar No. 490, the bill (S. 2518) for the relief of Austin G. Tainter. That is a companion bill to a bill just passed. I understand the junior Senator from Utah [Mr. KING] withdraws his objection, and I hope no one else will object to the bill. It is to give the man the benefit of the employees' compensation act, and that is all.

Mr. KING. I have no objection.

There being no objection, the Senate as in Committee of the Whole proceeded to consider the bill, which had been reported from the Committee on Claims with an amendment, to strike out all after the enacting clause and insert:

That the United States Employees' Compensation Commission shall be, and it is hereby, authorized and directed to extend to Austin G. Tainter, a former employee of the United States Railway Mail Service, the provisions of an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, compensation hereunder to commence from and after the passage of this act.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

POTOMAC RIVER MEMORIAL BRIDGE

The bill (S. 3173) to provide for the construction of a memorial bridge across the Potomac River from a point near the Lincoln Memorial, in the city of Washington, to an appropriate point in the State of Virginia, and for other purposes, was announced as next in order.

Mr. FERNALD. Mr. President, before any objection is made to the bill, I want to say that I am not going to press it for action to-night, because it is a matter of great importance. This particular bill, I think, has had, perhaps, as much attention from the country as any bill on the calendar. Almost every State, west and south, has been interested in the matter, and governors have written to me about it. I realize that it carries a large appropriation, and I shall hope to call it up later in the session for consideration and passage. I do not want any objection made to it to-night.

The PRESIDENT pro tempore. At the request of the Senator from Maine the bill will be passed over.

COURT REPORTERS IN DISTRICT COURTS

Mr. JOHNSON of Minnesota. Mr. President, while the Senator from Utah [Mr. KING] is in a good humor, I would like to have the Senate refer back to calendar number 350, Senate bill 1639.

Mr. ROBINSON. Mr. President, I think we should proceed, and go through the calendar without recurring to numbers that precede those with which we began this evening.

Mr. JOHNSON of Minnesota. Does the Senator from Arkansas object?

Mr. ROBINSON. It is a violation of the unanimous-consent agreement.

The PRESIDENT pro tempore. The unanimous-consent agreement provided for beginning at a later point in the calendar than that to which the Senator from Minnesota refers.

Mr. JOHNSON of Minnesota. Very well.

JUDICIAL DISTRICTS IN TEXAS

The bill (H. R. 8050) to detach Reagan County, in the State of Texas, from the El Paso division of the western judicial district of Texas and attach said county to the San Angelo division of the northern judicial district of said State was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That Reagan County, in the State of Texas, be, and the same is hereby, detached from the El Paso division of the western judicial district of Texas and attached to and made a part of the San Angelo division of the northern judicial district of said State.

SEC. 2. That all process against persons resident in said county of Reagan and cognizable before the United States district court shall be issued out of and made returnable to said court at San Angelo, and that all prosecutions against persons for offenses committed in said county of Reagan shall be tried in said court at San Angelo: *Provided*, That no civil or criminal cause begun and pending prior to the passage of this act shall be in any way affected by it.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

HOT SPRINGS NATIONAL PARK

The bill (S. 1528) authorizing the Secretary of the Interior to accept the fee-simple title to a certain tract of land adjoining the Hot Springs National Park, Ark., donated to the United States of America for use in connection with Hot Springs National Park, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized, in his discretion, to accept the fee-simple title to a certain tract of land adjoining the Hot Springs National Park, Ark., described as being the west half of the southwest quarter of the southwest quarter of section 27, township 2 south, range 19 west, fifth principal meridian, containing sixteen acres, more or less, situated in Garland County, State of Arkansas, donated to the United States of America for use in connection with Hot Springs National Park: *Provided*, That such land when accepted by the Secretary of the Interior shall be and remain a part of the Hot Springs National Park.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

LANDS IN MEDFORD, JACKSON COUNTY, OREG.

The bill (S. 1987) accepting certain tracts of land in the city of Medford, Jackson County, Oreg., was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to accept certain tracts of land in the city of Medford, Jackson County, Oreg., described as lots Nos. 15 and 16, block 9, amended plat to Queen Ann Addition to the city of Medford; and lot 3, block 2, central subdivision to the city of Medford, which have been tendered to the United States of America in fee simple by the city of Medford, Oreg., as sites for buildings to be used in connection with the administration of Crater Lake National Park, Oreg.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

GRANT OF LAND TO SHREVEPORT, LA., FOR RESERVOIR PURPOSES

The bill (H. R. 5573) granting certain public lands to the city of Shreveport, La., for reservoir purposes was considered as in Committee of the Whole.

The bill had been reported from the Committee on Public Lands and Surveys with amendments, on page 2, line 13, after the word "same," to insert the words "upon filing its application by the city, notice thereof shall be published at least once each week for 30 days in some newspaper in general circulation in the parish in which the land is situated"; and on page 2, in line 20, after the word "recognize," to insert the words "notice being given as hereinbefore provided," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior be, and he hereby is, authorized and directed to issue patent or patents to the city of Shreveport, La., for use in the establishment of a reservoir for the water supply of said city, for all those tracts of land within what is known as the Cross Lake area, in townships 17 and 18 north, range 15 west, Louisiana meridian, which may be found by the Secretary of the Interior to have been islands in said Cross Lake at the date the State of Louisiana was admitted to the Union, and to which tracts no legal claims have been initiated and duly maintained under the provisions of the public land laws, and shall be timely asserted as provided herein: *Provided*, That the said city of Shreveport shall pay for said lands at the rate of $1.25 per acre, and shall tender its application for patent, accompanied by the purchase price of the land, within six months after the approval of this act, or within a similar period after the acceptance of the official plat or plats or survey if accepted after the date of this act: *Provided further*, That there shall be reserved to the United States all gas, oil, coal, or other mineral deposits found at any time in the said lands and the right to prospect for, mine, and remove the same upon filing its application by the city, notice thereof shall be published at least once each week for 30 days in some newspaper in general circulation in the parish in which the land is situated.

SEC. 2. That no claim alleged to have been initiated and maintained under the public land laws adverse to the disposition of said lands as provided for by this act shall be recognized, notice being given as hereinbefore provided, unless regularly presented to the Secretary of the Interior within the period allowed the city of Shreveport to file its application for patent, and no tract to which an adverse claim is asserted shall be patented to the city unless and until such claim is finally rejected by the Secretary of the Interior.

SEC. 3. That the lands hereby granted shall be used by the city of Shreveport, La., only for the purpose expressed in the grant, and if said land, or any part thereof, shall be abandoned for such use it shall revert to the United States; and the Secretary of the Interior is hereby authorized and empowered to determine the facts and declare such forfeiture and restore said land to the public domain, and such order of the Secretary shall be final and conclusive.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. WALSH of Montana. Mr. President, may I inquire what disposition was made of Calendar No. 560, House bill 5573?

The PRESIDENT pro tempore. It was just passed.

Mr. WALSH of Montana. I ask unanimous consent that the votes by which the bill was ordered to a third reading and passed may be reconsidered by reason of the fact that the amendments as printed do not comply with the amendments recommended by the committee.

The PRESIDENT pro tempore. The Senator from Montana asks unanimous consent for the reconsideration of the vote by which the bill was ordered to a third reading and passed. Without objection, it is so ordered.

Mr. WALSH of Montana. I offer the following amendment to the committee amendment: After the word "same," on page 2, line 13, insert a period and begin a new sentence with the words following.

The PRESIDENT pro tempore. Without objection the vote by which the amendment on page 2, line 13, was agreed to will be reconsidered, and the clerk will state the amendment now proposed by the Senator from Montana.

The READING CLERK. On page 2, line 13, after the word "same" insert a period; and after line 13 insert a new paragraph to read as follows:

Upon filing its application by the city, notice thereof shall be published at least once each week for 30 days in some newspaper in general circulation in the parish in which the land is situated.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

JOHANN JACOB LUTSCH

The bill (H. R. 5169) authorizing the Secretary of the Interior to grant a patent to certain lands to Johann Jacob Lutsch, was considered as in Committee of the Whole, and was read as follows:

Be it enacted etc., That the Secretary of the Interior is authorized and directed to grant to Johann Jacob Lutsch, of St. Anthony, Idaho, a patent to the west half of section 15, township 11 north, range 41 east, Boise meridian, Idaho, such land having been entered by Johann Jacob Lutsch under homestead entry No. 033715, Blackfoot series.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

HARRIMAN GEOGRAPHIC CODE SYSTEM

The joint resolution (S. J. Res. 41) authorizing a joint committee of both Houses to investigate the Harriman geographic code system, now in use by the War Department, with a view to ascertaining the adaptability and application of said system in the several executive departments and administrative branches of the Government and to rendering a just compensation to the owner thereof, was announced as next in order.

Mr. ROBINSON. Mr. President, from a casual examination of the joint resolution I do not understand it. Unless some Senator is prepared to explain it I shall ask that it go over.

Mr. WILLIS. The Senator from New Hampshire [Mr. MOSES] is interested in the measure, and I can tell the Senator a little about it. It refers to a system of accounting which, I understand, is in use in the War Department. The Senator from New Hampshire was desirous to have the system of accounting investigated by a joint committee, with a view to its

adoption. It involves no expenditure. I am making this statement for the Senator from New Hampshire.

Mr. ROBINSON. I think the joint resolution had better go over Mr. President.

The PRESIDENT pro tempore. The joint resolution will go over.

NELLIE KILDEE

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 1607) for the relief of Nellie Kildee. The bill was read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to issue patent for the east half of the southwest quarter, and the west half of the southeast quarter of section 15, in township 44 north, and range 3 east, Boise meridian, in the State of Idaho, to Nellie Kildee, who settled and established residence thereon in 1901, when unsurveyed, upon which she put valuable improvements and fully complied with the homestead law prior to its withdrawal in 1906 for forestry purposes, and whose entry was canceled by the Department of the Interior and motion for the exercise of supervisory authority denied.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BENNING NATIONAL FOREST, GA.

The bill (S. 1033) to establish the Benning National Forest in the State of Georgia was announced as next in order.

Mr. KING. Mr. President, I should be glad to be advised by the chairman of the Committee on Public Lands or some member of that committee if it is to be the policy of the Government from time to time to receive these large tracts of land from the States, obviously for the purpose of having the Government take charge of them, which means considerable expense at the hands of the Federal Government. The report as to this bill shows that Mr. Wallace, the Secretary of Agriculture, states that if this land be taken over then a number of foresters will be put to work, and, of course, that will mean a larger appropriation from the Federal Treasury to look after the forests. It seems to me there ought to be some policy respecting these matters. I do not know whether or not it is wise for the Government to take over these forests or these lands. Many of the Western States have complained because the Federal Government has too much land, and we are trying to get it out of the hands of the Government and get it into the hands of the State. On the other hand, many of the States, it seems, are trying to get their lands out of the control of the States and transfer them to the Federal Government.

Mr. FLETCHER. The Government already owns 96,000 acres of this land.

Mr. KING. But it was acquired during the World War for military purposes and it is not now needed.

Mr. FLETCHER. The object of the bill is merely to have the Forest Service produce timber on the land.

Mr. KING. There will, of course, be a divided responsibility. If it is needed for war purposes, it ought to be controlled by the War Department. I want some information before I shall be ready to vote for the bill.

Mr. HARRIS. Mr. President, the bill will have to go over for certain reasons, but I wish first to say that the Secretary of War has approved it, and that the Secretary of Agriculture has also approved it. I do not understand that there will be any additional expense. The Government, as the Senator from Florida has stated, owns 96,000 acres there. They are now used for military purposes; but the Agricultural Department has control of the forests, and that is the reason why it is proposed to place this tract under the Agricultural Department. There is timber there which the department could sell. The War Department does not have the same authority in the matter of the sale of timber which the Agricultural Department has. However, Mr. President, I will consent that the bill go over without prejudice.

Mr. WALSH of Montana. I think if the Senator from Utah [Mr. KING] will reflect for a moment, he will see the propriety of turning the administration of this tract over to the Department of Agriculture. It is heavily timbered, or at least there is considerable timber on it. It is now in the control of the War Department, which has not any immediate use for it. Of course, the timber ought to be taken care of, and the matured timber ought to be cut and disposed of. This is obviously a task for the Forestry Service.

Mr. KING. Mr. President, will the Senator from Montana yield to me?

Mr. WALSH of Montana. I yield.

Mr. KING. The point that I was raising was not so much as to the control of the land—although I did suggest that there would be a divided control and a divided responsibility—but as to the question of policy. How far are we going in accepting these tracts of forest land? I was advised in regard to this tract of land that the War Department had no use for it and did not intend to retain jurisdiction over it.

Mr. WALSH of Montana. A bill such as the Senator has in mind was passed a short while ago; that was a case where we accepted a gift of private lands; but this is not that kind of a case. The Government of the United States now owns the land.

Mr. KING. I understand that.

Mr. WALSH of Montana. It is a military reservation which is under the control of the War Department, which, of course, is not now equipped to take care of forests.

Mr. KING. I understood, if the Senator will pardon me, that the Government did not need the land for military purposes; that the War Department would be willing to have it disposed of, but that the Department of Agriculture was very anxious to have the Federal Government take it over and signified its desire to assume control over it.

Mr. FLETCHER. The Senator is mistaken when he states that the Government does not need the tract for military purposes. It is one of the finest training camps in the whole country. The War Department does need it absolutely.

Mr. WALSH of Montana. Section 2 of the bill provides:

That such national forest shall remain subject to the unhampered use of the War Department for military purposes——

Mr. KING. If the Government owns the land, and it is needed for military purposes, I have no objection, but I thought that the Government desired to make a disposition of it.

Mr. FLETCHER. No.

Mr. KING. If the War Department needs the land, and we shall not merely be projecting the Government into this matter, though the land is not needed, that is a different matter.

Mr. FLETCHER. The Senator would be entirely right if his premise were sound, but the War Department does need the land.

Mr. PHIPPS. Mr. President, the consideration of the bill has been objected to.

Mr. NORBECK. I wish to state that I am in favor of the passage of the bill, or I should not have reported it favorably from the committee; but the War Department has asked for a little time, and I, therefore, ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

AMENDMENT OF VOCATIONAL REHABILITATION ACT

The bill (H. R. 5478) to amend sections 1, 3, and 6 of an act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment," was announced as next in order.

Mr. KING. A number of suggestions have been made to me that certain amendments are being prepared to that bill, and it will take some little time to consider them. We can not do so under the five-minute rule.

The PRESIDING OFFICER. The bill will be passed over.

STEPHEN A. WINCHELL

Mr. HALE. Mr. President, I was out of the Chamber when Order of Business 548, being the bill (S. 1232) for the relief of Stephen A. Winchell, was reached and was objected to. I ask unanimous consent that the Senate return to the consideration of the bill.

The PRESIDENT pro tempore. The Senator from Maine asks unanimous consent to return to the bill named by him for consideration. Is there objection?

Mr. DIAL. I ask that the bill go over, Mr. President.

Mr. HALE. I hope the Senator from South Carolina will not object to the bill. The bill was passed at the last session of Congress. I think there is merit in it. It is to straighten out the record of Stephen A. Winchell. The facts in the case are these: Winchell entered the service in 1862 and served for three years. He was wounded while in the service. At the expiration of three years, on or about August 3, 1865, three of Winchell's comrades left camp without permission. Their absence was detected, and, thinking that he might be able to assist them if they could be induced to return to camp before being placed under arrest, Winchell went in search of them. He made the admitted mistake of failing to secure leave. He found his comrades on the streets of a town near camp, all of them in an intoxicated condition. Winchell urged them to return to camp, but before they could do so the party was met by an officer, taken back to camp, and placed in confinement.

Mr. ROBINSON. Mr. President, I rise to a point of order.

The PRESIDENT pro tempore. The Senator from Arkansas will state his point of order.

Mr. ROBINSON. I myself do not object to the consideration of the bill, but an objection was made some minutes ago.

Mr. HALE. I asked the Senator from South Carolina to withhold his objection.

Mr. ROBINSON. The Senator announced that he would persist in his objection, and I think, in fairness to the bills on the calendar that have not been reached, and probably will not be reached, that the Senate should not proceed to discuss bills to which objection has been made.

Mr. HALE. I do not understand that the Senator insisted upon his objection. I asked him to withdraw it.

Mr. ROBINSON. Yes; he has stated repeatedly that he objected.

Mr. DIAL. I objected twice. I have no objection to the Senator talking, if he wants to, but I am not going to let the bill pass.

Mr. ROBINSON. That is the point I make; there is no use talking if objection is going to be made.

Mr. HALE. Of course, under the circumstances it is useless to proceed further.

The PRESIDENT pro tempore. The bill will be passed over.

BILL PASSED OVER

The bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes, was announced as next in order.

Mr. JONES of Washington. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

LYN LUNDQUIST

The bill (S. 976) for the relief of Lyn Lundquist was announced as next in order.

Mr. DIAL. Let that bill go over.

Mr. NORBECK. Mr. President, that is a bill reported from the Committee on Public Lands. It is for the relief of a homestead settler. It is not a pension bill.

Mr. DIAL. I am glad to hear it is not a pension bill, and I withdraw the objection.

The Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, directed to permit Lyn Lundquist, notwithstanding he has heretofore exhausted his homestead right, to make homestead entry of the west half of the northeast quarter and the east half of the northwest quarter of section 15, in township 44 north, and range 3 east, Boise meridian, in the State of Idaho, and to give him credit upon his making final proof showing residence and cultivation as required by law for any improvement he may heretofore have made thereon.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1005) to make valid and enforceable written provisions or agreements for arbitration of disputes arising out of contracts, maritime transactions, or commerce among the States or Territories or with foreign nations, was announced as next in order.

Mr. OVERMAN. That bill ought to go over.

The PRESIDENT pro tempore. The bill will be passed over.

MAIL MESSENGER SERVICE

The bill (H. R. 6482) authorizing the Postmaster General to contract for mail messenger service was considered as in Committee of the Whole.

The bill had been reported from the Committee on Post Offices and Post Roads with an amendment on page 1, line 7, after the words "Postmaster General," to insert "postmasters," so as to make the bill read:

Be it enacted, etc., That hereafter postmasters may be designated by the Postmaster General as disbursing officers for the payment of mail messengers and others engaged under their supervision in transporting the mails: *Provided*, That in the discretion of the Postmaster General, postmasters, assistant postmasters, and clerks at post offices of the third class, and postmasters, assistant postmasters, and clerks at post offices of the fourth class may enter into contracts for the performance of mail messenger service, and allowance may be made therefor from the appropriations for mail messenger service: *Provided further*, That the total amount payable under such contract to any postmaster, assistant postmaster, or clerk shall not exceed $300 in any one year: *Provided further*, That hereafter special delivery messengers at post offices of all classes may enter into contracts for mail messenger service.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

WILLIAM F. BROCKSCHMIDT

The bill (S. 1650) for the relief of William F. Brockschmidt was considered as in Committee of the Whole.

The bill had been reported from the Committee on Post Offices and Post Roads with an amendment, on page 2, line 6, after the word "check," to strike out "was held by officials of said Reclamation Service and," so as to make the bill read:

Be it enacted, etc., That there is hereby appropriated to and for the benefit of William F. Brockschmidt, of Ballantine, Mont., out of any moneys in the Treasury of the United States otherwise unappropriated, the sum of $916.38, to reimburse said William F. Brockschmidt for loss sustained by him on account of a check for said amount of money issued by him November 25, 1922, on the Ballantine State Bank, of Ballantine, Mont., in which he then had on deposit to his credit money to that amount, to the special fiscal agent of the United States Reclamation Service in payment of water charges, water renewal, and construction charges of said Reclamation Service to that amount, assessed to and a lien in that amount on land within the Huntley reclamation project of the United States Reclamation Service, entered and owned or held then and now, in part by said William F. Brockschmidt and in part by his wife, which said check was held by officials of said Reclamation Service and had not been cashed when said bank closed its doors and suspended payments and discontinued business December 4, 1922; and the Treasurer of the United States is hereby authorized and directed to issue to said William F. Brockschmidt or his heirs a voucher or warrant on the Treasury of the United States for said sum of money, hereby appropriated, worded in such manner that such voucher or warrant must be countersigned or indorsed by the special fiscal agent of the United States Reclamation Service and must be used to pay the aforesaid indebtedness of said William F. Brockschmidt and his wife to said Reclamation Service now unpaid and existing: *Provided*, That whatever may be realized or paid (not to exceed the aforesaid amount) on account of said check of said William F. Brockschmidt on said bank, in the settlement of the affairs and indebtedness of said bank or on account of the deposit therein of money of said William F. Brockschmidt, shall accrue to and shall be paid to the Treasurer of the United States and shall be turned into the Treasury of the United States and shall be the money of the United States.

SEC. 2. This act shall be in full force and effect from and after its passage and approval.

Mr. DIAL. Mr. President, I should like to have the Senator from Montana explain that bill. I have not had time to read the report.

Mr. WALSH of Montana. The bill is a very meritorious one. The beneficiary of the bill was a homesteader claiming under an irrigation district. He turned in a check in payment for his land to the proper officer of the Reclamation Service, who held the check for an inordinate time; in the meantime the bank upon which the check was drawn failed, and the settler will have to lose his money by reason of the negligence of the reclamation officer in not cashing the check.

Mr. DIAL. For how long a time was the check held?

Mr. WALSH of Montana. I do not remember the exact time.

Mr. DIAL. Is the bill recommended by the Secretary of the Interior?

Mr. WALSH of Montana. Yes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LAURA C. PETERSON AND OTHERS

The bill (S. 2087) for the relief of Laura C., Ida E., Lulu P., and Esther P. Peterson was considered as in Committee of the Whole. It directs the Secretary of the Interior to issue a patent to Laura C. Peterson, Ida E. Peterson, Lulu P. Peterson, and Esther B. Peterson, children of Peder L. Peterson, conveying to them the west half of section 28, township 37 north, range 29 east principal meridian, being embraced in the homestead entry of said Peder L. Peterson, Glasgow, Mont., serial No. 051413, allowed September 25, 1917.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

INLAND WATERWAYS CORPORATION

The bill (S. 3161) to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, the Senator from Tennessee [Mr. MCKELLAR] is interested in that bill. He is necessarily absent from the city, and I said that when it was called up for consideration I would ask that it go over.

The PRESIDENT pro tempore. The bill will be passed over.

PEARL RIVER BRIDGE, MISSISSIPPI

The bill (S. 3244) granting the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct a bridge across Pearl River, in the State of Mississippi, was considered as in Committee of the Whole. It proposes to grant the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct, maintain, and operate a bridge and approaches thereto across the Pearl River, at a point suitable to the interests of navigation, at the city of Jackson, State of Mississippi, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and expressly reserves the right to alter, amend, or repeal the act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

FINAL ROLL OF FLATHEAD INDIANS, MONTANA

The bill (H. R. 2875) to provide for the addition of the names of certain persons to the final roll of the Indians of the Flathead Indian Reservation, Mont., was considered as in Committee of the Whole.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to add to the final roll of the Indians of the (Jocko) Flathead Indian Reservation, Mont., approved January 22, 1920, under the act of May 25, 1918 (40 Stat. p. 591), and the act of June 30, 1919 (41 Stat. p. 9), the names of the following persons, descendants of the Confederated Flathead Tribes of Indians: Lucy Contesto, Mary Sophie Contesto, Clifford Gendron, Adolph Squeque, Peter Joseph Chalwain, Dennis McLeod, Margaret Louise Ashley, Veona Carlson, Lois May Houle, Norbert Marage, Eva Matilda Matt, Eneas Isadore Woodcock, Wilton Sidney Worley, Harry Leon Beauchaine, Henry Louseau, and Louise Isaac.

The Secretary of the Interior is also authorized to pay to each of the persons named a sum equal to that heretofore paid per capita to those whose names were on the approved roll, such payments to be made from any tribal funds in the Treasury to the credit of the Flathead Indians.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

WICHITA AND AFFILIATED INDIANS IN OKLAHOMA

The bill (H. R. 731) authorizing the Wichita and affiliated bands of Indians in Oklahoma to submit claims to the Court of Claims was considered as in Committee of the Whole.

The bill had been reported from the Committee on Indian Affairs with an amendment in section 3, page 3, line 22, after the word "than," to strike out "$15,000" and insert "$25,000," so as to make the bill read:

Be it enacted, etc., That all claims of whatsoever nature which the Wichita and affiliated bands of Indians in Oklahoma may have against the United States may be submitted to the Court of Claims for determination of the amount, if any, due said tribes or bands of Indians from the United States under any treaties, agreements, or laws of Congress, or for the misappropriation of any of the funds of said tribes or bands, or for the failure of the United States to pay said tribes or bands any moneys or other property due; and jurisdiction is hereby conferred on the Court of Claims, with the right of either party to appeal to the Supreme Court of the United States, to hear and determine as right and justice may require and upon a full and fair arbitration all legal and equitable claims, if any, of said tribes or bands against the United States, and to enter judgment thereon.

SEC. 2. That if any claim or claims be submitted to said court, it shall settle the rights therein, both legal and equitable, of each and all the parties thereto, notwithstanding lapse of time or statutes of limitation, and any payment which may have been made upon any claim so submitted shall not be pleaded as an estoppel, but may be pleaded as an offset in such suits or actions, and the United States shall be allowed credit for all sums, including gratuities heretofore paid or expended for the benefit of said tribes or any band thereof.

The claim or claims of the Wichita and affiliated bands may be presented separately or jointly by petition, subject, however, to amendment, suit to be filed within five years after the date of the passage of this act; and such action shall make the petitioner or petitioners party plaintiff or plaintiffs and the United States party defendant, and any band or bands of the said Wichita and affiliated bands or any other tribe or band of Indians the court may deem necessary to a final determination of such suit or suits may be joined therein as the court may order. Such petition or petitions shall be verified by the attorney or attorneys employed by the Wichita and affiliated bands or any tribe or band thereof under contract approved in accordance with existing law, and no other verification shall be necessary. Official letters, papers, documents, and public records, or certified copies thereof, may be used in evidence, and the departments of the Government shall give access to the attorney or attorneys of said tribes or bands thereof to such treaties, papers, correspondence, or records as may be needed by the attorney or attorneys for said tribes of Indians.

SEC. 3. That upon the final determination of such suit or cause of action the Court of Claims shall decree such fees as it shall find reasonable to be paid to the attorney or attorneys employed therein by said tribes under contracts negotiated and approved as provided by existing law, but in no case shall the fees decreed by said court amount to more than 10 per cent of the amount of the judgment recovered in such cause, and in no event shall such fee amount in the aggregate under one attorneyship for each tribe to more than $25,000, and shall be paid out of any judgment that may be recovered; and the balance of such judgment shall be placed in the United States Treasury to the credit of the Indians entitled thereto, where it shall draw interest at the rate of 4 per cent per annum.

The bill was reported to the Senate as amended and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read the third time.

The bill was read the third time and passed.

FINAL ROLL OF THE CHEYENNE AND ARAPAHO INDIANS, OKLAHOMA

The bill (H. R. 6857) to provide for the addition of the names of Chester Calf and Crooked Nose Woman to the final roll of the Cheyenne and Arapaho Indians, Seger jurisdiction, Oklahoma, was considered as in Committee of the Whole.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he hereby is, authorized to add to the final roll of the Cheyenne and Arapaho Indians of the Seger jurisdiction, Oklahoma, approved May 28, 1921, the names of Chester Calf and Crooked Nose Woman, which names were inadvertently omitted from the said roll, and to pay to each of these persons a sum equal to that heretofore paid per capita to those whose names appear on the approved roll, such payment to be made from any tribal funds to the credit of the Cheyenne and Arapaho Indians.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

RED LAKE INDIANS

The bill (H. R. 4460) authorizing payment to certain Red Lake Indians, out of the tribal trust funds, for garden plats surrendered for school-farm use was considered as in Committee of the Whole. The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to withdraw from the Treasury of the United States not to exceed $1,000, out of moneys on deposit to the credit of the Red Lake Indians in Minnesota, and to use the same, or as much thereof as may be necessary, in reimbursing certain Red Lake Indians whom he may find to have suffered loss through the taking of their individual garden plats, without remuneration to them, for Indian school-farm purposes.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 3084) to enlarge the fish-cultural station at Orangeburg, S. C., was announced as next in order.

SEVERAL SENATORS. Over!

Mr. DIAL. Mr. President, that bill is in the nature——

SEVERAL SENATORS. Over!

Mr. DIAL. It is in the nature of economy; it is to help the farmer.

The PRESIDENT pro tempore. The bill will be passed over.

NIAGARA RIVER AND BLACK ROCK CANAL BRIDGE

The bill (S. 3249) granting the consent of Congress to the construction of a bridge across the Niagara River and Black Rock Canal was considered as in Committee of the Whole.

The bill was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Buffalo & Fort Erie Public Bridge Co., a corporation organized under the laws of the State of New York, and its successors and

assigns, to construct, maintain, and operate a bridge and approaches thereto across the Niagara River and the Black Rock Canal, at a point suitable to the interests of navigation, within or near the city limits of Buffalo, in the county of Erie and State of New York, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906: *Provided*, That, subject to the provisions of this act, the Secretary of War may permit the corporation herein named, its successors and assigns, to construct a tunnel or tunnels under said river and canal in lieu of the bridge herein authorized, in accordance with the foregoing act approved March 23, 1906, so far as the same may be applicable: *Provided further*, That before the construction of said bridge or tunnel shall be begun all proper and requisite authority therefor shall be obtained from the Government of the Dominion of Canada.

SEC. 2. That this act shall be null and void unless the construction of said bridge or tunnel is commenced within two years and completed within five years from the date of approval hereof.

SEC. 3. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

JOHN W. DILKS

The bill (H. R. 7296) for the relief of John W. Dilks was announced as next in order.

Mr. DIAL. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

CIVIL WAR MILITARY TELEGRAPH CORPS

Mr. KING. Mr. President, I inquire what disposition was made of order of business No. 584, being the bill (S. 1535) granting relief to persons who served in the Military Telegraph Corps of the Army during the Civil War?

Mr. REED of Pennsylvania. That bill was this afternoon recommitted to the Committee on Pensions.

LA PLATA RIVER COMPACT

The bill (S. 1656) granting the consent and approval of Congress to the La Plata River compact was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That the consent and approval of Congress is hereby given to the compact signed by the commissioners of the States of Colorado and New Mexico at the city of Santa Fe, on the 27th day of November, 1922, and approved by the Legislature of the State of Colorado by an act entitled "An act to approve the La Plata River compact," April 13, 1923, and by the Legislature of the State of New Mexico by an act entitled "An act ratifying and approving the La Plata compact," approved February 7, 1923, which compact is as follows:

"The State of Colorado and the State of New Mexico, desiring to provide for the equitable distribution of the waters of the La Plata River and to remove all causes of present and future controversy between them with respect thereto, and being moved by considerations of interstate comity, pursuant to acts of their respective legislatures, have resolved to conclude a compact for these purposes and have named as their commissioners Delph E. Carpenter, for the State of Colorado, and Stephen B. Davis, jr., for the State of New Mexico, who have agreed upon the following articles:

"ARTICLE I

"The State of Colorado, at its own expense, shall establish and maintain two permanent stream-gauging stations upon the La Plata River for the purpose of measuring and recording its flow, which shall be known as the Hesperus station and the interstate station, respectively.

"The Hesperus station shall be located at some convenient place near the village of Hesperus, Colo. Suitable devices for ascertaining and recording the volume of all diversions from the river above Hesperus station shall be established and maintained (without expense to the State of New Mexico), and whenever in this compact reference is made to the flow of the river at Hesperus station it shall be construed to include the amount of the concurrent diversions above said station.

"The interstate station shall be located at some convenient place within 1 mile of and above or below the interstate line. Suitable devices for ascertaining and recording the volume of water diverted by the Enterprise and Pioneer Canals, now serving approximately equal areas in both States, shall be established and maintained (without expense to the State of New Mexico), and whenever in this compact reference is made to the flow of the river at the interstate station it shall be construed to include one-half the volume of the concurrent diversions by such canals, and also the volume of any other water which may hereafter be diverted from said river in Colorado for use in New Mexico.

"Each of said stations shall be equipped with suitable devices for recording the flow of water in said river at all times between the 15th day of February and the 1st day of December of each year. The State engineers of the signatory States shall make provision for cooperative gauging at two stations, for the details of the operation, exchange of records and data, and publication of the facts.

"ARTICLE II

"The waters of the La Plata River are hereby equitably apportioned between the signatory States, including the citizens thereof, as follows:

"1. At all times between the 1st day of December and the 15th day of the succeeding February each State shall have the unrestricted right to the use of all water which may flow within its boundaries.

"2. By reason of the usual annual rise and fall, the flow of said river between the 15th day of February and the 1st day of December of each year shall be apportioned between the States in the following manner:

"(a) Each State shall have the unrestricted right to use all the waters within its boundaries on each day when the mean daily flow at the interstate station is 100 cubic feet per second, or more.

"(b) On all other days the State of Colorado shall deliver at the interstate station a quantity of water equivalent to one-half of the mean flow at the Hesperus station for the preceding day, but not to exceed 100 cubic feet per second.

"3. Whenever the flow of the river is so low that in the judgment of the State engineers of the States the greatest beneficial use of its waters may be secured by distributing all of its waters successively to the lands in each State in alternating periods, in lieu of delivery of water as provided in the second paragraph of this article, the use of the waters may be so rotated between the two States in such manner, for such periods, and to continue for such time as the State engineers may jointly determine.

"4. The State of New Mexico shall not at any time be entitled to receive nor shall the State of Colorado be required to deliver any water not then necessary for beneficial use in the State of New Mexico.

"5. A substantial delivery of water under the terms of this article shall be deemed a compliance with its provisions and compensating irregularities in flow or delivery shall be disregarded.

"ARTICLE III

"The State engineers of the States, by agreements from time to time, may formulate rules and regulations for carrying out the provisions of this compact, which, when signed and promulgated by them, shall be binding until amended by agreement between them or until terminated by written notice from one to the other.

"ARTICLE IV

"Whenever any official of either State is designated to perform any duty under this contract, such designation shall be interpreted to include the State official or officials upon whom the duties now performed by such official may hereafter devolve.

"ARTICLE V

"The physical and other conditions peculiar to the La Plata River and the territory drained and served thereby constitute the basis for this compact, and neither of the signatory States concedes the establishment of any general principle or precedent by the concluding of this compact.

"ARTICLE VI

"This compact may be modified or terminated at any time by mutual consent of the signatory States, and upon such termination all rights then established hereunder shall continue unimpaired.

"ARTICLE VII

"This compact shall become operative when approved by the legislature of each of the signatory States and by the Congress of the United States. Notice of approval by the legislatures shall be given by the governor of each State to the governor of the other State, and the President of the United States is requested to give notice to the governors of the signatory States of approval by the Congress of the United States.

"In witness whereof, the commissioners have signed this compact in duplicate originals, one of which shall be deposited with the secretary of state of each of the signatory States.

"Done at the city of Santa Fe, in the State of New Mexico, this 27th day of November, in the year of our Lord 1922.

"DELPH E. CARPENTER.
"STEPHEN B. DAVIS, JR."

Mr. KING. Is the Federal Government interested in that in any way or is there any obligation incurred under it?

Mr. BURSUM. There is no obligation, Mr. President; but a compact was authorized by the Congress to be entered into between Colorado and New Mexico as to the waters of the La Plata. That compact has been agreed upon between the two States, and under the resolution it was required that the Congress should consent to the compact. There is no

other obligation whatever. It is a matter which involves no interest to anyone except Colorado and New Mexico, which are using the water of the La Plata River, which flows through the two States.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BATTLE FIELDS AROUND FREDERICKSBURG AND SPOTSYLVANIA COURTHOUSE, VA.

The bill (S. 3263) to provide for the inspection of the battle fields in and around Fredericksburg and Spotsylvania Courthouse, Va., was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That a commission is hereby created, to be composed of the following members, who shall be appointed by the Secretary of War:

(1) A commissioned officer of the Corps of Engineers, United States Army;

(2) A veteran of the Civil War who served honorably in the military forces of the United States; and

(3) A veteran of the Civil War who served honorably in the military forces of the Confederate States of America.

SEC. 2. In appointing the members of the commission created by section 1 of this act the Secretary of War shall, as far as practicable, select persons familiar with the terrain of the battle fields in and around Fredericksburg and Spotsylvania Courthouse, Va., and the historical events associated therewith.

SEC. 3. It shall be the duty of the commission, acting under the direction of the Secretary of War, to inspect the battle fields in and around Fredericksburg and Spotsylvania Courthouse, Va., in order to ascertain the feasibility of preserving and marking for historical and professional military study such fields. The commission shall submit a report of its findings to the Secretary of War not later than December 1, 1924.

SEC. 4. There is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $3,000 in order to carry out the provisions of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

SALE OF REAL ESTATE NOT REQUIRED FOR MILITARY PURPOSES

The bill (S. 3276) authorizing the sale of real property no longer required for military purposes was considered as in Committee of the Whole.

The bill had been reported from the Committee on Military Affairs with an amendment, on page 1, line 8, after the word "longer," to strike out "needed for," so as to make the bill read:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to sell or cause to be sold, either in whole or in two or more parts, as he may deem best for the interests of the United States, the several tracts or parcels of real property hereinafter designated, or any interest therein or appurtenant thereto, which said tracts or parcels are no longer needed for military purposes, and to execute and deliver in the name of the United States and in its behalf any and all contracts, conveyances, or other instruments necessary to effectuate such sale.

FIRST CORPS AREA

Maine: Narrows Island Reservation, Boothbay, Lincoln County.

Massachusetts: Fort Phoenix, near Fair Haven, Bristol County; Springfield Armory, two small tracts.

Rhode Island: Fort Greene, Newport.

SECOND CORPS AREA

New York: Fort Montgomery, Rouses Point, Clinton County; Sag Harbor Reservation, Sag Harbor, Long Island, Suffolk County.

FOURTH CORPS AREA

South Carolina: Bay Point Reservation on Phillips Island, Beaufort County; Hilton Head Reservation at south entrance to Port Royal Sound, Beaufort County.

Alabama: Fort Gaines, on east end of Dauphin Island, Mobile County.

Tennessee: Park Field, Millington.

SEVENTH CORPS AREA

Arkansas: Camp Pike Booster Pumping Station, near Little Rock.

SEC. 2. In the disposal of the aforesaid properties the Secretary of War shall in each and every case cause the same to be appraised, either as a whole or in two or more parts, by an appraiser or appraisers to be chosen by him for each tract, and in the making of such appraisal due regard shall be given to the value of any improvements thereon and to the historic interest of any part of said land.

SEC. 3. After such appraisal shall have been made and approved by the Secretary of War, notification of the fact of such appraisal shall be given by the Secretary of War to the governor of the State in which each such tract of land is located, and such State, or the county, or municipality in which such land is located shall in the order named have the option at any time within six months after the approval of such appraisal to acquire the same, or any part thereof which shall have been separately appraised, upon payment within said period of six months of the appraisal value: *Provided*, That the conveyance of said tract of land to such State, county, or municipality shall be upon the condition and limitation that said property shall be limited to use for public park purposes and upon cessation of such use shall revert to the United States without notice, demand, or action brought.

SEC. 4. Six months after the date of approval of said appraisal, if the option given in section 3 hereof shall not have been completely exercised, the Secretary of War shall sell or cause to be sold each of said properties at public sale, at not less than the appraised value, after advertisement in such manner as may be directed by the Secretary.

SEC. 5. A full report of transfers and sales made under the provisions of this act shall be submitted to Congress by the Secretary of War.

SEC. 6. The expense of appraisal, survey, advertising, and sale shall in each case be paid from the proceeds of the sale, whether made in accordance with section 3 or section 4 of this act, and the net proceeds thereof shall be deposited in the Treasury of the United States to the credit of "Miscellaneous receipts."

SEC. 7. The authority granted by this act shall not repeal any prior legislative authority granted to the Secretary of War to sell or otherwise dispose of lands or property of the United States.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossd for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 3285) to provide retirement for the Nurse Corps of the Army and Navy was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

POSTHUMOUS APPOINTMENT AND PROMOTION OF ENLISTED MEN AND OFFICERS

The joint resolution (S. J. Res. 124) to provide for the posthumous appointment to commissioned grades of certain enlisted men and the posthumous promotion of certain commissioned officers was considered as in Committee of the Whole.

The joint resolution had been reported from the Committee on Military Affairs with amendments, on page 2, line 25, after the word "any," to strike out "former," and in the same line, after the words "officer of the," to strike out "Regular," so as to make the joint resolution read:

Resolved, etc., That the President be, and he is hereby, authorized to issue, or cause to be issued, an appropriate commission in the name of any person who, while in the military service of the United States during the war between the United States and Germany and Austria-Hungary, had been duly appointed to a commissioned grade, and, through no fault of his own, was unable to accept such commission by reason of his death in line of duty; and any such commission shall issue as of the date of such appointment, and any such person's name shall be carried upon the records of the War Department as of the grade and branch of the service to which he would have been promoted by such commission, from the date of such appointment to the date of his death.

SEC. 2. That the President be, and he is hereby, authorized to issue, or cause to be issued, an appropriate commission in the name of any person who, while in the military service of the United States during the war between the United States and Germany and Austria-Hungary, may have been officially recommended for promotion to a commissioned grade, which recommendation shall have been duly approved by the Secretary of War, or by the commanding general American Expeditionary Forces, as the case may be, and who shall have been unable to receive and accept such commission by reason of his death in line of duty; and any such commission shall issue as of the date of such approval, and any such person's name shall be carried upon the records of the War Department as of the grade and branch of the service to which he would have been promoted by such commission, from the date of such approval to the date of his death.

SEC. 3. That the President be, and he is hereby, authorized to issue, or cause to be issued, an appropriate commission in the name of any officer of the Army of the United States who, after having been examined and found duly qualified for promotion, died since April 6, 1917, or shall die, in line of duty after the occurrence of the vacancy entitling him, by virtue of seniority, to such promotion and before the issue or acceptance of a commission therefor; and any such commission shall issue with rank as of the date of said vacancy, and any

such officer's name shall be carried upon the records of the War Department as of the grade and branch of the service shown in such commission, from the date of such vacancy to the date of his death.

SEC. 4. That no person shall be entitled to receive any bonus, gratuity, pay, or allowances by virtue of any provision of this resolution.

The amendments were agreed to.

Mr. JONES of Washington. Mr. President, I should like just a brief explanation as to what this joint resolution does.

Mr. HARRIS. Mr. President, the purpose of Senate Joint Resolution 124 is briefly explained in the committee report, No. 558, and in detail in my remarks before the Senate on May 15.

My resolution in effect simply corrects the records of the War Department to show appointments and promotions that were actually made, but were not legally perfected because the officers and soldiers were killed in action or died in line of duty before the commissions reached them through the mails.

The War Department has on at least three separate occasions formally recommended that Congress authorize these corrections of the records.

The first two sections apply to officers and men who were killed in action or died in line of duty during the World War after their appointments or promotions had been duly approved, but before the commissions actually reached them.

The Senate on two occasions, once during the Sixty-sixth and once during the Sixty-seventh Congress, passed resolutions embodying provisions substantially identical with these two sections of my resolution, but they were never reported out from the House committee, due, I am informed, to objections to other provisions of the old resolutions which I have omitted from my resolution.

So far as I am aware, no exception was taken to the two sections incorporated in my resolution, the sole purpose of which is to do justice to the memory of a few brave officers and soldiers who sacrificed their lives in defense of their country and humanity.

The third section of my resolution covers similar cases of officers of the Regular Army, National Guard, and Officers' Reserve Corps that have occurred since the beginning of the World War or that may occur in the future. This section will render unnecessary special acts such as were passed in the cases of Major Haines, Lieutenant Colonel Butler, and Brigadier General Sigerfoos.

The last section of my resolution specifically provides that no person shall be entitled to receive any bonus, gratuity, pay, or allowances by virtue of any provision of the resolution. The passage of the resolution, therefore, entails no expense to the Government. It will, however, afford some measure of comfort to the parents, widows, and children of these brave officers and soldiers who made the supreme sacrifice.

Mr. SMITH. Mr. President, I should like to call attention to the case of an officer whose only son came of military age and was killed last month just the day before his commission was to be handed to him. I was up at the department this morning to see the Secretary of War, and, being unable to see him, I saw The Adjutant General, and he called attention to the pendency of this very bill.

Mr. KING. Mr. President, will the Senator permit a question?

Mr. SMITH. Yes.

Mr. KING. Suppose the commission has not issued at the time of the decease of the soldier; does it then issue?

Mr. HARRIS. This joint resolution allows the Government to issue the commission. It has passed the Senate twice, and passed the last Congress before that unanimously. There was not an objection to it. The committee recommended it unanimously.

Mr. KING. I think the commission ought to be delivered if it has been made out; but if action has not been taken culminating in the issuing of the commission, that is another matter.

Mr. SMITH. My understanding of the joint resolution is that all the conditions requisite for the issuing of the commission would be fulfilled. In the case to which I refer, the boy had stood his examination, and the commission was ready to issue, and on account of his death it could not issue because the law stipulates that he must receive it in person.

This was a very peculiar situation. This young man was the only son of an officer, and he served under his father during the war, and he took up aviation; and on the aviation field in Texas the day after his final examination, while they were making out the papers, he went up at night, and he and one of the best pilots were up, and the plane fell, and both bodies were consumed. The father wrote and asked if some exception could not be made in that case, and I took up the matter with The Adjutant General this morning, and my attention was called to the pendency of this very bill.

Mr. FLETCHER. Mr. President, I call the attention of the Senator from Utah to the fact that the joint resolution provides that commissions shall issue where the recommendations for promotion have been made and where the recommendations shall have been approved by the Secretary of War or by the Commanding General of the American Expeditionary Forces. All those things must have taken place before the death.

Mr. HARRIS. Congress has passed special bills just exactly like this. This joint resolution simply makes the law general and protects a man who has not a "pull" and can not get his bill through.

The joint resolution was reported to the Senate as amended, and the amendments were concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

RUBIE M. MOSLEY

The bill (S. 1725) for the relief of Rubie M. Mosley was considered as in Committee of the Whole.

The bill had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of," to strike out "$20,000" and insert "$5,000," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Rubie M. Mosley, of San Antonio, Tex., out of any money in the Treasury not otherwise appropriated, the sum of $5,000 in full settlement of her claim against the Government of the United States for injuries received by her by being run over and seriously injured by an automobile driven by an enlisted man of the United States Army, the automobile being in the use of Colonel Morton, the commander of the Government arsenal at San Antonio, Tex., on November 17, 1917.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 2458) to authorize the payment of an indemnity to the Swedish Government for the losses sustained by its nationals in the sinking of the Swedish fishing boat *Lilly* was announced as next in order.

Mr. DIAL. Mr. President, I see two or three bills here for a purpose similar to that of this bill. I wonder whether those Governments owe us any money or not. If so, it seems to me this amount ought to be credited on any claim we have against them. I know nothing about the matter myself, and if no other Senator knows about it I will ask that this bill go over, and all bills similar to this.

Mr. WILLIS. Mr. President, what bill is the Senator objecting to?

Mr. DIAL. I am not objecting; I am asking for information, if I can get any.

Mr. WILLIS. I can explain Senate bill 2719, Order of Business 595, to the Senator.

Mr. DIAL. I do not say that this bill ought to be rejected, but I do not know, and there does not seem to be anyone else here who knows. In that state of affairs, therefore, I will ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over; and, at the request of the Senator from South Carolina, Senate bill 2718 and Senate bill 2719 also will be passed over.

Mr. DIAL. They are in the same situation.

Mr. WILLIS. Mr. President, all of those bills were carefully considered by the Foreign Relations Committee. I remember that very distinctly. I think there is no objection to them. I know specifically about Senate bill 2719. If the Senator desires, I can undertake to explain Senate bill 2718.

Mr. DIAL. I do not want to object to the passage of the bills, but I am trying to find out whether those countries owe us anything or not. If so, the amount ought to be credited and not paid.

Mr. WILLIS. That question was not brought up in the committee. These claims were considered upon their merits.

Mr. DIAL. Then let them all go over.

Mr. WILLIS. Does the Senator object to Senate bill 2719?

The PRESIDENT pro tempore. The Senator from South Carolina has objected to that bill, and it has been passed over.

The bill (H. R. 8209) to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the trans-

portation act, and for other purposes, was announced as next in order.

Mr. JONES of Washington. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

PROBATION SYSTEM IN UNITED STATES COURTS

The bill (S. 1042) to provide for the establishment of a probation system in the United States courts, except in the District of Columbia, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the courts of the United States having original jurisdiction of criminal actions, except in the District of Columbia, when it shall appear to the satisfaction of the court that the ends of justice and the best interests of the public, as well as the defendant, will be subserved thereby, shall have power, after conviction or after a plea of guilty or nolo contendere for any crime or offense not punishable by death or life imprisonment, to suspend the imposition or execution of sentence and to place the defendant upon probation for such period and upon such terms and conditions as they may deem best; or the court may impose a fine and may also place the defendant upon probation in the manner aforesaid. The court may revoke or modify any condition of probation, or may change the period of probation: *Provided*, That the period of probation, together with any extension thereof, shall not exceed five years.

While on probation the defendant may be required to pay in one or several sums a fine imposed at the time of being placed on probation and may also be required to make restitution or reparation to the aggrieved party or parties for actual damages or loss caused by the offense for which conviction was had, and may also be required to provide for the support of any person or persons for whose support he is legally responsible.

SEC. 2. That when directed by the court, the probation officer shall report to the court, with a statement of the conduct of the probationer while on probation. The court may thereupon discharge the probationer from further supervision and may terminate the proceedings against him, or may extend the probation, as shall seem advisable.

At any time within the probation period the probation officer may arrest the probationer without a warrant, or the court may issue a warrant for his arrest. Thereupon such probationer shall forthwith be taken before the court. At any time after the probation period, but within the maximum period for which the defendant might originally have been sentenced, the court may issue a warrant and cause the defendant to be arrested and brought before the court. Thereupon the court may revoke the probation or the suspension of sentence, and may impose any sentence which might originally have been imposed.

SEC. 3. That the judge of any United States court having original jurisdiction of criminal actions, except in the District of Columbia, may appoint one or more suitable persons to serve as probation officers within the jurisdiction and under the discretion of the judge making such appointment or of his successor. All such probation officers shall serve without compensation, except that in case it shall appear to any such judge that the needs of the service require that there should be a salaried probation officer such judge may appoint one such officer and shall fix the salary of such officer, subject to the approval of the Attorney General, in each case: *Provided*, That probation officers who are to receive salaries shall be appointed after competitive examination held in accordance with the laws and regulations of the civil service of the United States. Such judge may in his discretion remove any probation officer serving in his court. The appointment of probation officers shall be in writing and shall be entered on the records of the court of the judge making such appointment, and a copy of the order of appointment shall be delivered to the officer so appointed. Such court may allow any probation officer his actual expenses necessarily incurred in the performance of his duties. Such salary and expenses when duly approved shall be paid from the appropriations for the courts in which such officer serves.

SEC. 4. That it shall be the duty of a probation officer to investigate any case referred to him for investigation by the court in which he is serving and to report thereon to the court. The probation officer shall furnish to each person released on probation under his supervision a written statement of the conditions of probation and shall instruct him regarding the same. Such officer shall keep informed concerning the conduct and condition of each person on probation under his supervision and shall report thereon to the court placing such person on probation. Such officer shall use all suitable methods, not inconsistent with the conditions imposed by the court, to aid persons on probation and to bring about improvement in their conduct and condition. Each officer shall keep records of his work; shall keep accurate and complete accounts of all moneys collected from persons under his supervision; shall give receipts therefor and shall make at least monthly returns thereof; shall make such reports to the Attorney General as he may at any time require; and shall perform such other duties as the court may direct. A probation officer shall have the power of arrest that is now exercised by a deputy marshal.

SEC. 5. That this act shall take effect immediately.

Mr. COPELAND. Mr. President, before anybody objects to the consideration of this bill, let me say what it is.

The purpose of the bill is to provide for the establishment of a probation system in the Federal courts. Prior to the Killetts case, which was decided in December, 1916, it was customary to suspend sentence in the Federal courts; but under the decision rendered in that case that power was set aside. Chief Justice White at the time called attention to the importance of legislation on the subject, and the purpose of the bill is to make it possible to exercise this power in the Federal courts.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

INLAND WATERWAYS CORPORATION

Mr. JONES of Washington. Mr. President, I was going to ask that House bill 8209, Order of Business 596, take the place of Senate bill 3161, Order of Business 573, a Senate bill of the same kind, but probably they had both better be on the calendar until one of them is disposed of. I do not know what the practice is about that.

Mr. FLETCHER. I think we had better carry them on the calendar until we act on one or the other.

Mr. JONES of Washingon. I suppose we had better carry them on the calendar until we act on one of them.

GRAND ARMY OF THE REPUBLIC

The bill (H. R. 1869) for the incorporation of the Grand Army of the Republic, was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PETITIONS FOR NATURALIZATION

The bill (S. 2178) to relieve United States district judges from signing an order admitting, denying, or dismissing each petition for naturalization, was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That section 9 of the act of June 29, 1906 (34 Stat. L. p. 596), as amended be, and the same hereby is, amended to the extent that the entry upon the court journal or the minutes of the court of any district court of the United States of the names of the petitioners and numbers of the petitions for naturalization granted, denied, or dismissed each day shall be deemed a compliance with the provisions of such section and of said act which requires that "every final order which may be made upon such petition shall be under the hand of the court and entered in full upon a record kept for that purpose," and the clerk of said court shall enter upon the back of each original petition for naturalization, the date and the volume and page of the record in which such order granting, denying, or dismissing the petition is so recorded.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. SPENCER. Mr. President, in regard to that bill, the Senator from Kentucky [Mr. ERNST] has offered an amendment which has been printed and which carries out the purposes of the bill. It is satisfactory to the Senator from Pennsylvania [Mr. PEPPER], who introduced it, and to the committee, which reported it. I ask that the amendment of the Senator from Kentucky be acted upon. It virtually substitutes the amendment for the bill and puts it in better language, but the purpose is the same. It extends it to the State courts.

The PRESIDENT pro tempore. The Senator from Missouri asks unanimous consent that the votes by which the bill was passed through the regular parliamentary stages and finally passed be reconsidered. Is there objection? The Chair hears none, and the various votes are reconsidered.

The Senator from Missouri now offers, on behalf of the Senator from Kentucky, an amendment which will be stated.

The READING CLERK. On page 1, line 5, it is proposed to strike out all after the word "amended" and to insert the following:

so that it shall read as follows:

"SEC. 9. That every final hearing upon a petition for naturalization shall be had in open court before a judge or judges thereof, and every final order which may be made upon a petition for naturalization shall be under the hand of the court and may be entered upon a record containing the names of the petitioners admitted, or denied, or continued, as the case may be, made by the clerk of the court upon a form furnished by the Bureau of Naturalization and verified by the signature of the representative of the Government from the Bureau of Naturalization attending the naturalization hearing, such record to be signed in duplicate by the presiding judge, one copy to be forwarded to the Bureau of Naturalization, the other copy to be filed by the clerk of the

court as a part of the records of the court. Upon the final hearing of any petitioner for naturalization, the applicant and witnesses shall be examined under oath before the court and in the presence of the court."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. SPENCER. Mr. President, I desire to offer an amendment to the title of the bill, striking from the title the words "United States."

The PRESIDENT pro tempore. The amendment to the title will be stated.

The READING CLERK. It is proposed to amend the title so as to read: "A bill to relieve district judges from signing an order admitting, denying, or dismissing each petition for naturalization."

The amendment was agreed to.

BRITISH STEAMSHIP "BARON BERWICK"

Mr. WILLIS. Mr. President, I understand that the Senator from South Carolina [Mr. DIAL] has withdrawn his objection to the consideration of Senate bill 2719, Order of Business 595, and I ask that that be returned to.

The PRESIDENT pro tempore. The Senator from Ohio asks that the Senate return to the consideration of Senate bill 2719, Order of Business 595.

Mr. COPELAND. I object.

The PRESIDENT pro tempore. The Senator from New York objects.

PASSPORT APPLICATIONS

The bill (S. 2172) to amend section 1 of the act of June 4, 1920 (41 Stat. L. p. 750), and to provide fees for executing applications for passports and for issuing the same, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That section 1 of the act of June 4, 1920 (41 Stat. L. p. 750), be, and the same hereby is, amended to read as follows:

"SECTION 1. Hereafter there shall be collected and paid into the Treasury of the United States quarterly a fee of $3 for executing each application for a passport and $7 for each passport issued to a citizen or person owing allegiance to or entitled to the protection of the United States: *Provided*, That nothing herein contained shall be construed to limit the right of the Secretary of State by regulation to authorize the retention by State officials of the fee of $3 for executing an application for a passport: *And provided further*, That no fee shall be collected for passports issued to officers or employees of the United States proceeding abroad in the discharge of their official duties, or to members of their immediate families, or to seamen, or to widows, children, parents, brothers, and sisters of American soldiers, sailors, or marines buried abroad, whose journey is undertaken for the purpose and with the intent of visiting the graves of such soldiers, sailors, or marines, which facts shall be made a part of the application for the passport."

Mr. KING. Mr. President, does this bill increase the fees that are now required?

Mr. PEPPER. No; Mr. President, if I may answer the Senator's inquiry, it does not change the amounts of the fees. All fees received are returned, as now, into the Treasury. It merely changes the allocation of the portions of the fees, which at present is $1 to the Department of Justice and $9 to the State Department, and proposes an allotment of $3 to the Department of Justice and $7 to the State Department, as more nearly representing the pro rata of the work done by the different branches.

Mr. KING. I have no objection to the bill.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

LANDS IN MICHIGAN

The bill (S. 697) providing for the disposal of certain lands on Crooked and Pickerel Lakes, Mich., and for other purposes, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Public Lands and Surveys, with amendments.

The amendments were, on page 1, line 3, after the word "that," to strike out "in" and to insert "upon"; in the same line, after the word "lands," to insert "erroneously omitted from the original survey"; in line 5, after the word "surveyed," to strike out "upon" and to insert "and represented upon the official plat of township 35 north, range 4 west, Michigan meridian, Michigan, approved February 9, 1841, on file in the General Land Office as a meandered lake, and said lake now appearing as two lakes, locally known as"; at the end of line 9, to strike out the comma and to insert the word "and"; in line 10, after the name "Pickerel Lake," to strike out "and the channel connecting such lakes"; in line 11, after the word "sections," to insert the numerals "20"; in the same line, after the numerals "29," to strike out "township 35 north, range 4 west, Michigan meridian, in the State of Michigan"; on page 2, line 4, after the words "filing of the," to strike out "official" and to insert "approved"; at the end of line 4, after the word "survey," to insert "in the United States land office at Marquette, Mich., to be appraised"; in line 6, after the word "at," to insert "not less than"; in the same line, after the word "acre," to insert a comma and the words "and that the State of Michigan be allowed to select such of the lands as may have inured to the State under the act of September 28, 1850 (9 Stats. L. p. 519)"; and in line 11, after the word "person," to insert "or the State of Michigan," so as to make the bill read:

Be it enacted, etc., That upon the survey of any public lands erroneously omitted from the original survey found to exist within the area heretofore surveyed and represented upon the official plat of township 35 north, range 4 west, Michigan meridian, Michigan, approved February 9, 1841, on file in the General Land Office as a meandered lake, and said lake now appearing as two lakes, locally know as Crooked Lake and Pickerel Lake, in sections 20, 21, 22, 27, 28, and 29, the owners of adjacent lands shall have a preference right to purchase such lands so surveyed for a period of 90 days after the filing of the approved plat of such survey in the United States land office at Marquette, Mich., to be appraised at not less than $1.25 per acre, and that the State of Michigan be allowed to select such of the lands as may have inured to the State under the act of September 28, 1850 (9 Stat. L. p. 519): *Provided*, That nothing herein contained shall have the effect of defeating the rights of any person or the State of Michigan which may have attached to such lands or any part thereof.

SEC. 2. That the Secretary of the Interior is authorized to make all necessary regulations to carry out the provisions of this act.

The amendments were agreed to.

The bill was reported to the Seate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

POTASH DEPOSITS

The bill (S. 3047) authorizing joint investigations by the United States Geological Survey and the Bureau of Soils of the United States Department of Agriculture to determine the location and extent of potash deposits or occurrences in the United States and improved methods of recovering potash therefrom, was considered as in Committee of the Whole, and was read.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PRACTICE OF OPTOMETRY

The bill (H. R. 3236) to regulate the practice of optometry in the District of Columbia was considered as in Committee of the Whole, and was read.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. BALL. I move that Senate bill 1027 be indefinitely postponed. It is similar to the bill just passed.

The motion was agreed to.

BRITISH STEAMSHIP "BARON BERWICK."

Mr. COPELAND. Mr. President, I ask unanimous consent that we return to Order of Business 595, Senate bill 2719, to authorize the payment of an indemnity to the British Government on account of losses sustained by the owners of the British steamship *Baron Berwick* as the result of a collision between that vessel and the United States steamship *Iroquois*—now *Freedom*—and a further collision with the United States destroyer *Truxtun*. I objected under a misapprehension.

There being no objection, the Senate as in Committee of the Whole, proceeded to consider the bill, which had been reported by the Committee on Foreign Relations with an amendment, on page 2, line 1, after the words "*Baron Berwick*," to insert the words "or any other parties pecuniarily interested," so as to make the bill read:

Be it enacted, etc., That there is hereby authorized to be paid to the British Government, out of any money in the Treasury not otherwise appropriated, as a matter of grace and without reference to the question of liability therefor, as full indemnity for the losses sustained by the owners of the British steamship *Baron Berwick*, or any other parties pecuniarily interested, on account of a collision on August 22, 1918, between that vessel and the United States steamship *Iroquois* (now

Freedom) and on account of a further collision on October 5, 1918, with the United States destroyer *Truxtun*, an amount equivalent to £6,200 on the date of the passage of this act, as recommended by the President in his message to Congress of February 28, 1924, printed as Senate Document No. 56, Sixty-eighth Congress, first session.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

QUARTERS FOR EMPLOYEES IN THE INDIAN FIELD SERVICE

The bill (S. 2799) to provide for quarters, fuel, and light for employees of the Indian field service, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Interior, in his discretion, may allow quarters, fuel, and light to employees of the Indian Service whose compensation is not prescribed by law, the salaries of such employees to be fixed on this basis and the cost of providing quarters, fuel, and light to be paid from any funds which are applicable and available therefor: *Provided*, that this authorization shall be retroactive to the extent of approving any expenditures for such purposes heretofore authorized by the Secretary of the Interior.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

CLAIMS OF STOCKBRIDGE INDIANS

The bill (S. 3111) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Stockbridge Indians may have against the United States, and for other purposes, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Indian Affairs with an amendment, on page 3, line 2, after the word "payment," to insert the words "including gratuities," so as to make the bill read:

Be it enacted, etc., That jurisdiction be, and is hereby, conferred upon the Court of Claims, notwithstanding the lapse of time or statutes of limitation, to hear, examine, and adjudicate and render judgment in any and all legal and equitable claims arising under or growing out of any treaty or agreement between the United States and the Stockbridge Tribe of Indians, or arising under or growing out of any act of Congress in relation to Indian affairs, which said Stockbridge Tribe may have against the United States, which claims have not heretofore been determined and adjudicated on their merits by the Court of Claims or the Supreme Court of the United States.

SEC. 2. Any and all claims against the United States within the purview of this act shall be forever barred unless suit be instituted or petition filed as herein provided in the Court of Claims within five years from the date of approval of this act, and such suit shall make the Stockbridge Tribe party plaintiff and the United States party defendant. The petition shall be verified by the attorney or attorneys employed to prosecute such claim or claims under contract with the Stockbridges approved by the Commissioner of Indian Affairs and the Secretary of the Interior; and said contract shall be executed in their behalf by a committee chosen by them under the direction and approval of the Commissioner of Indian Affairs and the Secretary of the Interior. Official letters, papers, documents, and records, or certified copies thereof, may be used in evidence, and the departments of the Government shall give access to the attorney or attorneys of said Indian nation to such treaties, papers, correspondence, or records as may be needed by the attorney or attorneys of said Indian nation.

SEC. 3. In said suit the court shall also hear, examine, consider, and adjudicate any claims which the United States may have against said Indian nation, but any payment including gratuities which may have been made by the United States upon any claim against the United States shall not operate as an estoppel, but may be pleaded as an offset in such suit.

SEC. 4. That from the decision of the Court of Claims in any suit prosecuted under the authority of this act an appeal may be taken by either party as in other cases to the Supreme Court of the United States.

SEC. 5. That upon the final determination of any suit instituted under this act the Court of Claims shall decree such amount or amounts as it may find reasonable to be paid the attorney or attorneys so employed by said Indian nation for the services and expenses of said attorneys rendered or incurred prior or subsequent to the date of approval of this act: *Provided*, That in no case shall the aggregate amounts decreed by said Court of Claims for fees be in excess of $5,000, or in excess of a sum equal to 10 per cent of the amount of recovery against the United States.

SEC. 6. The Court of Claims shall have full authority by proper orders and process to bring in and make parties to such suit any or all persons deemed by it necessary or proper to the final determination of the matters in controversy.

SEC. 7. A copy of the petition shall, in such case, be served upon the Attorney General of the United States, and he, or some attorney from the Department of Justice to be designated by him, is hereby directed to appear and defend the interest of the United States in such case.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TUITION OF INDIAN CHILDREN IN PUBLIC SCHOOLS

The bill (H. R. 4835) to pay tuition of Indian children in public schools was considered as in Committee of the Whole.

The bill had been reported from the Committee on Indian Affairs with an amendment, on page 1, to strike out lines 6 to 12, in the following words, "pupils in State public schools during the fiscal years 1922 and 1923, and to expend for such purpose out of balances remaining from the appropriations for support of Indian day and industrial schools for such fiscal years, not to exceed a total of $30,000, without regard to the limitations heretofore placed by law upon the use of such appropriations for tuition of Indian pupils in public schools," and to insert "pupils in State public schools during the fiscal years 1921, 1922, and 1923, and to expend for such purpose whatever balances may remain from the appropriations for support of Indian day and industrial schools for such fiscal years, respectively, without regard to the limitations heretofore placed by law upon the use of such appropriations for tuition of Indian pupils in public schools: *Provided*, That so much as may be necessary of the unexpended balance of the appropriation for the fiscal year 1921 as may be required for the foregoing purpose is hereby appropriated," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to pay any claims which are ascertained to be proper and just, whether covered by contracts or not, for tuition of Indian pupils in State public schools during the fiscal years 1921, 1922, and 1923, etc.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

QUINAIELT INDIAN RESERVATION

The bill (H. R. 5416) to authorize the setting aside of certain tribal lands within the Quinaielt Indian Reservation in Washington for lighthouse purposes, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to set aside for lighthouse purposes, lot 5 in section 13 and lot 1, section 24, township 21 north, range 13 west of Willamette meridian, with the Quinaielt Indian Reservation, in Washington, containing a total of 43.20 acres: *Provided*, That the Secretary of Commerce shall pay the Indians therefor, from the appropriation for the general expenses of the Lighthouse Service for the fiscal year in which this reservation is made, such price for the lands set aside hereunder as may be agreed upon by the Secretary of the Interior and the Secretary of Commerce: *Provided further*, That the funds thus derived shall be deposited in the Treasury of the United States to the credit of the Indians of the Quinaielt Reservation, and shall be subject to expenditure for their benefit in such manner as the Secretary of the Interior may deem for their best interests.

SEC. 2. That there is hereby reserved for the use and benefit of the Indians of the Quinaielt Reservation in common all oil, gas, coal, or other minerals in the lands set aside hereunder for lighthouse purposes, and the right to prospect for and mine these commodities under such rules and regulations as may be agreed upon by the Secretary of the Interior and the Secretary of Commerce.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

COMPENSATION TO INJURED EMPLOYEES

The bill (H. R. 7041) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and

for other purposes," approved September 7, 1916, was considered as in Committee of the Whole.

The bill had been reported from the Committee on the Judiciary with an amendment, on page 2, line 8, after the word "act," to insert the words "if supported by competent evidence," so as to make the bill read:

Be it enacted, etc., That the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, be amended as follows:

That section 37 of said act is amended to read as follows:

"SEC. 37. That if the original claim for compensation has been made within the time specified in section 20, the commission may, at any time, on its own motion or on application, review the award, and, in accordance with the facts found on such review, may end, diminish, or increase the compensation previously awarded, or, if compensation has been refused or discontinued, award compensation. In the absence of fraud or mistake in mathematical calculation, the finding of facts in, and the decision of the commission upon, the merits of any claim presented under or authorized by this act if supported by competent evidence shall not be subject to review by any other administrative or accounting officer, employee, or agent of the United States. Any award heretofore made by the Compensation Commission under the act of September 7, 1916, for disability or death resulting from a personal injury sustained prior to the passage of this act, shall be valid, if such award would be valid if made in respect to an injury sustained after the passage of this act."

SEC. 2. That section 40 of said act is amended to read as follows:

"SEC. 40. That wherever used in this act—

"The singular includes the plural and the masculine includes the feminine.

"The term 'employee' includes all civil employees of the United States and of the Panama Railroad Co.

"The term 'commission' shall be taken to refer to the United States Employees' Compensation Commission provided for in section 28.

"The term 'physician' includes surgeons.

"The term 'monthly pay' shall be taken to refer to the monthly pay at the time of the injury.

"The term 'injury' includes, in addition to injury by accident, any disease proximately caused by the employment.

"The term 'compensation' includes the money allowance payable to an employee or his dependents and any other benefits paid for out of the compensation fund: *Provided, however*, That this shall not in any way reduce the amount of the monthly compensation payable in case of disability or death."

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AMENDMENT OF LAWS RELATING TO THE JUDICIARY

The bill (H. R. 169) to amend an act entitled "An act to amend section 73 of an act entitled 'An act to codify, revise, and amend the laws relating to the judiciary,' approved June 12, 1916," and for other purposes, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That section 73 of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved June 12, 1916, be, and the same is hereby, amended to read as follows:

"SEC. 73. That the State of Colorado shall constitute one judicial district, to be known as the district of Colorado. Terms of the district court shall be held at Denver on the first Tuesday in May and November, at Pueblo on the first Tuesday in April, at Grand Junction on the second Tuesday in September, at Montrose on the third Tuesday in September, at Durango on the fourth Tuesday in September, and at Sterling on the second Tuesday in June: *Provided*, That if at the time of the holding of a term of said court in any year in either of said cities of Grand Junction, Durango, and Sterling, Colo., there is no business to be transacted by said court, the term may be adjourned or continued by order of the judge of said court in chambers at Denver, Colo.: *Provided further*, That the marshal and clerk of said court shall each, respectively, appoint at least one deputy to reside at and who shall maintain an office at each of the five said places where said court is to be held by the terms of this act: *Provided further*, That suitable rooms and accommodations for holding court at Sterling are furnished free of expense to the United States."

Mr. KING. Before House bill 169 is passed——

Mr. PHIPPS. It merely provides for terms of the United States district court to be held at Sterling, Colo., in the northeastern section of the State. There are four places aside from the capital city where court may now be held, but they are all in the southern or western sections, across the Rocky Mountain Range. There is only one provided for in the northeastern section of the State.

Mr. KING. I was attracted by this language, which caught my eye:

Provided further, That the marshal and clerk of said court shall each, respectively, appoint at least one deputy to reside and who shall maintain an office at each of the said five places where said court is to be held by the terms of this act.

Mr. PHIPPS. There are four at the present time.

Mr. KING. Does that create new positions?

Mr. PHIPPS. One position, an assistant deputy marshal for Sterling, Colo. The other four are located at Pueblo, Montrose, Gunnison, and one other place on the western slope. This will be the only one in the northeastern section of the State. It is the only one provided for in this bill, and it is necessary, particularly with the number of liquor cases that have to be cared for at the present time.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

COMPENSATION TO INJURED EMPLOYEES

The bill (S. 2508) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, was announced as next in order.

Mr. SHORTRIDGE. Senate bill 2508 is the same as House bill 7041, which we have just passed. Therefore I ask that Senate bill 2508 be indefinitely postponed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KING. May I inquire of the Senator whether he understands that the bill which was passed a moment ago, to which Senate bill 2508 is related, changes the general scope and purpose of the employees' compensation act?

Mr. SHORTRIDGE. Yes; it does to some extent. Yes.

Mr. KING. Does it enlarge the character of the injuries or increase the number of injuries for which compensation may be made?

Mr. SHORTRIDGE. I think it does.

Mr. ROBINSON. It merely embraces what are known as occupational diseases.

Mr. KING. I shall move to have the vote by which the bill was passed reconsidered.

Mr. ROBINSON. I hope the Senator will not insist upon his motion now or hereafter.

AMENDMENT OF INTERSTATE COMMERCE ACT

The bill (S. 862) amending section 1 of the interstate commerce act was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That paragraph (4) of section 1 of the interstate commerce act, as amended, is hereby amended by adding at the end thereof a new sentence to read as follows:

"It shall be unlawful for any such carrier to demand, charge, or collect from any person for transportation, subject to the provisions of this act, in any parlor car or sleeping car, any fare in addition to that demanded, charged, or collected for transportation in a day coach, but this shall not prevent just and reasonable charges for the use of accommodations in parlor cars or sleeping cars by companies owning such cars."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

DAIRY BUREAU IN THE DEPARTMENT OF AGRICULTURE

The bill (H. R. 7113) to establish a dairy bureau in the Department of Agriculture, and for other purposes, was announced as next in order, and was read, as follows:

Be it enacted, etc., That there is hereby established in the Department of Agriculture a bureau to be known as the bureau of dairying.

SEC. 2. That a chief of the bureau of dairying shall be appointed by the Secretary of Agriculture, who shall be subject to the general direction of the Secretary of Agriculture. He shall devote his time to the investigation of the dairy industry and the dissemination of information for the promotion of the dairy industry.

SEC. 3. For the purpose of enabling the Secretary of Agriculture and the chief of the bureau of dairying to carry out the purposes of this act the Secretary of Agriculture is hereby authorized to transfer to the bureau of dairying such activities of the Department of Agriculture as he may designate which relate primarily to the dairy industry and to employ such additional persons in the city of Washington and elsewhere as may be necessary.

SEC. 4. For the purpose of carrying out the provisions of this act and the activities of the bureau of dairying such sums of money as Congress may deem necessary are hereby authorized to be appropriated, in addition to such sums provided for in the agricultural appropriation act for the fiscal year ending June 30, 1925.

SEC. 5. That this act shall be in full force and effect on and after July 1, 1924.

Mr. KING. Let the bill go over.

Mr. McNARY. The bill has been favorably reported by the Senate Committee on Agriculture and Forestry unanimously and has been passed by the House. It does not require an appropriation, and is a bill which has been recommended by all the dairy interests of the country.

Mr. KING. I withdraw the objection.

The Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

GRANT OF LANDS TO PHOENIX, ARIZ.

The bill (S. 3093) grating certain public lands to the city of Phoenix, Ariz., for municipal, park, recreation, playground, or public-convenience purposes, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Public Lands and Surveys with amendments, on page 1, line 10, before the word "sections" to insert the word "of"; and on page 2, line 22, to strike out "easements, on said lands" and insert new language, so as to make the bill read:

Be it enacted, etc., That the south half of the north half and all the south half of section 13, the southwest quarter, the west half of the southeast quarter, the southeast quarter of the southeast quarter, section 14, the southeast quarter, section 21, the east half of the northwest quarter, the southwest quarter of the northwest quarter, the east half of the northeast quarter, the southwest quarter of the northeast quarter, and all of south half, section 22, all of sections 23, 24, 25, 26, and 27, township 1 south, range 2 east, Gila and Salt River meridian, Arizona. The south half, section 1, the south half, section 2, the south half, section 7, the south half, section 8, the south half section 9, the south half, the northeast quarter, section 10, all of sections 11, 12, northwest quarter section 13, all of sections 14, 15, 16, 17, 18, 19, 20, 21, 22, and 30, township 1 south, range 3 east, Gila and Salt River meridian, Arizona. The west half of the southwest quarter, section 5, the south half and the south half of the northwest quarter, section 6, township 1 south, range 4 east, Gila and Salt River meridian, Arizona, be, and the same are hereby, granted to the city of Phoenix, Ariz., for municipal, park, recreation, playground, or public convenience purposes, upon the condition that the city shall make payment for such land at the rate of $1.25 per acre to the receiver of the United States land office, Phoenix, Ariz., within six months after the approval of this act: *Provided*, That there shall be reserved to the United States all oil, coal, or other mineral deposits found at any time in the land, and the right to prospect for, mine, and remove the same: *Provided further*, That the grant herein is made subject to any valid existing claim or easements, and that the lands hereby granted shall be used by the city of Phoenix, Ariz., only for the purposes herein indicated, and if the said land, or any part thereof, shall be abandoned for such use, said land or such part shall revert to the United States; and the Secretary of the Interior is hereby authorized and empowered to declare such a forfeiture of the grant and to restore said premises to the public domain, if at any time he shall determine that the city has abandoned the land for the uses herein indicated, and such order of the Secretary shall be final and conclusive, and thereupon and thereby said premises shall be restored to the public domain and freed from the operation of this grant.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill granting certain public lands to the city of Phoenix, Ariz., for municipal, park, and other purposes."

PENSIONS AND INCREASE OF PENSIONS

The bill (H. R. 6426) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors, was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

SCHOOL SITE FOR UTE INDIANS

The bill (H. R. 2882) to provide for the reservation of certain land in Utah as a school site for Ute Indians was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That there is hereby withdrawn from settlement, occupancy, or disposal under the laws of the United States, and set apart and reserved for and as a school site for the benefit of the Ute Indians, an unsurveyed tract of land in San Juan County, Utah, located in township 36 south, range 21 east, Salt Lake meridian, approximately the northeast quarter of the southwest quarter of section 7.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PAIUTE INDIANS

The bill (H. R. 2884) providing for the reservation of certain lands in Utah for certain bands of Paiute Indians was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That there is hereby withdrawn from settlement, occupancy, or disposal under the laws of the United States, and set apart and reserved for the use, benefit, and occupancy of certain bands of Paiute Indians, and such other Indians of this tribe as the Secretary of the Interior may see fit to settle thereon, subject, however, to any valid existing rights of any persons thereto, the tracts of land in the State of Utah, particularly described as follows: Sections 21, 22, 23, and 24, township 29 south, range 18 west, Salt Lake meridian.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PROTECTION OF WILD GAME ANIMALS AND WILD BIRDS IN ALASKA

The joint resolution (S. J. Res. 127) to provide that the powers and duties conferred upon the Governer of Alaska under existing law for the protection of wild game animals and wild birds in Alaska be transferred to and be exercised by the Secretary of Agriculture was considered as in Committee of the Whole, and was read, as follows:

Resolved, etc., That on and after July 1, 1924, the powers and duties heretofore conferred upon the governor of Alaska by existing law for the protection of wild game animals and wild birds in Alaska are hereby conferred upon and shall be exercised by the Secretary of Agriculture; and all money available or appropriated in any act for the fiscal year ending June 30, 1925, for carrying into effect the act approved May 11, 1908, entitled "An act for the protection of game in Alaska, and for other purposes," including salaries, traveling expenses of game wardens, and all other necessary expenses, is hereby transferred to the credit of the Department of Agriculture to be expended by the Secretary of Agriculture for such purposes.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PLUMAS AND LASSEN NATIONAL FORESTS, CALIFORNIA

The bill (H. R. 656) to add certain lands to the Plumas and Lassen National Forests in California was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the following-described lands are hereby added to the national forest indicated and made subject to all laws applicable to that national forest: To the Plumas National Forest—township 26 north, range 7 east, section 6, southeast quarter; township 27 north, range 7 east, section 22, south half northeast quarter; section 23, south half northwest quarter; township 27 north, range 6 east, section 4, northeast quarter northwest quarter; township 28 north, range 6 east, section 33, west half southwest quarter, southeast quarter southwest quarter, all of Mount Diablo base and meridian. To the Lassen National Forest— township 29 north, range 7 east, section 21, northwest quarter northeast quarter, north half northwest quarter, southeast quarter northwest quarter; section 29, northeast quarter northwest quarter, northeast quarter southwest quarter, northwest quarter southeast quarter; section 34, northeast quarter southeast quarter, southeast quarter northeast quarter, northeast quarter northwest quarter, west half northeast quarter, northeast quarter northeast quarter, all of Mount Diablo base and meridian.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CHARLES SWANSON

The bill (H. R. 1442) authorizing issuance of patent to Charles Swanson was considered as in Committee of the Whole, and read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to issue to Charles Swanson, of Gig Harbor, Wash., patent to lots 3 and 4, section 5, township 20 north, range 2 east, Willamette meridian, the same comprising 9.57 acres, and being part of Gig Harbor abandoned military reservation, Nos. 23 and 24, in the State of Washington, upon presentation by the said Charles Swanson of proof that he has resided upon the land for a period of eight years, and upon payment by him of a sum of money equal to the appraised value thereof as fixed under authority

of the act entitled "An act providing for the sale of certain lands in the State of Washington, and for other purposes," approved July 3, 1916 (39 Stat. L. p. 342), but not less than $10 per acre.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

POINT OF WOODS RANGE LIGHTS, MICHIGAN

The bill (H. R. 4481) authorizing the Secretary of Commerce to exchange land formerly used as a site for the Point of Woods Range Lights, Michigan, for other lands in the vicinity, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of Commerce be, and he is hereby, authorized and directed to grant and convey to Robert P. Hudson, of Sault Ste. Marie, Mich., all of that certain lot or piece of land acquired by the United States through condemnation proceedings by an order dated January 18, 1909, of the Circuit Court of the United States for the Western District of Michigan, Northern Division, described as follows:

That part of lot 1, section 25, township 45 north, range 2 east, beginning at a point marked by a stone monument bearing south 40 degrees, 52 minutes, 50.07 feet distant from the center of the front range light mast, and running north 46 degrees, 47 minutes, 22.13 seconds west, 408.77 feet; thence north 43 degrees, twelve minutes, 37.87 seconds east, 100 feet; thence south 46 degrees, 47 minutes, 22.13 seconds east, 453 feet, more or less, to the shore of the St. Marys River; thence along said shore in a southwesterly direction to the point of intersection of said shore with a line bearing south 46 degrees, 47 minutes, 22.13 seconds east from the point of beginning; thence along said last line north 46 degrees, 47 minutes, 22.13 seconds west, 54 feet, more or less, to the point of beginning; for and in consideration of the said Robert P. Hudson granting and conveying to the United States in fee simple, free and clear of all mortgages, liens, encumbrances, taxes, or claims of any kind whatsoever, the following-described premises:

That part of lot 1, section 25, township 45 north, range 2 east, beginning at a point 20 feet south 44° 16′ west from the center of the cast-iron mast supporting the Point of Woods Range Front Light, center of said mast being 206 feet north 38° 50′ east from the location of the old front light of the Point of Woods Range; thence north 45° 44′ west 330 feet; thence north 44° 16′ east 60 feet more or less, to the St. Marys River; thence southeasterly along the shore of the St. Marys River to its intersection with a line through the point of beginning and bearing south 45° 44′ east; thence north 45° 44′ west along the above line 100 feet, more or less to the point of beginning, all bearings given being from the true north.

Provided, That the Attorney General shall first examine the title of the said Robert P. Hudson to premises to be conveyed to the United States as aforesaid and shall furnish his written opinion in favor of the validity thereof: *Provided further*, That the said Robert P. Hudson, within such reasonable time after the passage of this bill as may be determined by the Secretary of Commerce shall deed to the United States the premises herein described to be conveyed by him: *And provided further*, That the said Robert P. Hudson shall furnish, free of expense to the United States, requisite abstracts, official certifications, and evidences of title that the Attorney General may deem necessary, and that any expense necessary to be incurred by the United States in effecting this exchange shall be payable from the appropriation "General expenses, Lighthouse Service" for the fiscal years in which such expenses are incurred.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PUBLIC LANDS IN THE COLUMBIA OR MOSES RESERVATION, WASH.

The bill (H. R. 7109) to authorize acquisition of unreserved public lands in the Columbia or Moses Reservation, State of Washington, under acts of March 28, 1912, and March 3, 1877, and for other purposes, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That from and after the passage of this act all unreserved public lands within the former Columbia or Moses Reserve, in the State of Washington, made subject to acquisition under the homestead laws by the act of Congress approved July 4, 1884 (23 Stat., p. 76), be, and they are hereby, made subject to acquisition under the isolated tract (act of March 28, 1912), desert land (act of March 3, 1877), and other acts applicable generally to the public domain.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CROOK NATIONAL FOREST, RECREATIONAL AREA, ARIZ.

The bill (H. R. 498) providing for a recreational area within the Crook National Forest, Ariz., was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of Agriculture is hereby authorized, in his discretion, upon application by the Board of Supervisors of Gila County, Ariz., to designate and segregate for recreational development any lands, not to exceed 640 acres, within the Crook National Forest, Ariz., which in his opinion, are available for such purpose, and he is hereby authorized to enter into such form of cooperation with said board of supervisors as in his opinion will permit the fullest use of the lands for recreational purposes without interfering with the objects for which the national forest was established. Lands so designated and segregated, under the provisions of this act, shall not be subject to the mining laws of the United States.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ORDER FOR RECESS

The PRESIDENT pro tempore. The Chair desires to state that there has been no order made yet as to whether a recess or an adjournment will be taken at 11 o'clock.

Mr. CURTIS. I intended to ask unanimous consent that when the business of the Senate is concluded to-day a recess shall be taken until 11 o'clock to-morrow morning.

Mr. KING. Will not the Senator make it 12 o'clock? We have some committee meetings to attend.

Mr. CURTIS. It is desired that the Agricultural appropriation bill shall be brought before the Senate in the morning at 11.

Mr. WARREN. I hope there will be no objection to the request of the Senator from Kansas. Otherwise we shall have to hold a session to-morrow night.

The PRESIDENT pro tempore. The Senator from Kansas asks unanimous consent that when the Senate concludes its business to-night it take a recess until 11 o'clock to-morrow. Is there objection? The Chair hears none, and it is so ordered.

EXCHANGE OF LANDS IN RIO ARRIBA AND TAOS COUNTIES, N. MEX.

The bill (S. 3024) providing for the acquirement by the United States of privately owned lands within Rio Arriba and Taos Counties, N. Mex., known as the Las Trampas grant, by exchanging therefor timber, within the exterior boundaries of any national forest situated within the State of New Mexico, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he hereby is, authorized in his discretion to accept on behalf of the United States title to all or any part of privately owned lands, situated within the Las Trampas grant, located within the counties of Rio Arriba and Taos, State of New Mexico, if in the opinion of the Secretary of Agriculture public interests will be benefited thereby, and the lands are chiefly valuable for national forest purposes, and in exchange therefor the Secretary of Agriculture may authorize the grantor to cut and remove an equal value of timber within the national forests of the same State; the values in each case to be determined by the Secretary of Agriculture and acceptable to the grantor as a fair compensation. Timber given in exchange shall be cut and removed under the laws and regulations relating to the national forests, and under the direction and supervision and in accordance with the requirements of the Secretary of Agriculture.

SEC. 2. That lands offered for exchange hereunder and not covered by public land surveys shall be identified by metes and bounds surveys and that such surveys and the plats and field notes thereof shall be made by employees of the United States Forest Service and approved by the United States Surveyor General.

SEC. 3. That any lands conveyed to the United States under the provisions of this act shall, upon acceptance of the conveyance thereof, become and be a part of Carson National Forest.

SEC. 4. That before any exchange of lands for timber as above provided is effected, notice of such exchange proposal, describing the lands involved therein, shall be published once each week for four consecutive weeks in some newspaper of general circulation in the county in which such lands so to be conveyed to the United States are situated.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

EXTENSION OF HOMESTEAD LAWS

The bill (S. 2979) to extend the provisions of the homestead laws so as to allow certain credit in lieu of permanent improvements for the period of enlistment to soldiers, nurses, and officers of the Army and the seamen, marines, nurses, and officers of the Navy and the Marine Corps of the United States was considered as in Committee of the Whole.

The bill had been reported from the Committee on Public Lands and Surveys with amendments, on page 2, line 7, to strike out "$1.25" and to insert "60 cents," and in lines 7 and 8 to strike out the words "acre, less 4 cents per acre for each month of military service for which he is allowed credit for residence on the land," and to insert the words "acre: *Provided*, That in no case shall the aggregate value of improvements be less than $200," so as to make the bill read:

Be it enacted, etc., That any person who is or may be entitled to credit on the residence required of homesteaders under sections 2304 and 2305, Revised Statutes of the United States, and under the terms of the act of Congress approved February 25, 1919, and all acts amendatory thereof or supplementary thereto, by reason of military service, and who has made or shall make entry of a homestead under the stock raising homestead act of December 29, 1916, shall be entitled to perfect final proof and receive patent to such homestead when he shall have resided on the land and erected a habitable house thereon as now required by law, and has made permanent improvements on the land, having aggregate value of 60 cents per acre: *Provided*, That in no case shall the aggregate value of improvements be less than $200.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDENT pro tempore. This completes the calendar.

PERLEY MORSE & CO.

Mr. COPELAND. I ask unanimous consent that we return to Order of Business 439, Senate bill 2124, for the relief of Perley Morse & Co.

The PRESIDENT pro tempore. The Senator from New York asks unanimous consent that the Senate return to Senate bill 2124. Is there objection?

Mr. CURTIS. Let the bill be reported.

The bill was read and considered as in Committee of the Whole.

It had been reported from the Committee on Claims with an amendment, on page 1, line 6, to strike of "$882.50" and to insert in lieu thereof "$859.39," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Perley Morse & Co., out of any money in the Treasury not otherwise appropriated, the sum of $859.39 in settlement of the claim of said company for overtime work performed in connection with services rendered the Federal Trade Commission in its investigation of the newsprint paper industry during the month of May, 1918, in order to complete the work in time to be of practical use to the commission.

Mr. COPELAND. These people were the expert accountants employed by the Federal Trade Commission during the war to investigate the newsprint paper industry. We have letters here from the commission saying that this sum is clearly due these people. I think the bill should be paid. It amounts to $859.39 under the amendment.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RECESS

The PRESIDENT pro tempore. The hour of 11 o'clock having arrived, the Senate, pursuant to its order, stands in recess until 11 o'clock a. m. to-morrow.

NOMINATIONS

Executive nominations received by the Senate May 22 (legislative day of May 20), 1924

EXAMINER IN CHIEF IN THE PATENT OFFICE

Webster S. Ruckman, of Michigan, to be an examiner in chief in the Patent Office, vice Richard E. Marine, resigned, effective at the close of May 26, 1924.

POSTMASTERS

ARIZONA

Robert B. Anderson to be postmaster at Clifton, Ariz., in place of W. B. Kelly, resigned.

COLORADO

Charles V. Engert to be postmaster at Lyons, Colo., in place C. V. Engert. Incumbent's commission expires June 4, 1924.

Oscar L. Morris to be postmaster at La Salle, Colo., in place of O. L. Morris. Incumbent's commission expired February 18, 1924.

HAWAII

William K. Kelli to be postmaster at Wahlawa, Hawaii, in place of Elizabeth Perkins, resigned.

IDAHO

Elmer C. Hull to be postmaster at Wilder, Idaho, in place of C. E. Mitchell. Incumbent's commission expires June 5, 1924.

Ned Jenness to be postmaster at Nampa, Idaho, in place of G. C. Jacobsen. Incumbent's commission expires June 5, 1924.

ILLINOIS

Arthur Justus to be postmaster at Warren, Ill., in place of Arthur Justus. Incumbent's commission expires June 4, 1924.

Le Roy Gammon to be postmaster at Thebes, Ill., in place of H. S. Rolwing. Incumbent's commission expires June 5, 1924.

Minor S. Miller to be postmaster at Pearl City, Ill., in place of J. L. Mishler. Incumbent's commission expires June 5, 1924.

Guy A. Meyers to be postmaster at Milledgeville, Ill., in place of C. D. Miller. Incumbent's commission expires June 5, 1924.

Joseph D. Robertson to be postmaster at Barrington, Ill., in place of J. D. Robertson. Incumbent's commission expires May 28, 1924.

IOWA

Letha Doughten to be postmaster at Woolstock, Iowa, in place of Letha Doughten. Office became third class January 1, 1923.

Solomon T. Grove to be postmaster at Plover, Iowa, in place of S. T. Grove. Office became third class April 1, 1924.

KANSAS

Charles F. Schafer to be postmaster at Jewell, Kans., in place of B. M. Palmer. Incumbent's commission expires June 4, 1924.

KENTUCKY

Thoughty Y. Oliver to be postmaster at Scottsville, Ky., in place of B. L. Stamps. Incumbent's commission expired September 30, 1923.

Henry O. Hausgen to be postmaster at Anchorage, Ky., in place of T. C. Hobbs. Incumbent's commission expires June 4, 1924.

LOUISIANA

Walter C. Miller to be postmaster at Logansport, La., in place of G. D. Nash, resigned.

Harriet B. Rice to be postmaster at Madisonville, La., in place of H. R. Rice. Incumbent's commission expired March 2, 1924.

Mildred P. Prescott to be postmaster at Lutcher, La., in place of A. L. Woods. Incumbent's commission expires June 3, 1924.

MAINE

John W. Knapp to be postmaster at Stratton, Me., in place of R. L. Lisherness. Incumbent's commission expires June 5, 1924.

Vernon H. Lowell to be postmaster at Bowdoinham, Me., in place of F. K. Jack. Incumbent's commission expires June 5, 1924.

MASSACHUSETTS

Albert S. Hopkins to be postmaster at Norton, Mass., in place of W. W. McLehose. Incumbent's commission expires June 4, 1924.

MICHIGAN

James R. Flood to be postmaster at Crystal Falls, Mich., in place of W. J. Kelly. Incumbent's commission expired July 28, 1923.

MONTANA

Lee Jellison to be postmaster at Hobson, Mont., in place of M. J. Keenan. Incumbent's commission expires June 4, 1924.

NEBRASKA

Otto J. Zuelow to be postmaster at Schuyler, Nebr., in place of F. J. Kovar. Incumbent's commission expired April 9, 1924.

Anton B. Helms to be postmaster at Randolph, Nebr., in place of A. B. Helms. Incumbent's commission expires June 4, 1924.

Robert L. Hart to be postmaster at Cozad, Nebr., in place of Hans Jensen. Incumbent's commission expired April 9, 1924.

Stanley E. Hemenway to be postmaster at Clearwater, Nebr., in place of C. A. Payne. Incumbent's commission expires June 4, 1924.

Guy W. Green to be postmaster at Bloomington, Nebr., in place of T. J. Lane. Incumbent's commission expires June 4, 1924.

Elmer H. Doering to be postmaster at Battle Creek, Nebr., in place of M. G. Doering. Incumbent's commission expires June 4, 1924.

Harry C. McClellan to be postmaster at Arlington, Nebr., in place of J. C. Badger. Incumbent's commission expires June 4, 1924.

NEW HAMPSHIRE

Maurice R. Wright to be postmaster at North Hampton, N. H., in place of M. R. Wright. Office became third class July 1, 1923.

NEW YORK

Ettie M. Babcock to be postmaster at Canaan, N. Y., in place of R. A. Weir, resigned.

NORTH DAKOTA

Michael Coyne to be postmaster at Starkweather, N. Dak., in place of Michael Coyne. Incumbent's commission expired April 23, 1924.

Myron B. Fallgatter to be postmaster at Kintyre, N. Dak., in place of M. B. Fallgatter. Office became third class April 1, 1924.

OHIO

Jerome Goodhart to be postmaster at Brewster, Ohio, in place of J. H. C. Goodhart. Incumbent's commission expired May 10, 1924.

OKLAHOMA

John H. Durnil to be postmaster at Picher, Okla., in place of E. H. Barrett. Incumbent's commission expired November 19, 1923.

PENNSYLVANIA

Martin T. Weaver to be postmaster at Strasburg, Pa., in place of J. F. Johnston. Incumbent's commission expired August 5, 1923.

Paul L. Boyd to be postmaster at Mars, Pa., in place of M. M. Little. Incumbent's commission expired May 18, 1924.

SOUTH CAROLINA

Wallace H. Meng to be postmaster at Johnsonville, S. C., in place of Chivas Prosser, resigned.

Andrew R. Barrett to be postmaster at Rock Hill, S. C., in place of E. E. Poag. Incumbent's commission expired February 20, 1924.

SOUTH DAKOTA

Sidney H. Dains to be postmaster at Marion, S. Dak., in place of S. H. Dains. Incumbent's commission expired April 13, 1924.

TENNESSEE

Samuel W. Ingersoll to be postmaster at Decherd, Tenn., in place of J. L. Haynes. Incumbent's commission expired September 5, 1923.

TEXAS

Hal M. Knight to be postmaster at Sterling City, Tex., in place of H. M. Knight. Incumbent's commission expired May 6, 1924.

VIRGINIA

Hugh H. Slemp to be postmaster at Big Stone Gap, Va., in place of G. E. Gilly. Incumbent's commission expired August 15, 1923.

WASHINGTON

Trygve Lien to be postmaster at Stanwood, Wash., in place of William Rouse. Incumbent's commission expired August 29, 1923.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 22 (legislative day of May 20), 1924

MEMBERS OF THE FEDERAL FARM LOAN BOARD

Lewis J. Pettijohn. Merton L. Corey.
Elmer S. Landes. Edward E. Jones.

CHIEF JUSTICE OF COURT OF APPEALS OF THE DISTRICT OF COLUMBIA

George E. Martin to be chief justice of the court of appeals, District of Columbia.

MEMBERS OF RENT COMMISSION OF THE DISTRICT OF COLUMBIA

William F. Gude. Oliver Metzerott.
Richard S. Whaley. Thomas E. Peeney.
Mrs. Clara Sears Taylor.

POSTMASTERS

MAINE

Alvin H. Perley, Charleston.
Arthur Donkus, Lisbon.

MASSACHUSETTS

Fred W. Trasher, Marblehead.

VIRGINIA

Emmitt A. Collins, Appalachia.
James O. Fant, Brandy (late Brandy Station).
Sam P. Bowen, Duffield.
Charles C. Peery, North Tazewell.
Herbert C. Bolton, St. Paul.

HOUSE OF REPRESENTATIVES

THURSDAY, *May 22, 1924*

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, as we wait at the threshold of duty, impress us with a solemn sense of our most sacred obligations. May it be a most serious thought with us that only through righteous and conscientious service to our country can our Republic live in honor and power and be a blessing to all men. Make it appear unto us, O Lord, that it is divinely wonderful to work and toil for others and thus influence and direct human destiny. We bless and praise Thee with unmurmuring faith for all Thy condescending mercies and for all Thy gracious providences. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Welch, one of its clerks, announced that the Senate had passed with amendments joint resolution (H. J. Res. 237) directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had agreed to the amendment of the House of Representatives to the joint resolution (S. J. Res. 89) authorizing and permitting the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., as are necessary for the use and benefit of the National Guard of the State of Arkansas.

The message also announced that the Senate had insisted upon its amendments to the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. WADSWORTH, Mr. JONES of Washington, Mr. SPENCER, Mr. FLETCHER, and Mr. HARRIS as the conferees on the part of the Senate.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes, had agreed to the amendments of the House of Representatives to the amendments of the Senate Nos. 8, 25, 28, 40, 43, 48, 50, 51, 52, 53, 54, and 60 to the foregoing bill.

The message also announced that the Senate had passed with amendments the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes; in which the concurrence of the House of Representatives was requested.

DEFICIENCY BILL

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 9192, just messaged over from the Senate, to agree to amendments Nos. 1 and 2 and disagree to No. 3.

The SPEAKER. The gentleman from Illinois asks unanimous consent to take from the Speaker's table the deficiency appropriation bill. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill by title.

The Clerk read as follows:

H. R. 9192. An act making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes.

The SPEAKER. The Clerk will report the first amendment.
The Clerk read as follows:

Senate amendments: Page 1, line 2, insert: "District courts. Supreme Court, District of Columbia: For fees of jurors, $16,000; 60 per cent of said sum shall be paid out of the revenues of the District of Columbia and 40 per cent out of the Treasury of the United States."

Mr. MADDEN. Mr. Speaker, I move to concur in the Senate amendment, and I wish to say in that connection we have already had hearings before the Committee on Appropriations in connection with this, and it is a very essential amendment, because it is required to pay jurors' fees that are already assembled, and there are seven courts in session in the District now, including two grand juries.

The SPEAKER. The gentleman from Illinois moves to concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.
The Clerk read as follows:

Senate amendment: Page 2, after line 2, insert: "Rent Commission: Any unexpended balance of appropriation for rent commissioners of the District are hereby reappropriated and made available during the life of said commission."

Mr. BLANTON. Mr. Speaker, I would ask the gentleman from Illinois to yield me five minutes.

Mr. MADDEN. I move to concur in the Senate amendment. I yield the gentleman from Texas five minutes.

Mr. BLANTON. Mr. Speaker, I am surprised that the distinguished gentleman from Illinois [Mr. MADDEN] would make such a motion. If it were not for having this distinguished gentleman at the head of our Committee on Appropriations I would have little hope of the Government effecting any economy whatever this year, but when he moves to pay a bunch of men and employees money when they can not render any service of value whatever to the Government, I am surprised.

Mr. MADDEN. Will the gentleman yield?

Mr. BLANTON. In just a moment. The Supreme Court of the United States of America has spoken on this question, and they have held that they would judicially declare no emergency existing and they have held this Rent Commission to be unconstitutional, and yet we have gone on and passed an unconstitutional act and attempted to extend it another year. And an official of the Government of the United States has sought to take part through action of an Assistant Attorney General before the courts, asking that the courts not interfere; yet the courts, the bulwark of the liberty of the people, have spoken, for just day before yesterday Justice Stafford, of the Supreme Court of the District of Columbia, enjoined these rent commissioners from performing their duties, and yet in a deficiency bill we are now appropriating money to pay their salaries and the salaries of their employees when they can not move a peg. What is the use of it? Why this waste? Why this extravagance of the people's money when the taxpayers now are overburdened? They are putting one over on the gentleman from Illinois in this instance. He is sleeping on his rights, for I would have expected him to have gotten up here and protested against it and stopped it.

The President of the United States ought to stop it. I will tell you what you are going to see for the next 12 months. You are going to see these five rent commissioners and their attorneys and employees down there drawing their big salaries every month from the Public Treasury and doing absolutely nothing, because the courts are not going to let them do anything. The courts have spoken. The courts say they shall not act, the courts have restrained them, and every time they attempt to act you will see an injunction, and who is going to pay all these enormous injunction expenses?

Mr. McKEOWN. Will the gentleman yield for a question?

Mr. BLANTON. Who are to pay the cost of these injunction cases that are rendered against the Government of the United States? The tax-burdened people are to pay for it, and I am not going to sit here quietly in my seat in this House and let this travesty on justice be perpetrated here upon the floor and not raise my voice in protest. It ought to stop.

Mr. McKEOWN. Will the gentleman yield for a question?

Mr. BLANTON. I will.

Mr. McKEOWN. Does not the gentleman think that these courts are going a long way in recent days, especially in view of the fact that judges have tried to set aside the pardoning power of the President of the United States and——

Mr. BLANTON. I want to say to the distinguished jurist who presided over the Oklahoma court with distinction that I am glad that the courts will not permit even the President of the United States to set aside the laws. I want to say to him that if it were not for the courts of the country the rights of the poor people would not be protected. It is the courts of the country that protect the poor people. The rich people can hire the best legal talent in the world. It is the courts, at last, which protect the poor man, and I hope the gentleman will never say anything against the courts of the country.

Mr. MADDEN. Mr. Speaker, I was with the gentleman from Texas [Mr. BLANTON] in opposition to the enactment of the law, but the law has been enacted, and we have that mandate now to make the appropriation. I move the previous question on the amendment.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. BLANTON. Mr. Speaker, I ask for a division.

The SPEAKER. A division is asked for.

The House divided; and there were—ayes 49, noes 3.

So the amendment was agreed to.

Mr. MADDEN. Mr. Speaker, I move that the House disagree to Senate amendment No. 3.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk read as follows:

Senate amendment No. 3: Page 2, after line 2, insert:

"SMITHSONIAN INSTITUTION

"That additional taxes amounting to $74,657.70, together with all penalties and other charges thereon, assessed by the Treasury Department against the estate of Charles L. Freer, deceased, late of Detroit, Mich., which estate has been closed, the executors discharged, and the residue paid over to the Smithsonian Institution as an endowment for the Freer Gallery of Art, presented to the Nation by the said Charles L. Freer, are hereby canceled and the Treasury Department is hereby authorized and directed to remit any further taxes, penalties, or charges which may hereafter be found due from the said estate."

Mr. MADDEN. Mr. Speaker, I move that the House disagree to the Senate amendment.

The SPEAKER. The gentleman from Illinois moves that the House disagree to the Senate amendment.

The motion was agreed to.

HAUGEN-M'NARY BILL

Mr. HAUGEN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9033.

The SPEAKER. The gentleman from Iowa moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9033. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from Indiana [Mr. SANDERS] will please take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9033, with Mr. SANDERS of Indiana in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9033, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 9033) declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes.

Mr. HAUGEN. Mr. Chairman, will the gentleman from Missouri [Mr. RUBEY] use some of his time?

Mr. ASWELL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ASWELL. How much time has been consumed?

The CHAIRMAN. The gentleman from Iowa [Mr. HAUGEN] has consumed 59 minutes, the gentleman from Louisiana [Mr. ASWELL] 3 minutes, and the gentleman from Wisconsin [Mr. VOIGT] has consumed an hour and 12 minutes. That is a total of 2 hours and 14 minutes.

Mr. HILL of Maryland. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HILL of Maryland. Under the unanimous consent adopted the committee remains in session until 7 o'clock. Is that the situation?

The CHAIRMAN. Yes.

Mr. SUMMERS of Washington. Mr. Chairman, the gentleman from Missouri [Mr. RUBEY] is a member of the committee and has given very careful consideration to the bill. He

ought to have more Members here to hear him. I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Washington makes the point of order that there is no quorum present. The Chair will count. [After counting.] Eighty-four Members are present—not a quorum.

Mr. HAUGEN. Mr. Chairman, I move that the committee rise; and on that I demand tellers.

The CHAIRMAN. The gentleman from Iowa moves that the committee rise, and on that motion he demands tellers.

Tellers were ordered; and the chairman appointed Mr. HAUGEN and Mr. ASWELL to act as tellers.

The CHAIRMAN. Those in favor of the committee rising will pass between the tellers and be counted.

The committee divided; and the tellers reported—ayes 2, noes 99.

The CHAIRMAN. One hundred and one Members are present—a quorum. The gentleman from Missouri [Mr. RUBEY] is recognized.

Mr. RUBEY. Mr. Chairman and gentlemen of the House, we are meeting to-day for the further consideration of the McNary-Haugen bill.

You know as a rule I am glad to hear from home. Every week as the papers come in from my district I sit down and read them. It is like getting a letter from the folks back in my district. But in recent months I have not found so much news in those papers; I did not find so much that made me happy, but I have found a great many things that have made me sad. I have found that page after page of the newspapers, not only in my district but in other districts throughout the Middle West, are filled with legal notices of sheriff's sales. Those sheriff's sales are because of mortgages that have become due and the farmer is unable to pay. In a great many cases those notices are in there because the tax collector has been unable to collect his taxes, and those farms are being sold for taxes.

Those are the conditions that confront the American people to-day in that country which I have described. Throughout the Central West, the Northwest—practically three-fourths of this Union—the farmers are in bad condition. The years have gone by, one by one, since I have come into the membership of this House, and in those years you have always found me ready to vote for and support any proposition that came before this body for the purpose of helping agriculture in any particular part of this Union.

I like to look into your faces. I have friends here. I have friends here who do not agree with me upon this measure in which I am so deeply interested. From down yonder in the sunny South I have friends in this House who do not agree with me and who are not supporting this bill for agriculture. Let me say to them and to all the Members of this House that in the years I have been with you I have always stood for every proposition before us to develop that great southern country. I have been with you in your fight against the boll weevil, and in your fight against the citrus canker, and in your fight against the pink boll weevil on the Texas border, and in the fight in behalf of diversified agriculture in that great country. I have been with you on all those great propositions. Now we have before us a measure that affects agriculture, and it is needed in our section of the country, and if relief is not obtained our farmers will go down to distress and ruin. Will you not come over and help our Government to do something for agriculture and especially when you are not directly affected in your crop, although you are indirectly affected by reason of the fact that whenever we increase the purchasing power of the farmers of this land we are helping the cotton factory, we are helping the cotton industry, we are helping every industry throughout the length and breadth of the country?

Mr. Chairman, it is not my purpose to take any great length of your time; it is not my purpose to make a long speech, because I say to you that I have demands for time upon our side of the House in favor of this bill, and it would be unjust to them for me to consume a great amount of your time.

I want to speak briefly, if you please, and especially shall I talk with reference to the speech made by the gentleman from Wisconsin [Mr. VOIGT], who delivered his address here night before last. One of his first declarations was that this is a price-fixing bill, and he argued at some length against it upon that ground. The proponents of this measure do not admit that it is a price-fixing bill, and yet, if for argument's sake we were to waive that and were to admit that it is a price-fixing bill, what of it? This is not the first time, by any means, that bills have been passed through the Congress of the United States fixing prices. When you pass a bill through Congress on the subject of the tariff you are fixing prices. By the passage of this act we expect to give to the tiller of the soil a ratio price, which is an increased price for his basic agricultural products. The gentleman from Wisconsin [Mr. VOIGT], who argues against this bill because it is a price-fixing bill, on the 21st of April introduced a bill of his own in which he seeks to fix the price of No. 1 northern spring wheat at Minneapolis at $1.65 per bushel. But I am not going to take up your time on questions of this kind, because there are other things far more important.

The gentleman from Wisconsin [Mr. VOIGT] makes a strong argument on the proposition of overproduction by taking the position that if we pass the McNary-Haugen bill and guarantee to the American farmers a ratio price for their various basic agricultural products that they will immediately begin to increase their production of the commodities upon which they receive this ratio price. But I want to call the attention of this House to the real provisions of this measure. It is a farm-making measure; it is a measure which will be kept up by the farmers themselves, and any large increase in production will reflect back upon the farmer himself. If we were by increased production to increase the amount of wheat in this country until we would have 100,000,000 bushels more of wheat exported, the farmer of this country would be the sufferer by reason of that fact, because the equalization fee which he must pay under this bill would be increased. If we now had an equalization fee of 15 cents, an additional surplus export of 100,000,000 bushels would increase that amount to at least 30 cents; and when the farmer does that he himself is the sufferer by reason of that fact.

It must be borne in mind by the Members of the House throughout the consideration of this measure that the farmer himself pays the losses of the corporation from exports, and he pays also the expenses of the corporation. He does this by the payment of the equalization fee, and the greater the loss entailed through exports and the greater the expenses of the corporation the larger will be this fee, hence the less will be the farmer's net return in the transaction. The whole bill is based on the theory that the Government must supply the capital stock upon which the corporation will do business and that the farmers of the country will protect the Government in its investment, so that at the end of the period the $200,000,000 may be returned to the Treasury without the loss of a single dollar.

In this connection let me say that Mr. VOIGT, in the bill which he offered in the committee as a substitute for the McNary-Haugen bill, applies the same provisions as in the McNary-Haugen bill and makes the bill applicable to wheat only. He fixes in his bill a charge of 15 per cent, which shall be collected from the wheat producers under such rules, regulations, and contracts as the corporation may prescribe.

He has almost the identical language that is found in the McNary-Haugen bill for the collection of the equalization fee, and yet further on in his speech he calls your attention to the evasions that would be made under the McNary-Haugen bill, and yet those same evasions, if they can be made under the McNary-Haugen bill, can be made and will be made under the bill introduced by the gentleman from Wisconsin [Mr. VOIGT], with the exception, of course, that his bill applies only to wheat, while the other bill applies to other commodities.

Mr. VOIGT. Will the gentleman yield?

Mr. RUBEY. I would like to yield, but I must make my speech, and I must set this thing out at length. When I get through with that, I will be glad to yield if I have the time. When the gentleman from Wisconsin made his speech the other evening we all wanted him to proceed without interruption, and the gentleman from Virginia [Mr. MOORE] made the request that he should proceed without interruption. I would like to have, if it is your wish, the same privilege.

The same argument about overproduction can be made against Mr. VOIGT's bill, which he advocates, as he himself has made against the McNary-Haugen bill.

When the gentleman from Wisconsin came before the House to deliver his speech he was introduced by the distinguished gentleman from Louisiana [Mr. ASWELL], who is one of the four committee members who signed the minority report in opposition to this bill, as a gentleman who knew more about the bill than any other member of the committee. I admit that the gentleman from Wisconsin has been a very close student of the measure, and yet he made statements in his discussion on the floor of the House that, in my opinion, are not borne out by the provisions of the measure itself.

The gentleman insisted a number of times that the corporation would be compelled to declare an emergency upon every one of the commodities in this act, provided, of course, that there was a surplus export of the product, and that the domestic price of the commodity was less than the ratio price. I want

to call the gentleman's attention to section 2 of this bill, which reads as follows:

SEC. 2. (a) If the corporation finds (1) that there is a surplus for export of wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine, and (2) that, according to estimates made by it, the ratio prices, as defined in section 4, in respect of the commodity would be in excess of the domestic price thereof, it shall immediately notify the President in writing of its findings. Upon such notification from the corporation, it shall be the duty of the President by proclamation to declare that a special emergency exists as to such agricultural commodity.

During the closing hours of the consideration of this bill by the committee, and just before the vote was taken on the question of reporting it, I called the attention of the committee to this section, and I offered the following amendment:

After the word "of," in line 22, on page 2 of the bill as it is now printed, insert the following words: "one or more of the following commodities."

If my amendment had been adopted by the committee the language would read:

If the corporation finds, first, that there is a surplus for export of one or more of the following commodities: Wheat, flour—

And so forth.

I called the attention of the committee to the fact that we wanted to give the corporation absolute authority; if in its opinion there should be declared an emergency upon only one of these products, it could do so; or if it wanted an emergency declared upon two products, it could do so; or upon three or four, it could do so. When I offered my amendment in the committee my attention was called to the language as set forth in the section, and it was the opinion of every member of the committee present that my amendment was unnecessary; that the language as written gave the corporation that authority, namely, that it could have an emergency declared upon only one product if it wanted so to do. I hold, Mr. Chairman, that this bill as written will give the corporation authority to have declared an emergency upon wheat alone, if in its opinion, after careful investigation, that should be done. This opinion is concurred in by Mr. Alford, of the House drafting service, who assisted the committee in the drafting of this bill. There can be no doubt but what that was the desire of every member of the committee, regardless of whether or not he was for or against the measure. If there should be any doubt that the corporation does not under the present language of the bill have that authority, an amendment such as I have indicated can be proposed when the bill is considered under the five-minute rule.

The gentleman spoke at great length upon the hog question. He called attention to the fact that upon a certain day at Chicago there were 80,000 hogs on the market. Under present conditions those heavy runs often occur, brought about by the unstable market. Men rush their cattle and hogs to market to get them there upon certain days in the hope that they may get a better market. If this bill is passed and goes into effect, there will be no unstable markets—markets which the packers have been able to manipulate, increasing it or lowering it at their own sweet will. We will have stable markets, and as a result there will be a steady and even flow of the farmer's livestock products to the market places. It will be no longer necessary for him to get his hogs and cattle there on a certain day in the hopes of getting a higher price. We shall no longer have the market glutted on certain days, as we have under existing conditions. I am glad to say that we have upon the floor Members who are experienced in the livestock business, the gentleman from Nebraska [Mr. SHALLENBERGER], and the gentleman from Texas [Mr. HUDSPETH], and they will discuss this livestock question.

I want you to give careful attention to what I am saying to you now, because I think it is possibly the most important thing I shall say to you to-day. After the corporation is appointed, organized, and ready for business, in my opinion, being men of experience, able, and thoroughly informed on market conditions, they would not think of having an emergency declared upon even one product—wheat, for example—without making their contract and agreement with those who process wheat, the millers of the country; and certainly they would not declare an emergency upon hogs or cattle, or the products of hogs or cattle, pork or beef, without first calling in the representatives of the packers.

There are only, as the gentleman from Wisconsin [Mr. VOIGT] has said, five great packers, but let me call your attention to this fact: We have 200 independent packers, and I want to say to you in that connection that during the war the five big packers gave their attention mostly to the export business, and as a result the independent packers went into the domestic market, got a hold on the domestic market, and they have a strong hold on it to-day, and these 200 independent packers are to-day doing a good business. The corporation, before it has ever declared an emergency in reference to these products, will make its agreements and contracts with these concerns; and if satisfactory agreements and contracts can not be made, certainly the emergency will not be declared. If the corporation can make satisfactory arrangements and if they will agree to give them a fair deal in the handling of the pork and other meat products, then the emergency will be declared, but otherwise it will not be declared.

In my opinion, when the board of directors of the corporation get around the table with these gentlemen who handle the meat products of America, the directors will get a square deal, because if they do not get a square deal the packers well know that an emergency will not and can not be declared. The packers can not afford to be put into the position before the American public of preventing the putting into effect of this legislation. We want to provide specifically in this bill that the present agencies shall carry on this business. We do not want to go into the packing business, into the milling business, or into any other business; but we want the present agencies to handle the business and, under the provisions of this bill, with the powers of the corporation, that can be and will be done.

The declaration of the gentleman from Wisconsin [Mr. VOIGT] that under this bill the corporation will be compelled to declare an emergency upon hogs and other products enumerated here, I most emphatically deny. Yet, as I have said before, if there is any doubt in the minds of the Members of this House, an amendment of two or three words will make it absolutely certain beyond any shadow of a doubt.

The gentleman from Wisconsin [Mr. VOIGT] calls attention to the fact we have enumerated in this measure wool and sheep. Of course, there is no Member of this House who knows wool conditions who expects or believes that within the next five years the conditions will come to a point where an emergency will be declared on wool.

If the corporation should, after its agreement with the packers, declare an emergency upon meat products, it would be necessary possibly to declare an emergency upon mutton and upon lambs and their products, because they are substitutes for pork and beef.

Mr. VOIGT says that the millers and the packers are in favor of this legislation and that they will be benefited by millions of dollars because of the hold over of stocks which they may have on hand when the bill goes into effect. Every member of the committee, and I expect every Member of the House, will testify to the fact that stronger opposition to this bill has come from the millers than from any other source. Hundreds of letters have come to me from millers all over the country protesting against the passage of the McNary-Haugen bill.

A representative of the packers came before our committee and opposed in strong and vigorous language the enactment of this legislation. Not only that, boards of trade, stockyards' commission men, and all of those concerns intimately associated with the packers are without exception opposed to this legislation, and every Member of Congress who comes from where these packing concerns are located or who comes from where the great milling industries are located is opposed to this legislation. Why is this true if the packers and the millers are in favor of the legislation? The statement that the millers and the packers are in favor of this legislation is absolutely without foundation, and if, as he says, they will receive hundreds of millions of dollars from their stocks on hand when the law goes into effect, why are they opposed to the passage of this bill?

I admit, and there is no way of getting around it, so far as I can see, that profits will come to the packers, and that profits will come to the millers when this law goes into effect because of their hold over, and yet I want to say to you in this connection that no tariff bill has been passed by Congress that did not bring immense profits to the holders of those things upon which the tariff was raised. Not only that, but while the packers and the millers are getting something by reason of their holdings when the declaration of an emergency goes into effect, remember, friends, that the farmers throughout this land on wheat alone have in their granaries millions and millions of bushels, and they will receive the increase that comes because of those holdings. They have in the feed lots, if you please, hogs almost ready to mature and go to market. They will get the increased price or the ratio price. The

farmers and the millers and the packers will be compelled, however, to pay their proportionate part of the cost in the equalization fee that is imposed upon all of them.

There is one other thing I want to call to your attention and that is, when the packers understand that this emergency is under the control of a corporation and they do not know whether it is going into effect or not, that it depends upon their investigation and their ability to make proper agreements and proper contracts, they are not going to hold over a great quantity of stuff or purchase it and put it in their warehouses with that uncertainty in view.

Mr. VOIGT discusses at some length the effect of the passage of this act upon the cost of living. During the discussion he was asked, I believe by the gentleman from Kansas [Mr. TINCHER], whether or not he favored the farmer receiving the prices provided in the ratio price, and he declared emphatically that he was in favor of their receiving this increase. Every bill that has been introduced in the Congress the object of which was to bring relief to the farmer provides in no uncertain language that the farmers receive an increased price for their farm products. There is not a man here to-day who believes that relief can be brought to the American farmer without increasing the prices of his farm products. If there is some plan whereby that can be done without increasing them, I would like to have the man who can devise that sort of a plan bring it into this House, because it would certainly be an economic monstrosity. You can not give the farmer prosperity, increased purchasing power, and the things he ought to have without increasing the prices of the products that he raises.

Ah, my friends, the prices of all other products in the land have been raised. They have gone up and up and up, and the farmers' prices have gone down and down and down. The purchasing power of the farmer to-day has been decreased almost 50 per cent. I had a letter yesterday from a farmer out in my country wherein he said, "I never see a new Springfield wagon on the road. Why? The price has been more than doubled. I find in the little shops around the country old wagons. They are taken in there to fix them up and repair them and use them over and over again."

Everything the farmer buys has been increased and his purchasing power has been depleted.

I want to call your attention specifically to this fact: Mr. Edgar Wallace, a representative of the American Federation of Labor, came before our committee. He made the statement that any bill which we could pass to bring relief to the farmer might result in some increase in the cost of living, but that the organization which he represented was there to urge the committee to give relief to the farmers, and stated that his organization to a man was willing to accept as a result of that relief any slight increase in the cost of living that might come about.

Do you believe that the increase in the price of the farmer's wheat 30 or 40 or 50 cents a bushel would materially increase the price of bread? When you know that during war times hogs were selling at $14 and $15 per hundred and the price of bacon was just a little more then than it is to-day, when hogs are selling at $7 a hundred? Do you think there will be much increase in the price of bacon?

I want now to refer to my friend from Illinois [Mr. RAINEY], and I have great respect for him. I have known him a long time. He has been a Member of this House for many years, and we all admire him. That gentleman has issued more words on this bill, possibly, than everybody else in the land. He has written article upon article and delivered speech upon speech; he has sent out letters upon letters. Let me give you an illustration. Just a few days ago I read in a St. Louis paper an article written by the distinguished gentleman from Illinois wherein he gave an illustration about a widow woman with a pig. I want to say to you, because I counted them, in that story about the widow woman and the pig he used 700 words describing what would happen if she wanted to sell her pig, and yet I want to say to him that if that story were true, then there is not a member of the Committee on Agriculture that would vote for the McNary-Haugen bill.

Misrepresentation has gone abroad all over the land in regard to this measure from the boards of trade, the packers, and the large financial institutions.

I read an article in an agricultural paper this morning, or a so-called agricultural paper, published here in Washington, about the McNary-Haugen bill. The man who wrote the article evidently had not read it since it was introduced in January last.

Those are the conditions which confront us. This is indeed a new kind of legislation. Nothing exactly like it has been attempted in this country, although it has been carried out in other countries. For years the Congress of the United States has helped almost every industry in the land. Through tariff legislation the manufacturing industries have been enabled to increase their prices for their products by millions of dollars. Through immigrant laws—and I voted for them all—we have kept out the undesirable farming element and have thereby reduced competition and kept up the price of labor. Through the Adamson law—and I voted for that—we further increased the price of wages. Through the enactment of the Esch-Cummins law—for which I did not vote—we gave the railroads of the country a guaranteed income and virtually instructed the Interstate Commerce Commission to increase the freight rates, and that has given an increase of price to all the products of the land. For years and years we have given to the great magazines of the country a low rate of postage. Every year, as the result, those publications are carried through the mails at a loss to the Government of fifty millions of dollars.

But I must not prolong this discussion. Suffice is it for me to say that through legislative enactment we have helped every industry in America except the one great basic industry—agriculture. More than one-quarter of the people of America live on the farms. They toil through all kinds of weather both early and late. They seek no eight hour law; they depend for their success more than any other industry known to man upon the elements. They plow, they plant, they cultivate, and if the sunshine and the rain come in due proportion, they harvest their crops. On the other hand, if perchance the rain does not come or if it comes in too great abundance, the result of their labor will be destroyed by drought or by flood. These are the conditions that we can not regulate by legislation. But when the farmer reaps an abundant harvest and takes his commodities to the market place we want him to receive a just and fair price for those commodities, and that, Mr. Chairman, is what we are going to do by the passage of the McNary-Haugen bill. [Applause.]

Mr. BLANTON. Mr. Chairman, will not the gentleman from Missouri take another five minutes in order to answer questions?

Mr. RUBEY. I should be glad to do so, but there are other gentlemen who want time.

Mr. BLANTON. The gentleman can help us by answering questions more than he can by generalities.

Mr. RUBEY. I have already used 45 or 50 minutes, and if I yield to one I must yield to another.

Mr. BLANTON. I think perhaps we would get along better with the bill if Members were enlightened by answering questions.

Mr. RUBEY. I know, and I want gentlemen to ask questions about the bill to enlighten them. I want every Member of the House to hear what is said, do not make up your minds against this measure, and if you are, so to speak, on the fence, stay on the fence until we get through with the debate. Stay on the fence until we get through with the discussion of the bill under the five-minute rule, and then you will be able to ask questions and we will be ready to answer them. I would like to answer the questions of the gentleman from Texas, but I have refused the gentleman from Wisconsin, and there are others who would like to ask questions. But let me say that there are many gentlemen who have asked me for time and I must not consume any further time. [Applause.]

Mr. ASWELL. Mr. Chairman and gentlemen, I regret to find myself in emphatic disagreement with our distinguished chairman, for whom I have the highest regard. I am also in disagreement with the gentleman from Missouri [Mr. RUBEY], who has preceded me, one of the most lovable Members in the House. He made an appeal to Members from other sections of the country to come and help him out in his country, as he stated it. I for one have supported every measure that I thought was for the benefit of the people of all sections. No worthy measure has had my opposition for sectional reasons. I have come now to help Mr. RUBEY's people by helping save them from the tragedy of the operations of this monstrous bill.

The bill has a peculiar history. When it appeared before the two Houses it was so curious in its theories and provisions that a lively interest was manifested as to its fatherhood. It was first called the Wallace bill. The Secretary of Agriculture came before the committee and disowned it. He said he was not for it especially, but that he was for any measure that would improve agriculture. Later there came forth from the multitude a gentleman named Charles J. Brand, whose friendship and services to the Big Five meat packers were exposed by the Federal Trade Commission and are matters of common knowledge and public discussion. Mr. Brand announced that he was the father of this bill and that he wrote it at the instance of the Secretary of Agriculture. Later the Secretary

of Agriculture came back to the committee and admitted fatherhood by proxy and that he had directed Brand to create it.

Later on another gentleman appeared before the committee, a Mr. Peek, of the Moline Plow Co., and he startled us by saying that he originated the idea and it was brought here in 1921. According to late reports Mr. Peek's business is in the hands of a receiver. I am not criticizing him, I sympathize with him, but having put his own business in the hands of a receiver I wonder if he is a competent man to tell the Congress how to legislate on economic questions.

When the word "scrip" grew into disrepute about the Capitol the S O S call went forth that "scrip" would kill this child of doubtful parentage, and there came rushing to the support of the proponents of the bill, among others, a gentleman from the Northwest, a Mr. Jewett, who is reputed to be a banker and the head of a grain pool or grain corporation in the Northwest with which he has made a failure. I am not criticizing him, but I can readily understand that he would like to have the taxpayers recoup him and enable him to reestablish himself in the confidence of the wheat growers whose money his management has lost. He helped change "scrip" to the euphonious "equalization certificate," meaning the same thing. So we have found the creators to be the Brand-Jewett-Peek combine. Our chairman [Mr. HAUGEN] is clearly not the father of this bill. He is the stepfather, three generations removed. [Laughter.]

Mr. RAKER. Does the Secretary now approve it?

Mr. ASWELL. He did the other day. I do not know what he would do now.

Mr. BLANTON. Where is the "Mary" part of it?

Mr. ASWELL. Oh, in the other end of the Capitol.

Mr. RUBEY. Mr. Chairman, will the gentleman yield?

Mr. ASWELL. I can not yield; I shall have to follow the gentleman's example. The majority report is not a report, but an argument, an appeal. It reveals clearly the weakness of this bill. It contains 109 pages, 52 pages of which are devoted to a thesis trying to prove that the bill is constitutional, and then on page 79 the majority brief concedes that in certain transactions the bill would be unconstitutional.

The Solicitor of the Department of Agriculture says, "I am of the opinion that in all probability it would be finally sustained by the Supreme Court."

The impression has been deliberately given to Members of Congress that this is the only chance to vote for farm relief. I call the attention of Members to the fact of record that there are four other farm-relief bills on which we have had hearings before the Committee on Agriculture, and within 24 hours any one of these bills can be reported out. It is not true that you have to vote for this bill or none. I call attention to another fact, that if one of these other measures after the defeat of this bill should not be brought out immediately there are Members of Congress on both sides of the Chamber who believe in the proper kind of agricultural relief, and they will hold this Congress here, if need be, until proper farm legislation is enacted. [Applause.]

A lot has been said here this morning and at other times about the condition of the farmer. No man in this House or anywhere else is more deeply concerned in the welfare of the farmer than I. I represent a great agricultural district and I have no business in the world outside of my duties here except that of farming.

Every Member of Congress knows that agriculture in certain lines and in some sections of the country is in grave distress. You do not need a book the size of the majority report to convince you of that depressing fact. Everyone agrees that agriculture, suffering most heavily and unfairly from post-war deflation, deserves the earnest and sincere consideration, the active encouragement, and the fair-handed cooperation of the Government. I am eager to see the Congress go every step of the way in this direction consistent with sound principles of government, but I am not for this fantastic panacea, which if it did not fall of its own weight would disappoint and enslave the farmers and disrupt and destroy the financial and economic policies of our Government. [Applause.]

It would set the precedent of socializing and nationalizing the industry of agriculture, which would lead inevitably to the nationalization of all industry, including the railroads, overriding economic laws by statutory laws and thus place our Government squarely in the class of the bolshevistic Government of Russia, which has disappointed the Russian people and is now collapsing. I, for one, most solemnly protest against taking a single step toward such a calamity for the American people. [Applause.]

This bill would make the farmer the ward of the Nation, as are the Indians. It declares the farmer incompetent to handle his own business and places him under the paternalistic care of the Government. It destroys individual initiative, socializes and communizes the agricultural industry, and places a Government corporation in full control of the farmer and his industry.

The value of the agricultural products of the country last year in the hands of the farmer is reported by the Department of Agriculture to have been seven and one-half billion dollars, while the consumers of the country paid twenty-two and one-half billion dollars for the same products. The producer is receiving only one-third of what the consumer is paying for his products. By enabling the cooperatives of the country to organize nationally and establish direct connection between the producer and the consumer the farmer will receive two-thirds of the amount the consumer pays and thus double the farmer's price of agricultural products without taking a penny from the Federal Government. It will actually reduce the price to the consumer by eliminating one-half of the two and a half million food dealers or middlemen. The spread between the price the producer receives and that the consumer pays will be reduced to the minimum. The difficulty with the present cooperatives is that they are too limited in scope and in finances to control the final markets in reaching the ultimate consumers.

A marketing bill national in character is pending before the Committees on Agriculture in both Houses. Senator CURTIS introduced it in the Senate and I introduced it in the House. Vote down the McNary-Haugen bill and you will have a chance to consider the marketing bill that enables the farmer himself to handle his own business for himself.

I call attention to another fact. The President of the United States, to be consistent, can not be for this bill. He is not a communist, he is not a socialist, he is not a Bolshevik. Let me read one sentence from his message to the Congress on December 6. Discussing agricultural relief, he says:

> No complicated scheme of relief, no plan of Government fixing of prices, and no resort to the Public Treasury will be of any permanent value in establishing agriculture. Simple and direct methods put into operation by the farmer himself are the only ways to restore agriculture.

[Applause.]

That is the President's language to Congress. If his language means anything, he can not be for this measure. What does this bill do? It establishes a corporation, a Government corporation, and puts the Government squarely into business. To prove that I shall not give any secondhand evidence, but I shall read from the bill. Section 21 reads:

> For the purpose of relieving the emergency declared in section 1 by conducting the business of trading in basic agricultural commodities.

That is the object of the corporation. Further, on page 11 of the bill, it is provided that "the corporation shall have such powers as are necessary and proper to conduct the business of trading in basic agricultural products."

This bill puts the Government squarely into business, and it will be the biggest Government corporation that was ever proposed in the history of the world in any country. This bill proposes not a private corporation but governmental control strictly, nothing more. The corporation is to be created by the Congress. The President of the United States is to appoint the members of the corporation and they are to be confirmed by the Senate of the United States. The corporation is to be presided over by a member of the Cabinet. The certificates are to be printed at the direction of the Secretary of the Treasury and by a Government bureau, the Bureau of Printing and Engraving. It is from top to bottom governmental and the Government would be morally bound. Two hundred million dollars is to be appropriated from the Federal Treasury, from the taxpayers, and $1,000,000,000 is to be borrowed. There is not a gentleman in this Congress to-day, having voted for this bill, who would not later cast his vote in an emergency to appropriate another billion dollars to pay the losses of this corporation. The Government would be morally bound because it is a Government corporation. So it is—the Government involved from start to finish.

It has the most extraordinary powers ever granted any similar organization. This corporation would be bigger than any department of the Government, because it is specifically provided that any department of the Government shall act as the agent of the corporation.

It is bigger than all the executive departments of the Government because the bill provides that all departments act as its agents. It is bigger than the President himself. Why, because

the President of the United States has no authority to declare an emergency until the corporation notifies him. As far as the Committee on Ways and Means in the House has to do with tariffs, it abolishes that committee entirely. It would abolish the Tariff Commission, too. Authority is given upon the recommendation of this corporation for the President to ignore all existing law and declare an embargo or raise the import duties on any article, any substitute, or derivative. The records show that the Big Five packers handle about 400 derivatives and substitutes contained in this bill, including fertilizer for the farmers of the country. It gives authority to declare an embargo and increase the price on all elements needed by the farmers for fertilizer.

It is a price-fixing scheme. I do not understand why the proponents of this bill try to hide that fact. The proponents of the measure ought to know somebody is liable to read this bill. [Laughter.] Why, turn with me to section 4 on page 3 in the bill:

> The corporation shall publish, after the issuance of a proclamation declaring the special emergency, the price for such commodity, or any class or grade thereof.

It must publish the price for that period, and that period can be 1 month or 3 months or 12 months. I wish to say to the gentlemen who try to argue that it does not fix prices that if anybody reads the bill, all the other things they say will be discredited.

Now, as to the ratio price. It will be discussed over and over again. But, in a word, the proposal is, for example, that when wheat, we will say, is selling in the world's market for a dollar, the ratio price will bring wheat in this country to $1.50. If 200,000,000 bushels are exported, it will produce a loss to the wheat farmers of $100,000,000, a loss of 50 cents a bushel. The wheat growers will have to pay that $100,000,000 plus the cost of the operation of the corporation. And I made it my business to ask every one of the fathers and stepfathers of this bill, experts, lobbyists, and specialists that we had before that committee—I asked every one of them this question: How much will it cost the farmers for this corporation to operate? And never have I heard an answer yet hazarded except once, when it was said that if corn and wheat were in the emergency, the corporation could operate probably for $15,000,000 per year. We know that about 50,000 Federal agents would be employed. It has been said to-day that the farmer would be protected by this bill as the railroads are protected and as the Steel Corporation and other industries are by the high protective tariff. I am opposed to the existing discriminatory protection of big business and to the railroad guaranty, but not a single one of these corporations or special interests is taxed to bear the cost of the increase of its own prices as the farmer is proposed to be handled in this case. The comparison is absurd.

Another point. Gentlemen, I want you to turn with me to section 305, on page 27 of the bill, and you will find that this corporation has the power to punish by putting the farmer into a Federal prison for not paying his debts. Here is section 305:

> Any person who, in violation of this act, willfully fails to pay, collect, or account for and pay over any equalization fee, etc., or attempts in any manner to evade the payment or the future collection of such fee, shall, upon conviction thereof, be fined not more than $5,000 or imprisoned for not more than one year, or both.

It authorizes a Federal corporation to drag men or women to a Federal court and put them in a Federal prison for even an attempt to evade the payment of the equalization fee. Now, let me illustrate that. You will understand when an emergency is declared on corn only a small portion of the corn will pay the equalization fee and the fee will be high. The corn used for feed and seed is exempt, and the corporation may exempt purchases between producers to the amount of $100 a year. A man, as it happens in all parts of the country, starts to market with a load of roasting ears. He gets to the town. You are a banker or a merchant or a professional man. You are not a producer and therefore you have to pay the equalization fee. The producer sells you a half dozen roasting ears. What is the situation? You both must know what the equalization fee is on corn. The producer sells the corn, say, for 50 cents. He is not allowed to take the full amount in cash. You who purchased the corn must deduct the equalization fee from the payment, and you must send it to the corporation. Now, that is literally the situation. But that is not all. You must give the producer a receipt printed in Washington by the Bureau of Printing and Engraving for the fee deducted, and if you do not have a receipt at hand you do not dare buy the roasting ears.

If you attempt to evade the equalization fee or fail to give the receipt, what is the result? It will perhaps be a dime; but if you fail to pay that dime or fail to give a Government receipt, you are subject, both of you, to be hauled into a Federal court, perhaps 100 miles away, to be tried, and, if convicted, fined $5,000 or put in prison for a year, or both. That applies to butter, milk, and every other food product of cattle, hogs, or sheep when it is brought under the emergency. Do you need any further proof as to the monstrosity of this bill? I am trying to save my good friend RUBEY'S people, who grow corn principally, from such a calamity as this bill would heap upon them. [Applause.] Gentlemen, this bill has been facetiously called Mary Haugen's bill. I do not know where that originates; it is not named properly——

Mr. BLANTON. Well, it had to have a mother, did it not?

Mr. ASWELL. Well, perhaps; yes.

Gentlemen, this bill should be called the "Big Five bonus bill." Why? I would like you to follow me accurately and read between some of the lines. The first announced father of this bill has reputed connections with the meat packers. The bill provides that when there is an established exportable surplus and the price falls below the ratio price, then that product is to come under the emergency.

Let us see. "When there is an established exportable surplus." There is no question but that the packers would wake the next morning richer by $500,000,000. They wanted certain of their food products named in the bill. It does not take any argument to prove that. See the letter of Secretary Wallace. I hold his letter in my hand.

> The value of meats in cold storage was $175,000,000 on the 1st of April.

There are other products in the hands of the packers, elevators, and terminals that reach into the hundreds of millions. This bill increases their value overnight from 60 to 70 per cent. In the cold-storage products to-day owned by the five big packers the increase overnight will be exactly $122,500,000.

I said it should be called a packers' bonus bill. There must be an exportable surplus. Yet the man who wrote this bill has put into it beef. Why? How could beef be included? The report of the United States Tariff Commission, April 11, 1924, on this bill states that last year we imported into this country $65,000,000 worth of cattle and cattle products, while we exported only $25,000,000. Yet beef is included. Where is your "established exportable surplus"? We imported last year 6,000,000 pounds of mutton and exported only 2,000,000. Last year we imported $130,000,000 worth of wool and exported none. Yet in the interest of the "Big Five," who are vitally concerned in their profits on beef, wool, and mutton, these food products to benefit the "Big Five" are included in the provisions of this bill. In the face of these facts of record how can you call this a farmers' bill?

No one knows the cost of operating the corporation. There is only one thing well known and established as a certainty, and that is, whatever the cost of operation, whether it be $15,000,000 or $150,000,000, it makes no difference; whatever the loss, whether it be $100,000,000 in wheat or by stimulating production and piling up the exportable surplus to the point where the wheat farmers lose $300,000,000, it makes no difference, the farmer pays the cost. Every time you increase production you reduce consumption. Increase the exportable surplus and you increase the equalization fee that the farmer has to pay. The only thing you know is that whatever happens the farmer pays the freight at every point in this bill.

Mr. BLACK of New York. Mr. Chairman, will the gentleman yield?

Mr. ASWELL. Yes.

Mr. BLACK of New York. In the opinion of the gentleman, would it be within the powers of this corporation to destroy excess commodities in the hands of the millers and packers, paying for the same after condemnation?

Mr. ASWELL. Perhaps that might be done should this bill ever become a law.

Now, what will be some of the results? The first outstanding result is that it will destroy the existing cooperatives in this country. Why not? The object of the cooperatives is to increase prices to the producer through a marketing system. In this bill it is proposed that the Government do this very thing with the Federal Treasury back of it. What inducement would the cooperatives have to hold together? Why should each member of the cooperatives pay $10 or $15 a year and know at the same time that the Government is handling that business? The cooperatives would go out of business, and

what could prevent a calamitous collapse to the farmers at the end of five years when the law would suddenly expire?

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. ASWELL. No; I can not yield.

The CHAIRMAN. The gentleman declines to yield.

Mr. ASWELL. Another thing that we know about this bill is that it will increase the number of Government employees by at least 50,000, but what the ultimate limit will be no one knows. Take the case of the roasting ears. You have to have a detective to see that you do not cheat the Government out of that fee. The bill would send throughout this country an army of Federal agents, detectives, and Secret Service men beyond the comprehension of any man. They would be more numerous than the income-tax agents and the prohibition agents combined.

Why? Because you have got to watch every transaction; you have got to see that the Government is not swindled out of anything. I believe the American farmer properly resents the increasing intrusion of Federal agents. He will still more resent this new army of Federal agents.

Now, gentlemen, I want to say in all candor that for four months I have earnestly studied this bill. I wanted to support any measure that would bring relief to the agricultural interests of the country. I tried to help amend it so it would be workable, but I was forced to conclude that you can not build a good measure upon an unsound principle. I have been forced to the deliberate judgment that this bill is unsound, unworkable, full of Bolshevism, purely socialistic, indefensibly communistic. It would endanger the stability and the perpetuity of the institutions of this Republic. I have faith in my country, in her institutions, in her people. I am not afraid that the foundations of the Republic will be shattered by this bill, because I do not for one moment believe that it has a shadow of a chance of being enacted into law; but if you should pass it, the President of the United States, in conformity with his straightforward proceedure, could not help but veto it, and if he did not do that, I am perfectly convinced, as I stand in your presence, that within a few months, or as soon as it could be brought to the Supreme Court of the United States, it would be declared unconstitutional. But you say the elections will have been over, and the $200,000,000 will have been used as a campaign fund. What a tragedy, what a crime against the farmer, against the taxpayer, against the American people.

Gentlemen, I for one, am willing and anxious to go as far as humanly possible for farm relief legislation, but on this measure the institutions of our country are involved. Gentlemen, if you vote down this bill, so unsound and unworkable, you will have a chance before this Congress adjourns to consider and enact legislation for the farmers which will not only give relief but which will stand through the years to come.

The difference between conditions in Europe and conditions in the United States lies in the fact that the principles of our institutions and our Government are different from those of Europe.

Would you take a step toward those conditions in Europe that have become the tragedy of the world?

Consider the conditions in Europe for a moment and compare them with ours. Their economic conditions are chaotic, ours are good. Much of their currency is worthless, ours is normal. Their governments are tottering, ours is beneficent and strong. [Applause.] Their women are enslaved, ours are loved and exalted. They worship the god of war, we the God of peace. [Applause.] Their tongues speak hatred, ours good will. Their people are miserable and in turmoil, ours are happy, for the most part, and living in peace. Their millions are idle and wretched, ours, for the most part, busy and contented. Their millions are cast down and discouraged, ours stand erect with courage and purpose.

Reviewing this contrast I wonder how any American can fail to be thankful for such a Government as ours, for such a country, for such a people. [Applause.] I wonder how any Member of Congress could dare take the chance of voting for this bill, creating a sentiment and establishing a precedent in government which, if pursued to the end, would destroy the very foundation of the Republic. [Applause.]

If for political reasons you believe that you must aid the farmers in one section of the country directly and immediately from the Federal Treasury to get their vote in November, then it would be far better for the farmers themselves and for the country to appropriate the $200,000,000 and borrow the $1,000,000,000 as a gift to them, and not saddle upon the country this dangerously vicious form of paternalism. If this bill passes, it will be permanent law or agriculture will collapse and bring a national panic at the end of five years.

The remedy for the farmers is—

First. Nation-wide cooperative marketing authorized by law.

Second. The creation of foreign markets by aiding in establishing normal conditions in Europe, for which our Government has done nothing.

Third. The reduction of indefensibly high tariff duties on some of the things the farmer has to buy, which the Congress has failed to do.

Fourth. The restoration of normal freight rates on agricultural products, for which during six long years the Congress has refused to act.

Mr. RAKER. Will the gentleman yield?

Mr. ASWELL. Yes.

Mr. RAKER. Outside of the objections which the gentleman has presented, is the bill otherwise all right? [Laughter.]

Mr. ASWELL. Except that it is unconstitutional, unworkable, impracticable, socialistic, communistic, bolshevistic, and would enslave the farmers; otherwise it might be all right. [Applause.]

Mr. TINCHER. Gentlemen of the House, of course I do not believe it is a convincing argument on an important measure like this for me to call my opponent, who thinks there is no merit in the measure, a Bolshevist or to say that a man who believes as I do not believe is Bolshevistic. I am not surprised, however, that men who use figures as carelessly as some people do use them and get facts so distorted as some people do get them distorted are compelled to resort to the practice of calling the other fellow names in order to make an interesting speech. [Applause.] Instead of importing more meat products than we exported last year, we exported 280 per cent more meat products than we imported, a slight change from the figures just handed you, which said that we imported 65 per cent more than we exported.

Mr. ASWELL. The gentleman does not want to make a mistake.

The CHAIRMAN. Does the gentleman yield to the gentleman from Louisiana?

Mr. TINCHER. I do not.

I want to announce now that I will yield to any gentleman in this House, while I am talking, who controls time for the purpose of asking me questions if he will yield me such time as he uses, but I do not want to yield time for speeches. However, I want to be in this attitude if I can have the time: I want to be able to answer any question that is asked about this bill or tell the Members of this House whether I can answer it or not.

I propose to talk concerning the measure. I want to be fair with the House. I claim that the gentleman from Missouri [Mr. RUBEY], the gentleman from Iowa [Mr. HAUGEN], and the crowd of us who have reported this bill are not Bolshevists. I claim we believe in our country just as firmly as anyone else, and I claim that the 42 per cent of the population of this country who to-day are engaged in agriculture are entitled to the same treatment and the same consideration by the lawmaking bodies of this Nation as anyone else. [Applause.]

There are two arguments against this measure. One is that it will raise the cost of living and make it a burden on other people, and the other is that it will ruin the farmer. How consistent those two arguments are. You are going to raise labor's cost of living, so that all you boys who represent labor districts will vote against it; and it is not going to help the farmer, it is just going to ruin him, and in order to make that kind of argument you have to distort figures.

I am frank to say that had this bill come before Congress and had no emergency existed it would not have been sound as a governmental economic proposition. It is not a peace-time proposition, but we have an emergency. We have an emergency in agriculture, the basic industry of our Nation, and that emergency, whether it was caused by the fact of war or whether it was caused by laws pertaining to the emergency of war, is immaterial. The emergency is here. Talk about the $200,000,000 that this bill appropriates in an effort to do something for agriculture; why, by one fell stroke of the pen at the White House the President of the United States signed a bill during the war that took away from the American wheat owners, the farmers of America, overnight more money than this bill contemplates appropriating.

Mr. RAYBURN. Will the gentleman yield?

Mr. TINCHER. Yes; I yield.

Mr. RAYBURN. The gentleman speaks of the fixing of the price of wheat?

Mr. TINCHER. I do.

Mr. RAYBURN. Which was done at the instance of the wheat growers.

Mr. TINCHER. I do not care who it was done at the instance of, I was a wheat grower and did not ask for it; and it was done at a time when the farmers of America had in the process of harvesting an 800,000,000-bushel wheat crop, and it took from the cash price for wheat overnight $1.35 a bushel, and now say to that farmer who faces bankruptcy to-day, but who faced that emergency and took his part of the load without a whimper, that when he comes to the American Congress, when he is down and out by reason of the war and the emergency, that he must not ask for legislation or the proponents, the men who will speak for him, will be pronounced Bolsheviks.

Mr. RAYBURN. Will the gentleman yield further?

Mr. TINCHER. Yes.

Mr. RAYBURN. I was opposed to that and I tried to protect the wheat farmers at that time against their own representatives, and that experience with price fixing will justify me again in trying to protect them from their representatives.

Mr. TINCHER. That was a matter of fixing a price. I am not talking about politics. I am not reflecting on anyone and I am not even saying it was not justified. Our country was at war and our people needed food, and the American farmer had wheat and the Government confiscated that wheat to win the war, and took it at a fixed price, and it was the only confiscation of property that this great Government of ours indulged in during that great conflict.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. TINCHER. I yield.

Mr. SHALLENBERGER. I will say for the information of the gentleman that I was a member of the Committee on Military Affairs during the war, as the gentleman knows, and the question of fixing the price of the wheat and of the pork and of the meat products that the Government would require to carry on that war was considered there, and I heard a member from Texas state that the hearings before the Committee on Agriculture showed that the Government was bound and determined to take the wheat and the pork at prices satisfactory to them because the Army had to fight upon bread and upon pork, and the price was fixed not to take care of the farmer but to take care of the Government in waging the war. [Applause.]

Mr. TINCHER. I agree with the gentlemen thoroughly. I do not want to inject any other issue into this question, but I do say that this is an emergency.

Mr. RAYBURN. But the price that was set on wheat by the Congress was higher than the price at which wheat was selling at that time.

Mr. TINCHER. No; it was $1.35 a bushel less. The price went off that much in 12 hours. You can not tell me that. There is no use trying to get something like that in the RECORD here.

Mr. BURTNESS and Mr. WOODRUFF rose.

Mr. BURTNESS. Will the gentleman yield to me just to read a sentence touching that point from the report of the grain corporation?

Mr. TINCHER. I yield first to the gentleman from Michigan.

Mr. WOODRUFF. This bill contemplates an appropriation of $200,000,000 out of the Public Treasury.

Mr. TINCHER. Yes; as a revolving fund and as capital stock.

Mr. WOODRUFF. Everyone recognizes the fact that the farmers of this country have lost their buying power. Do you not believe that if we had, as a result of this bill, a prosperous and happy agriculture that an appropriation of $200,000,000 each year would be fully returned to the Treasury as a result of the ensuing prosperity in this country?

Mr. TINCHER. I think so, but that is not possible under this bill. This bill puts the burden of paying the losses on the farmers. The $200,000,000 is simply the amount of the capital stock, and my judgment is—and of course a whole lot in this bill, if it passes and becomes a law, depends on the administration of it—that with the borrowing power they will have they will never need to take out of the Treasury any money to speak of at all.

Mr. WOODRUFF. Will the gentleman yield for one further question on that point? I understand that perfectly, and I believe that is true, but I want to ask again, if, as a result of this measure, agriculture was made prosperous, would not the prosperity which would ensue to every other individual in this country result in such a condition that the increase in taxes would more than return to the Treasury the $200,000,000 carried in this bill?

Mr. TINCHER. It would. There is no question about that. Every great war has been followed by a panic. Eighteen hundred and seventy-three was nine years after 1864. Nineteen hundred and twenty-six or 1927 will see a panic in our industries in the United States as a natural result of this deflation unless the people of this great country have advanced since 1873 in the matter of government so that by man-made laws we may avert that. Do not any of you eastern men think that this load will be carried by the western farmer forever. Do not think that it must not be reflected back. Look at the conditions to-day. Then they call us Bolshevists because we ask for a corporation with a capital stock of less than one-quarter of the amount of money confiscated by the Government over night.

Mr. GARRETT of Texas. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. GARRETT of Texas. Does the gentleman recall that in 1914 when cotton went down $25 a bale below cost that no provision was made by congressional action?

Mr. TINCHER. I do not know, I was not in Congress until after the war. As a member of the Committee on Agriculture for a short time after I came to Congress, I served with a distinguished gentleman from Texas, and you have a member now, and no member of the Committee on Agriculture will ever say that I as a western man ever split hairs with him on something he asked for because my district was not affected. I voted for every bill with reference to cotton that a man from the cotton States asked me to vote for.

Mr. BURTNESS. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. BURTNESS. Does the gentleman know whether the depression of cotton existed for five or six years?

Mr. TINCHER. I do not know. Now look at the chart on page 9204.

Here we start at 100 and everybody starts together. We had a war. Agriculture has got back to where her prices are 118. It went up during the war, and look at this drop down here, so that prices have come down to 118. Wages of farm employees have dropped back some, but not down to 100 mark, but about 155 against the prices of farmers' products, 118. Wages of railroad employees, every one of them to be paid, and a large part by the 42 per cent that are engaged in agricultural production. That stands at 186. But look at this: New York factory workers, 230.

Now, that condition can not continue to exist. The products of every one of these articles produced by the workers of that wage must be sold to all the people. Forty-two per cent of our people are on their knees. Forty-two per cent can not buy your goods, so that that condition can not continue. Some man said yesterday that we were self-appointed, self-styled representatives of the farmer. Sometimes I feel when I am talking that I ought not to be so earnest. I am not a self-appointed representative. I was elected a Representative of the farmer, and every dollar I have in the world, every dollar any member of my family has a chance to inherit, is invested in agriculture. So I am not talking about the matter from pure sentiment, but cold facts.

Now, what do you want to do? What is your remedy? Are you going to bring this down [indicating on chart] to a prewar status? That can not be done. Some people advocate that. Some people advocate the passage of laws that would reduce our standard of living, our scale of wages to a place where we would have to adopt the standard of living of the world and the world's scale of wages. If you do that, then we will be in the same shape that the countries are the gentleman described a little while ago.

Mr. RAKER. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. RAKER. The gentleman is familiar with the subject and I am trying to get information. Will the gentleman take one staple farm product and tell us what would be the result of this bill under consideration if enacted?

Mr. TINCHER. Will the gentleman name the product?

Mr. AYRES. Take wheat.

Mr. RAKER. Take hogs.

Mr. TINCHER. I will take wheat first. Wheat to-day, based on the price of the 400 commodities which people have to buy, ought to be selling for a little less than $1.60. In other words, the wages of these men up here ought to strike an average, and in coming down to this level strike an average somewhere, and they ought to be willing to pay the farmers $1.59 for wheat consumed in America.

Now, you ask about hogs. The day the bill was introduced and we started to have hearings hogs were selling at $9.85, and the fair ratio that day was $10.55. That was not much difference. To-day hogs are selling for $7, and a fair ratio price would be a little higher.

Mr. RAKER. Now, I am like the gentleman from Kansas; what little extra surplus I have is invested in cattle. Our people are interested in cattle, and I know the gentleman has given a great deal of attention to it, and will he give us the benefit of his knowledge by showing how it will affect the price of cattle?

Mr. TINCHER. Let me finish on hogs first. The gentleman from Texas [Mr. HUDSPETH] will talk about cattle, and I will say something, too. I do not believe that there is a man within the sound of my voice that realizes any difference in the price of the pork products from last December to what it is now.

If that fair ratio price was declared by the corporation purchasing on any kind of meat, they would not have had to buy a pound, because that fair ratio price would prevail and that would apply to cattle as well as hogs, and, Mr. RAKER, the only man who has got cattle to-day who is not broke, is some fellow who has some other way of buying than getting them in the cattle business. There is not a cattle producer in America who is dependent on that entirely but is worth less to-day than before the war, and 90 per cent are bankrupt.

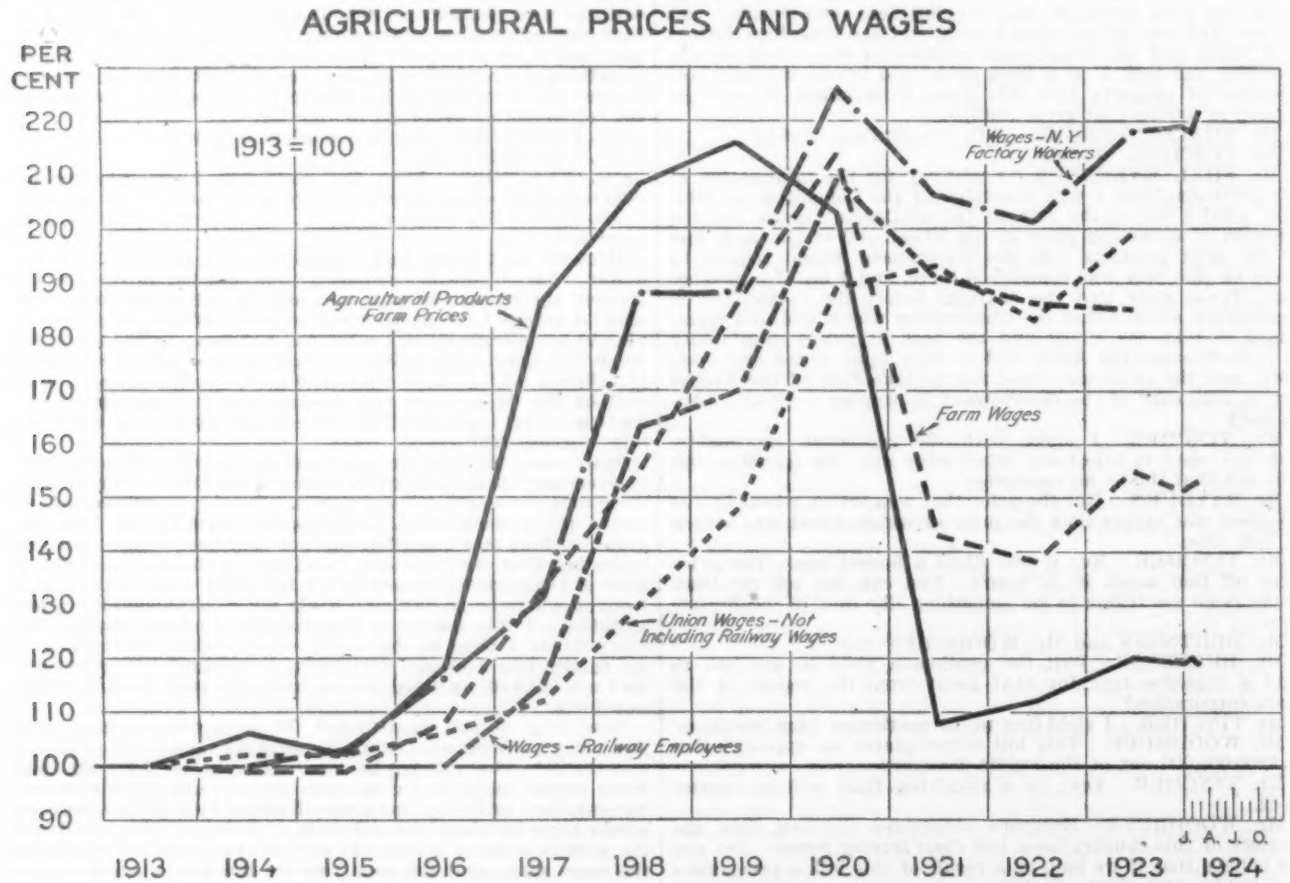
Mr. RAKER. That is absolutely true; but how are you going to relieve that by this legislation?

Mr. TINCHER. By giving him a ratio price for his products, and I say that any good business man or corporation can take that $200,000,000 and let the farmer pay his own losses because of the ratio price and there is not a man engaged in labor in the United States but who will be happy for it and will be contented with it, because when their boys and institutions feel this panic we have now in the West, then their wages will go crumbling, and instead of having full time they will have probably less than half time.

Mr. KINDRED. Will the gentleman yield?

Mr. TINCHER. I will.

Mr. KINDRED. The gentleman has stated, and stated correctly, that the price of pork or hogs last fall was 9 cents



plus. And yet the consumer is not getting any relief in what he pays for his pork. Who is getting that difference?

Mr. TINCHER. That is a question clear outside, but my opinion is that there are nine or ten times as many retail men in Washington, perhaps, as the trade would bear, but that is quite a different proposition. I simply mention it to call attention to the fact that we want to be fair with the farmer and not hurt anyone. These boys working in the New York factories are getting good wages and they are happy, but they will not be happy if they are working on half time, and if 40 per cent of the people down here to-day are not given relief they will be laid off.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. TINCHER. I will.

Mr. LAGUARDIA. Glancing at the index chart, I find your agricultural products are down to 118. Now, is it not true that by the time those products reach the factory end in New York it will be necessary to fix the wage up to 230? Now, if you are going to bring your line up in accordance with the provisions of this bill, this line would necessarily have to go higher; and are not we going around in a circle?

Mr. TINCHER. Oh, no. These men up here to-day with that wage—the New York fellows—are prosperous. These men down here are bankrupt—are broke—and you have got to equalize the thing. If you vote against this bill on the theory your New York laboring man will profit by your defeating farm legislation, you will be doing him a great injustice.

Mr. LAGUARDIA. The trouble is this: There is no doubt about the condition of the farmer down here; but by the time his product reaches the New York factory worker his wage must be fixed in order to buy these products.

Mr. TINCHER. Has the gentleman got a bill to remedy that?

Mr. LAGUARDIA. Yes.

Mr. TINCHER. What bill is it?

Mr. LAGUARDIA. Take control of all transportation of the country, take all the elevators and storages, and eliminate entirely the middleman and banking industry. [Laughter.]

Mr. TINCHER. I was laboring under a little misapprehension. I thought Mr. BERGER had the sole honor of representing his party in Congress.

Mr. LAGUARDIA. That is not any more socialistic than this.

Mr. TINCHER. There is nothing socialistic about this. The farmer himself pays the equalization fee.

Mr. AYRES. Is it not a fact that bread now in New York City is about the same price as when wheat was at $3 a bushel?

Mr. TINCHER. Yes.

Mr. AYRES. And bread was not reduced when wheat went down?

Mr. TINCHER. Right in Washington it is the same price as when wheat was worth $2.65.

Mr. AYRES. And there is no reason why it should cost more if wheat was $1.60.

Mr. JACOBSTEIN. Will the gentleman yield?

Mr. TINCHER. I will.

Mr. JACOBSTEIN. According to the chart—I can not detect the color here, but I suppose it is the factory workers in New York—the wages have dropped about 30 points from 1920 to 1922.

Mr. TINCHER. I remember Congress met and we passed a law, not a socialistic law, but a law that opened your factories.

Mr. JACOBSTEIN. The question is——

Mr. TINCHER. I would like to get in part of my speech as I go along.

Mr. JACOBSTEIN. Wages came down. We know it came down because the manufacturers could not keep those factories going. There had been overproduction, but even in that time farm products were rising, were going up even when wages in the East were going down. I am wondering if that does not teach us a lesson, that overproduction will cause wages to fall in the factories, and whether that is not also the cause of the low purchasing price of the farm products, and that you are not attacking the problem from the right end?

Mr. TINCHER. You started there for the rocks because you did not have the price any more based on blood, and you started for the rocks because you had no protection, and the American Congress met and gave a protective tariff and said that you could have the American standard of wages and the American standard of living when you at that time were going on the rocks. But now, when we come here and ask for a law that will give us a little fair chance we are called Bolshevists. I do not believe in a foreign standard of living. I do not believe in any foreign level of wages. As one of the western Republicans I want to say that I want to hold people up and am not willing to kick anybody else down. [Applause.]

Mr. JACOBSTEIN. Did you not have at the same time a tariff protecting agriculture?

Mr. TINCHER. Oh, you can not protect agricultural products as you can manufactured products. We export agricultural products.

Mr. JACOBSTEIN. Did we not have an emergency tariff to protect agricultural products?

Mr. TINCHER. I will have a Democrat answer your emergency tariff questions.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. TINCHER. Yes.

Mr. BURTNESS. The gentleman from New York [Mr. JACOBSTEIN] assumed plainly something that is not a fact, that the wages of manufacturing workingmen began to fall while agricultural prices were rising. Agricultural prices began to fall one year before the wages of industrial factories fell.

Mr. TINCHER. Yes.

Mr. SIMMONS. Mr. Chairman, will the gentleman yield?

Mr. TINCHER. Yes.

Mr. SIMMONS. I think it would be a benefit to all of us if the gentleman would take as an example hogs, and illustrate how this legislation will relieve the farmer on that particular product, and carry it on through.

Mr. TINCHER. We have passed a bill, and a corporation is organized, and we got Otto Kahn, the biggest financier in America, to come down from New York and manage it. He says this is not what is called sound economics, but it is modern economics. We are forced to resort to modern economics. He goes to Chicago and says to the five packers, "Are you going to pay the ratio price? The consumer will have to pay it. You will not buy a hoof. That ratio price will be fixed. They will pay it. It will not hurt anyone." They say, "We will not do it." You know what a surplus is of pork. We do not export 6 per cent of our pork. It will not take anything to handle that.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. TINCHER. In a moment.

I believe this bill should give the President all the power he wants, to use it as he wants to, and not to use it when it is not required. It should not be a permanent proposition. It should apply only when there is an emergency.

Why, my friends, who is it that would say that the Dawes report was sound economics a few years ago. The Dawes report is sound economics to-day because it is to clean up a thing brought about by the greatest emergency of the world. The Dawes report is sound economics.

This question may not be settled now, but it is a live American question. The question is whether by a man-made law we will harness this thing and avert the experience of 1873 or go on and treat the farmer lightly and not wake up to it until every industry in the country is down to where the farmer is to-day. I say we have progressed since the Civil War. I say there is a chance by a man-made law to manipulate the thing so that we will not suffer the natural consequences that always go with war.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. TINCHER. Yes.

Mr. RAKER. This is an important matter. For the last two years our stockmen have got from 4 to 4½ cents per pound for cows and from 5 to 6½ cents per pound for prime steers. Hides are down to a dollar or even less.

Mr. TINCHER. Oh, I know these facts. You need not state them to me.

Mr. RAKER. Will the gentleman illustrate how he will help the stock-raising farmers so that they will get a fair price for their cattle under this project?

Mr. TINCHER. The corporation will fix a fair ratio price, and the fair ratio price will be the price they have to pay for the meat consumed there. They are to enforce that law. They have a right, if the people who handle the product will not do it, to do it themselves. But the packers, with 60 per cent of their factories empty to-day, will be glad when Uncle Sam goes down and says, "We have established a ratio price for the products."

That is not "TINCHER in Congress howling about the way things are going." That is somebody who has power, and the only justification for using that power is that an emergency exists by reason of a law act, and one class of people in this country are suffering from that emergency.

Mr. RAKER. If our cattle go to 4 and 5 cents a pound, how is that when we come to Washington we must pay 60 or 65 cents for beef per pound?

Mr. TINCHER. I have not been here as long as you have. Why have you not fixed it? You have been here a long time. [Laughter.]

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

Mr. TINCHER. Yes.

Mr. McKENZIE. The gentleman from Kansas is really making a good speech.

Mr. TINCHER. I thank you.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. TINCHER. May I have a little more time?

Mr. VOIGT. Mr. Chairman, I yield to the gentleman five minutes.

The CHAIRMAN. The gentleman from Kansas is recognized for five minutes more.

Mr. McKENZIE. Of course, the condition of the country to-day is due to some cause. That is admitted. I want to ask the gentleman what he thinks about this legislation as a remedy for remedying the cause. Or is it simply emergency legislation for a time, and when the limitation expires the same old cause may be back again, and we may find ourselves in the same situation?

Mr. TINCHER. No; the same old cause will not be back. The condition was brought about by an emergency, either by the war itself, alone and uninterrupted, or by the war and the laws that we passed for running our country during the war. But the farmer's condition is an emergency, and we propose to relieve him from the emergency the same as we relieve everybody else. I do not believe the same conditions can come about again.

Of course, I think the emergency, perhaps, will have to be declared for this year and next. I think this bill runs three years, and I think it ought to.

Mr. LOZIER. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. LOZIER. Contrary to numerous expressions on the floor of this House, is it not true that by reason of the packing industries being concentrated in five great companies, that feature of the act will be more easily and more completely administered than any other feature of this bill?

Mr. TINCHER. Yes; I think it will be easy to administer it. Now, let me say this: I have been here only five years. I have been on the Agricultural Committee ever since I came, and I have worked with some of the most genial and high-class gentlemen any man ever had the privilege of working with. I never impugn the motives of any man who is on that committee, and I do not to-day. I understand how I could have a lot of fun

here talking about the gentleman from New York [Mr. CLARKE] and the gentleman from Wisconsin [Mr. VOIGT]—both opposing this bill—and about as much fun as I could have in talking about Mr. ASWELL's roasting ears. They do not generally agree on matters of economics, and they are opposing this bill, I believe, for directly opposite reasons.

Mr. CLARKE of New York. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. CLARKE of New York. Is it not true that when the filled milk measure was before the House I supported that bill because I believed it would do something to aid the dairy interests of this country, so that when you are challenging other men's motives you are challenging mine.

Mr. TINCHER. I did not challenge the gentleman's motives.

Mr. CLARKE of New York. I thought you did.

Mr. TINCHER. All I said was that ordinarily you and Mr. VOIGT do not travel together on matters of economics. I did not impugn your motives at all and never had such a thought at all. I was criticizing another man for doing the same thing. But it is all wrong to draw a picture of some one selling roasting ears, and then, an emergency having been declared on roasting ears, say, "Who is going to administer this thing in order to give any weight and effect to it?" If you listen to such ridicule you must imagine that good men like Mr. RUBEY or Mr. CLARKE or some other Members of this House, men of good judgment, are not going to administer it, but you have got to imagine that they are going out to find the craziest man in the world to administer it, and that he will declare an emergency on roasting ears, and that suggestion is made in order to heap some ridicule upon the bill.

Mr. KETCHAM. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. KETCHAM. Will the gentleman please advise us whether there is any exportable surplus of roasting ears? [Laughter.]

Mr. TINCHER. There is no idea of exporting roasting ears. That illustration was simply used for the purpose of heaping ridicule on the bill, because the idea never would be to declare an emergency on them. As I say, that was just simply mentioned for the purpose of putting ridicule on the bill.

Mr. MACLAFFERTY. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. MACLAFFERTY. Is not the low price of farm commodities due to the fact that there is an overproduction?

Mr. TINCHER. No.

Mr. MACLAFFERTY. Then my second question is not necessary.

Mr. TINCHER. The low price of farm commodities is due to an emergency which arose during the war or due to the laws attendant upon the war, the disproportionate prices. However, the prices are not lower than they were before the war. The prices of farm commodities are now a little higher than at the time of the starting of the war, but the proportion or ratio to the other 400 articles is making a bankrupt out of every farmer in America.

Mr. MACLAFFERTY. I am not opposed to this bill, but does the gentleman understand that the law of supply and demand has nothing to do with prices?

Mr. TINCHER. Oh, yes.

Mr. MACLAFFERTY. If there was a scarcity of wheat in the country, would not the price of wheat go up?

Mr. TINCHER. The law of supply and demand applies except when an emergency exists, and we have an emergency to-day. You do not want your American wheat grower to produce 200,000,000 bushels less wheat than will be consumed in America, but I have heard that suggestion made—that the wheat growers produce less than enough and then charge a high price for it and starve a few. But that is not the kind of people we have in the American farmer. But we ought to do something along the lines proposed in this bill in order to avoid a repetition of the days of 1873.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MACLAFFERTY. Will not the gentleman get one more minute, in order to permit me to ask him a question?

Mr. TINCHER. I have used all the time I can.

Mr. MACLAFFERTY. I am a mourner at the bench seeking light, but the gentleman has not given it to me.

Mr. VOIGT. Mr. Chairman, I yield 30 minutes to the gentleman from New York [Mr. CLARKE].

Mr. CLARKE of New York. Mr. Chairman, venerating as I do, GILBERT N. HAUGEN, the chairman of the great Agriculture Committee, who for 26 years has faithfully represented an agricultural district from Iowa, and has rendered signal service everywhere to the general cause of agriculture, and fond as I am of the members of that great committee, individually and collectively, it has been a difficult matter for me, with a predisposition toward "going along," to differ with the majority of this committee on this bill, but after months of hearings, where all the facts regarding the present serious agricultural situation were carefully gone into and analyzed, I felt my greater duty was to oppose this proposed experiment, believing that it is not alone unworkable, but that even if it could be made to work it would ultimately bring disaster to agriculture, far greater than the present "slough of despond."

1. No session of Congress has gone so far as the Sixty-seventh Congress did in enacting legislation to give the farmers that equality of opportunity that is fundamentally the right of every great industry, as well as of the individual himself, under the Anglo-Saxon theory of government.

(a) The bill for allowing the farmers' cooperatives to engage in interstate business so as to orderly market their products was a vastly helpful law in its practical aspects, as well as in the encouragement it offered to those cooperative organizations trying to help themselves.

(b) The Voigt filled milk bill to prevent the interstate shipment of a nonnutritive, fraudulently marketed product, in competition with a wholesome, whole-milk product, met squarely the duty of the Congress to the dairy industry of the United States.

(c) The Capper-Tincher bill, compelling those speculating in our great national agriculture commodities, such as the grains, and so forth, to keep a record that would be available to the Government in case of alleged cornering of these necessities of the people, for personal enrichment.

(d) A splendid, fair, moderate tariff to properly protect the products of our farms.

(e) Appropriations for increasing in many ways and supplementing the service of the Agriculture Department to those engaged in agriculture.

(f) Extensions of the life of the War Finance Corporation that have been most helpful to agriculture, especially in assisting with the "frozen-credit" situation of many banks in particular, and in assisting other ways in the orderly marketing of agricultural products.

(g) The agricultural credits bill extending the Federal farm loan act and setting up—

(1) Federal intermediate credit banks.

(2) National agriculture credit associations.

While all these measures have been helpful, prevented, or made unlawful unfair competition and enabled us to more orderly market our products, at the same time giving that equality to agriculture that is its due, we have found that agriculture like many of our other great industries—farm machinery companies, copper and zinc mines, the great packing plants, and so forth—have not escaped hardships, bankruptcy, and trying situations following the World War; so, if none of these private, better-managed enterprises can finally escape the application of the law of supply and demand, how, I ask you, in all seriousness, can a law be a success that has for its objective trying to get around that law of supply and demand under Government auspices?

I feel, in common with every other member of our committee, that the Government has a moral obligation to aid the wheat farmer because the Government went into the price-fixing business in 1917. When it fixed the price of wheat at $2.20 per bushel at the primary markets this price then was unsatisfactory to the wheat growers, even though it was supposed to be the cost of production plus a reasonable profit for a bushel of wheat in 1917. When this price was fixed by the fair-price committee wheat was selling at $2.72 and had been up to $3.45 per bushel. September 1, 1917, President Wilson issued a proclamation fixing the maximum price of wheat at $2.20 per bushel, and wheat that day fell 52 cents per bushel in all the primary markets. It was and is my understanding that $2.20 was the minimum price that was to be charged; and this board arbitrarily fixed the minimum price as the maximum, which was eminently unfair—unfair because, after establishing that price wages on railroads were increased 146 per cent, freight rates 78 per cent, and the cost of producing that same bushel of wheat increased over 100 per cent. This was far from fair in comparison with the cost-plus shipbuilding program and other profiteering enterprises launched thereafter, and it is for that reason that I claim the Government has a moral obligation to meet; but this bill does not meet it. In addition to all this there was the patriotic slogan, under Government inspiration, "Feed the world," and the farmers of the Northwest heeded the call and increased their acreage in two years by over 18,000,000

acres in wheat alone. The farmers were loaned more money to buy seed wheat, to purchase modern farm machinery, tractors, and so forth; and then came deflation and all its consequent chain of hardships and failure. I was and am perfectly willing to meet that moral obligation, as I see it, in accordance with the plans so carefully worked out by Professor Coulter and his splendid organization that came here from the Northwest in the bill they backed that failed in the Senate, maybe because the McNary-Haugen bill was in the offing. I am willing to meet it in any fair, workable law; but I am unwilling to wish onto this Government, through law, this bill that may open the door for special privilege under the law; that makes great additions to our already enormously large bureaucracy, and the people taxed, then taxed some more, to support and keep up this great extravagance and added burden. I must enter my protest, as a Representative of the farmers on the hills from whence I sprung, against added taxes, for these farmers are also suffering a serious depression because of the surplus milk now flooding our markets, with prices down to less than cost of production, with labor inefficient and almost impossible to get on our farms and at prices that are prohibitive. We are trying to meet our problems, not by coming to Congress but by getting all the milk-producing organizations together and trying to work out our own salvation.

Let us analyze some of the features of the bill now under consideration.

1. Price fixing: The proponents claim the McNary-Haugen bill is not a price-fixing bill. Let me quote you from the language of the bill itself:

> The corporation (United States agriculture export corporation) shall designate a price for such commodities.

And the bill provides the mathematical formuln for such price fixing. What further argument is necessary to prove that this is a price-fixing bill?

What does this United States agricultural export corporation intend to fix prices on? On whatever agricultural products there may be an emergency declared. To-day it is wheat; to-morrow it is corn; the next day it is cattle, "or any food product thereof"; next week it is hogs, " or any food product thereof"; and so on ad infinitum. Thus we will have foisted on this country by law not a temporary but a permanent price-fixing policy until the grand blow-up and the final calamity day arrives, when this perpetual-motion, price-fixing machine, made so by law, runs on its inglorious course to its inevitable end, and that old, never-failing, world-wide law of supply and demand goes into effect, "and the last days shall be worse than the former days," and the poor farmers again taking up a burden a hundred times worse because a Congress ever enacted such a short-sighted law.

Again the proponents of the bill propose that this United States agriculture export corporation is to take care of exports of a great number of agricultural products—wheat, flour, rice, corn, wool, cattle, sheep, swine or any food product of cattle, sheep, or swine. Let us see what these profligate promisors promise. Sheep, for instance, are mentioned. What is the good of setting up the export machinery, holding out this rainbow of promise to the sheepmen, when, since 1914, the United States has been on an importing basis as to mutton and lamb. In 1920 to 1923, inclusive, the Bureau of Animal Industry reports that we exported but 17,000,000 pounds of mutton and imported 97,000,000 pounds. In 1923 we exported 2,000,000 pounds and imported 6,000,000 pounds. How ineffective, therefore, is such a gesture. Impure bunk to the sheepmen, and taxes to the people.

Again let us look at beef. In 1923 our total beef production was 6,916,000,000 pounds. Our home consumption was 6,918,000,000 pounds. It would therefore seem we are on an importing instead of an exporting basis. Why, therefore, indulge in these fruitless promises and set up an expensive export machinery when it is unnecessary and adds more taxes to the people. I could cite you other examples in the bill, if I had the time, of promises and bunk.

If the proponents of the bill, therefore, only intended it for the wheat grower, why do they not frankly state it and prepare a bill on that basis exclusively? They are looking for votes, and under the direct primary law the poor Congressman must feed up his people on promises, and they have been buncoed so much by political promises of laws to lead them into the promised land that you would think they would be fully awake by now. Some are, thank God; but the rest are berating and beseeching the Congress for something that, in its last analysis, is class legislation, which, even if it could become effective, would increase the cost of living to millions upon millions, taxed both directly and indirectly for vicious legislation.

Suppose this law goes into effect and an emergency is declared on only two or three of the commodities, so that it becomes operative only as to those commodities. The additions to the bureaucracy, already overly manned, in Washington—although we have gotten rid of over 110,000 on the civil list alone since March 1, 1921—and the multitude of additional employees made necessary to attend to the details, both at home and abroad, will be something astounding. Taxes and more taxes put on the people, and I can hear the people exclaiming in the language of the Declaration of Independence, "He has elected a multitude of new offices and sent hither swarms of officers to harass our people and eat up our substance." I want to go back to my people to render my report as their representative that I have been no party to any scheme to bring a return to such conditions.

If an emergency is declared on cattle, it also includes "any food products of cattle." Take a community of 2,000 people, with at least 500 sales in these products each day. How many agents of the Government would have to be there to see to it that the Government's interests are protected, to pass the equalization fee or scrip, and what a multitude of employees would be necessary in the larger communities.

Let us take the animal, the hog, and see what is possible to happen to him under this bill, as well as to us. Millions of hogs will be offered that the export corporation will be compelled to buy at the ratio prices in the various stockyards of the country. It is unfortunate, but it is true that hogs can not be exported as hogs, therefore they must be slaughtered and processed. The export corporation can not build packing plants, they can not even lease a plant if the existing agencies are adequate for the handling and processing of the hog "on reasonable terms." This corporation can not compel anyone to lease his plant. Small packers, of course, can not handle the large volume, and hogs must be moved quickly. There is but one answer and that answer is, this export corporation if ever an emergency is declared on hogs will find itself at the mercy of the Big Five packers. What may happen to the animal, the hog, may also happen to cattle and sheep, at least on those that we export. Now, suppose the packers and the export corporation get into a disagreement regarding the terms, and so forth, of the contract and figure out the two horns of the dilemma, either, on the one hand, the export corporation loses and passes back to the producer millions upon millions in losses, or else the packers wax fat upon a contract drawn upon their own terms.

In this country to-day there are being built up great cooperative societies and organizations that have proven helpful in the marketing of agricultural products. The McNary-Haugen bill, if it becomes effective, would tend to weaken and ultimately break down these splendid organizations for there is no longer a necessity for such organizations. Uncle Sam is going to protect them, and when the final collapse comes we will have to start anew to build them up again. A tragedy, indeed, to our farmers.

COMPETITION OF THE WORLD

It is axiomatic that high yields tend to make low costs, and that low yields tend to make high costs. The Canadian farmer is now producing practically four times as much wheat as he produced before the war, and his yield averages about 23 bushels per acre. The land, because new and stronger, produces a better quality of wheat than much of our land produces; indeed, some of this Canadian wheat is now imported, even under our present tariff, in order to blend with the wheat produced in the Northwest. As against this, take the vast acreage of North Dakota, for example, with an average yield of about 12 bushels per acre. Take the added cost, therefore, of the production of each bushel of wheat here and how is it to compete or how are the farmers producing wheat in North Dakota to compete on an equality with their Canadian neighbor, who produces at less cost over twice as much per acre and of a better quality?

The McNary-Haugen bill says, "We will set up an embargo or a Chinese prohibitive-tariff wall or law. We will not let the Canadian wheat in." Under such a policy what can we expect Great Britain to do when we propose to dump our 200,000,000 bushels of surplus wheat, as against the Canadian, the Australian, and the Indian competitors, in the Liverpool market? These countries are all part and parcel of the United Kingdom, and you can rest assured Great Britain will protect her own. Do you expect these countries or other countries to sit idly by with folded arms if this dumping policy is put

through under Government sanction? The chain of involvements is endless. Canada will at once set up an embargo prohibiting the exportation of wood pulp, and so forth, from Canada into the United States, with authority already granted its Government so to do. Other countries will start in with their policies of retaliation, and our great markets for large surpluses in other lines of agriculture, already built up at great expense and through painstaking effort, will be utterly destroyed. If for no other reason, this bill should be defeated.

Agriculture is indeed in a great depression. The farmer is not only suffering from the relatively low price for what he sells, but he is also paying the penalty in the high price his farm machinery costs. Freight rates either on the machinery he brings to the farm or the products he ships from the farm are very high, owing largely to the increases in the cost of labor on the railroads.

Another burden that is becoming intolerable is the great increase in taxation, whether local, State, or National. There is no one answer to this very difficult situation, but it does mean there must be retrenchment in all governmental expenditures, whether they be local, State, or Federal, in order that taxes may be reduced. Reductions in the tariff in order to reduce the cost of what the farmer has to buy, and finally the restoration of Europe to its intensive manufacturing activity, are splendid, helpful steps. Taxation is breaking the backs of the people, and when this Congress or any other goes cheerfully along its care-free way, voting bonuses and other costly legislation, it is working directly against the farmer, whose land is always in sight and is always soaked by high taxes.

We need more diversified farming, and instead of added capital that flows easily toward the extension of loans in order to increase agriculture in its overly expanded state, we need capital that will only aid in a national diversification program. Private enterprise is trying to help meet the situation. Many of these little banks that spring up overnight in the inflation period in the overly extended and overly expanded Northwest should not have gone in there at all, and it will take time for them to liquidate without losses to depositors. The strong banks of the great cities, like New York, Chicago, Minneapolis, and so forth, have gone to the rescue, along with certain business interests and the railroads, and subscribed $10,000,000 toward the capitalization of a corporation which is authorized to borrow $40,000,000 toward helping to liquidate these frozen assets, and, as I said before, it is not alone the wheat producer, cattle, or hog growers that suffer, but our copper and zinc miners also. The fertilizer and agriculture-machinery interests and other great enterprises are hard pressed as well, but most of all, beloved colleagues, let us not be so foolish as to think through wishing we can add to our stature or that we can raise ourselves by our own boot straps.

The law of supply and demand has been running longer than any of us. Stimulants and artificial methods may temporarily overcome economics, but it is the aftermath I am thinking of, when our great cooperatives shall have become weakened or disappeared, when "the cold, gray dawn of the morning after" shall arrive after the Haugen-McNary bill shall have run its course and agriculture shall have to build again. I can wish no such prospect on the tillers of the soil of to-morrow and shall accordingly vote against this bill.

TARIFF

It is not my purpose to discuss the effects, directly or indirectly, of setting up this tariff or embargo. If you will read the evidence of Mr. T. O. Marvin, chairman of the United States Tariff Commission, testifying before the Ways and Means Committee regarding the tariff features of this bill, on April 2, 1924, you will find that the delegation of power in this bill means that, when it is in operation, a tariff adjustment in at least a hundred items, possibly a great many more, will be involved, as it is not alone the items themselves that are running into competition with our own that we have to protect ourselves against, but substitutes, derivatives, chemical combinations, and so forth.

CONSTITUTIONALITY

I do not intend to submit to you a single argument on the constitutionality, much as I might desire to, for if you can not be convinced upon the economic features alone that this bill is not a proper one to pass at this time. I for one shall not argue further, but leave the legal complications involved in this bill to the lawyers, the United States Supreme Court, and Father Time for answer. [Applause.]

I yield back the balance of my time, Mr. Chairman.

The CHAIRMAN. The gentleman from New York [Mr. CLARKE] yields back eight minutes.

Mr. RUBEY. Mr. Chairman, I yield 30 minutes to the gentleman from Oklahoma [Mr. SWANK].

Mr. SWANK. Mr. Chairman and gentlemen of the committee, many bills for the relief of the farmers are pending before the Committee on Agriculture. I am glad to be a member of that great committee, one of the most important in Congress, for it deals with the most important legislation. Agriculture is our basic industry and the one upon which all others depend. There can not be any general prosperity in this country unless agriculture is in a prosperous condition. When the farmer receives a fair price for the products of his toil and raises a good crop, all lines of business enjoy his prosperity. Therefore, when we deal with that great industry in a beneficial way we are assisting business in general.

The Committee on Agriculture has been holding hearings almost every day since its organization after the holidays last January, and most of this time has been on the bill now under consideration. The committee was patient and heard every person who expressed a desire to be heard, for we knew that this was an important bill, dealing with an important industry. No member of that committee would do anything that would injure or cripple any legitimate business. We want to see all lines of business prosper and succeed. In the Sixty-seventh Congress I introduced my farmers' warehouse bill, spoke on the floor of the House several times in support of the bill, and argued it before the Committee on Agriculture in that Congress. I also spoke before the committee during this Congress on the bill. It is a good bill and would undoubtedly benefit agriculture. Then there is the Norris-Sinclair bill, which is a good bill and the same in principle as the McNary-Haugen bill. I voted to report that bill from the committee as a substitute for this bill.

I believe every member of that committee would like to do something beneficial for agriculture. I think this bill will bring great relief. Some of my colleagues do not agree with me, but that is their business. This is not a political bill. Agricultural legislation should not be political, nor should any other legislation for the good of the people. What is good for one political party is good for all. Some opposed the Sinclair bill, for they feared it would entail a loss upon the Treasury of the United States. The McNary-Haugen bill eliminates that objection and places the expense of operation and any losses that may occur on the producer of the particular product or the person who benefits by the legislation.

Ah, but some say that it is socialistic. Well, I have often heard that cry used, and so have you, against certain legislation that will benefit the people. That charge does not frighten me, and I am as far from wanting to see the Government engage in business as any of you. This bill is to meet a great emergency. Farmers are leaving the country and drifting to the cities for the reason that they can not longer continue to produce the necessities of life at a loss. Something must be done and done now. If we are going to do anything for the farmers of America, now is the time to act. Harvest will soon be here, and a month's delay will not help the wheat grower this season. Why delay longer? To those who oppose this bill I will ask, What have you to offer? [Applause.] Have you appeared before the committee for any other bill? It is easy to object, but difficult to construct. This bill is not perfect, just as nothing is perfect devised by the hand or mind of man.

Mr. Chairman, all products of the farm could not be included, but the leading grain crops are provided for in the bill. When one leading crop brings a good price, it naturally helps all other crops. If wheat is at a fair price, it enables the wheat farmer to buy more cotton goods with which to clothe his family and thereby helps the cotton farmer. It causes a larger consumption of cotton. It is also a fact that when cotton is at a fair price it helps the price of wheat and all other farm products, for the cotton farmer has more money with which to buy wheat products. If you increase the price of hogs you likewise increase the price of corn. If this measure is as successful as we hope it will be, other leading crops of the country can be included later, for we all realize that the prosperity of this Nation depends upon the prosperity of the farmer. [Applause.]

In addition to the assistance this McNary-Haugen bill will give to cotton by stimulating the price of other products of the farm, Senate bill 2112, identical with House bill 5842, which I introduced, is now the law and discontinues acreage reports based upon farmers' intentions to plant cotton. These reports on intentions to plant cotton were first issued in 1923. That law provides for semimonthly reports on cotton by the Department of Agriculture instead of monthly reports, as heretofore, to be issued at the same time as the ginning reports by the

Bureau of the Census. That law also requires that a majority of the cotton-crop reporting board shall be familiar with the methods and practices of producing cotton. Weather and other conditions often make a great change in the cotton crop within a period of two weeks. For instance, the Department of Agriculture estimated July 2, 1923, that there would be 11,412,000 bales of cotton produced in the United States; the estimate December 12, 1923, was 10,081,000 bales and the actual production 10,159,498 bales. These reports greatly affected the price. The purpose of the law will prevent such a wide variance in estimate hereafter and will be a great help to the cotton farmer. It is all nonsense to say that there is great prosperity in this country with the depression in agriculture that we now have.

The McNary-Haugen bill is indorsed by most of the great farm organizations, such as the American Farm Bureau Federation, the National Grange, the Farmers' Union, and other great organizations. Under date of April 15, 1924, I received the following telegram:

Oklahoma economic conference, composed of Federation of Labor and all organized labor, farmers' unions, and all other farm class organizations in Oklahoma. Ten State organizations at their quarterly meetings to-day unanimously indorsed the McNary-Haugen bill pending and ask our delegation in Congress to support same.

C. H. HYDE,
Chairman Farm Labor Economic Conference.
IRA M. FINLEY,
Vice Chairman and President Oklahoma State Federation of Labor.
VICTOR S. PURDY,
Secretary and Treasurer Oklahoma State Federation of Labor.

On March 5, 1924, I received the following telegram:

Oklahoma Federation of Labor requests you to support McNary-Haugen bill as the best opportunity to give farmers relief sorely needed.

IRA M. FINLEY,
President.
VICTOR S. PURDY,
Secretary-Treasurer.

Under date of March 4, 1924, I received the following telegram:

I have read the McNary-Haugen bill and personally I am very strong for the measure. I believe I am expressing the sentiment of a large majority of the farmers when I say we hope this will pass at this session. John Simpson out of city. He wrote HARRELD, Oklahoma farmers were 100 per cent for this bill.

OKLAHOMA FARMERS' UNION.
Z. H. LAWTER.

On March 5, 1924, I received the following telegram:

The Oklahoma State Board of Agriculture in regular session to-day unanimously indorsed the McNary-Haugen bill and urge its immediate passage.

A. T. WHITWORTH,
Member of the Board.

Mr. Edgar Wallace, Washington, D. C., representing the American Federation of Labor, appeared before the Committee on Agriculture in favor of the McNary-Haugen bill and said that he represented possibly 5,000,000 workers. Mr. Wallace further said that he wished to go on record as representing the only articulate expression of the workers, to the effect that we are in favor of comprehensive action in order to help the farmers out of their present condition, and to place them on an equality with others.

Mr. J. P. Russell, president of the Farm-Labor Union of Oklahoma, appeared before the committee in behalf of the Sinclair bill, and, among other statements, said that he believed through the Norris-Sinclair bill, or something similar to it, they would be helped to a great extent in marketing their products, and that they were asking the Government to help them to do that through some kind of marketing organization.

Mr. Arthur J. Lovell, vice president and legislative representative, Brotherhood of Locomotive Firemen and Enginemen; Mr. W. M. Clark, vice president and national legislative representative, Order of Railway Conductors; also representing the Brotherhood of Railroad Trainmen, Mr. E. H. Kruse, assistant to the legislative representative, Brotherhood of Locomotive Engineers, and Mr. James C. Noonan, international president, International Brotherhood of Electrical Workers, appeared before the committee during the hearings on the Norris-Sinclair bill and in support of the bill. Mr. Lovell said that the organization which he represented was in favor of some measure to bring about better conditions for the farmer. Mr. Clark said that the organization which he represented is on record as favoring some bill, whether the Norris-Sinclair bill or some other bill that is satisfactory to the farmers of this country. Mr. Clark further said:

As far as we are concerned, we are not wedded to any particular bill or language, if it benefits the farmer, because that is what we are trying to do.

I wish to congratulate and compliment these great railway brotherhoods and the American Federation of Labor for exerting their energies in behalf of the farmers of this country. They want to see the farmer prosper and to receive a reasonable price for his products. I am glad that their honored representatives appeared before the committee in behalf of the farmers of this Nation.

The farmers need help now. This bill will help them, and unless a Member who is opposed to the bill can point out some way in which it will not help them or which will endanger the Government, then it seems to me that he should support the bill. The cost of these products to the consumer need not be increased, for the price of bread and flour now is out of all proportion to the price paid the farmer for his wheat, as the hearings on this bill will show.

Subdivision (c) of section 42, substantially the same as the amendment I offered, was adopted and is as follows:

Inasmuch as operations under this act will not continue for more than five years, the corporation shall cooperate with and encourage formation of associations of producers of agricultural commodities, so that during such period producers may perfect marketing associations for procuring the objects to be accomplished by operations under this act, and after the termination of the general emergency such associations of producers will be prepared to assist in producing orderly and efficient production, distribution, and marketing of agricultural commodities.

I also offered subdivisions (b), (c), and (d) of section 53, which provide that the books of the corporation shall be open to inspection to any person or governmental agency of the United States designated for the purpose by Executive order of the President, any governmental agency authorized by concurrent resolution of the Congress, and any committee of the Senate or the House of Representatives when authorized by resolution of the Senate or the House of Representatives, respectively.

The provisions of the bill relating to the cooperatives will be a great stimulus to their further organization, and the transactions of the corporation will naturally be through these associations, when possible, for the best interests of the producers of the agricultural commodities bought and sold under the provisions of this measure. These cooperative associations have done and are now doing a great work for agriculture, but, in the interest of the farmers of the country, need encouragement and assistance until they are able to handle their products effectively themselves.

Another good amendment adopted was the one offered by the gentleman from Missouri [Mr. RUBEY]. This is subdivision (b) of section 203, and eliminates scrip. This will be a great saving, as the handling of scrip would put an additional burden on the postmasters and would cause another heavy outlay in additional help in the post offices. The scrip would have caused a great deal of inconvenience to the producers. Under this bill as it is now written the purchaser of the agricultural commodity gives a receipt to the producer, who may keep this receipt, and if there is any balance in the treasury of the corporation after the payment of all expenses and losses may receive his pro rata part. I believe that the corporation will be able to figure out just about the expense of handling the business; but if there should be anything left from the equalization or expense fund, the farmer is entitled to his part of what is left.

The bill provides that if there is a surplus for export of wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine, and that the ratio price in respect to such commodity would be in excess of the domestic price the board shall immediately notify the President, whose duty it shall be to declare that a special emergency exists as to such agricultural commodity. Further provision is made that as soon as practicable after the issuance of such proclamation declaring a special emergency in respect of a basic agricultural commodity the Secretary of Agriculture and the Secretary of Labor shall jointly prepare the average price for such commodity during the period 1905 to 1914, inclusive.

The corporation is composed of the Secretary of Agriculture and four persons appointed by the President, by and with the advice and consent of the Senate, from the States within each of the following groups of Federal land-bank districts: One from districts 1, 2, and 4; one from districts 3, 5, and 10; one from

districts 6, 7, and 8; and one from districts 9, 11, and 12. These persons constitute the board of directors, and the President designates one of the directors as managing director. The bill further provides that not more than two of the appointed directors shall be members of the same political party.

Under the terms of the bill all purchasers of the basic agricultural commodity by the corporation must be at the ratio price, and when the producer sells such product he will receive therefor such ratio price. At the present time the market price of wheat is about $1 per bushel, and the ratio price is about $1.57 per bushel. If it should take 10 cents per bushel to handle the corporation in regard to wheat, the farmer would receive $1.47 per bushel and would receive a receipt for 10 cents per bushel. At the end of the year if it did not take 10 cents per bushel to handle his wheat, he would receive back his proportionate part of the 10 cents per bushel. Of course, the farmer would prefer the $1.47 per bushel and whatever part of the balance of the equalization fund to which he would be entitled. If he did not receive anything for his receipt, he would be 47 cents per bushel better off than without the operation of this bill. Why not do as much for him as for our other citizens? Many want to help the farmer if it will not cost anything. He pays all operation expenses of this measure; he wants to try it, and why not pass the bill? The Government can not lose anything. Objections have been made to other bills for his relief for the reason that it might cost the Government something. Here is a bill that costs the Government nothing. All costs are paid by the producer whose products are sold under the terms of the bill.

Wheat production costs, 1919 to 1923, inclusive.

[Costs as given by the Agricultural College of North Dakota]

Year	Average yield per acre (bushels)	Average cost—	
		Per acre	Per bushel
1919	7.5	$18.48	$2.47
1920	11.2	20.37	1.83
1921	9.9	14.09	1.43
1922	13.5	13.84	1.03
1923	8.2	12.23	1.49

Corn production costs, 1921 and 1922

[Computed on average State yields for Kansas, Nebraska, Iowa, Illinois, and Indiana]

Year	Average yield per acre (bushels)	Average cost—	
		Per acre	Per bushel
1921	34	$21.76	$0.64
1922	34	20.83	.61

Mr. Chairman, these figures on cost of production of wheat and corn are for the Wheat and Corn Belts of the United States, and the cost of production will, of course, be greater where the production per acre is less. It will thus be seen that farmers can not continue to produce these indispensable products at less than cost. No business man can continue his business at that rate and the farmer can not much longer continue to produce these products unless something is done to help him. A man can not raise wheat that costs him from $1.03 to $2.47 per bushel to raise and sell it for less than a dollar per bushel. The same is also true of corn and other products of the farm.

The first products that will likely be handled by this bill if it becomes a law are wheat and pork and their products.

With the increased cost of everything the farmer is compelled to buy, caused largely by the outrageous Fordney-McCumber tariff law enacted by the last Congress, it is about time that something was done for the farmer who has to contribute under that tariff law to the pockets of the manufacturers for the necessities that he must buy to feed and clothe his family and make his crop. With our agricultural exports falling from the enormous sum of $3,466,619,819 in 1920 to $1,883,315,000 in 1922 and $1,820,000,000 in 1923 after the present tariff law began to work, it is evident that something must be done. There is no chance to repeal that unfair and unequal law in this Congress, and the only opportunity we have to put the farmer on an equal basis with these beneficiaries of that tariff law is by the passage of the McNary-Haugen bill now under consideration by this House. Our exports have fallen from $8,100,000,000 in 1920 to $4,000,000,000 in 1923. [Applause.]

Some have argued that the enactment of this bill will cause a greater production of wheat. In answer to that argument I state that the greatest production of wheat was in 1915, when we produced in the United States 1,025,801,000 bushels; in 1918 we produced 921,438,000 bushels; in 1919, 967,979,000 bushels; and in 1923, 786,000,000 bushels. Then the farmer knows that if the production of wheat is greatly increased that the price will decrease and with additional acreage to wheat, the price of his other crops will be increased. Those conditions will keep the production to about normal.

Mr. Chairman, if the farmer could exchange a part of his products in foreign markets for goods and articles needed on the farm, a long step would be taken for his assistance, and I supported the following amendment offered to the bill:

> The corporation shall have power to an amount or amounts not exceeding its sales in foreign markets to purchase in such foreign markets any goods, except farm products, and to enter such goods into the United States free of tax or duty for sale or disposition in the domestic market at the best price obtainable, and shall give preference in the sale of such goods to cooperative marketing associations.

That is a good amendment and should be adopted, for it would be a great help to the farmers whom we propose to assist under the terms of this bill. However, just because the bill is not just as I would have it is no reason for my opposing the measure.

The bill authorizes, it is true, an appropriation of $200,000,000 from the Federal Treasury, and is empowered to issue its notes, bonds, and other evidence of indebtedness in the sum of five times its capital stock. This appropriation will be returned to the Government.

Mr. Chairman, under the guaranty provisions of the transportation act of 1920 the Government has paid to the railroads of the country the enormous sum of $551,000,000 cash, not including the large amounts paid the railroads for use, upkeep, and operation during the period of Federal control. The Interstate Commerce Commission sees that the railroads make a good profit, but nothing is done for the farmer. The net revenue from railway operations in 1921, as given by the Interstate Commerce Commission, was $969,346,226; in 1922, $1,162,779,249; and $1,412,962,592 in 1923.

The last Congress appropriated $20,000,000 for Russia, and the House in this Congress voted to give $10,000,000 to Germany. I voted against these appropriations. Congress is very generous with the people's money for these purposes, and then I ask, why turn a deaf ear to our own farmers and our own people, that they may enjoy a little prosperity? I want all legitimate business to prosper and receive a fair return on investment and work. I also want the farmer brought to this level.

Among opponents of the bill are such business institutions, great and powerful, as the National City Bank of New York, which is sending its "Analysis of the McNary-Haugen bill" to Members of Congress. This institution devotes more than one page of its booklet to the scrip provision of the bill, and this provision has been eliminated. It then devotes more than another page as to how the bill will injure the cotton farmers, and cotton is not in the bill. These seem to be its two principal objections. With these two provisions eliminated, what does this great banking institution have to say? I presume it will find other objections. It tries to show that "Metals and metal products" are more depressed than agriculture. Well, no doubt this bank knows more about "metal" than it does about agriculture and cares a great deal more. Note that this bank does not condemn the present protective tariff law, but says "A protective tariff has the merit of simplicity as compared with this measure." Such institutions as the Illinois Manufacturers' Association of Chicago, the Washington Post, the large exporters, and the New York and Chicago boards of trade oppose the bill, but these will not deter me from supporting the bill, for I am more interested in helping the farmer than in listening to these "Wall Street" arguments. It seems to worry the National City Bank of New York because the working people of the country are for a bill to assist the farmers. These workers know that agriculture needs some helpful legislation.

This bill provides that the ratio price of any basic agricultural commodity shall bear the same relation to the pre-war basic commodity price as the current all-commodities price bears to the pre-war all-commodity price. Below is a table prepared by the Bureau of Labor Statistics, showing how the bill will affect the prices of certain agricultural commodities:

Market prices of commodities

Index of all commodities, 1905–1914	100.0
Index of all commodities, year 1923	162.3
Index of all commodities, December, 1923	159.8

Individual commodities	Average market price			Ratio price	
	1905–1914	1923	December, 1923	1923	December, 1923
Corn: Contract grades, cash, Chicago	$0.602	$0.821	$0.730	$0.977	$0.962
Wheat: Range of No. 1 northern spring and No. 2 red winter, Chicago	1.000	1.163	1.097	1.624	1.598
Cattle: Good to choice, steers, Chicago	6.853	9.952	9.785	11.123	10.949
Hogs: Heavy, Chicago	7.099	7.690	7.050	11.522	11.342
Sheep: Wethers, Chicago	5.379	7.648	8.000	8.731	8.594
Flour: Patents	5.127	6.365	6.100	8.322	8.192
Wool: One-fourth and three-eighths grades, scoured basis	.492	.979	.964	.799	.787

Mr. TINCHER. Will the gentleman yield?

Mr. SWANK. I would like to finish my statement, and then I will yield if I have time.

Mr. TINCHER. I know the gentleman does not want to mislead the House. The gentleman does not say anything about the price of wheat when the Fordney-McCumber Act was passed.

Mr. SWANK. Mr. Chairman, I can not yield just now.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. SWANK. Mr. Chairman, will the gentleman from Missouri give me five more minutes?

Mr. RUBEY. I yield the gentleman five more minutes.

The CHAIRMAN. The gentleman from Oklahoma is recognized for five minutes more.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. SWANK. Yes.

Mr. BLANTON. Oklahoma is the fourth largest cotton State in the Union. The main crop in my State is cotton. The main crop in lots of other States is cotton. The farmers who need help more than anybody else are the cotton farmers. Yet this bill does not help them at all.

Mr. SWANK. Cotton was originally in this bill, and the gentleman from Louisiana [Mr. ASWELL] called all the Members together from the cotton-producing States; did you not, Mr. ASWELL?

Mr. ASWELL. Yes.

Mr. SWANK. And it was the unanimous opinion of that meeting that cotton should be eliminated. As I stated before, an increase in the price of the products covered by this bill will help the cotton farmer and all other farmers.

If this bill had been in operation last December, instead of receiving $1 per bushel for his wheat the farmer would have received $1.59 per bushel; instead of receiving 73 cents per bushel for his corn he would have received 96 cents per bushel. These are the prices he would have received at that time, less the expense of operation. The ratio price for wheat last January was $1.50 per bushel, the same for February, and $1.48 per bushel for March for No. 2 hard winter wheat. The average market price last December for good to choice steers in Chicago was $9.78, and the ratio price was $10.94, and the average market price for hogs, heavy, in Chicago was $7.05, and the ratio price was $11.34. The ratio price for hogs in this market for last January was $11.35; February, $11.37; and March, $11.25.

Mr. Chairman, some object to the tariff provision of the bill. I do not believe in the theory of a high protective tariff, and opposed the present Fordney-McCumber law, but everyone knows that if this bill is put into operation on wheat, for instance, that it is necessary to put an embargo on wheat and not permit any to be shipped into the United States, for if importations were permitted it would destroy the operations of the bill. But little wheat is now imported, yet much would, of course, be imported if the bill increased the price of wheat from $1 per bushel to from $1.50 to $1.60 per bushel, as it will do. To those who object to that provision, let me call your attention to the food control act, approved August 10, 1917, which contained a similar provision, and in fact the provision in this bill was taken from the food control act, which act gave the President at that time the power to fix the price of wheat. That power to fix the import duty was necessary then while the price of wheat was fixed, and it will be necessary under the provisions of this bill. A vote for this bill with that provision is no indication that a Member of Congress believes in a high tariff any more than it was an indication in 1917 under our Democratic administration.

Mr. Speaker and gentlemen of the House, arguments against this bill can not stand when confronted with the facts. The question before us now is this: Do you want to help the farmer, in whose behalf many talk and few act? This bill will greatly assist him in recovering from the depression of his prices during the past four years, and will show him that we are interested in his welfare and the welfare of his family. I hope the bill will become a law, and would like to see it pass this House without a dissenting vote. I am not so anxious to see a few pile up huge fortunes as I am to see the masses of the people reasonably prosperous. [Applause.]

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. CLARKE of New York. Mr. Chairman, I suggest the absence of a quorum at this time.

The CHAIRMAN (Mr. SANDERS of Indiana). The gentleman from New York suggests the absence of a quorum. The Chair will count. [After counting.] One hundred and eight gentlemen are present—a quorum.

Mr. RUBEY. Mr. Chairman, I yield 30 minutes to the gentleman from Texas [Mr. JONES].

The CHAIRMAN. The gentleman from Texas is recognized for 30 minutes.

Mr. HAUGEN. Mr. Chairman, I yield 30 minutes to the gentleman from Indiana [Mr. PURNELL].

Mr. PURNELL. Mr. Chairman and gentlemen of the committee, my good friend the gentleman from Texas [Mr. JONES], who has just concluded, prefaced his remarks, as have many of those who oppose this bill, with the statement that he would be glad to be for it if he thought it would work. He would be glad to support it in the interest of the American farmer if he thought it a practical measure. Now, gentlemen, as you all well know, the work of the Congress, with which you are as familiar as I, has become so complex and so comprehensive that of necessity we conduct it very largely through committees. When this bill came to this House it bore the indorsement of 14 members of the Committee on Agriculture, without regard to politics. This bill not only has the indorsement of 14 members of the Committee on Agriculture who have given it unlimited study but it has the indorsement of the Secretary of Agriculture, the statement of my good friend from Louisiana [Mr. ASWELL] to the contrary notwithstanding. It has the indorsement of over 200 farm organizations, a list of which is set out in the printed report and which includes almost every farm organization in this country. I am not one of those Members who are stampeded by petitions, telegrams, or propaganda, because I have been here now just about long enough to recognize propaganda when it comes in, but I am impressed with the almost universal demand for this legislation coming from our farmers. I hold in my hand a petition from my own State of Indiana signed by from 60,000 to 70,000 farmers, bankers, doctors, lawyers, and business men, who believe that the McNary-Haugen bill will give some relief to the American farmer. I have not counted them all, however. This great Committee on Agriculture, of which I have the honor to be a member, has not reported this bill without due and careful consideration. For two long months we sat in session day after day listening to men from every part of the country, in every kind of business, both for and against this plan. For one month the Committee on Agriculture sat in executive session and considered line by line this proposed legislation. One month more was consumed in the consideration and discussion, informally, of the bill, so that it is not a hastily prepared bill. The Secretary of Agriculture, for whose ability, honesty, and fairness I have the highest regard, in a letter addressed to Senator NORRIS a short time ago, said, among other things, in discussing this bill:

> As I have previously testified both before the Senate and House Committees on Agriculture, I believe that the principles embodied in this bill are fair and just to farmers and to other groups of citizens, and that this bill is the most practical measure yet suggested for the purpose of overcoming some of the economic injustices under which the farmers of this country have been working for three years.

I shall not read all of Secretary Wallace's letter, but this extract from it will clearly show the Secretary's attitude toward the bill. The Secretary of Agriculture is in favor of this bill as are 14 members of the Committee on Agriculture, who after careful deliberation and study, recognizing that perhaps it is not perfect, and that perhaps it lays itself open to some criticism, yet believe it to be the only constructive thing presented to this House that offers the American farmer im-

mediate relief, and God knows he needs relief and needs it now, as these lines on this chart clearly demonstrate.

Let me suggest to some of you gentlemen just what we were "up against" when we began the consideration of this bill. We had a choice between two courses. I am assuming that no Member of this House gainsays the proposition that the American farmer is at the lowest ebb in his existence. I am assuming that no Member of this House would undertake to refute the statement that the American farmer is passing through the most serious depression that has ever come upon him in the history of this Government. With that thought in mind, and with the thought in mind further that immediate relief, not relief in the distant future, is necessary to save not only the farmer but the banker and the business man who have extended him credit, we found ourselves confronted with a choice, as I say, between two courses. We could either seek through legislation to drag these lines [indicating on chart] downward until they meet this line [indicating] represented by the farmer's condition to-day or else seek to lift that line to meet the others. The latter seemed easier, and it was with that thought in mind that we drafted this bill.

And I want to impress upon the membership of this House, especially upon those who may have been affected by the statement that this is bolshevistic, that it is socialistic—I want to impress upon them that this is not a permanent policy of this Government if enacted into law, but that it is a temporary piece of emergency legislation. It is a pulmotor which this Congress is seeking to apply not only to the American farmer but to those who are dependent upon him.

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

Mr. PURNELL. I will yield to my friend from Illinois.

Mr. McKENZIE. I understand from the statement of the gentleman from Indiana that the proposition was presented to the Committee on Agriculture to make a choice between a constructive policy and a destructive policy, and the committee took the constructive policy.

Mr. PURNELL. The gentleman has stated the fact exactly as it is. If we had chosen the former, the result would have been to drag down wages, to drag down the price of every other commodity in this country until it reached a level that would be on a parity with the price of the things that the farmer raised; and, as I said a moment ago, the latter course seemed easier.

This plane [indicating on chart] represents the things that the farmer has to buy, and this one [indicating] represents the things he has to sell. They are entirely too far apart. It was the duty of the Committee on Agriculture to present something constructive to this Congress that would tend to bring those two planes closer together. And so we went back to the 1905–1914 period of 10 years, during which time there was practically a normal, rational, and equitable parity between the price that the farmer receives for his products and the price of the things that he has to buy; and we are asking by this present emergency legislation to lift the farmer out of his present dilemma and to transplant and transport him back to that prewar normal 1905–1914 period, when he got a reasonable return upon his investment as well as a reasonable return upon his labor.

It is necessary to keep a few facts in mind when you consider this bill. One is that the farmer during the last four years has passed through the most disastrous panic agriculture has suffered in the history of the Nation. Although 40 per cent of our people, or to be exact 42,436,776, live in unincorporated places, mostly on the farms, and nearly half of our population is directly dependent upon agriculture, we find that the products of the farm are at such a wide variance with other commodities that farming has not only ceased to be a gainful occupation but it is actually being carried on at a loss.

Now, what is the reason for it? Consider wheat, for instance, because that is more easily understood. And I want to say that I am not one of those that think that wheat is the only thing that can be favorably affected by this bill. I think we all mention wheat because it is easier for everybody to understand. But if you can make it workable for wheat, you can in the same way make it workable for all other products.

Let us not flippantly deal with the situation that is so serious to the American farmer, when we might look profitably at the principle that is involved.

Mr. RAKER. Mr. Chairman, will the gentleman yield for a short question?

Mr. PURNELL. Yes; for a short question.

Mr. RAKER. Will the gentleman tell us how it will affect the farmer who raises stock and cattle? That is what I am directly interested in.

Mr. PURNELL. Yes; the gentleman has asked that question four or five times to-day.

Mr. RAKER. And I have not had an answer yet.

Mr. PURNELL. If you will take my friend from Kansas [Mr. TINCHER] out into the cloakroom, he will give you the information desired.

Mr. RAKER. He admitted that he could not.

Mr. PURNELL. No, sir; he never admitted that he could not answer anything. [Laughter.]

Mr. KETCHAM. Mr. Chairman, will the gentleman yield?

Mr. PURNELL. Yes.

Mr. KETCHAM. I think I can answer it. If the ratio price will increase the price of your beef animals 2.6 cents per pound that would be the solution.

Mr. WOODRUFF. I suggest to the gentleman from Indiana that he ask the gentleman from California [Mr. RAKER] to take his friend from Texas [Mr. HUDSPETH] into the cloakroom and have him answer.

Mr. PURNELL. I am sure the answer that would be given on the question by my good friend and Democratic colleague from Texas [Mr. HUDSPETH] would be worth more than anything that I could say.

The price of wheat is not controlled by the flow of wheat to the domestic market, but is and always has been controlled by the price at Liverpool, less the cost of transportation. The Liverpool price is fixed by competition from the Argentina, from India, Russia, Hungary, and other parts of the demoralized and stricken world. All of the commodities except agricultural commodities have advanced 60 per cent on the average, while crops and livestock have advanced only 17 per cent from 1913 to 1923.

Clothing has gone up 101 per cent, metals and metal products have gone up 41 per cent, building materials have gone up 81 per cent, house furnishings have gone up 76 per cent, while crops and livestock have gone up only 17 per cent. From the figures I have just given you it will be seen that if the farmer was getting his share—and by share I mean a reasonable return upon his investment and a reasonable price for his labor—he would be getting about 43 per cent more for his products than he now receives. But he is not getting his 43 per cent because his exportable surplus comes in contact and competition with other countries that are stricken and demoralized.

Now, some of our other industries are aided by our tariff and by our immigration policies. In reality this is a tariff measure. This bill seeks to give tariff protection to agriculture. If we are willing to pass a tariff law and an immigration law to protect American labor and the products of the American laborers from competition with the underpaid laborers and their products in the old countries, then we ought, in simple justice to the American farmer, to be willing to pass a bill that will apply the tariff principle to him and his products. [Applause.]

This bill is not complicated and unworkable, as some of its opponents have suggested. On the other hand, I regard it as fairly simple. The purpose of this bill is clear. This whole discussion can be stripped of 75 per cent of the extraneous matter that has been brought into it, and it can all be boiled down into this clear, succinct statement: The purpose of this bill is to segregate the exportable surplus from the domestic supply, to sell that surplus in the world market at the world price, and to sell the normal domestic supply on a reasonable parity with all other commodities.

The destroyed purchasing power of the farmer is the real basis of his present unfortunate condition. The restoration of the purchasing power of a few great farm products to an equality in purchasing power with the average enjoyed during the 10-year period, 1905–1914, is the remedy we are seeking to apply in this bill. And certainly, gentlemen, this is a very modest and a very reasonable demand.

Mr. RAKER. Will the gentleman yield?

Mr. PURNELL. For a brief question.

Mr. RAKER. I hope the gentleman will not quit me or claim the question has been answered. I will repeat it again, and I would like an answer from this gentleman because I know he knows.

Mr. PURNELL. You are going to ask about your steers?

Mr. RAKER. Yes.

Mr. PURNELL. I am going to get to that in a few minutes.

Mr. RAKER. One gentleman suggested to me that it did not apply to stags.

Mr. PURNELL. Steers, I said. The farmer sold his wheat in November, 1923, for 92 cents per bushel. With the aid of this bill he would have sold it at $1.52, and had he sold it at

$1.52 he would have gotten a reasonable return on his investment in land and upon his labor.

Nobody for or against this bill questions the right of the American farmer—and I use the word "right" advisedly—to have received last November $1.52 for his wheat rather than 92 cents; and this bill, had it been in operation then, would have given him just that amount. In other words, our farmers would have received something like $36,000,000 more for their wheat last November than they did receive.

Now, I want to call attention to a few of the suggestions which have been made here by some of the gentlemen who oppose this bill. One of the principal indictments that have been brought against it is that it is a price-fixing bill. If I had thought the gentleman from Louisiana [Mr. ASWELL] had seriously meant what he said this morning about this being Bolshevistic legislation and communistic, I should have resented it, because, if I know myself, I do not believe there is a drop of that sort of blood in my veins, and I am against the principle of price fixing as a permanent policy of this Government. I am against the Government's interference in private business, and I am against the Government going into business than can be done by private individuals. But I am saying to you gentlemen that which you already know, namely, that unusual conditions demand heroic remedies. I do not admit, in making that statement, that this is a price-fixing bill.

A price that fluctuates with all other commodities and that only protects the farmer in the same ratio that the manufacturer and laborer are protected by the tariff and restricted immigration can hardly be called "fixed." But if it be price fixing pure and simple, I undertake to say that as emergency legislation needed to save America's basic industry we had better indulge in price fixing rather than see it destroyed. [Applause.]

I do not agree with the gentlemen who say it will cause overproduction. If it does cause overproduction, and if it encourages it, then that is a matter of concern for the farmers themselves rather than for the opponents of this bill, because it must be borne in mind that the farmer is the man who pays this bill in the end anyway. [Applause.]

The farmers of the country want this legislation. If production is excessive, then the effect will be heavier assessments and lower prices for farm products. Assessments increase as production increases, hence this bill, in my judgment, will, after it has come into operation, guarantee against overproduction rather than encourage it. There may be a tendency in the beginning, before it is thoroughly understood and before it is working as well as we hope to have it work, that overproduction will be encouraged, but whenever the farmers of this country realize that overproduction penalizes them they will use the machinery of this Government that is provided in this bill and that is already in existence to avoid that overproduction.

Objection has been made to this bill because of the amount of surplus that will be in the dealers' hands in this country. The statement has been made that if this bill goes into effect there will be something like $252,000,000 worth of meat products in the hands of the packers that will be enhanced greatly in value overnight. That may be true, but I do not agree with the gentleman who preceded me that there will be anything like $100,000,000 profit, because that is not a fact.

On five or six of the commodities affected by this bill the total increase in the hands of the dealers on all of the products is but $121,000,000. On meat products alone $54,000,000, as I recall; but what of that? Suppose we do pass this bill and suppose to-morrow morning the men with wheat—and, by the way, 20 per cent of that wheat is in the hands of cooperative elevators and in the farmers' hands—suppose in the morning we do wake up and find that those who have the wheat and the wheat products, the meat and live cattle, have profited by the passage of this bill to the extent of $121,000,000? Is that anything unusual? Is not that exactly what happens when we pass a tariff law? Do not the ships of all countries rushing under full steam head for our ports, their ships loaded to the gunwales, in an effort to get inside of our borders before a new tariff bill goes into effect?

Is there anything unusual about that, and even though it is unusual, I undertake to say that it is worth ten times $121,000,000 if we can restore the purchasing power of the farmer's dollar. [Applause.]

This bill provides specifically for the utilization of existing agencies, and any suggestion that the packers will adopt any policies other than those which now control their operations is far-fetched and urged only for the purpose of discrediting the bill. Everybody knows that the packers can and will continue to do the meat-packing business better than the Government, and that they will readily and willingly cooperate with the Government.

It has been suggested that this bill may produce some foreign entanglements and that other countries may retaliate, because the American farmer gets an American price for that portion of his crop consumed in this country, and because foreign countries continue to buy our surplus at the world price as they have been doing in the past. The fact is, they would go on getting their wheat and other products at the same old price, and would have no cause or desire for retaliation.

If the bill is unworkable, it is a matter of concern to the farmers rather than any other class, because he pays the great bulk of the bill. It is true this proposed legislation may result in a slight increase in the cost of living, but the farmer, who represents about 40 per cent of the population of the country, bears his part of that increase. In my judgment this is the only legislation now pending before Congress which offers that immediate relief which is necessary to save our farmers from complete ruin. The farmers can no longer continue to operate their farms and produce the food for the Nation at a loss. Every man who tills the soil is entitled to a fair return upon his investment and a profit for his labor. He is not receiving such a return at this time. This bill may have some objectionable features, but it is the only constructive plan before us. I am willing to give it a trial in the hope that we may thus restore the purchasing power of the farmer's dollar. This Nation can not exist industrially free and agriculturally in bondage any more than it could exist half slave and half free during the days of the Civil War. [Applause.]

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. PURNELL. May I have two or three minutes more, Mr. Chairman?

Mr. HOWARD of Nebraska. I ask that the gentleman be given additional time. Maybe he will yield to me then.

Mr. PURNELL. I thank the gentleman.

Mr. HAUGEN. I am sorry I can not yield further time.

Mr. VOIGT. Mr. Chairman, I yield 20 minutes to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. It is manifestly impossible in the time at my command to analyze this complicated bill and discuss all its features. Perhaps most wisely I may address myself to that phase of it which particularly concerns the people whom I am supposed to represent. Not alone for the people of my own district would I speak, however, but for the consumers of all the United States.

Four years ago the President, diverting his attention from the League of Nations, besought us to stay here and attack the high cost of living. The chairman of the Committee on Agriculture will recall that sizzling August when we faced the problem of reducing the price of food. By the way, he will also recall that the remedy suggested was a bill relating to cold storage, of which we never heard more. I wish the chairman would tell me where is the grave of that bill that I may visit it and drop a tear and pray that its soul may rest in peace. [Laughter.]

Times change. Four years ago we roasted here during the summer that we might reduce the cost of food. This year the newspapers tell us we may be compelled to roast into another August that we may raise the price of food.

The way here proposed to do it is to compel the American consumer to pay higher prices for certain staple articles of food—for example, half as much again for wheat. A Government corporation, with $200,000,000 of the taxpayers' money as working capital and the right to borrow a billion more, is to buy all the staples that may be offered, at the price determined, which will automatically establish the price the American consumer will pay in turn. It is to sell in foreign markets the surplus, the excess not consumable here, at whatever price it will bring, a price surely far below the cost of production. This means that what the farmer and the foreign consumer gain the American consumer loses. What will be the result from the point of view of the American consumer, 80,000,000 of him, 80,000,000 of the people of the United States?

I wish my friends from the far West would consent for one minute to recognize that a man from New England no longer represents only half a dozen States when he speaks for the consumer. New England is now the tail of the industrial dog. It has, to be sure, 1,200,000 persons engaged in manufacture, but in Ohio, Indiana, Illinois, Michigan, and Wisconsin there are more than 2,000,000 persons engaged in manufacture. The value of the product in New England is about $5,000,000,000. The value of the product in these east North Central States,

as they are called, is more than $12,000,000,000. And this takes no account of the industries of the Middle and Southern States.

I am not speaking for a small section of the country nor a small fraction of the people. I am speaking for all those who toil in the factory, who work on the railroads or in the mines, for all those wherever they may be, other than on the farms, who earn a daily living in the sweat of their brow, 80,000,000 of them. What will this bill do to 80,000,000 of the people of the United States?

The weekly letter of the American Federation of Farm Bureaus, the body supposed to be the most powerful influence behind this measure, on the 28th of last February said the McNary-Haugen bill would mean $1,000,000,000 to the farmers of this country. The gentleman from Wisconsin [Mr. VOIGT], in that most remarkable and effective speech night before last, put the possible cost, direct and indirect, at $2,000,000,000 or possibly more; but let us take the figure put forward by the proponents of the bill, its dearest and warmest friends, $1,000,000,000, and see what it means to the 80,000,000 consumers of the United States.

Everybody agrees that this program will increase the price of a barrel of flour by $2.50. The average annual consumption of flour in this country is a little more than one barrel to each person. You have simply to multiply the number of people in your own city or town by the figure $2.50 to find out how much it will cost your neighbors on wheat flour alone. It will cost the city of New York $14,000,000 a year. It will cost the city of Boston $2,000,000 a year. I come from a small city, having but 32,000 people. It will cost my neighbors in that city $80,000 in one year on wheat flour alone.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. LUCE. Not as yet.

You tell me the West is in distress and we out of our abundance ought to make such sacrifices. There came to my desk this morning the bulletin for April as to activity in the cotton-spinning industry. By the official figures here it appears that almost 6,000,000 spindles in this country are idle. This does not take into account other millions of spindles running on part time. Two weeks ago one of the oldest mills in the land, within half a mile of my house, cut down its working time from six to four days in a week.

Mr. FULMER. Will the gentleman yield?

Mr. LUCE. No; not now.

Nonproduction and unemployment are found on every hand in my neighborhood. You are bringing to us this bill at a time when we have just as much ground for turning the proposal upon you. I know some gentlemen will say that we will have prosperity again for all these textile mills and shoe factories if we but restore the farmer to prosperity. Speed the day when prosperity comes to him, but do not bring him prosperity at a cost that may in the end ruin him and destroy us.

Go further into this matter of the cost. I have spoken to you only of wheat and told you it will cost the people of my city $80,000. According to the figures of the American Federation of Farm Bureaus, those who advocate this bill, that is only one-fifth of the cost. Multiply $80,000 by 5 and you have $400,000 that you ask my little city in this time of distress to turn over to one group of the people in one part of the country.

Why, the whole tax levied on the property in my city is only about a million dollars a year. You ask us by this sales tax, the most burdensome of all forms of taxation, to add $400,000 to the million dollars of property tax in my city. Is there a Representative of the farming district here who has not proclaimed loudly against a sales tax? Have you as Representatives of the agricultural interests not fought it first, last, and all the time, because you know that it is a tax on the consumer? Now, here you urge a tax that is the most iniquitous of all forms of the sales tax because it bears on bread, the staff of life.

Mr. TINCHER. Will the gentleman yield?

Mr. LUCE. Not now. You who have traveled, you who have seen the countries of the world, know that everywhere bread is the staff of life for the poor. The rich man eats little, if any, more bread than the poor man. Indeed, the diversity of his diet makes it probable that he eats less wheat than the poor man. So you are going to impose a tax that will be practically the same whether paid by those who are in the greatest distress or those who hardly feel the depression at all.

Mr. BURTNESS. Will the gentleman yield?

Mr. LUCE. Not now. Yesterday our conferees reached an agreement on a revenue bill in which we all hope we can take some measure of pride. One feature of it to which every Member will point with satisfaction is that we put a heavier tax on the rich man than we put on the poor man. You have graduated the tax. Gentlemen on one side rejoice because the conferees have put the maximum at 40 per cent; most gentlemen on the other side would have preferred the maximum to be lower, but all Members on both sides believe in a graduated tax, and that the greater burden should be on the stronger shoulders.

To-day you present a proposition under which you will put a level sales tax alike on the weakest shoulders, those of the unfortunates who are near the door of the poorhouse, and those of the wealthy man in his palace on the hill. How can you justify yourselves by making such a demand as this on the working people, the toiling masses of the land?

Ah, but you say that agriculture is necessary for the prosperity of the country; you say it is the basic industry, fundamentally important. Well, so it is. You remember somebody asked Andrew Carnegie which was the most important—labor, capital, or brains. He retorted: "Which is the most important leg of a three-legged stool?" Will you gentlemen tell me which is the most important leg of the three-legged stool on which the Nation rests—agriculture, manufacture, or commerce? [Applause.] Are not all three necessary to the prosperity of the land? We do want agriculture to prosper; we will help it in every reasonable way; but what we say is that its prosperity should be in the main left to the working of laws of economics, that are never defied without disaster.

What is the situation? Why, it is this: On one-fifth of the wheatlands of this country, lands the most remote or of the poorest quality, lands that can not produce wheat except at a loss, farmers persist in continuing to raise crops. You are distressed because the farmers operating the worst lands or those in the worst situation can no longer make a living. And you are asking us, 80,000,000 of the consumers of the country, to pay for the cost of cultivating the worst lands.

You say that about one-fifth of the crop, equal to that grown on the unprofitable lands, is surplus and you desire to sell it abroad. You want to tax the masses of the people of the United States in order that one-fifth of the wheat crop, grown at a loss, may be put into the mouths of our competitors in Leeds, Manchester, the Ruhr, Lyon, Milan, and all the other manufacturing cities of Europe. You are asking us to feed the people of Europe at a lower price to them than you will accept from the consumers in the United States.

You are asking that as an inevitable result of an increase in the cost of living our employers be forced to pay still higher wages, while employers in Europe, as an inevitable result of a lowered cost of living, can pay still smaller wages. As the sure sequence, you are asking that the prices of all American-made articles shall be raised, while the prices of all foreign-made articles are lowered. So you are asking us to help those against whom we raise the tariff wall.

Mr. EVANS of Montana. Will the gentleman yield?

Mr. LUCE. Not just now. In order to feed the people of the rest of the world, you are asking us to put this enormous sales tax on the people of this country.

What is our remedy? Why, the natural remedy, the remedy of nature herself, the remedy of the competitive system, the remedy of the laws of economics. Cut down the products. You say that is cruel; you say it is hard. Well, it was hard on the manufacturers of this country to close down after the Great War some of the factories they had built. It is hard for them to-day to lay off the men and shut the doors. It is the cruel law of the competitive system, but it is the just law; it is the law under which we have become prosperous, and the only law under which we can survive.

Mr. SUMMERS of Washington. How about the tariff?

Mr. LUCE. I shall come to the tariff if the gentleman will wait until I reach it in the orderly course of my remarks.

Economic law says when agriculture is overproductive lessen its production.

Only the other day we passed an agricultural appropriation bill here. We brought the total of what we had spent to develop agriculture up to $600,000,000 since 1881—all expended in order that on the farms fewer men may do more work. By the invention of agricultural machinery we have made it possible for one man to do that which it took 15 men to do a century ago. Within a few years we have put upon the farms 450,000 tractors, between 350,000 and 400,000 trucks, and more than 4,000,000 automobiles—all presumed, and I think properly so, to lessen the labor of the farmer; to make it possible for fewer men to feed the rest of the country.

Now, having done this thing, why do you, the moment after you pass these huge appropriations for good roads and all the other things that help agriculture, come here and complain of

the very result that you meant to accomplish by those appropriations?

You have made it possible for many fewer people to live on the farm. Half a century ago it took the labor of one family in this country to feed itself and one other. Presently the man labor was brought down so that one family could feed two others. To-day you have reached the point where one family can feed three others, and only one-quarter of the people remain on the farms. The change goes on. Why, according to your own Department of Agriculture in 1922 more than a million people left the farms and went to the cities in excess of those who went the other way. According to the Sears-Roebuck Agricultural Foundation in 1923 another million left the farms and went to the cities. In two years more than 2,000,000 people were taken away from the farm, where almost every speaker here intimates it is not an attractive place to live. I doubt that. I would rather live on a farm than anywhere else, but every man who speaks for the farmer feels it necessary to deplore the lot of the farmer. Assuming that you gentlemen who speak for the farmer are telling the truth, assuming that it is an undesirable life, you have seen as a result of peace and of what has been done to make farm labor more productive 2,000,000 people in two years returning to the joys and comforts of city life. I say that with irony, because I hold life on the farm to be happier than anywhere else; but you evidently think it is desirable to have 2,000,000 people go from the farm to the city or else you would not continue to make appropriations and encourage invention that this very thing may result. The program is going to keep on if you will let economic laws work out their natural ends.

You want another remedy? Find it in diversifying your crops. Find it in other suggestions put before you by the Department of Agriculture. Do not, for Heaven's sake, look for it in legislation.

You suggest, however, that in the shape of the tariff there has been legislation to help some parts of the country. You want to know why you can not have a protection for agriculture of the same nature that you say manufacture has for itself.

The gentleman who preceded me declared that this is a tariff bill; that it is a proposal to apply the tariff principle. If that be true, it is applying the tariff by turning it upside down. The tariff was made to develop industry. You do not ask this to develop agriculture. Do you want more farms? Do you want more wheat produced? Why, this morning's paper has a cablegram from Paris where at the very moment there is in session the Academy of Agriculture. Let me read from this cablegram:

> Joseph Hitler, a member of the academy, pointed out that there were 140,000,000 quintals of wheat now available in the market, furnished by the United States, Canada, Australia, India, and Argentina. Of this quantity he assumed only 65,000,000 quintals would be absorbed by the world's consumption, leaving more than half left over at the time of the next harvest.

Right at the time when you have this cablegram before you, you are imploring us to add to the overproduction of wheat in the world.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Not now.

Mr. BURTNESS. If not now, eventually? [Laughter.]

Mr. LUCE. I hope so, if gentlemen are considerate enough to give me the opportunity.

We are asked to meet the situation with something that, in fact, is not a tariff at all. What is the right name for this thing? It is a bounty, a subsidy. You are asked to give a subsidy to the wheat industry in order that more wheat may be poured into the markets across the seas.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. LUCE. May I have a little more time?

Mr. VOIGT. Mr. Chairman, I yield 10 minutes more to the gentleman.

Mr. LUCE. I thank the gentleman. You are asked to impose this tax in order that unprofitable land in the Northwest may produce wheat to be sent abroad, and you defend it upon the ground that it is a tariff. Why, great heavens, a tariff was meant to develop industry, and you will instantly deny a desire to develop or extend agriculture. A tariff was designed to keep for our own people our own markets. Was there ever any tariff advocate from my own neighborhood so crazy as to suggest that the protective tariff ought to be or could be designed to enable American manufacturers to protect themselves in foreign markets against foreign competition?

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Not just now. The protective tariff was devised to help the whole country. Its only justification is that it is of nation-wide value to have the industries and the occupations of our people so diversified that we may be self-sufficient in time of war, and that in time of peace we may produce the greater part of what fabricated articles we need. Now you say, call this new thing a tariff and set it to work producing more than we need. Oh, if time permitted I might go on, showing you the absurdity of suggesting that this is anything like a tariff proposition, but of what avail? It is in fact a bonus proposition—oh, I ought not to have used that word "bonus," because bonuses seem just now to be popular—it is a subsidy proposition; it is a grant to one part of the people at the expense of the rest. If it complied with any economic law, if it met the demands of the very A B C of economics, if it would in any way make it possible for us to accomplish the results you desire, without outraging all our instincts and principles, then you might have support from all over the land.

Somebody said not long ago that there was doubt as to whether this thing would work. I think I am justified in pausing for a moment to recall that I engaged our colleague, SYDNEY ANDERSON, in conversation on this subject early in the session. In view of his deep interest in the matter it may be permitted me to interpolate here an expression of my personal regret that he is not with us to take part in the debate, and I think I voice the hope of every man in the House that he may be speedily restored to health. [Applause.]

I remember the substance of his reply though not the words, because it was four months or more ago. He said that it would work for a time and then would come disaster. I grant you this will work. I grant you that for a time you may persuade the farmers to continue the dangerous and costly practice of wasting their energies in wrong directions. But when you have once brought them into the habit of defying the laws of supply and demand, you have invited catastrophe.

What do you do first in this direction? You set group against group and class against class and section against section. You come here and demand public alms because you are in distress, and so you invite every other group and every other section in the land to come here for the same purpose.

Mr. BURTNESS. What portion of the bill is that in?

Mr. LUCE. You demand in the bill that you shall at the expense of 80,000,000 fellow citizens be relieved from your distress. If that is not charity, what is it?

Mr. BURTNESS. Has the gentleman finished and eventually gotten to the point where he can yield——

Mr. LUCE. I would like to finish my speech.

Mr. BURTNESS. The gentleman has suggested a diversification of crops, for instance. Now, does the gentleman feel the Government is under any obligation——

Mr. LUCE. I decline to yield.

The CHAIRMAN. The gentleman declines to yield.

Mr. LUCE. If the gentleman had observed closely, he would have observed I was in the very beginning of a magnificent peroration that would have brought my speech to a fitting conclusion. [Applause.] I think I will now throw the peroration to the winds, as the force of it has been destroyed by the interruption of my friend. Perhaps, though, I can recall one or two fragments. I had meant to follow my deprecation of the class prejudice and sectional hostility aroused with expression of regret that you are trying to put the Government still further into business with the longest step that has ever been proposed seriously within the walls of this body. I meant to ask you to allow the situation to cure itself. The prices of manufactured commodities are falling, the prices of farm products are rising, and sooner or later you are going to see their lines cross once more. Let these things work themselves out naturally. Keep your hands off. If you do that, the people of every class and every group and every section of the land will save themselves. [Applause.]

Now, Mr. Chairman, if there is any part of my 10 minutes left, I shall be delighted to yield to anyone.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. LUCE. I will yield to the gentleman from Washington.

Mr. SUMMERS of Washington. The gentleman had a good deal to say about supply and demand and economic forces and all that sort of thing. Does that apply to this knife which cost me 75 cents, but which I believe could be made to sell at 30 cents, but it would have been manufactured in Japan or Germany instead of Pennsylvania or Connecticut?

Mr. LUCE. I am a Yankee, and it is said to be the prerogative of a Yankee to answer one question by asking another.

Did the gentleman vote for the tariff which produced that price? [Laughter and applause.] And if he voted for the tariff, why?

Mr. SUMMERS of Washington. It is the first time I have had the opportunity of saying I will never vote for a tariff that does not give its benefits to all classes and all parts of the country. [Applause.]

Mr. LUCE. My friend from Kansas, I think, now has the right of way.

Mr. TINCHER. I understand the gentleman from Massachusetts is opposed to the bill or opposed to the farmer adding the ratio price to his products?

Mr. LUCE. I meant to consent to yield to fair questions, and I think I should have put in the word "fair."

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. LUCE. I will.

Mr. CONNALLY of Texas. The gentleman from Massachusetts asked the gentleman from Washington if he voted for the tariff act that did that. The gentleman from Massachusetts voted for it, did he not?

Mr. LUCE. I voted against the tariff on food——

Mr. CONNALLY of Texas. I am talking about the general tariff law, the Fordney-McCumber bill. Did not the gentleman vote for that?

Mr. LUCE. I have the impression I did; yes.

Mr. CONNALLY of Texas. And is it not true and does not the gentleman know that the reason that agriculture can not be pulled up by its boot straps to an equality with manufactured goods and the prosperity of industry lies in that very tariff bill for which the gentleman voted?

Mr. LUCE. I do not know any such thing. [Applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. RUBEY. Mr. Chairman, I yield 20 minutes to the gentleman from Ohio [Mr. McSWEENEY].

Mr. McSWEENEY. Mr. Chairman and gentlemen of the committee, as one of the younger members of the Agricultural Committee, I brought my slender torch of knowledge on this subject to be lighted at the redundant light of those who had more experience in this great work.

If you will indulge me for a moment, I will mention some of the men who were there and the work they have done on this bill, and let me give some credit to the opposition of this piece of legislation.

There is no legislation before the House that has had the strong opposition that this bill has had. The gentleman from Wisconsin [Mr. VOIGT], I will say, has not been an iconoclast. Mr. VOIGT in voicing his opposition has been constructive, and if this bill were to pass the House, I will say, in a commendatory way of him, that the bill is in better form than it would have been without his opposition. But, nevertheless, he is the strongest opponent the bill has had.

But first of all, being the opponent he is, he made two acknowledgments. First of all, that agriculture was passing through a crisis, a crisis probably unprecedented in the history of the agriculture of the world. He also made another acknowledgment. That legislation would help. Now, these are the two precedents he has established: First, that there is a crisis, and then that legislation will help it.

We have had numbers of bills brought before us, and, as one of the younger Members, new in this work, I acknowledge frankly that the McNary-Haugen bill is the best bill that has been brought before us. If Mr. VOIGT acknowledges the two things that I have suggested, that an emergency exists and that legislation will help it, then it seems to me the obligation devolves upon the House of Representatives to accept the bill which the majority of the members of the Agricultural Committee have deemed to be the best legislation upon this subject. [Applause.]

The speaker who just preceded me spoke about the fact that great obligations would fall upon the great consuming public. This will probably be agreed with, but let me call the attention of the gentleman from Massachusetts [Mr. LUCE] to the fact that wheat, when it sold at 97 cents back in 1908, allowed a manure spreader and a binder to be respectively purchased at $97 and $142. That same wheat, which is now bringing 97 cents, must pay for a manure spreader $140 in the State of Ohio and $227.50 for a binder. The purchasing power of the wheat has remained the same, and yet the thing that the wheat has to purchase in many cases has more than doubled.

We have had the statement from a man who is very favorable toward this measure—Mr. Wallace—who represents that great body, the American Federation of Labor, that it would undoubtedly raise the cost of living. We realize the fact that it may, but you must all realize that the farmer has had to bear the burden of increased living; he has had to bear the burden of increased price of labor, and he has had to bear the burden of increased prices for all the commodities he has to buy, and it only seems reasonable that at this time we do something to protect him.

I was very glad as a Democrat to hear the gentleman from Iowa acknowledge that a tariff has never been beneficial to the farmer. I am probably the worst Democrat in the House with regard to tariffs, but I am willing at this time to vote, not a discriminatory tariff, not a tariff for revenue, not a tariff for protection, but an embargo in order that the men who are producing the agricultural products of America may be protected during this crisis. I do not want anyone to accuse me of giving up my democracy, because I feel that many of the great evils of the world will be rectified in 300 or 400 years, when the nations of the world are producing the things they are best fitted to produce. We see a movement in that direction when we find that the producers of the country are trying to fit men for the work they are best fitted to do. They are trying to get men who are best fitted for work at the lathes to work at the lathes; they are trying to get the men who are fitted for work at the forge to work at the forge; and it will not be long until the great will of the Almighty will be worked out, and each nation will produce that which it can most economically produce. Until that time I swear I will always vote, if I have the opportunity, against a merchants marine which can not exist in the face of a tariff, but at this time I will vote an embargo on wheat in order to help the great producing masses of America, who are now going through the greatest crisis that any group of people in America has ever gone through.

I only hope you will all realize it is temporary. We can go through the history of America for the past few years and we find that under the protective system we can go along for about eight years of production and then there has to be a depression. From 1873 we were able to jump to 1893 without depression; then from 1893 to 1907 without depression. But the overproduction must be taken care of, and always after those periods of overproduction we have a period of depression.

Now, if this bill were to call for a 10-year period of emergency, I would vote against it, because under the protective system we are now in there must be a depression. There must be a depression following this overproduction which may come, but we realize that with a five-year emergency period the farmer will be on his feet before the depression really comes upon us in other lines of work, and so I am in favor of it for that reason.

I only hope that in some way I can bring to you the spirit of the West. I feel that the farmers of Ohio are in pretty good condition now, and I feel that the gentleman from Ohio [Mr. THOMPSON] and myself, who are serving on the Committee on Agriculture, are in reality asking the farmers of Ohio to be missionaries and to be really charitable. They have diversified and they are in the midst of the finest markets in the country and are probably in the best condition of any farmers in the country, but, nevertheless, I shall go before them this fall and say that I, in behalf of them, have allowed them to be missionaries and to send their surpluses and to send their encouragement and to send their help to the stricken sections of our country in the West and the Northwest, and I am sure that the magnanimity of soul that has usually prompted the Ohio farmer will allow me to make that request of him, and he will grant it. I know he is in need in some respects, but is better off than most, and the gentleman from Ohio [Mr. THOMPSON] and I, I am sure, will have the indorsement of those men whom we are trying to represent.

I only ask that each of you go as did our Christ into Gethsemane and, considering the things that are confronting our country, let not your personal or your local prejudices guide you, but realize that the whole world depends upon food which we should produce as economically as possible. Go into your Gethsemane, consider the things that confront you, consider the struggling nations abroad, consider the farmer who to-night does not know the condition that confronts him to-morrow. He in reality is the greatest gambler that America has, not voluntarily, but from the nature of his occupation. As some of the speakers have said to-day, he has to depend upon the rain in its due season and upon the sun in its due season, and he depends upon the Almighty to send him the blessings his ground can produce. Therefore when he is passing through a very stringent crisis, it seems well for us to give him an opportunity to be placed on an equality with the great manufacturers, with the great bodies of laborers in other fields of en-

deavor, and allow him to again be that independent, splendid, intelligent citizen that has graced America from the very inception of her existence.

I thank you. [Applause.]

I yield back the balance of my time, Mr. Chairman.

The CHAIRMAN. The gentleman from Ohio yields back 10 minutes.

Mr. ASWELL. Mr. Chairman, I yield 10 minutes to the gentleman from South Carolina [Mr. STEVENSON].

Mr. STEVENSON. Mr. Chairman, it is always popular to talk about the needs of the farmer and what we propose to do for him. I am a little given to that myself. Farming is my principal occupation at the present time because if I should lose my place in Congress—I have lost my law practice—I have nothing but farms left.

I want to call attention to the fact that we have been doing everything the farmer has asked us ever since 1920. What was the first thing that came about when the slump came in 1920? They came here and asked that the War Finance Corporation be rehabilitated and be directed to lend money to take care of the farmer; and what did we do? After a struggle in the Committee on Banking and Currency we reported the measure out here. We put it through Congress and put at the beck and call of the agricultural interests of this country the $500,000,000 of capital which the Government furnished and the power of floating bonds to the extent of $1,500,000,000, or three times the capital, making $2,000,000,000 of capital we put to the service of the agricultural interests of this country. We limited this for a certain length of time, and they came back here in 1923 and wanted the time extended, and we extended it another year; and they came back in 1924, and on February 20, 1924, we extended it for another year, and they have had access to the greatest source of credit this Government has ever established for any class of people anywhere, amounting to $2,000,000,000. How much have they borrowed? I am going to speak just for a minute as to those States that are embraced within the wheat territory that are in such dire distress. I will give you the States: Idaho, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming. They borrowed $144,614,000, which left the difference between that amount and $2,000,000,000 which could be loaned by the War Finance Corporation untouched. Therefore we should assume at least that in so far as they have credit they have had the capital and have had it at a rate below the rate they could get it anywhere else, and the bonds that have been issued are nontaxable and the notes which they gave did not even have to have revenue stamps because we took care of them to that extent.

Mr. AYRES. Will the gentleman yield?

Mr. STEVENSON. Yes; I yield.

Mr. AYRES. Do you not think that the farmers of the country at this time realize it was not credit they needed but a market?

Mr. STEVENSON. The farmers now realize it was not credit they needed, and they are not providing for a market now. What they are providing for is to get their hands into the Treasury and get the cash straight out, and out of the pockets of the consumers. That is what they are providing for, and they are providing to take it out of the Treasury and out of the pockets of those of us who buy flour and meat.

Let us see whether they are broke or not out there. Taking the bunch of States I have just named, that borrowed from the War Finance Corporation $144,000,000, how much do they owe to-day? Only $40,000,000. They have paid back $104,000,000, and they have paid that back when we have directed the War Finance Corporation, presided over by Mr. Meyer and directed by Mr. Mondell, who lives in the very heart of this country, and whose State has more of it than any other, $10,000,000——

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. STEVENSON. In just a moment. They have paid back $104,000,000 of it when we have directed them to continue to advance this money, and they are ready to advance it on anything that is reasonably sound. I have a table showing these figures, as follows:

State	Loaned	Outstanding
Idaho	$3,026,000	$1,244,000
Iowa	24,002,000	3,617,000
Kansas	4,768,000	1,125,000
Minnesota	12,551,000	4,804,000
Missouri	7,918,002	761,000
Montana	12,524,000	4,954,000
Nebraska	12,080,000	861,000
North Dakota	20,621,000	10,987,000
Oregon	6,437,043	1,231,000
South Dakota	14,648,000	7,020,000
Utah	12,921,000	231,000
Washington	1,054,000	395,000
Wyoming	10,054,000	3,610,000
Total	144,614,000	40,780,000

Mr. SHALLENBERGER. I simply desire to call attention to the fact that those figures simply show that while we are poor out there we are honest.

Mr. STEVENSON. Yes; I do not question that, and we are poor but honest down South, but I do not propose to have the right of taxation given to your people to tax my people because you happen to raise something that is not selling for a good price.

Now, what else did they do? The Farm Bureau Federation came here a little over a year ago and said that this was not enough, that they wanted something that was permanent, and what did we do? We labored day and night, and the gentleman from Massachusetts [Mr. LUCE] was one of the subcommittee, I believe, that finally recast the law that established the intermediate credit banks and put $60,000,000 of Government money at their control and provided for $60,000,000 more, making $120,000,000, and in addition to that we gave them the power of issuing additional bonds to ten times that amount, making $1,200,000,000, which makes a total of $1,320,000,000 of capital in the intermediate credit banks, put there for the purpose of discounting farm paper, and no other kind could be discounted at all.

We also increased from $10,000 to $25,000 the amount that one man could borrow from the farm land banks and increased the discount privilege for farm paper in the Federal reserve system. All of these measures I assisted in framing in the Banking and Currency Committee and in passing through the House.

So do not come here talking about Congress not doing anything for the farmers. What is the next proposition? They come around here, and if this bill means anything it means adding 30 or 40 per cent to the cost of flour and bread and 30 to 40 per cent on the price of meat. That is what it means. Go down to our country. I am a little different from the gentleman from Massachusetts. I am against his tariff, and I did not vote for it. I did not vote to make a 32-cent knife cost 75 cents. I am glad to see that the gentleman from Washington [Mr. SUMMERS] has got on the mourner's bench.

What do we find? We find that in the Fordney-McCumber tariff bill they have laid the hand of the manufacturer in the taxing power on every man in my country who raises cotton and has to buy manufactured goods; they have taxed him for the benefit of protecting the manufacturer; and there they get us once, and then under the Esch-Cummins law they give the taxing power to the railroads that manage your transportation business and say "put in all you need, take out all your expenses, no matter what they are, and levy a rate on these people who have to pay the freight on goods that come to them, pay the freight on cotton that goes out, then levy a rate that will give you 6 per cent, and you can get away with it." There is another tax on us for the benefit of a class.

Now, what is this proposition? This proposition is one that says here are the packers and the elevator men and the wheat farmers of the West who are not getting enough; they need more, and we are going to go down South and give them a law that will lay a tax on us, put a tax on the bread we eat, put a tax on the meat we eat, put a tax on everything else on earth that we buy that is covered by this bill, and then come here and talk to us about not being the friend of the farmer because we would not vote to take away the small profit that is now left under the present condition in the raising of cotton in our country.

Mr. FULMER. Will the gentleman yield?

Mr. STEVENSON. I will yield.

Mr. FULMER. I want to state to the gentleman that every witness that came from the Northwest, when we asked if we could not reduce the freight rates and the tariff, said, "No; we do not want to disturb that."

Mr. STEVENSON. No; of course not. They want to keep the tax for the benefit of the Massachusetts manufacturer, put a tax on that will pay the railroads, and put this tax on bread and meat, all for the benefit of the people out West. We may not be in the majority, but we can raise the devil from the time you start that, and I do not believe you can put it across. [Laughter.]

Now, Mr. Chairman, there is another thing about that proposition; we are asked to submit ourselves to another iniquitous form of taxation, a tax on the breakfast table, the dinner table, and every time we sit down to eat. It takes money from the consumers all over the country, especially when we can not raise wheat and do not raise hogs. We are asked to embark on this proposition, which has a direct tendency to destroy the market on which we depend. You can not put an embargo on goods from every other country while 60 per cent of the cotton goes abroad and is sold at a reasonable price and continue to sell our cotton to them. You are trying right now to destroy the export market, upon which the prosperity of our country depends; and if this bill becomes law, you will succeed; but you will never be able to get that across with the people who have heard it properly presented and understand it, because the pocket nerve is the "talking nerve," and they will never submit to that scheme of legal extortion from one class for the benefit of another class, as this bill provides. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. Mr. Chairman, I yield 20 minutes to the gentleman from Michigan [Mr KETCHAM].

Mr. KETCHAM. Mr. Chairman and gentlemen of the committee, there have been many measures before the House in which I have been very greatly interested and to which I have tried to give very careful thought, but to none that have been presented since my membership has there been given so much thought and sympathetic consideration, so far as I am personally concerned, as to the one that we now have before us.

Before proceeding with the formal discussion which I had planned I want to take just a moment to pay my tribute to the distinguished gentleman from Massachusetts [Mr. LUCE]. I have waited nearly three years for a proper situation to develop to tell a New England story, and this is the chance. Whoever visits those splendid New England States comes away feeling that there resides a wonderful people. The reception I have received as I have visited them lacks nothing in the way of cordiality and all other like things that go along with the fine spirit they have in that country. The only wish I have for the people of New England is that they come to recognize what the United States really is. Their conception of what the country is, is well illustrated by a story that is an old one in New England, upon which I was checked up very sharply when I first told it. Coming to that section for the first time, I said that the story was current in our section to the effect that the school-teachers of New England when they were teaching the boys and girls of New England to bound the United States taught them that it was bounded on the north by the Dominion of Canada, on the east by the Atlantic Ocean, on the south by Long Island Sound, and on the west by the Hudson River. There were some smiles, but I noticed one splendid, good, old New Englander sitting down about halfway in the crowd, who kept smiling all the way through. I suspected that I had something coming to me at the end of my address, and it proved to be the fact. He came to the front and he said, "Mr. KETCHAM, I want only to check you up on one fact. You are a bit wrong in your geography." I said that I was sorry about that and asked him to tell me in what way. He said that in bounding the United States I said that it was bounded, according to the conception of the New Englander, upon the north by the Dominion of Canada, on the east by the Atlantic Ocean, on the south by Long Island Sound, and on the west by the Hudson River. He said, "You are wrong in your western boundary. It is the Connecticut instead of the Hudson River." [Laughter.]

With all due deference to the distinguished Representative from New England, who has so ably pleaded for that section of the country, as I listened to him I was moved to wish that they could see the need of such a bill as the one before us, which would give the same degree of protective benefits to the farmers as the protective tariff has given New England for many years. My best wish for the royal people of New England is that they may learn something by personal inspection and visits to this great country of ours about its true extent and resources. Did they know them and did they clearly comprehend them, then I think there would have been no such tearful pleading for a particular section of the country as we have listened to from their distinguished Representative. He has made an able presentation of a narrow and sectional viewpoint. But this is a time when I believe our viewpoint should be a national one. We are not here advocating legislation that has for its sole purpose the benefit of one group of our citizens at the expense of the rest, but we are here with conviction in our hearts that when we do something to benefit agriculture we do something that will do good for the whole people of the United States. The very statement that the gentleman made with reference to the 6,000,000 idle spindles is proof of the fact that already New England has some evidence of the very substantial results of the dreadful situation that has been brought upon the American farmer. [Applause.] When you turn your back deliberately upon the fact that the farmer of the country constitutes 35 per cent of the buying power, and you put him out of the market, then you have no good reason to complain about the 6,000,000 idle spindles. I am not a prophet nor the son of a prophet, but I do believe this from the bottom of my heart, and that is the reason that I am so heartily advocating this bill. If it becomes a law, not only will the psychological effect be immediately apparent upon the farmers and the whole of the rest of the country but something more substantial will happen. The farmers of the country will appear in the buying market, and you will find that some of your idle spindles will then begin to hum. On the other hand, you can not ruthlessly neglect and laugh aside this legislation, nor by opprobrium, calling it class legislation and other derogatory terms, can you belittle it. You must face it squarely, not as a localized measure, not as class legislation, but as a national problem.

Perhaps the best answer to the plea that is made for the laboring men of New England is to let the men speak for themselves. We have had here a very eloquent plea in their behalf. However, I think we ought to get back to those who are supposed to know about it, and therefore I desire to present to the committee now just a few statements from the official representatives of these groups of people for whom the gentleman claims to speak. First, I shall read from the statement of Edgar Wallace, representing before the Committee on Agriculture the millions of members of the American Federation of Labor, and I shall take time only to give you just one sentence. Speaking in commendation of the bill, I quote a very vital sentence, which goes directly to the point. He says:

> What does it profit us if we can get meat for 10 cents a pound if we do not have the 10 cents?

It seems to me that is a very striking answer. Further:

> The farmers are our customers, and when they have no money we can not work. We are the farmers' customers, and when we can not buy their foodstuffs pile up and lose in value.

That demonstrates the very intimate relationship that exists between those who labor in the great centers of population in the East and the men out upon the western farms.

I quote now from the statement of Mr. Robert Fechner, representing the International Association of Machinists. Giving his indorsement of the bill, he closed with these words:

> We did so, and after giving due consideration to the entire matter we have officially recorded ourselves as supporting, in principle at least, the provisions of this pending legislation.

He followed that up with this further sentence:

> I certainly hope Congress will not stand still. That is what I am here for—to urge that something be done; and I am sure that the committee can formulate some plan.

I call now as my next witness Mr. Lovell, vice president and legislative representative of the Brotherhood of Locomotive Firemen and Enginemen, who said:

> Mr. Chairman and gentlemen of the committee, I have the honor to represent the Brotherhood of Locomotive Firemen and Enginemen. You will find in your record that our organization, representing 118,000 railroad men throughout the United States, went on record in favor of some measure to better the condition of the farmer.

I might go on and quote the testimony of Mr. Clark, who is the vice president and national legislative representative Order of Railway Conductors, all to the same effect. I congratulate these men upon their statements before the committee. They recognize very clearly that their welfare is inseparably bound up with the welfare of the men and women upon the land. Mr. Chairman, I deem this a good and sufficient answer to the plea that has been made on behalf of these men who work in the factories of the East, and I shall now proceed directly to the formal discussion of the measure before us.

As a preface to the discussion of this bill I shall quote from some remarks I made when the agricultural bill was under consideration in the House. In those remarks I stated that the program for the rehabilitation of agriculture had five

parts: First, reducing production costs; second, orderly and economical marketing of farm crops; third, legislative enactments; fourth, better organization; and last, the personal qualities of the individual farmer.

Under legislation I made the following statement:

The third step in a rehabilitation program for agriculture is a general Federal legislative one. Here two extremes must be avoided. One, the cry for Congress or State legislatures to "do something about it" in the way of legislation whenever a disagreeable situation arises; the other that classic of the conservative, "economic ills can not be cured by legislation." What is the plain truth? Many unhappy conditions can not be improved by legislation. Climate, seasons, soils, location, and management are outside the law. On the other hand, it is foolish to assert that legislation has not affected our economic situation. The echoes have scarcely ceased in this Chamber from the discussion of one such piece of legislation. No laboring man needs anyone to tell him the effects of millions of immigrants on his wage scale and his standard of living. No railroad man needs to be told of the economic effect of the Adamson or the Esch-Cummins laws. The tariff is possibly our oldest illustration. In short, these laws have affected our economic life. World conditions have made them necessary. We have built up a standard of living that leads the world. We are all for it and propose to maintain it. It costs more, but it is worth it. Because the farmer is not able to pass on the added costs which increased transportation rates impose on him and that higher wage scales demand of him, much of the new legislation has affected him unfavorably, however. The tariff is not fully effective in raising price levels on his export surplus. He produces a surplus of a number of the basic commodities which must find a market under world conditions from which much of our legislation has been designed to protect us. He buys by the American market and sells by the world market. If he is to survive he must be put on an American basis in his selling as well as his buying. To put him on such a basis is not doing him a favor. It is simply putting him on a par with the rest. It is plain justice. To acclaim the virtues of these higher standards of American life in one breath and in another to deny their practical application to all our people alike is a strange performance. It recalls some stirring references to "intellectual integrity" in other debates. The McNary-Haugen bill, so widely discussed, is directed straight at this price inequality which the farmer suffers under because of his production of a surplus which must be exported. The widespread demand for this legislation is based on our American gospel of the "square deal."

The farmer in supporting it is simply asking that he be put on equal terms with the rest of the country who have been made the beneficiaries of Federal legislation. His attitude is well summed up in the words of Henry Van Dyke:

> "In the game of life, as we play it here in America, the rules must be the same for all; the penalties must be the same for all; the prizes of life, so far as we can make them so, must be the same for all—and may the best man win."

In the historic language of this Chamber, the farmer wants to "go along" on equal terms with the rest and not trailing along in the rear. [Applause.]

Mr. Chairman, the McNary-Haugen bill is an emergency measure intended to make the farmers' commodity dollar equal to the industrial dollar and the labor dollar. It is grounded upon the theory that farm commodities are entitled to a fair exchange value with other commodities. It recognizes that American standards of living are higher than world standards. It acknowledges that the surplus of farm products over the needs of domestic consumption is sold in the world market and that this world price determines the price on the whole. It affirms that other Federal legislation has lifted price levels in industry and labor, and it proposes to give agriculture the same advantage.

Mr. PAIGE. Will the gentleman yield?

Mr. KETCHAM. In just a moment. I am sorry to say to my colleague from Massachusetts that I have only a limited time, and when I have finished my statement I shall be glad to yield. Now, we all recognize, Mr. Chairman and gentlemen, this bill covers a very broad field and that no one individual can begin to compass a discussion that should be given upon all the phases of it in the limited time. This idea was recognized by the committee, and so various sections of the bill were given to each Member for discussion. To me there was assigned the discussion in reference to the influence of this legislation upon the cooperative movements. Now, I would like to have this distinction very clearly kept in mind. The thought was presented in the very brilliant and able presentation of the distinguished leader of the minority on our Committee on Agriculture [Mr. ASWELL] when he indicated that it would be wise for us to substitute some legislation with reference to cooperative marketing in place of this bill.

So far as I am personally concerned, and I think that is the mind of the committee, we are agreed that cooperative marketing when it can finally be fully organized in a nation-wide manner will be a proper step to be taken, but the very best and the most hopeful view that can be taken of the situation is that cooperative marketing can not be brought into full operation within a considerable period of years. In the meantime the American farmer is in the situation which has been so well depicted before you this afternoon. As a friend of cooperation, I shall be glad to do everything I can to work out a plan for cooperative marketing, but I say again that this measure is not intended in any way to affect adversely the work of cooperation. I think I shall be able to show in the next few moments that it is not intended in any way to endanger, as has been held up before you this afternoon, the success of this great movement. The Curtis-Aswell bill and the Capper-Williams bill, two constructive efforts, have been worked out by distinguished Members of this House and the other body in order that a nation-wide system of cooperation may be considered. One has had no hearings, and one but a few hours, so that a substitution is absolutely out of the question. The great difficulty to-day in our marketing system, so far as the farmers are concerned, is this: That wide fluctuations in prices sometimes occur during the marketing seasons, and these wide fluctuations in price——

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. I yield 10 additional minutes to the gentleman.

Mr. KETCHAM. These wide fluctuations in price are the things which particularly cause the difficulties in the agricultural situation. We must devise a plan that will provide for a seasonal flow, for a normal rate at which products shall be placed upon the market. We must avoid those great gluts at certain seasons when tremendous quantities of farm products are put upon the market. Some plan must be devised for accomplishing that particular thing. Now, I maintain the McNary-Haugen bill will contribute to that very end.

Why? Because the wide fluctuations in prices will not occur under the operation of the McNary-Haugen bill; and therefore the farmer will not need to worry, as he does to-day, about the uncertainty in price. He may give his time to the other proposition, namely, that of feeding his stock to the best advantage. He can then so arrange his feeding operations that his stock will come to proper maturity and will be marketed in an orderly fashion. The same may be said in reference to wheat. There will be no inducement to rush it in at certain times, particularly when there is a full market. This will be greatly to his advantage and will accomplish what we desire to accomplish ultimately by cooperative marketing.

Some opponents of the McNary-Haugen bill profess to see in it elements detrimental to the continuation and growth of cooperative marketing. In answer it can be said that the progress the McNary-Haugen bill has made before the people is largely through the activities of cooperative-marketing associations themselves, whose members have instructed their associations to use every legitimate effort possible to secure enactment of this legislation.

Let us analyze and study the cooperative-marketing situation and see just what there is to the argument that the McNary-Haugen bill endangers it. There are mainly three types of cooperative-marketing organizations now handling the commodities specified in the McNary-Haugen bill, namely: First, the cooperative-shipping associations, handling livestock; second, the cooperative elevators, acting as primary marketing agencies and handlers of grains for the farmers of their respective communities; third, the cooperative wheat-marketing associations, organized on the so-called commodity plan or pooling plan and acting solely in behalf of their members in marketing in an orderly way the wheat their membership produces.

Livestock-shipping associations would not come in contact with the operations of the McNary-Haugen bill until their activities reached the terminal market. At that time the only effect that would be apparent would be that they would find in that terminal market an additional and powerful buyer ready to buy their product at a price that would reestablish its pre-war purchasing power. They would not be compelled to sell to this new buyer unless it was found advantageous to do so; therefore it is quite obvious to the fair-thinking person that the bill provides a real and substantial benefit to this class of cooperative-marketing associations.

The second class, the local cooperative elevator and cooperative-marketing organizations of this type, have never done more, nor have ever attempted to do more, with but few exceptions, than purchase the grain of their community and deliver it to a commission house at the terminal market for sale to

the large terminal grain dealers or the millers themselves. Inasmuch as the activities of the McNary-Haugen bill do not propose to extend beyond a few basic markets, again it is quite obvious that their activities would only be the providing of an additional buyer at the rate price. This would assure the country elevator of a substantial market and obviate to a very high degree the necessity for hedging.

Under the McNary-Haugen bill the country elevator will be able to operate without the expensive and uncertain hedge, which will permit it to operate to a much better advantage than heretofore and on a very small margin of profit. By giving a large net return to members the cooperatives will be strengthened.

In my own State of Michigan I believe we have one of the most successful cooperative organizations that the United States knows, namely, our Michigan Potato Growers' Association. Before our committee there came officials of that organization who said that cooperative marketing was a fine system so far as it had to do with collecting, with standardizing, and with the grading of the products, possibly collecting them in as large an organization as a state-wide organization; but that when you went across State boundary lines, then you ran into difficulty. The McNary-Haugen bill would obviate that difficulty by making the market the same for all cooperative organizations the country over. It would obviate the jealousies which sometimes develop between cooperative organizations when their products get into interstate commerce and come into competition.

Mr. VOIGT. Will the gentleman yield? I will yield the gentleman some time if he will answer a few questions.

Mr. KETCHAM. I will be glad to do that if the gentleman will just allow me to finish these paragraphs.

The third type of cooperatives enumerated, the pooling associations, have been in operation four years, and they will handle from the 1923 crop less than 4 per cent of the total production. The purpose of a pool is orderly marketing that a better price level may be sustained. When the price is made in Liverpool, the impossibility to develop a pool sufficient in volume and cohesiveness materially to affect that price is readily apparent. This fact is well understood by the farmers themselves, and therefore they have been unable to see the full advantage of the pooling movement and have not joined in any considerable number.

It is the pooling organizations that have first realized this and have therefore interested themselves in legislation such as the McNary-Haugen bill provides, with the hope that there might be a segregation of the surplus from the domestic supply and thereby an opportunity provided for beneficial operation, which is the one thing that will bring about their required growth.

There are 14 State pooling associations handling wheat. Nine of these are members of the American Wheat Growers' Association, and these nine have devoted their attention for the past six months in a very material way to the enactment of the legislation the McNary-Haugen bill provides. Of the remaining five the officers of one and the farm organization that sponsors it, namely, the Kansas State Farmers' Union, are devoting their attention to the furtherance of this legislation. Two others, namely, the Kansas Wheat Growers' Association and the Oklahoma Wheat Growers' Association are favorable to the bill. It is further known that the present board of directors of the Oklahoma Wheat Growers' Association refused to acquiesce in the action of their predecessors in opposing the bill. It is further interesting to note that, at 20 meetings held in Oklahoma attended by farmers, many of whom were members of the Oklahoma Wheat Growers' Association, in 18 of the meetings the bill was indorsed and in 16 of the 18 without a dissenting vote. The two remaining associations, the Texas Wheat Growers' Association and the New Mexico Wheat Growers' Association, have to-day indorsed the bill.

Cooperative marketing operates in a field aside from that in which the corporation created by the McNary-Haugen bill would operate. The principal function for cooperative marketing, in its present state of organization and for the five-year period at least, is to provide more direct and more economical distribution from the farm to the terminal markets, and therefore, inasmuch as operation of the McNary-Haugen bill would extend beyond terminal markets, there is no conflict with cooperative marketing. The opportunities for beneficial service with the surplus taken care of through an export corporation would be much greater than at present, and it would cause cooperative marketing associations to prosper and grow in a way that they have never been able to heretofore.

It is unholy argument to say that distress must prevail to make the farmer interested in cooperation. It is unjust and highly erroneous to state that low prices must prevail to permit cooperative marketing to develop. The facts are the financially independent farmer is the only one who can develop the cooperative movement.

The cooperative marketing associations themselves handling the commodities specified in the bill are the ones who are largely responsible for the bill and the ones who are giving it the greatest support. They understand and fully realize that they can best succeed through the aid of this legislation, and therefore it seems foolish to give heed to those who would oppose it on the ground that it might retard the growth of cooperative marketing.

Another thing which cooperative marketing associations have discovered is that farmers who are in financial distress are poor cooperators, not because they do not want to cooperate, but because they find it impossible to do so. Their crops are mortgaged; therefore they must be sold in accordance with the requirements of the mortgage. Their creditors are pressing them for the payment of obligations, necessitating dumping of their product on the market for any price available. Farmers in this condition, which at present is the condition of the majority, find it impossible to support their cooperative marketing associations in the manner that they must be supported if their associations are to succeed and bring about beneficial results.

At this point I desire to call your attention to the report of the committee in reference to the effect of this bill upon cooperative marketing organizations: On pages 42 and 43 you will find the following:

EFFECT UPON COOPERATIVE MARKETING ORGANIZATIONS

Only two truly cooperative organizations have opposed the McNary-Haugen bill. Officers of those organizations are now taking steps toward rescinding their former action, which was based upon misunderstanding of the bill, both as to facts involved and as to the methods and character of operation.

This bill is a stimulant and complement for cooperative marketing and not by any means a deterrent. It reaches directly at the surplus difficulties of American farming, an undertaking which marketing associations are not now in a position to accomplish. Without such governmental assistance as is provided by this measure, cooperative marketing associations for export surplus crops must eventually fail to secure that which is vitally necessary for their membership—legitimate prices for these crops. With assistance such as is provided by the bill commodity organizations will develop and thrive. Their membership will be recruited from producers whose financial affairs are in a healthy condition and whose knowledge of the benefits of organization will have been broadened through participation in the results obtained by the export corporation.

The bill does not oppose cooperation in the least. It fosters, encourages, and makes cooperation genuinely possible. It enables it to produce the necessary results. It affords a machine around which marketing associations can be constructed and developed until, with greatly increased membership, they can carry on when the temporary emergency conditions, to be tided over by the bill, have ended. These facts are recognized by the leaders of the cooperative marketing movement. They are also recognized by that element of the grain trade that opposes cooperation both in season and out and are an important reason for its opposition to the McNary-Haugen bill. General farm organizations and marketing associations in large numbers are found listed among the supporters of the measure.

Now, may I conclude my statement with one observation which comes from my own personal experience? It was my privilege for a number of years to be very actively identified with one of the leading farm organizations of the country, and in that connection to have the responsibility of organizing cooperatives in the very early days of the movement in Michigan. The great problem which confronts all those organizations is the problem of the ultimate market. How anyone can picture any danger to these cooperative organizations by having a steady market at a better price as the ultimate end of their own cooperative movements is more than I am able to understand. It seems to me that it would in a very large measure encourage the men who have been rather negligent about joining these cooperative organizations. They will say, "When we get together and have our local associations attend to the local collecting, grading, and processing, thus saving one commission to be paid to somebody else and sharing the result of that among ourselves, then we know we have this ultimate market at a better price than we had before." It seems to me that every encouragement should be given to the men for a more complete understanding and a more widely extended organiza-

tion of cooperatives, and I believe this bill will do this very thing. To go back to the best answer of all, it is not what you may think about it, nor what I may think about it, but it is what the folks who are members of these organizations themselves think about it. So in conclusion I do want to present just this little statement. I have here in my hand—and I will not take time to read it—a statement signed by two men representing the two largest cooperative movements in the United States at this moment, both of whom give their hearty and enthusiastic indorsement to the McNary-Haugen bill, believing that it shows the way out. The first—and I am glad to present their names—is Mr. John G. Brown, president of the National Livestock Producers' Association, the largest cooperative livestock marketing organization in the country.

This organization, together with the other cooperative livestock marketing organizations that were represented before the Agricultural Committee in behalf of the McNary-Haugen bill, handled over $200,000,000 worth of livestock for their members during the year 1923. The other signature is that of a gentleman who has been referred to several times this afternoon, Mr. George C. Jewett, general manager of the American Wheat Growers, Associated, representing the Cooperative Wheat Marketing Association in the States of the Northwest. Their indorsement is substantial and enthusiastic, and speaks the last word, in my opinion, as to whether or not cooperative organizations will be harmed by the enactment of the McNary-Haugen bill. [Applause.]

Mr. VOIGT. I will yield the gentleman two minutes if he will consent to answer a few questions.

Mr. KETCHAM. I will be glad to have the opportunity to undertake to answer them. I will certainly answer them if I can, but if I can not I will frankly say so.

The CHAIRMAN. The gentleman from Michigan is recognized for two additional minutes.

Mr. VOIGT. The gentleman has made a very interesting argument as to how this bill will affect the cooperative movement. Will the gentleman concede that the ultimate purpose of cooperation among farmers is to secure a better price?

Mr. KETCHAM. I should say there are two aims, as I see it. The first, of course, and the most important, is the ultimate price. Second, the cutting down of the operations that start with the taking of the grain to the first man who handles it, doing away with every possible expense, and bringing back to those who participate a larger share of the net return. I should say that the aim is both to secure a higher price and to reduce expenses. The combined result will be more money coming back into the pockets of the men who unite in the cooperative organization.

Mr. VOIGT. The second purpose the gentleman speaks about, of narrowing the spread between the producer and the consumer, so far as the farmer is concerned is to get a better price, is it not?

Mr. KETCHAM. Will the gentleman say that again?

Mr. VOIGT. I say that the gentleman names two purposes for which cooperatives exist. Now, it seems to me that the second purpose which he names—he says the prime purpose is to get a better price, and the second purpose he says is to narrow the spread between the producer and the consumer. Now, the purpose of that is to get a better price for the producer, is it not?

Mr. KETCHAM. Well, if the gentleman will just pardon me, I may say to the Members of the House that the gentleman from Wisconsin is a very astute lawyer and direct answers to his questions sometimes lead one to admissions he did not intend to make, and so I am simply going to answer his question in my own way.

Mr. VOIGT. Of course, if the gentleman does not want to answer the question——

Mr. KETCHAM. I just want to answer your question in my own way.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. VOIGT. I yield the gentleman three minutes more.

The CHAIRMAN. The gentleman from Michigan is recognized for three additional minutes.

Mr. KETCHAM. I will simply say again that one object of cooperatives, as I see it, is to lessen the cost of gathering together in a local way and in the local communities all the products that are marketed by that association.

Mr. VOIGT. And the object of that, in turn, is to give the farmer a greater share of the spread.

Mr. KETCHAM. To get more money back into his pockets; yes, sir.

Mr. VOIGT. Now, then, are we not back at this point: The prime object of the farm cooperatives is to get the farmer a better price.

Mr. KETCHAM. Yes, sir.

Mr. VOIGT. That being true, what is the object of a farmer participating in the cooperative organization if there is only one Government price?

Mr. KETCHAM. For the simple reason that if he does not have his cooperative organization and it is handled by some other man than himself—inasmuch as the price is not fixed that the farmer shall receive—he will not have an opportunity to get the largest return possible. He still needs the cooperative to lessen the expense of local handling.

Mr. VOIGT. If the Government corporation fixes an absolute price, what would be the object of the farmer cooperating in an endeavor to get a better price?

Mr. KETCHAM. Simply to get the largest possible share of the ratio price back into his own pocket, just as he does now in his cooperative organizations.

Mr. VOIGT. He could not do it if there was only one Government price.

Mr. PURNELL. Mr. Chairman, will the gentleman yield?

Mr. KETCHAM. I will be glad to yield.

Mr. PURNELL. May I ask the gentleman a question?

Mr. KETCHAM. So far as I am concerned.

Mr. PURNELL. Let us assume there is just one Government price. Through cooperation, according to the gentleman's own theory and according to my own theory, you would get a greater portion of that Government price.

Mr. VOIGT. The gentleman has already said that the object of cooperation was to narrow the spread between the producer and consumer; but if you have a Government corporation which stands ready to pay a price, and there is only one price, how can the farmer cooperate to get a better price? [Applause.]

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. VOIGT. I yield the gentleman two minutes more. Does the gentleman know of any labor organization which has indorsed the McNary-Haugen bill?

Mr. KETCHAM. I have simply the statements and the indorsement which I read just a few moments ago. I do not know whether the gentleman heard them or not. They were from representatives of labor organizations.

Mr. VOIGT. Has any labor organization whatever taken any official action indorsing this bill that the gentleman knows of?

Mr. KETCHAM. I can only state that my recollection is that one of the representatives stated that by definite action of their executive committee——

Mr. VOIGT. Does the gentleman know whether the American Federation of Labor has indorsed this bill?

Mr. KETCHAM. I can not say whether in their national organization they have taken formal action, but they gave this measure their indorsement through their legislative representative.

Mr. VOIGT. Is it not a fact that some of these labor organizations, through their officers, came before the committee and made the statement that they would favor any bill which would give the farmer an additional price, but did not indorse any particular measure? Is not that true as to what transpired before the committee?

Mr. KETCHAM. Mr. Wallace, as I recall, gave his indorsement specifically to this measure, and the general statement was that they indorsed any principle that would bring to the farmer a larger return for his product, which is the aim and purpose of this bill.

Mr. HAUGEN. Will the gentleman yield? I will read from Mr. Wallace's statement.

Mr. VOIGT. No; I can not yield just now.

Mr. KETCHAM. Here is a definite statement by Mr. Edgar Wallace, after referring to another bill and being in support of that, "Now, I am appearing in favor of the McNary-Haugen bill." That is Mr. Edgar Wallace, representing the American Federation of Labor.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. VOIGT. I yield the gentleman another minute, Mr. Chairman. I want to say that I understand the secretary of the American Federation of Labor a few days ago wrote a letter in which he stated that that organization had not indorsed this bill. I do not want any misunderstanding on that score.

Mr. KETCHAM. I can only quote his own testimony given in the record as it was given before the committee. [Applause.]

Mr. VOIGT. Mr. Chairman, I yield 20 minutes to the gentleman from Minnesota [Mr. LARSON].

Mr. LARSON of Minnesota. Mr. Chairman, the first bill I voted for when I became a Member of this House was the agricultural emergency tariff bill. Since that time I have voted, without exception, for every agricultural relief measure. I come from the great agricultural State of Minnesota. This may have something to do with causing me to support these various farm measures. I have no apology to make for having supported them. In voting for them I thought I was promoting the general welfare of the whole Nation. I have never taken consciously a provincial view of my duties as a Congressman. I have been elected by the voters of the eighth congressional district of Minnesota, but I am here attempting, as best I can, to legislate for the entire country.

Agriculture is the Nation's basic industry. Upon it depends the prosperity of the Nation. That is so obvious that it is axiomatic. The farmer is the mainstay of the country. I am an individualist, but I believe that the Government should do what it legitimately can to promote the prosperity of the farmer. Such legislation is not, strictly speaking, class legislation for its benefits redound to the general well-being of the country at large. We all, more or less, share in the farmer's prosperity, and also, I may add, we all suffer economically when the farmer suffers. We are all, so to speak, a part of the same economic and business organism.

That is the attitude of mind with which I approach the consideration of the McNary-Haugen bill. The truth is I was more or less biased in favor of the measure because of its avowed purpose to benefit the farmer. But after I had studied it I had to come to the conclusion that it ought not to become a law. I shall not vote for it, although I come from a State that is said by the proponents of the bill to need the proposed legislation. [Applause.]

Mr. BLANTON. Will the gentleman yield?

Mr. LARSON of Minnesota. Not now. My judgment is that instead of benefiting the farmers of my State it would ultimately work great injury, not only to them but to the State and to the entire Nation. I know that there are many organizations in my State that have indorsed this bill. It may be that among them is a labor organization.

Mr. BURTNESS. Will the gentleman yield?

Mr. LARSON of Minnesota. Not just now. Some men who stand high in so-called big business have indicated that they favor this measure. That a bill is supported by large numbers does not always mean that it has great merit. These men may not have given the matter thorough consideration. It is not a difficult matter to secure the passage of a resolution by almost any organization of citizens for or against any legislative bill. It is easy to manufacture public sentiment by carrying on a well-directed propaganda. People are too busy, or perhaps intellectually too indolent to do their own thinking. They are glad to accept the conclusions of others on almost any subject however important. The criticism is not confined to the so-called hoi polloi. A brief explanation of the purposes of this very bill made by one of its most ardent supporters to the chief executive of one of the greatest railroads in this country, persuaded that executive to indorse this measure. Do you think it is possible for any railroad executive or any big business man or any college professor to be able in a brief period of an hour or two to grasp even the essentials of this measure so that he may be justified in recommending its passage by the Congress of the United States?

I will say that without long and deep study, thorough concentration, no man, however great as an intellectual giant he may be, can reach an intelligent judgment on the merits and demerits of this most important, most complicated, most intricate, most revolutionary legislative proposal. The proposed corporation may do a business involving a capital of hundreds of millions of dollars, and engage in the operation of complicated and world-wide business transactions.

Why, it took at least four months for the members of the Agricultural Committee of the House to come to some definite conclusion as to what kind of a measure should be presented to this House. This committee had before it a large number of witnesses, many of whom, no doubt, were competent by reason of their experience and study to give the committee valuable testimony in regard to the merits or demerits of the proposed legislation. Yet notwithstanding this committee had four months in which to consider this measure, the committee is divided as to the kind of a measure, if any, that should be presented for our consideration. I will make this statement without fear of successful contradiction that no member of this committee can stand up and honestly assert that he knows how this proposal would work in actual experience. It is a speculation; it is a wild venture that may result in a business depression from which it would take years to recover. The proponents of the McNary-Haugen bill are urging us to venture upon an uncertain and uncharted sea without rudder and without compass. Where it would land us after five years have passed God only knows. It looks to me like a shipwreck before we would get very far on the stormy and turbulent sea.

Why do I think so? Time does not permit me to enter into an exhaustive consideration of the reasons for my conclusion. I shall briefly give you some of the conclusions I have arrived at through thoughtful and unbiased consideration of the bill.

If there is a real agricultural emergency, it is not so serious as to justify the proposed revolutionary experiment. The agricultural depression is being solved by the operation of natural economic laws. There has been considerable talk about the failure of banks, and unless we read with discrimination we may reach the conclusion that nearly every bank in the Northwest is about to close its doors. If we take seriously the statements of the calamity howlers, we may think that no bank in Minnesota or the Dakotas or in Montana is safe; that the banking business in those States is shot to pieces; that a great financial collapse in the Northwest is imminent and certain. What are the facts? It is true that some banks have gone to the wall, but the fact is that they were mostly shoestring concerns that never ought to have existed at all. I say most of them were such, not all. Their banking methods were unsound. They probably tried to overreach during the period of inflation, and when the period of deflation came they could not weather the storm. The records show that before the collapse of 1920 came there were 3,875 banks in the ninth Federal reserve district, altogether too many for sound banking.

North Dakota, the State so ably represented in part by my friend, Mr. BURTNESS, who is so zealously advocating the passage of this bill, has five banks where one would have been sufficient, based on the ratio of the population per bank for the United States as a whole. South Dakota has four, Montana has three, and my own State of Minnesota has twice as many as the national average. The fact is that the region involved is overbanked. The newly established banks had to get business. That meant the offering of more liberal loans to the farmers and merchants. That in turn accelerated and increased the inflation. When the crash came in 1920 these banks had to go. That was inevitable. But the situation is becoming normal. Let me quote what Mr. John H. Rich, chairman and Federal reserve agent of the Federal reserve bank of Minneapolis, says in a very excellent and exhaustive statement on the economic position of agriculture in the northwestern grain-raising States. I ask you gentlemen to listen to this, and then say whether there is a real agricultural emergency, at least in Minnesota:

> So thoroughly has the process worked itself out that wheat acreage has already been brought back by elimination to nearly a normal basis, while in banking, in merchandising, and in the distribution of goods the volume of service has been brought in right relation to the necessities of the population.

That is the testimony of a man whose business it is to know the farming, and especially the banking, situation of the territory inhabited by those whose interests the McNary-Haugen bill advocates are pleading I am not impugning the veracity of those who are trying so hard to write the word "Failure" all over the Northwest, but personally I prefer to rely upon the testimony of Mr. Rich, because his means of acquiring accurate and reliable knowledge are more extensive and better than are the means of those who are constantly howling everywhere and on all occasions that the great Northwest is about to fail; that it is going to the demnition bow wows.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. VOIGT. Mr. Chairman, I yield the gentleman 10 minutes more.

Mr. WEFALD. Mr. Chairman, will the gentleman yield?

Mr. LARSON of Minnesota. A little later. Mind you, Mr. Rich is not seeking political office from the masses. He is in a position to give us the unvarnished, the unbiased proof regarding conditions in the Northwest.

Much has been said in regard to the failure of the farmers. It has been stated that the farmers in great numbers are voluntarily or involuntarily abandoning their farms and seeking other means of livelihood. It is true that a great many men engaged in farming have failed to make good as farmers. The number of failures has been exaggerated, however. Many of them would have failed even if no deflation had come.

Everyone can not farm successfully. Farming requires intelligence, hard work, thrift, forethought, good health, and, most of all, business ability. All men do not possess these economic virtues. Some are ignorant, some are lazy, some are shiftless, some are unhealthy, some lack ordinary business experience and business sense, and such are bound to fail sooner or later. They can not make a success. They can not become successful farmers by congressional legislation or by presidential proclamation. When the Government assures us equality of opportunity, it has done all that it can do and all that it ought to do.

Another objection to this McNary-Haugen bill is that the plan proposed would aggravate the situation by stimulating overproduction. To my mind that is as simple as a, b, c. It is as certain as the day follows the night. When a price is fixed by the Government which is sufficient to guarantee to the farmer a profit in the sale of his agricultural products, is it not reasonable to suppose that the farmer is not going to take any chances on raising something about which there is an uncertainty as to whether he will get a profit, but will rather devote his energies and his time to raising something for which he will receive a guaranteed price sufficiently high to compensate him for the expenditure of his time and energy. Ah, you say that moral persuasion will be used to prevent him from increasing his wheat acreage.

When has that moral persuasion ever succeeded? Do you know of any price-fixing scheme in history where there was not an overproduction as a result of the price fixing? Such has been the case everywhere it has been tried. It would be so if this bill should become a law. Instead of solving the problem which is created by reason of the fact that there is overproduction, you are going to aggravate the difficulty of the problem. You are going to have even more overproduction than you have now.

If this bill should pass it would increase the already too high cost of living, and thereby cause popular discontent and bring about a vicious circle which would finally end in collapse.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. LARSON of Minnesota. In a moment. It would retard, if not entirely destroy, the present agricultural cooperative movement. Did you gentlemen get the significance of the question that was propounded to the former speaker, Mr. KETCHAM, of Michigan, regarding the purpose of these cooperative societies? The ultimate purpose, of course, is to get the highest possible price, and in order to get such a price, of course, they have to eliminate the unnecessary waste caused by the intrusion of the unnecessary middleman. But if the Government gives the farmers the highest price possible, why indulge in any cooperative movement voluntarily? They would cease to exist.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. LARSON of Minnesota. No. That seems to me to be true beyond any question. Although I own a farm, I am not a farmer——

Mr. CLAGUE. The gentleman has proved that.

Mr. LARSON of Minnesota. Oh, you can not always tell what a man is by looking at him, and that reminds me of a little story which I must tell on myself. A couple of years ago when I was campaigning I stopped in a small town in my district for a little time, waiting for my tin lizzie to be repaired.

I was sitting down in front of the only hotel when I was introduced to a young man of about 22 years of age. I found out in talking with him that he had lived for some years in Constantinople and it was about the time when the Near East crisis was on. I began to talk with him about what was happening over there. I found out that he was a very intelligent fellow, who had been a student at Robert College and spoke Turkish, Greek, Russian, French, German, and what not, and after we had exhausted the subject he said casually, "I can tell by looking at a man just what he is." I said, "Is that so? Can you tell me what I am?" "Yes." Then I sort of spruced up and made myself appear as much as I could like a real statesman, and I said, "You take a good look at me and tell me what I am." He said, "It is not necessary, I have been talking with you for a half hour." "What am I?" He said, "You are a barber." [Laughter.] I may have demonstrated to the satisfaction of my friend from North Dakota [Mr. BURTNESS] that I am not a farmer nor an agricultural economist, but only a barber who has attempted to express some ideas on this complicated McNary-Haugen bill. Now, to return to my subject. It would not only utterly destroy the present agricultural cooperative movement, it would probably wreck the present machinery evolved as a result of years of experience for the economical and efficient distribution of marketing our agricultural products.

For a time it might destroy our foreign markets for our agricultural products, especially our market for wheat, by causing the European governments to invoke countervailing, antidumping laws. I know it has been denied, but it seems to me just as inevitable as night follows day that if we undertake to dump our surplus products on the European market, Canada is going to object, Australia is going to object, India is going to object, and England, which desires to be on friendly terms with her colonies, is going to invoke her antidumping law, and then we will be in a position with an enormous surplus of wheat that we can not dispose of. In addition to that it might lead to international strife and discord.

It is a price-fixing scheme; you can call it what you please. History shows——

The CHAIRMAN. The time of the gentleman has expired.

Mr. LARSON of Minnesota. May I have two additional minutes?

Mr. VOIGT. I yield the gentleman two additional minutes.

Mr. LARSON of Minnesota. History shows that never has a government price-fixing scheme worked successfully. You can appeal to ancient history or modern history, wherever government price fixing has been tried it has collapsed, to the serious detriment of the nation which undertook to try it. They have all ended that way. It never has been done, and it never will be done. The natural law of economics can not be long frustrated by government edict.

I do not, Mr. Chairman, impugn the motives of those who advocate the passage of this bill. They are sincere. I do not question their sincerity. For some of them I have a very high personal regard, but so were those who tried price fixing before. They, too, were sincere. So were the greenbackers who tried to cure the economic ills which followed the Civil War. They were sincere. So were the free silverites in 1896. So were Lenin and his disciples, who almost have ruined Russia economically by government intrusion in business. They were sincere. The proponents of the McNary-Haugen bill are sincere, but that fact, if it becomes a law, would not lessen one bit the damage that would result therefrom to American agriculture or American business generally. [Applause.] We have become the greatest and the richest and the most powerful nation in the world by encouraging individual initiative and private enterprise and by keeping wide open the door of equality and opportunity.

The CHAIRMAN. The time of the gentleman has expired.

Mr. VOIGT. I yield the gentleman two additional minutes.

Mr. LARSON of Minnesota. Now, Mr. Chairman, let Russia experiment with government intrusion in business, but let us follow the safe and tried course that has brought our Nation to its acknowledged position of preeminence among the nations of the world. [Applause.]

Mr. EVANS of Montana. Will the gentleman yield?

Mr. LARSON of Minnesota. I will.

Mr. EVANS of Montana. Does the gentleman think the door of equal opportunity is kept open in this country when we maintain a tariff bill such as we have now and decline to do anything for the agricultural interests?

Mr. LARSON of Minnesota. In the first place, we have not declined to do anything for the farmers. As I said in the opening of my remarks, the first bill I voted for was the agricultural emergency tariff bill. Since then I have voted for a dozen or more bills, the object——

The CHAIRMAN. The time of the gentleman has expired.

Mr. VOIGT. I yield the gentleman two additional minutes.

Mr. LARSON of Minnesota. The object of which was to benefit agriculture, and all these measures, as I recall it, have been enacted. I do not claim and nobody claims that there is perfect equality of opportunity in this land. There can not be; our Government is human made; it is therefore not perfect; but we have more equality and opportunity in the United States of America and under the American flag than under any other government in the world. That is what I maintain.

Mr. EVANS of Montana. There is no question about that.

Mr. RUBEY. Mr. Chairman, I yield five minutes to the gentleman from Minnesota [Mr. WEFALD].

Mr. WEFALD. Mr. Chairman, I had not intended to take the floor at this time, but I feel that somebody from the State of Minnesota ought to say a few words right now. My good friend from Minnesota [Mr. LARSON], who has, during the last two sessions of Congress, so ably been representing the eighth district of Minnesota, in which is situated the city of Duluth, I am quite sure would not have delivered—I will say it was an able discussion from his standpoint—but I will say he would not have delivered that kind of a speech had he been a candidate for reelection. [Applause.]

Mr. LARSON of Minnesota. Will the gentleman yield?

Mr. WEFALD. The gentleman did not yield to me.

Mr. LARSON of Minnesota. But the gentleman made a personal observation.

Mr. WEFALD. I made it in all kindness and in all candor. In the city of Duluth I am sure there is no agricultural crisis. The city of Duluth is where most of the grain that is raised in the Dakotas and Montana passes through the terminal elevators. I remember the time that I was a member of the State Legislature of Minnesota, and some of these bolshevistic farmers that the gentleman from Minnesota has so ably and vividly pictured to you demanded an investigation of the grain business, and we found that out of the millions and millions of bushels of grain—wheat especially—that passed through the elevators at Duluth—and those elevators, I am quite confident in my own mind, are owned, controlled, and operated by the close, personal, and intimate friends of Mr. LARSON—we found that it was the most profitable place in the United States to raise wheat.

Mr. LARSON of Minnesota. Will the gentleman yield for a statement?

Mr. WEFALD. The gentleman did not yield to me.

Mr. LARSON of Minnesota. Well, I did not make any personal observations.

Mr. WEFALD. This is not personal; this is the truth. [Laughter.] We found that there were going through the elevators in Duluth——

Mr. LARSON of Minnesota rose.

The CHAIRMAN. For what purpose does the gentleman from Minnesota rise?

Mr. LARSON of Minnesota. I rise to ask that the gentleman now addressing the House permit me to make a statement.

Mr. WEFALD. I decline to yield.

The CHAIRMAN. The gentleman declines to yield.

Mr. WEFALD. There were twice as many bushels of No. 1 wheat passing out of the elevators, that was shipped out to Europe, as went into them. I do not wonder that the gentleman from Minnesota does not take the same view of this question that I and the other Representatives from the agricultural districts of Minnesota and the Dakotas and Montana take. The gentleman referred to some of the northwestern Representatives as calamity howlers.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WEFALD. Give me five minutes more.

Mr. RUBEY. I yield the gentleman three additional minutes.

The CHAIRMAN. The gentleman from Minnesota is recognized for three additional minutes.

Mr. WEFALD. I want to ask—I will not ask the gentleman from Minnesota, because I did not yield to him—if, as I was told in a letter by some constituent of mine who wrote me lately in regard to a rural-mail route, that upon that mail route five years ago there were 150 names and there are now only 50 names, whether in that part of the country there is an agricultural crisis? Is there a man within the sound of my voice who will say there is not? Oh, I never dreamed that I should at this day and age and in this place hear the Bourbon spirit speak like it has spoken here when the gentleman from Minnesota told us that the trouble with bank failures in Minnesota was that there were three times as many banks as the State ought to have. Such speaks only the voice of Wall Street. He says they were shoestring banks and went bankrupt. The gentleman has not been out in the agricultural districts of Minnesota and I do not believe he is very well informed on what has happened there during this last year. I can tell him of some banks in Minnesota that had a capital stock of several hundred thousand dollars and deposits that ran up into the figures of millions that have gone bankrupt. They were not shoestring banks at all. The gentleman told us a very funny story about being once mistaken for a barber. Yes; I do not wonder that he was at one time mistaken for a barber. Ah, I wonder whether there is a person within the sound of my voice who, after listening to his speech, did not think that every farmer in Minnesota was such that at this time he needed a shave and a haircut. The gentleman from Minnesota can give them both. Ah, it reminds me of the glorious days of old Senator Nelson, when he came out and talked to the wild-eyed and woolly hayseed farmers. That is what he called them. That was all the sympathy the farmers got from him when they complained. There was agricultural distress at that time also. Yes; I have heard something about Russia. It has been the stock in trade of the new school of politician in Minnesota to talk about Russia.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. VOIGT. I agreed to yield the gentleman several minutes, I believe. I will yield the gentleman three or four minutes, if he wishes them.

Mr. WEFALD. I thank the gentleman.

The CHAIRMAN. The gentleman is recognized for four additional minutes.

Mr. WEFALD. Russia does not scare any man in Minnesota any more. We have a governor in our State who, in his first campaign for the governorship, went before the people, and there was agricultural unrest at that time. What did he say? He spoke about Russia; he said practically the same things that the gentleman said upon this floor to-day, and what did they do to him? He was elected in his first election by a majority of 140,000; in the next election that was cut down to 14,000; and last year, in the senatorial election, he was defeated by a plain dirt farmer to the tune of 95,000 votes. Ah, yes; there is an agricultural crisis in the State of Minnesota, my friends. Any Member of Congress from that State that does not know that will be told so in the next election.

Mr. BLANTON. Will the gentleman yield?

Mr. WEFALD. The gentleman always gets at least five minutes, and I suppose I have only a minute or so left.

Mr. BLANTON. I want to ask the gentleman a very pertinent question.

Mr. WEFALD. Well, go ahead.

Mr. BLANTON. The gentleman is a distinguished representative of the Farm-Labor Party?

Mr. WEFALD. Not very distinguished.

Mr. BLANTON. Does not the gentleman know that his party has denounced this bill?

Mr. WEFALD. My party?

Mr. BLANTON. Through the president of the Farm-Labor Party, Mr. Fitzpatrick?

Mr. WEFALD. Fitzpatrick lives in Texas, I think. [Laughter.]

Mr. BLANTON. Mr. Fitzwater?

Mr. WEFALD. He lives in Texas.

Mr. BLANTON. Is he not your president?

Mr. WEFALD. No. I will tell the gentleman that I am glad he asked that question. My party is a political party; it will reach Texas in time.

Mr. BLANTON. He is the president of the Farmer-Labor Party, is he not?

Mr. WEFALD. Just give me time to answer. I met the gentleman you speak of last winter in a meeting here at which we discussed these farm-relief questions, and he told me that the gentleman from Texas had not seen the light, but they were going to make him see the light by the next election. [Laughter.]

Mr. BLANTON. Somebody made me see the light, because I always see it.

Mr. WEFALD. I am glad the gentleman asked me the question. I have here in my pocket a prepared speech that it would take me nearly an hour to deliver and I can not get the time now, but if I can get the time to deliver it, I shall show the gentleman what the Democratic Party ought to do and what their pledges were in the last campaign, and what the Republican Party's pledges were in the last campaign, and I can prove to this House that the Republican majority in this House in their platform in the last campaign stands pledged to pass a bill of this kind and nature. I do not support the bill because it is proposed by my party. I am not a slave to party. I do what I think is right. I am not against the bill because the men I have been affiliated with here have not suggested it. I am proud of the fact that my insurgent friend from Wisconsin [Mr. VOIGT] has delivered the ablest argument against the bill, because that shows that in the insurgency in this House there are some brains attached to it. It shows that we insurgents differ at times and can not be driven like sheep. But I am for this bill in spite of the fact that it is a Republican measure proposed by Republicans, and I think that a Republican President ought to sign it.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. O'CONNOR of Louisiana. Mr. Chairman, I am opposed to this bill and for that reason will vote against it. I regret that I have to vote against a bill that is said to be in the interests of agriculturists—the farmers of the land. I have a sympathy for the men who till the soil, but in that respect I suppose I am no different from millions of city dwellers who realize that we in America who live in great towns and cities are at the longest period but a few generations removed from an ancestry that in all probability tilled the soil in European

countries and other lands for several thousands of years. I regret that I have to vote against the measure that is said to be in the interest of the yeomanry of our land who form the real foundation on which is constructed and built up all of our greatness and glory, or to phrase it in the language of our own immortal poet, a greatness and a glory that surpasses "the glory that was of Greece and the grandeur that was of Rome." Over the main archway of the Union Station, one of the Capital's architectural wonders, may be seen an inscription selected by President Eliot, of Harvard University, the first three lines of which should ever be in the minds of the statesmen, though the balance of that inscription is also worth remembering:

> The farm, best home of the family, main
> Source of national wealth, foundation of
> Civilized society, the natural Providence.
> The old mechanic arts, controlling new
> Forces, build new highways for goods
> And men, override the ocean, and make
> The very ether carry human thought.
> The desert shall rejoice and blossom
> As the rose.

Both in the legislature of my native State, where I served the people among whom I was born and reared for 12 years, and in this the Congress of the United States I have unfailingly and sympathetically supported every measure that I thought might afford some relief to the agriculturists of our country. I will continue to do so as long as I serve in a public capacity or live in private life. But I can not support this bill. I can not vote for it, because I am convinced from the annihilating analysis made of it by my colleague Doctor ASWELL, wherein he has demonstrated beyond all cavil and doubt that it will not do the farmer himself any good but will lead to his complete destruction after it has burdened his city wage-earning brethren to the point where their backs will be broken, benefiting only the packers and a few giant holders of agricultural commodities; that it is totally at variance with economic truth and is the last word in governmental fallacy and absurdity. I am convinced by his masterly, forceful, logical speech on this subject that this measure, if enacted into law, will ultimately lead to the unspeakable poverty of the tiller of the soil and the wage earner in the city, adding to the wealth only of those who are presently rich beyond the dreams of avarice. It is a measure that, without being offensive in my statement of the case, is the acme of folly in that it ignores completely the law of demand and supply, a law as ruthless in its operation and as unceasing, inexorable, and unsubduable and unpreventable as the tides of the sea or the seasons of the year. Things perhaps ought to be, but, however sad it may be to come to such a conclusion, things are; and we do not prevent the operation of law by closing our eyes to the situation or ignoring that law.

I would not, if it were not for the persuasion of my friend Doctor ASWELL, address the house on this bill. I am a city dweller, city born and city reared, and that fact might appear to make it impossible for me to understand and appreciate the condition of the poor countryman, farmer or agriculturist, as you will, who is striving to make his humble lot a little brighter and his country a little better for any effort that he may put forth; but my colleague knows that I possess, in common with all of my countrymen, an affection for the man with the hoe, who toils from sunrise to sunset, who earns a pittance, and whose only consolation is that he is still a free man except for his financial burdens, is a son of great nature, free from the artificial restraints that afflict his city brethren, has the open spaces for his breathing spots, and at night the broad canopy of the heavens, star studded, to suggest to him the wonders of the universe and the omnipotence of his God. I wish I could offer some remedy for the financial embarrassment that besets the path of the farmer. He was the first man on earth, and he will be the last man on earth. He was our first kinsman, and he will be the last one of our line when this old earth is speeding on to its final destruction. Altering the lines of a celebrated sentence in a great speech delivered in Congress years ago: If I could be instrumental in lifting his burdens and solving his problems, I would not exchange the proud satisfaction that I would enjoy for all the triumphs that ever decreed to the most successful conqueror.

Then, inasmuch as I know that no statute of any legislative assembly, no resolution of any lawmaker can alter or amend the immutable law of supply and demand, what have I to offer to my toiling countrymen in the fields of the land? Just a few observations from which he may draw a lesson that will in itself suggest a thought that may ripen into other thoughts and carry to other minds that which may result in something that will bring about the betterment of his unhappy financial lot. But before I reach my suggestion, let me repeat, reiterate that any attempt to control, subdue, or prevent the operation of the great law of exchange and trade will be as idle, as foolish, and as barren of results as the pose of Ajax in the fabulous story of his defying the lightning, as the command of Canute to the ocean to stay her proud waves on the shores of his dominion, as the order of Joshua to the sun to stand still, which was tantamount to the ordering of the earth to stop revolving on its axis. No artificial restraint imposed by man can even for a moment prevent the operation of any natural law, or the operation of a law springing into being as the result of conditions that were brought into existence by the operation of some other law. The universal scheme of things is dependent upon law, and that law is in operation unceasingly, though we see it not, understand it not, know it not. In the fullness of time we make the discovery and give its principle an application that works for our individual advancement and promotes the general welfare. Even our great transportation problem, subject to the immutable law that governs all things, will solve itself by a unification of waterways, highways, railways, and airways, inescapable, unavoidable, inevitable as the result of the general growth that will make unerringly and irresistibly for that unification. No; we can not make men rich by congressional resolution or legislative enactment, so far as they will affect the operation of economic laws.

Why, gentlemen, if we could solve the problems that afflict the agriculturalists of this country to-day with a price-fixing measure—and this is a price-fixing measure, soften the term as you will—the problems of the world would be settled for all time to come. I am absolutely convinced, I repeat, that it is utterly at variance with economic truth to think you can do so, and that you are attempting to accomplish the impossible—that is, by resolution of the lawmaker to undo that economic law which has been operating unceasingly night and day from the beginning of time, and like all law will continue to operate until time is no more. You can not do it, gentlemen, as much as I would like to see you do it, and the fact that some of the ablest proponents of this measure to-day have reluctantly conceded that it is not a perfect piece of legislative mechanism, that it is subject to criticism, means nothing more or less than if you were to attempt to put it into operation it would mean unthinkable poverty for nine-tenths of the agricultural masses and for the vast and overwhelming majority of the city dwellers.

The only people who would reap benefits from this bill, I repeat, and I can not repeat it too often, are the packers and the gigantic holders of commodities who would be subject to its provisions, or, rather, the beneficiaries of its provisions. The title has passed from the hands of the men whom you would aid and assist, and God knows I would like to see you in a position to aid and assist them. I know you are sincere; I know you are honest in your endeavor; but that does not render that effort the less susceptible to criticism or less erroneous.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. O'CONNOR of Louisiana. No; I can not yield now, I regret to say.

Mr. Chairman, I am not severely analytical in my attitude to human existence. The lesson of life has been learned by me by actual observation, and it is that experience that I usually bring to bear in trying to solve the problems that confront me.

Probably, in no other city in the United States of America are the inhabitants so closely related to the people of the surrounding country as we are in the city of New Orleans, where we are blood of their blood and bone of their bone and sinew of their sinew.

That romantic old city, situated at the foot of the river near the Gulf of Mexico, is dependent for her prosperity if not for her existence on cotton, sugar, and rice, so that the people of our city are really within the cousin degree of the people who live around us. In other words, we of New Orleans are of the country and for the country. Now, to the suggestion I referred a short while ago. Years ago when I was stenographer for a cotton house, I learned one of the great lessons, which I will endeavor to indicate to you in hopes that it will fall on fertile ground and bear some results, if not now, at some other day.

For years the South had been obsessed by the slogan or high-sounding expression "cotton is king." The humblest white man in the South swayed by that alluring and appealing announcement refused to make any other crop than a crop of cotton. In fact, he did not think of the matter from any other standpoint or in any other light.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. VOIGT. Mr. Chairman, I yield the gentleman from Louisiana 10 minutes from my time.

Mr. O'CONNOR of Louisiana. I learned in those days that there is more danger in a slogan than in a dynamite bomb. I learned that a blind attachment to a tradition, that worshipful reverence almost of the expression "cotton is king," prevented for years the progress of diversification and retarded the new development and prosperity of our section to an immeasurable extent. As a result of our failure to hearken to the cry of a few John the Baptists who were preaching in the wilderness, as it were, the necessity of diversification, cotton hit bottom in 1895, when middling sold for a little above 5 cents per pound. It was a fearful time. But we learned through the stress of that never-to-be-forgotten period the bitter lesson, though we have not learned it entirely. "God moves in mysterious ways His wonders to perform," and it is through saddening experiences that we learn the law and move to a higher and better knowledge of the things that control us, if we do not control them. During those clerkship days I was in a position to know first hand the trials, the tribulations, the disappointments, and the woes and burdens of the cotton planters, high and low, the merchants and the tenants of the country who raised and shipped their product to the city for sale—for the pittance that it brought in those unhappy days. Yes, I can and do sympathize with the afflictions of the northwestern farmer, for I witnessed the privations and the suffering that our farmers in the South underwent and endured while endeavoring to restore their section of our common country during and after the reconstruction period, when we felt that all was not lost as long as we had honor and the faith of our fathers left.

It was during those dark, terrifying days that there came among us to lift us in a measure from the slough of despond, as it were, a gallant soul from New England, a man who played out magnificently the grand part allotted to him in the drama of life. He was indeed a cloud by day and a pillar of fire by night to us of Louisiana. He preached day in and day out, week after week, year in and year out, in season and out of season, "Diversification, multiplication of products, diversify, diversify." He realized that such was the only way out of our deplorable situation and that a reasonable application of the doctrine he preached continuously was only the acknowledgment, the meeting, the acquiescence in the living up to the law of production and that economy which teaches that you can not spend more than you make, that you can not have your cake and eat it, too.

We are a very conservative people, Mr. Chairman and gentlemen of the House, as you who have observed and studied our dispositions, tendencies, and reactions know. We are extremely reluctant to break old habits or depart from established customs, violate precedents, or change an attitude that might even spell economic vassalage. Notwithstanding the zeal of a few, Peter the Hermit, leading a new crusade, the crusade for diversification, we made little progress in that direction. Our preachments, our sermons, fell to a large extent upon deaf ears, until a terrible day when we awakened to the fact that we were face to face with a calamity that whitened faces and stilled the beatings of our hearts, for a situation suddenly confronted us that had no parallel in history. The boll weevil, insignificantly small in size, but making up an army numbered by millions and millions, cut across the Mexican border and in the twinkling of an eye the prosperity of a vast section was changed to adversity little short of prostration.

I had often read of the desolation of India under the misrule of Warren Hastings and the misery of Oude as depicted by Burke and Sheridan, but never had a grasp of what agricultural ruin meant until I crossed the once fertile fields of north Louisiana, from the Mississippi to the Red River, during the first year of the destruction wrought by the weevil. I shall never forget that trip. Abandoned farms, deserted cabins, making for a solitude so vast that one felt as if he were under the influence of some evil wilderness spirit. The once inspiring slogan "cotton is king" was forgotten, and the boll weevil had apparently conquered. We had not diversified to any extent. We were still a "condensed-milk country with cows running wild." We are learning the great truths of human existence, of the orderly and the wise way, slowly but surely, my friends. That is the only consolation that disaster brings to us, Mr. Chairman, in its wake, and that is that it teaches us some valuable lessons through its chastening rod.

Our people had fled from their fertile fields where they raised cotton only—because cotton was king—as if from a plague-stricken land, for that is what it was after all. Fields that whitened with cotton one day were a waste the next, the boll ravaged by the weevil, against whose advance and depredation we were powerless, which suggests the thought that the human race will be vanquished by an invisible germ against which our guns and high explosives will be useless.

But the longing for home is irrepressible and generally resistless. Our disheartened and discouraged but brave men and women returned to their old homes resolved to do and dare again, and to struggle to hold the old homesteads for their children. Slowly they journeyed back and began life anew and knowing they could not depend upon cotton learned the value of diversification. But I do not think that north Louisiana has yet risen from the position into which she fell then as a cotton-producing section of this country. However, they learned a great though severe lesson. They learned diversification, they learned to avoid the cost of goods bought in the cities and freight costs by making on their farms what they formerly bought. And by the way that is another factor that some day will enter into the calculations, the conversations, the discussions of able men in this country, the tremendous saving that can be effected by avoiding unnecessary freight charges. Economists will ascertain that transportation is overdone in our land. We can not go on shipping raw material practically across the continent to have it put into the finished product, and back again across the continent for consumption, as such a freight charge adds enormously to the sale price of every article sold and consumed. Transportation plays too important a part in the affairs of this country, to the extent that by location of factory near the raw material we can avoid considerable freightage. But only time and a logical development of our great resources can cure the ills that are afflicting us recently, industrially, commercially, and agriculturally.

Mr. Chairman and gentlemen, I wish to thank the gentleman from Wisconsin [Mr. VOIGT] and my good friend from Louisiana [Mr. ASWELL] for the time they have allowed me. I know that I have not contributed very much to the value of this discussion. Some one once said that some men can talk half a minute and keep the world guessing for half a century while others can talk for half a century and not keep the world guessing for half a minute. I know that I do not belong in the first class, and I hope that I do not belong in the latter. I have endeavored to carry to your minds the fact that you can not by resolution, by legislative enactment, alter the great laws that have been constantly working from time immemorial to use the solemnity of a legalist. Otherwise you would have the millenium or, more than that, you would have the law that governs all things subservient and controlled by the legislative fiat of mere man. [Applause.]

Let me conclude; but before I do so permit me to say that the majority Members have not labored in vain. They have labored long, earnestly, and industriously with a problem that has puzzled philosophers and students since the sunrise of civilization in hopes of bringing to us a solution. Inexhaustible zeal, indefatigable enterprise, untiring activity have marked their course in the consideration and the reporting of this bill to the House. They have not failed, though the measure do not pass. They have aroused discussion, and it is upon the anvil of discussion that the spark of truth will fly. Though they lack the victors, they shall not want the toiler's pay.

Mr. ASWELL. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, I represent an agricultural district. My constituents are principally farmers and stockmen. They are now suffering great distress due to deflation following the war. Many stock raisers who owned considerable properties before the war are now bankrupt. I am deeply concerned about their welfare. I am very anxious, indeed, to help them. They deserve help. All will admit that agriculture must be put back on its feet. Farm life and farm profits must be made so attractive that the boys who have left the farms will return to them and be satisfied there.

But what is it possible for a Congress through legislation to do that will help and assist agriculture? It would not be a sound policy to give money to farmers. And they do not want their Government to give them anything. All they want is a fair, square deal. They want the Government to stop discriminating against them. They want a fair show. They want a fair market. They want only one middleman, not a dozen, making profits between them and the consumers.

I would vote for any bill that offers any sure relief for agriculture. But I will not fool the farmers and stockmen. When they ask for bread I will not give them a stone. I will not help to appropriate $200,000,000 in their name out of the Public Treasury and then make it possible for this stupendous sum of money to be squandered by others, and then tax the farmers and stockmen to make it good. I will not hold out make-believes and then rob them. During the eight years I have been here I have seen the Congress appropriate about $70,000,000 each year in the name of the farmers and turn it over to the Department of Agriculture, and then watched the

most of it expended in salaries and traveling expenses for swivel-chair employees; and when the overhead is compared with the small benefit bestowed upon the farmers and stockmen, it reminds me of when the little boy said he would rather have the bite than the apple.

Calling this McNary-Haugen bill a "farmers' relief measure" does not make it so. I have found that titles to bills are very misleading. I have found that all of them deserve close scrutiny. This bill will cause to be appropriated $200,000,000 of money out of the Public Treasury, and to get it the people of the United States—farmers and stockmen—will have to be taxed. And this money will be turned over to a Government corporation presided over by five directors, the chairman of it drawing $12,000 and the other four $10,000 each per year, and from the minority report we glean that we will probably have about 50,000 extra employees put on the pay roll to administer this act. Is not that too many employees? Is not that going it pretty strong on increased expenses? Have the farmers asked that we thus spend their money? No! For in that petition, signed by 350,000 actual dirt farmers of the United States, which they sent to us Congressmen through one of the leaders of the Republican steering committee, published in the CONGRESSIONAL RECORD, they demanded of Congress that we must not create any more boards, that we must not create any more commissions, that we must not create any more high-salaried positions, but that we must stop waste and that we must stop extravagance. And Congress has not yet paid any attention to them.

When the distinguished gentleman from Kansas [Mr. TINCHER] was discussing this bill he was asked why the consumers now had to pay just as much for pork when farmers are getting only 7 cents per pound, as they did when the farmers received almost double that price, and why all this profit between the producer and consumer was permitted. His reply substantially was that there was no provision in this bill designed to remedy that situation. Why is there no provision in this bill to stop these unconscionable profits of middlemen between the producers and consumers? That is the only thing the producers are asking of Congress. Even if this bill were workable—which it is not—and even if it would cause farmers now to receive 11 cents per pound for their hogs instead of 7—which it will not—there is not one paragraph in the bill to prevent these same numerous middlemen collecting their profits over and over again above this 11 cents before the consumer is able to put the pork on his table.

It would be a very easy matter, indeed, for Congress to limit these intermediate profits if it wanted to do so, but seemingly it does not want to do so, for it does not. President Wilson recommended that Congress do so. But it did not. Why does it not do so? Is it a fact that these middlemen have so much influence that they are able to prevent Congress from passing such a law? If this is not so, then why is it that Congress does not pass a law that will stop it?

There are many cattle and sheep in my district. My constituents are vitally interested in the price of beef, mutton, and wool. But even the proponents of this measure must admit that this bill will not benefit these products one penny. Why? Simply because the bill does not operate on any product until there is declared an exportable surplus of that product in the United States. And every posted Member of this House knows that we import more beef, and more mutton, and more wool than we export, hence there could not be declared an exportable surplus on any of these three commodities, hence it is clearly apparent that this bill will not benefit any cattle raiser or sheep raiser one penny's worth.

Mr. Chairman, we are witnessing a most peculiar situation. We have here a bill before us called a farmers' relief bill. The initial appropriation to come out of the Treasury authorized by this bill and which is to help the farmers is the great sum of $200,000,000, and yet all of the cotton farmers all over the United States—and cotton is the main crop in my State—think so little of the bill, however much they want relief, that they have come in and demanded that they be left out of it, and they were left out. Hence no cotton farmer in the United States will get any relief whatever from this bill. Is not that a wonderful situation? We have a farmers' relief bill that is to take an initial appropriation of $200,000,000 out of the Treasury, with cotton farmers and cattle raisers and sheep raisers all needing relief, and we find that the bill offers none of them any relief whatever, and we see the Representative of a farmers' district, our friend from Louisiana [Mr. ASWELL] on the committee, yet fighting it. We have a farmers' relief bill to appropriate $200,000,000, and we find another strong Representative of a farmers' district, our friend from Kentucky [Mr. KINCHELOE] on the committee, yet fighting it. And we find fighting it another member of the Committee on Agriculture, our colleague from Texas [Mr. JONES], who represents a farming and stock-raising district. They are fighting to keep you from placing it as a shackle around the feet of the farmers of the country. Is not that a peculiar situation?

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I ask the gentleman to kindly excuse me as I have so little time. We see another peculiar situation. The distinguished gentleman from Minnesota, our friend and colleague, Mr. WEFALD, is the representative and the only representative in Congress of the Farm-Labor Party. I have the highest regard for our friend Mr. WEFALD. He is a splendid gentleman. But I have no regard whatever for his party.

Mr. WEFALD. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I yield to my friend because he is always courteous, and he yields to everybody.

Mr. WEFALD. I thank the gentleman. I wish to be fair always. Does the gentleman know anything about my party? [Laughter.]

Mr. BLANTON. I am now going to tell the gentleman something about it, with respect to its attitude toward this bill which it condemns. I have a letter here that has just been sent to me within the last two hours. It is dated to-day, May 22, 1924, and is from the Farmers' National Council. On the letterhead it gives the names of the officials who compose this Farmers' National Council. Let me read some of them: "W. W. Fitzwater, president of Farm-Labor Union of America." He is the national president of the gentleman's great organization known as the Farm-Labor Union.

Mr. WEFALD. Where does he live?

Mr. BLANTON. It does not state here, but I happen to know that he lives at Bonham, Tex. Let me give you some others. Here is "A. M. Hilliard, president Farm-Labor Union of Texas." The other was the national president. Here is "S. P. Russell, president Oklahoma Farm-Labor Union." Here is "R. W. H. Stone, president North Carolina Farmers' Union." Here is "J. C. Thompson, president Arkansas Farm-Labor Union." Here is "J. E. Warren, president Mississippi Farm-Labor Union," and I could read a whole batch of the others, but I have not the time; but that is a sufficient recitation to show you that they are some of the leading representatives of the gentleman's party, the Farm-Labor Union, and while I do not indorse either them or their party, I want to read you their just condemnation of this vicious bill.

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I regret that I have not the time; otherwise I would gladly yield. I must read to my distinguished friend from Minnesota [Mr. WEFALD], who represents this Farm-Labor Union in Congress, and is its only Representative here, just what this letter from this Farmers' National Council says about this bill. I want you to understand clearly, however, that I do not indorse any of these men who are members of th's council and I do not indorse their council, but however misguided they have otherwise been on political, economical, and governmental questions, they seem to have a pretty good idea about the viciousness of this bill.

Mr. WEFALD. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In just a moment. From this letter, dated to-day, from this Farmers' National Council I quote the following excerpts:

To Members of the House of Representatives:

GENTLEMEN: The Haugen bill is worth many hundreds of millions of dollars a year to meat packers and millers, bakers, and other speculators by increasing the value of stocks of their products they have on hand as soon as it goes into effect and by enabling exporters to assess back upon the farmers losses which they claim with their padded accounts to have sustained on the exports of meat products, flour, etc.

The Haugen bill is admitted by its author to be so injurious to farmers that he incorporates (sec. 305, p. 27) a criminal penalty of one year in jail or a $5,000 fine, or both, on farmers who "willfully" fail to comply with its wicked and unworkable provisions.

The Haugen bill is dishonest and deceitful; it pretends that farmers are to be paid the pre-war ratio price, though they were going broke at that price, but its sponsors privately admit farmers won't get over three-fifths to four-fifths of the pre-war ratio price. That is true.

The Haugen bill, through the intermittent operation of the export corporation opens the way to such colossal fraud, waste, and loot as make Teapot Dome lease look sanctified.

The Haugen bill is sponsored by Charles J. Brand, long the meat packers' efficient tool in the Department of Agriculture, whose present job is endangered by revelations regarding the Haugen Packers' Act.

The Haugen bill has not been indorsed by a single real national general farm organization, and all clear-thinking farmers are opposed to it. * * *

The Haugen bill has not been indorsed by a single real labor organization * * *.

Chairman HAUGEN suppressed the testimony I gave before his committee against the Haugen bill in which I exposed its vicious origins and results.

The Haugen bill is indorsed by the big financiers and bankers, like Otto Kahn, who see a chance to save their speculations. Who has paid for the enormously expensive propaganda for the Haugen swindle on farmers?

The Haugen bill is indorsed by * * *. They also indorsed the Cummins-Esch robbery and the ship-subsidy steal, and are fast losing their members. The Haugen bill will increase the cost of living by at least $1,500,000,000 a year, or $64 per family, of which the farmers may not be prevented from getting $300,000,000 to $400,000,000 in cash, to have it taken away from them later in higher prices for what they buy. The profiteers will take the rest, about $1,100,000,000.

The Haugen bill is a scheme to fill the treasury of the Republican Party—the oil funds being dried up.

Chairman HAUGEN knows he is misrepresenting the position of the American Federation of Labor, whose representatives stated they are willing to pay a higher price for farm products if the farmer gets it. They certainly would not be a party, nor would any other labor organization, to any bill to rob producers and consumers for the benefit of the gamblers and bankers who, Mr. HAUGEN admits, favor his bill. (CONGRESSIONAL RECORD, May 20, pp. 9028–9029.)

The Haugen bill is part of the big meat packers' scheme to create a food monopoly. Mr. HAUGEN amended his bill to include rice. In the one year, 1917, Armour & Co. became the greatest rice merchant of the world. The Armour Grain Co., of which the Armour family owned 86.9 per cent in 1917, handled 23 per cent of all grain receipts at Chicago, the greatest market in the world. At this minute, while Mr. HAUGEN is pushing his packers' subsidy bill, Armour and Swift are fighting in the courts to have the packers' consent decree set aside so they can get Mr. HAUGEN'S subsidy on wheat and rice, as well as on all products of cattle, swine, and sheep. Not a single big packer appeared against this bill. They have their agent, Charles H. Brand, working with Mr. HAUGEN for it. Ask Mr. HAUGEN if he dares deny these facts.

The Haugen bill is a typical standpat perversion of the bounty system of embargo and bounty which pays the bounty out of the Public Treasury. The Haugen bill provides for an embargo, but instead of paying a bounty to the producers of controlled crops, it almost criminally soaks the farmers to pay a bonus to speculators in these farm products.

Mr. Dante M. Pierce, Republican, leading farm journal publisher, says in the Iowa Homestead:

> "The McNary-Haugen bill, in my opinion, is a snare and a delusion created to befog the farmers' minds, becloud real farming issues, and make political capital for a little clique of men. * * * It is an effort to devise a system which will not bother the grain gamblers, the brokers, the commission men, or the packers."

The Haugen bill is a sinister move to kill a real efficient marketing system for farm products and end real cooperation. Kill the Haugen bill, and the administration and the House and Senate majority leaders will pass a real measure for farmers instead of the fake McNary-Haugen swindle on farmers. They won't dare not to. They might as well not have an election if they do not. They know it.

Eugene Frey, formerly lecturer for the Illinois State Grange, writes:

> "I can not support the McNary-Haugen bill. To me it simply spells the death knell for genuine cooperative effort. The McNary-Haugen bill is vicious."

The present administration has deceived, robbed, flimflammed, deflated, and buncoed and broke nearly a million farmers. The Haugen bill is a climax of iniquity to this record.

I want you gentlemen to understand that the above denunciation of this bill does not come from me but from this Farmers' National Council. And while I agree that this bill is bad and should be defeated, I am almost ashamed to quote this organization and its board of directors, some of whose names I have given you.

The foregoing, however, is what an organization that I do not approve of says. I have been reading its condemnation just to show that the distinguished gentleman from Minnesota does not seem to be in accord with his party; he seems to be out of accord with these officials. Now I will yield to the gentleman.

Mr. WEFALD. I am glad the gentleman yielded at this time so I may set him right.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Will those in charge of time kindly give me five minutes more?

Mr. VOIGT. I yield the gentleman five minutes.

Mr. BLANTON. I gladly yield to the gentleman from Minnesota.

Mr. WEFALD. I wish to say to the gentleman that I came to Congress pledged to the support of the Norris-Sinclair bill.

Mr. BLANTON. Why, then, did the gentleman not get behind that and help us kill the Haugen bill?

Mr. WEFALD. Just one second. At this time it seems to me that the Haugen bill is the only bill that we can have a chance to get action on. I think it is the next best to the Norris-Sinclair bill. The gentleman used names of men who indorsed the Norris-Sinclair bill. Will the gentleman from Texas support that bill if it comes before the House?

Mr. BLANTON. I have not had time yet to study it, but I am willing for the men on the committee who represent real farming districts close to me to look after that bill, and if they say it is good I would then study it to see whether I will support it.

Mr. WEFALD. That bears out what I told the gentleman, that the gentleman from Texas is going to see the light, and I think he is beginning to see the light.

Mr. BLANTON. Mr. Chairman, I find that this letter tells the truth when it mentions Otto H. Kahn, because in another circular here is what I received in the way of the Kahn propaganda [exhibiting it] which came in another envelope, coming from a different State and post office.

I also got this circular [exhibiting another], supposed to come from Kansas, and then in another envelope from another post office I got this circular that is supposed to be an indorsement from organized labor; but when you put all three of them together you will see they are printed on the same printing press, with the same printer's ink, and with the same paper and type, if you please, all coming from the same source. Some one master mind sent all of this propaganda to us.

Mr. TINCHER. Will the gentleman yield to me?

Mr. BLANTON. Not at the moment. I regret I have not the time.

Mr. TINCHER. I always yield to the gentleman.

Mr. BLANTON. If our friend from Kansas had additional time to yield me, I would gladly yield for questions. I wish I had the time, because I do think a great deal of my friend from Kansas. Let me call attention to some other serious——

Mr. BLACK of New York. Was the union label on that last union circular?

Mr. BLANTON. I do not think it is on it. Look at it. I do not think the union label is on it. Well, since the label is not there, throw it away, because without the union label on it we know it is not authentic. The other night when the distinguished gentleman from Wisconsin [Mr. VOIGT] was making the best speech I have heard here in many a day he turned to the chairman [Mr. HAUGEN] and he said, "When these 80,000 hogs come on the Chicago stockyards and the Chicago stockyards can not use but 50,000 of them, and there are 30,000 to be handled by this Government corporation," he said, Mr. Chairman, "tell me what this Government corporation is going to do with those 30,000 surplus hogs"; and the chairman said, "Just send them on to another market; pass them on; send them on." How are they going to do it?

Mr. PAIGE. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. PAIGE. I assume that the gentleman believes that the law of supply and demand will regulate this whole matter.

Mr. BLANTON. Of course, I agree with the gentleman.

Mr. PAIGE. You remember three or four years——

Mr. BLANTON. You can not beat the law of supply and demand, if you prevent combinations.

Mr. PAIGE. The gentleman remembers when the slogan was "Buy a bale of cotton at 10 cents." That cotton to-day is 25 cents. If the southern cotton growers had then made a move for a bill of this kind to put cotton to 25 cents, it would have closed down every textile mill that used cotton in this country.

Mr. BLANTON. The gentleman is right. Now I want to mention the hog proposition. Some of you gentlemen who raise hogs—I think our friend from Ohio [Mr. BEGG] ought to hear this, the hog expert on class A hogs; I think he ought to be present and hear this.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. VOIGT. I yield to the gentleman five additional minutes.

Mr. BLANTON. I want to use those five minutes myself, and I must decline to yield.

The CHAIRMAN. The gentleman declines to yield.

Mr. BLANTON. If any of you have ever rounded up your hogs and put them in a wagon or two wagons and started to market with them, before you got there, maybe so, you would find two or three 300-pound hogs dead in the wagon. I have seen that happen. When you get a hog fat and ready for market it is a pretty risky business to handle him under certain conditions.

You are taking big chances on him; you have got to know how to handle him in order to have him reach market alive. Suppose you ship hogs from several other States to Chicago, and when they reached the stockyards the packers could not take them, and then the corporation had to rehandle them and ship them somewhere else. Do you not know that the Government is going to lose many in that bunch of hogs by reloading them on the cars and sending them elsewhere after the Government purchases them?

I want to refer to just one other matter in these five minutes in order to show you the ridiculous attitude our committee is in. Our friend from Missouri [Mr. RUBEY] virtually admitted this was a price-fixing proposition.

Mr. RUBEY. I did not admit that.

Mr. BLANTON. I am going to ask you to look at his remarks to-morrow and see what he did say.

Mr. RUBEY. I will tell the gentleman what I said.

Mr. BLANTON. Mr. Chairman, do not take this out of my time. I decline to yield.

Mr. RUBEY. I will tell the gentleman what I said.

Mr. BLANTON. Here are about the words the gentleman used. I paid close attention and the gentleman will not deny them when I say them. Here is what our friend said. He said, "We do not admit this is a price-fixing matter, but," he said, "for the sake of the argument, let us presume it is," and then he said, "What of it?"

Mr. RUBEY. Well, what of it? Tell us.

Mr. BLANTON. Mr. Chairman, I ask that this interruption be not taken out of my time.

The CHAIRMAN. The gentleman asks not to be interrupted.

Mr. BLANTON. I am going to tell him "what of it." I have seen this Government price-fixing machine operate. I was here during the war, and we had a southern man, if you please, as Secretary of Agriculture—Mr. David F. Houston. He had been president of my State University of Texas for several years, and he had been my professor in the State university when I was a young man attending college there in 1894 and 1895. He was supposed to have at heart the interests of the southern farmers, yet when cotton was worth 45 cents a pound we found this southern Secretary of Agriculture attempting to fix a price of only 25 cents a pound on cotton, which would have bankrupted every cotton farmer in the United States. That is an illustration of what may happen with Government price fixing.

I want to say this to you on this price-fixing proposition: It works both ways. It can be fixed up and it can be fixed down. I heard that distinguished orator from New York, the Hon. Bourke Cockran, stand on this floor and in one of the last speeches he made here say this. He said:

> I represent 5,000,000 consumers in the city of New York, and I am here to stand and fight for them to get everything they eat and everything they wear at the very lowest price possible.

Those are the words of the former distinguished Bourke Cockran, of New York. That is what we find to be the attitude of those coming from the great metropolises of this Nation. We will find the Representatives of the 5,000,000 constituents of New York voting to get what they eat and what they wear at the very lowest minimum possible, and there could come a time when, by the vote of the Representatives on this floor, the producers of this country, the producers of food, clothing in the raw materials, if you please, could have their rights jeopardized by a price-fixing machine which would run them off the farms. You have already run the boys off. It is the men and the old men, women and little girls, children who do the work there now. The boys are going to the cities. But if you should ever start a price-fixing machine there will come a time when you will run them all off the farms, and you people who live in the big cities of this Nation, in New York, Chicago, and San Francisco, will starve to death for want of food.

I am going to vote with the farmers' representatives on this committee, men like the gentleman from Louisiana [Mr. ASWELL], men like the gentleman from Kentucky [Mr. KINCHELOE], men like my colleague from Texas, MARVIN JONES, who represents not only a farming district but a stock-raising district. He has the interests of the stockmen at heart. He knows what could happen to the stockmen if this price-fixing machine is once started and put into operation. I am going to vote with those men, and I hope I shall get a chance to vote to strike out the enacting clause of this bill so that we may stop it where it is.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. TINCHER. I am in a position to yield to the gentleman one minute in order that I may ask him a question.

The CHAIRMAN. The gentleman from Texas is recognized for one additional minute.

Mr. TINCHER. I want to know who signed the letter the gentleman has read.

Mr. BLANTON. A man for whom I have neither respect nor regard, a man named Benjamin C. Marsh, managing director of this Farmers' National Council.

Mr. TINCHER. I just wanted to know [illegible] the man was.

Mr. HAUGEN. Mr. Chairman, I yield [illegible] the gentleman from Washington [Mr. SUMMERS].

Mr. SUMMERS of Washington. Mr. Chairman and gentlemen: There have been more misstatements of fact in the discussion of the McNary-Haugen bill than I have ever listened to in the discussion of any bill during the five years I have been a Member of this House, a part of the time, perhaps, for specious argument and at other times, no doubt, for lack of information.

Many have had something to say in regard to price-fixing. I maintain that this is not a price-fixing bill and my statement can be substantiated by the figures. If the bill had been in operation during the past year the effect on wheat prices would have been as follows, month by month. Starting with January, 1923, the price would have been, central market, highest grade wheat, $1.65; the next month, $1.66; the next month, $1.68; $1.68; $1.65; $1.62; $1.59; $1.59; $1.63; $1.62; $1.61; $1.60; and the first three months of this year, $1.60, $1.61, and $1.59.

How can anybody say that this is a price-fixing bill with a price that fluctuates practically 12 times in the year and a different price each and every month?

Now, gentlemen from New England have been very much disturbed as to the effect the enactment of this bill into law is going to have on their constituents.

I want to read to you a telegram received to-day, which tells you the effect that the agricultural depression is already having on your constituents, on your cotton mills, and you, men, in your cotton fields:

ROSALIA, WASH., *May 19, 1924.*

Hon. JOHN W. SUMMERS,

House Office Building, Washington, D. C.:

Cotton growers and manufacturers and wholesalers in eastern trade centers have direct interest in passage McNary-Haugen bill to restore buying powers to farmers.

Merchants in typical farm centers show remarkable decrease in merchandise purchases from New England and eastern Central States.

Six merchants of Walla Walla, Wash., purchases in 1920 aggregated $1,530,000.

The same merchants in 1923 purchased only $873,000.

Five merchants, Pendleton, Oreg., same years, reduction from $954,000 to $421,000.

Six merchants, Colfax, Wash., same years, $421,000 to $245,000.

All showing farmers' reduced buying power, $2,904,000 to $1,539,000.

F. J. WILMER,

President Whitman County National Bank.

The figures show a decrease in eastern purchases of nearly exactly 50 per cent.

That is what is the matter with your cotton mills and that is what would be the matter with your cotton prices in the South if it had not been for the boll weevil, which destroyed your crop and brought your price up to where it is to-day. I can not understand how men can gather their righteous economic robes about themselves and draw themselves off into one little section of the country and think that they and theirs are living alone. It does not happen. It can not be. We are all interdependent, interrelated one with the other. [Applause.]

All these facts show that the purchasing power of the farmer has been enormously reduced. While these figures especially reflect conditions in 9,000 towns west of the Mississippi River, they apply with almost equal force in Illinois and Indiana and several of the other states of the Union.

Are you now going to say that this is a sectional measure, that this is a class proposition? There is not a problem before the American Congress that compares with it. The tax bill, the bonus question, or any of the measures that we have had before us do not compare in their effect on American commerce, on American citizens, on American labor, and on American industry with the bill we are considering now. If I had the time

I would like to show the effect on the banks. Our friend from Duluth, Minn., spoke about 1920. Why, there have been eight times as many bank failures in the last eight months as there were in 1920, the year he cited as the worst year.

I would like to show you the figures on tax payments. I will show you that farmers in a highly productive country are paying only 5 per cent of the income taxes they paid four years ago. Does not that affect you throughout the United States? [Applause.] Gentlemen of the Southland and of the industrial East, I want you to know conditions as they are.

THE MAN BEHIND THE PLOW

Mr. Chairman and gentlemen, a few days ago I received this telegram:

WALLA WALLA, WASH., *May 13, 1924.*

JOHN W. SUMMERS,
House of Representatives, Washington, D. C.:

Following are comparisons of purchasing power of bushel of wheat in 1913 with to-day:

Two-bottom plow cost then 80 bushel now 140.
Wagon then 80 bushel now 200.
Double harness then 40 bushel now 80.
Suit clothes then 40 bushel now 80.
Pair of shoes then 6 bushel now 12.
Machine operators per day then 8 bushel now 16.
Harvest labor per day then 3 bushel now 6¼.
All other articles in same ratio.

F. O. HAGIE, *Secretary Chamber of Commerce.*

These cartoons, which Allen Sousa, our courteous keeper of the west door, has enlarged at my request, forcefully illustrate the condition of the American farmer.

This one shows farm products in one end of the balances and all commodities in the other end. You will note the striking disadvantage of the farmer. Note the surprise on Uncle Sam's face as he confesses he "did not know conditions were so bad."

Our second cartoon shows the evening up of the balances under the McNary-Haugen bill.

Uncle Sam's cup of joy is full; his face is one broad smile of surprise and happiness. He wants to treat all his people fairly. "That's more like it," says Uncle Sam. "A square deal is all I want," says Uncle Reuben.

THE FARMER

The American farmer is the greatest stabilizing force in American life, American institutions, and American government to-day. So he has been since the foundations of the Republic were laid. I will go further and remind you that he furnishes the chief market for American industries, and that without him they must crumble; and in the crash American labor suffers most of all.

THE GOOD OLD DAYS

Prior to the World War the price of farm products kept pretty even pace with the products of factories, with transportation, and with labor. During the very normal 10-year period just preceding the war the price of farm products and of 404 commodities on which statistics are kept were on about the same level. We all agree that this parity was just.

Since agriculture is our great basic industry, no doubt all who hear me will agree that in common fairness agriculture of right should move up and down with all commodities.

WHY FARM PRICES LAG 30 TO 50 PER CENT

However, since the war we find the all-commodity price about 154 as compared with 100 before the war, and agriculture dragging 30 to 50 points behind. Why is agriculture lagging? For two reasons: First. Transportation, manufactured articles, and labor are high—perhaps not too high—but these enter largely into the farmer's cost of producing, and he can not escape these costs. He may work longer hours; he may strive as he will, but he can not control these high cost factors.

Second. As conditions are to-day we see the farmer carrying his surplus product to Liverpool, there to barter against the products of cheap lands, cheap labor, and lower living standards of peasants and peons in the Argentine, Australia, and India, and the new, productive lands or northwest Canada. Not only does he sell his surplus in Liverpool, but there also from day to day under those conditions is fixed the price that controls the remainder of his product in America.

HOW FARM PRICES ARE FIXED

That Liverpool does control not only the prices of our export product but of our home-consumed products, is well illustrated by the sale of wheat in my home town of Walla Walla, Wash. I speak of wheat only because I am more familiar with it and because it is typical of all major farm products.

If I go down town and offer my wheat for sale before 10 o'clock on any morning in the year the grain buyer will say, "I have not heard from Portland this morning." A little later he hears from the exporter at Portland, whose price is the Liverpool price less handling and carrying charges. If I go around the corner and offer to sell to my miller, he invariably bases his price on what the exporter is paying. So, whether my wheat goes abroad or remains at home it sells on the basis of the Liverpool price. This condition prevails throughout the country.

ENGLISH AND FRENCH FIRMS WITH INTERLOCKING DIRECTORATES CONTROL IN AMERICA

As a matter of fact, the biggest exporter of American wheat is Samuel Sanday & Co., of London, England, an English partnership operating through a branch office in New York. The next largest export firm is Louis Dreyfus & Co., of Paris, France, with branch offices in London, New York, Buenos Aires, Antwerp, Bombay and Calcutta (India), Melbourne, Australia, and other points. Through these and other companies and their subsidiaries with interlocking directorates, operating at every important port on the map—shown by United States Federal Trade Commission—the grain trade of the world is absolutely controlled. Prices are moved up and down at will—but seldom up. The American farmer who produces under American standards is played against the peasants and peons of other countries. His production costs are on a stepladder; his sale price is on a footstool.

FARMERS BETWEEN TWO MILLSTONES—OTHERS ARE GROUND

American agriculture is between two great millstones: One, the 50 to 100 per cent increased cost of production since the war; the other, a manipulated world market which remains near the pre-war level.

Let us consider what these millstones are doing to the man behind the plow.

He sells for less than the cost of production. He fails to meet his obligations at the bank: he can not pay the implement dealer, the grocer, and the merchant who are also financed by the same bank.

What happens?

The Comptroller of the Currency answers the question. A statement just received from him shows as follows:

Failures of State and national banks by fiscal years

Year	State	National	Total
1920	44	5	49
1921	330	28	358
1922	363	33	396
1923	237	37	274

From June 30, 1923, to April 6, 1924, national	112	
From June 30, 1923, to February 8, 1924, State (partial)	311	
Incomplete returns bank failures during past eight months	423	423
Total		1,500

From 1870 to 1920 there were 3,050 bank failures in the United States.

The figures here quoted show approximately one-half as many bank failures during the past three and one-half years as during the preceding 50 years. Probably 250 failures since this Congress convened.

Millions have lost their savings. A bank failure brings general consternation to its community. These failures have occurred mostly in agricultural States, but the effects are felt in remote financial centers and by the jobbers and manufacturers throughout the country. Ten bank failures have occurred where normally there would have been but one failure. Wise observers say the crash has only begun.

Do you know there were more national-bank failures during 1923 than there were from 1863 to 1872?

Do you know there were three times as many national-bank failures in 1922 as there were in the panic of 1877?

Do you know there have been five times as many national-bank failures during the past nine months as during the panics of 1873 and 1877 combined?

THE CROSSROADS AND THE FEDERAL TREASURY

The millstones are not only grinding the man down at the crossroads, they are shifting the burdens of taxation to other shoulders. That the farmer has been almost eliminated as a Federal income-tax payer is proven by the following figures from the most productive wheat section in America and with the 1923 yield well above normal. The territory covered is 200 miles in extent and produced 100,000,000 bushels last year.

COLFAX, WASH., *March 25, 1924.*

Hon. JOHN W. SUMMERS,
House of Representatives, Washington, D. C.:

This county produced about 13,000,000 bushels of wheat last year. Decreasing incomes and losses of representative farmers show necessity for some constructive measure of relief.

Here are some cases taken at random that show Nation effect: One farmer in 1920 paid $1,900 income tax. He paid no income tax for 1922 and 1923.

Another paid $800 in 1920. No tax paid during past two years.

Another paid $1,100 in 1920, $400 for 1922, and nothing for 1923.

Another paid $1,700 in 1920 and nothing since.

Another paid $7,800 in 1920. Paid $1,900 in 1921 and no tax since.

These are not special cases, but reflect the condition and trend of the farming industry.

CHAMBER OF COMMERCE.

WALLA WALLA, WASH., *March 18, 1924.*

Congressman JOHN W. SUMMERS,
Washington, D. C.:

This is one of heaviest wheat-producing areas in United States. Unusually good crop last year.

Condition of agriculture shown by following figures: Nineteen farmers paid $9,031 Federal income tax in 1920. These same farmers paid $545 tax for 1923.

CHAMBER OF COMMERCE,
F. O. HAGIE, *Managing Secretary.*

PENDLETON, OREG., *March 25, 1924.*

Hon. JOHN W. SUMMERS,
House of Representatives, Washington, D. C.:

Income tax paid Government four years ago by six of our big farmers aggregated $26,205.39.

One of these farmers paid $284.29 in 1923; no interest earned on his paid-up investment of half million dollars. The other five farmers show losses for 1923 aggreaging $35,000.

GEORGE C. BAER,
Secretary Commercial Club.

ROSALIA, WASH.

Hon. JOHN W. SUMMERS,
House of Representatives, Washington, D. C.:

One hundred and fifty farmers this community in 1920 paid $36,000 income tax. The same farmers paid $2,000 this year.

F. J. WILMER,
President Whitman County National Bank.

Taken collectively these figures show the farmer is only paying 5 per cent of the Federal income tax he was paying four years ago, while 95 per cent of his Federal tax has been shifted to the shoulders of his more prosperous industrial neighbors or perhaps it never reaches the Federal Treasury.

There are 6,500,000 farmers in the United States. If in normal times their Federal taxes average but $50, then fixing the price of American farm products in Liverpool is costing the industrial sections of the country in taxes, or else it is costing the Federal Treasury, more than $300,000,000 annually.

BUYING CAPACITY CUT IN TWO

Meanwhile the farmer has been living on his accumulated resources and buying, not what he wants, not what he needs, but only what he must have. Mortgages increase from year to year while cash and credit decrease. The effect must inevitably reach the industrial centers with increasing force with each succeeding month.

TWO MILLION FOUR HUNDRED THOUSAND STARVED FROM THEIR FARMS IN TWO YEARS

The farmer does not readily yield to difficulties. However, with broken spirits and resentful of the millstones, 100,000 have been starved from their farms monthly during the past two years. Department of Agriculture figures indicate that nearly 2,500,000 of our farm population has given up the struggle during that period.

Mr. Chairman and colleagues, I ask you seriously, What does it mean and when and where will it end?

I grant you the small farmer who employs little or no labor and lives within a stone's throw of the market suffers less severely. However, the cowman, the wheat rancher, the corn and hog grower are all deeply involved. The problem is nation-wide. It challenges the best thought of every serious-minded man in America, and especially does it challenge this Congress.

HOW THE EMERGENCY CAN NOT BE MET—LIMITING PRODUCTION

The suggestion is seriously made that the farmer "limit his production to home consumption." Well, the farmer never has done that, but as to wheat he is exporting but little more now than in 1913, and less than he exported in 1914, 1915, and 1916.

Again, agricultural exports constituted more than 40 per cent of our total export trade last year. It brought to America $1,800,000,000. Would you deprive the railroad and steamship lines of that tonnage? Would you limit the farmer's purchasing power that much? In brief, would you deprive America of $1,800,000,000 wealth annually?

Someone has said, "If farming is not profitable, better abandon it." I ask, What, then, would the farmer do with his livestock, his machinery, his debts, his investments, his home? Where would several millions find jobs and places to lay their heads? The farmer has his life's savings in his farm and equipment. Would you have him abandon them? It would be as reasonable to suggest to the manufacturer that he limit his endeavor and output to domestic requirements. Were the advice followed in both instances, then we would trade dollars among ourselves and rapidly exhaust our gold on imports.

DIVERSIFICATION

Diversification is advisable under certain conditions, but diversification on multiplied millions of acres is impossible, because the lands are only suited to growing wheat. Again, to stop growing one crop at a loss and start growing another crop at a loss profits nothing.

COOPERATION

"Cooperative marketing" will solve the farmer's problems, says another. The farmer believes in cooperation, but several years will be required to organize 6,000,000 widely scattered and isolated farmers. Everyone familiar with the present crisis knows that however much cooperation may do for the future it can not meet the present emergency. The farmer knows this best of all and will hold to strict account the administration, the political party, and the individual that brings him relief two or three or five years after the sheriff's sale. Cooperation can not at this time span the 45-cent gap between the cost of growing wheat in the United States and the cost of growing wheat in Canada. The Liverpool price will still stare him in the face regardless of cooperation.

AS TO LOANS

"Since deflation started all his troubles let us loan him more money" says some wise soothsayer. But the farmer down at the crossroads has thought the thing through to the end. He knows he can not sell his crops year after year below the actual cost of production and keep in the game. He also knows his is a legitimate industry and that he is entitled to some small return on his capital investment. The farmer knows he can not borrow himself out of debt. Not more credit but more price is his only way to relief.

THE SIMON-PURE ECONOMIST

Then comes the simon-pure economist who says, "the only proper solution is to bring everything else down to the farmer's price." The economist means, repeal the Adamson law of 1916, undo the crime of speedy deflation in 1920, repeal our tariff laws, repeal the transportation act and open wide our gates to unrestricted immigration. The economist knows that what he has suggested can not be done; and if it could be done then America would be living on the same plane as the peasants and cheap labor of other countries and would have to pay her $22,000,000,000 war debt with 50-cent dollars.

The economist insists that world supply and demand shall control the price of farm products. But supply and demand do not control the price of the knife I hold in my hand. If it did my knife would cost me 30 cents instead of 75 cents and would come from Germany or Japan instead of Pennsylvania.

Supply and demand do not control the price of the clothes I wear, otherwise this suit would cost me 25 bushels of wheat instead of 50 bushels. World supply and demand do not control labor costs, otherwise a day's labor would cost the farmer 1 bushel of wheat instead of 6 bushels. World supply and demand would bring the all-commodity price level in America from the step ladder to the footstool. As a matter of fact for half a century or more we have enacted legislation for the specific purpose of interfering with supply and demand and of establishing American standards.

PROFANITY NOT A SOLUTION

One other solution is frequently offered. The pseudostatesman gets red in the face and tries to solve the problem by cursing, damning, abusing, and calling the farmer names for

seeking a solution of his problems. It can not be done that way, gentlemen.

The farmer's problem is not imaginary. It is the most real thing in America and before the American Congress to-day. It is immeasurably bigger than the tax bill, the bonus bill, or the immigration bill, and I voted for them all.

Time forbids my discussion of the bill now before us, but the question which you will answer soon is: Shall the biggest industry in America, touching the lives and fortunes of a hundred million people, survive or perish?

Farmers on the verge of bankruptcy by the millions are awaiting your answer. They will penetrate any gesture at relief, however well disguised.

The farmer's attention is focused on this Congress. He already is impatient. I warn you now, promises can not deceive and will not satisfy the man behind the plow. [Applause.]

Mr. HAUGEN. Mr. Chairman, I now yield 10 minutes to the gentleman from North Dakota [Mr. SINCLAIR].

Mr. SINCLAIR. Mr. Chairman and gentlemen of the committee, I have given a good deal of careful thought to the question of farm relief. I have considered this bill with the other members of the committee and we have given it, I believe, the most painstaking, industrious study and dissection that any bill could have.

I take a somewhat different position from some of the other members of the committee. I do not believe that this bill is the best bill that the Congress could enact, but I will say it is the judgment of the majority of the committee that it is the best we can pass, and consequently I am for the bill. [Applause.]

Mr. Chairman, the farmers of the United States are passing through the most serious financial crisis in the history of the country. The serious plight of the farmers is not confined to any one State but seems to affect agriculture everywhere. The worst conditions are to be found in the Great Plains region west of the Mississippi River, extending from Canada to the Gulf, heretofore one of the most prosperous sections of the Nation. There bankruptcy and failure run rampant. Over 430 bank failures have been reported out there in the past seven months. Innumerable business disasters have occurred, and practically one-fourth of the farmers have become insolvent and have lost their farms. This condition in perhaps a lesser degree prevails in all parts of the country where farming is the principal industry.

The gentleman from Minnesota [Mr. LARSON] has said that the disaster has been overstated. I wonder if any of you read in the newspapers a week ago that the Capital National Bank, of St. Paul, a $5,000,000 institution, had closed its doors. That did not seem like a shoestring institution.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. SINCLAIR. I yield.

Mr. NEWTON of Minnesota. The Capital Trust Co. closed its doors——

Mr. SINCLAIR. The Capital Trust Co.; yes.

Mr. NEWTON of Minnesota. And the bank sold out to another institution.

Mr. SINCLAIR. Yes; it was the Capital Trust Co. and not the Capital National Bank.

LAW OF SUPPLY AND DEMAND

We are told that this condition is brought about by the natural workings of economic law. If this be true, is it not strange that the farmers should be the ones most hurt? There has been no cessation on the part of the farmers in their production. They have been quite as industrious since the war as before. In fact, the volume of food crops raised the past four years has been up to the general average. Yet, notwithstanding the fact that the wealth of the Nation has increased, the producers are getting poorer and poorer in the process. Other industries have not suffered in a like manner with agriculture, and there is a reason for this.

Economic laws work naturally when left to their free play. Supply and demand rule prices if not interfered with by tariffs and other legislative devices. But in the highly complex condition of modern civilization the natural laws have been superseded by trade rules and agreements. Highly organized business units have changed the natural basis of trade and exchange to the advantage of those strong enough to control the means of barter. The organized unit or corporation always gains over the unorganized individual.

FIXED PRICE ON WHEAT DURING WAR

The condition complained of with reference to farmers is not due solely to natural causes. We find that during the war many legislative acts contributed to put the farmer at a disadvantage. In the first place, the farmer—especially the wheat farmer—was the only one asked to deliver his product at a fixed price, in many cases far below the natural market level. At a time when wheat was selling at $3.06 in Chicago, the Grain Corporation fixed a price of $2.20. It is true that at the time the price was fixed it was supposed to represent the minimum price that would be paid for the ensuing crop. Most farmers, and I might add dealers, did not expect that that price would be the maximum price, and in fact would prevail as the only price received for wheat during the full operation of the law creating the Grain Corporation. It proved to be the fixed price for almost three crop years. While wheat was selling abroad for $4 per bushel farmers of the United States were getting but $2.20 on the Chicago market. When freight rates were increased 6 cents a bushel the price was raised to $2.26. It is conservatively estimated that during the three crop years the farmers of this country were paid at least $2,000,000,000 less for their wheat crops than they would normally have brought in the markets of the world. Nor should we forget that the Grain Corporation, through which the wheat was handled, made a profit of some $60,000,000. At the very least, Congress owes consideration to wheat farmers to that extent.

In other words, in order to prosecute the war successfully, the Government commandeered the wheat crop of the United States, and put a price on it at a level of from 70 to 100 per cent below the natural market price of that time. In fact, the Government of the United States not only furnished large sums of money in loans to the Allies, but took from the American wheat grower his wheat and delivered it to the European allies at a price from one to two dollars cheaper than the governments of Europe were paying their own wheat growers, and to the wheat raisers of other parts of the world.

In support of this, I will quote the guaranteed prices fixed by the governments of Europe which were paid to the respective farmers of each nation allied with us during the war. At the time when our maximum guaranteed price for wheat was $2.20 the following-named countries paid:

France	$3.30
Switzerland	3.18
Holland	3.70
Norway	4.09
Italy	4.80

England did not fix a guaranteed price on wheat, but permitted her farmers to sell at the full price and in addition paid them a bonus amounting to approximately $15,000,000 annually on the average for the seven years during which it was continued. Canada organized a wheat pool by the Government and assisted her farmers to get the highest market price paid. This plan was continued for two years after the war. Other governments adopted similar helpful plans. The United States alone, of all the nations engaged in the conflict, played the part of philanthropist—with her farmers bearing the burden. We not only furnished food at less than cost to the Allies, but loaned them the money with which to buy it, no part of which has been repaid. Thus the burden of farm taxation has been made heavier and the farmers further handicapped in their efforts to meet world competition.

At the time the price was fixed on wheat, labor, machinery, and freight rates were much lower than they are now. Since the guaranteed price was put into effect there have been many legislative acts to promote the welfare of other lines of industry. For instance, the Adamson law was passed, increasing the wages of railroad men. We have also the immigration laws which have kept out competitive labor and permitted the organized workers of the entire country to maintain their high standard of wages. The price of farm labor has increased from 50 to 62 per cent; railroad labor about 75 per cent; machinery from 50 to 100 per cent; freight rates from 35 to 45 per cent. The tariff law has been passed, which in turn enables the manufacturer to shut out cheap foreign competition and maintain the domestic prices for his output far above the world price. Freight rates are now, under the transportation act, maintained at a rate, especially on agricultural products, of from 30 to 45 per cent above the pre-war level. And we are told from the reports of 1923 that never in the history of American railroading has there been such a large amount of earnings as in that year.

The Federal reserve act has been an important factor in stabilizing the banking industry. The Government lends its credit to the banks, but even this additional aid has not been sufficient to save many banks which are dependent on agriculture for their support.

All of this legislation to assist various industries has been beneficial, but it seems to me that it has been at the expense of the basic industry—agriculture—from which springs all

helpful commerce, and in which all new wealth of the Nation is created. It would seem, therefore, that there is ample precedent for legislation to benefit agriculture. Heretofore, the industry has flourished by reason of the great resources and the development of new fields. The time has arrived when Congress should determine whether or not our Nation will adopt a policy which will permit of a well-defined balance between industry and agriculture. The present trend will stifle agriculture and develop industry.

That will mean that in the future this great Nation will have to look to other lands for its food supply. We can not allow any such condition as that to come to pass. We must adopt a sound policy which will develop all industry, agriculture included, along equal lines. The Nation then becomes sufficient unto itself. By encouraging all lines of endeavor the greatest wealth and the greatest happiness for the people can be promoted.

SUGGESTED REMEDIES

There have been various remedies suggested in this Congress to restore normal conditions among farmers. Because of some of the practices that obtained during the war a very decided prejudice has been created against price fixing. Many Members of Congress and others who have studied the question are opposed to this. I am frank to say that under the present circumstances a definite profitable price for agricultural products is the only thing that will restore agriculture to its pre-war basis. However much we may be opposed to taking such action, in my opinion it is the only immediate means of getting the desired relief.

Several years ago I became convinced that farmers would have to have governmental aid to put them on their feet, and in 1921 I introduced a bill to give them a fair price on their products. I have had such a measure in Congress ever since that date. At that time the friends of agriculture were able to rally almost no support for the proposal that agricultural-relief legislation be enacted, as we were assured that there was no necessity for it, that conditions were improving and would soon right themselves. Since then, as we all know, they have grown steadily worse until they can no longer be ignored by the Congress. It is already too late to save thousands who could have been helped by prompt action on our part at the right time, but we can still by the enactment of legislation do much to check the course of agricultural disaster and restore national prosperity.

Some have suggested that the tariff on manufactured articles be reduced; others that there be a graduated decrease in freight rates. Reductions in the prices of farm machinery and a reduction in labor costs have been urged. Some advocate increased credits to farmers. No doubt all would be helpful, but to attempt to put them all into operation would be most disastrous to the economic welfare of the Nation. When farmers remember that 75 per cent of their market is found among our industrial workers they can readily understand that to curtail the purchasing power of city workers would reflect injury upon agriculture as well. It is very evident that the price of agricultural products must go up or all other prices must come down. Inasmuch as it is not practicable, at this time at least, to set in motion remedies which might injure the prosperity of the manufacturing industries, we must devise a means of raising agricultural prices to a plane of equal prosperity. I might add that it would not solve the problem to reduce transportation rates alone, as that would afford but a small measure of relief.

M'NARY-HAUGEN BILL

Of the various relief proposals before the Committee on Agriculture during a period of many months the McNary-Haugen bill was finally reported out by a majority of the committee. The committee has worked for four months on this bill, and has been in almost daily session since last December. We have rewritten all of the measure four times, and parts of it as many as seven times, in order to perfect it and to overcome the legitimate objections raised against it. I believe it is the most carefully prepared piece of legislation ever presented to this House, and if all economic criticism is not satisfactorily met it is because of the stupendous magnitude of the problem with which we have to deal. It is, however, generally conceded by the friends of this legislation that as a result of the work put upon it by the House Committee on Agriculture it is a much better bill than when originally introduced. As a matter of fact, its sponsor in the Senate, Senator McNary, recognized this, and asked that the Senate cease from further consideration of the original bill, substituting the improved House bill therefor.

The McNary-Haugen bill, now under consideration, contemplates no changes in the marketing machinery or agencies already set up. It merely attempts to raise the domestic price by withholding or withdrawing the surplus product which seeks its market on a world level of prices, and prorates the loss that may occur from the sale of that surplus upon the domestic output equally. I do not believe that it is the best remedy suggested. I do not think that it touches at the fundamentals in the problem of marketing. The agricultural inquiry commission, which held exhaustive hearings and published a report two years ago, found, among other things, that the cost of distribution was too expensive in the United States, and was one of the chief causes of low prices to the farmer. In its report, the commission stated that out of every dollar paid by the consumer the farmer received but 36 cents, the balance being charges and profits taken by the middlemen. That in itself is a serious indictment of our present distributing machinery. No other country in the world is so extravagant in its distribution. Consumers pay enough, and too much, but the middlemen reap the profit. Expressed in other terms, it can be said that in 1922 the consumers of the Nation paid $22,500,000,000 for their food products. The farmers received for these same products but $7,500,000,000, leaving $15,000,000,000, which represented the cost of distribution. In other words, it costs $2 to distribute $1 worth of food products. Manifestly, there is something wrong with such a system, and agriculture can not be placed on a permanent paying basis until it is corrected. To finally solve the question of marketing, which has always been the problem with agriculture, we must strike at this fundamental and try to shorten the spread between producer and consumer. Never, until that service can be performed at cost, will the farmer's marketing problem be solved.

The Norris-Sinclair bill, favorably reported in the last Congress by both Senate and House Agricultural Committees, and reintroduced in the present Congress, has for its avowed object the shortening of the spread between producers and consumers by the elimination of the enormous profits of middlemen. It is the only bill before Congress which aims at a better system of marketing and distribution, and if enacted into law it would make of cooperative marketing in this country the success that it has had in other lands. I am convinced that eventually we will have to pass some such measure as this to establish agriculture upon a permanently prosperous basis. However, it is the judgment of the committee that the McNary-Haugen bill offers the most immediate remedy in the present crisis.

The McNary-Haugen bill does not attempt to solve the marketing problem. Consequently, as I said before, it is not fundamental in its operation. It is but temporary in its relief. There are those who take the view that the bill would be unworkable and that its effect would be to pyramid the cost to the consumer. In some commodities covered by the bill I believe that is true. However, I am not concerned about all the commodities mentioned therein. I am here to speak for my constituents, who are wheat growers and who depend on that product as their chief crop.

EFFECT UPON WHEAT

So far as wheat is concerned, I think that the bill will be extremely helpful. I have no doubt but that it will result in a much better price for the wheat crop of the country. I am confident that the price of wheat can be greatly increased without necessarily increasing the price of bread. Our committee has had ample testimony to show that the average 10-cent loaf of bread which is sold throughout the country contains flour for which the wheat raiser received but 1½ cents. If 50 per cent were added to the price of wheat, the flour in the average 10-cent loaf of bread would not cost more than 2 cents. That increase can be fully absorbed by the middleman, and the price to the wheat grower raised to somewhere near the cost of production. If the legislation does only this one thing—increase the price of wheat to somewhere near the cost of production—it will be well worth enactment.

I realize that there are some who say that the hog grower and cattleman are in equally hard circumstances. However, the difficulties in handling or marketing meat and meat products are a hundred times greater than those of wheat. Marketing and handling wheat is a comparatively simple process. Much of the surplus can be and is exported in the raw state. This is not true of hogs and cattle. Practically all of our livestock is slaughtered, and none of the surplus is exported except in a manufactured state. I would suggest, therefore, that the operation of the law be confined to wheat at the start until the machinery can be set up and a sufficient knowledge gained to deal successfully with other commodities.

WILL AN INCREASED PRICE RESULT IN OVERPRODUCTION?

It has been contended that if the farmer gets a fair or increased price for his wheat the result will be a greatly stimulated production. This would have the effect to negative any advantage gained by this legislation. I can not agree that there would be overproduction. During the war, despite the great patriotic urge, and with every known agency of propaganda used, the total wheat production never equaled the 1915 crop, which was over 1,000,000,000 bushels. The average pre-war acreage of wheat was approximately 50,000,000 acres for the entire country. From 1914 to 1919 the acreage planted gradually increased each year until it reached the peak, in 1919, of 76,000,000 acres. In bushels of wheat the increase was from 690,000,000 bushels, the five-year pre-war average, to 945,000,000 in 1919. Since then, because of the reduced price, a gradually decreased acreage planted has resulted. Last year, 1923, only 58,000,000 acres of wheat were sown, and the production amounted to 786,000,000 bushels. It will be seen that the increased acreage during the war was due to the great public sentiment created by Government and private agencies working together in a patriotic cause. No such conditions will obtain during the life of this bill. There will be a substantial increase in price from 30 to 50 cents per bushel, but that, under existing conditions, will not be above the cost of production, and can not result in any great stimulation of the acreage planted.

In fact, it is more than probable that the decrease in planting, because of the deplorable condition in which farmers find themselves, can not be arrested for a period of at least five years, the time provided for the operation of the law. Farmers in large numbers have been driven off the land, and thousands of acres are left vacant. The movement from farm to city has precluded the possibility of immediate increased production. In addition, the marginal wheat areas of the Central States, which planted wheat during the war, have returned to other crops, and will not be induced to venture into the raising of that cereal again for many years to come.

The slow turnover in farming will also prevent any great increase in production. The forces set in motion resulting in any trend in farming are not quickly overcome. It will take years to arrest the present tendency to decrease wheat production. Unless higher prices prevail this will continue until the danger point is reached. Cheap wheat lands are no longer readily available to come under the plow. The chief factors in bringing about a normal production, we can only hope, are improved tillage and climatic conditions. No one would want to advocate such a crop reduction brought about by disastrous economic forces that would reduce the national food supply below the normal wants of the Nation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. I yield to the gentleman two minutes more.

FARM-MORTGAGE INDEBTEDNESS AND HIGH TAXES

Mr. SINCLAIR. A further reason why farmers can not continue to operate on the pre-war level of prices is the fact that the farm-mortgage indebtedness has almost doubled since 1914. According to the United States census of January 1, 1920, the total farm-mortgage indebtedness of the Nation amounted to $7,857,700,000. Nearly one-half of this amount, or $3,199,690,000, is in the west north-central group of States—Minnesota, Iowa, Missouri, North and South Dakota, Nebraska, and Kansas—the great wheat, corn, and hog raising section of the country. There is no doubt but that this indebtedness has been augmented since 1920. Taxes upon farm lands have also increased over 100 per cent more than the pre-war period.

In 1914 the property tax of the United States amounted to about $344,000,000. In 1922 it was approximately $797,000,000. This places upon farmers a heavy additional burden of fixed charges of taxes and interest, at least 100 per cent more than they paid during the pre-war 10-year average.

The price of the wheat crop of last year is about equal in dollars to the pre-war wheat crop value. Yet the taxes and interest on the land which produced this crop have about doubled. It is absolutely unjust to expect farmers to pay off this load of debt and taxes on the basis of pre-war prices for wheat. Much of this debt, in fact all of the increased debt, has been contracted in the past five years when the dollar would not buy much more than half what it would before that time. In other words, the debts were contracted under an all-commodity index price of 100 per cent advance. The effect, under present prices, upon the farmer is that he received 50 cents for his $1 of debt, and must now pay it out at its full face value.

AGRICULTURAL RELIEF LEGISLATION WILL BENEFIT ALL INDUSTRY

It has been stated that this is purely class legislation. That is, it is for the relief of farmers and agriculture alone. Even if this were true, which it is not, farmers are as much entitled to legislative aid as are other lines of industry which have already had it, as previously stated. However, while the legislation will directly give first aid to farmers it will benefit all business. It is a fact that farmers consume about 40 per cent of the manufactured products of the United States. They are the best customers of all industry. If you cripple their purchasing power, which lessens their consumptive power, you have injured all business. The prosperity of agriculture affects all workers and business men. Consequently, it should be to the interests of every branch of industry to favor any legislation that will tend to restore agriculture to a normal basis.

The American farmer has not been organized to market his product as have all other industries. The steel business, the textile business, the coal business, as well as all lines of manufacture, are highly organized and unified. They have a sales agency which controls the output and to a large extent names the price at which their product shall be sold. Agriculture alone has to ask the consumer, "What will you pay?"

The price for the farmer is set by someone else, not by him. It is not surprising, therefore, that he has to accept a proportionately lower price than anyone else. The marketing corporation set up by this legislation will form a great unified sales agency for agricultural products. It can be used as the nucleus for future development of cooperative organizations of farmers. We all realize that cooperation of producers and consumers must eventually and permanently solve the evils of our present expensive marketing system. While the proposed bill is primarily an emergency measure, its powers are broad, and the corporation established will be able to name a price on farm products which will give the farmer cost of production and a profit. With this lift he can hope to get square with the world once more, work his way out of the mire of debt now engulfing him, and again become one of the best customers of manufacture. Thus, not only farmers but manufacturers, merchants, business men, bankers, and all others will benefit. I hold it to be the most important duty this Congress can perform for the whole Nation to enact agricultural relief legislation, and to do it now.

Unless something of this kind is done we are going to see the worst times that the United States has ever experienced. This is a problem that interests everybody, and it is a problem that is going to reach out and affect New England before very long and all of the manufacturing States. [Applause.]

Mr. RUBEY. Mr. Chairman, I yield 10 minutes to the gentleman from Washington [Mr. HILL].

Mr. HILL of Washington. Mr. Chairman, it ought not to require argument to induce Congress to grant the relief to agriculture proposed in the McNary-Haugen bill. It is difficult to demonstrate a proposition that is self-evident. But we are compelled to recognize the fact that there are those who oppose this measure, and not only do they oppose this measure; they are opposed to any legislation that will bring any substantial relief to agriculture. I regret that any Member of this House should take that attitude, but I am amazed to find that some of the opponents of this bill come from agricultural districts. I appreciate the fact that we are all more or less influenced by selfish interest and that we are frequently restricted in our views and activities to the things that affect us most intimately, and I fear that sometimes the solicitude for the purely local interest blinds us to the opportunity for larger service not only to our own localities but to the country as a whole.

Our people as a nation are so interrelated politically, socially, and economically that no class of our citizenship can be reduced to a state of abject poverty without a reaction therefrom to the detriment of the whole people. Such a condition is now being created and in a large measure already exists among the farming classes producing the staple food products of the country. It can not be possible that the membership of this House is not informed of the necessitous condition of our farmers. Shortly after the close of the war the financial powers decreed that the farmer should be deflated, and the result was that within a year and a half the value of farm products was reduced from $14,000,000,000 to $6,000,000,000. This deflation policy did not embrace the entire economic structure of the country, but the farmer was singled out as the arch victim of that economic crime. He was literally robbed of more than 50 per cent of the value of his crop productions. The scales of economic balance were tipped against him, and he has not been able to regain that balance. For all his crops carrying an exportable surplus his prices were suddenly reduced to the level of the demoralized European markets less the cost of transportation to those markets, and in addition to the high prices paid for labor in the production of his crops he was compelled to buy

his merchandise and equipment in the protected markets of the United States. The manufacturing industries were protected, labor was protected, and transportation was protected, but agriculture was left unprotected. What is the result? Manufacturing is prosperous, transportation is prosperous, labor is receiving good wages, and agriculture is bankrupt. Everyone knows and concedes these facts. To contend that the distress of agriculture is not due to discriminations against it through the protective legislation of this Government is to impeach either one's intelligence or his sincerity.

The soul and heart of the legislation offered in this bill is the proposition to give to the farmer a square deal. Is the temper of this House such as to listen to a plea of simple justice for him? You have set up a standard of artificial economics under the protective policy of this Government for every class of industry and enterprise except that of agriculture. This Government is committed to the policy of industrial protection, in one degree or another. Any tariff policy other than that of free trade is protective. I am not advocating and do not anticipate the establishment of a free-trade policy for this Government; but I insist that in the prosecution of the policy of protection it is not fair, it is not just, and it it not honest to confer that benefit upon certain classes of industry and persons to the discrimination and disadvantage of others. The people of this Nation did not establish our Government and invest it with legislative and administrative powers with the intent or any idea that the manufacturing industries, the railroad corporations, or any class of individuals should have a preferred right to governmental economic advantage. Such an advantage is perversive of the will of the people, the power of the Government, and the spirit of the Constitution.

The policy of protection must be based on the dead level of honesty and give to agriculture the same degree of protection that other industries enjoy. Protect everybody or protect nobody. [Applause.] Give every industry and every individual a square deal with special privileges to none.

The farmer is not asking any special favor; he is merely asking to be restored to his right to an equal opportunity, the right of which he was deprived when every industry except agriculture was placed under the economic protection of the Government. He is not asking that some one else be deprived of a right that he may be favored, but is simply demanding that his own right be restored to him.

The banker has facilities for privilege and protection through the Federal reserve system; the manufacturing industries have protection through the levy of duties on importations of manufactured products; the railroads have protection through the Esch-Cummins Act; labor has protection through the Adamson law, the restriction of immigration, and through the strength of its organizations. But the farmer has no protection through governmental intervention and has been unable to effect organizations of sufficient comprehensiveness and solidarity to emulate in his own behalf the accomplishments of labor through its organization. But labor has not through organization alone been able to secure and hold the advantages it has obtained. Protective laws have been enacted in its behalf to aid and make possible of attainment the purpose of organization of labor, and it may be well to remember also that such protective laws were enacted because, and only because, labor through organization was strong enough to force such action on the part of Congress. Nor can agriculture through organization and cooperation alone secure the relief necessary to its protection. It must have legislative assistance in the form of protection.

This protection can not be afforded solely by a tariff duty on importations of agricultural products of which we produce an exportable surplus. It would be a waste of time to set forth the reasons why this can not be done, when it is universally recognized that as to such products the export markets determine the price both at home and abroad. Agriculture must have a protected domestic market to place it on the same economic basis enjoyed by other protected industries. It has never had a square deal in the law-made economic scheme of this country.

In this great Nation, founded on and to secure principles of justice and equal opportunity to all men and all classes of legitimate enterprise, the hardest thing to accomplish and maintain is industrial and economic justice.

We are face to face with the plain proposition that to secure for any class of industry or any class of individuals its economic rights the demand therefor must be supported by sufficient political strength to enforce the demand.

A great advance was made in the progress of civilization when this Government was established. It was the crystallization of the thought and spirit of the American people at the time and it is the crystallization of the thought and spirit of the American people to-day. The fault is not in the Government, but in the perversion of its powers. The powers of our Government are only such as the people as a nation delegate to it. Both the Government and its powers belong to the people and constitute a political instrumentality designed and intended to serve impartially the highest interests of all the people. The national power is the life of the Government, and its only source of life. Without this power there can be no Government.

Government, concretely stated, is but the method or means through which the power of the people is harnessed, centralized, controlled, and applied. The only proper application of this power is to the service of the public good without discrimination in favor of one class of citizens as against another. If this power were so applied, we would not find the economic system of the country out of balance as it is to-day. The whole difficulty is the result of the perversion and exploitation of the power of the people for private gain and advantage by directing such power against the people as a whole and thereby using the people's power to destroy their rights instead of preserving them. We are not to lose sight of the fact that it is the power of the people that is being used and directed at all times in the administration of the Government, regardless of whether the Government is being rightly or wrongly administered. Whatever is done through the governmental agency is done through the strength of the power of the people. There is no other governmental force.

If governmental functions are being exercised to the prejudice or destruction of the people's rights, the power that is employed for so doing is the people's own power. There can be a perversion of this power but no substitution for it in governmental affairs. The people always furnish the power, but private interests can direct the control and application of the power, and that is what is being done to-day. The power of government has been controlled in the interest of private enterprise since the early history of our Government, as a result of which there has been established in this country an artificial system of national economics founded on the protective tariff policy, which in plain language is a system of legalized robbery enabling certain classes of persons to exploit and rob the whole people. It is immoral in principle, unjust in design, and destructive of the economic freedom of the individual.

This policy was inaugurated to build up the manufacturing industries on a cost-plus basis that levies tribute on every consumer of the country for the enrichment of such protected industries. The protective tariff policy was first demanded and sought to be justified on the ground that it was necessary to enable our infant industries to gain sufficient strength to compete in manufacturing and commerce with established institutions; but when in the course of time the plea of infancy could no longer find basis in fact, the protective system was continued and sought to be justified on the ground that it was necessary in order to insure a high wage scale which our standards of living required for labor. In other words, the argument for the protective tariff abandoned the infancy plea and took for its basis the necessity of the protection of labor. Labor, however, was given no guaranties in any tariff law ever written and has always been compelled, in order to receive a just and reasonable wage, to resort to demands backed by the force of organization. The protected industries after securing protective legislation seek to employ labor in the competitive markets of the world and to pay only such wages as shall be determined by the free operation of the law of supply and demand in the labor markets. With such purpose in view, these favored industries oppose restrictions of immigration and advocate the open shop.

But labor has organized and through its organized efforts is compelling a recognition of its rights in the matter of wages, hours of labor, and conditions under which to work. Labor is thus rendering a service to the great unorganized and unprotected masses of the people by interposing the only effective obstacle to the progress of capital in its designs to fasten the yoke of economic slavery upon the necks of the plain people. But in compelling recognition of its power organized labor has received protection in the restriction of immigration, has procured the enactment of the Adamson eight-hour law, and has forced great increases in wage scales.

Here, then, are two classes that have secured protective financial advantage through a system of artificial economics, namely, the manufacturing industries and organized labor. The former, through the prestige and influence of wealth;

the latter, through the sheer force of numbers and power of organization.

A third factor that has contributed to the economic disadvantage of the whole people is the governmental protection extended to transportation, whereby the railroads are placed in a favored class through the mandate of the Esch-Cummins Act directing the Interstate Commerce Commission to authorize such transportation charges as will produce revenue sufficient to pay cost of operation, interest on indebtedness, and, in addition thereto, a return of 5½ per cent on the value of the invested capital.

The wealth-producing industries of this country are agriculture, mining, and manufacturing. From these sources plus existing natural resources comes all the wealth of the Nation. Commerce begins where production ceases. The products of the farm, the mine, and the factory become the commodities of commerce. Commerce does not operate to produce wealth, but to distribute, exploit, and market it after it is produced. Industry creates wealth; commerce creates profits or losses. Transportation is an instrumentality of commerce. Labor is a factor, both in the production of wealth and in the commerce of wealth, but the wages of labor are fixed by commerce. Industry and commerce are dependent one upon the other. The various classes of industry and also the various characters or phases of the same class of industry have an interdependence that invokes the intervention of commerce.

The costs of production and the distribution and market values of the products of industry are controlled and determined by commerce and not by the producing industries.

Commerce controls the economics of the country, and commerce in turn is the institution of, and is directed by, the dominant financial powers that control the securities and credits of the country. These powerful financial interests, sometimes for convenience designated as "big business" and "Wall Street," through political subservience to their demands, have gained control of the administrative policies of the Federal reserve bank system and have perverted it to their service in their cold-blooded design to reap the profits of all industry and to bring under their economic control the producers of all wealth. These powerful financial interests either own or control, or both, the manufacturing industries and the transportation systems of the country. They are directly financially interested in the prosperity of these enterprises, and through their dominance and dictatorial powers in politics and economics they have forced the Government of the people to underwrite their financial investments and to secure them not merely against loss, but to insure them great profits through protective legislation at the expense of the whole people. They are using the people's Government to extort from the people a constant and generous flow of financial tribute into the coffers of the big interests.

These financial powers are not interested in the protection of labor and they are not interested in the protection of the agricultural industry. They are not concerned with the distress of the farmer except as to the political aspects that might develop from his desperation. They are in control of the Government policies now and are satisfied with those policies and the existing conditions. It brings no pain to their consciences or appeal to their hearts to be told of the ruin and wreck of the homes, the fortunes, and the hopes of the farmers whose progress has been blocked and whose profits have been turned into losses because of the unjust, heartless, and impossible economic conditions imposed upon them in order that the greatest possible portion of the wealth of the Nation may continue to flow unimpeded into the coffers of the masters of finance.

Is this Congress—is this administration—are the people of this Nation going to permit the farmer to be sacrificed on the altar of special privilege? If so, it will be the beginning of the end of agriculture as an industrial occupation of free men and will mark the beginning of the decadence of that great basic industry toward the depths of a servile subordination intolerable to contemplate. It will mean the reduction of landlords to tenants, or else the abandonment of farms to idleness and unproduction. It will mean that millions of homes of America's most sturdy, virile, and liberty-loving manhood will be converted into hovels of an agricultural peasantry and that the sovereigns of the soil will give place to the peons of poverty. The last vestige of economic freedom will pass from our agrarian population when the Molochs of avarice become the country's masters. It will mean the passing from reality to romance of the boasted ideals that constituted the fundamental social structure and political security upon which this Nation was established and which have sustained it to the present time.

This is the fate that impends as to agriculture and 40,000,000 of our people directly dependent upon it. Inaction on the part of Congress in this crisis will be inexcusable. The farmer can not solve his problem unaided by remedial legislation. He did not create and can not control the conditions under which he is helplessly struggling. They are, in the main, the direct results of protective legislation by Congress which left the farmer out of the protective scheme. He now appeals to the author of his undoing for a belated correction of the injustice done him. He can not continue without relief.

I speak advisedly. For 20 years I have lived in Douglas County, in the State of Washington, in the midst of rich agricultural lands and good farmers. During all that time I have been an interested observer in close contact with the agricultural industry. I know the conditions of agriculture and of the farmers generally not only in my own district but throughout the great Northwest. The conditions in my district are typical.

Nature dealt with a lavish hand in the formation of that country and endowed it with such combinations of soil, climate, and altitude as to adapt it to a wide range of agricultural pursuits, abundantly productive. But man-made economic laws are not operating to aid nature's beneficence. Wheat, apples, livestock, and hay are the principal productions in my district. A few years ago the farmers were prosperous and most of them paying income taxes to the Government. Within the past four years their prosperity has vanished; their surplus accumulations have been absorbed by deficits in operating costs; they have been forced deeper and deeper into debt in their efforts to stem the adverse conditions of high cost of transportation, of labor, of merchandise and equipment, and ruinously low prices for their products. Not only have their surpluses been exhausted, but their capital investments have been either dissipated entirely or deeply impaired and depleted. Instead of prosperity, bankruptcy now is the prevailing condition. This result has followed not because of short crops but solely because of inadequacy of prices to meet cost of production. Last year Lincoln County, which has the largest wheat-producing area of any county in my district, had a bountiful wheat crop and I think as large a yield as it can reasonably expect to produce in any single year, and yet I did not find one farmer in that whole county who exhibited the least enthusiasm over his abundant crop or that claimed he got cost of production out of it.

It is difficult for one who has not actually been on the ground and seen the situation himself to understand fully the exceedingly distressful condition of the wheat farmers. There is no inducement to exaggerate the seriousness of the situation prevailing among them, for the actual situation taxes one's faculties to adequately portray it. Farmers are daily throwing up their hands in despair and quitting their farms and mortgage-ridden personal property; many are being foreclosed, still more are making voluntary assignments and others are seeking relief from their burdens of debt through bankruptcy proceedings. Men are literally walking out and away from their farms, moneyless, scantily clad, the accumulations of a lifetime lost, with families to support and destitution to face. They are desperate; they are not in a good humor toward a Government that will permit such economic conditions to exist. Mortgage holders, the banks, and merchants who have extended credit are left the disheartening prospect of realizing little or nothing from a sale of the abandoned property or the alternative of taking it over and operating it at a loss.

This condition was distressfully acute last year. It was evident early in the year that, unless some relief that would insure a larger price for wheat than that prevailing were provided, increased losses to the wheat farmer would inevitably follow. Fully appreciating the seriousness of the situation, a number of Members of Congress and others wired and wrote and otherwise importuned the President to call an extra session of Congress to relieve temporarily the distress of the wheat farmer by legislation authorizing a guaranteed price that would cover cost of production plus a reasonable profit.

The President refused to call the extra session, and the farmer got no relief from losses on last year's crop. I thought then, and I still think, the President should have acted as he was requested and urged to do. I advocated last fall in my campaign for Congress a guaranteed fixed price of $1.75 a bushel for wheat as an emergency measure. The farmer was entitled to that relief to tide him over the emergency until Congress could work out a more satisfactory solution of his economic difficulty. This proposition of $1.75 for wheat was in line with the bill introduced by Senator GOODING, of Idaho, in the Sixty-seventh Congress and again at the present session of Congress. I did not propose such guaranty as a permanent

solution of the wheat farmer's difficulty and I invariably stated in my speeches during the campaign that it was not an economically sound proposition, but that it was just as economically sound as the protective tariff and guaranteed rates to the railroads, and it is. Senator GOODING, as I understand it, is not pressing his guaranteed price bill this year, but, as I am informed, is lending his support to the McNary-Haugen bill.

I think the McNary-Haugen bill is to be much preferred over a flat price-fixing measure. I sat in conference with the framers of the export corporation measure, afterwards known as the McNary-Haugen bill, before it was put into final form and introduced. I have kept in touch with it ever since; I believe it is in economic harmony with the protective system of this Government. I have worked for its advancement incessantly since its introduction. I sincerely trust that it may pass and become law. If it should fail to pass, I say to you frankly, I hate to contemplate the fate that awaits the wheat farmers of this Nation.

If it is impossible to pass the McNary-Haugen bill, I am ready to vote and work for the next best farm-relief measure whether it be a guaranteed price for wheat, the Norris-Sinclair bill, or some other measure. I am ready to work and vote for any measure that will offer substantial relief to the farmer in this emergency, and I will not quibble over or stand back on economic ethics, theories, or policies in so doing. The crisis is grave, the country's welfare is at stake; the happiness, prospects, and hopes of my neighbors, friends, and constituents are jeopardized. The people of the fifth district of Washington are my clients in the presentation of this plea to the House of Congress for the passage of this bill, and more than that, it is my responsibility and pleasure to place at their service my every faculty and power to promote their success and prosperity.

The great burden of my heart is the distress of the farmers throughout the wheat-growing sections of the country. I have received hundreds upon hundreds of letters, resolutions, and petitions setting forth the great and pressing need for relief and appealing for quick action on the part of Congress.

I shall not burden the RECORD unduly with these communications, but I want to read the following two letters I received, which set forth graphically the conditions prevailing in my home county and which are typical of the situation throughout my district:

WATERVILLE, WASH., *April 22, 1924.*

Hon. SAM B. HILL,
Washington, D. C.

DEAR SIR: For the past six years I have been acting as county agent for Douglas County, Wash., which comprises one of the very good wheat sections of the Big Bend region, and have had an opportunity to study farm practices, and have been brought in close touch with the circumstances of farmers.

During the period extending from 1905 to 1916 farmers of eastern Washington were relatively prosperous and built up their homes and community interests; business during this period was sound and there was every indication that healthy development would continue as a reward to the industrious efforts of our agricultural people. Beginning with 1917 farmers began to go in debt, and each year since that time has brought the farmer into more unfavorable circumstances until we now face the position of absolute bankruptcy.

That you may more fully appreciate conditions which exist throughout the Washington wheat-growing sections, I am offering for your consideration the following data applying to Douglas County:

"Five banks out of six have failed in the last two and one-half years; three banks failed during 1923.

"Mortgage foreclosure sales, 1923, $676,000, involving 26,006 acres.

"Mortgage foreclosure sales, 1924, to April 1, $152,000, involving 10,000 acres.

"Voluntary assignments, 1923, approximately $300,000.

"Delinquent taxes to date, $450,000."

During the last three years farmers have generally attempted to diversify to the extent that climatic conditions warrant, and while this tendency has been beneficial to the extent of assisting farmers in securing a large share of their living on the farm, it has been altogether insufficient to meet indebtedness incurred on their major crop. As a result of the present deplorable conditions and apparent hopelessness of the future our farmers are very much unsettled and we are rapidly approaching a condition of complete disintegration throughout a large part of the wheat-growing area.

Farmers and business men in the affected area appear to be of one mind concerning the cause of the present difficulties, namely, the unsatisfactory ratio which has existed between the prices of farm products and industrial products which are abolutely essential in the farmers' business. There seems to be complete agreement that the proposed McNary-Haugen bill, which is now receiving the attention of Congress, offers a thoroughly sound, practical, and urgently essential solution of the surplus producers' difficulty. We sincerely hope that you will give this proposed bill your earnest consideration and, in view of the serious emergency now existing, lend your hearty support toward its passage.

Yours very truly,

F. H. ZENTNER,
County Agricultural Agent.

WATERVILLE, WASH., *January 25, 1924.*

Hon. SAM B. HILL,
Washington, D. C.

MY DEAR SAM: Your recent letter received and was very glad to know there is some prospect of Government help for the agricultural industry. As I see it, help must come at once or this country is bankrupt.

Up in the St. Germain country I have just had three more ranches turned back to me. Two of these were leased ranches and one I had been carrying on a sale contract for several years.

These three men are broke and are leaving the country, going, only God knows whither, they do not.

I have eight ranches on my hands that I can not rent on any terms. The country is depopulating in droves.

Yesterday I talked with Doss Gallaher, from the Buckingham country. He wants to quit and turn over everything he has as part payment on his debts, but the Seattle bank which holds most of his paper is begging him to stay.

They will throw off his interest and advance money for his taxes and living expenses, but Doss says, "What's the use?"

It will mean just more loss every year, and he is advising them to take their loss now and quit.

They are particularly urgent in his case because, as you know, he is a sort of bellwether in his section, and if he quits most of his neighbors will. His is a fair sample of this whole section.

The British at the siege of Lucknow had nothing on these poor devils. They have hung on until they can hang no longer.

Douglas County, once the banner wheat county of the State, is in a pitiable plight; farms deserted, banks broke, merchants broke, and no definite help in sight.

The price of labor is clear to the skies; sacks cost one-fifth of the price of the wheat; machinery so high no man can buy it; the old machinery about gone.

Taken up one side and down the other, it is a real pleasant prospect. Not the least serious side of the case is the fact that these conditions are breeding bitterness against the existing order and contempt for our Government and its laws. A short time ago I started after a man who had sold some of my mortgaged wheat. I told him such a report had reached me, but I could hardly credit it, and asked him if he had done so. His answer was "Yes, by God, I did. Neither my wife nor my children had any underclothes or any other clothes, nor had we proper food for winter. What are you going to do about it?"

I did just what you would have done. I told him to keep it.

Sam, a certain knowledge that wheat will bring a decent price here next fall will keep part of these men hanging on until that time; nothing else under God's heaven will.

If Congress can help us, they will be criminals if they do not.

With best regards to both of you, I am

Very truly,

M. B. HOWE.

Upon my intimate acquaintance with the men who wrote these letters, I vouch for every statement they contain.

What is the remedy to correct the troubles of agriculture? In order to prescribe a remedy, the trouble must first be diagnosed.

The difficulty under which the wheat farmer is laboring, together with the producers of livestock, is inadequacy of price to make his farming operations profitable. The cause of the inadequacy of such price lies in the fact that the principal factors which enter into the costs of farm production must be paid for at the high cost level to which they are inflated by the protection given them within the United States, and that such farm products must be sold both in the domestic and foreign markets on the basis of their export price. The export price is determined by an unprotected world market in which the surplus products of all countries are in competition.

The clear recognition of the fact that domestic price depends upon export price is one of the fundamental principles that must be faced in any attempt to give farm relief. (Report McNary-Haugen bill, p. 26.)

The remedy, then, is to place agriculture on the same basis of protection as that upon which the protected markets within the United States rest. This can only be accomplished by—

separating the export surplus from the total domestic crop and selling it in the world market at the world price and by disposing of the domestic part at a domestic price on a parity with other commodities.

The McNary-Haugen bill proposes such a remedy.

The tariff protects domestic products against competition with imported products within the United States. But it can not protect a domestic product when competing in world markets with other products. The protective tariff is directed toward one problem; the McNary-Haugen bill is directed toward the other. The farmers seek, and this legislation seeks to give them, an instrumentality that will effectuate tariff protection for them just as the general schedule of tariff duties protects manufactured articles. (Report McNary-Haugen bill, p. 30.)

The specific object and result to be attained by this bill is to separate or withdraw the domestic market of certain specified agricultural products from the controlling and determinative influences thereon of the export or world market and to stabilize such domestic market on a price level which will restore to such agricultural products an exchange value approximately equal to the average of the exchange values of other commodities of commerce in the domestic market.

By segregating the exportable surplus of such products from the quantity thereof required for domestic use and consumption and by selling such surplus as a segregated entity in the export market, the domestic market can be made protective for the benefit of the remainder of such products. Such a plan presents the only method, aside from a guaranteed fixed-price plan, of bringing agricultural products under the protective policy of the Government.

The method proposed in the McNary-Haugen bill to extend to agriculture the protective policy of the Government is, briefly stated, as follows:

(1) To create a governmental corporate marketing agency, designated as the United States agricultural export corporation, with a capital stock owned exclusively by the Government.

(2) To authorize such corporation to go into the domestic market and buy quantities of any basic farm commodity as to which an emergency has been officially declared to exist, at a price which will give to such commodity an exchange value compared with other commodities equal to that which it had during a representative period prior to the World War.

(3) To sell the quantity thus purchased by the corporation, which would constitute the exportable surplus, at the best price obtainable in the world market.

(4) To assess against the producers the administrative expenses of the corporation and the loss sustained by the corporation in selling the exportable surplus at the world-price level.

(5) To protect from foreign competition the domestic price for any such basic farm commodity by an adequate import duty.

(6) To return to the Federal Treasury all funds advanced by the Government for the purchase of the capital stock of the corporation.

This Nation can not exist without agriculture. Agriculture can not survive except on a self-sustaining basis. It is not on a self-sustaining basis now. If the consuming public is not willing to extend to the food-producing industry the protection it requires to enable it to operate at its present capacity on a basis of cost plus a reasonable profit, on the theory that such protection would advance the cost of food, the consumers deserve the fate that will await them when the cruel conditions of bankruptcy shall have driven the farmers to seek other means of livelihood and food production is thereby reduced below the level required to feed the people of this Nation. The shortsightedness of selfishness supplies the only explanation for opposing relief to the farmer. The truism that "the laborer is worthy of his hire" holds good for all time. The laborer in this instance is the farmer and he is not receiving his just hire, but is demanding it. He is asking the Government to supply the machinery for the protection of his industry and to operate it at his expense. He proposes to repay the Government the money to be advanced by it and to pay all costs and losses incurred in executing the plan proposed for his protection under this measure. No such burden is imposed on other protected industries.

The Government stands to lose nothing through this proposed legislation, but it is shown the way and opportunity to rescue its basic industry from the collapse of financial ruin.

Much hostility has been voiced against the McNary-Haugen bill. A little of this has come from sincere friends of the farmer, but in the main it has come through the channels of an organized propaganda, inspired and directed by those whose profitable business has been to prey upon the production of agriculture and who are not now, and never were, favorable to any plan that would aid the farmer to reap the harvest of his labor.

Many objections have been interposed against the bill, all under the pretense of friendly criticism in the interest of the farmer. It is urged that the plan proposed is communistic, unconstitutional, unworkable, uneconomic, and otherwise numerously objectionable. But while the objectors may have deceived themselves or been deceived, they have not misled the farmer. Never before in the history of the Government have the farming classes shown such unanimity in the advocacy of a measure for the relief of agriculture as exists toward the present bill. For years they have endured their economic ills with a patience born of hope that they might be able to work out their problems through voluntary cooperative organizations, but the conditions of agriculture have steadily grown worse and their burdens greater. Patience is exhausted through hope deferred. And now the farmer has turned to Congress in his straits of desperation and demands legislative aid for his relief.

The McNary-Haugen bill presents an appeal for justice—not favoritism—for the farmer. This appeal must be heeded and decided on its merits. There can be no dodging of the issue. The farmers have been victimized through unjust legislative discriminations, and they are now demanding the correction of this economic evil. They have been crushed to the point of desperation. They are pleading for, demanding, and expecting relief from this Congress at this session. Election day next November will be fruitful of disappointment to any political party or any Member of Congress that fails now to use its or his best efforts to secure the relief demanded in the interest of agriculture. It is not a partisan question from the standpoint of the farmer and it is not a partisan question from the standpoint of Congress. Any effort to make it such or to so regard it, and any circumstances which would tend to lend a partisan color thereto, will be readily sensed and resented by the farmer, as they should be. The farmer knows the difficulties that beset him and he knows the remedy for those difficulties, and that remedy lies in the enactment of the McNary-Haugen bill. Will you give it to him? That is what he wants to know and that is all he wants to know at this time. He wants an answer now in the form of legislation. Too long and in vain has he waited for Congress to find and initiate a basic remedy to correct the artificial economic disadvantages imposed upon him, which measured by every moral test constitute an economic crime against him. The farmer, through the strong incentive of self-preservation, has surveyed the broad field of political and industrial economics and has found his location and status therein. He found that agriculture, with a few exceptions, is still operating under the natural law of supply and demand, with the prices of its products controlled and determined by the open and unprotected world markets, while the costs of its products are artificially inflated, controlled, and determined by domestic legislative protection. In other words, the farmer buys and produces on the basis of a noncompetitive, protected domestic market, and sells his products on the basis of a competitive, unprotected world market. The economic discrimination against him is obvious. It is also artificial, having its origin and creation in discriminating protective legislation. The remedy the farmer seeks is the correction of this inequity, and the remedy is presented in the McNary-Haugen bill.

The farmer knows what he wants and the remedy that will meet his needs, and he will not be put off by any soporific substitutes, subterfuges, or alibis. He knows that the talk about further extensions of credit, diversification, tariff on products having an exportable surplus, and so forth, is meaningless and barren, except to confuse the issue and to discourage the legislation that will afford him relief. The remedy he seeks is in economic harmony with the protective policy of this Government.

It makes no difference whether the tariff rates are unjustifiably high as they are now, or whether they be fixed on a competitive basis, as they should be, the protective plan proposed in the McNary-Haugen bill will fit into the scheme with perfect harmony and also with justness. Moreover, this plan will automatically adjust itself to harmonize with any changed or modified rates of the tariff system which affect the level of commodity prices. This measure invokes the same principle of protection for agriculture as is applied to other industries and the same degree of protection.

Any tariff schedule, whether it be fixed on the basis for revenue only, a competitive basis, or whether it be primarily designed for protection or monopoly, operates pro tanto as a protection to the industry to which it applies. In one form or another, upon one theory or another, every political party of this country stands for and advocates a tariff policy that protects all domestic industries except the basic industry of

agriculture. It is true, then, that this Government is committed to a protective policy and that, too, without regard to the particular political party which may be in control of the Government. Is such a protective policy economically sound? It must be deemed either economically sound or economically necessary, else there can be no justification for the policy and all of our political parties should be condemned for incompetency or unfitness. In any event, we have the protective policy and it operates to the disadvantage and detriment of agriculture. The McNary-Haugen bill would correct this inequity and place agriculture on the same basis with other protected industries. Is there anything unfair, unjust, or unsound in such a scheme? There is not, if agriculture be entitled to the same consideration as other industries. Can anyone deny that it is entitled to such consideration?

It is doubtful whether in the history of our country the agricultural industry has been depressed to such dire straits as now, and that, too, in the midst of conditions of prosperity in all other lines of industry and commerce. We have had so-called panics that have been nation-wide in their paralyzing effects on commerce and industry, affecting impartially all industries, but in such crises it may be said that all manufacturing, producing, financial, and commercial interests shared in the misfortunes of such depression, perhaps not equally or to the same extent, but all were seriously and detrimentally affected.

The equalizing principle of supply and demand artificially uncontrolled is the natural law of economics. Under the operation of this law the labor wage would tend toward and approximate a world level; manufactured commodities and agricultural products of every country would compete in the markets of all countries on a basis of parity considering, of course, differences in quality and costs of transportation, so that the world supply and the world demand would determine the domestic prices in each individual country and would work an equitable adjustment on such basis of the prices of all commodities, whether of manufacture or agriculture, relative to each other.

I am arguing neither for nor against such a free-trade world policy, but endeavoring simply to call attention to conditions that would prevail in the markets everywhere should the natural principle of supply and demand be permitted to operate universally. But if the natural law of supply and demand is to be supplanted by an artificial law of economics under a protective policy, such policy, to be just, must embrace all industries and confer upon all industries alike the benefits of protection.

There are two prime factors that interfere with and prevent the determination of prices by the natural law of supply and demand, namely, governmental protection and private commercial price-fixing combinations, commonly called trusts. We have in this country both governmental protection and price-fixing combinations, and one or both of these factors are operating in this country to increase the prices of practically all of the manufactured products of commerce in our domestic markets above that of the world markets thereof. But neither of these factors, except in a few instances, is operating to increase the price of farm products in our domestic markets above that of such products in the world markets.

Furthermore, the manufacturing plants of this country which have more than a local status in our Nation's commerce are operated under a centralized control of large aggregations of capital, and they can and do so regulate their output or the supply of their manufactured products as to keep them within the limits of the demands therefor. But not so with agriculture. It is an individualized industry, and every natural economic tendency is toward its decentralization, making it extremely difficult, if not impossible, to centralize its control through voluntary cooperation. The enactment of the McNary-Haugen bill will overcome this handicap and disadvantage inhering in the farming industry.

The well-being and perpetuity of a nation depends upon the preservation and maintenance of economic conditions that will secure to all its people the opportunity to reap the just rewards and fruits of their labor and industry. Every citizen and every class of citizens in this country has the God-given and constitutional right to have this Government so administered as to guarantee equal opportunity to all men. The great basic industry of agriculture must be preserved and must be given equal consideration with other industries in the economic policy of governmental protection. The 40,000,000 of our people employed in agriculture must be secured a living return for their labor and enterprise. This country must continue as the home of both political and economic freedom. Sovereignty must not descend to serfdom.

The CHAIRMAN. The hour of 7 o'clock having arrived, the committee will automatically rise.

The committee rose; and the Speaker having resumed the chair, Mr. SANDERS of Indiana, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 9033, the McNary-Haugen bill, and had come to no resolution thereon.

HOUR OF MEETING TO-MORROW

Mr. HAUGEN. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock a. m. to-morrow.

The SPEAKER. The gentleman from Iowa asks unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow. Is there objection?

Mr. BLANTON. Reserving the right to object, we have a lot of committee meetings going on, and we can not be in two places at the same time. We want to hear this debate.

Mr. HAUGEN. And we want to get through with the debate to-morrow, if possible.

Mr. BLANTON. Well, I will not object; I am the farmer's friend.

The SPEAKER. Is there objection?

There was no objection.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER. The Chair may not be able to be here at 11 o'clock to-morrow; and in case he should not be present, he designates the gentleman from Connecticut, Mr. TILSON, to act as Speaker pro tempore.

WILLIAM E. BAKER

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I wish to present a privileged matter and ask for the adoption of the following resolution.

The Clerk read as follows:

House Resolution 325

Whereas certain charges against William E. Baker, United States district judge for the Northern District of West Virginia, have been transmitted by the Speaker of the House of Representatives to the Judiciary Committee: Be it

Resolved, That the Committee on the Judiciary be, and they hereby are, authorized and directed to inquire into the official conduct of William E. Baker, United States district judge for the Northern District of West Virginia, and to report to the House whether in their opinion the said William E. Baker has been guilty of any acts which in contemplation of the Constitution are high crimes or misdemeanors requiring the interposition of the constitutional powers of this House; and that the said committee have power to send for persons and papers, to administer the customary oaths to witnesses, and to sit during the sessions of the House until adjournment and thereafter until said inquiry is completed and report to the next session of the House.

The SPEAKER. The question is on agreeing to the resolution.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Certainly.

Mr. GARRETT of Tennessee. I understand that this is a unanimous report.

Mr. GRAHAM of Pennsylvania. Yes. We appointed a subcommittee to examine the papers referred to us. They were quite voluminous. Each one of the subcommittee read them through, and after a conference they thought that the committee ought to take action to further investigate. That is the unanimous action of the committee.

Mr. BLANTON. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. BLANTON. Why the necessity for carrying this matter over during the vacation?

Mr. GRAHAM of Pennsylvania. Because there will be no opportunity to get it consummated. The examination will go on. The House will not be in session to act upon it.

Mr. BLANTON. Under this resolution this committee can meet anywhere it wants to in the United States.

Mr. GRAHAM of Pennsylvania. It certainly could, but it is not likely that it will.

Mr. BLANTON. The gentleman knows how some such resolutions have been executed in the past during the vacation of six or seven months.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. GARRETT of Tennessee. This involves the investigation of charges against a Federal judge that may or may not constitute the basis of impeachment. I have looked into the matter somewhat, and I think the resolution should pass.

Mr. BLANTON. Does not the gentleman think this investigation ought to be here in Washington?

Mr. GARRETT of Tennessee. Oh, I do not know.

Mr. BLANTON. That is the only thing I am thinking about.

Mr. GARRETT of Tennessee. I do not think that is necessarily true as a matter of economy, even.

Mr. BLANTON. It ought not to be in Seattle.

Mr. GRAHAM of Pennsylvania. There is no likelihood of that.

Mr. GARRETT of Tennessee. It is scarcely possible that the Committee on the Judiciary investigating the charges against a judge in West Virginia would go to Seattle.

Mr. BLANTON. For instance, this week—to-morrow, I understand, and the next day—there will be a committee sitting in New York City, the special committee investigating the Shipping Board.

Mr. GARRETT of Tennessee. It may be economy for them to do so. It may save money by doing that rather than by summoning witnesses here.

Mr. BLANTON. If the gentleman from Tennessee thinks it is necessary, I will withdraw any objection that I have.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to Mr. McSWAIN, for two days, May 23 and 24, on account of public business, the annual visitation to the United States Military Academy.

CAMP JACKSON MILITARY RESERVATION

Mr. McSWAIN. I ask unanimous consent to extend my remarks in the RECORD by inserting therein the following brief statement.

The SPEAKER. Is there objection?

There was no objection.

Mr. McSWAIN. Mr. Speaker, yesterday when the House was considering H. R. 9124 and I proposed an amendment relating to the disposition of a part of the Camp Jackson reservation, at page 9128 of the RECORD, the following colloquy took place:

Mr. GRIFFIN. Mr. Speaker, I reserve the point of order on this amendment for the purpose of asking the gentleman if this is not the same bill that was on the Private Calendar on last Friday night, to which objection was made by the gentleman from Michigan [Mr. CRAMTON].

Mr. McSWAIN. Yes; that is the same bill that was under consideration at that time. The gentleman from Michigan [Mr. CRAMTON] stated that he wanted more information in respect to it. I am informed by the gentleman from South Carolina [Mr. FULMER] that he has talked the matter over with the gentleman from Michigan and that he is satisfied.

Mr. FULMER. It is in line with the same bill that passed a few moments ago, having in mind identically the same purpose.

Mr. GRIFFIN. Mr. Speaker, I withdraw the point of order.

I am now informed by the gentleman from Michigan [Mr. CRAMTON] that he had not become satisfied about the provisions of the proposed amendment and that I was in error in my statement. He feels, and justly so, that he has been misrepresented. He and the gentleman from South Carolina [Mr. FULMER] and myself have talked over the facts and I am now convinced that I drew a conclusion from my conversations with them at different times that now appears was not justified. I regret this exceedingly, and have so expressed myself to the gentleman from Michigan [Mr. CRAMTON] and to the gentleman from New York [Mr. GRIFFIN].

ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 6357. An act for the reorganization and improvement of the foreign service of the United States, and for other purposes;

H. R. 6207. An act authorizing and directing the Secretary of War to transfer to the jurisdiction of the Department of Justice all that portion of the Fort Leavenworth Military Reservation which lies in the State of Missouri, and for other purposes; and

H. R. 8262. An act to fix the compensation of officers and employees of the legislative branch of the Government.

HAUGEN-M'NARY BILL

Mr. CANNON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein a letter from representatives of farm organizations addressed to Members of the House.

The SPEAKER. Is there objection?

There was no objection.

Mr. CANNON. Mr. Speaker, when one of the St. Louis newspapers came in this morning I was surprised to note in the most conspicuous position on the front page an open letter signed by the representatives of the various farm organizations here in Washington and issued last Monday.

As soon as I read it I called up one of the signers and asked why so important a letter had not been released to the Washington papers. He said it was not only sent to the Washington papers but that they were repeatedly importuned to publish it, and notwithstanding these personal appeals they declined to give it space or even, refer to it.

This letter is a statement signed by the official representatives of the farmers of America, a class comprising one-third of the people of the United States and operating our largest and most indispensable industry, and it outlines their views on one of the most important pieces of legislation which has come before this or any other Congress. They are entitled to be heard. They have the right to present their side of the question, and to have their day in court, and the action of the Washington newspapers in refusing to give them that opportunity is a violation of the ethics of journalism and a reflection on that high calling.

This policy of the Washington newspapers is not merely a matter of local concern. It assumes the proportion of a national menace when the Congress and the President must legislate in an atmosphere devitalized by the deliberate suppression of the news and poisoned by the insidious miasma of propaganda. And if the interests which control these newspapers will permit an observation, I would suggest that they are defeating their own purpose and militating against their own cause by such obtuse and unsportsmanlike partizanship.

This letter merits the careful consideration of the Members of the House. It is authoritative. The official representatives of the farming interests of the Nation announce that after long and exhaustive consideration of all pending and proposed farm legislation they consider the McNary-Haugen bill as best suited to promote the interests of the farmers and the interests of the country at large. They state in emphatic and unmistakable terms that they desire no substitutes; that so far as the farm organizations are concerned they desire the McNary-Haugen bill or nothing.

They speak not only from a technical knowledge of the bill and the conditions which prompt it but as the representatives of 30,000,000 people, those who are most at interest. And for the convenience of Members who desire to read their presentation of the case I ask unanimous consent to insert it as a part of my remarks.

The following letter has been sent to Members of the House and Senate by representatives of farm organizations who are in Washington supporting the McNary-Haugen export corporation bill. In addition to the men and organizations signatory to this letter over 300 other farm organizations, as well as many hundreds of commercial and professional associations, have indorsed the measure:

During the recent press comment on the McNary-Haugen bill, the statement has frequently been made that the present Congress will not adjourn without passing some kind of farm legislation, and the only inference which can be drawn from such statements is that if Congress can not see its way clear to give the farmer what he wants then it will give him something it thinks he ought to have. And we, the undersigned, who represent the largest and the most representative farm organizations of the country, believe that the time has come when we should make our position in these premises clear to Congress and to the whole Nation, and, therefore, without the slightest semblance of threat, but with an overwhelming conviction of the gravity of the situation which now confronts the farmer, we want to make it perfectly plain that no mere legislative palliative can save agriculture from the collapse which now impends, which has already forced tens of thousands of the best farmers in the land into bankruptcy and which at this hour menaces tens of thousands of other farmers with the same catastrophe.

The single and solitary purpose of the McNary-Haugen bill is to give to the farmer as big a dollar for the products of his toil during the next five years as the dollar that he is forced to pay to industry under the Fordney-McCumber Act and to labor under the existing generous wage scales, and in all candor we desire to ask of Congress and of the country, is there anything unfair about this proposal? Can the farmer be expected, on the one hand, to bear a large share of the burdens imposed by industry and labor who have created living conditions of their own liking, and then, on the other hand, accept a price for his wheat, hogs, cattle, and other surplus farm commodities, at home and abroad, established in competition with the peasant and peon farmers of the whole world? If the American

manufacturer is unwilling to meet the foreign manufacturer on an even footing, and if labor believes that the time for absolute exclusion, with reference to immigration, has come, then should they ask the six and a half million farmers of this country to do what they themselves refuse to do?

Through the McNary-Haugen bill we have approached this situation as best we knew how. For four long, weary months this measure has stood the fire of the opposition before the House and Senate committees and during this time we have sought to cure every fair and valid objection made against its various provisions. Therefore we have a firm conviction that the measure as it now stands is legally sound, practical, and workable. Nevertheless, if any Member of Congress can, in good faith, propose any further amendment that will make it more so and yet subserve the full purpose which the act has in view, then we shall most cordially welcome such assistance, for, certainly, we want it to be sound and workable, and, certainly, also, we do not want to take a penny out of the Federal Treasury that is not returned, for we are asking Congress to help us save agriculture from impending ruin. We are not asking for charity. But if, after placing ourselves in this friendly and conciliatory attitude, Congress should still see fit to deny our petitions, then we shall go back home and save as much out of the wreck as we can.

In the meantime let Congress and the whole country understand that the day of soft-soaping agriculture is past; that in this hour, when the average farmer is struggling for his very existence, it would be an insult to offer him a mere legislative nostrum that does not honestly and fairly seek to relieve him of the tremendous handicap under which he is laboring. In all kindness, but nevertheless with profound firmness, we therefore say, Give us the McNary-Haugen bill, for agriculture is unable to accept a substitute.

The above statement has the unqualified indorsement of the following organizations, whose representatives are on the ground in Washington:

T. C. Atkeson, Washington representative National Grange.

John G. Brown, president National Live Stock Producers' Association.

George G. Coale, Knox County, Ind., banker.

Thomas E. Cashman, president American Hereford Breeders' Association; director, Minnesota Farm Bureau Federation.

R. A. Cowles, treasurer Illinois Agricultural Association.

Carl Gunderson, director, South Dakota Wheat Growers' Association.

William Hirth, president Missouri Farmers' Association.

C. W. Hunt, secretary-treasurer Iowa Farm Bureau Federation.

George C. Jewett, general manager American Wheat Growers' Association.

F. W. Murphy, St. Paul Association and Northwest Campaign Committee for Promotion McNary-Haugen Bill.

J. F. Reed, vice president Minnesota Farm Bureau Federation.

J. R. Riggs, Producers' Commission Association of Indianapolis, Ind.

C. G. Selvig, president Minnesota Export Commission League.

Gray Silver, Washington representative American Farm Bureau Federation.

William H. Settle, president Indiana Farm Bureau Federation, Indiana Wheat Pool, Indiana Dairy and Produce Association.

L. J. Tabor, master National Grange.

John Tromble, president Kansas Farmers' Union.

ADJOURNMENT

Mr. HAUGEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 7 o'clock and 6 minutes p. m.), in accordance with the order heretofore made, the House adjourned until to-morrow, Friday, May 23, 1924, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

502. A letter from the Secretary of War, transmitting a draft of proposed legislation for the relief of Felix Davis; to the Committee on Claims.

503. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the District of Columbia for the fiscal year ending June 30, 1924, to pay salaries and expenses for the continuance of the Rent Commission from May 23, 1924, to May 22, 1925, $75,220 (H. Doc. No. 300); to the Committee on Appropriations and ordered to be printed.

504. A communication from the President of the United States, transmitting a list of judgments rendered by the Court of Claims, which have been submitted by the Attorney General through the Secretary of the Treasury, and require an appropriation for their payment, as follows: Under the Department of the Interior, $4,737.09; under the Navy Department, $10,178.51; under the Treasury Department, $0.59; and under the War Department, $80,098.85; in all, $95,015.04 (H. Doc. No. 301); to the Committee on Appropriations and ordered to be printed.

505. A communication from the President of the United States, transmitting record of judgment rendered against the Government by the United States District Court for the Eastern District of Virginia, sitting in admiralty, in the case of the Brovig *v.* The United States (steamship *Babcock*), $8,904.40 (H. Doc. No. 302); to the Committee on Appropriations and ordered to be printed.

506. A communication from the President of the United States, transmitting a list of judgments rendered against the Government by the district courts of the United States, as submitted by the Attorney General, through the Secretary of the Treasury, which require an appropriation for their payment, as follows: Under the Department of Labor, $328.75; under the Navy Department, $5,483.12; under the War Department, $412.25; in all, $6,224.12 (H. Doc. No. 303); to the Committee on Appropriations and ordered to be printed.

507. A communication from the President of the United States, transmitting schedules of claims amounting to $1,190,870.49 allowed by the various divisions of the General Accounting Office, as covered by certificates of settlement, the numbers of which are shown in the first column of said schedules (H. Doc. No. 304); to the Committee on Appropriations and ordered to be printed.

508. A communication from the President of the United States, transmitting judgments rendered against the Government by the United States district courts, as submitted by the Attorney General through the Secretary of the Treasury, under the War Department, $427,511.45 (H. Doc. No. 305); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII.

Mr. McSWAIN: Committee on Military Affairs. H. R. 9012. A bill to make available an officer of the Army of appropriate grade for service in charge of public buildings and grounds in the District of Columbia and for the exercise of certain other functions; without amendment (Rept. No. 814). Referred to the Committee of the Whole House on the state of the Union.

Mr. McKENZIE. Committee on Military Affairs. S. 1376. An act to provide for the equitable distribution of captured war devices and trophies to the States and Territories of the United States and to the District of Columbia; without amendment (Rept. No. 815). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAJOR of Missouri: Committee on the Judiciary. S. 624. An act to amend the practice and procedure in Federal courts, and for other purposes; with an amendment (Rept. No. 816). Referred to the House Calendar.

Mr. JOHNSON of South Dakota: Committee on Indian Affairs. H. R. 3387. A bill authorizing repayment of excess amounts paid by purchasers of certain lots in the town site of Sanish, formerly Fort Berthold Indian Reservation, N. Dak.; without amendment (Rept. No. 824). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEAVITT: Committee on the Public Lands. H. R. 7522. A bill to authorize and direct the issuance of patents to purchasers of lots in the town site of Bowdoin, Mont.; with an amendment (Rept. No. 825). Referred to the Committee of the Whole House on the state of the Union.

Mr. WEAVER: Committee on Indian Affairs. H. R. 8083. A bill to designate the Croatan Indians of Robeson and adjoining counties in North Carolina as Cherokee Indians; without amendment (Rept. No. 826). Referred to the Committee of the Whole House on the state of the Union.

Mr. HICKEY: Committee on the Judiciary. H. R. 8906. A bill to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920; without amendment (Rept. No. 827). Referred to the Committee of the Whole House on the state of the Union.

Mr. HOWARD of Nebraska: Committee on Indian Affairs. H. R. 8965. A bill for the relief of the Omaha Indians of Nebraska; without amendment (Rept. No. 828). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WURZBACH: Committee on Military Affairs. H. R. 1691. A bill for the relief of Charles F. Getchell; without

amendment (Rept. No. 811). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 2421. A bill to remove the charge of desertion from the military record of Matthew Thomas; with amendments (Rept. No. 812). Referred to the Committee of the Whole House.

Mr. REECE: Committee on Military Affairs. H. R. 9354. A bill for the relief of William P. Quarles, known as Qualls; without amendment (Rept. No. 813). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 1958. A bill for the relief of Frederick Sparks; without amendment (Rept. No. 817). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 1962. A bill for the relief of Thomas J. Gardner; with an amendment (Rept. No. 818). Referred to the Committee of the Whole House.

Mr. HAYDEN: Committee on Indian Affairs. H. R. 2258. A bill for the relief of James J. McAllister; with an amendment (Rept. No. 819). Referred to the Committee of the Whole House.

Mr. ROACH: Committee on War Claims. H. R. 7631. A bill for the relief of Charles T. Clayton and others; with amendments (Rept. No. 820). Referred to the Committee of the Whole House.

Mr. HASTINGS: Committee on Indian Affairs. S. 2526. An act providing for an allotment of land from the Kiowa, Comanche, and Apache Indian Reservation, Okla., to James F. Rowell, an intermarried and enrolled member of the Kiowa Tribe; without amendment (Rept. No. 821). Referred to the Committee of the Whole House.

Mr. WRIGHT: Committee on Military Affairs. S. 2676. An act authorizing the Secretary of War to lease, or, in his discretion, to convey by quitclaim deed a certain tract of land in the military reservation of Santa Rosa Island, Fla.; with an amendment (Rept. No. 822). Referred to the Committee of the Whole House.

Mr. HILL of Maryland: Committee on Military Affairs. S. 2764. An act authorizing the President to order Leo P. Quinn before a retiring board for a rehearing of his case and upon the findings of such board either confirm his discharge or place him on the retired list with the rank and pay held by him at the time of his discharge; without amendment (Rept. No. 823). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 5278. A bill for the relief of Edward N. Moore; without amendment (Rept. No. 829). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 7131. A bill for the relief of Pleasant P. W. Harris; with amendments (Rept. No. 830). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 7133. A bill for the relief of James Shook; with an amendment (Rept. No. 831). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 9202) for the relief of Herman Lincoln Chatkoff; Committee on Military Affairs discharged, and referred to the Committee on World War Veterans' Legislation.

A bill (H. R. 9265) granting an increase of pension to Charles H. Black; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. KNUTSON: A bill (H. R. 9380) granting the consent of Congress to the Board of County Commissioners of Aitkin County, Minn., to construct a bridge across the Mississippi River; to the Committee on Interstate and Foreign Commerce.

By Mr. ABERNETHY: A bill (H. R. 9381) to establish a national military park at the battle field of Moores Creek, N. C.; to the Committee on Military Affairs.

By Mr. RAINEY: A bill (H. R. 9382) declaring an emergency in respect of certain agricultural commodities, and for other purposes; to the Committee on Agriculture.

By Mr. GRAHAM of Pennsylvania: Resolution (H. Res. 324) for the consideration of S. 790, for the establishment of a Federal industrial institution for women, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLE of Iowa: A bill (H. R. 9383) granting an increase of pension to Orrel Tucker; to the Committee on Invalid Pensions.

By Mr. COOK: A bill (H. R. 9384) granting a pension to Louisa W. Kohser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9385) granting a pension to Eliza J. Saxon; to the Committee on Invalid Pensions.

By Mr. BEGG: A bill (H. R. 9386) granting an increase of pension to Sarah A. Nighswander; to the Committee on Invalid Pensions.

By Mr. DARROW: A bill (H. R. 9387) for the relief of Rachel Parke; to the Committee on Claims.

By Mr. FISH: A bill (H. R. 9388) granting an increase of pension to Annie Fitzpatrick; to the Committee on Invalid Pensions.

By Mr. FULBRIGHT: A bill (H. R. 9389) granting an increase of pension to William Huskey; to the Committee on Invalid Pensions.

By Mr. HAWLEY: A bill (H. R. 9390) granting a pension to Lydia Gault Read; to the Committee on Invalid Pensions.

By Mr. LINEBERGER: A bill (H. R. 9391) granting a pension to Jessie F. Loughridge; to the Committee on Invalid Pensions.

By Mr. LOZIER: A bill (H. R. 9392) granting an increase of pension to Mary C. Hale; to the Committee on Pensions.

By Mr. SIMMONS: A bill (H. R. 9393) granting an increase of pension to Marie Spencer; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 9394) for the relief of John Milton Pew; to the Committee on Claims.

By Mr. TAGUE: A bill (H. R. 9395) granting a pension to Isadore J. Rogers; to the Committee on Invalid Pensions.

By Mr. VINSON of Georgia: A bill (H. R. 9396) authorizing the Secretary of War to deliver to the city of Augusta, Ga., two condemned bronze or brass cannons, with their carriages and a suitable outfit of cannon balls; to the Committee on Military Affairs.

By Mr. WINSLOW: A bill (H. R. 9397) granting an increase of pension to S. Angeline Wheeler; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2842. By the SPEAKER (by request): Petition of the board of directors of the Maritime Association of the Port of New York, favoring a carrying out of the plan of the Secretary of the Navy to modernize the Navy; to the Committee on Naval Affairs.

2843. Also (by request), petition of convention of Illinois mine workers, favoring increase of salaries to postal employees; to the Committee on the Post Office and Post Roads.

2844. Also (by request), petition of national executive committee of the American Legion, expressing appreciation of the action of the House of Representatives in passing the adjusted compensation bill; to the Committee on Ways and Means.

2845. Also (by request), petition of city parliament of the Community Councils of the City of New York, N. Y., favoring a congressional investigation of telephone rates and service throughout the United States; to the Committee on Rules.

2846. By Mr. BROWNE of Wisconsin: Petition of Soo Line Employees' Association, against Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2847. By Mr. FULLER: Petition of 900 citizens of Peru, La Salle County, Ill., favoring the enactment of the bill H. R. 4088, known as the Upper Mississippi River or Izaak Walton League bill; to the Committee on Agriculture.

2848. By Mr. GALLIVAN: Petition of Boston Central Labor Union, protesting against the bill which authorizes the authorities at the Federal penitentiary, Leavenworth, to equip a portion of its institution with shoe-manufacturing machinery, which will enable convict prison labor to compete with free labor in the boot and shoe industry; to the Committee on the Judiciary.

2849. Also, petition of Boston Central Labor Union, Boston, Mass., protesting against the awarding of a contract by the United States Government for 500,000 yards of khaki cloth to be manufactured by a firm in England while there are thousands of textile workers out of work or on short time in the United States; to the Committee on Military Affairs.

2850. By Mr. LEAVITT: Petitions of county officials of Fergus County, Mont.; city officials of Lewistown, Mont.; Fergus County (Mont.) Republican central committee; Fergus County (Mont.) Democratic central committee; Wright Land & Investment Co., Lewistown, Mont.; Power Mercantile Co., Lewistown, Mont.; Fergus Loan & Investment Co., Lewistown, Mont.; Carl Peterson, Fergus County agricultural agent; and Lewistown Democrat-News, Lewistown, Mont., urging passage of the McNary-Haugen bill; to the Committee on Agriculture.

2851. By Mr. RAKER: Letter from A. W. McKenzie, Bieber, Calif., protesting against increase of parcel-post rates; to the Committee on the Post Office and Post Roads.

2852. Also, petitions of C. G. Brainerd, Loomis, Calif.; Angelina M. Redstreake, Johnsville, Calif.; Huron B. Brown, Denair, Calif.; and F. E. Moore, Copperopolis, Calif., indorsing House bill 9035, increasing salaries of fourth-class postmasters; to the Committee on the Post Office and Post Roads.

2853. Also, petitions of J. S. Hussey, Cromberg, Calif.; Belle Stevens, Igo, Calif.; F. B. Jones, Los Molinos, Calif., indorsing House bill 9035, increasing salaries of fourth-class postmasters; to the Committee on the Post Office and Post Roads.

2854. Also, petitions of Parker & Waterman Manufacturing Co., Los Angeles, Calif., and H. R. Williar, San Francisco, Calif., protesting against passage of House bill 4123 and Senate bill 1898, providing for increase in salary for postal employees; to the Committee on the Post Office and Post Roads.

2855. Also, petition of A. A. Berke, jr., counsel for the Pueblo Indians, 33 West Forty-second Street, New York City, urging passage of Senate bill 2932, in re lands of Pueblo Indians; to the Committee on Indian Affairs.

2856. Also, petition of Mr. Clarence B. Yates, secretary Gold Hill Grange, No. 326, Lincoln, Calif., resolution opposing creation of a department of education; to the Committee on Education.

2857. Also, petition of Joseph T. Watson, 824 LaJolla Avenue, Los Angeles, Calif., urging support of House bill 6484, providing for retirement of disabled emergency Army officers of the World War; to the Committee on Military Affairs.

2858. Also, petition of Miss Myrtle C. Robertson, Kirkland, Wash., protesting against change in the name of Mount Rainier; to the Committee on the Public Lands.

SENATE

FRIDAY, *May 23, 1924*

(Legislative day of Tuesday, May 20, 1924)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Ball	Fess	Lenroot	Sheppard
Bayard	Fletcher	Lodge	Shipstead
Borah	Frazier	McKinley	Simmons
Brandegee	George	McNary	Smith
Broussard	Gerry	Mayfield	Smoot
Bruce	Glass	Moses	Spencer
Bursum	Hale	Neely	Stanley
Cameron	Harreld	Norbeck	Stephens
Capper	Harris	Norris	Sterling
Caraway	Harrison	Oddie	Swanson
Copeland	Heflin	Overman	Trammell
Couzens	Howell	Owen	Wadsworth
Cummins	Johnson, Calif.	Pepper	Walsh, Mass.
Curtis	Johnson, Minn.	Phipps	Walsh, Mont.
Dale	Jones, N. Mex.	Pittman	Warren
Dial	Jones, Wash.	Ralston	Weller
Dill	Kendrick	Ransdell	Willis
Edge	King	Reed, Pa.	
Ferris	Ladd	Robinson	

Mr. CURTIS. I was requested to announce that the Senator from Iowa [Mr. BROOKHART], the Senator from Arizona [Mr. ASHURST], and the Senator from Montana [Mr. WHEELER] are attending a meeting of a special investigating committee of the Senate.

The PRESIDENT pro tempore. Seventy-four Senators have answered to the roll call. There is a quorum present.

ADJUSTED COMPENSATION VETO—PERSONAL EXPLANATION

Mr. OWEN. Mr. President, I wish to have it appear in the RECORD that my failure to be present and vote on the soldiers' bonus bill on Monday last was due to a misapprehension on my part. As I believed that I was paired with the Senator from Vermont [Mr. GREENE] at that time, I was not present when the vote was taken. I merely wanted this statement to appear in the RECORD. Had I been present I would have voted to override the President's veto of the bill.

TAX REDUCTION—CONFERENCE REPORT

Mr. SMOOT. Mr. President, I submit a conference report on the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes. At this time I shall ask that it be printed in the RECORD without reading and I give notice that I shall call it up to-morrow morning.

Mr. SMITH. May I ask the Senator if the report is unanimous?

Mr. SMOOT. The report is unanimous. I have also had copies of the report printed and I shall have a copy placed on the desk of each Senator this afternoon, together with a copy of the bill containing the exact amendments that have been made to the House text, and also the amendments as they have been agreed to in conference. To-morrow morning I desire, if it is the will of the Senate, to make a statement as to just what the principal amendments agreed to in conference are, and also showing the revenue under the present law and the estimated revenue which the Mellon plan and the bill as agreed upon in conference would provide.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Utah? The Chair hears none, and it is so ordered.

The conference report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 13, 14, 15, 18, 19, 21, 22, 23, 25, 26, 27, 28, 30, 31, 32, 33, 34, 35, 36, 48, 53, 69, 71, 72, 76, 77, 80, 81, 82, 83, 89, 90, 92, 93, 95, 123, 127, 128, 129, 132, 136, 137, 140, 141, 143, 144, 145, 146, 147, 148, 149, 150, 153, 157, 158, 159, 161, 162, 163, 164, 166, 167, 168, 169, 171, 172, 174, 176, 181, 183, 184, 188, 189, 190, 191, 192, 195, 196, 197, 198, 199, 203, 205, 206, 207, 208, 209, 210, 211, 215, 222, 223, 224, 225, 229, 253, 254, and 260.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 16, 17, 20, 24, 29, 37, 38, 40, 42, 43, 45, 46, 49, 50, 52, 54, 55, 57, 58, 59, 60, 64, 65, 66, 67, 68, 70, 73, 74, 75, 78, 84, 85, 86, 87, 94, 97, 98, 99, 100, 102, 103, 104, 105, 106, 107, 108, 109, 112, 113, 115, 116, 118, 119, 120, 121, 124, 125, 126, 130, 131, 133, 134, 135, 138, 139, 142, 151, 156, 160, 165, 170, 173, 175, 177, 178, 180, 182, 185, 193, 200, 201, 202, 204, 213, 214, 217, 218, 219, 220, 221, 226, 227, 231, 232, 233, 234, 235, 236, 237, 238, 239, 241, 242, 243, 244, 245, 246, 247, 248, 249, 251, 252, 255, 256, 257, 258, and 259, and agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: Restore the matter proposed to be stricken out by the Senate amendment and on page 16 of the House bill strike out all after "shall" in line 9 down to and including the comma in line 10; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(b) In the case of an individual the tax shall, in addition to the credits provided in section 222, be credited with 25 per cent of the amount of tax which would be payable if his earned net income constituted his entire net income; but in no case shall the credit allowed under this subdivision exceed 25 per cent of his tax under section 210" and a period.

And the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows: On page 5 of the Senate engrossed amendments, line 18, strike out "Two"

and insert "2"; and on page 5 of the Senate engrossed amendments, line 19, strike out "attributed" and insert "attributable"; and on page 6 of the Senate engrossed amendments, line 1, strike out "Four" and insert "4"; and on page 6 of the Senate engrossed amendments, line 6, strike out "Six" and insert "6"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(A) If by the terms of such contract the tax imposed by this title is to be paid out of the proceeds from the operation of such public utility, prior to any division of such proceeds between the person and the State, Territory, political subdivision, or the District of Columbia, and if, but for the imposition of the tax imposed by this title, a part of such proceeds for the taxable year would accrue directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, then a tax upon the net income from the operation of such public utility shall be levied, assessed, collected, and paid in the manner and at the rates prescribed in this title, but there shall be refunded to such State, Territory, political subdivision, or the District of Columbia, (under rules and regulations to be prescribed by the commissioner with the approval of the Secretary) an amount which bears the same relation to the amount of the tax as the amount which (but for the imposition of the tax imposed by this title) would have accrued directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, bears to the amount of the net income from the operation of such public utility for such taxable year.

"(B) If by the terms of such contract no part of the proceeds from the operation of the public utility for the taxable year would, irrespective of the tax imposed by this title, accrue directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, then the tax upon the net income of such person from the operation of such public utility shall be levied, assessed, collected, and paid in the manner and at the rates prescribed in this title."

And on page 40 of the House bill, line 1, strike out the comma at the end of the line and insert a dash.

And the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows: On page 12 of the Senate engrossed amendments strike out line 11 and down to and including "continued" in line 12; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows: On page 13 of the Senate engrossed amendments, line 3, strike out "or community chest" and the comma following such words; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: On page 15 of the Senate engrossed amendments, line 10, strike out all after "to" down to and including the comma in line 12, and insert "$2,500"; and on page 15 of the Senate engrossed amendments, line 13, strike out "had such status" and insert "was a married person living with husband or wife or was the head of a family"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert a comma and the following: "or for the prevention of cruelty to children or animals or for the establishment, acquisition, maintenance, or operation of a public cemetery not operated for profit"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: On page 16 of the Senate engrossed amendments, line 11, after "person," insert "not a beneficiary of the trust"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows: On page 16 of the Senate engrossed amendments, line 19, after "person," insert "not a beneficiary of the trust"; and the Senate agree to the same.

Amendment numbered 79: That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment as follows: On page 76 of the House bill, line 7, strike out "Farmers'" and insert "Benevolent life insurance associations of a purely local character, farmers'"; and the Senate agree to the same.

Amendment numbered 88: That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "taxes imposed by sections 230 and 700"; and the Senate agree to the same.

Amendment numbered 91: That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "taxes imposed by sections 230 and 700"; and the Senate agree to the same.

Amendment numbered 96: That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment and restore the matter proposed to be stricken out by the Senate amendment with the following changes: On page 103 of the House bill, line 16, after "Treasury," insert "for"; and on page 103 of the House bill, line 17, after "furnish," insert a comma; and on page 104 of the House bill, line 24, strike out all after "the," down to and including "district," in line 2, on page 105, and insert "name and the post-office address of each person making an income-tax return in such district, together with the amount of the income tax paid by such person"; and the Senate agree to the same.

Amendment numbered 101: That the House recede from its disagreement to the amendment of the Senate numbered 101, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment and restore the matter proposed to be stricken out by the Senate amendment, and on page 113 of the House bill, line 16, strike out all after the period, down to and including the period in line 21, and insert "No part of the amount determined as a deficiency by the commissioner but disallowed as such by the board shall be assessed, but a proceeding in court may be begun, without assessment, for the collection of any part of the amount so disallowed. The court shall include in its judgment interest upon the amount thereof at the rate of 6 per centum per annum from the date prescribed for the payment of the tax to the date of the judgment" and a period; and the Senate agree to the same.

Amendment numbered 110: That the House recede from its disagreement to the amendment of the Senate numbered 110, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at"; and the Senate agree to the same.

Amendment numbered 111: That the House recede from its disagreement to the amendment of the Senate numbered 111, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at"; and the Senate agree to the same.

Amendment numbered 114: That the House recede from its disagreement to the amendment of the Senate numbered 114, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment and restore the matter proposed to be stricken out by the Senate amendment and on page 122 of the House bill, line 20, strike out "5 per centum" and insert "6 per centum"; and on page 123 of the House bill, line 5, strike out "5 per centum" and insert "6 per centum"; and the Senate agree to the same.

Amendment numbered 117: That the House recede from its disagreement to the amendment of the Senate numbered 117, and agree to the same with an amendment as follows: On page 33 of the Senate engrossed amendments, line 21, after "claim" insert "or, if no claim was filed, then during the four years immediately preceding the allowance of the credit or refund"; and the Senate agree to the same.

Amendment numbered 122: That the House recede from its disagreement to the amendment of the Senate numbered 122, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment and restore the matter proposed to be stricken out by the Senate amendment with the following changes: On page 128

of the House bill strike out line 13 and insert the following heading in capitals: "Title III" and a period; and on page 128 of the House bill, after line 13, insert the following heading in small capitals: "Part I.—Estate Tax" and a period; and on page 128 of the House bill, line 14, after "in" insert "Part I of"; and on page 128 of the House bill, line 17, strike out "trator" and insert "trator appointed, qualified, and acting within the United States, then"; and on page 131 of the House bill, line 24, before "this" insert "Part I of"; and on page 132 of the House bill, line 10, strike out all after "held" down to and including "son" in line 12 and insert "as joint tenants by the decedent and any other person, or as tenants by the entirety by the decedent and spouse"; and on page 133 of the House bill strike out lines 2, 3, and 4 and line 5 through "thereof" and insert "by the entirety by the decedent and spouse, then to the extent of one-half of the value thereof, or, where so acquired by the decedent and any other person as joint tenants and their interests are not otherwise specified or fixed by law, then to the extent of the value of a fractional part to be determined by dividing the value of the property by the number of joint tenants"; and on page 133 of the House bill, line 20, strike out "right" and insert "rights"; and on page 134 of the House bill strike out lines 21 to 25, inclusive, and lines 1 to 11, inclusive, on page 135, and insert: "(2) An amount equal to the value of any property (A) forming a part of the gross estate situated in the United States of any person who died within five years prior to the death of the decedent, or (B) transferred to the decedent by gift within five years prior to his death, where such property can be identified as having been received by the decedent from such donor by gift or from such prior decedent by gift, bequest, devise, or inheritance, or which can be identified as having been acquired in exchange for property so received. This deduction shall be allowed only where a gift tax or an estate tax under this or any prior act of Congress was paid by or on behalf of the donor or the estate of such prior decedent as the case may be, and only in the amount of the value placed by the commissioner on such property in determining the value of the gift or the gross estate of such prior decedent, and only to the extent that the value of such property is included in the decedent's gross estate and not deducted under paragraph (1) or (3) of this subdivision" and a semicolon; and on page 135 of the House bill, line 24, strike out all after "trustee or" down to and including "and" in line 2 on page 136, and insert "trustees, or a fraternal society, order, or association operating under the lodge system, but only if such contributions or gifts are to be used by such trustee or trustees, or by such fraternal society, order, or association, exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. If the tax imposed by section 301, or any estate, succession, legacy, or inheritance taxes, are, either by the terms of the will, by the law of the jurisdiction under which the estate is administered, or by the law of the jurisdiction imposing the particular tax, payable in whole or in part out of the bequests, legacies, or devises otherwise deductible under this paragraph, then the amount deductible under this paragraph shall be the amount of such bequests, legacies, or devises reduced by the amount of such taxes; and"; and on page 136 of the House bill strike out lines 14 to 25, inclusive, and lines 1 to 6, inclusive, on page 137, and insert: "(2) An amount equal to the value of any property (A) forming a part of the gross estate situated in the United States of any person who died within five years prior to the death of the decedent, or (B) transferred to the decedent by gift within five years prior to his death, where such property can be identified as having been received by the decedent from such donor by gift or from such prior decedent by gift, bequest, devise, or inheritance, or which can be identified as having been acquired in exchange for property so received. This deduction shall be allowed only where a gift tax or an estate tax under this or any prior act of Congress was paid by or on behalf of the donor or the estate of such prior decedent as the case may be, and only in the amount of the value placed by the commissioner on such property in determining the value of the gift or the gross estate of such prior decedent, and only to the extent that the value of such property is included in that part of the decedent's gross estate which at the time of his death is situated in the United States and not deducted under paragraph (1) or (3) of this subdivision; and"; and on page 137 of the House bill strike out line 20 and line 21 through "States" and insert "trustees, or a fraternal society, order, or association operating under the lodge system, but only if such contributions or gifts are to be used within the United States by such trustee or trustees, or by such fraternal society, order, or association, exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. If the tax imposed by section 301, or any estate, succession, legacy, or inheritance taxes, are, either by the terms of the will, by the law of the jurisdiction, under which the estate is administered, or by the law of the jurisdiction imposing the particular tax, payable in whole or in part out of the bequests, legacies, or devises otherwise deductible under this paragraph, then the amount deductible under this paragraph shall be the amount of such bequests, legacies, or devises reduced by the amount of such taxes"; and on page 138 of the House bill, line 3, after "of" insert "Part I of"; and on page 138 of the House bill, line 17, after "of" insert "Part I of"; and the Senate agree to the same.

Amendment numbered 152: That the House recede from its disagreement to the amendment of the Senate numbered 152, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "308"; and the Senate agree to the same.

Amendment numbered 154: That the House recede from its disagreement to the amendment of the Senate numbered 154, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at"; and the Senate agree to the same.

Amendment numbered 155: That the House recede from its disagreement to the amendment of the Senate numbered 155, and agree to the same with an amendment as follows: On page 59 of the Senate engrossed amendments, line 23, strike out "315" and insert "310"; and the Senate agree to the same.

Amendment numbered 179: That the House recede from its disagreement to the amendment of the Senate numbered 179, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"PART II.—GIFT TAX

"SEC. 319. For the calendar year 1924 and each calendar year thereafter, a tax equal to the sum of the following is hereby imposed upon the transfer by a resident by gift during such calendar year of any property wherever situated, whether made directly or indirectly, and upon the transfer by a nonresident by gift during such calendar year of any property situated within the United States, whether made directly or indirectly:

"One per cent of the amount of the taxable gifts not in excess of $50,000;

"Two per cent of the amount by which the taxable gifts exceed $50,000 and do not exceed $100,000;

"Three per cent of the amount by which the taxable gifts exceed $100,000 and do not exceed $150,000;

"Four per cent of the amount by which the taxable gifts exceed $150,000 and do not exceed $250,000;

"Six per cent of the amount by which the taxable gifts exceed $250,000 and do not exceed $450,000;

"Nine per cent of the amount by which the taxable gifts exceed $450,000 and do not exceed $750,000;

"Twelve per cent of the amount by which the taxable gifts exceed $750,000 and do not exceed $1,000,000;

"Fifteen per cent of the amount by which the taxable gifts exceed $1,000,000 and do not exceed $1,500,000;

"Eighteen per cent of the amount by which the taxable gifts exceed $1,500,000 and do not exceed $2,000,000;

"Twenty-one per cent of the amount by which the taxable gifts exceed $2,000,000 and do not exceed $3,000,000;

"Twenty-four per cent of the amount by which the taxable gifts exceed $3,000,000 and do not exceed $4,000,000;

"Twenty-seven per cent of the amount by which the taxable gifts exceed $4,000,000 and do not exceed $5,000,000;

"Thirty per cent of the amount by which the taxable gifts exceed $5,000,000 and do not exceed $8,000,000;

"Thirty-five per cent of the amount by which the taxable gifts exceed $8,000,000 and do not exceed $10,000,000;

"Forty per cent of the amount by which the taxable gifts exceed $10,000,000.

"SEC. 320. If the gift is made in property, the fair market value thereof at the date of the gift shall be considered the amount of the gift. Where property is sold or exchanged for less than a fair consideration in money or money's worth, then the amount by which the fair market value of the property

exceeded the consideration received shall, for the purpose of the tax imposed by section 319, be deemed a gift, and shall be included in computing the amount of gifts made during the calendar year.

"SEC. 321. In computing the amount of the gifts subject to the tax imposed by section 319, there shall be allowed as deductions:

"(a) In the case of a resident—

"(1) An exemption of $50,000;

"(2) The amount of all gifts or contributions made within the calendar year to or for the use of the United States, any State, Territory, any political subdivision thereof, or the District of Columbia, for exclusively public purposes, or to or for the use of any corporation organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, including the encouragement of art and the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private stockholder or individual, or to a trustee or trustees, or fraternal society, order, or association operating under the lodge system, but only if such gifts or contributions are to be used by such trustee or trustees or by such fraternal society, order, or association, exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, and the amount of all gifts or contributions made within the calendar year by such corporations, trustee, or fraternal society, order, or association for a religious, charitable, scientific, literary, or educational purpose, or for the prevention of cruelty to children or animals, and the amount of all gifts or contributions made within the calendar year to the special fund for vocational rehabilitation authorized by section 7 of the vocational rehabilitation act;

"(3) Gifts the aggregate amount of which to any one person does not exceed $500;

"(4) An amount equal to the value of any property transferred by gift within the calendar year, which can be identified (A) as having been received by the donor within five years prior to the time of his making such gift, either from another person by gift or from a decedent by gift, bequest, devise, or inheritance, or (B) as having been acquired in exchange for property so received. This deduction shall be allowed only where a gift tax or an estate tax under this or any prior act of Congress was paid by or on behalf of the donor or the estate of such decedent, as the case may be, and only in the amount of the value placed by the commissioner on such property in determining the value of the gift or the gross estate of such decedent, and only to the extent that the value of such property is included in the total amount of gifts made within the calendar year and not deducted under paragraph (2) or (3) of this subdivision.

"(b) In the case of a nonresident—

"(1) The amount of all gifts or contributions made within the calendar year to or for the use of the United States, any State, Territory, any political subdivision thereof, or the District of Columbia, for exclusively public purposes or to or for the use of any domestic corporation organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, including the encouragement of art and the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private stockholder or individual, or to a trustee or trustees, or fraternal society, order, or association, operating under the lodge system, but only if such gifts or contributions are to be used within the United States by such trustee or trustees or by such fraternal society, order, or association, exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, and the amount of all gifts or contributions made within the calendar year by such corporation, trustee, or fraternal society, order, or association for a religious, charitable, scientific, literary, or educational purpose, or for the prevention of cruelty to children or animals, and the amount of all gifts or contributions made within the calendar year to the special fund for vocational rehabilitation authorized by section 7 of the vocational rehabilitation act;

"(2) Gifts the aggregate amount of which to any one person does not exceed $500;

"(3) An amount equal to the value of any property situated in the United States transferred by gift within the calendar year, which can be identified (A) as having been received by the donor within five years prior to the time of his making such gift, either from another person by gift or from a decedent by gift, bequest, devise, or inheritance, or (B) as having been acquired in exchange for property so received. This deduction shall be allowed only where a gift tax or an estate tax under this or any prior act of Congress was paid by or on behalf of the donor or the estate of such decedent, as the case may be, and only in the amount of the value placed by the commissioner on such property in determining the value of the gift or the gross estate of such decedent, and only to the extent that the value of such property is included within the total amount of gifts made within the calendar year of property situated in the United States and not deducted under paragraph (1) or (2) of this subdivision.

"SEC. 322. In case a tax has been imposed under section 319 upon any gift, and thereafter upon the death of the donor, the amount thereof is required by any provision of Part I of this title to be included in the gross estate of the decedent, then there shall be credited against and applied in reduction of the estate tax, which would otherwise be chargeable against the estate of the decedent under the provisions of section 301, an amount equal to the tax paid with respect to such gift; and in the event the donor has in any year paid the tax imposed by section 319 with respect to a gift or gifts which upon the death of the donor must be included in his gross estate and a gift or gifts not required to be so included, then the amount of the tax which shall be deemed to have been paid with respect to the gift or gifts required to be so included shall be that proportion of the entire tax paid on account of all such gifts which the amount of the gift or gifts required to be so included bears to the total amount of gifts in that year.

"SEC. 323. Any person who within the year 1924 or any calendar year thereafter makes any gift or gifts in excess of the deductions allowed by section 321 shall on or before the 15th day of March file with the collector a return, under oath, in duplicate, listing and setting forth therein all gifts and contributions made by him during such calendar year (other than the gifts specified in paragraph (3) of subdivision (a) and in paragraph (2) of subdivision (b) of section 321) and the fair market value thereof when made, and also all sales and exchanges of property owned by him made within such year for less than a fair consideration in money or money's worth, stating therein the fair market value of the property so sold or exchanged and that of the consideration received by him, both as of the date of such sale or exchange.

"SEC. 324. The tax imposed by section 319 shall be paid by the donor on or before the 15th day of March and shall be assessed, collected, and paid in the same manner and subject in so far as applicable to the same provisions of law as the tax imposed by section 301" and a period.

And the Senate agree to the same.

Amendment numbered 186: That the House recede from its disagreement to the amendment of the Senate numbered 186, and agree to the same with an amendment as follows: On page 68 of the Senate engrossed amendments strike out lines 18 to 22, inclusive, and insert in lieu thereof a subdivision as follows: "(3) Tires, inner tubes, parts, or accessories for any of the articles enumerated in subdivision (1) or (2), sold to any person other than a manufacturer or producer of any of the articles enumerated in subdivision (1) or (2), 2½ per cent. This subdivision shall not apply to chassis or bodies for automobile trucks, automobile wagons, or other automobiles" and a semicolon; and the Senate agree to the same.

Amendment numbered 187: That the House recede from its disagreement to the amendment of the Senate numbered 187, and agree to the same with an amendment as follows: On page 69 of the Senate engrossed amendments, line 1, strike out "10" and insert "5," and on page 69 of the Senate engrossed amendments, line 4, strike out "10" and insert "5"; and the Senate agree to the same.

Amendment numbered 194: That the House recede from its disagreement to the amendment of the Senate numbered 194, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "$30"; and the Senate agree to the same.

Amendment numbered 212: That the House recede from its disagreement to the amendment of the Senate numbered 212 and agree to the same with an amendment as follows: On page 72 of the Senate engrossed amendments, line 19, after "Board" insert "appointed for a term beginning after the expiration of two years after the enactment of this act"; and on page 73 of the Senate engrossed amendments, line 2, strike out "313, and 317" and insert "279, 308, and 312"; and the Senate agree to the same.

Amendment numbered 216: That the House recede from its disagreement to the amendment of the Senate numbered 216,

and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "(h) Notice and an opportunity to be heard shall be given to the taxpayer and the commissioner and a decision shall be made as quickly as practicable. Hearings before the board and its divisions shall be open to the public. The proceedings of the board and its divisions shall be conducted in accordance with such rules of evidence and procedure as the board may prescribe. It shall be the duty of the board and of each division to make a report in writing of its findings of fact and decision in each case, and a copy of its report shall be entered of record and a copy furnished the taxpayer. If the amount of tax in controversy is more than $10,000 the oral testimony taken at the hearing shall be reduced to writing and the report shall contain an opinion in writing in addition to the findings of fact and decision. All reports of the board and its divisions and all evidence received by the board and its divisions (including, in cases where the oral testimony is reduced to writing, the transcript thereof) shall be public records open to the inspection of the public. The board shall provide for the publication of its reports at the Government Printing Office in such form and manner as may be best adapted for public information and use, and such authorized publication shall be competent evidence of the reports of the board therein contained in all courts of the United States and of the several States without any further proof or authentication thereof. Such reports shall be subject to sale in the same manner and upon the same terms as other public documents. The principal office of the board shall be in the District of Columbia, but the board or any of its divisions may sit at any place within the United States. The times and places of the meetings of the board, and of its divisions, shall be prescribed by the chairman with a view to securing reasonable opportunity to taxpayers to appear before the board or any of its divisions, with as little inconvenience and expense to taxpayers as is practicable" and a period; and the Senate agree to the same.

Amendment numbered 228: That the House recede from its disagreement to the amendment of the Senate numbered 228, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "(b) No tax shall be levied, assessed, or collected under the provisions of Title VI of this act on any article sold or leased by the manufacturer, producer, or importer, if at the time of the sale or lease there was an existing ruling, regulation, or Treasury decision holding that the sale or lease of such article was not taxable, and the manufacturer, producer, or importer parted with possession or ownership of such article, relying upon the ruling, regulation, or Treasury decision" and a period; and the Senate agree to the same.

Amendment numbered 230: That the House recede from its disagreement to the amendment of the Senate numbered 230, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at"; and the Senate agree to the same.

Amendment numbered 240: That the House recede from its disagreement to the amendment of the Senate numbered 240, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "(b) The exemption provided in paragraph (10) of subdivision (a) of section 11 of the revenue act of 1916, and in subdivision (10) of section 231 of the revenue act of 1918, and in subdivision (10) of section 231 of the revenue act of 1921, shall be granted to farmers' or other mutual hail, cyclone, or fire insurance companies (if otherwise exempt under such paragraphs), whether or not such organizations were of a purely local character. Any taxes assessed against such organizations shall, subject to the statutory period of limitations properly applicable thereto, be abated, credited, or refunded" and a period; and the Senate agree to the same.

Amendment numbered 250: That the House recede from its disagreement to the amendment of the Senate numbered 250, and agree to the same with an amendment as follows: On page 85 of the Senate engrossed amendments, after line 5, insert the following heading in small capitals: "Special deposits" and a period; and on page 85 of the Senate engrossed amendments, line 21, strike out all after "taxes" down to and including "law" in line 22, and insert "and revenues received under the provisions of this act, and collections of whatever nature received or collected by authority of any internal-revenue law"; and on page 86 of the Senate engrossed amendments, line 9, strike out "offered" and insert "offered"; and the Senate agree to the same.

W. R. GREEN,
W. C. HAWLEY,
ALLEN T. TREADWAY,
JNO. N. GARNER,
J. W. COLLIER,
Managers on the part of the House.

REED SMOOT,
GEO. P. MCLEAN,
CHARLES CURTIS,
F. M. SIMMONS,
A. A. JONES,
Managers on the part of the Senate.

Mr. WILLIS. Mr. President, I desire to make an inquiry of the Senator from Utah. I was not sure that I got the full import of his statement. Is it his purpose to press to a vote to-morrow the conference report which he has just submitted?

Mr. SMOOT. That is my purpose, I will say to the Senator.

Mr. WILLIS. Some of us will be unable to be here to-morrow and we would be very much pleased if the vote could be had on Monday or Tuesday next. Would not the Senator be willing to postpone it?

Mr. SMOOT. I would not like to have the report lie over so long.

Mr. ROBINSON. May I ask the Senator from Ohio a question?

Mr. WILLIS. Certainly.

Mr. ROBINSON. Does the Senator anticipate that there will be serious opposition to the conference report?

Mr. WILLIS. I do not think there will be serious opposition to it, but some of us who can not be here to-morrow would like to have an opportunity to vote upon it.

Mr. ROBINSON. May I suggest to the Senator that there are others who could not be here on Monday.

Mr. WILLIS. I quite understand that.

Mr. ROBINSON. Scarcely a day comes when every Senator is able to be in attendance.

Mr. WILLIS. I simply wanted to be certain about the position of the Senator from Utah in regard to the time when the report is to be considered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the amendments of the Senate to the following bills of the House:

H. R. 4445. An act to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary";

H. R. 5855. An act to fix the salaries of officers and members of the Metropolitan police force and the fire department of the District of Columbia; and

H. R. 6355. An act to authorize the Secretary of the Interior to issue certificates of citizenship to Indians.

The message also announced that the House had passed a bill (H. R. 9124) authorizing the sale of real property no longer required for military purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker of the House had signed enrolled bills of the following titles, and they were thereupon signed by the President pro tempore:

H. R. 6207. An act authorizing and directing the Secretary of War to transfer to the jurisdiction of the Department of Justice all that portion of the Fort Leavenworth Military Reservation which lies in the State of Missouri, and for other purposes;

H. R. 6357. An act for the reorganization and improvement of the foreign service of the United States, and for other purposes; and

H. R. 8262. An act to fix the compensation of officers and employees of the legislative branch of the Government.

PETITIONS AND MEMORIALS

Mr. SMITH presented a petition of sundry members of the Rotary Club of Union and the Izaak Walton League, all of Union, S. C., praying for the passage of the bill (H. R. 4088) to establish the upper Mississippi River wild life and fish refuge, which was referred to the Committee on Commerce.

Mr. HALE presented the memorial of the Penobscot County Woman's Christian Temperance Union, of Bangor, Me., remonstrating against the passage of legislation modifying the Vol-

stead Prohibition Act so as to legalize the manufacture and sale of beers and wines, which was referred to the Committee on the Judiciary.

Mr. LADD presented 144 petitions of sundry citizens in the State of North Dakota, praying for the passage of legislation providing an equipment maintenance allowance to rural mail carriers, which were referred to the Committee on Post Offices and Post Roads.

Mr. WILLIS presented a resolution adopted by the executive committee of the Pike County Farm Bureau, at Waverly, Ohio, favoring the passage of the bill (H. R. 8373) to amend the Federal highway act, so as to provide that after November 9, 1926, the term "State funds" as used in the Federal highway act, approved November 9, 1921, and all acts amendatory thereof and supplementary thereto, shall be construed to mean funds derived from revenues of the State, and not from any political or other subdivision thereof, and made available for expenditure under the direct control of the State highway department, which was referred to the Committee on Post Offices and Post Roads.

He also presented resolutions of the Exchange Club of Bryan, Ohio, protesting against amendment of the transportation act of 1920, which were referred to the Committee on Interstate Commerce.

He also presented resolutions adopted by the Natural Gas Association of America in annual convention assembled in the city of Cleveland, Ohio, remonstrating against the taxation of undistributed earnings of corporations, which were referred to the Committee on Finance.

REPORTS OF COMMITTEES

Mr. DALE, from the Committee on Pensions, to which was referred the bill (S. 1535) granting relief to persons who served in the Military Telegraph Corps of the Army during the Civil War, reported it with an amendment and submitted a report (No. 592) thereon.

Mr. SPENCER, from the Committee on Claims, to which was referred the bill (H. R. 4432) for the relief of Orville Paul, reported it without amendment and submitted a report (No. 593) thereon.

He also from the same committee to which was referred the bill (S. 3252) referring the claim of the State of Rhode Island for expenses during the war with Spain to the Court of Claims for adjudication, reported it without amendment and submitted a report (No. 605) thereon.

Mr. TRAMMELL, from the Committee on Claims, to which was referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 2223) for the relief of the estate of Robert M. Bryson, deceased (Rept. No. 595);

A bill (S. 2833) for the relief of Rinald Bros., of Philadelphia, Pa. (Rept. No. 596);

A bill (S. 3235) for the relief of Christina Conniff (Rept. No. 597);

A bill (H. R. 905) for the relief of Gerard E. Bess (Rept. No. 598);

A bill (H. R. 1860) for the relief of Fannie M. Higgins (Rept. No. 599);

A bill (H. R. 3009) for the relief of Robert J. Kirk (Rept. No. 600); and

A bill (H. R. 3537) for the relief of L. A. Scott (Rept. No. 601).

Mr. STANFIELD, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 1202) for the relief of the estate of Benjamin Braznell (Rept. No. 602);

A bill (S. 3066) for the relief of Albert E. Magoffin (Rept. No. 603); and

A bill (H. R. 3348) authorizing the Secretary of the Treasury to pay a certain claim as the result of damages sustained to the marine railway of the Greenport Basin & Construction Co. (Rept. No. 604).

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (H. R. 5967) for the relief of Grace Buxton, reported it without amendment and submitted a report (No. 606) thereon.

ENROLLED BILL PRESENTED

Mr. BALL, from the Committee on Enrolled Bills, reported that on May 22, 1924, that committee presented to the President of the United States the enrolled bill (S. 2922) to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army.

AMENDMENT OF WORLD WAR ADJUSTED COMPENSATION ACT

Mr. WALSH of Massachusetts. I introduce a bill to amend the World War adjusted compensation act, which I ask be referred to the Committee on Finance. It is accompanied by a brief statement which I ask may be printed in the RECORD.

The bill (S. 3367) to amend the World War adjusted compensation act, was read twice by its title and referred to the Committee on Finance.

The accompanying statement was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR WALSH OF MASSACHUSETTS IN REFERENCE TO THE BILL INTRODUCED BY HIM TO AMEND THE WORLD WAR ADJUSTED COMPENSATION ACT

The adjusted compensation law recently enacted by Congress has settled the question of paying additional compensation to the military forces for their services during the war. It fixes the amount of the adjusted compensation to be paid at $1 per day for military services at home in excess of 60 days, and $1.25 per day for military service abroad in excess of 60 days.

During the debate on this measure only incidental consideration was given to the method of making payments to the veterans. The contest was centered chiefly upon the recognition of the principle of adjusting compensation for military services. In my opinion, before Congress adjourns it ought to consider seriously and without partisanship two other aspects of this question, namely, which plan of payment is preferred by the veterans and which is economically best for the country.

I believe that both from the standpoint of the soldiers' preference as well as that of sound financing, the cash-option plan is infinitely better. Therefore, I am presenting to Congress a bill amending the law to ths end.

The cash-opton plan will give each veteran a choice between receiving cash or accepting a 20-year service certificate, which represents the money due him with accrued interest. Under the law as it now stands there is no preference. A veteran who has $51 due him must wait 20 years to collect it. He must accept the 20-year certificate, unless the amount due is less than $50.

The cash-option plan proposed by me will save the National Government for the next 20 years more than $1,000,000,000 and possibly as much as $2,000,000,000. How can such a saving be ignored? The plan, now the law, would not be thought of for an instant were it not for the desire to please certain financial interests by refraining from issuing Government bonds at this time, which a cash plan would necessitate. Under the law enacted only about $142,000,000 will have to be raised next year by taxation or bond issue, but a like sum must be raised annually during all of the 20 years. Under the cash-option plan which I propose it will be necessary next year to raise about $600,000,000 by a bond issue, but thereafter the annual appropriations will be comparatively small, resulting at the end of 20 years in a total cost to the Government of nearly $2,000,000,000 less than the 20-year certificate plan. Because some financiers in this country do not desire the National Government to issue securities to the amount of half a billion dollars next year, lest it slightly affect their securities, the American people must pay this vast extra sum of money within the next 20 years and deny the veterans the privilege of choosing cash or a certificate. The veterans and financiers without political prejudice will not be deceived by the attempt to make a temporarily good financial showing at the expense of the general public interest. Now that the policy of paying the war veterans' compensation has been settled, let us do it at the least possible expense to the American people and not wantonly add $2,000,000,000 to the national debt.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LODGE:

A bill (S. 3368) to cancel the additional taxes together with all penalties and other charges assessed against the estate of Charles L. Freer, deceased, and to remit any further taxes, penalties, or charges, which may hereafter be found due from the said estate; to the Committee on Appropriations.

By Mr. WILLIS:

A bill (S. 3369) granting an increase of pension to Elizabeth P. Aiken (with accompanying papers); to the Committee on Pensions.

By Mr. BURSUM:

A bill (S. 3370) for the relief of Mary T. Metcalfe; to the Committee on Public Lands and Surveys.

By Mr. FLETCHER:

A bill (S. 3371) to amend section 303 of the act of Congress approved March 4, 1923, known as the "Agricultural credits act of 1923"; to the Committee on Banking and Currency.

By Mr. GOODING:

A bill (S. 3372) to provide safeguards for future Federal irrigation development, and an equitable adjustment of existing accounts on Federal irrigation projects, and for other purposes; to the Committee on Irrigation and Reclamation.

Mr. JOHNSON of California. I introduce a bill by request. I say "by request" because the opportunity has not as yet been presented to me or to the committee to examine its provisions, and therefore I make this particular reservation. I ask that the bill may be referred to the Committee on Territories and Insular Possessions.

By Mr. JOHNSON of California (by request):

A bill (S. 3373) to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands and to provide for the future political status of the same; to the Committee on Territories and Insular Possessions.

By Mr. LADD:

A bill (S. 3374) to authorize the more complete endowment of agricultural experiment stations, and for other purposes; to the Committee on Agriculture and Forestry.

AMENDMENTS TO GENERAL DEFICIENCY APPROPRIATION BILL

Mr. McNARY submitted an amendment proposing to appropriate $250,000 for continued investigations and for first payment toward purchase of an interest in the Warm Springs Reservoir, Warm Springs (Vale) irrigation project, Oregon, intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Irrigation and Reclamation and ordered to be printed.

He also submitted an amendment proposing to appropriate $1,250,000 for continued investigations, commencement of construction, and incidental operations of the Owyhee irrigation project, Oregon, intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Irrigation and Reclamation and ordered to be printed.

Mr. SMOOT submitted an amendment proposing to appropriate $1,500,000 for continued investigations, continuation of construction, and incidental operations of the Strawberry Valley project, Utah, intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Irrigation and Reclamation and ordered to be printed.

PRESIDENTIAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on May 23, 1924, the President approved and signed the following acts:

S. 129. An act for the relief of the William D. Mullen Co.;

S. 130. An act for the relief of George T. Tobin & Son;

S. 210. An act for the relief of Peter C. Keegan and others;

S. 1572. An act for the relief of the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J.; and

S. 1698. An act granting permission to Commander Dorr F. Tozier, United States Coast Guard, retired, to accept a gift from the King of Great Britain.

STATUS OF SWAINS ISLAND (S. DOC. NO. 117)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, ordered to be printed and referred to the Committee on Foreign Relations:

To the Congress of the United States:

I transmit herewith a report from the Secretary of State regarding the status of Swains Island, in the vicinity of American Samoa, in the Pacific Ocean.

I recommend that Congress take the necessary action to regularize the status of the island in accordance with the recommendations of the Secretary of State.

CALVIN COOLIDGE.

THE WHITE HOUSE, *May 23, 1924.*

OPERATIONS OF FEDERAL LAND BANKS

Mr. FLETCHER. Mr. President, I rose to make some reference to the farm loan act and its administration, but I will not interfere now with the progress of the appropriation bill. I will merely mention that some reference was made in executive session yesterday, which I am not at liberty to go into even if I so desired, to the circumstances under which Title III of the intermediate credit act was adopted and put into the law. I think it has been the basis of practically all the trouble that we have encountered. Without that sort of legislation, and what took place in pursuance of it, we would probably not have had the difficulty which has been experienced with reference to the confirmation of the members of the Farm Loan Board.

Upon that subject last September I had occasion to submit an article to the New York Times, which was printed in the issue of Sunday, September 9, 1923. I ask to have that article inserted in the RECORD.

The PRESIDING OFFICER. Without objection, the request will be granted.

The article referred to is as follows:

[From the New York Times, Sunday, September 9, 1923]

CONGRESS BLAMED FOR TROUBLES OF THE FEDERAL LAND BANKS—SENATOR FLETCHER SEES TRAIL OF POLITICS AND LACK OF EXPERT KNOWLEDGE IN THEIR OPERATION—REAL OWNERS DEPRIVED OF CONTROL AND POWER VESTED IN GOVERNMENT

By DUNCAN U. FLETCHER, United States Senator from Florida

Despite the existence of a farm bloc of considerable influence, and despite the activities of several other combinations of varying degrees of advanced views, the last Congress did not have and certainly in the main did not deserve the reputation of being extremely radical. Yet that Congress actually in effect and to a degree confiscated a large block of private property.

This statement, plain and unadorned, is sufficient to disturb the peace of mind of those in control of certain great corporations and large combinations, who, even with little actual cause for alarm, habitually shiver and shimmy at the mere mention of Government ownership or operation. But a complete exposition of this consummated act of confiscation and the manner of its accomplishment discloses legislative tendencies and forecasts possibilities truly amazing and really alarming.

This consummated act of quasi confiscation is amazing because, despite the supposed alertness and boasted astuteness of the farm bloc, it was farmers' property which was confiscated. It is alarming because the value of the property thus confiscated represented a large amount and involved the control of a rapidly growing business, the volume of which already was approximately three-quarters of a billion dollars and gave promise of expansion to several billions within the next decade, thus indicating the possibility that Congress (a fair-sized precedent having been established) may go in for confiscation on a large scale.

It is both amazing and alarming because the property so confiscated was bank stock—not the stock of a single bank, but that of a whole line of banks, an entire system of finance; not the stock of a single individual, nor yet of a small group, but the stock holdings of 260,000 law-abiding citizens. Passing from the general to the particular, this act of quasi confiscation and the manner of its accomplishment may be described as follows:

In the closing hours of the session the last Congress amended the Federal farm loan act so as to deprive the stockholders of the 12 Federal land banks of majority representation on the boards of directors, and provided that the Government of the United States should name a majority of the directors of each of those institutions. This means, of course, that absolute control of these banks now rests with the Government; that the actual owners of the stock have no effective voice in the management; that in case of a dispute as to policy the stockholders are without the power to enforce their judgment.

One of the rights inherent in the ownership of property is the right to control that property, the right to determine its use. It has been held that the right to vote the stock of a corporation or stock company is a property right. For the Government to deprive the owners of property of its control, to curtail the voting right of stock to the point where the vote becomes ineffectual, constitutes in a measure confiscation. And it further has been held that any law which takes the property of a citizen without due process of law and just compensation is unconstitutional. This radical change in the law respecting the management of the Federal land banks raises the further constitutional question as to the violation of contracts within the meaning of the Dartmouth College case. Thus it is seen that by amending the Federal farm loan act the last Congress confiscated the voting power of a large amount of bank stock and violated the constitutional rights of 260,000 stockholders in the Federal land banks.

CONGRESSMEN NOT INFORMED

Nothing is more certain than that Congress never intended to do this enormous thing. In its final form the bill was not available to Congressmen in printed form and was not read in either House. And as most of the Members of that body do not know even yet that in voting for this amendment they in any way violated or even infringed upon the rights of the owners of these banks, it becomes important to inquire how such a thing came to pass.

The Sixty-seventh Congress not only boasted a farm bloc but it acknowledged its obligation to "do something for the farmer"; and on every possible occasion individual Members and groups and fac-

tions and even the entire administration sought to capitalize their friendly attitude toward the farmer. Indeed, the bill containing this amendment was passed by use of the slogan, "We must do something for the farmer."

How, then, did Congress fall into this amazing blunder? Any sufficient answer must involve at least a brief recital of the history of the Federal farm-loan system.

The Federal farm loan act was passed in July, 1916. The amendment under discussion was adopted in March, 1923, seven years later. In a word, there had been three elections between the enactment of the original law and the adoption of this amendment. It is not surprising, therefore, that the personnel of Congress in 1923 included only a few individuals who were thoroughly familiar with the financial machinery of the farm-loan system.

Many Members of both Houses had but hazy ideas of the relation of the Government to the system. A large number, probably a majority, honestly believed that the Federal land banks were owned by the Government and that therefore Congress was under no obligation to consult either the wishes or the judgment of the farmers who were making use of this newly created system of finance.

The fact that in the beginning the Government had made a temporary subscription to the initial capital of these banks, amounting to $8,892,130, was especially confusing to those Members who had only a superficial knowledge of the situation. The farmers have repaid all but less than $2,500,000. Some Members seemed rather perverse in their failure to understand that this stock subscription by the Government was merely temporary and clung with amazing tenacity to the assumption that these were Government-owned institutions, even after reading that section of the law which provided for the repayment of this Government loan, and even after reading the published reports of the Farm Loan Board that about two-thirds of this loan already had been repaid.

Furthermore, the 12 Federal land banks, being organized on the cooperative principle, were looked upon by other legislators as constituting a large and important experiment. True, cooperative land banks had been in successful operation in the older countries of Europe for a century and a half; but notwithstanding this long, honorable, and successful record in foreign countries, cooperation was at that time a new and untried principle in the United States. Naturally, in its anxiety for the success of this new feature of the system, Congress provided that the Government should exercise a fostering care over and should have detailed supervision of the cooperative banks.

Thus a temporary ownership of part of the capital stock and a detailed supervision by a bureau of the United States Treasury, a degree of supervision amounting almost to management, caused many Senators and Representatives to think of the Federal land banks as Government institutions.

Congress had been very proud of this bit of legislation. Literally scores of Congressmen and other statesmen and publicists have proudly proclaimed themselves as fathers of the Federal farm loan act. Many profound students of land credits contributed constructive thought to and criticism of the more important provisions of the law. It has been referred to times without number as the most complete piece of legislation enacted by Congress within half a century, and as originally passed it was a remarkably comprehensive law. It was pointed to by Democrats as one of the greatest of the achievements of the Wilson administration. On the other hand, Republicans proudly asserted that the groundwork for the law was laid under the Taft administration. The roll call shows an almost unanimous vote for the passage of the bill, regardless of party lines.

EVERYBODY FARMER'S FRIEND

The evident political advantage to be derived from identification with the drafting and passage of the Federal farm loan act and from the fostering of the farm loan system which this act created, together with the readiness with which Congressmen's relations to and connections with such wholesale benefits to farmers would lend themselves to political advertising in rural districts, made a strong appeal to many individual Members. Possibly it was because of this strong political advantage that a keen sense of fatherhood on the part of Congress has been so fully developed.

And in many instances this attitude on the part of individual Members was fully warranted. Congress has done a really big and constructive work. The general public, the farmers in particular, will not deny any Member full credit for any service he may have rendered, either in creating or fostering the Federal farm loan system.

It was the cooperative banks (Federal land banks) of which Congress was especially proud. The joint-stock land banks, organized by private capital under the same law, were thought to be capable of making their own way without any special aid from the Government. But the cooperative banks, being operated on a principle new in this country, were deemed to be objects of special care and attention on the part of Congress.

The Congress of 1916, which created the system, was morally certain that the cooperative principle as applied to land banks would prove eminently practical in the United States. This was the judgment also of the commission sent to Europe to study this subject. The findings of that commission were made the basis upon which rests this legislation. The cooperative plan had been in successful operation in the older countries of Europe since 1769. It had long ago passed the experimental stages. Therefore if carefully fostered and safeguarded this plan, so Congress thought, should succeed admirably in the United States. This kind of bank, and the cooperative principle as applied to land banking, had become, through 150 years, a stable, accepted, and highly important part of the financial machinery of all the larger nations of the world. Many South American countries had borrowed this system from Europe a number of years ago (Chile in 1855, Argentina in 1886). Such a system was introduced in Japan in 1897, and in the Philippine Islands in 1908. The Congress of the United States, therefore, was warranted in predicating the success of a cooperative system in this country upon the experience throughout the civilized world.

Now, land-bank bonds issued by cooperative institutions had become, through 150 years, among the most stable of all securities in the money markets of the world. Apparently investors in every part of the globe understood these securities and appreciated their great safety, excepting alone the investors in the United States.

ANALYSIS OF BONDS

When it came to marketing in this country and selling to the American investor the bonds of a cooperative institution, some doubt was expressed by representatives of some leading bond houses. Evidently ignorant of the high standing of the bonds of European cooperative land banks, these representatives of bond houses expressed the fear that "it would be difficult to sell the bonds of a bank where the control of the bank rests with the borrowers." They shook their heads wisely and doubtless were entirely sincere in their expression of grave fears for the success of this system. As fear is contagious, it is not surprising that the Federal Farm Loan Board, a bureau of the United States Treasury charged with the administration of this law and the supervision of these banks, should recommend in its first report to Congress that the temporary control of these institutions, which at the outset was lodged in the Government until permanent organization could be effected, should be continued for "a lengthened period." In a word, the Farm Loan Board in its first report, and in other reports since, has expressed grave doubts as to whether the securities of cooperative institutions could be successfully sold.

Evidently the board also did not know how successful similar institutions in Europe had been, else it would not have expressed the fears and doubts it so often repeated in its various reports to Congress. Perhaps the board did not understand the principles of cooperation. Perhaps it thought that a cooperative bank was a mutual bank. Color is given to this last suggestion by the fact that in its last annual report the board refers to the Federal land banks as "mutual" instead of cooperative.

Whatever reasoning the board may have followed, the fact remains that the board caused to be prepared and introduced in the last session of Congress a bill depriving the stockholders of majority representation on the directorate of each of the cooperative banks and giving to the Government the right to appoint a majority of such directors.

Now, as to the real effect of all this. Evidently, if this amendment to the law is allowed to stand, then there is an end of the cooperative principle in connection with the farm-loan system. The stockholders may subscribe to the capital stock, but, having no effective voice, they can not say to what extent, or when, the land bank shall function. They can not say even that it shall function to any extent whatsoever. They can not say what expenses shall be incurred in operation. They can not order a distribution of profits. And they can no longer obtain money at the actual cost of hiring it in the money markets. Thus they are deprived of the chief cooperative benefits intended under the law.

Thus we see that every important advantage which farmer borrowers could derive from ownership of stock in the Federal land banks, and from the operation of these institutions on the cooperative principle, was lost to the farmers the moment they were deprived of majority control in the banks.

It was the purpose of Congress in creating the cooperative Federal land banks to guarantee to the farmer that he could surely and at all times obtain a loan if he could furnish acceptable security. It was intended to provide financial machinery which could respond unfailingly to the farmer's need. By the farmer subscribing to the capital stock of the bank in an amount equal to 5 per cent of the loan asked for the bank always would be able to grant the loan. That is, the bank never could say to an applicant: "Sorry, but we are loaned up"; or, "We would like to accommodate you, but we can not get the money." As a Federal land bank, under the law, is permitted to issue bonds up to twenty times its capital, the bank would be able to issue bonds for the amount of the loan asked for, provided its capital stock had been increased by an amount equal to 5 per cent

of the loan. Thus, the first step in obtaining a loan from a cooperative Federal land bank is that of subscribing to the stock of the bank. Once the stock is subscribed and paid for, the next step is for the bank to issue and sell bonds and turn the proceeds over to the applicant for the loan.

TECHNICAL SIDE OF CASE

To be sure, all this involves careful appraisal of the land, determination of the title, and obtaining of abstract and recording the mortgage. But these things are matters of routine incident to all loans on farm mortgages. The new thing, the big thing, the vital principle, was the assurance to the borrowing farmers that the bank never would deny them loans, no matter how hard the times or how tight money might be, provided the borrower could furnish satisfactory security and meet the legal requirements.

This advantage alone was sufficient to warrant the farmer's purchase of stock in the land bank. But this was not the only advantage. The law provided not only that the borrowers should own the bank but that they should control the bank, elect a majority of directors and through the directors choose the officers, select the management, and determine the policies of the institution. Such control would enable the stockholders to say to what extent the bank should function, when it should issue bonds, whether it should issue few or many bonds or no bonds whatsoever, and what rate of interest the bonds should bear, with the approval of the Farm Loan Board. Under such circumstances the farmer stockholder could control the expenses, and in so doing he could govern the earnings of the bank and require distribution of the surplus, thereby automatically reducing the cost of his loan.

In a word, when the farmer purchased stock in the Federal land bank system, he did so on the representation that he would be freed from the clutches of the mortgage shark, that he could obtain any amount (up to the bank's legal limit) that his security would warrant without unreasonable delay, that the interest charge would be reasonable, that there would be no commission paid to anyone, and that he would share in whatever profits the bank made.

It is pertinent to inquire if there is anything in the experience of these cooperative banks to indicate that the loss of control over these institutions would deprive the stockholders of any of the advantages named.

There was such an occasion in the year 1921. It was a sad experience, because not only were farmers deprived of the opportunity to borrow at these banks at a time when they were in great need and when all agriculture was prostrated, but the circumstances were such as to disclose how completely the frailty of human nature, how prejudice, how inexperience, how lack of understanding may defeat the purposes of the wisest legislation.

Well along in the year of 1921 the Federal land banks refused to receive applications for loans, assigning as the reason for this refusal the fact that they had no funds. What had happened was this: The Government, represented by the Federal Farm Loan Board, a bureau of the United States Treasury, was still in complete control of all the Federal land banks. Under the terms of the law as originally passed the permanent organization of each of these institutions should have been installed with a board of nine directors to choose the officers and select the management. But the Farm Loan Board had misgivings. In its first annual report it expressed the fear that the bonds of banks controlled by stockholders, who also were borrowers at these institutions, could not be sold in the investment market. Accordingly, the board took steps to extend the period of complete Government control. It caused to be introduced and passed through Congress an amendment to the Federal farm loan act to the effect that the temporary organizations (which were not elected but were appointed by the Federal Farm Loan Board) should be continued for a time. The exact provision was that the United States Treasury should buy $200,000,000 of Federal land bank bonds and the temporary organizations should be continued so long as the Treasury held any of these bonds.

Thus it happened that in 1921 the farmers had been deprived of the control of the institutions which they owned. It was unfortunate for the borrowing farmer that the then farm loan commissioner took the position that the Federal land banks should not issue bonds in excess of $150,000,000 a year, and maintained his position by the arbitrary statement that the market would not absorb more than that amount. It was unfortunate for the commissioner that at the very time he made this public announcement Federal land bank bonds were selling in the market at a premium.

Here, then, was the situation: Investors were clamoring for the bonds of the Federal land banks and offering a premium for them; the farmers were clamoring for money; the Federal land banks were turning down the farmers' applications because they had no money; the Federal Farm Loan Board, in a position of supreme control, refused to let the Federal land banks assemble funds by the issue of bonds.

Thus, though agriculture was prostrated by the deflation following the war and sorely in need of capital, though it owned a system of land banks designed to function in times of need, this magnificent financial machinery was stopped because the men who owned it and sought to use it could not control it and had to yield to the mistaken judgment of an inexperienced, ill-informed political board at Washington.

Now that the law has been amended so that the owners of these banks never can control them, such a situation easily may arise at any time, whenever the human frailties of the personnel of the Federal Farm Loan Board at Washington are again in evidence.

The owners of these banks are wholly without any means of preventing such a condition from becoming chronic. Responsibility for depriving the owners of these banks of the right to control them rests squarely upon the recommendations of the Federal Farm Loan Board.

It is difficult to account for the attitude of the Farm Loan Board. Evidently its fear of the cooperative principle was genuine. However, granting the genuineness of this alarm, it should have been dispelled by knowledge of what had been done by the cooperative banks of Europe through 150 years of successful operation. At one time some of the members of the Farm Loan Board, the former Farm Loan Commission in particular, held that it was not to be expected that the Federal farm loan system would do a large business, but that in doing a small volume of business it would act merely as a governor on interest rates and commissions charged by old-time mortgage concerns.

It was charged by some of the excited friends of cooperation that the board had taken its stand against full and free operation of the Federal land banks merely as a means of favoring the joint-stock land banks, which were organized by private capital and operated by private initiative. This charge, of course, was ridiculous, for, indeed, the board had placed more obstructions in way of joint-stock land banks than it had in the path of Federal land banks. Individual members of the board frequently have expressed their partiality for the Federal land banks by slightingly referring to joint-stock land banks as "stepchildren" of the system. In several of its annual reports to Congress the board recommended the elimination of joint-stock land banks from the system. In this, too, I think the board's position was ill considered.

Some have charged that the Farm Loan Board was endeavoring to limit the operations of both Federal land banks and joint-stock land banks in an effort to favor the old commission-charging mortgage brokers. This charge also is unconvincing, for evidence is not wanting that, despite appearances, the members of the Farm Loan Board, individually and collectively, were very jealous of the future of the farm-loan system.

Lack of knowledge, lack of comprehension, lack of vision—and, withal, lack of experience—seem to have been the major faults through which the Farm Loan Board worked itself into its unfortunate and untenable position.

Surely Congress at its next session will repeal this obnoxious amendment to the Federal farm loan act, which, if permitted to stand, would forever deprive the owners of the Federal land banks of control.

Such a system with such a record of success should not be despoiled by a careless and ill-informed Congress.

COMPENSATION TO INJURED EMPLOYEES

Mr. SPENCER. Mr. President, the Senate yesterday passed the bill (H. R. 7041) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916. The Senate adopted an amendment to the bill. I move that the Senate insist upon its amendment, ask for a conference with the House, and that the President pro tempore appoint the conferees on behalf of the Senate.

The motion was agreed to and the President pro tempore appointed as conferees on the part of the Senate Mr. SHORTRIDGE, Mr. SPENCER, and Mr. CARAWAY.

CLAIMS OF THE CHOCTAW AND CHICKASAW INDIANS

Mr. HARRELD. Mr. President, on yesterday a conference report was submitted on the bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Chocktaw and Chickasaw Indians may have against the United States, and for other purposes. There has been some mistake made inadvertently in the report and it will be necessary to refer the matter to the conference committee. I ask unanimous consent, therefore, to withdraw the report of the conference committee.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the report is withdrawn.

COTTON PRICES

Mr. CARAWAY. Mr. President, I ask unanimous consent to have printed in the RECORD and referred to the Committee on Agriculture and Forestry a letter from a constituent of mine dealing with some legislation now pending.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the request is granted.

The letter is as follows:

MAGNOLIA, ARK., *May 16, 1924.*

Hon. T. H. CARAWAY,
United States Senator, Washington, D. C.

DEAR SENATOR: I notice that a resolution was passed by the Senate a few days ago calling upon the United States Tariff Commission to determine the cause of unemployment and depression in the New England cotton mills. Also noticed in the papers a short time ago that the cotton factories, in a meeting at Boston, passed a resolution whereby they demanded a tariff on imported cotton goods upon the alleged ground that the foreign mills, because of cheap labor, can undersell cotton goods in America.

From my investigation and knowledge of the matter the trouble in part is, and has been, with the textile mills—their concerted attempt to depress the price of raw cotton. Last year the spinners of this country, and especially those of New England, concertedly fought the price of cotton to such an extent that they overstayed themselves. While they were fighting down the price in this country the European spinner was buying. He continued to buy cotton. The receipts of American cotton at Liverpool and their daily sales, which I noted, show conclusively that they were taking care of themselves. They bought cotton from 20 cents to 28 cents last year, while our spinners were enjoying themselves in a boycott against the price. They fought and lost.

The European spinners continued to buy cotton, while the American spinners, under the leadership of one of the greatest speculators this country has ever known, fought and depressed the price from 37½ cents to 26 cents. They sold their cotton, instead of buying it, for the purpose of depressing the price. They killed the goose that laid the golden eggs. They educated the public, by propaganda through that part of the press which is controlled by big business, that dry goods could not be sold; that the public refused to pay the price; and consequently the retail merchants of the country refused to buy upon a declining market in the face of such propaganda. They killed the trade, and, of course, the public can not be blamed, and much less can the merchants be blamed for their failure to buy, when they were drilled continuously that these factories were filled to overflowing with goods that could not be sold. The scarcity of the raw material, the depletion of stocks, conclusively convince, and did convince, anyone with any pretense to a knowledge of the facts that their propaganda was fictitious and false. It is now amusing to see them howl because of the disastrous results of their vicious propaganda.

The textile mills of this country, and especially those in New England, should learn, and the sooner the better, that a reasonable price for the raw material will be a boon to their business. They can prosper, and will prosper, if the cotton-producing world is paid a fair, reasonable price for the product. The cotton producer of this country, as all know, has never received the value of his cotton. He and his wife and children have toiled from early morn until late at night in order to produce the staple necessary to clothe the world.

It is impossible under present conditions for a man and a mule to make more, on an average, than three bales of cotton. This amount of cotton at an average of 30 cents per pound, including the seed, will bring him about $500. His farm has cost him at least $2,000. The interest on this at 8 per cent will be $160. His taxes are $30. The cost of his mule is $180, and the interest on that is $14.40. The depreciation in the value of the mule will be $20 per year. His plow gear, plows, and tools will cost him $60, and the interest on this will be $4.80. The depreciation of such gear and tools and implements will be $15. The seed for planting will cost him $20. His fertilizer will cost him $152. The depreciation in his fences and cotton houses will amount to $15 per year. At the present time he will need, in order to produce that three bales of cotton, arsenate of the value of $20. The taxes on his mule and implements will be $6. He will be compelled for ginning that cotton to pay $15. The feed for the mule will cost him $150. There will be other costs and incidental expenses, but without counting other costs we have here a total expense, reasonably calculated, of $622.50. This does not take into consideration the cost or interest thereon or depreciation of a wagon with which to haul his seed, his fertilizer, and his cotton. It does not take into consideration the clothing and food necessary to support the producers of the cotton. Anyone can see that in this present day of civilization that civilized men are going to rebel against any such slavery. The time has come for the textile mills of this country to cease fighting the cotton farmers of the United States.

I observed considerable propaganda in that same press to the fact that the whole country will be hurt unless the South raises more cotton; that other countries will proceed to raise the necessary cotton for the world. The mills are howling for fear that such a calamity will happen. In such a case these same mills will be paying to the foreigner the prices which Liverpool has been paying for American cotton, which runs on an average of about $30 per bale more than the American spinner pays for it. The only way in the world to remedy the condition will be for the American cotton farmer to receive a fair price for his cotton. The spinners of this country are enforcing an unnatural condition upon the producers of cotton. They are destroying themselves. They are not constructive, but are destructive. They have no sympathy for the cotton farmer. They grudge him every penny he receives from the sweat of his brow and that of his children. So long as this condition exists a tariff wall will not remedy the evil. Vicious propaganda will not cure the condition.

The textile mills last fall elected to fight the price of cotton; they refused to buy; they permitted the foreign spinners of the world, they permitted foreign countries, bankrupt so far as finances are concerned, to buy the choicest American cotton while they carried on their boycott. They have permitted the choicest American cotton to leave this country, and now they should be estopped from clamoring for a tariff wall. They should be estopped from howling about their present condition, due, as stated, to their concerted attempt to depress the price of cotton and to their claim of an enormous supply of cotton goods on hand which could not be sold. They have been caught, hoist by their own petard, and should stand up like a man and suffer the consequences until they reform and change their policy.

While on this matter, allow me to suggest that, among other evils, is that of the cotton exchanges. As now constituted, they serve no useful purpose to the farmer, but are detrimental to him. They serve no useful, legitimate purpose to the spinner or other user of raw cotton. The reason for this is that no spinner can buy on the exchange the cotton he wants, and therefore he does not buy. But the exchanges say they are useful for hedging cotton. Let us grant it, but the contract should specify the cotton hedged. Let the seller or buyer hedge his own cotton and not the other fellow's.

If the spinner or actual user of cotton buys on the exchange, he can not get the grade, quality, or staple he needs. The seller can deliver to him the lowest grade, quality, and staple he pleases, or any other kind within numerous classes, only one of which the user of cotton can use.

A spinner needs a certain grade, quality, and staple. Can he buy it on either of the exchanges? He can not. Of course, he may do as the exchanges say he may do, and that is as follows: If he desires 100 bales of a certain grade, quality, and staple, then let him buy 1,000 bales and pick out what he wants. If he can not get the 100 bales he needs out of the 1,000, let him buy 5,000 bales and from that pick out what he needs, if he can, or buy more, and then resell the balance which he can not use. This is the argument of the exchanges. Let him buy and buy until by chance he gets what he needs by selection.

The exchanges further try to justify such unilateral and uncertain contracts by saying that when the spinner buys in the country he buys different grades, staples, and colors from the low to the high. But the difference is that the cotton is first classed, and the buyer knows what he buys. The fact is, he generally buys uniform bales and what he has a place for.

The spinner does not say anything, because selling cotton on the exchanges helps him. He knows that there is no legitimate buying on the exchange. In other words, the spinner and actual users of cotton do not buy cotton on the exchange and then spin it. He can not afford to buy, because he does not know what he buys. A purchaser of 100 bales of cotton on the exchange can not guess in 10 miles as to what kind, grade, quality, or staple he will get. He may get strict low middling of 1 1/16-inch staple, or he may get good middling of ⅞ inch staple, or he may get 100 bales as different from each other as the colors of Joseph's coat and with as many different grades. It may be stained, gin cut, or of varying colors and of many different lengths. When sales like that fix the price, what is the result?

If a spinner or legitimate user of cotton could buy on the exchanges what he wants, then these institutions would serve a useful purpose. Gambling would be eliminated. But now it is worse than buying a "pig in a poke." What a fine thing it would be if the actual users of cotton could get what they want on the exchanges?

The Federal Trade Commission is investigating the advisability of permitting deliveries in southern warehouses of cotton sold on the exchanges. This will be disastrous unless the contract of sale permits the buyer to know what he is buying and where delivery is to be made. If the law will force the seller to designate the kind, grade, quality, and staple he sells, or reasonably so, or if the buyer can know what he is buying and where delivery is to be made, then it matters not where the warehouses are, whether in China, Texas, South Africa, or Magnolia, Ark.

Yours very truly, WADE KITCHENS.

NAVY CONTRACT FOR COTTON KHAKI CLOTH

Mr. WALSH of Massachusetts. Mr. President, for some time there has been some criticism in the New England press in reference to a cotton khaki cloth contract made some time ago by the Secretary of the Navy for uniforms for marines. I have asked an official explanation from the Secretary of the Navy as to this matter and the future policy of the Navy, and I think the country ought to have this information, and I request it be

printed in the RECORD. I ask permission that with this letter there be printed in the RECORD resolutions which have been sent to me upon the subject, and that they be referred to the Committee on Naval Affairs.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The letter and resolutions are as follows:

THE SECRETARY OF THE NAVY,
Washington, May 19, 1924.

MY DEAR SENATOR: Replying to your letter of the 16th instant, I have to advise you that no contract has been made recently with a foreign concern for cotton khaki cloth; furthermore, there is none in contemplation. An order was placed about a year ago for some 500,000 yards of cotton khaki cloth for the Marine Corps with a concern in Manchester, England. The contract for this material, which was approved by the department, was made in July, 1923.

In brief, the history of the situation is as follows: At the time this purchase was under contemplation American mills were fully occupied on the production of staple goods. The department endeavored, by sending out specifications and invitations to bid to 55 manufacturers and dealers, by special letters to all concerns known to have fiber-dyeing apparatus, and by articles in trade papers, to obtain bids for this cloth. Bids were opened on April 9, 1923, and only one American manufacturer submitted a bid. This bid was submitted by the Amoskeag Manufacturing Co. at $0.642 per yard. This was approximately 100 per cent higher than the Marine Corps had previously paid for this khaki even during war time and was considered excessive. Upon the failure to obtain satisfactory bids under the opening of April 9, and in view of the fact that the stock of khaki on hand was very low and required replacement, it became necessary to make an immediate purchase in order to continue the manufacture of clothing for the marines. A quotation received from an English firm offered khaki suiting, delivered in New York, at $0.27 per yard. Adding duty to this would bring the cost to only $0.37 per yard. The Amoskeag Manufacturing Co.'s bid, therefore, was approximately 80 per cent higher, and the Government stood to lose about $0.27 per yard if the bid of that company was accepted, or, figuring it another way, the cost if purchased from the Amoskeag Manufacturing Co. would have been $321,000, whereas the cost purchased abroad, with duty, would amount to only about $185,000. However, no duty was paid, and the cost to the Marine Corps was therefore only $135,000.

The department naturally desires at all times to deal with American firms, and even at that time, with the wide differential in price, Secretary Denby did not authorize the award to the foreign firm until he had consulted with Government experts and had been advised that no hardship would result therefrom to American manufacturers and workingmen, because of the fact, as I have said before, that the American textile mills were fully occupied on the production of staple goods.

Sincerely yours,

CURTIS D. WILBUR.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

OFFICE OF BOSTON CENTRAL LABOR UNION,
Boston, Mass., May 21, 1924.

Hon. DAVID I. WALSH,
Washington, D. C.

DEAR SIR: The following resolutions were adopted at the meeting of the Boston Central Labor Union Sunday, May 18, 1924, and I have been instructed to send copies of the same to you.

Respectfully yours,

P. H. JENNINGS,
Secretary-Business Representative.

Whereas the press of the country has announced the giving of a contract by the United States Government for 500,000 yards of khaki cloth to be manufactured by a firm in England, while there are thousands of textile workers out of work or on short time in this country; and

Whereas we have always been of the opinion that the United States Government was a government of the people, by the people, and for the people; and we have also been under the impression that the chief functions of our Government are the protection of our country, its institutions, and its people; and

Whereas the sending out of the country of a big contract while thousands of textile workers are in needy and destitute circumstances gives the workers a shock which tends to the conclusion that the lives and welfare of our people are of a secondary consideration, while the making or the saving of the dollar is of paramount importance; and

Whereas the present depression of business which is bringing misery and unrest to thousands of workers is, in the minds of many, a combined attack by the captains of industry to so manipulate trade and are trying to starve the workers into subjection so that when the time is ripe to reopen the mills and factories they will be forced to accept work and attend to more looms than heretofore at greatly reduced wages; and

Whereas the action of the Government seems to be in direct line in this policy by the letting of contracts to foreign competitors, thereby increasing the amount of unemployment: Therefore be it

Resolved, That we, the delegates of the Boston Central Labor Union in meeting assembled, enter our most emphatic protest against the action of the United States Government in sending business out of the country while thousands of American citizens and their dependents are in sore need of the necessaries of life; and be it further

Resolved, That we call upon all New England Senators and Congressmen to make an effort to protect one of the basic productions of New England from being crushed out of existence; and be it further

Resolved, That a copy of these resolutions be sent to the President of the United States, to each New England Senator and Congressman, and to the chamber of commerce.

SENATOR BURTON K. WHEELER

Mr. SWANSON. Mr. President, I am not going to detain the Senate very long; but as a member of the committee which was directed to investigate the conduct of the junior Senator from Montana [Mr. WHEELER], I think I should make a short statement regarding my conclusions and the course pursued by the committee of which the distinguished Senator from Idaho [Mr. BORAH] is the chairman.

Mr. President, Senators will recall that some time ago the morning newspapers published the statement that there had been an indictment found against the junior Senator from Montana alleging that he had perverted his influence as a Senator in connection with the prosecution of certain land matters pending before the Interior Department, for which he had agreed to receive and had received compensation. On the morning following that publication the junior Senator from Montana appeared in the Senate and denounced it as containing statements which were not true and stated that the attack on him was unjustified; that it was for blackmailing purposes, to prevent him from conducting the investigation of the Department of Justice in which he was then engaged. After having made his statement to the Senate, which was frank, candid, manly, and full, as any high-minded man would have done, he demanded that his colleagues in the Senate should order and conduct an investigation in order to determine whether or not he was worthy to continue as a Member of the Senate. Had he done otherwise he would have been subject to severe criticism. He did the only thing which a high-minded, conscientious, innocent man could do in order to meet his accusers and the charges against him before Members of the Senate, through a committee of the Senate, so as to determine whether or not he should continue to exercise the rights of a Senator from Montana. I wish to commend the high spirit, the manly and courageous conduct, which was then pursued by the junior Senator from Montana.

In some instances when indictments have been found or charges have been made against Senators they have delayed a demand for an investigation, but an innocent man wants to meet his accusers at once. Consequently, the junior Senator from Montana demanded an investigation, in order to determine whether or not he should continue to exercise his functions as a Senator and whether or not he was worthy to remain a Member of this honorable body. I think that demand on the part of the junior Senator from Montana was proper, was high-spirited, and was courageous. In pursuance of his demand, his colleagues concurring in the demand, an investigation was ordered.

What was the purpose of that investigation? It was not, as the Senator from South Dakota [Mr. STERLING] seems to imagine, in order to determine whether or not the grand jury of Montana had probable cause to prefer the indictment. I am at a loss to understand why the Senator from South Dakota should arrive at such a conclusion in connection with the purposes of the investigation. Has the Senate a right to pass judgment on the action of grand juries? Under our system of government we have three coordinate branches of the Government—the judicial, the executive, and the legislative. Neither branch of Government has a right to infringe on the others. Under our Constitution the Senate is the judge of the elections, returns, and qualifications of its own Members. So the Senate alone can determine whether or not the junior Senator from Montana was worthy to continue a Member of this body. I repeat that when this indictment was found the junior Senator from Montana promptly asked the Senate to pass upon that question. I wish again to commend the

courage, the manhood, and the high sense of honor which induced him to make that demand. His action has been vastly different from the action of others in reference to accusations which have been made against them within the last few years, both in the other House and in the Senate.

The committee was appointed to investigate the facts in the case, but not the conduct of the grand jury of Montana which returned an indictment against the junior Senator from Montana. I would not serve on a committee which intended to infringe on the rights of either a grand jury or a petit jury. I would serve only on a committee whose purpose was to determine whether or not the junior Senator from Montana by any misconduct had rendered himself unworthy of membership in this body. He asked for the investigation; his colleagues demanded it; and the Senate unanimously passed the resolution, at his suggestion, providing for the investigation.

The Senator from South Dakota was present and heard the resolution read and heard the speeches which were delivered; and unless he was willing to serve on the committee to ascertain the facts in accordance with the idea and purpose of the resolution, he should at that time have declined to serve or should have let the Senate know what, in his opinion, should be the object and scope of such an investigation. I am astonished that such an excellent lawyer as the Senator from South Dakota should have had a perverted idea as to the purpose of the investigation.

Mr. President, the committee was presided over by the senior Senator from Idaho [Mr. BORAH], and the committee was named by the President pro tempore of the Senate. There has been no criticism of the conduct of the committee; there has been no suggestion that there was any failure to examine any witnesses; but there has been sought to be created an impression that the chairman of the committee and the members of the committee who united with him in his report were disposed to deal leniently with the Senator from Montana. As a Senator, I spurn that suggestion as false.

I wish to say, furthermore, that there is no Senator in this body who in character, in capacity, and in courage can surpass the senior Senator from Idaho. He has served in this body for many years and his colleagues realize that for capacity, for courage, for character, and for honor none can excel him. That is the impression not only in this body but also in the country. I wish to say, as a member of that committee, that the investigation was for the most part conducted by its chairman.

Now, let us see whether the Senator from Idaho is disposed to deal leniently with Senators who are accused of wrongdoing in this body. If I recall, but a few years ago there was a case pending in the Senate against Mr. Newberry, a member of the party to which the Senator from Idaho belongs, a man of great influence in the Republican Party and of great wealth. All the efforts that could be made in this body and elsewhere were made to retain him in his seat. The Senator from Idaho, with that courage, with that character, with that high sense of justice and honor which have always characterized him, concurred with many Senators that, on account of fraud and corruption in his election, Newberry should not be permitted to continue as a Member of this body. Was there a disposition evidenced by the senior Senator from Idaho at that time to deal leniently with wrongdoing by any Member of this body?

Mr. President, years back there was a case pending known as the Lorimer case, in which fraud and corruption in connection with his election by the Legislature of Illinois were charged. Lorimer was an attractive personality, a man who by his own efforts and ability had pushed his way to the front from the humblest walks of life. He was a power in the Republican Party; the absolute political master almost of Illinois and certainly the political boss of Chicago. If the Senator from Idaho could have been swayed by personal considerations, if he could have been induced to do otherwise than what he thought was honest and in accordance with the highest traditions of this body, it would have been in that case, for it was a case in which the man involved was one of the most potential members of his own party. Yet with courage and with character the Senator from Idaho stood for the expulsion of Lorimer.

I wish to repeat that the chairman of the select committee in character, in capacity, and in courage is unexcelled by any Member of this body, and I wish to resent any imputation on him as chairman of the committee which conducted the investigation as being desirous to whitewash or deal leniently with anyone.

What witnesses who knew any facts in connection with this case were not summoned? I should like the senior Senator from South Dakota to name a witness that he asked to have summoned or that anybody suggested knew anything about this transaction that was not compelled to come and testify before the committee. When Mr. Coan appeared before the committee and suggested that there were documents in the Department of Justice which might shed light on this case, I made the motion at once to have those documents produced, and all the other members of the committee concurred in it, without knowing the contents of those documents, and they were brought before the committee.

All the evidence that anyone could secure, all the evidence that Mr. Coan, who was sent by the Republican National Committee to run down certain stories in Montana was brought out, and all the witnesses that anyone knew of were summoned and cross-examined. They were cross-examined by the senior Senator from South Dakota. Therefore the Senate has all the evidence possible in this case to enable it to render a judgment.

I was astonished that the Senator from South Dakota should attack the report presented by the chairman of the committee on the ground that it might be used and distributed in Montana for the purpose of creating an impression favorable to Senator WHEELER and to that extent obstruct the administration of justice. That is the gravamen of his complaint against the committee and the reason why he refuses to exercise the functions and perform the duties imposed upon him by the Senate. I should like to ask him what does he think of his minority report being circulated under frank as a public document and distributed in Montana to prejudice the people of Montana against Senator WHEELER? In other words, according to the Senator from South Dakota, the proper course to pursue was to simply determine whether the grand jury had probable cause to consider the evidence before the grand jury, with nothing contradictory to it, with no witnesses for Senator WHEELER, and let that be used as a basis for the circulation of documents prejudicial to him in Montana. Is that the way justice is to be administered? Is that the way public opinion is to be controlled? It seems to me that if the facts stated in the majority report are true the people of Montana and the people of the United States are entitled to have them. Shall truth be suppressed to help the Government in a prosecution against the citizen? Is truth to be suppressed and ex parte affidavits circulated in order to administer justice? Tell the truth, state the facts, and let the chips fall where they may. That is the honest way for the Senate and the honest way for people to do in the conduct of affairs.

The Senator from South Dakota [Mr. STERLING], on page 2 of his report, dismisses all the evidence of the witnesses introduced by Mr. WHEELER with a wave of the hand—

> None of the witnesses thus called at the instance of Senator WHEELER had appeared before the grand jury, and obviously their testimony can serve no useful purpose in determining the question of probable cause.

In other words, by his own statement he wanted this committee to make a report on the probable cause of the grand jury, include no consideration of the evidence introduced by Senator WHEELER, take a minority report filed by him that consists simply of ex parte evidence and affidavits, and let that be circulated in order to obtain justice in Montana.

I must say that that is wrong. The right way to do things is to tell the truth, regardless of who is hurt or who is helped. He has a misconceived idea of his Government who thinks that the Department of Justice can administer justice better by having the Senate suppress the facts and suppress the truth.

Mr. PITTMAN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Virginia yield to the Senator from Nevada?

Mr. SWANSON. I yield to the Senator.

Mr. PITTMAN. If I heard the Senator from South Dakota correctly upon yesterday, he contended that the evidence that was submitted to the grand jury would warrant the grand jury, under the practices of grand juries, in bringing in the indictment; but when asked by the Senator from Alabama [Mr. UNDERWOOD] whether all of the evidence submitted to the committee would in his opinion cause him to vote for the guilt of the Senator from Montana [Mr. WHEELER], the Senator from South Dakota said "No." So it seems to me that while he contends that he has proven his case, that the grand jury, from the evidence they had, could find the indictment, he admits the case of WHEELER, on the other hand, that the rest of the evidence proves his innocence.

Mr. STERLING. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Virginia yield to the Senator from South Dakota?

Mr. SWANSON. I do.

Mr. STERLING. I think the Senator from Nevada misinterprets what I said, and draws a wrong conclusion. I said that I would not, perhaps, be willing to vote that Mr. WHEELER was guilty of the charges preferred by the grand jury, but that on the evidence submitted to the grand jury the question is one of probable cause. The other question is one of belief—a reasonable doubt. That is just the distinction between the two.

Mr. SWANSON. Here is the position the Senator took.

Mr. PITTMAN. Let me answer the Senator.

Mr. SWANSON. I yield to the Senator.

Mr. PITTMAN. I shall have to read from the RECORD what was said a little later, when I find the place, because the Senator from Alabama [Mr. UNDERWOOD] did not ask with regard to the evidence before the grand jury. I will read it from the RECORD. He asked if all the evidence taken before the committee led the Senator to believe that Mr. WHEELER was guilty or not guilty, and the Senator said that the evidence did not convince him that he was guilty. I will read that.

Mr. STERLING. It may be true that I said that in response to a question from the Senator from Alabama [Mr. UNDERWOOD].

Mr. PITTMAN. That is what I say.

Mr. STERLING. Yes; but I still say that I think the evidence before the committee showed probable cause. It was sufficient to warrant the grand jury in finding the indictment. That is what I based my conclusion on—that the grand jury had sufficient evidence before it to warrant the returning of the indictment.

Mr. SWANSON. I will state the position of the Senator. The Senator states that if you will exclude every witness in this case that knew anything about the facts, exclude the testimony of Senator WHEELER introduced in his own behalf, and simply consider the ex parte affidavits and the ex parte evidence that was submitted to the grand jury, possibly they had probable cause; but if you will weigh all the evidence introduced before the committee, in the Senator's conscience he could not vote WHEELER guilty. That is his position, if I understand it.

Mr. STERLING. I might still be able to say that under the evidence submitted before the committee, and in the way in which the evidence was submitted before the committee, and all that——

Mr. SWANSON. What witness failed to appear that the Senator wanted, or failed to answer any question that the Senator wanted answered?

Mr. STERLING. I do not quite understand the Senator.

Mr. SWANSON. I say, what witness did the Senator desire to appear before the committee that the committee refused to send for?

Mr. STERLING. I have not charged that I desired any witness to appear before the committee that the committee refused to send for. I never have charged it for a moment.

Mr. SWANSON. Then what does the Senator mean by implying that there was a suppression of evidence?

Mr. STERLING. I have not implied that there was a suppression of evidence before the committee.

Mr. SWANSON. The Senator said "under the evidence submitted before the committee," and it carried the imputation that all the evidence was not before the committee. What evidence does the Senator know of that was not before the committee?

Mr. STERLING. Oh, Mr. President, the Senator need not be so fine-spun in his statements in regard to that. I have not intimated that there was a suppression of any evidence. Even if I thought there was, I have not so said in the Senate, nor have I so said to the committee, that there was any suppression of evidence.

Mr. SWANSON. The Senator made the statement that on the evidence before the committee he could not say that Senator WHEELER was guilty.

Mr. STERLING. Yes.

Mr. SWANSON. What evidence does the Senator know of that ought to have been before the committee that was not before it?

Mr. STERLING. Mr. President, I do not think I should be asked to go into that question at the present time. I know what evidence was before the committee, and what evidence was before the committee that was also before the grand jury; and my statement was that if the evidence before the committee was the same as that before the grand jury it was sufficient to warrant the grand jury in returning the indictment. As to the guilt or innocence of the defendant, that will depend upon the evidence produced at the trial.

Mr. SWANSON. The Senator thinks the right to occupy a seat in the Senate ought to be taken from the Senate, which is given by the Constitution the determination of that question, and decided by a petit jury?

Mr. STERLING. I do, most decidedly.

Mr. SWANSON. That is the Senator's position?

Mr. STERLING. And that has been my position from the very outset.

Mr. SWANSON. The Senator's position is, then, that anybody could frame a case against a Senator, and have a corrupt jury return an indictment for any purpose, and then the Senate is not the judge of the election and qualification and expulsion of its Members. That is the way the Senator wants to defend the Constitution, is it? That is the position of this great champion defending constitutional rights, is it?

Mr. STERLING. I am defending the Constitution.

Mr. SWANSON. How?

Mr. STERLING. I am recognizing the three departments of the Government—the legislative, the executive, and the judicial—and the judicial department has cognizance of this case now. It is before the district court for the State of Montana.

Mr. SWANSON. Let me get the Senator's position clearly. As a citizen, the State courts have jurisdiction. As a Senator, they have no jurisdiction. The Senate is investigating WHEELER's conduct, not as a citizen, but as a Senator, and the Senate is called on to report on his conduct as a Senator under the Constitution.

Mr. STERLING. Certainly.

Mr. SWANSON. Now the Senator, as a great defender of the Constitution, wants to leave to the grand jury and petit jury the qualification and expulsion of a Senator.

Mr. STERLING. It is not the province of the Senate, I say, to determine the guilt or innocence of a party who has been charged in a Federal court with an offense against a Federal statute.

Mr. SWANSON. But the Senator said a few minutes ago that it is the province of a grand jury and the province of a petit jury to pass on the qualification and expulsion of a Member of the Senate, and that the Senate must abide by that determination.

Mr. STERLING. I think the Senator understands my position.

Mr. SWANSON. I do, but I am astonished at any such position. I am astonished that the defender of the Constitution, the defender of the three coordinate branches of the Government, should come here and advocate on the floor of the Senate the doctrine that the election, qualification, and expulsion of Members of the Senate, given under the Constitution to the Senate alone, should be determined elsewhere. I agree that as a private citizen the grand jury and the petit jury have charge of the matter, and as a private citizen that verdict must stand or fall according to the courts; but the Senator comes in here and says that Senator WHEELER's qualification as a Senator must be determined by grand juries and petit juries. I say the Constitution does not give that right, and I am astonished that a Senator who has made a report and has spoken here so often in defense of the Constitution should surrender this right of the Senate anywhere when it is a coordinate branch of the Government.

If that were true, what would be the result? A Senator is indicted. It is a frame-up. There is no evidence to support the indictment. It is continued and delayed for years and years, as this case is being continued and delayed; and what must a Senator do? What must the Senate do? Must it allow a corrupt Member to vote here? Must it allow an improper Member to vote here? What is going to happen to the Senate? There is no chance then to get rid of a corrupt Member of the Senate, if the courts indict him, until the process of law has operated. That is the Senator's view of it. Corrupt men could stay here, with a delay of their cases and continuances, and serve their terms.

Mr. STERLING. Let me say——

Mr. SWANSON. Let me get through first with the other phase of this matter.

Mr. STERLING. A perfectly innocent man——

Mr. SWANSON. I do not yield now. I will yield later.

Now, let us take the other view of the matter. Here is the Department of Justice being investigated. Here is the Senate, which has selected—and the Senate made the selection—a man to conduct this investigation, and this investigation is very disagreeable to the Department of Justice.

The Department of Justice, unlike Senator WHEELER, does not want to be investigated. The minute charges were filed against Senator WHEELER he invited an investigation. As

soon as they started the investigation of the Deparment of Justice it tried to avoid an investigation. It had to be forced and compelled to submit to an investigation, and did not invite it. It was forced on the Department of Justice, with much opposition on the other side of the Chamber. Now the Department of Justice desires to suppress this investigation. It is in accord with the Republican National Committee. The Republican National Committee has been denouncing this investigation, and standing by Mr. Daugherty, and abusing Senators, and abusing Republican Senators for not standing up and defending Daugherty.

Now what is done? They send Mr. Coan out there; and I will say that Mr. Coan was frank, was candid, and, as far as I can see, told the truth. He candidly admitted that he was employed to go to Montana to see if he could not find something against WHEELER, and, he implied, against the other Senator from Montana also, who were conducting investigations against this administration. He said they wanted to investigate some rumors that they had heard, and they wanted to know who this man WHEELER was.

Mr. STERLING. Stories.

Mr. SWANSON. Stories or rumors; I do not know which they were. I reckon they were stories, and they were afterwards disclosed to be absolutely false stories. I thank the Senator for making the correction. They did not even attain the dignity of rumors. Mr. Coan was employed, paid a salary, and he seems to have served his employers very well. He goes there and gets affidavits, and what does he say? He says practically that he did that because Republican Senators would not stand up and fight for Daugherty.

Now, Mr. President, look at this situation. Here is the committee of a great party—and I say "a great party" intentionally, a party with a great tradition and history—here is the organization of a great party in this country that competes for high honors and influence and power in this country, and yet it has been so perverted in its executive officers and control that that great party allows itself to be used as a means of employing a man to go and get some evidence against Senator WHEELER, who was conducting an investigation against the Department of Justice.

If the Attorney General had been a high-spirited man with a high sense of honor and refinement; if he had obtained any evidence against WHEELER he would have kept it to himself and not have preferred an indictment while this investigation was pending.

I do not believe there is a sensible and honorable Senator on the other side who, if he had been Attorney General and was being investigated, would have made himself party to a scheme to employ someone to go to the State of the Senator who was conducting the investigation to get evidence to indict him, and thus hold him up to blackmail.

Why did he do it? Senator WHEELER stated he heard rumors long before that he was to be framed up, and he did not believe it. Yet while this investigation was at its height this indictment was found. I would like to ask the Senator from South Dakota if he approves the conduct of that Republican National Committee.

Mr. STERLING. I stated yesterday—I stated to the Senator from Virginia—my position in that regard. I said by way of illustration that if the Democratic Party were the party in power, and the administration were Democratic, and stories had been circulated against a Republican candidate, the Democratic Party or its national committee would have been justified——

Mr. ROBINSON. Then the Senator does approve the action in going——

Mr. STERLING. I do not yield until I make my statement and finish it. The Democratic Party, or the national committee of that party, would have been justified in sending someone to investigate the stories against this Republican candidate for Senator.

Mr. SWANSON. If he were a candidate; but Senator WHEELER was not a candidate. He was simply conducting an investigation.

Mr. STERLING. Very well——

Mr. SWANSON. It was five or six years before he could be up for election. I might see, if a man was offering for office, and his merit was to be passed upon at the polls, why a committee should go and get some evidence as to whether people should vote for him or not; but Senator WHEELER was not a candidate. Senator WHEELER was investigating the administration of the Department of Justice.

Mr. STERLING. A candidate, or even a Senator——

Mr. SWANSON. He was not a candidate.

Mr. STERLING. Just a moment.

Mr. ROBINSON. Will the Senator from Virginia yield to me to ask a question?

Mr. STERLING. Or perhaps even a Senator elect; Senator WHEELER had not yet taken his seat; no investigation of the Department of Justice had been begun at the instance of Senator WHEELER at that time. Nobody that I know of had ever anticipated for a moment that he would be active in the investigation of the Department of Justice.

Mr. SWANSON. I understand that the Senator takes this position: That when a man is not a candidate for the Senate, but is a Senator discharging his duties under his oath, and representing a great State, not being a candidate for office, a national committee is justified in employing somebody to go and get evidence to indict him, and then turn it over to the Department of Justice, and have an indictment against him, provided he is conducting an investigation against the Department of Justice; and that is justified in morals? That is what occurred in this case.

Mr. STERLING. The witness, Glosser, had stated that he heard these stories, or that these stories had been heard in regard to Senator WHEELER, and that Senator WHEELER had been attacking the administration, had been attacking everybody, as he put it, in public life, and that it was thought worth while to investigate these stories which had been circulated in regard to Senator WHEELER, and therefore he went out at the instance of the National Republican Committee——

Mr. ROBINSON. Mr. President, will the Senator from Virginia yield to me to ask a question of the Senator from South Dakota?

Mr. SWANSON. I yield.

Mr. ROBINSON. Does the Senator from South Dakota approve of the action of Mr Coan, prompted and inspired, as he said, by the Republican National Committee, when he sought to smear Mr. WHEELER and to stop him from the prosecution of the investigation of the Department of Justice?

Mr. STERLING. Well, he says that Senator——

Mr. ROBINSON. Mr. President, I have asked the Senator from South Dakota a question which ordinary procedure would prompt him to answer "yes" or "no." The evidence before the committee of which the Senator from Iowa [Mr. BROOKHART] is chairman and before the committee of which the Senator from Idaho [Mr. BORAH] is chairman discloses that Mr. Coan, at the instance of the Republican National Committee, went to a former assistant attorney general of the State of Montana and expressed a deliberate purpose to secure false testimony for the purpose of smearing Mr. WHEELER and for the purpose of stopping him in the prosecution of the investigation against the Department of Justice. I ask the Senator from South Dakota whether he approves of the action of Mr. Coan, so inspired by the Republican National Committee?

Mr. STERLING. I would not approve action of that kind——

Mr. ROBINSON. I do not ask the Senator from South Dakota what he would do; I ask him what he does.

Mr. STERLING. I am going to answer, Mr. President, in my own way, and the Senator from Arkansas can not put the words into my mouth.

Mr. ROBINSON. Mr. President, if the Senator will pardon me, when he fails to answer it "Yes" or "No"——

Mr. STERLING. If I have not yet answered the Senator, when I am through the Senate will know whether I have answered him.

Mr. ROBINSON. The Senate knows now that the Senator from South Dakota is declining to answer the question frankly.

Mr. STERLING. Mr. President, there was no such evidence before the Senate investigating committee.

Mr. ROBINSON. Oh, Mr. President, will the Senator yield?

Mr. STERLING. Wait until I get through——

Mr. ROBINSON. The statement of the Senator from South Dakota is so at variance with the record that I can not comprehend why he makes such a statement. The junior Senator from Arkansas [Mr. CARAWAY] yesterday read into the record the testimony to which I have referred, and called it to the attention of the Senator from South Dakota.

Mr. SWANSON. I will read it to the Senator from South Dakota.

Mr. STERLING. I want to read from the testimony taken before our investigating committee——

Mr. ROBINSON. What difference does it make which committee it was before?

Mr. STERLING. It is not the same, according to the statement made by the junior Senator from Arkansas yesterday. He quoted testimony of another party taken before the Brookhart committee. I am referring to the testimony taken before our investigating committee.

Mr. SWANSON. Mr. President, having gotten definitely what the views of the Senator from South Dakota are in reference to national committees——

Mr. STERLING. Oh, yes——

Mr. SWANSON. Investigating Senators when they are up for election, now I would like to ask him, if the Senator were Attorney General of the United States——

Mr. STERLING. Let me answer the other question first, that relating to Mr. Coan.

Mr. SWANSON. I will. I will read what Mr. Coan said.

Mr. STERLING. Attention was called——

Mr. SWANSON. I read:

I was sent out to Montana to investigate some of these stories about Senator WHEELER.

I asked the question which brought forth that answer. He said the national committee employed him, paid him to go there and investigate some of the stories about Senator WHEELER.

WHEELER had been attacking the administration and everybody in public life here, and nobody seemed to be willing to get up and answer him—

Why did not the Senator answer him then, and possibly we would not have had any investigation?

and they thought it was up to somebody to find out who this fellow was and what he had been doing.

He went there for that purpose because WHEELER dared to attack the administration. WHEELER was not a candidate for election. The election was five or six years off. He was discharging his duty as a Senator; no election was involved; and this national committee sent Coan out there to make an investigation, the result of which he reported to the Department of Justice, and the Department of Justice promptly finds an indictment against him.

Mr. STERLING. Will the Senator let me now refer to the testimony here?

Mr. SWANSON. I will.

Mr. STERLING. Mr. President, here is what Mr. Coan said in full in answer to a question by the Senator from Virginia:

Senator SWANSON. Did he tell you the purpose for which he employed you?

Mr. ROBINSON. Will not the Senator speak a little louder? We can not hear a word he is reading.

Mr. STERLING. The answer of Mr. Coan is:

Yes; I was sent out to Montana to investigate some of these stories about Senator WHEELER. WHEELER had been attacking the administration and everybody in public life here, and nobody seemed to be willing to get up and answer him, and they thought it was up to somebody to find out who this fellow was and what he had been doing.

Senator SWANSON. Who thought so?

Mr. COAN. The Republican National Committee.

Senator SWANSON. And they sent you there for that purpose?

Mr. COAN. Yes; I went out there, and, of course, I did not want any stories of dead men or train robbers, and I took affidavits where I got the stories.

And he did, and the Senator from Virginia knows to what affidavits he referred. He referred to two affidavits, the affidavits of Rhea and Glosser.

Mr. SWANSON. I will allude to those later.

Mr. STERLING. The Senator knows, further, that Rhea and Glosser were both before the investigating committee, and nothing in their oral testimony, though they were under examination and cross-examination for a long time, tended to contradict the story made in their affidavits.

Mr. SWANSON. I want to read——

Mr. STERLING. Allow me a little further. Reference was made by the junior Senator from Arkansas [Mr. CARAWAY], and I think by the Senator from Virginia this morning, to what occurred in regard to Mr. Coan before another committee of the Senate.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. STERLING. If the Senator will just permit me a moment.

Mr. SWANSON. I can not yield for the Senator to make a speech.

Mr. STERLING. I suppose the Senator from Virginia has the floor.

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Virginia yield further?

Mr. SWANSON. I can not yield any further. I heard the Senator on that phase of it, and his report was to the same effect. As I understand, the Senator approves of what occurred before our committee, but what was related before another investigating committee he did not approve. Does the Senator approve the national committee sending Coan to get something on WHEELER, because WHEELER was attacking the administration when there was no election pending?

Mr. STERLING. Will the Senator be kind enough to inform me when the testimony was taken before the Brookhart committee——

Mr. SWANSON. He says, himself, because he was attacking the administration. Does the Senator approve that or not approve it? From the very language that is before our committee, it is very easy to see.

Mr. STERLING. I see nothing, as I said yesterday, in terms very reprehensible or objectionable, if stories have been started against a candidate or a Senator elect, I do not care whether he is a Republican or a Democrat——

Mr. SWANSON. I understand, then, that the Senator approves it?

Mr. STERLING. The national committee taking that matter in hand and investigating those stories.

Mr. SWANSON. I understand the Senator approves it?

Mr. STERLING. I do not object to it.

Mr. SWANSON. If one does not object to it, he must approve it. Now, let us see the position the Senator occupies, what he thinks is an honest, fair, splendid, high, noble administration of a government; that whenever a Senator in opposition dares to attack an administration and they hear any kind of stories about them it is the duty of the Republican or Democratic committee to at once start an investigation of that Senator——

Mr. STERLING. Now, Mr. President——

Mr. SWANSON. I am not going to yield any further.

Mr. STERLING. I did not say it was a duty; I said I saw nothing particularly objectionable about it——

Mr. SWANSON. The Senator approves it?

Mr. STERLING. Or reprehensible in it.

Mr. SWANSON. The Senator approves it, practically. They will start an investigation of that Senator on any rumor and then ascertain by affidavits all they can, give it out to the papers, imply that they have more, coerce him, blackmail him, silence him, and the Senate will be subject to the coercive power of the Department of Justice or its committees.

Mr. STERLING. Now, the Senator——

Mr. SWANSON. I can not yield any more to the Senator.

Mr. STERLING. The Senator should not be a catechist if he does not want me to interrupt him.

The PRESIDING OFFICER. The Senator from Virginia declines to yield.

Mr. SWANSON. I am sorry to see the Senator wants to apologize for this conduct. He does not seem to indorse it, but is trying to apologize for it. I think of all the reprehensible things I have ever seen is, when a Senator dares to do his duty, dares to say that the administration is not honest, the departments are not honest, dares to attack them, that he should be so treated as has Senator WHEELER. The party of opposition is for investigation to keep the party in power on the right pathway. If the Democrats are in power, it is the duty of the Republicans to keep the party on the pathway of honesty and justice. When the Republicans are in power it is the duty of everybody, both Republican and Democrat, to see that the party in power is fair and honest. What do we witness here? The administration is attacked. They hear little rumors in connection with Senator WHEELER, and they employ and pay a man to go to Montana and investigate him and get affidavits, for what purpose? Either for the purpose of besmearing him so an investigation which he is conducting will be discredited, or for the purpose of blackmailing him, which is equally discreditable.

Mr. STERLING. Mr. President, will the Senator permit an interruption?

Mr. SWANSON. No; I can not yield any further now. I say that would destroy the influence of the Senate. Is the investigation against Senator WHEELER as an individual? No. The investigation has been directed against him as a Senator and not as a citizen. If he had been guilty as a citizen of any wrong, his position as Senator should not shield him, but this effort was made to besmirch him as a Senator so as to control his senatorial conduct. I do not believe there is a high-minded, honorable Republican in the United States who wants

to see party warfare conducted on high lines, who will approve of any such disreputable performance as that. That is in accord with the scheme of employing the detectives who went to the office of Senator LA FOLLETTE. Why? LA FOLLETTE dared to be courageous and honest and fearless in both Democratic and Republican administrations. Since the Republican administration has been in office he has dared to attack it. The same spirit that sent Coan to Montana sent this detective to go through the office of LA FOLLETTE to see if they could get some evidence there to besmirch him and destroy his influence or else to blackmail him. I say that is discreditable, and I regret that those in control of the national committee of a great party permitted such conduct to be done.

Now, let us see about these rumors upon which this conduct was based. What is the evidence of Glosser? All hearsay except one transaction. Glosser's evidence is that he heard Campbell had employed him about permits. In his ex parte affidavit Campbell denies it. Then he testified about a conversation that occurred when Rhea was present at a hotel in Montana, and Glosser and Rhea conferred in accord with this matter. This is all the evidence there is in the case. The Senator may search it to the fullest extent and here is all the evidence, that Glosser and Rhea testified that they had a conference and WHEELER was present in connection with a suit that was pending in the State court, and Campbell was trying to get Rhea to employ WHEELER in connection with a permit or a case that he had and told him he could be of service. WHEELER said nothing. Not a word did WHEELER say. It was the MacGowan contract that was owned by Rhea and not by Campbell, and Rhea was trying to get Campbell to employ him. Rhea himself, the chief witness, says he did not employ him, made no contract with him, and never paid him a cent, never agreed to pay him a cent, and that another lawyer represented him. Consequently by their own witness Rhea they are read out of court, and they can not contradict that. That is all the evidence in the case upon which they could base a rumor, even a suspicion, even a suggestion; and their own witness said he did not employ him and did not agree to employ him. WHEELER said nothing, and did nothing in connection with that permit.

The only other matter was a telegram of March 8, which WHEELER sent, telling him to send information in regard to the permits in connection with the Standard Oil property, so if he wanted to do so so he could present the matter intelligently to the Interior Department. Let us examine that. That is what I think the Senator from South Dakota has read a dozen times. That seems to be his rock of strength and pillar of support for the indictment. Without this, the whole fabric falls. What are the facts in that case as disclosed? The Standard Oil Co. had gotten a permit—mark me, now—from Campbell. They got a permit from Campbell and the Standard Oil Co. was interested in it, and not Campbell. WHEELER said they took him in office and talked with him about the permit the Standard Oil Co. had gotten, and the Standard Oil Co. were interested in it, and not Campbell. That is not denied. The Standard Oil Co. was interested in that permit, and they talked to WHEELER about it. The Standard Oil Co. never paid WHEELER a cent, and never promised to pay him a cent. They never agreed to pay him a cent. If he had appeared before the department he would have appeared as representing a constituent, a company that never paid him a cent, and never agreed to pay a cent, and under no circumstances could there be any violation of the statute. If we take the worst view of it, as advocated by the Senator from South Dakota, that is the situation. He knows the Standard Oil Co. never agreed to pay WHEELER a cent. He knows the Standard Oil Co. never paid him a cent.

Mr. STERLING. Has there been any contention, may I ask the Senator, that the Standard Oil Co. ever paid him a cent?

Mr. SWANSON. The Standard Oil Co. alone was interested in that permit, and if he appeared before the Interior Department when he sent the telegram it was for a company that had not paid him a cent, had not agreed to pay him a cent, and he was simply representing a constituent in doing the work, like hundreds of constituents are represented without pay or without compensation. That is all the evidence there is in the case. That is all the evidence offered, even in the form of a suggestion, taking the worst view of it.

Let us see what we have. To contradict that, the Senator from South Dakota waves it aside and says it must not be considered. I want to read his position again. In order to make any case whatever that could be used as a document to circulate in Montana to the prejudice of Senator WHEELER it was necessary to ignore all the evidence in the case and to simply get down to a little, simple proposition: Did the grand jury have probable cause? That is the only way they could get one little drop of mud to stick to WHEELER. That was the only pathway they could pursue. Where was that line of defense first suggested? Not by the Senator from South Dakota, but by Coan himself. Coan suggested that when he was before the committee. He came in after all the evidence had been disclosed and they seemed to abandon everything except was there a probable cause for the grand jury to find the indictment? Coan appeared before the committee, and the chairman of the committee asked him:

> Mr. Coan, do you know of your own knowledge from having talked with Mr. Campbell in the presence of Mr. WHEELER, or talked with Mr. WHEELER, or in any other way, of first knowledge, with reference to the employment of Mr. WHEELER as attorney for Mr. Campbell?
>
> Mr. COAN. I could not be expected to know that, Senator, because I was not there at the time.
>
> Senator STERLING. Just answer the question, Mr. Witness.
>
> The CHAIRMAN. That is true; but I thought, in view of the things being said around, that you had some knowledge that I did not know how you got.
>
> Mr. COAN. No; mine is all through affidavits.
>
> The CHAIRMAN. You have no knowledge, then, except what came to you through statements of other parties?
>
> Mr. COAN. You mean in regard to his employment?
>
> The CHAIRMAN. Yes.
>
> Mr. COAN. No. I was not subpœnaed here to testify about his employment. Will you read me, does not the subpœna say "the circumstances surrounding the finding of an indictment against Senator WHEELER?" That is what my subpœna said.
>
> The CHAIRMAN. I do not know what the subpœna said. I know what we are inquiring about.

That is the first time that anyone suggested before the committee that the inquiry was with reference to the circumstances surrounding the indictment and whether they had probable cause to return it.

The senior Senator from South Dakota had not suggested it up to that time. The first man that suggested it, the first man that had the acumen and the sense to change in this way, was Coan, a smart newspaper fellow who had been employed to besmear WHEELER, and he conceived the idea, "We will now change this investigation to the question of probable cause of the grand jury and put the grand jury on trial."

My friends, has the time come that the Senate is going to investigate grand juries? Senator WHEELER is entitled to no protection, no defense, no accusation so far as a grand jury or petit jury of the country is concerned. When a man comes before the grand juries and petit juries, he is neither Senator, governor, nor mechanic. All stand alike before the courts. We have no right to investigate whether the grand jury's finding was probable or improbable, just or unjust, or as to whether the verdict of a petit jury is just or unjust. The Constitution has given the power to the Senate to purge itself, to keep itself clean, to keep itself composed of honorable, worthy, and noble men, and when the Senate is deprived of that privilege it ceases to be one of the coordinate branches of the Government. A Member has rights in the Senate, and when he is assailed either by newspapers, indictment, or other source of attack, to rise to a question of personal privilege and have his honor either vindicated or destroyed by a committee report and vote of the Senate. All Senator WHEELER said was that his honor had been attacked, his integrity had been attacked, he had been assailed, and he came before the Senate as an honorable man, as a high-spirited and sensitive man, and said, "I do not wish to associate with Members of the Senate, I do not wish to be in this honorable body if I am guilty of this offense. I demand an immediate investigation, and that the members of the committee be named by the presiding officer of this Senate belonging to an opposite political party." I want to commend the honor, the feeling of pride that a Senator like that has.

What does the Senator from South Dakota want? Does he want the Senate to say, "We will not vindicate you. We will not have anything to do with this attack on you. You can be assaulted from all sources. You can sit here representing the great State of Montana and have your influence destroyed, your power destroyed, your reputation destroyed by whispers and rumors and by an indictment and the case continued until your term is up, and we will give you no protection." I am proud that Senators in these days feel a pride in their honor, their integrity, and their reputation. I am proud that Montana has a Senator who feels that way and who, the minute his

honor, his integrity, and character are challenged, says "I meet my accusers."

Now, let us see what the evidence in this case is. The evidence against Senator WHEELER was of the flimsiest character; that is the kind of evidence that was before the grand jury; that is all that could be scraped with a fine-tooth comb against the junior Senator from Montana.

It has been stated that Mr. WHEELER made a contract to represent Gordon Campbell before the Department of the Interior in order to get permits for him in violation of the statute; in other words, he is accused of selling his influence as a Senator for money. That is the substance of the accusation. He challenged that statement. We are called on to decide, Did he sell his influence as a Senator for money?

The Senator from South Dakota has stated that the evidence does not justify the contention that he did sell his influence for money, and that if he were called on to vote on the question he would vote not guilty; but he thinks that the case ought to be continued; he finds that the grand jury had a probable cause for returning the indictment, and he is willing to have that finding circulated all through Montana and to that extent prejudice the petit jury when they come to try the case, but he thinks that no report should be made here vindicating the Senator from Montana, if he is entitled to vindication, because it might be circulated in Montana, and, if true, it would put the Government at a disadvantage.

The Government at a disadvantage with truth being circulated! The Government at a disadvantage when a citizen is on trial and the facts are officially known! That government ought to be cursed, that government ought to be driven from power, which needs protection by a suppression of the truth and facts. Such action might embarrass the enemies of WHEELER; it might embarrass the district attorney of Montana, who has venom against him; it might embarrass the Department of Justice, which started out either to blackmail him or destroy his character, to have the truth and facts known; but God knows no temple of justice was ever yet desecrated by considering the facts and the truth. This is the first time I have ever known the position to be taken that justice could be perverted by a publication of the truth. Slander is always hurt by a propagation of truth; rumors are always destroyed by the circulation of truth. It is only those who wish to thrive and succeed with slander and by false accusations and by rumors who desire to suppress the truth.

The committee felt that the junior Senator from Montana was entitled either to acquittal or conviction. We determined to get all the facts and all the truth, and I wish to say that the Senator from Montana comported himself before the committee with that same sense of honor, that same sense of integrity and delicacy which have characterized him throughout this entire case. He felt a delicacy in approaching the members of the committee in reference to any facts and matters, and, as to the witnesses, he showed that he had that sensitive pride of honor and sensitive pride of propriety which I am glad to see illuminate public life in these days. I repeat that only flimsy excuses have been presented in opposition to the majority report.

Now, let us see what the evidence is. There are facts in this case that are not dependent upon testimony sufficient absolutely to acquit the junior Senator from Montana. What are the facts? The junior Senator from Montana appeared in case after case in the Montana courts, cases involving millions of dollars; he fought vigorously, actively, energetically, in the State courts. Then his enemies tried to create the impression that the fee was so high it must have included an obligation to appear before the Department of the Interior. In view of the amount involved, the briefs filed, and the efforts made, and successfully made in the conduct of the litigation, there is no lawyer with any reputation and standing who can say that the fee was an exorbitant one. It was a small fee in comparison with fees that are frequently paid.

There is no dispute that Mr. WHEELER appeared in the State courts of Montana; there is no dispute that he filed briefs there; there is no dispute that there were 19 or 20 cases pending in the State courts which justified his employment. Those facts can not be disputed.

Now, let us go further. Let us see what the contract was. Mr. WHEELER did not know Gordon Campbell. Mr. WHEELER is a vigorous, active, fighting man. That is the reason the Department of Justice has sought either to destroy or to blackmail him. He is a valiant knight, a fighter, and consequently he must either be destroyed or suppressed. Mr. Campbell said he employed him because he had lawyers who would not fight; that he had lawyers who every time they came into court would compromise the cases involving his property, resulting in giving away something instead of winning his suit. Campbell said: "I consulted about an attorney." Stout was the editor of a newspaper and had served for four years in Congress. Mr. Campbell testified, "We talked about Mr. WHEELER, and Stout recommended that I should employ WHEELER." Campbell said, "I do not know WHEELER, but I know he is a fighting man. I want him and should like to have him." Stout himself went to see WHEELER and told him that Gordon Campbell wanted to employ him. What did he tell Stout? Stout has no interest in this case; he ran against WHEELER for the Senate, if I mistake not. Stout said that WHEELER asked him the character and nature of the litigation. Then he testified—and it can not be controverted, that WHEELER told him he would agree to represent Campbell in this litigation but would not—now, I desire Senators to listen to this—would not represent him in any matters before the Interior Department. That was the beginning of the employment of Mr. WHEELER by Mr. Campbell. That fact is testified to by a man who served four years in Congress, a man whom Members of the Senate know as a man of high character and standing, and who has no interest in this matter at all.

Campbell testified that WHEELER distinctly told him he would confine his activities to litigation in the State courts of Montana. The only witnesses who knew directly about the contract testified exactly to the same effect.

Then Mr. WHEELER'S partner, Mr. Baldwin, was called to the stand. Mr. Baldwin impressed me as an able, splendid, fine lawyer. He could look you in the eye without a quiver. He is one of those men of whom, by looking in his face, it may be said he is a man of integrity and character and worthiness. He testified—and his testimony is not controverted—that the agreement was just as Campbell stated, and that nothing was done before the Interior Department by Mr. WHEELER.

Mr. Campbell had an attorney of his own to attend to all his land matters and permits, a lawyer by the name of Beaulieu. Mr. Beaulieu testified that the agreement was as has been indicated, and that Baldwin and WHEELER had nothing whatever to do with the permits or any matters before the Interior Department.

That, it would seem, ought to be conclusive evidence on that point, but there is evidence more conclusive than that. The contract, when made, affected property which was in the hands of trustees, and the contract could not be valid until it was ratified by those trustees. The contract, as the Senators know, was for a retainer of $10,000 a year, and there were three trustees who had to approve the contract before it could be valid and WHEELER could get the money. Mr. Harvey, one of the trustees, testified that at a meeting of the trustees the question of WHEELER'S employment came up and they agreed to pay $10,000, but it was distinctly understood that the employment of WHEELER did not extend beyond the carrying on of litigation in the State courts. So Mr. Campbell, the active manager, one of the trustees, in fact, all of the men who knew anything about the contract, have testified explicitly as to the terms of the contract. What more evidence could be desired than that?

But suppose the contract did include more than has been proven and required Mr. WHEELER to appear before the Interior Department. Governor Spry, Commissioner of the General Land Office, in the Interior Department, testified that Mr. WHEELER did not appear before that office in the case of any permit; he did not try to secure any permit for Campbell, and that nothing whatever was done by Mr. WHEELER before the Interior Department contrary to the statute in the effort in any way to secure a permit for Campbell or his companies. I should like for some one with ingenuity to tell me how a case could be more completely and more thoroughly proven than this case has been. Where is there anything left on which rumor and suspicion may hang?

Mr. President, with this state of facts, is or is not the junior Senator from Montana entitled to vindication? He has asked the Senate to pass judgment on him. The minute that his integrity and honor as a Senator were challenged, he accepted the challenge and asked the Senate to pass on the question. The suggestion is now made that the Senate should not pass on it. Why was not the objection raised when the resolution was submitted, considered, and adopted? Senator WHEELER was attacked in the newspapers, and it was said, "A court will try him; he will not be tried by a committee of the Senate." However, he met the challenge, and he said, "I want the Senate to try me, and if I am not worthy to be a Member of the Senate, I

want my colleagues to say so. Let everyone come and testify against me as to anything that may be wrong; hear them; and then pass a verdict on me." I think that was the manly course to follow; that was the honest way to proceed; that was a high-spirited way for a Senator to act. When he confronts the Senate in this way there is but one thing for the Senate to do, and that is to face the issue squarely and fairly and not to dodge it and leave him subject to rumor and suspicion. All the junior Senator from Montana asks in this case is that the Senate pass upon the question whether he is guilty of the charges set forth in the indictment.

As I have already said, the investigation in this case was conducted almost entirely by the Senator from Idaho, and the Senator from South Dakota was there with all his acumen and activity. I wish to say that I have never known a man who tried to hold the scales of justice more fairly than did the Senator from Idaho. If anyone can find a single decision he made that was not just, both to the Senate and to the junior Senator from Montana, I should like to have it pointed out, and I will ask the Senator from South Dakota, who was present nearly all the time, to point it out. If there ever was a man who was impartial, who was fair and just and tried to ascertain the facts, it was the Senator from Idaho. He wrote the majority report. I felt a delicacy in obtruding myself too much into the matter, because it might be said that as a Democratic Senator I was trying to be easy with another Democratic Senator. But everybody who knows the Senator from Idaho knows his character, his courage, and his disposition to keep the Senate clean and pure whatever the result may be and without favoritism to anyone.

As for myself, after hearing the evidence and carefully examining it, I am satisfied that the junior Senator from Montana is entitled to a vote of confidence and to the adoption of the majority report.

POSTMASTERS AND POSTAL EMPLOYEES

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service.

Mr. EDGE. Mr. President, if I may have my daily five minutes on the unfinished business, I should like to suggest a unanimous-consent agreement which I am hopeful will meet the approval of the Senate for a definite hour at which to vote upon the unfinished business, so that we can go on with other business.

I send the proposed agreement to the desk and ask to have it read.

The PRESIDING OFFICER. The Secretary will state the proposed unanimous-consent agreement.

The reading clerk read as follows:

It is agreed by unanimous consent that at not later than 5 o'clock p. m. on the calendar day of Monday, May 26, 1924, the Senate will proceed to vote without further debate upon any amendment that may be pending, any amendment that may be offered, and upon the bill (S. 1898) to readjust the compensation of postmasters, etc.

The PRESIDING OFFICER. Is there objection?

Mr. HEFLIN. Mr. President, I was interrupted and did not hear the day. What day is suggested?

Mr. EDGE. Monday at 5 p. m.

Mr. GERRY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Chair has just been reminded that a quorum must be called. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ball	Foss	Ladd	Reed, Pa.
Bayard	Fletcher	Lodge	Robinson
Borah	Frazier	McKinley	Sheppard
Brandegee	George	McNary	Shipstead
Broussard	Gerry	Mayfield	Simmons
Bruce	Glass	Moses	Smith
Bursum	Hale	Neely	Spencer
Cameron	Harris	Norbeck	Stephens
Capper	Harrison	Norris	Sterling
Copeland	Heflin	Oddie	Swanson
Curtis	Howell	Overman	Trammell
Dale	Johnson, Calif.	Owen	Wadsworth
Dial	Johnson, Minn.	Pepper	Walsh, Mass.
Dill	Jones, N. Mex.	Phipps	Walsh, Mont.
Edge	Kendrick	Ralston	Warren
Ferris	King	Ransdell	Willis

The PRESIDING OFFICER. Sixty-four Senators have answered to their names. A quorum is present. The Secretary will read the proposed unanimous-consent agreement.

The reading clerk read as follows:

It is agreed by unanimous consent that at not later than 5 o'clock p. m. on the calendar day of Monday, May 26, 1924, the Senate will proceed to vote without further debate upon any amendment that may be pending, any amendment that may be offered, and upon the bill (S. 1898) to readjust the compensation of postmasters, etc.

Mr. BORAH. Mr. President, will not the Senator in charge of the bill be willing to move up the time an hour, and give us 10 minutes on amendments, or something like that?

Mr. ROBINSON. Mr. President, for the convenience of some Senators who can not be here Monday, who favor the bill and desire to vote for it, I want to suggest that the vote be fixed for an early hour on Tuesday, say 12.30 Tuesday; and I have no objection to a modification of the agreement so as to provide for a limitation on debate after a certain hour.

Mr. EDGE. I will try to meet the request of both Senators; and, if it meets the desire of the Senate, I will change the hour to 1 o'clock on Tuesday, adding the paragraph, if the clerk will do it, permitting debate on amendments from 11 to 1, if that is satisfactory to Senators.

Mr. BORAH. Say 10 minutes, without fixing a specific hour. I do not know that I shall want to occupy a single minute with regard to the matter; but the measure is an important one, and I do not want to vote on amendments without some opportunity of hearing them explained.

Mr. ROBINSON. May I suggest then, that after the hour of 5 o'clock on Monday all debate be so limited that no Senator shall speak oftener than once or longer than 10 minutes upon the bill or any amendment that may be pending or that may be offered, and that at the hour of 1 o'clock p. m. on Tuesday the Senate shall proceed to vote upon the bill and all pending amendments.

Mr. EDGE. That is satisfactory to me.

The PRESIDING OFFICER. The Secretary will state the modified proposal.

The reading clerk read as follows:

It is agreed by unanimous consent that at not later than 1 o'clock p. m. on the calendar day of Tuesday, May 27, 1924, the Senate will proceed to vote without further debate upon any amendment that may be pending, any amendment that may be offered, and upon the bill (S. 1898) to adjust compensation, etc., through the regular parliamentary stages to its final disposition; and that after the hour of 5 o'clock p. m. on Monday, May 26, no Senator shall speak more than once or longer than 10 minutes upon the bill, or more than once or longer than 10 minutes upon any amendment offered thereto.

The PRESIDING OFFICER. Is there objection?

Mr. BORAH. Mr. President, I suggest making the hour 4 o'clock on Monday, so that the rule will not take effect just as we are adjourning.

Mr. ROBINSON. Very well; I have no objection.

The PRESIDING OFFICER. Is there objection to changing the hour to 4 o'clock?

Mr. EDGE. I have no objection.

The PRESIDING OFFICER. The Chair hears none. Is there objection to the request as modified? The Chair hears none, and the agreement is entered into.

The agreement, as entered into, is as follows:

Ordered, by unanimous consent, that not later than 1 o'clock p. m. on the calendar day of Tuesday, May 27, 1924, the Senate will proceed to vote without further debate on any amendment that may be pending, any amendment that may be offered, and upon the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service, through the regular parliamentary stages to its final disposition, and that after the hour of 4 o'clock p. m. on the calendar day of Monday next no Senator shall speak more than once or longer than 10 minutes upon the bill or upon any amendment offered thereto.

THE NAVY

Mr. HALE. Mr. President, I ask that Senators will please not interrupt me during the course of my remarks. When I have concluded I shall be glad to answer any questions that any Senator may see fit to ask.

The PRESIDING OFFICER. The Senator has control of his own time.

Mr. HALE. Mr. President, during the debate on the naval appropriation bill the junior Senator from Tennessee [Mr. McKELLAR] asked me to place in the RECORD tables showing the relative strength of the navies of the United States, Great Britain, and Japan. I have had tables prepared by the Navy Department showing the principal combatant ships of the first line of the three navies built, building, and projected. The statistics in regard to the British Navy and our own Navy are, I believe, accurate. The information in regard to the Japanese Navy is not as reliable. I ask that the tables be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The tables are as follows:

Statement showing combatant ships in the navies of the United States, British Empire, and Japan

CAPITAL SHIPS

United States					British Empire					Japan				
Name	Date of completion	Displacement	Speed	Main battery	Name	Date of completion	Displacement	Speed	Main battery	Name	Date of completion	Displacement	Speed	Main battery
			Knots					Knots					Knots	
1. West Virginia	1923	32,600	21	8 16-inch 45-caliber guns.	1. Royal Sovereign	1916	25,750	23	8 15-inch 42-caliber guns.	1. Mutsu	1921	33,800	23	8 16-inch 45-caliber guns.
2. Colorado	1923	32,600	21	do	2. Royal Oak	1916	25,750	23	do	2. Nagato	1920	33,800	23	Do.
3. Maryland	1921	32,600	21.76	do	3. Revenge	1916	25,750	23	do	3. Huiga	1918	31,260	23	12 14-inch 45-caliber guns.
4. California	1921	32,300	21.46	12 14-inch 50-caliber guns.	4. Resolution	1916	25,750	23	do	4. Ise	1917	31,260	23	Do.
5. Tennessee	1920	32,300	21.01	do	5. Ramillies	1917	25,750	23	do	5. Yamashiro	1917	30,600	22.5	Do.
6. Idaho	1919	32,000	21.29	do	6. Malaya	1916	27,500	25	do	6. Fu-So	1915	30,600	22.5	Do.
7. New Mexico	1918	32,000	21.08	do	7. Valiant	1916	27,500	25	do	7. Kirishima [1]	1915	27,500	27.5	8 14-inch 45-caliber guns.
8. Mississippi	1917	32,000	21.09	do	8. Barham	1915	27,500	25	do					
9. Arizona	1916	31,400	21.00	12 14-inch 45-caliber guns.	9. Queen Elizabeth	1915	27,500	25	do	8. Haruna [1]	1915	27,500	27.5	Do.
					10. Warspite	1915	27,500	25	do	9. Hiyei [1]	1914	27,500	27.5	Do.
10. Pennsylvania	1916	31,400	21.05	do	11. Benbow	1914	25,000	21	10 13.5-inch 45-caliber guns.	10. Kongo [1]	1913	27,500	27.5	Do.
11. Oklahoma	1916	27,500	20.58	10 14-inch 45-caliber guns.										
					12. Emperor of India	1914	25,000	21	do					
12. Nevada	1916	27,500	20.53	do										
13. New York	1914	27,000	21.47	do	13. Iron Duke	1914	25,000	21	do					
14. Texas	1914	27,000	21.05	do	14. Marlborough	1914	25,000	21	do					
15. Arkansas	1912	26,000	21.09	12 12-inch 50-caliber guns.	15. Hood [1]	1920	41,200	31	8 15-inch 42-caliber guns.					
16. Wyoming	1912	26,000	21.22	do	16. Renown [1]	1916	26,500	31.5	6 15-inch 42-caliber guns.					
17. Florida	1911	21,825	22.08	10 12-inch 45-caliber guns.	17. Repulse [1]	1916	26,500	31.5	do					
18. Utah	1911	21,825	21.04	do	18. Tiger [1]	1914	28,500	30	8 13.5-inch 45-caliber guns.					
					19. Thunderer	1912	22,500	21	10 13.5-inch 45-caliber guns.					
					20. King George V.	1912	23,000	21	do					
					21. Ajax	1913	23,000	21	do					
					22. Centurion	1913	23,000	21	do					
		525,850					580,450					301,320		

NOTES.—The United States has no battle cruisers.

On the completion in 1925 or 1926 of the two new ships, namely, *Rodney* and *Nelson*, of 35,000 tons each, the *Thunderer*, *King George V*, *Ajax*, and *Centurion* will be scrapped as provided by the agreement reached at the Conference on the Limitation of Armament. The total tonnage to be retained by the British Empire will be 558,950 tons.

LIGHT CRUISERS COMPLETED SINCE 1912

[8,000–10,000 tons. Speed of 29 knots plus]

					1. Hawkins	1919	9,750	30	7–7.5-inch guns					
					2. Vindictive	1918	9,750	30	6–7.5-inch guns					
							19,500							

[7,000–8,000 tons. Speed of 29 knots plus]

1. Omaha	1923	7,900	33.7	12 6-inch guns										
2. Milwaukee	1923	7,500	33.7	do										
3. Richmond	1923	7,500	33.7	do										
4. Detroit	1923	7,500	33.7	do										
5. Concord	1923	7,500	33.7	do										
6. Cincinnati	1923	7,500	33.7	do										
7. Raleigh	1924	7,500	33.7	do										
8. Trenton	1924	7,500	33.7	do										
		60,000												

[3,000–5,600 tons. Speed of 29 knots plus]

					1. Dispatch	1922	4,765	29	6 6-inch	1. Yubari	1923	3,100	33	6 5.5-inch.
					2. Diomede	1922	4,765	29	do	2. Isudzu	1923	5,570	34	7 5.5-inch.
					3. Delhi	1919	4,650	29	6 6.5-inch	3. Nagara	1922	5,570	34	Do.
					4. Dunedin	1919	4,650	29	do	4. Natori	1922	5,570	34	Do.
					5. Durban	1921	4,650	29	do	5. Yura	1923	5,570	34	Do.
					6. Danae	1918	4,650	29	do	6. Kinu	1923	5,570	34	Do.
					7. Dauntless	1918	4,650	29	do	7. Kuma	1920	5,500	[2] 33	Do.
					8. Dragon	1918	4,650	29	do	8. Tama	1921	5,500	[2] 33	Do.
					9. Calro	1919	4,190	29	5 6-inch	9. Oi	1921	5,500	[2] 33	Do.
					10. Calcutta	1919	4,190	29	do	10. Kitakami	1921	5,500	[2] 33	Do.
					11. Carlisle	1918	4,190	29	do	11. Kiso	1921	5,500	[2] 33	Do.
					12. Capetown	1923	4,190	29	do	12. Tatsuta	1919	3,500	31	4–5.5 inch
					13. Colombo	1919	4,190	29	do	13. Tenryu	1919	3,500	31	Do.
					14. Cardiff	1917	4,190	29	do					
					15. Ceres	1917	4,190	29	do					
					16. Coventry	1918	4,190	29	do					
					17. Curacoa	1918	4,190	29	do					
					18. Curlew	1917	4,190	29	do					
					19. Caledon	1917	4,120	29	do					

[1] Battle cruisers.

[2] Reported to have made 36 to 36.5 on trials.

Statement showing combatant ships in the navies of the United States, British Empire, and Japan—Continued

LIGHT CRUISERS COMPLETED SINCE 1912—Continued

[3,000–5,600 tons. Speed of 29 knots plus]

United States					British Empire					Japan				
Name	Date of completion	Displacement	Speed	Main battery	Name	Date of completion	Displacement	Speed	Main battery	Name	Date of completion	Displacement	Speed	Main battery
			Knots					*Knots*					*Knots*	
					20. Calypso	1917	4,120	29	do					
					21. Caradoc	1917	4,120	29	do					
					22. Centaur	1916	3,750	29	do					
					23. Concord	1916	3,750	29	do					
					24. Cambrian	1916	3,750	29	4 6-inch					
					25. Canterbury	1916	3,750	29	do					
					26. Castor	1915	3,750	29	do					
					27. Constance	1916	3,750	29	do					
					28. Calliope	1915	3,750	29	do					
					29. Champion	1915	3,750	29	do					
					30. Carysfort	1915	3,750	29	do					
					31. Cleopatra	1915	3,750	29	do					
					32. Comus	1915	3,750	29	do					
					33. Conquest	1915	3,750	29	do					
					34. Aurora	1914	3,500	29	2 6-inch					
							140,190					65,450		

[3,000–5,600 tons. Speed of 25–29 knots]

					1. Birmingham	1914	5,440	25.5	9 6-inch guns	1. Hirado	1912	4,950	26	8 6-inch guns.
					2. Lowestoft	1914	5,440	25.5	do	2. Yahagi	1912	4,950	26	Do.
					3. South Hampton.	1912	5,400	25.5	8 6-inch guns	3. Chikuma	1912	4,950	26	Do.
					4. Dublin	1913	5,400	25.5	do					
					5. Yarmouth	1912	5,250	25	do					
					6. Adelaide	1922	5,550	25	9 6-inch guns					
					7. Melbourne	1913	5,400	25.5	8 6-inch guns					
					8. Sydney	1913	5,400	25.3	do					
					9. Brisbane	1916	5,400	25.5	do					
					10. Chatham	1912	5,400	25.5	do					
							54,090					14,850		

There are two other light cruisers on the effective list of the British Empire which are not included in the above table, the Dartmouth and Weymouth, completed in 1911, of 5,250 tons, 8 6-inch guns, speed 25 knots.

None of the above-mentioned vessels have a speed exceeding 26 knots.

There is one light cruiser, the Tone, of 4,100 tons, completed in 1910, still on Japanese effective list not included above.

LIGHT CRUISERS BUILDING

[8,000–10,000 tons. Speed of 29 knots plus]

					1. Effingham		9,750	30.5	7 7.5-inch					
					2. Frobisher		9,750	30.5	do					
							19,500							

[7,000–8,000 tons. Speed of 29 knots plus]

1. Marblehead [3]		7,500	33.7	12 6-inch	1. Emerald		7,550	33	7 6-inch	1. Furutaka		7,100	(5)	6 8-inch.
2. Memphis [4]		7,500	33.7	do	2. Enterprise		7,550	33	do	2. Kinugasa		7,100	(5)	Do.
										3. Aoba		7,100	(5)	Do.
										4. Kako		7,100	(5)	Do.
		15,000					15,100					28,400		

[5,600–7,000 tons Speed of 29 knots plus—None]

[3,000–5,600 tons. Speed of 29 knots plus]

										1. Abukuma		5,570	34	7 5.5-inch.
										2. Jintsu-U		5,570	34	Do.
										3. Sendai		5,570	34	Do.
										4. Naka [6]		5,570	34	Do.
												22,280		

LIGHT CRUISERS PROJECTED

[8,000–10,000 tons. Speed of 29 knots plus]

					1. Kent		10,000		8-inch guns	1. Nachi		10,000	[7] 32	6 8-inch guns. [7]
					2. Suffolk		10,000		do	2. Myoko		10,000	[7] 32	Do. [7]
					3. Cornwall		10,000		do	3. Not named		10,000	[7] 32	Do. [7]
					4. Cumberland		10,000		do	4. Not named		10,000	[7] 32	Do. [7]
					5. Berwick		10,000							
							50,000					40,000		

[3] Probable date of completion, Aug. 30, 1924.
[4] Probable date of completion, December, 1924.
[5] Unknown.
[6] Damaged by earthquake while on the stocks.
[7] Estimated.

Funds provided in British Navy estimates for fiscal year 1924–25. Shipbuilders now preparing bids.
It is understood that two of these Japanese ships will be laid down in October, 1924.

Statement showing combatant ships in the navies of the United States, British Empire, and Japan—Continued

DESTROYERS, 800 TONS PLUS, BUILT AND BUILDING OR PROJECTED

FLOTILLA LEADERS BUILT

[1,500 tons plus]

United States					British Empire					Japan				
Name	Date of completion	Displacement	Speed	Main battery	Name	Date of completion	Displacement	Speed	Main battery	Name	Date of completion	Displacement	Speed	Main battery
			Knots					Knots					Knots	
					1. Bruce	1918	1,800	36.5	5 4.7-inch guns, 6 torpedo tubes.					
					2. Campbell	1918	1,800	36.5	do					
					3. Douglass	1918	1,800	36.5	do					
					4. Mackay	1919	1,800	36.5	do					
					5. Malcolm	1919	1,800	36.5	do					
					6. Montrose	1918	1,800	36.5	do					
					7. Stewart	1918	1,800	36.5	do					
					8. Shakespeare	1917	1,750	36	do					
					9. Spenser	1917	1,750	36	do					
					10. Wallace	1919	1,750	36	do					
					11. Grenville	1916	1,670	34	4 4-inch guns, 4 torpedo tubes.					
					12. Saumarez	1916	1,670	34	do					
					13. Seymour [8]	1916	1,670	34	do					
					14. Anzac	1917	1,670	34	do					
					15. Abdiel [9]	1916	1,670	34	3 4-inch guns, 4 torpedo tubes.					
					16. Nimrod	1915	1,610	34	4 4-inch guns, 4 torpedo tubes.					
							27,810							

FLOTILLA LEADERS BUILDING

					1. Keppel		1,750	36	5 4.7-inch guns, 6 torpedo tubes.					
					2. Broke		1,750	36	do					
							3,500							

DESTROYERS 800 TONS PLUS (BUILT)

[800 to 1,500 tons]

United States						British Empire						Japan				
Number in class	Class	Displacement [10] (designed)	Speed (designed) knots	Guns	Torpedo tubes	Number in class	Class	Displacement	Speed	Guns	Torpedo tubes	Number in class	Class	Displacement	Speed	Guns	Torpedo tubes
8	Cassin, No. 43–50	1,010	29+	4 4-inch	8	14	V	1,325	34	4 4.7-inch	6	1	Urakaze	955	28.00	{1 4.7-inch, 4 3-inch}	4
						5	V	1,325	34	4 4-inch	6	10	Momo	835	31.5	3 4.7-inch	6
						35	V	1,300	34	do	6	21	Momi	850	33.00	do	4
6	O'Brien, No. 51–56.	1,050	29+	do	8	4	V	1,300	34	do	5	6	Even numbered.	900	[7] 31.5	do	4
						2	Thornycroft V	1,350	35	4 4.7-inch	6	2	Umikaze	1,150	33.00	{2 4.7 inch, 5 3-inch}	4
5	Tucker, No. 57–62	1,090	29.5	do	8	4	do	1,325	35	4 4-inch	6	4	Amatsukaze	1,227	34.00	4 4.7-inch	6
						54	Admiralty V-S	1,075	36	3 4-inch	4	2	Tanikaze	1,300	34.00	3 4.7-inch	6
6	Sampson, No. 63–68.	1,110	29.5	do	12	3	Thornycroft S	1,075	36	do	4	15	Namikaze	1,345	34.00	4 4.7-inch	6
6	Caldwell, No. 69–74.	1,125	30	do	12	6	Yarrow S	980	36	do	4	4	Odd numbered	1,400	34.00	do	6
						8	Admiralty MR	1,085	36	do	4						
[11] 109	Wickes No. 75–185.	{1,185–1,215}	35	do	12	34	Admiralty R	1,065	36	do	4						
						6	Thornycroft R	{1,085–1,065}	35	do	4						
148	Clemson, No. 186–347.	1,215	35	do	12												
						6	do	900	36	do	4						
						2	Thornycroft M	1,000	35	do	4						
288		[10] 342,086				193		209,315				65		68,228			

[7] Estimated.
[8] Seymour can be equipped as a mine layer.
[9] Abdiel is a mine layer.
[10] Displacements shown is that of name ship of class. Displacements of individual vessels in a class vary slightly.
[11] Includes 14 light mine layers of destroyer type.

NOTES.—Dates of completion of the 288 ships for the United States is as follows: 4, 1913; 4, 1914; 7, 1915; 8, 1916; 5, 1917; 50, 1918; 108, 1919; 73, 1920; 28, 1921; 3, 1922.
Dates of completion of the 183 destroyers for the British Empire are as follows: 21, 1916; 52, 1917; 62, 1918; 39, 1919; 3, 1920; 2, 1922; 1, 1923; 3, 1924.
Dates of completion of the 65 destroyers for Japan are as follows: 2, 1911; 1, 1915; 1, 1916; 7, 1917; 7, 1918; 4, 1919; 12, 1920; 11, 1921; 9, 1922; 10, 1923; 1, 1924.

Statement showing combatant ships in the navies of the United States, British Empire, and Japan—Continued

DESTROYERS, 800 TONS PLUS, BUILDING AND PROJECTED

United States						British Empire						Japan					
Number in class	Class	Displacement (designed)	Speed (designed) knots	Guns	Torpedo tubes	Number in class	Class	Displacement	Speed	Guns	Torpedo tubes	Number in class	Class	Displacement	Speed	Guns	Torpedo tubes
						Two provided for in Navy estimates. Characteristics unknown. Displacement estimated at 1,350 tons each.						25 2	Odd numbered Even numbered.	1,400 900	34 31.5	4 4.7-inch 3 4.7-inch	

SUBMARINES BUILT (485 TONS OR OVER)

[Fleet submarines, 2,000 tons plus]

United States							British Empire							Japan						
Number in class	Type	Date completed	Surface displacement	Surface speed	Guns	Torpedo tubes	Number in class	Type	Date completed	Surface displacement	Surface speed	Guns	Torpedo tubes	Number in class	Type	Date completed	Surface displacement	Surface speed	Guns	Torpedo tubes
							1 1	K–26 X–1	1923 1924	2,140 2,780	23 [7] 20	3 4-inch 4 5.2-inch[7]	4 [7] 6							
							2			4,920										

[Fleet submarines, 1,000 tons plus]

3	T	1920–21	1,106	21			5	K	1917	1,880	24	(See note)	8	2	No. 44	1924	1,200	22	Either 1 4.7-in. or 1-5.2 in.	
3			3,318				5			9,400				2			2,400			

NOTE.—K–2, K–6, and K–22 have 2 4-inch; K–12 has 2 4-inch and 1 3-inch; K–14 has 1 4-inch and 1 3-inch. One of the 44 class, namely, No. 51, may not have been completed.

MONITOR SUBMARINES (BUILT)

							3	M	1918–20	1,600	15.5	1 12-inch, 1 3-inch	4							
							3			4,800										

SUBMARINES (BUILT)

[800 to 1,000 tons]

1	S–2	1920	800	14	1 4-inch	4	8	L–1, L–8		890	17.5	1 4-inch	4	6	No. 25 to No. 30.	1920–22	900	18	1 3-pdr.	
27	S–1, S–14 to S–41.	1920–24	854	14.5	do	4	5	L–9, 15, 19, 20, 33.		890	17.5	do	4	4	Nos. 46, 47, 57, 59.	1922–23	900	18	1 3-pdr., 1 3-in.	
4	S–48, S–51.	1922–23	993	14.5	do	5	6	L–11, 12, 16, 18, 21, 22.		890	17.5	do	6	12	Nos. 22, 23, 24, 34, 35, 36, 37, 38, 39, 40, 41, 42.	1920–22	940	17	do	
6	S–3, S–4, S–6, S–7, S–8, S–9.	1919–21	876	14.5	do	4	3	L–14, 17, 25.		890	17.5	do	[11] 4							
4	S–10, S–13.	1922–23	876	14.5	do	5	3	L–52		960	17.5	2 4-inch	6	5	Nos. 45, 58, 62, 68, 69.	1921–23	960	17	1 3-in. 25-cal. A A. 1 3-in. 40-cal.	
42			36,590				25			22,350				27			25,080			

NOTE.—L–14, L–17, and L–25 are mine-laying submarines.

[800 to 800 tons]

														2	No. 18 and No. 21.	1920	689	18	1 3-pdr.	
														2	No. 19 and No. 20.	1919	720	17	do 1 3-in. 25-cal. A.A.	
														3	Nos. 31, 32, and 33.	1921	750	18	1 3-pdr. 1-3-in. 25-cal. AA.	
														7			5,068			

[485 to 600 tons]

6	Lake O	1918	485	14	1 3-in. 23-cal.	4
10	Holland O	1918	520	14	do	4
7	R	1919	498	14	1 3-in. 50-cal.	4
20	R	1918–19	569	13.5	do	4
43			22,961			

[7] Estimated

[11] And 14 mines.

Statement showing combatant ships in the navies of the United States, British Empire, and Japan—Continued

SUBMARINES (485 TONS OR OVER) BUILDING OR PROJECTED

[Fleet submarines (2,000 tons plus) building or projected (classed as fleet submarines on account of size)]

United States							British Empire							Japan						
Number in class	Type	Date completed	Surface displacement	Surface speed	Guns	Torpedo tubes	Number in class	Type	Date completed	Surface displacement	Surface speed	Guns	Torpedo tubes	Number in class	Type	Date completed	Surface displacement	Surface speed	Guns	Torpedo tubes
3	V		2,125																	
3			6,375																	
							1	O		1,480	[7] 20									

[Fleet submarines (1,000 tons plus) (classed as fleet submarines on account of size)]

Twenty-three of 29,365 tons. This is an estimate based on Admiral Kato's statement in announcing post-treaty building program, to the effect that Japan would build 22 submarines of a total tonnage of 28,165 tons, the other one included is No. 52 reported to be of 1,200 tons displacement. The average displacement of the 22 submarines in the post-treaty program is 1,280 tons.

SUBMARINES (800-1,000 TONS) BUILDING OR PROJECTED

2	S-14		876		14-inch, 50-caliber.	4	3	L-23		890	17½	14-inch.	4
6	S-42 to 47		906		do	4	2	L-52		960	17½	3 4-inch.	8
8			7,144				5			4,590			

Total number 10. Nos. 48, 49, 50, 60, 61, 63, 64, 65, 66, 67 estimated to be of 960 tons each, of a total tonnage of 9,600. Reported that work is suspended on some of these.

SUBMARINES (600-800 TONS) BUILDING OR PROJECTED—NONE

SUBMARINES (485-600 TONS) BUILDING OR PROJECTED

Four, Nos. 53, 54, 55, and 56, of 550 tons each. Exact status of these boats indefinite. Work on them is reported to be suspended.

NOTE.—Data concerning Japanese submarines is difficult to obtain. The data shown above has been obtained from various sources, and its accuracy can not be vouched for, but it is the most reliable data available.

AIRCRAFT CARRIERS BUILT

1	Langley	1922	12,700	13	4 5-inch		1	Argus	1918	14,450	20	24-inch; 4 4-inch A. A.		1	Hosho	1922	9,500	25	4 5.5-inch; 2 3-inch A. A.	
							1	Hermes	1924	10,950	25	6 5.5-in.; 4 4-inch A. A.								
							1	Eagle[13]	1924	22,790	24	9 6-inch; 5 4-inch A. A.								
1			12,700				3			48,190				1			9,500			

AIRCRAFT CARRIERS BUILDING

1	Lexington.[14]		33,000				[15] 1	Furious		19,100	31	10 5.5-in.; 6 4-inch A. A.		1	Amagi[17]		27,000			
1	Saratoga[14]		33,000				[15] 2	Courageous and Glorious		18,600 (each)	31	[16]		1	Kaga[18]		26,900			
2			66,000				3			56,300				2			53,900			

The tonnage of aircraft carriers allowed by treaty is:

United States	135,000
British Empire	135,000
Japan	81,000

RECAPITULATION

LIGHT CRUISERS BUILT AND BUILDING OR PROJECTED, LESS THAN 12 YEARS OLD

	United States								British Empire								Japan							
	Built		Building		Projected		Total		Built		Building		Projected		Total		Built		Building		Projected		Total	
	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons
8,000-10,000 tons 29 knots plus									2	19,500	2	19,500	[19] 5	50,000	9	80,000					4	40,000	4	40,000
7,000-8,000 tons 29 knots plus	8	60,000	2	15,000			10	75,000			2	15,100			2	15,100			4	28,400			4	28,400
3,000-5,600 tons 29 knots plus									34	140,190					34	140,190	13	65,450	4	22,280			17	87,730
Total light cruisers 29 knots speed or greater	8	60,000	2	15,000			10	75,000	36	159,690	4	34,600	5	50,000	45	244,290	13	65,450	8	50,680	4	40,000	25	156,130
3,000-5,600 tons 25-29 knots									10	54,090					10	54,090	3	14,850					3	14,850
Total light cruisers less than 12 years old	8	60,000	2	15,000			10	75,000	46	213,780	4	34,600	[19] 5	50,000	55	298,380	16	80,300	8	50,680	4	40,000	28	170,980

[7] Estimated.
[13] Ex-battleship Almirante Cochrane.
[14] Ex-battle cruisers converting to aircraft carriers as allowed by treaty
[15] Ex-cruisers to be reconstructed as aircraft carriers.
[16] Present battery 4 15-inch, 18 4-inch, 2 3-inch A. A., 16 tubes. Battery when reconstructed unknown.
[17] Ex-battle cruiser to be completed as an aircraft carrier.
[18] Ex-battleship to be completed as an aircraft carrier.
[19] Provided for in Navy estimates for fiscal year 1924-25.

NOTE.—There are two other light cruisers on the effective list of the British Empire which are not included in above, the Dartmouth and Weymouth, completed in 1911, of 5,250 tons, 8 6-inch guns, speed 25 knots. There is one light cruiser, the Tone, of 4,100 tons, completed in 1910, still on Japanese effective list not included above. Above figures include the Naka, of 5,570 tons, which was damaged by the earthquake while on the stocks and which it is understood will be rebuilt.

Statement showing combatant ships in the navies of the United States, British Empire, and Japan—Continued

RECAPITULATION—Continued

DESTROYERS BUILT AND BUILDING OR PROJECTED

(Including all vessels of destroyer type)

	United States								British Empire								Japan							
	Built		Building		Projected		Total		Built		Building		Projected		Total		Built		Building		Projected		Total	
	No.	Tons	No	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons
Flotilla leaders, 1,500 tons plus									16	27, 310	2	3, 500			18	31, 310								
Destroyers first line, 800–1,500 tons	288	342, 086					288	342, 086	183	209, 315			2	2, 700	185	212, 015	65	68, 228	27	36, 800	(2)		92	105, 028
Total first line	288	342, 086					288	342, 086	199	237, 125	2	3, 500	2	2, 700	203	243, 325	65	68, 228	[1] 27	36, 800			92	105, 028
Destroyers second line, 500–800 tons	21	15, 582					21	15, 582	6	4, 200					6	4, 200							12	7, 850
Total destroyers	309	357, 668					309	357, 668	205	241, 325	2	3, 500	2	2, 700	209	247, 525	65	68, 228	[1] 27	36, 800			104	112, 878

SUBMARINES BUILT, BUILDING, AND PROJECTED (485 TONS OR OVER, SMALLER SUBMARINES EXCLUDED)

Fleet submarines, 2,000 tons plus			3	6, 375			3	6, 375	[1] 2	4, 920					2	4, 920								
Fleet submarines, 1,000 tons plus	3	3, 318					3	3, 318	[4] 5	9, 400	1	1, 480			6	10, 880	2	2, 400	23	29, 365			25	31, 765
Monitor submarines, 1,600 tons, 12-inch gun									3	4, 800					3	4, 800								
Submarines, 800–1,000 tons	42	36, 590	8	7, 144			50	43, 734	[5] 26	22, 350	5	4, 590			30	27, 120	27	25, 080	10	9, 600			37	34, 680
Total of submarines over 800 tons	45	39, 908	11	13, 519			56	53, 427	35	41, 850	6	6, 070			41	47, 720	29	27, 480	33	38, 965			62	66, 445
Submarines, 600–800 tons																	7	5, 088					7	5, 088
Submarines, 485–600 tons	43	22, 961					43	22, 961											4	2, 200			4	2, 200
Total first-line submarines	88	62, 869	11	13, 519			99	76, 388	35	41, 850	6	6, 070			41	47, 720	[6] 36	32, 548	[6] 37	41, 165			[6] 73	73, 713

[1] Estimated displacement.

[2] Includes those projected. Exact data as to number actually laid down not available.

[3] K–26, of 2,140 tons, and X–1, of 2,780 tons. K–26 has a speed of about 23 knots, and the X–1 is reported to have a speed of below 20 knots. K–26, on account of speed, was classed as fleet submarine, first line, in Oct. 1 tables.

[4] Includes K–2, K–6, K–12, K–14, K–22, of 1,880 tons each and speed of 24 knots. Does not include the J–7, of 1,200 tons displacement, 19½ knots speed.

[5] Includes 3 mine-laying submarines, L–14, L–17, and L–25, of 890 tons each, 17½ knots speed.

[6] The Admiralty official return showing fleets of the British Empire, United States, Japan, etc., as of Feb. 1, 1924, shows 37 submarines over 485 tons, of 29,210 tons total tonnage, completed, and 33, tonnage not shown, building and projected—a total of 70. Since then No. 43 (of 740 tons, British figure, 940 tons United States figure) has been lost. The 37 completed submarines shown in the return are divided according to tonnage as follows: 3 of 750 tons each, 15 of 740 tons each, 10 of 900 tons each, 3 of 720 tons each, 5 of 700 tons each, and 1 of 1,500 tons submerged displacement, whose surface displacement is about 1,200 tons. Part of those shown as building have not been laid down. Exact data as to the number laid down is not available.

Of smaller submarines, United States retains 27 of 10,645 tons, British Empire 26 of 11,248 tons, Japan 7 of 2,160 tons.

AIRCRAFT CARRIERS, BUILT AND BUILDING

	United States								British Empire								Japan							
	Built		Building		Projected		Total		Built		Building		Projected		Total		Built		Building		Projected		Total	
	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons
9,500–15,000 tons	1	12, 700					1	12, 700	2	25, 400					2	25, 400	1	9, 500					1	9, 500
15,000 plus			2	66, 000			2	66, 000	1	22, 790	3	56, 300			4	79, 090			2	53, 900			2	53, 900
Total	1	12, 700	2	66, 000			3	78, 700	3	48, 190	3	56, 300			6	104, 490	1	9, 500	2	53, 900			3	63, 400

Mr. HALE. Mr. President, during the last few weeks statements have appeared in the newspapers of the country, some of them editorially and some in the form of signed articles conveying the impression that our Navy is in a deplorable condition and that the ratio of 5–5–3 established at the Conference on the Limitation of Armament is not being lived up to by this country. Recently Admiral Coontz's report on the naval maneuvers at Culebra was published in part in the newspapers. This report has been used to lend color and to give support to the statements that had previously appeared.

As a matter of fact, Admiral Coontz's report was the report of the annual fleet maneuvers made by the admiral commanding the fleet to the Chief of Naval Operations. The object of the maneuvers is to try out the fleet under conditions approximating what would exist in time of war, with a view to finding out and correcting any weaknesses that may exist. A report that found no weaknesses in the 200 or more ships taking part in the maneuvers would indicate either a state of perfection which could hardly be hoped for or an attempt on the part of the officer making the report to win praise for the fleet under his command. No such report has ever been made at the close of any maneuvers that our fleet has ever held and no such report is ever expected.

Except for certain structural changes in existing ships and the building of certain new types of ship, both of which will require additional appropriations from the Congress, most of the weaknesses developed by the report may, and undoubtedly will be, remedied by the department itself under the appropriation for the current year and that for the coming year.

The Conference on the Limitation of Armament established, in so far as capital ships and aircraft carriers are concerned and capital ships and aircraft carriers alone, the ratio of 5–5–3 with Great Britain and Japan. The basis of tonnage of the capital ships was arranged along these lines, Great Britain to start with a slightly larger tonnage than ourselves. No country was to be allowed to replace any capital ships with ships of over 35,000 tons and the total tonnage was not to be increased by any replacements. At the time that the conference was held we had a number of ships partially completed, including 2 battleships already launched, 7 battleships and 6 battle cruisers on the ways and building. The 2 battleships that were already launched have been recently added to our Navy to take the place of 2 of the older ships which have since been scrapped. Two of the battle cruisers are being converted into aircraft carriers and are to be added to the fleet. The remaining ships under the terms of the treaty have been or are being scrapped.

Of the 18 capital ships which under the treaty we retain in our Navy, 6 are coal-burning vessels and 12 are oil burning vessels. The speed of all of our capital ships is approximately 21 knots per hour. When in good repair all capital ships of our fleet can maintain this speed.

The officials of the Navy Department have been hoping that Congress would appropriate a sufficient sum of money to change over the coal-burning vessels to oil-burning, so that the fleet would be uniform. Having in mind this change, the boilers of the six coal-burning vessels have not received the repairs that in the ordinary course of events they would receive, for the reason that such repairs would be wasted should Congress take the action that the department desires and has recommended. Recently during the maneuvers it was found that these old boilers would not stand the steam pressure requisite to maintain the full speed of the fleet, and an order was issued to keep the steam pressure on the four oldest vessels below 160 pounds instead of 220 pounds, which is the normal high pressure of these ships; later this limit was extended to 180 pounds. With the lower pressure these vessels can not reach a speed of over 14 knots per hour. The newer of the six coal-burning vessels, the *New York* and *Texas*, are still able to keep up the full steam pressure and can therefore keep up with the rest of the fleet. Their boilers, however, will soon have to be repaired or renewed. To repair temporarily the boilers of the four older

vessels will require an expenditure of $110,000. This work is now in progress on all the ships except the *Florida*. This will take care of them temporarily but eventually their boilers will have to be renewed. To replace the old coal-burning boilers with new coal-burning boilers would entail an expense of about $325,000 per ship. To convert these ships into oil burners would cost the Government about $850,000 per ship. In addition, the department wishes to put blisters on these ships for submarine protection and to put on additional deck armor protection against aircraft. The total cost of these changes for the four oldest battleships would be something less than $12,000,000, and to make the same changes on the *New York* and *Texas* and to install new fire control would cost $6,800,000 more. The House Committee on Naval Affairs has reported favorably to the House a bill embodying these changes, but the House has as yet taken no action on the bill.

Some question has arisen as to whether under the terms of the treaty we would have the right to change over our coal-burning vessels to oil burning. As far as I am personally concerned, I can see no reason why such a change would be in violation of the treaty, especially in view of the fact that all of our coal-burning vessels use oil to a certain extent for fuel and carry supplies of oil on board for that purpose, and I believe that the changes recommended should be made.

With the exception of the four oldest capital ships of the Navy, the reasons for the delay in the repair of which I have already explained, the capital ships of the Navy are substantially in as good condition now as they were at the time of the signing of the treaty.

Compared with the capital ships of England and Japan, we have 18 battleships of a tonnage of 525,850 to England's 18 battleships of a tonnage of 457,750 and 4 battle cruisers of a tonnage of 122,700, and to Japan's 6 battleships of a tonnage of 191,320 and 4 battle cruisers of a tonnage of 110,000. This country has no battle cruisers, and it is generally understood that the British plan is to give up battle cruisers as replacements go on and supplant them with battleships.

Under the terms of the treaty, Great Britain has two battleships now building which are expected to go into commission some time during the year 1926. They are to replace four of the older British battleships and are both vessels of 35,000 tons. They will undoubtedly be equal to if not superior to any battleships that we have in our Navy. When these ships are added to the British Navy, Great Britain will have 16 battleships and 4 battle cruisers.

Ship for ship, with the exception of our two oldest ships, our battleships are of greater tonnage, carry more or heavier guns, and are more heavily armored than the present British ships. Their speed, however, is somewhat less than that of the British ships, and the same is true to a lesser extent in comparison with the battleships of Japan. The battle cruisers of both England and Japan carry heavy guns and are much faster than our battleships; but, as they are not heavily armored, in actual battle with guns of an equal range this class of ship could not stand up against a battleship.

I ask leave to insert in the RECORD at this point tables showing the present elevation and range of guns of the American and British capital ships.

The tables are as follows:

Capital ships of the United States (size, elevation, and range of guns)

Ship	Turret guns		Maximum angle of elevation	Range in yards at elevation of—		
	Diameter of bore	Length in caliber		15°	20°	30°
	Inches		*Degrees*			
West Virginia	16	45	30	22,900	27,400	34,500
Colorado	16	45	30	22,900	27,400	34,500
Maryland	16	45	30	22,900	27,400	34,500
California	14	50	30	24,000	28,400	35,500
Tennessee	14	50	30	24,000	28,400	35,700
Idaho	14	50	15	24,000	28,400	35,500
New Mexico	14	50	15	24,000	28,400	35,500
Mississippi	14	50	15	24,000	28,400	35,500
Arizona	14	45	15	21,000	25,100	32,400
Pennsylvania	14	45	15	21,000	25,100	32,400
Oklahoma	14	45	15	21,000	25,100	32,400
Nevada	14	45	15	21,000	25,100	32,400
New York	14	45	15	21,000	25,100	32,400
Texas	14	45	15	21,000	25,100	32,400
Arkansas	12	50	15	24,350	29,400	35,500
Wyoming	12	50	15	23,500	29,400	35,500
Florida	12	45	15	22,000	26,000	32,000
Utah	12	45	15	21,000	26,000	32,000

Capital ships of the British Empire (size, elevation, and range of guns)

Ship	Turret guns		Maximum angle of elevation	Range in yards at elevation of—		
	Diameter of bore	Length in caliber		15° [1]	20° [1]	30° [1]
	Inches		*Degrees*			
Royal Sovereign	15	42	20	19,700	24,300	30,300
Royal Oak	15	42	20	19,700	24,300	30,300
Revenge	15	42	20	19,700	24,300	30,300
Resolution	15	42	20	19,700	24,300	30,300
Ramillies	15	42	20	19,700	24,300	30,300
Malaya	15	42	20	19,700	24,300	30,300
Valiant	15	42	20	19,700	24,300	30,300
Barham	15	42	20	19,700	24,300	30,300
Queen Elizabeth	15	42	20	19,700	24,300	30,300
Warspite	15	42	20	19,700	24,300	30,300
Benbow	13.5	45	20	19,600	23,800	30,000
Emperor of India	13.5	45	20	19,600	23,800	30,000
Iron Duke	13.5	45	20	19,600	23,800	30,000
Marlborough	13.5	45	20	19,600	23,800	30,000
Hood [2]	15	42	30	19,700	24,300	30,300
Renown [2]	15	42	20	19,700	24,300	30,300
Repulse [2]	15	42	20	19,700	24,300	30,300
Tiger [2]	13.5	45	20	19,600	23,800	30,000
Thunderer	13.5	45	20	19,600	23,800	30,000
King George V	13.5	45	20	19,600	23,800	30,000
Ajax	13.5	45	20	19,600	23,800	30,000
Centurion	13.5	45	20	19,600	23,800	30,000

[1] Approximately only
[2] Battle cruisers

The main armament of our battleships is as follows:

We have two ships carrying ten 12-inch guns, two carrying twelve 12-inch guns, four carrying ten 14-inch guns, seven carrying twelve 14-inch guns, and three carrying eight 16-inch guns.

Against this the British have: Eight carrying ten 13½-inch guns, and ten carrying eight 15-inch guns. The battleships *Rodney* and *Nelson* are expected to carry nine 16-inch guns in three superimposed turrets, located on the forward part of the ship.

Japan has four, carrying twelve 14-inch guns; two, carrying eight 16-inch guns.

Of the British battle cruisers one carries eight 13½-inch guns, two carry six 15-inch guns, and one carries eight 15-inch guns.

The Japanese battle cruisers each carry eight 14-inch guns.

The elevation of the guns of 13 of our ships is 15 degrees and of the remaining five, 30 degrees.

The elevation of the guns of all of the British battleships is 20 degrees, and likewise of all her battle cruisers except one, which is 30 degrees.

Six of our battleships, with an elevation of 15 degrees, have a range of 21,000 yards, and seven have a range of 21,600 to 24,000 yards. The remaining five, with an elevation of 30 degrees, have a range of from 34,500 yards to 35,700 yards.

With an elevation of 20 degrees, 8 of the British battleships have a range of 23,800 yards and 10 have a range of 24,300 yards. Two of their cruisers have a range of 24,300 yards and one has a range of 23,800 yards. The *Hood* has a range of 30,300 yards with a gun elevation of 30 degrees.

With the elevation of the guns left as it now is we therefore have five ships that will far outrange anything that the British have either in battleships or battle cruisers, and five others have about the same range as the British ships. The remaining eight battleships are, to the extent of several thousand yards, outranged by the British battleships and battle cruisers.

It has been impossible to get accurate figures on the elevation and range of the guns of the Japanese ships, but 30 degrees being the limit of elevation that may practically be used, there is no reason to suppose that Japan can outrange our five most modern ships with any ship that she may have, and as she has but two battleships carrying 16-inch guns and her most powerful 14-inch guns have not the length of the 14-inch guns on the *California* and *Tennessee*, the latter two vessels having 14-inch guns with an elevation of 30 degrees, we manifestly are able to outrange the rest of her fleet with our five best ships. Compared with our remaining 13 battleships she may or may not outrange us.

Last year Congress authorized an appropriation of $6,500,000 to change the elevation of the guns of the battleships of the fleet and raise them all to 30 degrees. Whether this change could be made under the provisions of the treaty on the limitation of armament has not yet been made clear. The question of the interpretation of the treaty rests with the State Department.

If, under the terms of the treaty, the change may properly be made, I am firmly of the opinion that it should be made. The American plan of building slower ships with heavier armament and heavier armor is based on the theory that has always prevailed in the American Navy that battleships are to fight and not to run away, and that powerful armament and heavy armor should not be sacrificed to obtain greater speed. But heavier guns and heavier armor will not suffice for a fighting ship if her guns have not the range of her opponent's guns. To compensate for her slower speed she must have a range at the very least equal to that of her opponents. Otherwise the faster vessel with a longer range may keep just out of gunshot and attack without any danger of reprisal. At the Battle of Jutland only 3 or 4 per cent of hits were made at a range of 18,000 yards. Improvements in fire control since made would probably increase this percentage somewhat. Necessarily at a greater range the percentage of hits would decrease. Nevertheless the possibility should be guarded against. Also unless the range is equal, the lightly armored battle cruisers of an enemy with a greater range of guns and faster speed can oppose the outranged battleships without any danger of reprisal. As both Great Britain and Japan have four battle cruisers each, this is a very important item to consider.

In carriers, the United States has at the present time the *Langley*, a vessel of 12,700 tons, and two carriers building of 33,000 tons each, namely, the *Lexington* and the *Saratoga*. These two ships were laid down as battle cruisers and are now being converted into aircraft carriers.

Great Britain has three carriers, one of 10,950 tons, one of 14,450 tons, and one of 22,790 tons; the latter is an ex-battleship converted into an aircraft carrier. She has building two of 18,600 tons each and one of 19,100 tons. These three vessels are cruisers that are being converted into carriers.

Japan has one carrier of 9,500 tons and two building, one of 26,900 tons and one of 27,000 tons displacement. One is an ex-battle cruiser which is being converted into a carrier and the other is an ex-battleship which is also being converted into a carrier.

Therefore, at the present time we are considerably weaker in aircraft carriers than Great Britain, and a little better off than Japan. With our building program completed we shall have two aircraft carriers that will be superior to anything that either country has, although our aggregate tonnage will be somewhat less than that of Great Britain and slightly more than that of Japan. The speed of our two new carriers, however, will be greater than that of the British ships and greater than anything that Japan may have, with the possible exception of the battle cruiser which is being converted.

The data as to the cruising range of our battleships and those of other countries, for military reasons, are kept secret. Suffice it to say that, from information that the department has, five of our battleships have a greater cruising radius than any of the British ships, and the average of the others with the exception of the coal-burning ships will compare favorably with the British ships.

We have no figures on the cruising radius of the Japanese ships. There is no reason to suppose that it is greater than ours. The policy of the Navy is to increase the cruising radius of our ships in every way possible by the installation of emergency storage and fuel economy improvements. The average date of completion of our battleships is much more recent than that of either Great Britain or Japan.

Under the terms of the treaty on the limitation of armament no limitation was put on any vessels other than capital ships, and aircraft carriers, except that no new ships of a tonnage of more than 10,000 tons could be constructed, and on these vessels no guns of a caliber larger than 8 inches could be mounted.

At the time of the signing of the treaty this country had no modern cruisers of any kind. Great Britain had built 51 cruisers of an aggregate tonnage of 236,250 tons with a speed of 25 knots per hour or more. Since then seven light cruisers have been removed from the effective list and two others are not included as they are over 12 years old.

Japan had built 11 light cruisers of an aggregate tonnage of 54,850 tons.

Since the signing of the treaty the United States has completed and put in commission eight new light cruisers of 7,500 tons each and a maximum speed of 33.7 knots. By the end of the year two additional cruisers of this class are expected to be put in commission, so that by January 1, 1925, we will have 10 of the most modern and up-to-date cruisers of this class of an aggregate tonnage of 75,000 tons.

Great Britain has not laid down any light cruisers, but has completed four additional light cruisers since the signing of the treaty and the only light cruisers of more than 5,550 tons that she has are two of 9,750 tons. She is, however, building at the present time two more of these cruisers of 9,750 tons and two of 7,550 tons. She has a further building plan authorized for five new cruisers of 10,000 tons each. The rest of the British light cruisers are vessels ranging from 3,500 tons to 5,550 tons.

Of this class of fast light cruisers we have none in our Navy, neither are these vessels to be compared in any way as to armament, cruising range, or fighting capacity with our new light cruisers.

Japan has five light cruisers of more than 25-knot speed, of a tonnage of 5,500 tons each, and five of a tonnage of 5,570 tons each. She has added five light cruisers to her force since the signing of the treaty, and is now building four cruisers of 7,100 tons each and four of 5,570 tons each. Her remaining light cruiser tonnage is made up of vessels of from 3,100 to 4,950 tons each. She has projected four cruisers of 10,000 tons each and it is understood that the keels of two of them will be laid down in the latter part of this year.

From these figures it would appear that in the larger type of light cruisers we can hold our own with Great Britain and more than hold our own with Japan, as far as ships that are already in commission or building are concerned. Both of these countries, however, have projected 10,000-ton ships and if the United States is to keep up with their navies in this respect it will be necessary for us to lay down some ships of this type.

As far as the smaller type of fast cruiser is concerned, we are very deficient in such vessels. Modern naval opinion, however, tends toward the eliminating of this class of light cruisers and the building of larger and more powerful ships.

We have a number of old cruisers of varying sizes in the second line of the Navy, including certain armored cruisers of large size and carrying guns of large caliber.

These cruisers all have a listed speed of more than 20 knots per hour. They are still of use to the Navy and would be of some, though probably not great use in time of war. However, as they are not carried in the first line, they have not been included in the tables. In slower ships of this class we are stronger than either Great Britain or Japan.

In destroyers, as the tables show, we are better equipped than either of the other two powers. Our aggregate tonnage in these vessels is greater than the tonnage of both Great Britain and Japan combined.

We are lacking in destroyer leaders and at some future time it may be found advisable to add vessels of this kind to the fleet. These vessels are in the nature of superdestroyers, and, while their armament in guns and torpedoes is little more powerful than that of destroyers, they can make better headway in rough weather than can the latter. They also give an opportunity to the flotilla commanders to carry an adequate staff, which can not be housed on the smaller destroyers.

The condition of our destroyers is very good and they are outclassed by no other destroyers in the world. There is nothing in any building program of England or Japan either under way or projected that threatens our supremacy in respect to these vessels.

In submarines our aggregate tonnage of vessels in commission is greater than that of Great Britain or Japan.

In coast-defense submarines, which includes the S boats, the R boats and the O and N boats, we are fairly well equipped. Some fault has been found with the engines and general construction of vessels of these types, but these faults, in so far as they have not been corrected, have developed principally when the submarines were used for purposes other than those for which they were constructed; that is to say, for fleet and cruising submarines.

We have at the present time in commission and in serviceable condition 85 coast-defense submarines of 485 tons or over. Great Britain has 28, including 3 of monitor type, and Japan has 34. Except in speed, our submarines of this type are in no way inferior to the same class of submarines of Great Britain and Japan. This is the class of boat that the Germans used during the World War and that proved so effective in destroying shipping. We have 8 more of this class of boats building. The Germans toward the end of the war further developed a much larger type of submarine, which they used for cruising purposes. These vessels had a wide cruising range and mounted guns running as high as 6 inches in caliber.

We have attempted to produce a faster type of submarine to accompany the fleet and several years ago brought out the three submarines of the T type, which proved on account of structure and lightness of their engines to be impracticable. These boats had a speed of somewhere around 20 knots per hour.

We have building at the present time three submarines of the V type, one of which is expected to be put in commission late in the present year. These three submarines are constructed to develop a speed of between 20 and 21 knots per hour, and it is expected that they will be used to accompany the fleet.

Great Britain has six fleet submarines of the K type, which are still in commission. These submarines are steam driven, whereas all of our submarines have Diesel oil engines.

Great Britain has further brought out a fleet submarine of the X type from which much was expected. In a recent trial of this ship, however, I am told that she has developed a speed of less than 20 knots per hour. The six K submarines and the one X submarine are the only fleet submarines which Great Britain has in commission. Up to date these vessels have not proved very successful.

Japan has two submarines of the fleet type in commission. They are, however, smaller submarines, being very little larger than our S boats, and no information is available as to their speed or their general characteristics. As a matter of fact, at the present time no country has successfully solved the problem of building fleet submarines.

We have no mine-laying submarines. Congress has just authorized the building of a mine-laying submarine of 2,700 tons.

Great Britain has three small mine-laying submarines with a speed of 17½ knots.

No information is available showing that Japan has any.

Great Britain has building six submarines, one a fleet submarine of 1,480 tons, and five coast defense submarines of under 1,000 tons.

Japan is reported to have building 23 fleet submarines of a tonnage of about 1,300 tons each, and 10 coast defense submarines of 960 tons each, and also four much smaller submarines.

To sum up the submarine situation, we are stronger than either Great Britain or Japan in coast defense submarines which are of the type to defend our own shores and that of our outlying possessions.

We have no mine-laying submarines, while Great Britain has three small ones and Japan, so far as is known, has none.

Our fleet submarines have up to date proved to be unsuccessful. The same may practically be said about the English and the Japanese fleet submarines. The Japanese building program, however, if successful, will give her a superiority in fleet submarines over both the British Navy and our own. We shall indoubtedly need to lay down more submarines in the future, especially mine-laying and fleet submarines.

In aviation it is difficult to make comparisons either with Great Britain or Japan. We have no accurate data as to the Japanese development of this branch of the service.

On account of her geographical situation, close to the Continent of Europe, for military purposes Great Britain is obliged to keep up a large aviation force. She has one air force covering both the army and the navy. The number of officers and men in the Royal Air Force having strictly to do with the navy is 319 officers and 1,907 men.

In this country, in naval aviation, we have 567 officers and 3,621 men. Three hundred and twenty-one of our officers are pilots. From these figures it would appear that in naval aviation we have a larger air force than Great Britain, although some of the work at shore stations done by our officers and men is done in Great Britain by officers and men of the Royal Air Force not strictly connected with the navy.

At the time of the armistice very little development had been made by either Great Britain, Japan, or this country in naval aviation as connected with the fleet. At that time we had no aircraft carrier in our Navy. Great Britain had several small carriers which had seen service during the war, and Japan like ourselves had no carrier. With the development of the aircraft carrier, however, the navies of the world are giving more attention to this branch of the service. At the present time we have 138 airplanes connected with the fleet. This includes planes attached to aircraft carriers, to battleships, cruisers, and tenders. For these airplanes we have a reserve of 50 per cent carried at the air stations on shore. The bulk of the planes attached to the fleet are modern, up-to-date planes and include fighting, scouting, observation, torpedo, and bombing planes. By the end of the next fiscal year we expect to have 183 planes with the fleet.

Great Britain has 84 planes allocated to the fleet. She keeps in reserve on shore 1 plane for every plane with the fleet, giving her in all 168 planes allocated to the fleet to our 207. Her program is to have 121 planes with the fleet by the end of next year.

From the best figures that can be obtained, Japan has 50 planes allocated to her fleet. The number of planes that she keeps in reserve is not known.

From these figures it will appear that the United States has more planes attached to the fleet than either Great Britain or Japan, and there is nothing to indicate that in efficiency or military characteristics her planes are in any way inferior to the planes of the other two countries.

In no class of combatant ships mentioned in the above tables, with the exception of the coal-burning battleships, has our Navy fallen off since the date of the signing of the treaty. On the contrary, we have replaced two old 20,000-ton battleships with two modern 32,600-ton battleships of the latest design. Upon the completion of the repairs recommended for the coal-burning ships, our battleship quota will be greatly stronger than it was at the time of the signing of the treaty.

In fast light cruisers, by the addition of the ten 7,500-ton ships, all of which are now in commission or about to be put in commission, we have increased greatly in strength.

In destroyers no changes have been made.

In submarines, beyond the ordinary wear and tear of the ships then in commission, we have kept up to the strength that we then had and in addition have added a number of submarines of the S type, and will shortly add the V boats and eight more S boats now under construction to our submarine force.

In carriers we have added the *Langley* and have the *Lexington* and *Saratoga* under construction.

In aviation we have more than double the number of planes attached to the fleet than we had at the time of the signing of the treaty.

Excepting as to battleships and aircraft carriers the 5-5-3 ratio with Great Britain and Japan was never in existence. In light cruisers we were far behind this ratio at the time of the treaty, and still are behind it though to a much less extent.

In destroyers we were ahead of the ratio at the time of the treaty and still are ahead of it.

In submarines, at least numerically, we are still ahead of the ratio. Whether we are actually ahead of the ratio can not be determined until the merits of the fleet and mine-laying submarines of Great Britain and Japan are more definitely determined.

In carriers we were not up to the ratio as far as Great Britain was concerned at the time of the signing of the treaty. We shall be nearly up to it when the *Lexington* and *Saratoga* go into commission, and we shall be well up to it as far as Japan is concerned.

In naval aviation in general, exclusive of the carriers, we are well above the ratio.

In general, with respect to the Navy, we are nearer the 5-5-3 ratio at the present time than we were at the time of the signing of the treaty. That we shall eventually reach that ratio throughout the Navy I believe should be our future policy.

SENATOR BURTON K. WHEELER

Mr. HEFLIN. Mr. President, I ask for the yeas and nays on the report in the Wheeler case.

The PRESIDING OFFICER (Mr. WILLIS in the chair). The present occupant of the chair is advised that that matter is not now before the Senate.

Mr. HEFLIN. I think it is. I thought we were to have a vote on it. That was my understanding.

The PRESIDING OFFICER. It is not before the Senate.

Mr. STERLING. I did not know the motion had been made to take up the report. Has it been formally made?

Mr. BORAH. It has not yet been formally made. Does the Senator from South Dakota desire to speak further on the subject?

Mr. STERLING. Not any further, except I wish to offer a substitute for the motion when it is presented.

Mr. BORAH. Mr. President, I offer the following resolution (S. Res. 235):

Resolved, That the report submitted by the chairman of the special committee appointed to investigate the charges against Senator BURTON K. WHEELER be adopted and approved and the special committee be discharged.

Mr. HEFLIN. On that I ask for the yeas and nays.

Mr. STERLING. I offer the following substitute for the resolution just submitted by the Senator from Idaho.

The PRESIDING OFFICER. The substitute submitted by the Senator from South Dakota will be read.

The READING CLERK. In lieu of the resolution proposed by the Senator from Idaho, the Senator from South Dakota proposes the following:

Resolved, That it is the sense of the Senate that no action be taken upon the majority and minority reports presented to the Senate in the matter of the investigation of the charges made in the indictment returned against Senator BURTON K. WHEELER in the United States District Court for the State of Montana, and that pending the trial on such charges no question shall be made or raised as to the qualifications of Senator WHEELER or as to his right to a seat in the Senate on account of such charges.

Mr. BORAH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The clerk will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Ferris	Ladd	Smith
Ball	Fess	Lodge	Smoot
Bayard	Fletcher	McKinley	Spencer
Borah	Frazier	McNary	Stanfield
Brandegee	George	Mayfield	Stanley
Brookhart	Gerry	Moses	Stephens
Broussard	Glass	Neely	Sterling
Bruce	Gooding	Norris	Swanson
Cameron	Hale	Oddie	Trammell
Capper	Harris	Overman	Wadsworth
Caraway	Harrison	Pepper	Walsh, Mass.
Copeland	Heflin	Phipps	Walsh, Mont.
Cummins	Howell	Pittman	Warren
Curtis	Johnson, Calif.	Ralston	Wheeler
Dale	Johnson, Minn.	Reed, Pa.	Willis
Dial	Jones, N. Mex.	Robinson	
Dill	Kendrick	Sheppard	
Edge	King	Simmons	

The PRESIDING OFFICER (Mr. FESS in the chair). Sixty-nine Senators having answered to their names, a quorum is present.

Mr. BORAH. Mr. President, I have no intention of discussing these resolutions, but in view of the fact that a quorum has just been called, I think it well to call the attention of the Senate to the resolution and to the substitute offered by the Senator from South Dakota [Mr. STERLING]. The first resolution reads:

Resolved, That the report submitted by the chairman of the special committee appointed to investigate the charges against Senator BURTON K. WHEELER be adopted and approved and the special committee be discharged.

To that the Senator from South Dakota has offered as a substitute the following:

Resolved, That it is the sense of the Senate that no action be taken upon the majority and minority reports presented to the Senate in the matter of the investigation of the charges made in the indictment returned against Senator BURTON K. WHEELER in the United States district court for the State of Montana, and that pending the trial on such charges no question shall be made or raised as to the qualifications of Senator WHEELER or as to his right to a seat in the Senate on account of such charges.

I think, Mr. President, the reading of the substitute resolution itself is, perhaps, a sufficient explanation and a sufficient comment on it. The resolution, aside from the question of refusing to deal with the work of the committee, either one way or the other, if adopted, would establish a precedent which, upon reflection, the Senate, in my opinion, would not for a moment consider establishing.

Here is a charge made against a Senator; a committee is appointed to make an investigation; the report is filed; and action upon that report is asked for. The substitute resolution is to the effect that the Senate of the United States waive, as it were, its right to pass upon the question of the fitness of a Senator until another department of the Government shall have passed upon the question, apparently, of his fitness to sit. The precedent itself would be to the effect that we are waiving the constitutional duty and the constitutional obligation of determining for ourselves who is qualified to sit in this body. As I have stated, I think that of itself is sufficient comment upon the substitute resolution.

Mr. STERLING. Mr. President, just a word in regard to the matter, and that is all. The substitute resolution offered by myself carries out the theory that I have entertained in this case ever since the matter came before the committee in executive session. I have expressed myself again and again during the course of the debate on the floor to the same effect, and I have expressed the same idea in regard to Senator WHEELER's retention of his seat in the Senate pending trial that is expressed in the substitute resolution.

Mr. HEFLIN. Mr. President. I ask for the yeas and nays.

Mr. SPENCER. Mr. President——

The PRESIDING OFFICER. The Senator from Missouri.

Mr. SPENCER. Mr. President, I assume that there can be no doubt about the full right of the Senate, as the Senator from Montana [Mr. WALSH] has so clearly outlined, to consider and act upon the matter which has been presented to the Senate by this resolution, but I find myself in the position of being unable to agree either with the majority report or with the minority report, and for this reason: What is the function of the Senate of the United States when a charge of any kind from any source is brought against one of its Members? We have but one function, and that is, under the constitutional provision, to determine whether we either ought to expel that Member, as we have the right to do, or whether there is any question in regard to his qualifications as a Member, into which we have the right to inquire if we so desire. Those are the only two constitutional foundations—section 5, Constitution—upon which the Senate either with propriety or with dignity may stand. We can not act as a petit jury to hear evidence and pass upon an indictment and determine whether in a given case in which a Member of the Senate has been indicted he is either innocent or guilty. That is the function of the judicial department of government.

My objection to the majority report is that, as I read it, it constitutes the Senate a petit jury and passes a verdict of absolute acquittal and exoneration. A jury can do that, but the jury alone can do it. The majority opinion, as I read, assumes to pass upon the evidence and render a verdict which only the courts of the land are equipped or entitled to do. Neither have we the right as a grand jury to determine whether the facts that are presented are sufficient to warrant an indictment. The minority report, as I read it, does precisely that thing and finds that there was sufficient evidence before the grand jury to warrant the indictment. We have no concern with the grand jury or whether the evidence before it was or was not sufficient, in their judgment, to warrant an indictment.

What have we to do? The junior Senator from Montana in a clear and moving statement announced the facts as he conceived them to be, and under those facts as he announced them, no man could have any doubt about his innocence. He was not guilty; there was not a trace of guilt from the beginning of his statement to the end of it. Then, as a result of that statement of the facts as he believed and announced them to be, the Senate appointed a committee to investigate a report the facts upon which the indictment was rendered.

The Senate adopted a resolution and appointed a committee to do—what? Not to make any finding, not to make any recommendations, but to do one thing only, and that is to investigate and report to the Senate the facts in relation to the charges of the indictment. There is nothing else in the resolution except to provide an investigating committee to gather what obviously the Senate could not gather, namely, the facts in the case, and report those facts to the Senate for such action as the Senate might see fit to take with reference to them. Those facts are here in the printed testimony which the committee has reported. What can we do on those facts?

Mr. ROBINSON. Mr. President, will the Senator yield to a question?

Mr. SPENCER. I will yield in a moment.

Mr. ROBINSON. Right in that connection I should like to answer the Senator's question.

Mr. SPENCER. Just a moment, if the Senator please.

Mr. ROBINSON. I desire to answer the Senator.

Mr. SPENCER. And I want to yield to the Senator in a moment, and I will do so.

Can the Senate do anything more under that state of facts than to say, "We have appointed our committee; we have received their report; the facts are before us; and from the facts that we have we see no reason why the right of membership in the Senate of the United States should be questioned with regard to the junior Senator from Montana." That is the fair thing to do. The senior Senator from Montana [Mr. WALSH] in eloquent and moving terms voiced what every one of us must respond to—that when a Senator of the United States is charged with anything anywhere, whether before a grand jury or in the public press, as he put it, or anywhere else, of course that Senator has the right to bring the charges to the notice of his colleagues and ask them whether in their judgment there is anything in the charges that affect his right to sit in the Senate of the United States.

It is our duty—a high duty, corresponding to the high privilege which belongs to the Senate—to examine into those facts and to voice our judgment as to whether or not, from those facts, there is anything which disqualifies him from membership in the Senate.

I yield now to the Senator from Arkansas.

Mr. ROBINSON. The Senator declined to yield when I asked him to yield. My question was pertinent to a matter that he was then discussing. He asked what the Senate had to do with the matter—what was the right of the Senate. May I ask the Senator from Missouri this question:

Assuming that the evidence shows that a Senator, in obedience to the direction of this body, is performing a public duty, and a conspiracy is formed to interfere with him in the performance of that duty, and an effort is made to injure his reputation and to stop him in the work that he is carrying on at the direction of the Senate, does the Senator from Missouri think that all the action which the Senate should take is that it should make an investigation, take evidence, report the evidence to the Senate, and leave the public without any finding or conclusion touching the matter, and leave the Senator whose conduct is the subject-matter of investigation without either a vindication or a condemnation?

Mr. SPENCER. I certainly do not; and, without now agreeing with the correctness of the premises of the Senator, but assuming them to be true, the duty of the Senate might well be to condemn the conspiracy, to praise the Senator——

Mr. ROBINSON. Very well.

Mr. SPENCER. Just a minute; let me finish the answer—to praise the Senator, and then, if any charges have been made against him, to continue in conclusion with our confidence in his right to membership in this body; but that does not reach what is before us in these reports.

Mr. ROBINSON. Will the Senator yield for a further question?

The PRESIDING OFFICER. Does the Senator from Missouri further yield to the Senator from Arkansas?

Mr. SPENCER. Certainly.

Mr. ROBINSON. Does not the Senator know that the uncontradicted evidence shows that one Mr. Coan sought to injure the reputation of Senator WHEELER by causing him to be indicted upon evidence that he knew to be untrue, for the purpose of stopping him in his investigation of the Department of Justice? Does not the Senator know that that statement is supported by the testimony of the witness, Mr. Coan himself, which testimony establishes the facts in part, and by the testimony of Mr. Grorud, who was a former attorney general of the State of Montana, and that the evidence of Mr. Grorud is practically uncontradicted?

Mr. SPENCER. The Senator from Missouri does not know whether those facts are so or not.

Mr. ROBINSON. Will the Senator permit me to read the uncontradicted evidence——

Mr. SPENCER. No; the Senator from Missouri will not at this time yield further on that phase of the question.

Mr. ROBINSON. The Senator, then, does not want to know what the facts are as established by the evidence?

Mr. SPENCER. Not by way of interruption in an argument which has nothing to do with those facts.

Mr. ROBINSON. Mr. President, of course the Senator can decline to yield; but I submit to the Senator that my question is a fair one, pertinent to the issue now under consideration, and that, if he is unwilling to answer it, it would, anywhere else, and in the case of any other person than a Senator, impeach the integrity of his motives and the truthfulness of his statements.

Mr. SPENCER. The Senator from Arkansas is quite welcome to his opinion; and if the facts as the Senator from Arkansas outlines them were established——

Mr. ROBINSON. Mr. President, will the Senator——

Mr. SPENCER. Just let me finish, if you please.

Mr. ROBINSON. I offered to read to the Senate the uncontradicted testimony of the witness——

Mr. SPENCER. Will the Senator allow me, as I have the floor, to continue?

Mr. ROBINSON. Why, certainly.

Mr. SPENCER. At the proper time I shall be glad to go into the proof in regard to the statements of the Senator from Arkansas, but not now.

Mr. ROBINSON. Will the Senator yield?

Mr. SPENCER. I am now in the process of a simple and brief argument on a constitutional question.

Mr. ROBINSON. Very well. I agree with the Senator that it is very simple.

Mr. SPENCER. I shall be glad to, at any proper time, examine into the facts of which the Senator from Arkansas speaks, and if those facts were demonstrated, I concede in passing that it would be not only the right, but it might be the duty, of the Senate to condemn severely, in language as strong as any man might want to make it, such a conspiracy, exonerate the Member of the Senate, and praise him for what he has done. That, however, is not what is before the Senate now. The one thing before the Senate is as to what action the Senate of the United States ought to take with regard to an indictment which has been found in the courts against the junior Senator from Montana.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Idaho?

Mr. SPENCER. I do.

Mr. BORAH. I want to correct the Senator, because that seems to be the premise from which he is proceeding with satire and logic.

We are not dealing with an indictment at all, nor with what should be done with that indictment. They will proceed to trial upon the indictment. Our proceeding here does not seek to interfere with the indictment. The chairman of the committee was very careful not to permit that to be gone into. We inquired into the facts concerning the charge against Senator WHEELER, and brought the facts here; and the question is not what we will do with the indictment but what we will do with the facts which we have brought here.

Mr. SPENCER. The Senator from Idaho is quite right, except that the only facts which were submitted to the committee had to do with that indictment. Here is the resolution:

Mr. BORAH. Mr. President——

Mr. SPENCER. Let me read it first. Here is the resolution:

Resolved, That a committee consisting of five Members of the Senate be appointed by the President pro tempore—

To do what?

To investigate and to report to the Senate the facts—

What facts?

In relation to the charges—

What charges?

Made in a certain indictment returned against Senator BURTON K. WHEELER in the United States district court for the State of Montana.

Mr. BORAH. And that is precisely what we did. We investigated the facts concerning the charges which were evidenced by the indictment laid in the courts of Montana, but we secured all the facts relating to it. There are more facts in this report which were never known to the grand jury of Montana than those which were known to it. We went into all the facts, and have reported the facts here, and in our report we do not say a word about the indictment. We do not make any suggestion with regard to the indictment. We simply report the facts growing out of that charge, and those facts are here. Now, what are we going to do with them?

Mr. SPENCER. Mr. President, here is what I think we ought to do with them, and then I am through:

Certainly I have no desire, if I know my own heart, to attempt to interfere with the exoneration of a Senator who has been unjustly charged, within the full limits of such an exoneration as the Senate can give to him; but what does the majority report do? I submit that any man who reads it can come to no other conclusion than that the result of the majority report is precisely what a petit jury might find, and what, doubtless, we hope a petit jury will find—a verdict of not guilty and consequent exoneration. That is not the function of the Senate. We do not have the machinery of cross-examination or the judicial equipment that enable us to pass such a judgment.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Montana?

Mr. SPENCER. I yield to the Senator.

Mr. WALSH of Montana. It has often happened in the course of the history of this body that charges of a grave character were made against a Senator, in the public press or otherwise. He rises in this body to a question of personal privilege, as of course he has the right to do, calls attention to the charges, and asks an investigation. There is no indictment at all in that case. A committee is appointed to inquire into all the facts, not charged in an indictment out in Montana, but charged in a newspaper published in the city of New York or the city of Chicago. It investigates those facts. The committee comes back and reports to the Senate that there is nothing to the charges; no truth at all in them. Does the Senator mean to say that there is nothing the Senate can do in the matter?

Mr. SPENCER. Undoubtedly the Senate can pass any resolution regarding the qualification of that Member, or any reso-

lution that even indirectly has to do with its other power of expulsion.

Mr. WALSH of Montana. Oh, yes.

Mr. SPENCER. But those are the only two things the Senate can do.

Mr. WALSH of Montana. But what can it do in that case? What kind of action could it take except to adopt the report of the majority finding that the facts are not as set forth in the indictment?

Mr. SPENCER. It would depend entirely upon how that report, in the hypothetical case of the Senator, was framed.

Mr. WALSH of Montana. Whatever it is, whether the committee finds that the facts are as charged or that they are not as charged, the Senate would either adopt or reject that report.

Mr. SPENCER. That might well be, but the Senator knows that is not the fact here.

Mr. WALSH of Montana. So that the only difference between that case and this case is that there is an indictment here, and there is not in the other case.

Mr. SPENCER. We are asked to usurp the functions of the trial jury in a pending case and pass the same kind of a verdict that it is hoped that jury will pass.

Mr. WALSH of Montana. Just one other question. In the case that I have cited no indictment has been returned, but an indictment was returned afterwards. Now, what is the difference between the two?

Mr. SPENCER. The Senate's action came after the indictment.

Mr. WALSH of Montana. Yes.

Mr. SPENCER. My judgment is that if the Senator involved requested an expression of opinion from the Senate as to whether there was anything in the charges that affected his right to sit as a Member of the Senate, we ought at once to respond, and in as full language as you like, but nothing more.

Mr. WALSH of Montana. Oh, no; in that case, when there is no indictment, the Senator tells the Senate now that the appropriate procedure upon the incoming of the report of the committee is either to adopt it or reject it.

Mr. SPENCER. I do not so understand it.

Mr. WALSH of Montana. Exactly; so that we can not either adopt or reject the report now, because there is an indictment pending. In other words, the power of the Senate depends upon whether an indictment has been or has not been returned.

Mr. SPENCER. That may be the conclusion of the Senator from Montana. It is not mine.

Mr. WALSH of Montana. That is why I rose. I wanted to know from the Senator what the difference is. As I understand him, if no indictment has been returned the Senate may properly adopt a motion either adopting or rejecting the report of the committee; but he is arguing now, as I understand, that because the indictment has been returned we have no such power.

Mr. SPENCER. That is not the argument I have tried to make or the position I take.

Mr. WALSH of Montana. I rose so that the Senator would clarify it.

Mr. GEORGE. Mr. President——

Mr. SPENCER. I yield to the Senator from Georgia.

Mr. GEORGE. As I understand the Senator's position, it is this: That he would suspend judgment in this case. I understand that to be the purport of the substitute resolution moved by the Senator from South Dakota, that the Senate should now stop and suspend judgment. Is that the Senator's view?

Mr. SPENCER. It is not. I am not supporting the minority report. I do not agree with the minority report. There might be a question of a difference of opinion regarding the propriety of the Senate interfering while a judicial case was pending. I recognize there might be some difference of opinion on that question; but I assume there can be no difference of opinion about the right of the Senate to proceed irrespective of an indictment. We would have a perfect right, upon the evening that the petit jury was about to receive the case, to pass our resolution of confidence in our fellow Member, and send it broadcast to the State where he was being tried, if we saw fit to do it. Our right is not limited by an indictment, or by a trial, or by anything else except our own will.

Mr. GEORGE. What would the Senator do with this majority report, then?

Mr. SPENCER. I can conclude by answering the Senator's question in submitting a resolution which is along the line of the only action the Senate can properly take, and I have talked longer than I intended.

All that I feel in regard to this question is as to what is the right and fair thing to the junior Senator from Montana, and the proper thing for the Senate to do, and I can sum it up in a resolution I have drawn, which can not now be placed before the Senate because there is a resolution and a substitute therefor now before the Senate, so that the parliamentary procedure would not allow my resolution to be presented; but I will read it to the Senator, and it at least explains what I think ought to be done.

Mr. WALSH of Montana. Mr. President——

Mr. SPENCER. Is the Senator from Georgia through?

Mr. GEORGE. I would like to hear the resolution. I understood the Senator was going to read the resolution, which would give me an answer to the question I asked.

Mr. SPENCER. It is as follows:

The Senate having before it the majority——

Mr. WALSH of Montana. Mr. President——

Mr. SPENCER. I yield to the Senator from Montana.

Mr. WALSH of Montana. The Senator from Georgia kindly consents that I may ask a question before the resolution of the Senator is read. I want to inquire of the Senator this, suppose this committee had reported that the facts charged in the indictment were true. Would we then be entitled to adopt the report of the committee?

Mr. SPENCER. I do not think so.

Mr. WALSH of Montana. Well——

Mr. SPENCER. I still think, if I may say so to the Senator from Montana, that our power rests alone in passing upon the qualification of our colleague, upon his right to continue membership, and no more.

Mr. WALSH of Montana. But suppose the committee did report that the facts are as stated in the indictment, that the charge is true, and some one moved to adopt the report of the committee. I understand the Senator to say now that the Senate would not have any power to do that.

Mr. SPENCER. I do not speak in limitation of their power. The Senate is supreme. It can do as it likes.

Mr. WALSH of Montana. As to the propriety?

Mr. SPENCER. I should say it would be improper, and for very obvious reasons. The facts in this case as in any case are changing, additional facts may appear, facts that now seem to be true may disappear. It needs no argument of mine to convince so able a lawyer as the senior Senator from Montana that only a court of law, with its machinery for examination and cross-examination, can finally pass a verdict.

Mr. WALSH of Montana. Very well.

Mr. SPENCER. Why should we assume this judicial function.

Mr. WALSH of Montana. Let us see. The committee reports that the charges are true; they have investigated the facts; they report the facts, and for the purpose of the case we will say that the report is unanimous, that my colleague is guilty of the act charged.

Mr. BORAH. Let us say, furthermore, that the Senator from Missouri has examined the evidence, and finds the report is true. What would he do about it?

Mr. WALSH of Montana. The Senator would not allow the Senator from Montana to retain his seat in this body, would he?

Mr. SPENCER. The hypothetical question is not difficult to answer. If the report of the committee showed facts as being true which warranted either the expulsion of the Member, or which warranted a finding of his disqualification to sit as a Member, the proper action of the Senate would be either to expel him or to deny his qualification to membership. It would be a useless thing merely to approve or disapprove an alleged statement of facts.

Mr. WALSH of Montana. We would adopt the report.

Mr. SPENCER. We would act upon the facts as they were reported before us.

Mr. WALSH of Montana. Exactly; we would adopt the report.

Mr. SPENCER. We should take such action as under our constitutional rights any established facts warranted. We can expel or refuse to expel. We can pass upon his qualification. We could do nothing more.

Mr. WALSH of Montana. So that the situation is this, as I understand the Senator: If a Senator is charged with an offense which, if established, would necessitate his expulsion from this body, if the committee investigating the matter finds that he is guilty, then the Senate can adopt the report and expel him; but if the committee reports that he is not guilty, and the facts are not established, the Senate then would not do anything at all?

Mr. SPENCER. Certainly. The Senate can express its confidence in its Member by refusing to expel him or by approving his qualifications and let the matter remain where it was before there were any charges.

Mr. GEORGE. I will be very glad to have the Senator read his resolution expressing his views.

Mr. SPENCER. It is as follows:

Resolved, That the Senate, having before it the majority and minority reports of its special committee empowered "to investigate and report to the Senate the facts in relation to the charges made in a certain indictment returned against Senator BURTON K. WHEELER in the United States District Court for the State of Montana," and bearing in mind that the duty of the Senate in the matter has to do only with the "qualifications of its own Members" and its right to punish or expel a Member, declares that no reason has been presented to the Senate which questions the right of the junior Senator from Montana to membership in the Senate and discharges its committee from further investigation of the matter.

Mr. GEORGE. I understand the Senator merely wants to say in his own language precisely what the acceptance of this report would say.

Mr. SPENCER. If I thought that, may I say to the Senator from Georgia, I certainly would have no objection to the majority report. I conceive that that report goes far beyond our function. I conceive justice to our colleague and our own dignity does not allow us to go further than some such action as I have outlined, and that is the only reason I rose.

Mr. ROBINSON. Will the Senator yield to a question?

Mr. SPENCER. Certainly.

Mr. ROBINSON. The Senator proposes a resolution expressing the sense of the Senate that no reason exists why the Senator from Montana [Mr. WHEELER] is not entitled to retain his seat. Upon what does he base that conclusion and opinion?

Mr. SPENCER. Had the Senator heard the beginning of the resolution he would have remembered that I based it upon the fact that the Senate has before it the reports of the majority and minority members of the committee, and that the Senate bears in mind its own constitutional limitation. Of course, the facts are based upon those reports. That is the only evidence we have.

Mr. ROBINSON. Does not the Senator's resolution necessarily imply an approval of the majority report?

Mr. SPENCER. If it does, why not adopt the resolution?

Mr. ROBINSON. I have no objection to its adoption, not as a substitute for the resolution of the Senator from Idaho, but as an independent or additional proposition.

Mr. JOHNSON of California. Mr. President, the argument that has been made by the Senator from Missouri might have been an appropriate argument at the time of the introduction of the original resolution. It is not, in my opinion, now apt in any sense.

After the adoption of the resolution, by which a committee was appointed to investigate the facts, and an investigation by that committee, two reports have been presented to the Senate—the majority report, which in reality exonerates the Senator from Montana from wrongdoing, and the minority report, which in substance says there was a prima facie case made against him which justified the indictment in the Federal court in Montana.

At this particular stage, therefore, the question has gone far beyond the position suggested by the Senator from Missouri. We stand here to-day with a twofold duty, it seems to me; first, there is the duty that we owe to the Senator from Montana, the highest duty that colleagues can owe to one another; secondly, there is a duty even more solemn than that, which we owe to the Senate of the United States itself.

If the Senator from Montana is guilty of the offense charged, it would be, in my opinion, an intolerable thing for us to sit here supine and indifferent. If, on the other hand, the Senator from Montana is innocent of the charge laid against him, it would be worse than supine and indifferent, it would be cowardly, for the Senate of the United States not to go upon record in that regard.

I have read the testimony presented before the committee. I have listened with an intentness that few Senators have to the arguments that have been presented, and I am ready to vote. I say that upon the testimony that was adduced before the committee there is no reasonable man on earth who can say that the Senator from Montana was guilty of the crime, or that the indictment against him was justified. Believing in his innocence, therefore, acquitted as he is by four members of a special committee appointed by the Senate of the United States, it would be an outrageous thing, outrageous to him and outrageous for the Senate of the United States, if it believed in his innocence, not to say it and say it just as positively as it can say it at this time.

I am ready to vote, and I am ready to vote for the majority report, or even a stronger report, for there are collateral and cognate circumstances in connection with this case which arouse every bit of indignation that an individual can have, every bit of indignation and resentment that may repose in the breast of every public official. I believe the Senator from Montana to be innocent. I want to vote that way. [Manifestations of applause in the galleries.]

The PRESIDING OFFICER. The rules of the Senate forbid any demonstrations.

Mr. ROBINSON. Mr. President, I do not desire to detain the Senate. The vote should be promptly taken upon the pending resolution. It would be puerile, cowardly, for the Senate at this stage of the proceeding to content itself with an approval of the resolution proposed by the Senator from South Dakota [Mr. STERLING].

This issue transcends in its importance every political consideration that by any possible stretch of fancy can be associated with it or that can grow out of it. The undisputed evidence establishes some facts which it is pertinent for Senators to remember.

A Member of this body, executing the mandate of the Senate, was indicted by a grand jury in his home State. The Senate unanimously passed a resolution, at the request of that Senator, authorizing the creation of a special committee, to be appointed by the Presiding Officer of the Senate, to investigate the facts in connection with the indictment and report them to the Senate.

The committee performed its duty in complete detail. It sought and procured and brought before the Senate all the facts, or alleged facts, within the knowledge of any witness whose name was suggested to the committee. The evidence shows that while the Senator from Montana [Mr. WHEELER] was carrying out an order of the Senate a plan was formed to interfere with him as the agent of the Senate, to hamper him in the discharge of his duties, and stop him in the execution of his task, undertaken and carried forward by direction of the Senate.

The evidence supporting that statement of the facts was read into the RECORD yesterday by my colleague, the junior Senator from Arkansas [Mr. CARAWAY], who is a member of the committee, and by the senior Senator from Montana [Mr. WALSH]. Its credibility has in no respect been attacked, either by any witness who testified or by any Senator who has discussed the issues involved in the pending resolution. So that according to the rule of credibility in courts the truthfulness of the statement may be fairly accepted.

The testimony shows that a witness in the case went to the State of Montana for the purpose of procuring an indictment against the junior Senator from Montana because he was in the execution of a mandate of the Senate. It shows that he approached a former Assistant Attorney General of the State and frankly stated to him a purpose to injure the reputation of the junior Senator from Montana and to stop him in the discharge of the duties which the Senate had ordered him to perform. That is the undisputed record of the evidence. Agents of a conspiracy traveled almost across the continent of the United States and combined and collaborated with others, not alone for the purpose of injuring the fair name of a citizen of the United States but for the express purpose of preventing a Member of the United States Senate from fearlessly executing the order of the Senate.

Now, the committee have reported, and a division arises over the report. The majority, four members, say that the evidence discloses that the junior Senator from Montana has not committed an offense against his country, that he is not subject to indictment, that he has performed his duty and has violated no law. Upon that state of the record we are asked by a Member of this body who served upon the committee to take no action upon the subject, to pledge ourselves not to vindicate the junior Senator from Montana. Such a proposal, if it emanated from any other source or was presented anywhere else than in the Senate, the rules of the Senate forbidding such characterization, would be regarded as contemptible. The public are entitled to have the Senate take manly and decisive action.

What would the constituents of the Senator from South Dakota [Mr. STEELING] say if they could give expression to their views regarding the resolution which he has presented to the Senate to-day? What would they expect of their repre-

sentative in this great body? Not cowardice, not duplicity, not ambiguity, but straight-out expression. What do the men and women of the United States who have respect for honest public officers require of the Senate on this occasion? That the Senate shield no guilty Member and that the Senate protect its Members from treachery and dishonesty. How contemptible it would appear to the average citizen to be evasive on an issue that involves the honesty of a Senator.

What have the public and the Senator from Montana the right to expect? If the evidence shows that he was framed, if the testimony proves that while fearlessly discharging his duty and obeying your order, he became the victim of a conspiracy as cowardly and as damnable as ever marred the records of court or legislature, then what language can describe the perfidy of his associates whose order he is obeying if they permit his hand to be restrained, his tongue to be silenced, his courage to be intimidated? What right have you to order him to investigate the Department of Justice and make public its inefficiencies and corrupt transactions, and then, when he advances with a determination that inspires the guilty with dread, leave him without support, protection, or indorsement?

I have asked what would the people of South Dakota say to THOMAS STERLING, their Senator for a little while yet, if they knew he had asked his colleagues, under the circumstances shown to exist in Mr. WHEELER's case, to leave Mr. WHEELER to suffer the vengeance of conspirators against him who attempt to destroy him for performing a duty imposed upon him by his colleagues? What would your constituents say if you contented yourselves with taking no action, if you pledged yourselves to do nothing in such a case?

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. ROBINSON. I yield to my colleague.

Mr. CARAWAY. What objection can an honest man have to expressing an honest opinion about a question that is before him?

Mr. ROBINSON. The Senator will have to ask some one else that question. I can not comprehend the mental attitude or the moral character of the Senator who under the issues as presented here is unwilling either to approve WHEELER or to condemn him. It is cowardly in the extreme to order him to perform a duty and then when he is harassed and interfered with in the discharge of that duty to forsake him without defense and without vindication. There is not a human being from limit to limit of this continent, not a well-informed citizen of this Nation, who does not know that WHEELER was framed, and that the object of it was to conceal fraud and corruption in the Department of Justice. There is not an honest man in all the homes that adorn the hills and valleys of this Republic whose heart will not thrill with indignation when he knows that the Senate has seriously considered a proposal to penalize a man, whatever lack of diplomacy he may have shown, who has done his duty in such a way as to win the confidence even of his enemies.

He is entitled, as all who bear his name are entitled, to have you stand up on one side or the other; and I denounce you as a craven and a coward if you hide yourself behind the substitute resolution proposed by the Senator from South Dakota [Mr. STERLING]. Vote "yes" or "no," and when you vote you will register for all your life yet to come your attitude respecting honesty in public office and courage in the performance of public duty.

Mr. WALSH of Massachusetts. Mr. President, there seems to be a disposition to evade taking a direct position upon this question by resorting to technicalities. In my opinion there is a question now before us that transcends technicalities and politics. Occasionally an opportunity is given us here to rise above the strife and contentions of selfish and political interest. One such occasion is here now. Is the Senate of the United States capable of administering justice; is the Senate of the United States capable of rising above party advantage and doing justice—justice without which civilization is a mockery and political institutions temples of tyranny?

It has been said that the Senate owes it to itself to make a direct decision on the issue as to the guilt or innocence of this man; it has been said that it owes it to the Senator from Montana; but more than all else I believe it owes it to the American people.

Are we capable of deciding without bias whether or not this man is worthy or unworthy of a seat in this body? Are we capable, after an investigating committee led by one of the ablest and fairest men in this body completely exonerated Senator WHEELER, to reach a decision and to announce to the American people that this man is innocent, worthy of and entitled to enjoy the rights and privileges of a Senator?

No man who has heard or read the testimony before the committee suggests or even hints that he is guilty. Then, tell me if there is any other question here than that of simple, downright, straight, American justice?

Why do we hesitate? Are we to become persecutors of honorable Members of our own body? I can understand petty partisanship entering into many issues that arise here, but in the name of Christianity and our boasted civilization, when it comes to dealing with a fellow Senator, his reputation, when it comes to dealing with a young statesman with all his future before him, his family and his family's reputation, a sovereign State's right to have its Senator's qualifications fairly judged, let us shun party politics and give to the country evidence of our belief in the principles of justice.

The country will construe our action to-day only in one direction—our approval or disapproval of the charges made against Senator WHEELER. A postponement, a compromise, any action except a straight vote of confidence will be interpreted as against Senator WHEELER. If every scintilla of evidence points to his innocence, why deny—never mind him—your countrymen an immediate and a truthful verdict?

As one who has come from and represents in part the State where the junior Senator from Montana was born and received his early education I want to raise my voice and send back word to the people of his native State, his kin and friends in Massachusetts that Senator WHEELER has been found to be an innocent man; that he has been in the opinion of many of his associates the victim of the most damnable scheme to injure his reputation and influence that a public man ever experienced in America. Mr. President, if we fail to render justice, the spirit of the American people will not deny it to him. Is that American spirit of justice still in the hearts of the men elected to the United States Senate? That is the issue here. When this vote is cast let the Senate show to the country that it is a believer in and a giver of justice. If we are not capable of, or have not the courage to decide justly and without equivocation the qualifications of one of our own Members, how can we expect the American people to give us credit for the courage and capacity necessary to make laws for 110,000,000 people? It is clear, as clear as the light of day, that a vote for the resolution of the Senator from Idaho [Mr. BORAH] is a vote for justice.

Mr. STERLING. Mr. President, I had not expected to say another word in regard to this matter. I was ready to vote long ago, and I would say nothing now but for the personalities that have been indulged in by some Senators on the other side of the Chamber.

Reference has been made to a lack of courage; insinuations of cowardice have been made; duplicity in the matter of the presentation of the minority views and the substitute resolution now pending has been suggested. Mr. President, the Senator from South Dakota has never felt called upon to defend his record for courage in the Senate of the United States, and he does not believe he is required to defend it now. Not now referring to his constituency, the Senator from South Dakota by vote and voice always expressed on this floor his honest convictions, his best judgment, and acted according to the dictates of his conscience, even up to this hour, and is doing so now. I ask Senators, my colleagues, who have listened to the discussion and proceedings of the last three or four days here in the Senate to determine for themselves whether or not I have been lacking in the courage that a Senator of the United States should have in the expression of his convictions.

Mr. President, it has been asked what would my constituents say? Is it material to this case as to what my constituents in the State of South Dakota will say? That is between me and my constituents; it is not the business of the Senator from Arkansas to inquire; I am ready to answer to my constituents for all I do here. I have one view, however, as to what they will say, and that is that though a man be a Senator of the United States no different or higher right should be accorded to him than to the humblest citizen of the land, and that is what you are proposing to do by this majority report.

Mr. President, the junior Senator from Montana has been indicted. That indictment is pending in the Federal court in the State of Montana. His case is to be tried before a petit jury, and I have objected to proceedings here, the effect of which will inevitably be to prejudge and prejudice the case so that a fair trial before a jury will be well-nigh impossible.

Mr. President, I believe in the dignity, in the majesty, in the justice of the law, and I stand here in a feeble way to

appeal for a recognition of those attributes. We have the three great departments of the Government—the legislative, executive, and judicial. This case now should be considered as in the hands of the judicial department of the Government. That department has taken jurisdiction of it. The case is pending in the United States courts and there it should be tried as all cases are tried under the orderly processes, proceedings, and safeguards of an American court of justice.

What has been done in other cases and by other Senators and Members of the House? Consider the Mitchell case of years ago. Senator Mitchell appears before the Senate, recites the charges that have been made against him and says, because thereof, he will not intrude himself upon the presence of the Senate longer, and withdraws until after the trial of that charge, a charge which he at the time emphatically denied. What happened in the case of Senator Burton, of Kansas. He does not remain in the Senate of the United States after he is indicted, to participate in the proceedings of the body. So, in the Langley case now pending before the House of Representatives, Mr. LANGLEY undoubtedly has the grace to refrain from participation in the proceedings of that body while he is under indictment. Moreover, quite the opposite of what we have done here, the chairman of the House committee considering the Langley case says that no proceedings will be had before the committee until there has been a trial and a determination by the court of the guilt or innocence of Mr. LANGLEY. Mr. President, that has been my theory of this case all along. There has been no duplicity about it. Everybody has understood my position. I have never agreed to the proposition that it was the business of the committee or of the Senate to determine the guilt or innocence of Senator WHEELER. I have offered the substitute resolution to carry out my idea in regard to the matter.

I give expression to the same thought that other Senators have given expression to, for example, the Senator from Missouri [Mr. SPENCER]. I hope that Senator WHEELER when he goes before the jury in Montana will be able to explain and to refute every one of the charges which have been made against him; but, Mr. President, it is not for us to sit here and exercise the functions of a trial jury.

Waiving constitutional grounds, we are going outside what I deem to be our proper province in trying this case. Leave it to the jury. Suppose the jury on the evidence before it finds Senator WHEELER guilty of the charges. He has had, under our American system, a fair trial, of the result of which he can not complain. What will be our position under such circumstances? I have cited the case of Senator WHEELER, a Senator of the United States, having an advantage over the ordinary citizen in such a case as this. Suppose—and I have used the illustration before because it appeals to me strongly, and the supposition is not far removed from conditions as they exist in the Senate of the United States to-day—suppose, under like conditions as they now exist, some Senator on the minority side should be indicted in his State and should demand a trial, declaring "I am not guilty; I am anxious to go before the jury, confront the witnesses against me, tell them my story, and produce the witnesses in my behalf," and suppose he should be denied that opportunity by the Senate of the United States, which declares, "Notwithstanding your protestations of innocence, your wish to submit the question to a jury of your peers, we are going to try you here in the Senate of the United States, regardless of any feeling of personal or party prejudice that may exist against you." Mr. President, that seems a travesty to me; it does not comport with my idea of American justice and fair play. The Senator from Massachusetts [Mr. WALSH] appealed to our sense of American justice, but that is not justice. Equality before the law, as stated in the minority report, is the greatest principle upon which, it is said, our institutions rest, and it is not equality before the law to prejudge the case here when it is now before a court having full jurisdiction of it.

Mr. President, these are the reasons; these are the motives for what may be termed the interest I have shown in these proceedings. What will my constituents say? I have sufficient confidence, Mr. President, in the intelligence and reasonableness of my constituents to believe that when they understand the situation they will say, "You did right in standing for justice and fair play, and for the denial to even a Senator of the United States a privilege and a right not accorded to any other citizen of the land."

Mr. PEPPER obtained the floor.

Mr. CARAWAY. Mr. President, will the Senator yield to me for just one moment?

Mr. PEPPER. I yield.

Mr. CARAWAY. I want to make this statement: The Senator from South Dakota [Mr. STERLING] a minute ago said that this had been his contention, speaking of his minority report, from the beginning. I want to read what he said on the 21st of this month, with reference to that, in answer to a question from the Senator from Montana [Mr. WALSH]. It appears upon page 9427 of the RECORD.

The question of the Senator from Montana was:

> If the Senator believed that the Senate had no power to do that, how can he reconcile his acceptance of an appointment on the committee?

The answer of the Senator from South Dakota is:

> I did not think there was any Senator who perhaps at first blush thought that the Senate was without power to determine this thing. I did not. It was not clear in my own mind as to what the Senate could or should do in the premises under the charge made by Senator WHEELER to the effect that this was a frame-up and that the Government officers acted under improper influence or from bad motives. It was somewhat confusing to me.

He said just a minute ago that that had been his contention all the time; and that was his statement this week.

Just one other thing. I asked the Senator this:

> I, of course, should not have mentioned what went on in the executive session of the committee, except that the Senator sees fit to do it. Did not this occur, that the case was closed, no one wanted to hear another witness, the committee met and after discussion left to the chairman, by direction of the committee, the duty to make the report, and that until the report was prepared and ready to be signed the Senator did not even suggest that this theory should be discussed at all?
>
> Mr. STERLING. I did not assent to any report the chairman of the committee might make.
>
> Mr. CARAWAY. But the Senator did agree that the chairman should prepare the report.
>
> Mr. STERLING. He was to prepare a report for the committee to examine; certainly.
>
> Mr. CARAWAY. And the Senator never suggested that this theory should be considered in preparing the report, did he?
>
> Mr. STERLING. Oh, no; I did not suggest it openly, nor did any other member of the committee suggest a theory on which the report should be based.

I shall be glad to have the Senator reconcile that statement on Wednesday last with the statement he has just made.

Mr. PEPPER. Mr. President, the debate seems to me to have confused a case which is in its essence simple. I am unable to perceive in this record the difficulties which some of the speakers have injected into it.

On a certain date a Senator rose in his place, and what he said was, in legal effect, this. He said to the Senate of the United States:

> Gentlemen, you are the judges of the qualifications of membership in this body. I am under accusation. I ask you to exercise your constitutional prerogative in this regard, and to do it at my request.

The Senate might have decided that it was an inopportune time to institute an inquiry to determine the qualification of the Senator. The Senate might have decided that since a criminal proceeding was pending in the judicial department of the Government the legislature would await the decision of the judiciary before acting, in full consciousness, however, that it would not be bound one way or the other by the judicial determination of the pending question.

The Senate, however, chose to enter upon the discharge of a function which is unquestionably constitutional; namely, it proceeded in the orderly and regular way for the purpose of determining whether or not there was anything in the pending case which should lead to a declaration that the Senator was disqualified for membership in this body. The matter was proceeded with before a committee duly appointed, and we now have before us the majority and the minority reports.

If I correctly understand the majority report, it is to the effect that the Senator from Montana is not disqualified from holding his seat in this body, and that he is not disqualified for the reasons which are set forth in the conclusion of fact reached by the majority of the committee.

Mr. President, we can not straddle upon a proposition of qualification or disqualification. Either the Senator from Montana is qualified or he is disqualified; and he is not qualified unless the things said in the majority report are true. Therefore, I find no difficulty in deciding that I must vote one way

or the other on this issue. I can not adopt a middle course. I can not justify myself in suspending my judgment pending the proceedings of a correlative branch of the Government with which I have nothing to do. I must vote upon the issue that is before me, and the issue that is before me is whether the Senator from Montana is disclosed by this record as qualified or disqualified to sit in this body.

Having reached the conclusion that the majority of the committee are right in finding that he is qualified, and being of opinion, giving him the benefit of reasonable doubt on the issues that are doubtful, that the conclusions of fact reached by the majority are sound, I have no escape from the conclusion that I must vote for the resolution proposed by the majority, and I expect to do so.

Mr. HEFLIN. Mr. President, the Senator from Pennsylvania [Mr. PEPPER] is absolutely correct in his statement about what the committee has found. In its report—I mean the majority report—this language is used:

> In conclusion, the committee wholly exonerates Senator BURTON K. WHEELER from any and all violation of section 1782 of the Revised Statutes of the United States, and find that he neither received or accepted, or agreed to receive or accept, any compensation—

And so forth. The trumped-up charges against him have been found to be untrue.

Mr. President, I did not intend to say anything upon the question now before us, because the majority report had been so ably presented by Senator BORAH and his associates on the committee, Senators CARAWAY and SWANSON; but the last statement of the Senator from South Dakota [Mr. STERLING] makes me feel that some Senator ought to say just now what I am going to say.

If the position of the Senator from South Dakota should become the position of the Senate, district attorneys throughout the country and Federal grand juries under their direction could disqualify every man in this body upon the flimsiest pretext and mere rumor by railroading him and indicting him.

The Senator from South Dakota suggests that we should do nothing until the petit jury acts in Montana and determines whether or not Senator WHEELER is guilty. Why, Mr. President, suppose the district attorney should not want to push that case for trial. Suppose he should continue it from one term of the court to another and the Senator from Montana should follow the suggestion of the Senator from South Dakota, and retire from this Chamber, and await the action of the court under the direction of the district attorney in Montana. He would deprive him of his seat in this body, and he would deprive the people of his State of his service in this body, and he would deprive the people of the United States of his superb courage and great ability in prosecuting those who have disgraced and perverted the offices they held from the ends of their institution.

Mr. President, some things connected with this frame-up indictment of Senator WHEELER make this a very ugly situation to me. Mr. Daugherty, who escaped punishment somehow by a whitewash arrangement in the House more than a year ago, managed to keep certain testimony from getting to the House Committee on the Judiciary, but he did not escape here. The evidence obtained against him over here was strong and convincing. The Senate named to go after him a Member who had the courage to lead, and he did proceed in the investigation in such a competent and courageous fashion that he brought down the "game." He drove Daugherty from a place in the Cabinet into private life—a man shown to have accumulated thousands of dollars through the crooked deals of crooked agents under him—and think of it, Senators, that man appointed the district attorney who has secured the indictment of Senator WHEELER!

What was the atmosphere around that courthouse when Senator WHEELER was indicted? Did a grand jury of its own motion, and acting upon the testimony trying to get at the truth, proceed to indict him? No. They balloted once, and refused to indict him. They balloted twice, three times, four times, five times, six times, seven times, eight times, nine times, and each and every time refused to indict him and then adjourned for the day. They were now allowed to separate, and they went to dinner with certain Republican politicians, and while at dinner they were told that it was desirable and necessary that Senator WHEELER be indicted whether he could be convicted or not, and strange to say on their return they indicted him!

What has the Senate come to if it will permit trumped-up charges to be made against an honorable man in this body, led by a district attorney who was mad with WHEELER because his boss, Daugherty, was driven by WHEELER from the place that he had disgraced?

An able and honorable Senator and a brave and patriotic American citizen, the husband of a splendid and charming wife, and the father of fine and devoted children, is "framed" for the purpose of hampering him in the great work that he is doing here for the good of his country. Would the Senator from South Dakota leave him suspended in the air, with Coan's false charges hanging over him, charges trumped up at the instance of the Republican National Committee, who told Coan they wanted something on WHEELER? They hired Coan to get something on WHEELER. Coan says he was hired for that purpose by the Republican National Committee.

Then we see the district attorney appointed by Daugherty seeking to have a Federal grand jury indict WHEELER, and when they refuse political pressure is brought to bear on certain members of the grand jury and an indictment is finally obtained. The Senator from South Dakota objected to going into that phase of the case before the committee. That testimony was not permitted to go in; but I state to the Senate and to the country that three grand jurors told Senator WHEELER just what I have told you, and they would have told the committee if they had been permitted to do so. Talk about taking no action and suspending judgment. We owe it to common justice and decency to repudiate the suggestion. The position taken by the Senator from Missouri [Mr. SPENCER] is utterly ridiculous. He said if WHEELER was guilty and this committee found him guilty the report ought to be adopted and he ought to be expelled—that is his position—but that if he was not guilty and the committee reported that he was not guilty they should not take any action at all but should leave him suspended in the air with the false charges hanging over him.

Mr. President, I have been in the Congress, in the two Houses for nearly 20 years, and that position is the most absurd and ridiculous position that I have ever known any public man from justice of the peace to President to take. [Laughter.] If they should frame me as they have threatened to do I would hate to fall into the hands of men who feel like he does about this important matter. Senators, when a man wins his election at the hands of the voters of his State, and comes here with a commission to serve his people in this great law-making body and enters into the battle here as this young man from Montana has done, fighting for clean government, driving crooks from high place, daring to attack the mighty, corrupt political conditions that he found when he came, he ought to be praised, encouraged, and supported. Instead of that, Coan said, "Senator WHEELER was attacking the administration, and nobody would get up and say anything, and the National Republican Committee hired me to go out there and get something on him, and I have been paid to do it." That is the substance of his statement. So the National Republican Committee paid Coan to do what he did, and the district attorney holds his job by reason of Daugherty's favor, and the grand jury refused, when undisturbed and uninfluenced, to indict WHEELER, but after corrupt political influence was used, they found an indictment.

Mr. President, the Senate ought to go on record saying that Senator WHEELER is guilty or not guilty. There is no other way to decently and honorably settle this question. Let the crooks know now that self-respecting and honorable Senators will not knowingly permit corrupt court officials to abuse and misuse their positions to persecute and punish those who are trying to serve their country.

The PRESIDING OFFICER. The question is upon agreeing to the substitute offered by the Senator from South Dakota [Mr. STERLING].

Mr. BORAH. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. JONES of New Mexico (when his name was called). I have a general pair with the Senator from Maine [Mr. FERNALD]. I am not advised as to how that Senator would vote if he were present, so I transfer my pair to the junior Senator from New Jersey [Mr. EDWARDS], who would vote as I intend to vote, and I vote "nay."

Mr. NORRIS (when Mr. LA FOLLETTE's name was called). The senior Senator from Wisconsin [Mr. LA FOLLETTE] is detained from the Senate on account of illness. If he were present, he would vote "nay."

Mr. LODGE (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. UNDERWOOD]. Not knowing how that Senator would vote, in his absence I withhold my vote.

Mr. OWEN (when his name was called). I transfer my pair with the Senator from West Virginia [Mr. ELKINS] to the senior Senator from Missouri [Mr. REED], and vote "nay."

Mr. WILLIS (when his name was called). I am paired with the junior Senator from Tennessee [Mr. MCKELLAR]. I transfer that pair to the junior Senator from Illinois [Mr. MCKINLEY], and vote "yea."

The roll call was concluded.

Mr. SIMMONS (after having voted in the negative). I am paired with the junior Senator from Oklahoma [Mr. HARRELD], who is absent. I transfer that pair to the senior Senator from Tennessee [Mr. SHIELDS], and allow my vote to stand.

Mr. SWANSON (after having voted in the negative). I have a general pair with the senior Senator from Washington [Mr. JONES]. I have been unable to obtain a transfer, and not knowing how he would vote, I withdraw my vote.

Mr. GERRY. I desire to announce that the senior Senator from Alabama [Mr. UNDERWOOD], whose pair has already been announced, if present would vote "nay."

The senior Senator from Tennessee [Mr. SHIELDS] if present would also vote "nay."

The junior Senator from Tennessee [Mr. MCKELLAR] would vote "nay" if present, and the senior Senator from Missouri [Mr. REED] would also vote "nay."

I also wish to announce that the Senator from Colorado [Mr. ADAMS] is paired with the Senator from Indiana [Mr. WATSON], and that if present the Senator from Colorado would vote "nay," as would the Senator from New Jersey [Mr. EDWARDS].

Mr. STANLEY (after having voted in the negative). Has the junior Senator from Kentucky [Mr. ERNST] voted?

The PRESIDING OFFICER. He has not voted.

Mr. STANLEY. I am unable to obtain a transfer of my pair, and not knowing how that Senator would vote on this question, I withdraw my vote.

Mr. BRANDEGEE. I am paired with the senior Senator from Tennessee [Mr. SHIELDS], and it having been announced that if present he would vote "nay," as I intend to vote in the same way, I am at liberty to vote, and vote "nay."

Mr. GLASS (after having voted in the negative). I have a general pair with the junior Senator from Connecticut [Mr. MCLEAN], with the understanding that when either of us should be interested in a question he would notify the other. I have no notification from the Senator from Connecticut as to this particular question, and if the vote were close, I would hesitate to let my vote stand, but in the circumstances I do let it stand, and will settle it with him.

Mr. CURTIS. The Senator from Indiana [Mr. WATSON] has a general pair with the Senator from Colorado [Mr. ADAMS], but I do not know how the Senator from Indana would vote on this question if he were present and not paired.

The Senator from Rhode Island [Mr. COLT] has a general pair with the Senator from Florida [Mr. TRAMMELL], but I do not know how the Senator from Rhode Island would vote on this question.

The Senator from Illinois [Mr. MCKINLEY], if present, would vote "yea." He is necessarily absent.

The result was announced—yeas 5, nays 58, as follows:

YEAS—5

Curtis	Wadsworth	Warren	Willis
Sterling			

NAYS—58

Ashurst	Fletcher	King	Ransdell
Bayard	Frazier	Ladd	Reed, Pa.
Borah	George	McNary	Robinson
Brandegee	Gerry	Mayfield	Sheppard
Brookhart	Glass	Moses	Shipstead
Broussard	Gooding	Neely	Simmons
Bruce	Hale	Norbeck	Smith
Cameron	Harris	Norris	Spencer
Caraway	Harrison	Oddie	Stanfield
Copeland	Heflin	Overman	Stephens
Dale	Howell	Owen	Trammell
Dial	Johnson, Calif.	Pepper	Walsh, Mass.
Dill	Johnson, Minn.	Phipps	Walsh, Mont.
Ferris	Jones, N. Mex.	Pittman	
Fess	Kendrick	Ralston	

NOT VOTING—33

Adams	Elkins	Lodge	Stanley
Ball	Ernst	McCormick	Swanson
Bursum	Fernald	McKellar	Underwood
Capper	Greene	McKinley	Watson
Colt	Harreld	McLean	Weller
Couzens	Jones, Wash.	Reed, Mo.	Wheeler
Cummins	Keyes	Shields	
Edge	La Follette	Shortridge	
Edwards	Lenroot	Smoot	

So Mr. STERLING's substitute was rejected.

The PRESIDING OFFICER. The question now is upon agreeing to the resolution offered by the chairman of the committee, the Senator from Idaho [Mr. BORAH].

Mr. SPENCER. I offer the following substitute for the resolution now pending.

The PRESIDING OFFICER. The Senator from Missouri offers the following substitute, which the Secretary will report:

The reading clerk read as follows:

Resolved, The Senate, having before it the majority and minority reports of its special committee empowered "to investigate and report to the Senate the facts in relation to the charges made in a certain indictment returned against Senator BURTON K. WHEELER in the United States District Court for the State of Montana," and bearing in mind that the duty of the Senate in the matter has to do only with the "qualifications of its own Members" and its right to punish or expel a Member, declares that no reason has been presented to the Senate which questions the right of the junior Senator from Montana to membership in the Senate, and discharges its committee from further consideration of the matter.

Mr. BORAH. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. FLETCHER (when his name was called). I have a pair with the senior Senator from Delaware [Mr. BALL], who appears to be absent, but under my arrangement with him I feel that I am at liberty to vote. I vote "nay."

Mr. GLASS (when his name was called). Making the same announcement that I made on the previous vote, I vote "nay."

Mr. JONES of New Mexico (when his name was called). I make the same announcement as before regarding the transfer of my pair, and vote "nay."

Mr. NORRIS (when Mr. LA FOLLETTE's name was called). If the senior Senator from Wisconsin [Mr. LA FOLLETTE] were present, he would vote "nay."

Mr. LODGE (when his name was called). Making the same announcement as to my pair as before, I withhold my vote.

Mr. OWEN (when his name was called). I transfer my pair with the Senator from West Virginia [Mr. ELKINS] to the Senator from Missouri [Mr. REED], and vote "nay."

Mr. SIMMONS (when his name was called). Making the same announcement as to my pair and its transfer to the Senator from Tennessee [Mr. SHIELDS], I vote "nay."

Mr. STANLEY (when his name was called). I transfer my pair with the junior Senator from Kentucky [Mr. ERNST] to the senior Senator from Wisconsin [Mr. LA FOLLETTE], and vote "nay."

Mr. TRAMMELL (when his name was called). I have a pair with the senior Senator from Rhode Island [Mr. COLT], but I feel at liberty to vote on this question. I vote "nay."

Mr. WILLIS (when his name was called). Making the same announcement as to the transfer of my pair, I vote "yea."

The roll call was concluded.

Mr. GERRY. I desire to announce that the Senator from Colorado [Mr. ADAMS], the Senator from Tennessee [Mr. MCKELLAR], the senior Senator from Tennessee [Mr. SHIELDS], the Senator from Alabama [Mr. UNDERWOOD], the Senator from New Jersey [Mr. EDWARDS], and the Senator from Missouri [Mr. REED], if present, would vote "nay."

Mr. BRANDEGEE (after having voted in the negative). I wish to say that I allow my vote to stand on the theory that the same transfer was made by the Senator from North Carolina [Mr. SIMMONS] to the Senator from Tennessee [Mr. SHIELDS] that was made on the last vote.

Mr. SWANSON (after having voted in the negative). I will state that, according to information I have in this case, it is not necessary for me to observe my pair with the Senator from Washington [Mr. JONES].

The result was announced—yeas 8, nays 56, as follows:

YEAS—8

Moses	Reed, Pa.	Stanfield	Warren
Phipps	Spencer	Wadsworth	Willis

NAYS—56

Ashurst	Ferris	Johnson, Minn.	Ralston
Bayard	Fess	Jones, N. Mex.	Ransdell
Borah	Fletcher	Kendrick	Robinson
Brandegee	Frazier	King	Sheppard
Brookhart	George	Ladd	Shipstead
Broussard	Gerry	McNary	Simmons
Bruce	Glass	Mayfield	Smith
Cameron	Gooding	Neely	Stanley
Caraway	Hale	Norris	Stephens
Copeland	Harris	Oddie	Sterling
Curtis	Harrison	Overman	Swanson
Dale	Heflin	Owen	Trammell
Dial	Howell	Pepper	Walsh, Mass.
Dill	Johnson, Calif.	Pittman	Walsh, Mont.

NOT VOTING—32

Adams	Edwards	La Follette	Reed, Mo.
Ball	Elkins	Lenroot	Shields
Bursum	Ernst	Lodge	Shortridge
Capper	Fernald	McCormick	Smoot
Colt	Greene	McKellar	Underwood
Couzens	Harreld	McKinley	Watson
Cummins	Jones, Wash.	McLean	Weller
Edge	Keyes	Norbeck	Wheeler

So Mr. SPENCER'S substitute was rejected.

The PRESIDING OFFICER. The question now is on agreeing to the resolution submitted by the Senator from Idaho [Mr. BORAH].

Mr. BORAH. On that I demand the yeas and nays.

The yeas and nays were ordered.

Mr. PITTMAN. Mr. President, in order that the RECORD may disclose exactly what the vote is upon, I ask unanimous consent that the resolution of the Senator from Idaho, the chairman of the special committee, together with the majority report, may be published at this point in the RECORD.

The PRESIDING OFFICER. Without objection it is so ordered.

The resolution (S. Res. 235) and majority report are as follows:

Resolved, That the report submitted by the chairman of the special committee appointed to investigate the charges against Senator BURTON K. WHEELER be adopted and approved, and the special committee be discharged.

[Senate Report No. 537, Sixty-eighth Congress, first session]

SENATOR BURTON K. WHEELER

Mr. BORAH, from the special committee authorized to investigate charges against Senator BURTON K. WHEELER, submitted the following report, pursuant to Senate Resolution 206:

On April 9, 1924, the Senate passed the following resolution:

> "*Resolved*, That a committee consisting of five Members of the Senate be appointed by the President pro tempore to investigate and report to the Senate the facts in relation to the charges made in a certain indictment returned against Senator BURTON K. WHEELER in the United States District Court for the State of Montana."

That thereafter the President pro tempore of the Senate appointed Senators WILLIAM E. BORAH, CLAUDE SWANSON, THOMAS STERLING, T. H. CARAWAY, and CHARLES L. MCNARY as a special committee to make the investigation authorized by the foregoing resolution.

The charge against Senator BURTON K. WHEELER, and which charge your committee was authorized to investigate, arises under and by virtue of section 1782 of the Revised Statutes of the United States. That statute reads as follows:

> "No Senator, Representative, or Delegate, after his election and during his continuance in office, and no head of a department or other officer or clerk in the employ of the Government, shall receive or agree to receive any compensation whatever, directly or indirectly, for any services rendered, or to be rendered, to any person, either by himself or another, in relation to any proceeding, contract, claim, controversy, charge, accusation, arrest, or other matter or thing in which the United States is a party, or directly or indirectly interested, before any department, court-martial, bureau, officer, or any civil, military, or naval commission whatever. Every person offending against this section shall be deemed guilty of a misdemeanor and shall be imprisoned not more than two years and fined not more than $10,000, and shall, moreover, by conviction therefor be rendered forever thereafter incapable of holding any office of honor, trust, or profit under the Government of the United States."

The Supreme Court has construed this statute particularly in the case of Burton v. The United States (202 U. S. 344).

Under this statute an agreement to receive compensation for services rendered, or to be rendered, before any department, court-martial, bureau, officer, or any civil, military, or naval commission is made an offense; the receiving of compensation in violation of the statute, whether pursuant to a previous agreement or not, is also made an offense. In other words, if a party agrees to receive compensation for such services, he is guilty under the statute; or if he receives compensation without any previous agreement, he is also guilty of an offense.

This statute in no way prohibits or interferes with a Member of Congress from appearing before any department, court-martial, bureau, officer, or any civil, military, or naval commission, provided he does so free from any agreement to receive compensation or without receiving compensation therefor. The sole question which your committee was authorized to investigate, therefore, was, Did Senator WHEELER agree to receive compensation, directly or indirectly, for services rendered, or to be rendered; or did he receive compensation for services rendered, or to be rendered, relative to his appearance or services before any department, court-martial, bureau, officer, or any civil, military, or naval commission?

Your committee finds:

First. That during the months of January and February, 1923, after his election to the Senate, Senator WHEELER entered the employ of Gordon Campbell as his attorney, the said contract of employment including the firm of lawyers under the name of Wheeler & Baldwin.

Second. That, according to the terms of employment by which he entered the service of Campbell as his attorney, the said firm of Wheeler & Baldwin was to receive a retainer's fee of $10,000 per annum; that $2,000 thereof was paid January 9, 1923, and $2,000 thereof on February 16, 1923, and that the balance is still unpaid.

Third. That it was fully understood and agreed between all parties to said contract of employment that the services of Senator WHEELER and his firm related alone to the litigation then pending, or to be brought, in the State courts of Montana, said Campbell being at that time interested in a number of lawsuits, some 19 or 20 at least in number.

Fourth. That said BURTON K. WHEELER did not at any time agree to receive compensation for services before any department, court-martial, bureau, officer, or any civil, military, or naval commission at Washington, and did not at any time receive compensation for such services before any department, court-martial, bureau, officer, or any civil, military, or naval commission.

Fifth. That, on the other hand, the sole contract of employment which he had with Campbell related to matters of litigation in the State courts of Montana; that Senator WHEELER did not at any time appear for said Campbell or his companies before any of the departments in Washington under agreement to receive compensation, and did not at any time receive compensation for any appearance or services rendered before said Government departments.

In conclusion, the committee wholly exonerates Senator BURTON K. WHEELER from any and all violation of section 1782 of the Revised Statutes of the United States, and find that he neither received or accepted, or agreed to receive or accept, any compensation whatever, directly or indirectly, for any services rendered, or to be rendered, to any person, either by himself or another, in relation to any proceeding, contract, claim, controversy, charge, accusation, arrest, or other matter or thing in which the United States was a party, or directly or indirectly interested, before any department, court-martial, bureau, officer, or any civil, military, or naval commission whatever.

The committee further states that in its opinion Senator WHEELER was careful to have it known and understood from the beginning that his services as an attorney for Gordon Campbell, or his interests, were to be confined exclusively to matters of litigation in the State courts of Montana, and that he observed at all times not only the letter but the spirit of the law.

WM. E. BORAH.
CHAS. L. MCNARY.
CLAUDE A. SWANSON.
T. H. CARAWAY.

The PRESIDING OFFICER. The yeas and nays have been ordered on agreeing to the resolution of the Senator from Idaho [Mr. BORAH], and the roll will be called.

The reading clerk proceeded to call the roll.

Mr. JONES of New Mexico (when his name was called). Making the same announcement as to the transfer of my pair as on the previous vote, I vote "yea."

Mr. NORRIS (when Mr. LA FOLLETTE'S name was called). The senior Senator from Wisconsin [Mr. LA FOLLETTE] is detained from the Chamber on account of illness. If he were present, on this question he would vote "yea."

Mr. LODGE (when his name was called). Making the same announcement as to my pair as before, I withhold my vote.

Mr. OWEN (when his name was called). I transfer my pair with the Senator from West Virginia [Mr. ELKINS] to the Senator from Missouri [Mr. REED] and vote "yea."

Mr. SIMMONS (when his name was called). Making the same statement as to my pair and transfer as on the previous vote, I vote "yea."

Mr. STANLEY (when his name was called). Making the same statement with reference to my pair and its transfer, I vote "yea."

Mr. WILLIS (when his name was called). I transfer my pair with the Senator from Tennessee [Mr. MCKELLAR] to the Senator from Illinois [Mr. MCKINLEY] and vote "nay."

The roll call was concluded.

Mr. GERRY. I desire to announce that the Senator from Colorado [Mr. ADAMS], the Senator from Tennessee [Mr. MCKELLAR], the senior Senator from Tennessee [Mr. SHIELDS], the Senator from Alabama [Mr. UNDERWOOD], the Senator from New Jersey [Mr. EDWARDS], and the Senator from Missouri [Mr. REED], if present, would vote "yea."

I also desire to announce that the Senator from Colorado [Mr. ADAMS] is paired with the Senator from Indiana [Mr. WATSON].

Mr. GLASS (after having voted in the affirmative). I make the same announcement that I made on the previous vote, and let my vote stand.

Mr. CURTIS. I wish to announce that the Senator from Indiana [Mr. WATSON] is necessarily absent. I do not know how he would vote on this question.

I was requested to announce that the Senator from Illinois [Mr. MCKINLEY] is necessarily absent. If present, he would vote "nay."

The result was announced—yeas 56, nays 5, as follows:

YEAS—56

Ashurst	Fess	Jones, N. Mex.	Ralston
Bayard	Fletcher	Kendrick	Ransdell
Borah	Frazier	King	Robinson
Brandegee	George	Ladd	Sheppard
Brookhart	Gerry	McNary	Shipstead
Broussard	Glass	Mayfield	Simmons
Bruce	Gooding	Neely	Smith
Cameron	Hale	Norbeck	Stanfield
Caraway	Harris	Norris	Stanley
Copeland	Harrison	Oddie	Stephens
Dale	Heflin	Overman	Swanson
Dial	Howell	Owen	Trammell
Dill	Johnson, Calif.	Pepper	Walsh, Mass.
Ferris	Johnson, Minn.	Pittman	Walsh, Mont.

NAYS—5

Curtis	Spencer	Sterling	Willis
Phipps			

NOT VOTING—35

Adams	Elkins	Lodge	Shortridge
Ball	Ernst	McCormick	Smoot
Bursum	Fernald	McKellar	Underwood
Capper	Greene	McKinley	Wadsworth
Colt	Harreld	McLean	Warren
Couzens	Jones, Wash.	Moses	Watson
Cummins	Keyes	Reed, Mo.	Weller
Edge	La Follette	Reed, Pa.	Wheeler
Edwards	Lenroot	Shields	

So Mr. BORAH's resolution was agreed to.

HOUSE BILL REFERRED

The bill (H. R. 9124) authorizing the sale of real property no longer required for military purposes was read twice by its title and referred to the Committee on Military Affairs.

DIRECTOR OF BUREAU OF ENGRAVING AND PRINTING

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 105) authorizing the President to detail an officer of the Corps of Engineers as Director of the Bureau of Engraving and Printing, and for other purposes, which was to strike out all after the resolving clause and to insert in lieu thereof the following:

That the President be, and he is hereby, authorized, in his discretion, to direct Maj. Wallace W. Kirby to report to the Secretary of the Treasury for duty for a period of six months, and that said Maj. Wallace W. Kirby may, under the direction of the Secretary of the Treasury, perform the duties of Director of the Bureau of Engraving and Printing for a period not to exceed six months, notwithstanding the provisions of section 1222, Revised Statutes, and section 1224, Revised Statutes, as amended by the act of February 28, 1877: *Provided*, That the said Maj. Wallace W. Kirby shall receive no emoluments by reason of the performance of said duties, but shall receive the same pay and allowances from appropriations made for the support of the Army as he would receive if he were performing military duty at the War Department.

Mr. WADSWORTH. I move that the Senate concur in the House amendment. It limits the period of time during which an Army officer may serve as the head of the Bureau of Printing and Engraving to six months.

Mr. ROBINSON. Is it just the one amendment?

Mr. WADSWORTH. Just the one amendment.

Mr. ROBINSON. And what is its effect?

Mr. WADSWORTH. The Senate originally authorized the President to assign an Army officer from the Corps of Engineers to serve as Director of the Bureau of Engraving and Printing for not to exceed two years. The House cut that period down to six months and has named the officer in its amendment.

Mr. ROBINSON. And the Senator moves that the Senate concur in the House amendment.

Mr. WADSWORTH. With regret, I think it is necessary that the Senate concur in the amendment.

The PRESIDING OFFICER. The question is on concurring in the amendment of the House.

The amendment was concurred in.

RETIRED ENLISTED MEN OF THE ARMY

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2450) to amend section 2 of the legislative, executive, and judicial appropriation act approved July 31, 1894, which was, on page 1, line 6, to strike out all after "follows:" down to and including "section," in line 8, and to insert in lieu thereof:

Retired enlisted men of the Army, Navy, Marine Corps, or Coast Guard retired for any cause, and retired officers of the Army, Navy, Marine Corps, or Coast Guard who have been retired for injuries received in battle or for injuries or incapacity incurred in line of duty shall not, within the meaning of this section, be construed to hold or to have held an office during such retirement.

Mr. WADSWORTH. I move that the Senate concur in the amendment of the House. It relates to the eligibility of persons in a retired status in the military service being employed in the civil service.

The amendment was concurred in.

LYN LUNDQUIST

Mr. BORAH. Mr. President, I ask unanimous consent that the votes whereby the bill (S. 976) for the relief of Lyn Lundquist was ordered to be engrossed for a third reading, read the third time, and passed last night may be reconsidered. I desire to offer slight amendments to the bill before it shall go to the House of Representatives.

The PRESIDING OFFICER. Without objection, the votes whereby the bill named by the Senator from Idaho was ordered to be engrossed for a third reading, read the third time, and passed will be reconsidered, and, without objection, the bill will be considered as being before the Senate and open to amendment.

Mr. BORAH. I move the amendments to the bill which I send to the desk.

The PRESIDING OFFICER. The amendments proposed by the Senator from Idaho will be stated.

The READING CLERK. On Page 1, line 4, after the words "directed to," it is proposed to strike out "permit" and to insert "issue patent to"; in line 5, after the word "to" to strike out "make homestead entry of"; and in line 9, after the name "Idaho" to strike out the comma and the words "and to give him credit upon his making final proof showing residence and cultivation as required by law for any improvement he may heretofore have made thereon," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, directed to issue a patent to Lyn Lundquist, notwithstanding he has heretofore exhausted his homestead right, to the west half of the northeast quarter and the east half of the northwest quarter of section 15, in township 44 north, and range 3 east, Boise meridian, in the State of Idaho.

The PRESIDING OFFICER. The question is on the amendments proposed by the Senator from Idaho.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AGRICULTURAL DEPARTMENT APPROPRIATIONS

Mr. MOSES. Mr. President, I ask unanimous consent that the unfinished business may be temporarily laid aside, and that the Senate proceed to the consideration of House bill 7220, the Agricultural appropriation bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. MCNARY. Mr. President, I ask unanimous consent to dispense with the formal reading of the bill, and that the bill be read for amendment, committee amendments to be first considered.

The PRESIDING OFFICER. The Senator from Oregon asks unanimous consent to dispense with the formal reading of the bill, that the bill be read for amendment, committee amendments to be first considered. Is there objection? The Chair hears none, and it is so ordered.

The reading clerk proceeded to read the bill.

The first amendment of the Committee on Appropriations was, under the subhead "Miscellaneous expenses, Department of Agriculture," on page 3, line 3, after the word "advertising," to insert "press clippings," so as to make the paragraph read:

For stationery, blank books, twine, paper, gum, dry goods, soap, brushes, brooms, mats, oils, paints, glass, lumber, hardware, ice, fuel, water and gas pipes, heating apparatus, furniture, carpets, and mat-

tings; for lights, freight, express charges, advertising, press clippings, telegraphing, telephoning, postage, washing towels, and necessary repairs and improvements to buildings and heating apparatus; for the purchase, subsistence, and care of horses and the purchase and repair of harness and vehicles, for official purposes only; including necessary expenses for the maintenance, repair, and operation of an automobile for the official use of the Secretary of Agriculture; for the payment of the Department of Agriculture's proportionate share of the expense of the dispatch agent in New York; for official traveling expenses; and for other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the department, $156,000.

The amendment was agreed to.

The next amendment was, under the subhead "General expenses, Bureau of Animal Industry," on page 14, at the end of line 21, to strike out "$548,000: *Provided*, That of this sum $30,000 may be used for the manufacture, preparation, or distribution of blackleg vaccine," and to insert "$573,000: *Provided*, That of this sum $30,000 may be used as a revolving fund for the purchase, and for the distribution at approximate cost, of blackleg vaccine," so as to make the paragraph read:

For inspection and quarantine work, including all necessary expenses for the eradication of scabies in sheep and cattle, the inspection of southern cattle, the supervision of the transportation of livestock, and the inspection of vessels, the execution of the 28-hour law, the inspection and quarantine of imported animals, including the establishment and maintenance of quarantine stations and repairs, alterations, improvements, or additions to buildings thereon; the inspection work relative to the existence of contagious diseases, and the mallein testing of animals, $573,000: *Provided*, That of this sum $30,000 may be used as a revolving fund for the purchase, and for the distribution at approximate cost, of blackleg vaccine.

The amendment was agreed to.

The next amendment was, on page 19, at the end of line 26, to increase the total appropriation for general expenses of the Bureau of Animal Industry from "$5,757,766" to "$5,782,766."

The amendment was agreed to.

The next amendment was, on page 20, at the end of line 10, to increase the total appropriation for the Bureau of Animal Industry from "$7,498,916" to "$7,523,916."

The amendment was agreed to.

The next amendment was, under the subhead "General expenses, Bureau of Plant Industry," on page 22, at the end of line 13, to strike out "$84,335" and to insert "$100,000," so as to make the paragraph read:

For the investigation of diseases of forest and ornamental trees and shrubs, including a study of the nature and habits of the parasitic fungi causing the chestnut-tree bark disease, the white-pine blister rust, and other epidemic tree diseases, for the purpose of discovering new methods of control and applying methods of eradication or control already discovered, $100,000.

The amendment was agreed to.

The next amendment was, on page 25, at the end of line 22, to increase the appropriation for the investigation and improvement of tobacco and the methods of tobacco production and handling from "$41,940" to "$46,300."

The amendment was agreed to.

The next amendment was, on page 27, at the end of line 11, to strike out "$134,793" and to insert "$139,125," so as to read:

For the investigation and improvement of fruits, and the methods of fruit growing, harvesting, handling, and studies of the physiological and related changes of fruits and vegetables during the processes of marketing and while in commercial storage, $139,125.

The amendment was agreed to.

The next amendment was, on page 27, at the end of line 25, to strike out "$81,808" and insert "$93,102," so as to read:

For horticultural investigations, including the study of producing and harvesting truck and related crops, including potatoes, and studies of the physiological and related changes of vegetables while in the processes of marketing and in commercial storage, and the study of landscape and vegetable gardening, floriculture, and related subjects, $93,102.

The amendment was agreed to.

The next amendment was, on page 29, line 11, to increase the total appropriation for general expenses, Bureau of Plant Industry, from "$3,048,738" to "$3,084,389."

The amendment was agreed to.

The next amendment was, on page 29, at the end of line 12, to increase the total appropriation for the Bureau of Plant Industry from "$3,638,658" to "$3,674,309."

The amendment was agreed to.

The next amendment was, under the subhead "General expenses, Forest Service," on page 35, at the end of line 4, to strike out "$335,824" and to insert "$351,260," so as to read:

For investigations of methods for wood distillation and for the preservative treatment of timber, for timber testing, and the testing of such woods as may require test to ascertain if they be suitable for making paper, for investigations and tests within the United States of foreign woods of commercial importance to industries in the United States, and for other investigations and experiments to promote economy in the use of forest and fiber products, and for commercial demonstrations of improved methods or processes, in cooperation with individuals and companies, $351,260.

The amendment was agreed to.

The next amendment was, on page 36, at the end of line 2, to strike out "$137,420" and to insert "$187,420," so as to read:

For silvicultural, dendrological, and other experiments and investigations, independently or in cooperation with other branches of the Federal Government, with States, and with individuals, to determine the best methods for the conservative management of forest and forest lands, $187,420.

The amendment was agreed to.

The next amendment was, on page 36, line 25, to increase the total appropriation for general expenses of the Forest Service from "$4,230,606" to "$4,296,042."

The amendment was agreed to.

The next amendment was, on page 37, line 14, to increase the total appropriation for the Forest Service from "$6,731,489" to "$6,796,925."

The amendment was agreed to.

The next amendment was, under the subhead "General expenses, Bureau of Chemistry," on page 38, at the end of line 12, to strike out "$120,600" and to insert "$130,600," so as to read:

For conducting the investigations contemplated by the act of May 15, 1862, relating to the application of chemistry to agriculture; for the biological investigation of food and drug products and substances used in the manufacture thereof, including investigations of the physiological effects of such products on the human organism, $130,600.

The amendment was agreed to.

The next amendment was, on page 40, line 19, to increase the total appropriation for general expenses, Bureau of Chemistry, from "$1,047,230" to "$1,057,230."

The amendment was agreed to.

The next amendment was, on page 40, line 20, to increase the total appropriation for the Bureau of Chemistry from "$1,387,230" to "$1,397,230."

The amendment was agreed to.

The next amendment was, under the subhead "General expenses, Bureau of Entomology," on page 43, line 14, after the word "grasshopper," to insert "alfalfa weevil," and in the same line, after the words "chinch bug," to strike out "$176,400" and to insert "$186,400," so as to read:

For investigations of insects affecting cereal and forage crops, including a special investigation of the Hessian fly, grasshopper, alfalfa weevil, and the chinch bug, $186,400.

The amendment was agreed to.

The next amendment was, on page 43, line 19, after the words "Argentine ant," to strike out "$206,920" and to insert "$256,920, of which sum $25,000 shall be immediately available," so as to read:

For investigations of insects affecting southern field crops, including insects affecting cotton, tobacco, rice, sugar cane, etc., and the cigarette beetle and Argentine ant, $256,920, of which sum $25,000 shall be immediately available.

The amendment was agreed to.

The next amendment was, on page 44, line 2, after the word "insects," to insert "and wireworms," and at the end of line 4 to strike out "$145,000" and to insert "$157,000," so as to read:

For investigations of insects affecting truck crops, including insects and wireworms affecting the potato, sugar beet, cabbage, onion, tomato, beans, peas, etc., and insects affecting stored products, $157,000.

The amendment was agreed to.

The next amendment was, on page 44, line 19, to increase the total appropriation for general expenses, Bureau of Entomology, from "$1,074,305" to "$1,146,305."

The amendment was agreed to.

The next amendment was, on page 46, after line 20, to insert:

WESTERN PINE BEETLE AND ASSOCIATED FOREST INSECTS

To enable the Secretary of Agriculture to provide for a scientific investigation to advance and improve methods of preventing losses from western pine beetle and associated forest insects; and to assist departments of the Federal Government, State and private owners of timber in the inspection of insect-infested timber and the demonstration of the best known methods of control, $35,000.

The amendment was agreed to.

The next amendment was, on page 47, line 4, to increase the total appropriation for the Bureau of Entomology from "$2,028,848" to "$2,135,848."

The amendment was agreed to.

The next amendment was, under the subhead "General expenses, Bureau of Biological Survey," on page 48, line 19, to strike out "$26,480" and to insert "$28,475," so as to read:

For biological investigations, including the relations, habits, geographic distribution, and migrations of animals and plants, and the preparation of maps of the life zones, $28,475.

The amendment was agreed to.

The next amendment was, on page 49, line 22, to increase the total appropriation for general expenses, Bureau of Biological Survey, from "$784,155" to "$786,150."

The amendment was agreed to.

The next amendment was, on page 49, line 23, to increase the total appropriation for the Bureau of Biological Survey, from "$890,495" to "$892,490."

The amendment was agreed to.

The next amendment was, under the subhead "General expenses, Bureau of Agricultural Economics," on page 54, at the end of line 9, to increase the appropriation to investigate and encourage the adoption of improved methods of farm management and farm practice, from "$275,000" to "$286,538."

The amendment was agreed to.

The next amendment was, on page 54, line 24, after the word "products," to strike out "$524,628" and to insert "$549,628: *Provided*, That $25,000 of this sum shall be used for investigation of the economic costs of retail marketing of meat and meat products," so as to read:

For acquiring and diffusing among the people of the United States useful information on subjects connected with the marketing, handling, utilization, grading, transportation, and distributing of farm and nonmanufactured food products and the purchasing of farm supplies, including the demonstration and promotion of the use of uniform standards of classification of American farm products throughout the world, independently and in cooperation with other branches of the department, State agencies, purchasing and consuming organizations, and persons engaged in the marketing, handling, utilization, grading, transportation, and distributing of farm and food products, $549,628: *Provided*, That $25,000 of this sum shall be used for investigation of the economic costs of retail marketing of meat and meat products.

The amendment was agreed to.

The next amendment was, on page 56, line 3, before the word "condition" to strike out "and" and to insert "and/or," so as to read:

For enabling the Secretary of Agriculture to investigate and certify to shippers and other interested parties the class, quality, and/or condition of cotton and fruits, vegetables, poultry, butter, hay, and other perishable farm products when offered for interstate shipment or when received at such important central markets as the Secretary of Agriculture may from time to time designate, or at points which may be conveniently reached therefrom, under such rules and regulations as he may prescribe, including payment of such fees as will be reasonable and as nearly as may be to cover the cost for the service rendered.

The amendment was agreed to.

The next amendment was, on page 57, at the end of line 2, to strike out "682,480" and to insert $768,480," so as to read:

For collecting, publishing, and distributing, by telegraph, mail, or otherwise, timely information on the market supply and demand, commercial movement, location, disposition, quality, condition, and market prices of livestock, meats, fish, and animal products, dairy and poultry products, fruits and vegetables, peanuts and their products, grain, hay, feeds, and seeds, and other agricultural products, independently and in cooperation with other branches of the Government, State agencies, purchasing and consuming organizations, and persons engaged in the production, transportation, marketing, and distribution of farm and food products, $768,480.

The amendment was agreed to.

The next amendment was, on page 57, line 4, to increase the total appropriation for general expenses of the Bureau of Agricultural Economics from "$2,263,001" to "$2,385,539."

The amendment was agreed to.

The next amendment was, under the subhead "Enforcement of the United States grain standards act," on page 58, at the end of line 4, to strike out "$500,000" and to insert "$550,000," so as to make the paragraph read:

To enable the Secretary of Agriculture to carry into effect the provisions of the United States grain standards act, including rent outside of the District of Columbia and the employment of such persons and means as the Secretary of Agriculture may deem necessary, in the city of Washington and elsewhere, $550,000.

The amendment was agreed to.

The next amendment was, under the subhead "Administration of the United States warehouse act," on page 58, at the end of line 11, to strike out "$163,000" and to insert "$186,500," so as to make the paragraph read:

To enable the Secretary of Agriculture to carry into effect the provisions of the United States warehouse act, including the payment of such rent outside of the District of Columbia and the employment of such persons and means as the Secretary of Agriculture may deem necessary, in the city of Washington and elsewhere, $186,500.

The amendment was agreed to.

The next amendment was, on page 59, at the end of line 8, to increase the total appropriation for the Bureau of Agricultural Economics from "$4,227,364" to "$4,423,402."

The amendment was agreed to.

The next amendment was, under the subhead "Acquisition of additional forest lands," on page 63, at the end of line 16, to strike out "$600,000" and to insert "$1,000,000," so as to make the paragraph read:

ACQUISITION OF ADDITIONAL FOREST LANDS

For the acquisition of additional lands at headwaters of navigable streams, to be expended under the provisions of the act of March 1, 1911 (36 Stat. L. p. 961), as amended, $1,000,000.

The amendment was agreed to.

The next amendment was, on page 66, after line 3, to insert:

ERADICATION OF FOOT-AND-MOUTH AND OTHER CONTAGIOUS DISEASES OF ANIMALS

In case of an emergency arising out of the existence of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious disease of animals which, in the opinion of the Secretary of Agriculture, threatens the livestock industry of the country, he may expend in the city of Washington or elsewhere, out of any money in the Treasury not otherwise appropriated, the sum of $4,000, which sum is hereby appropriated, or so much thereof as he determines to be necessary, in the arrest and eradication of any such disease, including the payment of claims growing out of past and future purchases and destruction, in cooperation with the States, of animals affected by or exposed to, or of materials contaminated by or exposed to, any such disease, wherever found and irrespective of ownership, under like or substantially similar circumstances, when such owner has complied with all lawful quarantine regulations: *Provided*, That the payment for animals hereafter purchased may be made on appraisement based on the meat, dairy, or breeding value, but in case of appraisement based on breeding value no appraisement of any animal shall exceed three times its meat or dairy value, and except in case of an extraordinary emergency to be determined by the Secretary of Agriculture, the payment by the United States Government for any animal shall not exceed one-half of any such appraisements.

The amendment was agreed to.

The next amendment was, under the subhead "Enforcement of packers and stockyards act," on page 70, line 22, after the numerals "1921," to strike out "$226,770: *Provided, however*, That the Secretary of Agriculture may make an estimate of the amount of funds necessary in addition to the sum herein named to enable him to carry into effect the provisions of the packers and stockyards act, and thereupon he may levy, as uniformly and equitably as in his judgment is possible from time to time, against the stockyard owners, market agencies, and dealers subject to said act, who shall promptly thereafter pay to the Secretary of Agriculture such fees as will be necessary to provide such additional funds. The Secretary may require reasonable bonds from them to secure the performance of their obligations, and may, after a hearing on not less than two days' notice, suspend any market agency or dealer for a reasonable specified time because of insolvency or violation of said act or any order or regulation thereunder," and to insert "$452,540," so as to make the paragraph read:

To enable the Secretary of Agriculture to carry into effect the provisions of the packers and stockyards act, approved August 15, 1921, $452,540.

The amendment was agreed to.

The next amendment was, under the subhead "Special items," on page 72, line 4, to strike out "$4,700,000" and to insert "$8,000,000," and at the end of line 15 to strike out "$5,300,000" and to insert "$2,000,000," so as to read:

Forest roads and trails: For carrying out the provisions of section 23 of the Federal highway act approved November 9, 1921, $6,000,000, to be available until expended, being the remainder of the sum of $6,500,000 authorized to be appropriated for the fiscal year ending June 30, 1924, and part of the sum authorized to be appropriated for the fiscal year ending June 30, 1925, by paragraph 2 of section 4 of the act making appropriations for the Post Office Department for the fiscal year 1923, approved June 19, 1922: *Provided*, That the Secretary of Agriculture is hereby authorized, immediately upon the approval of this act, also to apportion and pro rate among the several States, Alaska, and Porto Rico, as provided in section 23 of said Federal highway act, the sum of $2,000,000, constituting the remainder of the sum authorized to be appropriated for the fiscal year ending June 30, 1925, etc.

The amendment was agreed to.

The next amendment was, on page 74, at the end of line 9, to increase the total appropriation for the Department of Agriculture from "$56,583,743" to "$60,954,633."

The amendment was agreed to.

The PRESIDING OFFICER. The bill is before the Senate as in Committee of the Whole and open to amendment.

Mr. OVERMAN. Mr. President, I offer the amendment which I send to the desk, to be inserted by the Clerk at the proper place in the bill.

The PRESIDING OFFICER. The Senator from North Carolina offers an amendment, which will be stated.

The READING CLERK. On page 24, line 2, it is proposed to strike out "$155,450" and to insert in lieu thereof "$205,450."

Mr. OVERMAN. Mr. President, in the subcommittee of which I was a member I fought this appropriation, because it was testified before the subcommittee that this money was to be spent in other countries—in other words, for the exploitation of rubber in Brazil and other South American countries. The Secretary of Agriculture said to me the other night that that was not so; that his idea was to exploit the raising of rubber in this country, down in our southern country. He asked me if I would not agree to offer an amendment for the amount estimated by the Budget, and I agreed to do so. I am going to ask to have his letter read, so that we can see exactly what he wants. He favors this amendment, and the amendment only brings up the amount to the sum estimated by the Budget.

The PRESIDING OFFICER. Without objection, the letter will be read.

The reading clerk proceeded to read the letter.

Mr. OVERMAN. Mr. President, I will ask that the letter be printed in the RECORD. The Secretary goes on to say that he hopes that rubber trees can be grown in this country, and he thinks it is worth a trial, and I am willing to have him try it. I do not want to spend any money for exploitation in Brazil and Costa Rica and the countries below, and that is the reason why I voted to strike out the item; but in view of this letter I offer the amendment.

The PRESIDING OFFICER. Without objection, the letter will be printed in the RECORD.

The letter is as follows:

THE SECRETARY OF AGRICULTURE,
Washington, May 20, 1924.

DEAR SENATOR: As suggested in our conversation the other evening, with regard to the crude-rubber investigations being carried on by this department, I give you in condensed form the high points.

The United States consumes annually more than 70 per cent of the world's supply of crude rubber.

More than 90 per cent of the total supply of crude rubber is produced in the British and Dutch colonial possessions in the Far East.

It would be greatly to the advantage of the United States if our source of rubber supply could be brought nearer, and especially to our advantage if it should be found possible to develop a rubber industry in the continental United States.

The Department of Agriculture during the past year has begun a systematic exploration of possible rubber-producing territory in Central and South America, and has studied methods of tapping the trees and collecting rubber in those sections where it is being produced. It is obvious that any contribution we can make toward increasing the supply of rubber near at home and improving methods of harvesting it will be greatly to the advantage of our own people. In connection with these explorations and studies in Central and South America, our people have gathered seed and propagating material from rubber plants which may be considered promising for planting in the Canal Zone, Haiti, Florida, and Southern California.

Systematic studies of potential rubber-producing plants which can be grown in continental United States are now well started. These studies are now being carried on at the Chapman Field Plant Introduction Garden in southern Florida, at the Torrey Pine Field Station near San Diego, Calif., and at Fallon, Nev. At the Florida station we have a dozen or more plants growing, at least three of which seem to be promising. At the California station we have several rubber-producing plants, both native and introduced species. At Fallon, Nev., we are working in cooperation with the Carnegie Institution, making studies of a native rubber-producing plant.

No one can forecast with certainty what may be the result of these studies and experiments, but in view of our large consumption of rubber and the remote source of supply, surely the United States can afford to spend much larger sums even than have been contemplated to determine what may be possible. The rubber situation at the present time may be compared to the situation which existed with regard to sugar at the time of the Napoleonic wars. Practically the entire sugar supply of the world was then derived from sugar cane, the production of which was almost entirely restricted to the Tropics. Scientific research and experimentation resulted in the development of the beet as a source of sugar supply, and it now furnishes a large part of the world supply of sugar. With this experience in mind, certainly we are justified in spending whatever money may be necessary to exhaust the possibilities of rubber production in continental United States.

The Bureau of the Budget after full hearing on the subject included an appropriation of $70,000 for these crude-rubber investigations for the coming year. For some reason, which I do not understand, this sum was reduced to twenty thousand in the House. If it should remain at twenty thousand, we will find it necessary to greatly reduce the present personnel engaged in rubber investigations, and confine our studies of potential rubber-producing plants to propagation experiments on a very small scale. I am very strongly of the opinion that the appropriation for this purpose allowed by the Bureau of the Budget will prove a wise expenditure of Government funds.

Very truly,

HENRY C. WALLACE.

Hon. LEE S. OVERMAN,
United States Senate.

Mr. CURTIS. Mr. President, will the Senator yield? I desire to ask him a question.

Mr. OVERMAN. Yes; I yield.

Mr. CURTIS. Does this include any investigation as to the growing of rubber trees in the Philippine Islands?

Mr. OVERMAN. Yes, sir.

Mr. SMITH. Mr. President, I should like to state that this means a survey of the possible growth of rubber trees wherever they may be found, looking toward the introduction into parts of our country of varieties of rubber trees that may be adapted to North American conditions.

Mr. FLETCHER. Mr. President, I think the amendment ought to be agreed to. I know of some studies and investigations that are being made in some parts of the country, and I know that in southern Florida, below the frost line, there are great possibilities for the development of this industry and for the production of our own rubber in our own country. I hope the amendment will be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Carolina.

The amendment was agreed to.

The READING CLERK. On the same page, on line 4, it is proposed to strike out "$20,000" and insert "$70,000."

The amendment was agreed to.

Mr. NORBECK. Mr. President, I wish to offer an amendment on page 48.

The PRESIDING OFFICER. The Secretary will state the amendment offered by the Senator from South Dakota.

The READING CLERK. On page 48, line 15, it is proposed to strike out "$508,880" and to insert "$652,140."

Mr. NORBECK. Mr. President, this is for investigating the food habits of North American birds and other animals in relation to agriculture, horticulture, forestry, and so forth, and for the extermination of predatory animals. We are asking simply that the amount be brought up to the estimate of the department.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota.

The amendment was agreed to.

Mr. NORBECK. Now I desire to offer another amendment. This amendment is on page 49, and is just in harmony with the bill that was passed last night regarding the expenditure of money in Alaska. If the amendment is agreed to it will con-

solidate the two funds, and do away with the duplicate game wardens, and do it as soon as the appropriation bill passes.

The PRESIDING OFFICER. The Senator from South Dakota offers a further amendment, which will be stated.

The READING CLERK. On page 49, at the end of line 17, it is proposed to insert:

On and after July 1, 1924, the powers and duties heretofore conferred upon the Governor of Alaska by existing law for the protection of wild game animals and wild birds in Alaska are hereby conferred upon and shall be exercised by the Secretary of Agriculture; and all money available or appropriated in this or any other act for the fiscal year ending June 30, 1925, for carrying into effect the act approved May 11, 1908, entitled "An act for the protection of game in Alaska, and for other purposes," including salaries, traveling expenses of game wardens, and all other necessary expenses, is hereby transferred to the credit of the Department of Agriculture to be expended by the Secretary of Agriculture for such purposes.

The amendment was agreed to.

Mr. HARRELD. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Secretary will state the amendment offered by the Senator from Oklahoma.

The READING CLERK. On page 64, line 6, after the word "made," it is proposed to insert:

including the erection of a herdsman's cottage.

Mr. HARRELD. Mr. President, this is in accordance with the recommendation of the Agricultural Department. They want this amendment made. It does not increase the appropriation at all.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

The amendment was agreed to.

Mr. McNARY. I ask unanimous consent that the clerks be authorized to correct all totals.

The PRESIDING OFFICER. Without objection, that consent will be granted. The bill is still before the Senate as in Committee of the Whole, and open to amendment. If there be no further amendment to be proposed, the bill will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

ORIGIN OF THE WORLD WAR

Mr. OWEN. Mr. President, I ask to have printed in the RECORD a statement by Harry Elmer Barnes, with regard to the origin of the World War in connection with a speech I made on the subject.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ASSESSING THE BLAME FOR THE WORLD WAR—A REVISED JUDGMENT BASED ON ALL THE AVAILABLE DOCUMENTS [1]

(By Harry Elmer Barnes, Ph. D.)

I. THE NEW DOCUMENTS

Section VIII of the treaty of Versailles, signed on June 28, 1919, begins as follows:

> "The allied and associated Governments affirm, and Germany accepts, the responsibility of herself and her allies for causing all the loss and damage to which the allied and associated Governments and their nationals have been subjected as a consequence of the war imposed upon them by the aggression of Germany and her allies."

On the basis of this assertion the allied powers specifically and concretely erected their claim to reparations from Germany and by implication the general nature of the entire treaty. Some have supposed that Germany, by apparently acquiescing in this charge of full and complete guilt in regard to the outbreak of the war, finally and for all time clinched the argument of the allied powers in regard to her sole responsibility. Such a position could hardly be held, however, by anyone familiar with the methods of the Allies during the peace conference. Germany occupied the situation of a prisoner at the bar, where the prosecuting attorney is given full leeway as to time and presentation of evidence, while the defendant is denied counsel or the opportunity to produce either evidence or witnesses. It was, indeed, a case where the prosecution simply contented itself with the assumption of the guilt of the defendant and was not required to furnish proof. Germany was confronted with the alternative of signing the confession at once or having her territory invaded and occupied, with every probability that such an admission would be ultimately extorted from her in any event. In the light of these obvious facts it is plain that the question of the responsibility for the outbreak of the World War must rest for its solution upon the indisputable documentary evidence which is available in the premises.

Under the circumstances which ordinarily follow a great war we should still be as ignorant of the real causes of the World War as we were in 1914. It has been a general rule that the archives, or repositories of the public documents of the States involved, have been closed to nonofficial readers until from 40 to 80 years after the events and negotiations which these documents describe. Hence we should normally have been required to wait until about 1975 for as great a volume of documentary evidence as we now possess, and two generations of students would have passed away without progressing beyond dubious guesses and intuitive approximations to the truth. The explanation of our unprecedented good fortune in this regard is to be found in the revolutionary overturns in Germany, Austria, and Russia before the close of the World War. The new Governments were socialistic in character and hypothetically opposed to war and militarism, despite the fact that the socialists had for the most part remained loyal to their capitalistic or landlord governments in the World War. Desiring to make their tenure more secure by discrediting the acts and policies of the preceding régimes the leaders of the new governments perceived one method of achieving this end by throwing open the national archives in the hope that historical editors might discover therein evidence of responsibility on the part of the former governing groups for the inundation of blood, misery, and sorrow which swept over Europe after 1914. In addition to these voluntarily opened archives, the Germans seized the Belgian archives during the war and published collections of extracts. Then B. de Siebert, secretary to the Russian Embassy at London in the period before the war, secretly made copies of the important diplomatic exchanges between London and St. Petersburg from 1908 to 1914, and later gave or sold them to the Germans.

The nature of the European diplomatic and military alignments in 1914 accounts for the fact that these revelations are reasonably adequate to settle the problems concerning the declarations of war in 1914, despite the further fact that England, France, and Italy have refused to make their archives accessible to scholars. Inasmuch as Italy was technically allied with Germany and Austria in the Triple Alliance, the nature of much of her foreign policy and many of her diplomatic engagements may be gleaned from the German and Austrian archives. But she was at the same time secretly negotiating with France and, after 1914, with the members of the Triple Entente. This material is, in large part, available in the documents in the Russian archives. England and France having been the other members of the triple entente, the secret diplomacy of this group is reasonably covered in the Russian archives and the Siebert documents, which are now duplicated in part in the publications from the Russian archives, though it would be desirable to know more of any possible secret Franco-British exchanges not revealed to Russia. The French have, of course, published some of their documents in the various Livres Jaunes—the most important of which is that on the Balkan policy (1922), but they are officially edited and the incriminating documents are naturally suppressed. (See the New York Nation, October 11, 1922, p. 372, Document XXVII, for an example of the falsification of the French Yellow Book.)

Although a vast number of documents in the archives of Germany, Austria, and Russia have not yet been published, the collections thus far available are impressive. The diplomatic documents covering the broad historical background of the Austrian crisis of 1914 are presented in the admirable collection of Prof. A. F. Pribram. (The Secret Treaties of Austria-Hungary, 1879–1914. The American edition was supervised by Prof. A. C. Coolidge and published by the Harvard University Press, 1920. It should be pointed out that Pribram's work is not yet finished. He is waiting for the complete publication of the German documents.) The documents in the Austrian archives dealing with the month preceding the outbreak of the World War have been edited by the publicist and scholarly journalist, Roderich Gooss, in the

[1] Not the slightest pretension is made in this article to any discovery of facts not already well known to all historians interested in the history of contemporary European diplomacy. The aim of the author is solely to set forth in a clear fashion the conclusions to which we are inevitably forced by the authentic documents which have been published since 1914 and mainly since 1919. Full and complete indebtedness is acknowledged to such experts in the field as S. B. Fay, G. P. Gooch, B. E. Schmitt, A. C. Coolidge, R. J. Kerner, C. A. Beard, W. L. Langer, A. F. Pribram, M. Montgelas and the authors of the special treatises which will be mentioned in the course of the article. In particular, I am indebted to Profs. Bernadotte E. Schmitt, William L. Langer, and two eminent experts who prefer not to be named for a critical reading of this article, which has added much to the general interpretation and saved me from many slips in matters of detail. Professor Schmitt has rendered the special courtesy of allowing me to read in manuscript his important article on "The Triple Alliance and the Triple Entente," to be published in the American Historical Review for April, 1924.

three volumes of the Austrian Red Book. (Diplomatische Aktenstuecke zur Vorgeschichte des Krieges, 1914, 3 volumes, Vienna, 1919. These are now available in English translation.)

In Germany an even more voluminous collection of the diplomacy of Germany and related countries from 1871 to 1914 is in process of publication under the editorship of J. Lepsius, A. M. Bartholdy, and F. Thimme.

This embraces all the important diplomatic documents in the German foreign office; some 12 bulky volumes have already appeared. It is the most extensive publication of this sort yet undertaken in any country. (Die Grosse Politik der Europaeischen Kabinette, 1871–1914. Berlin, 1922.)

The documents dealing with the antecedents of August, 1914, were extracted from the German archives by the German Socialist, Karl Kautsky, and published in four volumes under the editorship of the eminent scholars, W. Schücking, M. Montgelas, and A. M. Bartholdy. (Die Deutschen Dokumente zum Kriegsausbruch, 4 volumes, Charlottenburg, 1919.) A supplementary collection has been more recently published which embodies: (1) The testimony of leading Germans in military, diplomatic, and business life before a committee appointed by the German postwar Government to investigate the responsibility for the war; (2) the records of the reaction of Germany to Mr. Wilson's peace note of December, 1916; and (3) the negotiations between Germany and her allies, and Germany and the United States concerning submarine warfare, and the policies which produced the entry of the United States into the World War. (Official German documents relating to the World War. Carnegie Endowment for International Peace, 2 volumes, New York; Oxford University Press, 1923.)

No Russian documents have been made available as yet which cover so ample a historical background as the work of Pribram and the published volumes of the Lepsius-Bartholdy-Thimme collection. The Siebert documents (Entente Diplomacy and the World, 1909–1914, New York; Knickerbocker Press, 1922. Siebert has held out the documents most incriminating to the Entente and is still holding them for a higher price than has been offered. These documents deal with the exchanges between St. Petersburg, London, and Paris in July and August, 1914) deal only with the period from 1908–1914. The Livre Noir (Black Book) is the other important publication of the Russian documents. It was collected by René Marchand, a scholarly French Socialist and journalist thoroughly familiar with the Russian language and with Russian public life and politics. It presents in detail the Russian diplomatic documents of the years 1910–1914, particularly stressing Franco-Russian relations and policies. This is the most important published collection of Russian source material. (Un Livre Noir: Diplomatie d'Avant-Guerre d'apres les Documents Russes, Novembre, 1910; Juillet, 1914; 2 volumes, Paris, 1922–23. A brief collection of these Russian documents was published in Paris as early as 1919 under the editorship of Emile Laloy. It is important as containing the secret Russian conference in February, 1914, on the desirability of seizing the Straits (pp. 74–100).) The newly accessible archival material has enabled scholars to check up on the collections of apologetic or extenuating documents published by the great powers in the early days of the war. A step in this direction has been taken by G. von Romberg, who has brought out a publication of the actual exchanges between Paris and St. Petersburg following the submission of the Austrian ultimatum to Serbia on July 23, 1914. This lays bare the serious and important suppressions in the original Russian Orange Book, which eliminated all the damaging evidence regarding conciliatory German proposals or aggressive Franco-Russian aims and policies. (Falsifications of the Russian Orange Book, New York; Huebsch, 1923.) Also from the Russian archives has come the recently published collection revealing Italy's dickering with the Entente for territorial cessions from 1914 to the time of her entry into the World War in May, 1915. (L'Intervenzione dell' Italia nei Documenti Segreti dell' Intesa. Rome, 1923.)

The Belgian documents, published by Germany, embraced chiefly the dispatches and opinions of the Belgian ambassadors in the major European capitals following 1886, playing up especially those which express fear of Entente collusion and alliance. Highly selected and one-sided, the collection is of real value as proving that the Belgians were alarmed by the policies of States other than Germany and incidentally vindicating beyond any doubt the neutrality of official Belgian opinion as a whole before 1914. (Belgische Aktenstuecke, 1905–1914, Berlin, 1915. Zur Europaeischen Politik, 1886–1893, 1897–1914, 5 volumes, Berlin, 1919–1922. These collections are edited by B. H. Schwertfeger. Some of them (1905–1914) have appeared in English translation.)

Finally, we have the depressing secret treaties of the Entente, which eliminate once and for all any basis for the hypothesis of idealism underlying the military activities of either side in the World War, and convict the Allies of aggressive aims as thoroughly as Grumbach's "Das Annexionistische Deutschland" proves Germany and Austria guilty of similar ambitions. (These treaties were printed in the New York Evening Post early in 1918 as a result of their revelation by the Bolsheviki. They are analyzed by R. S. Baker in his work, "Woodrow Wilson and the World Settlement." Mr. Baker defends the almost unbelievable assertion that Mr. Wilson left for the Peace Conference nearly a year later with no knowledge of their nature or contents.)

These collections of documents have been supplemented by a vast number of apologetic and controversial memoirs, reminiscences, and autobiographies which possess highly varied value and relevance, and by infinitely more important scholarly monographs analyzing in detail one or another of the many diplomatic and political problems and situations lying back of the World War. (The best summary of this literature is contained in G. P. Gooch's "Recent Revelations on European Diplomacy," Journal of the British Institute of International Affairs, January, 1923.) It is upon such material as this that we are able to construct a relatively objective and definite estimate of the causes of and responsibility for the great calamity of 1914–1918 and its aftermath. It is quite evident that if any account written prior to 1919 possesses any validity whatever or any approximation to the true picture of events, this is due solely to superior guessing power or good luck on the part of the writer, and in no sense to the possession of reliable or pertinent documentary evidence.

II. THE PRE-WAR SITUATION

The causes of the World War involve the greatest multitude of factors ranging from the most general and cosmic to the most detailed and personal; from the persistence of the tribal hunting-pack ferocity in mankind and the pressure of growing populations upon limited habitats and natural resources to the foolhardy conduct of the Austrian archduke on the day of his assassination, the psychic state of the Kaiser on July 5, 1914, and the intimidation of the Czar by militaristic advisers late in July, 1914. Though no reputable historian would doubt that the World War grew out of the economic and nationalistic situation from 1870 to 1914, there seems little of the inevitable in the alignments or historic circumstances that produced the war. States which were allied in 1914 clashed seriously in the preceding generation—England with France and Russia with England. Russia was on fairly friendly terms with Germany until the retirement of Bismarck. Germany was cordial to England in the early nineties, alienated her after 1895, and then adjusted satisfactorily to both parties the outstanding diplomatic difficulties of two decades two weeks before the assassination of the archduke. Russia several times indicated a willingness to sacrifice other Slavic peoples to gain her own imperialistic and territorial ends. There were strong groups in both France and Germany that desired a rapprochement between these States.

The gradual shaping of European diplomatic behavior creating the crisis of 1914 seems to rest primarily upon three major elements or inciting factors. One was the imperialistic and Pan-Slavic ambitions of Russia, who desired to dominate the Near East, to control the straits leading from the Black Sea to the Ægean, and to draw under her diplomatic ægis the lesser Slavic peoples of Europe. These aspirations, however, cut directly across the major ambitions and policies of the polyglot dual monarchy of Austria-Hungary, whose very existence depended upon repressing or abating the Slavic nationalism of a large portion of her population. In these policies she was naturally encouraged by her ally, Germany, who desired to have as strong an associate as possible, and who had herself a definite reason for wishing to realize an Austro-German hegemony in the Balkans as the first link in the "Berlin-to-Bagdad" railroad scheme. (Important surveys of these diplomatic and political problems are to be found in R. W. Seton-Watson et al., The War and Democracy, Chs. IV–V; Seton-Watson, The Southern Slav Question and the Hapsburg Monarchy; F. Schevill, A History of the Balkan Peninsula; E. M. Earle, Turkey, the Great Powers and the Bagdad Railroad; H. Friedjung, Das Zeitalter des Imperialismus; E. Durham, Twenty Years of the Balkan Tangle; S. A. Korff, Russia's Foreign Relations in the Last Half Century; Pribram, op. cit.; Fischel, Der Panslavismus; Pilar, Die Suedslawische Frage und die Weltkrieg; L. Mandl, Oesterreich-Ungarn and Serbien; and Die Hapsburger und die Suedslawische Frage.) Then there was the underlying hatred of Germany cherished by the French military group and "Revanchards" (the group committed to the project of a war of revenge) growing out of the sting of the unexpected defeat in 1870–71. Not even Caillaux was able to overcome this. Nothing short of a voluntary cession of at least Lorraine would have satisfied France, and there were important historical and economic reasons why Germany would not consent to any such proposal. (See G. P. Gooch, Franco-German Relations, 1871–1914; H. A. L. Fisher, Studies in History and Politics, pp. 146–161, and E. R. G. Curtius, Maurice Barres und die Geistigen Grundlagen des Franzoesischen Nationalismus. This work is very critical.) To these three major factors in the background might be added the remarkable economic and commercial development of Germany, leading to the growth of the volume and scope of German commerce, the rise of German naval ambitions, and a resulting rivalry with Great Britain in trade and maritime armament. There might also be mentioned the diplomatic clashes of Germany and England over the Boer War and the

Bagdad railroad. (G. P. Gooch, Modern Europe, Ch. XIII; B. E. Schmitt, England and Germany, 1740–1914; and A. W. Ward and G. P. Gooch, Cambridge History of British Foreign Policy, Vol. III, pp. 263–286, 294–301, 385–394, 456–485.)

On these foundations the familiar alignments of 1914 began slowly to take form. Austria and Germany were gradually isolated, and France, Great Britain, Russia, and Italy began to draw together. Italy was ostensibly a member of the Triple Alliance until 1914, but we now know that she was not a loyal member at any time during the present century, and that by 1902 she had an understanding with France that she would not join any other State in a war upon the French Nation. (There are many important works on European diplomacy since 1870, but those written before 1921 were not based upon the new and indispensable documents and must therefore be disregarded by the general reader. The only thorough and reliable book utilizing the new evidence is G. P. Gooch's History of Modern Europe, 1878–1919, which is the unrivaled diplomatic history of the period since 1870 and supplants all earlier works. Other more special works based on the recently published documents and of high value and impartiality are A. F. Pribram, Austrian Foreign Policy, 1908–1918; J. V. Fuller, Bismarck's Diplomacy at its Zenith; and the already cited works, G. P. Gooch, Franco-German Relations, 1871–1914; E. M. Earle, Turkey, the Great Powers and the Bagdad Railroad; and F. Rachfahl, Deutschland und die Weltpolitik, 1871–1914.) As Professor Schmitt has pointed out, however, it is to be borne in mind that the Italian Foreign Minister from 1910 to 1914, the Marquis of San Giuliano, took a renewed interest in the part of Italy in the Triple Alliance, and that Italy was on better terms with her old allies than at any previous time after 1902. Moltke in 1914 counted definitely on Italian military aid in the World War.

Along with the diplomatic arrangements and entanglements went an ominous and expensive armament race. Americans have been accustomed to regard the increase of land and sea armament from 1890 onward as primarily a German phenomenon, initiated by her, and reluctantly, lamely, and ineffectively imitated as a defensive policy by Russia, France, and Great Britain. This has been due partly to the fact that the Kaiser's vocal exuberance on military matters made good newspaper copy and partly to the further fact that the great majority of our own news concerning Germany came to us through the Harmsworth and other English papers which were strongly anti-German in tone. If possible, there has been an even more mistaken impression on this point than with respect to the view that Germany was solely responsible for the World War. The sober facts indicate that Germany and Austria were together maintaining an armament establishment on land and sea only a little more than half as extensive or expensive as that of England, France, and Russia combined. France, usually represented as pacific, unprepared, and defenseless, was in 1913–14 planning an army two-thirds larger per capita than that contemplated by Germany in her latest military bill before the World War. (See A. J. Nock, The Myth of a Guilty Nation, pp. 23–26; M. Montgelas, Leitfaden zur Kriegsschuldfrage, pp. 81–85; and the judicious analysis of the whole problem in A. G. Enock, The Problem of Armaments.)

Stress has been laid upon the peculiar and unique danger of the linking of autocracy and militarism in Germany and Austria. Such a combination is doubtless dangerous and deplorable, but it was not more noticeable in Germany and Austria than in Russia. We shall probably have to go further, however, and admit that it is the military attitude and the war spirit which is a menace, and that this will exist, if unchecked, in a democracy as well as in an autocracy. The old notion that democracy and militarism and war are mutually irreconcilable must be put aside as groundless illusion. The war spirit in the British Navy and in the militaristic group in France was about as virulent and aggressive as that of Potsdam or Vienna from 1912 to 1914. If war is to be obstructed and ultimately eliminated, it is militarism and nationalism which must be directly attacked; little will be achieved by merely altering political institutions. (See the interesting article by Prof. George H. Blakeslee, "Will Democracy Alone Make the World Safe?" in Journal of Race Development, April, 1918.)

In addition to these menacing general alignments and diplomatic antagonisms, it is essential to understand that there was especially high tension in the spring of 1914. It has usually been believed by the average intelligent citizen in America that the World War broke like a storm out of a clear sky; that Europe had settled down rather peacefully after the last Morocco crisis and was calm and unperturbed until June 28, 1914. Nothing could be further from the facts in the case. The assassination of Franz Ferdinand was merely the culmination of a veritable fear-neurosis on the part of the European Governments. In 1913 Germany and France provided for great increases in their land armaments, and England began what almost might be called war measures in her navy organization and procedure. In the spring of 1914 Austria could scarcely restrain herself from attacking Serbia, in spite of German opposition in the previous year. Germany was frightened by the cumulative progress of the Franco-Russian rapprochement and the substitution of a more chauvinistic French ambassador at St. Petersburg, and even more by the Russo-British naval conversation of 1914. German soldiers, statesmen, and publicists openly declared that, though pacific in intent, Germany was prepared for a vigorous defense against a wanton attack. Russia was controlled by the militaristic group who were encouraged by Poincaré and his followers in France. The Russians boasted that they, too, were ready for the test of arms, and contended that France should also be found thoroughly prepared. By the middle of June this feverish excitement and mutual suspicion had become alarmingly apparent alike to domestic observers and to foreign visitors. A crisis in such a state of affairs was likely to precipitate a panic and make it difficult to obstruct and control headstrong and arbitrary action. Such was the European situation when Franz Ferdinand, heir to the Austrian throne, was slain in Serajevo on June 28, 1914. (G. P. Gooch, History of Modern Europe, 1878–1919, Ch. XV; C. A. Beard, Cross Currents in Europe To-day, Chs. I–III; W. S. Churchill, The World Crisis, 1911–1914 (on war plans of British Navy from 1912 to 1914).)

The only light relieving the darkness of the situation was the successful culmination of the Anglo-German negotiations concerning the Near East, but before this could effect any readjustment of the European diplomatic situation, the continent was plunged into universal carnage. (Earle, op. cit., pp. 258–265.) It is believed by some that if sufficient publicity could have been given to the Anglo-German settlement, it would have had a sufficiently sobering effect upon the Franco-Russian imperialists to have postponed or avoided the World War, but it must be remembered that at the same time when England was negotiating successfully with Germany over the Near East she was negotiating secret naval agreements with France and Russia against Germany.

While this article is devoted chiefly to an analysis of the responsibility for the outbreak of hostilities, the writer is inclined to the view of Prof. B. E. Schmitt, expressed in the American Historical Review for April, 1924, that the real causes of the World War must be sought in this general diplomatic background which made the conflict inevitable, once an important and crucial issue arose between the Triple Alliance and the Triple Entente:

> "The causes of the Great War have been analyzed from many points of view. The explanation usually offered is the vaulting ambition of this or that great power, Germany being most often selected as the offender. Persons internationally minded insist that rabid nationalism was a universal disease and draw vivid pictures of the European anarchy. The pacifist points to the bloated armaments, and the Socialist can see only the conflict of rival imperialisms. Facts galore can be cited in support of each thesis. Yet no one of these explanations is entirely satisfactory, or the lot of them taken together. Why should the different kinds of dynamite explode simultaneously in August, 1914? Why, for instance, should a war break out between Great Britain and Germany at a moment when their disputes were seemingly on the verge of adjustment? There must have been some connecting link which acted as a chain of powder between the various accumulations of explosive material. And so there was; as one peruses the innumerable memoirs by politicians, soldiers, and sailors, from the German Emperor to obscure diplomatists, or tries to digest the thousands of documents published since 1918 from the German, Austrian, Serbian, Russian, French, Belgian, and British archives, the conviction grows that it was the schism of Europe in Triple Alliance and Triple Entente which fused the various quarrels and forces into one gigantic struggle for the balance of power; and the war came in 1914 because then, for the first time, the lines were sharply drawn between the two rival groups, and neither could yield on the Serbian issue without seeing the balance pass definitely to the other side."

III. DISTRIBUTION OF RESPONSIBILITY

Austria: Before discussing the policies and conduct of Austria, it is desirable to understand clearly the nature of the Austro-Serbian situation. Serbia, like the majority of the Balkan States, was a backward political society, in which intrigue, murder, and wholesale assassinations had not yet been transformed into orderly party government. It was also inflamed by an intense nationalism, fed by the sufferings and aspirations of centuries of repression. In June, 1903, the reigning royal family, their ministers, and over 50 prominent sympathizers and supporters were murdered and a new dynasty under King Peter established. The new dynasty was the rallying point of the Yugoslav nationalism, which looked to Russia for protection and encouragement. But the integrity of the Dual Monarchy depended upon holding in leash Slavic nationalism and the Pan-Slav program. The stage was thus set for continual and serious friction. (Schevill, op. cit., pp. 456–461; Seton-Watson, as above; A. Moussett, Le Royaume des Serbes, Croates et Slovenes. Mandl, op. cit. It is interesting to note that from 1903 to 1908 Edward VII was the most consistent of the European monarchs in boycotting the new Serb dynasty.)

This first came to a head in 1908 when Izvolsky, then the Russian Foreign Minister, proposed to the Austrian minister, Count Aehrenthal, that Austria annex Bosnia and Herzegovina, two Serb districts near the Adriatic then under the nominal control of Turkey. This had after 1903 been a secret Austrian ambition, but no Austrian statesman

had dared to think of it as a practical step, for it involved a violation of the treaty of Berlin of 1878, and it had been supposed by the Austrians that Russia would make a vigorous protest against any such proposal. Izvolsky intimated, however, that Russia would be placated by Austro-German pressure on Turkey to open the straits to the Russian Navy. (Gooch, Modern Europe, pp. 410–426. The great authority on the Bosnian crisis is Friedjung, op. cit., Vol. II.; see also E. Molden, Graf Aehrenthal; and Hoijer, Le Comte Aehrenthal et la Politique de Violence.)

Once Aehrenthal discovered that Russia would not be likely to object, he planned and carried through the annexation with a gusto that surprised and annoyed Izvolsky and led him to deny some of his earlier suggestions and assertions. The annexation was made feasible by the Young Turk revolution of 1908, which weakened Turkish resistance. Serbia protested sharply, but as she found herself deserted by Russia, in the end had to accede. We have entertained an altogether false notion as to the part of Germany in this transaction. The pressure which she applied to Russia was very slight. One of Izvolsky's assistants has gone so far as to hold that Germany's conduct in the circumstances was, in reality, a great favor to Russia. The "shining armor" statement of the Kaiser was merely a picturesque and bombastic mode of giving public notice of the firmness of the Austro-German understanding, not unlike Lloyd George's speech at the time of the second Morocco crisis. The annexation, however, created bitter feeling. Serbia never ceased from that time to plot against Austria, and Russian statesmen, not always fully informed as to how the annexation program was initiated, felt that Russia had been humiliated and discredited as the leader of the Pan-Slavic movement and "big brother" to the lesser Slavic States. (Gooch, Modern Europe, pp. 417–426; see list of authorities, p. 410, footnote 2.) Even more resentment was generated in official Russian circles over the failure to secure the opening of the straits, this proposal having actually been blocked by Great Britain. (Cambridge History of British Foreign Policy, Vol. III, pp. 404–405.)

Not even the treaty of 1910 with Germany over the Bagdad Railway was adequate to restore good relations. This Russian antipathy toward Germany was speedily recognized and eagerly exploited by the French nationalists and militarists, who were just then being united under the leadership of Poincaré. (The best presentation of the case against French militarism under Poincaré is contained in four one-sided books which need to be used cautiously, but have never been adequately refuted by Poincaré and his apologists. They are F. Gouttenoire de Toury, La Politique Russe de Poincaré; and by the same author, Jaures et le Parti de la Guerre; F. Bausman, Let France Explain; and A. H. Pevet, Les Responsables de la Guerre. The documentary evidence on this point is assembled in Marchand, Un Livre Noir, particularly Vol. II; and the Siebert Documents (Entente Diplomacy).)

SERB INTRIGUE AGAINST AUSTRIA

Another crisis was precipitated in 1912–13 by the Balkan wars, and Austria was prevented from making war on Serbia only by the firm opposition of Germany. (This matter is most adequately analyzed in M. Montgelas's Leitfaden zur Kriegsschuldfrage, pp. 36–68, especially pp. 62–65.) As it was, Austria was able to block Serbia's attempt to gain access to the Adriatic by inducing the great powers to erect the abortive State of Albania. Serbia knew of the aggressive Austrian plans and was greatly incensed by the denial of a port on the Adriatic. Anti-Austrian plots increased in number with the growth of hatred for that State. In the spring of 1914 a plot for the murder of the heir to the Austrian throne was instigated and planned by one Col. Dragutin Dimitryevitch, chief of the intelligence bureau of the Serbian general staff, and a notorious plotter and assassin. He apparently lost courage at the last moment and tried to call off the execution of the plan when it was too late. (S. Stanojevic, Die Ermordung des Erzherzogs Franz Ferdinand. It appears that the plans for the assassination were due to the fact that the Russian general staff passed on to the Serbian general staff the incorrect information that in their visit of June, 1914, the Kaiser and Franz Ferdinand had agreed upon a joint Austro-German attack on Serbia.) This is a fact not known to Austria in 1914, though she suspected a Serbian plot and did her best to uncover it. She had no success, however, at the time. On July 13, 1914, Berchtold's private agent, Wiesner, reported after a thorough investigation at Serajevo that "There is nothing to prove, or even to cause suspicion of the Serbian Government's cognizance of steps leading to the crime or of its preparing it or of its supplying the weapons. On the contrary, there are indications that this is to be regarded as out of the question." Hence, our present knowledge of complicity on the part of certain Serbian military officials is in no sense a justification of the action of the Austrian Government in July, 1914. In fact, it was a knowledge of the apparent falsity of his specific charges against Serbia that made Berchtold determined to keep the matter from a European congress of investigation and mediation. On the other hand, there was ample evidence of dangerous and continuous Serbian intrigue against Austria, whatever Serbia's part may have been in the plot against Franz Ferdinand. The assassins of Franz Ferdinand were members of one of these anti-Austrian secret societies. (Sidney B. Fay, "New Light on the Origins of the World War," in American Historical Review, July and October, 1920, and January, 1921; July, 1920, pp. 634–635; Gooch, Modern Europe, p. 555; Friedjung, op. cit., Vol. III.)

In briefly summarizing the Austrian action and policy from June 28 to August 1, it is necessary to keep clearly in mind that though Berchtold, as foreign secretary, was formally responsible for the negotiations, he was but a figurehead. Szilassy, Kanner, and Hötzendorf have made it most evident that he was but a vain, lazy, weak-willed, vacillating tool, dominated entirely by the war party led by Hötzendorf, the chief of staff, aided and abetted by Forgách, Hoyos, Bilinski, Stürgkh, and by sympathetic or docile subordinate officials in the foreign office (J. von Szilassy, Der Untergang der Donau-Monarchie; H. Kanner, Kaiserliche Katastrophen-Politik; C. von Hötzendorf, Aus Meiner Dienstzeit, 1906–1918. Szilassy's book is much the most important as demonstrating Berchtold's nominal responsibility for Austria's policy in July, 1914, and the real responsibility of the Hötzendorf-Forgách crowd. Professor Fay, however, believes that the crisis of July, 1914, stiffened up Berchtold and made him more of an active and responsible person than was normally the case). It was at one time believed that Berchtold was urged on by Tschirschky (see the violent diatribe against Tschirschky by A. Dumaine, French ambassador at Vienna from 1912 to 1914, in his La Derniere Ambassade de France en Autriche. B. W. von Buelow, Die Krisis, pp. 55–56, gives ample evidence of Tschirschky's relative caution and timidity), the German ambassador at Vienna, but though Tschirschky was more belligerent, after July 5, than the Kaiser or Bethmann-Hollweg, he was so much more moderate than Hötzendorf and his group as to seem a pacifist by comparison (Fay, loc. cit. (July, 1920), passim, especially pp. 631–632 and p. 639, footnote 83).

Thoroughly at the mercy of the war party, and not reluctantly so, Berchtold drew up a letter to the Kaiser signed by the aged Austrian Emperor, Franz Josef, stressing the fact that unless vigorous action was taken against Serbia there was little hope that the Austrian Empire could be kept intact. This was delivered on July 5. The Kaiser expressed sympathy with and approval of the Austrian position as stated in the letter, gave assurance of German support, and declared it to be his opinion that it was improbable that Russia would take up arms in defense of Serbia. In the evening he talked over the matter with Dr. von Bethmann-Hollweg, the chancellor, and Dr. Zimmermann, the undersecretary for foreign affairs.

A FATEFUL DECISION

On July 6, as the Kaiser was leaving on his annual northern cruise, von Bethmann-Hollweg communicated to Szögyény, the Austrian ambassador at Berlin, the ominous decision as to Germany's position. It was as follows: "Austria may judge what is to be done to clear up her relation with Serbia; whatever Austria's decision may turn out to be, Austria can count with certainty upon it that Germany will stand behind her as an ally and friend" (Ib., pp. 625–627; Gooch, Modern Europe, pp. 532–534). This crucial blank warrant was to prove the undoing of the dual monarchy and the German Empire. When it was too late, the Kaiser recognized the folly of such a commitment, and on July 30 exclaimed in desperation that he and Bethmann-Hollweg had been stupid enough to put their necks into a noose (Fay, Ib., p. 628, and footnote 38), an expression of regret which was not duplicated by Poincaré or Grey when they found themselves involved by giving Russia a free hand in the Balkans.

These talks of the Kaiser with Szögyény, Bethmann-Hollweg, and Zimmermann and an unimportant brief conference with Falkenhayn, the Prussian minister of war, on July 5, constitute all there actually was of a "Potsdam conference," which, starting as a bit of wild gossip on the part of a waiter in a Berlin restaurant, developed into the luxuriant and voluptuous legend with which Ambassador Henry Morgenthau regaled the English-speaking world in 1918 (at least eight of the men specifically alleged to be present at Potsdam were not in that part of Germany on July 5, and some not in Germany at all). Before leaving, early on the morning of July 6, for his cruise, the Kaiser talked with army and navy officials to inform them of the possibility of war, but asserted that he did not think it sufficiently probable to warrant cutting short the furloughs of army and navy chiefs who were away on their vacations. Nor did he consider the situation serious enough to remain until the return of his Secretary of Foreign Affairs (Fay, Ib., pp. 628–632; Kanner, Montgelas, and V. Valentin, Deutschlands Aussenpolitik, 1890–1918, demonstrate at even greater length the myth of the Potsdam conference).

AUSTRIAN MILITARISTS FOR WAR

The delay of the Austrians from July 6 to July 23 in sending the ultimatum to Serbia, originally attributed to the necessity, made clear at the "Potsdam conference," of having a couple of weeks to arrange the German financial and military situation for imminent and deliberate war, was actually due to the desire to get the report of Wiesner as to Serbian complicity in the assassination, the necessity of winning over Count Tisza, the Hungarian Prime Minister, to the war policy, and the decision to wait until President Poincaré of France had terminated

his visit to Russia. There can be no doubt, however, that the Hötzendorf group, with Berchtold as their mouthpiece, had determined upon war long before the delivery of the ultimatum of July 23 and irrespective of any reply which Serbia might make. The Austrian Army was promptly mobilized on the Serbian boundary on July 25, in the determination to forestall any attempt of intervention and arbitration. On July 28, in spite of the humble Serbian reply, which satisfied the Kaiser, von Bethmann-Hollweg, and von Jagow, Austria declared war on Serbia. There seems little probability, even if Germany and Russia had delayed their hostilities, that Austria could have been coerced into reason unless Germany had been willing to stand aside and let Russia make war upon her unaided ally. But there is no evidence that Russia was any more eager to make war upon Austria than upon Germany (Fay, loc. cit. (July and October, 1920), especially pp. 632–638. The most detailed and reliable treatment of Austrian diplomacy in July, 1914, is contained in the works of Szilassy, Kanner, and Valentin, and R. Goos, Das Wiener Kabinett und die Entstehung des Weltkrieges, the most voluminous analysis. Though German and Austrian writers, all four were noted critics of Macht-und-Realpolitik in their respective countries and their works are in no sense apologetic for those responsible for the Austro-German policy of 1914. No historian in any country has written more competently or objectively upon the origins of the war than Valentin, whose work is the best study we yet have of the diplomacy of Germany and Austria in 1914. He places the responsibility primarily upon Russia and Austria, in the order given). "The readiness of Austria," says Gooch, "for an eleventh-hour compromise, of which we heard so much at the beginning of the war, proves to be a legend" (Gooch, Recent Revelations on European Diplomacy, loc. cit., p. 18. For full details of Austrian duplicity see Fay, loc. cit. (October, 1920), pp. 45–49).

Though we must recognize the perverse, determined, and arbitrary action of Austria in this crisis, which unquestionably carries with it the ultimate responsibility for the outbreak of the European war, the historian must also point out that it was a life-or-death proposition on the part of Austria to crush the Serbian plots, however natural and just these may have seemed to Serbia. (Friedjung, op. cit., Vol. III; Hoijer, op. cit.). And, further, arbitrary and peremptory as the ultimatum to Serbia was, it certainly was not more so than our demands upon Mexico at the time of the invasion by the Pershing expedition, with no more justification. As Gooch has well put the matter:

> "It was natural that Austria should defend herself against the openly proclaimed ambition to rob her of Provinces which she had held for centuries. After the Bosnian crisis Serbia had promised to be a good neighbor; but she had not kept her word, and her intrigues with Russia were notorious. To stand with folded arms and wait till her enemies felt strong enough to carry out their program of dismemberment was to invite disaster, and the murder of Francis Ferdinand by Yugoslav assassins appeared to demand some striking vindication of the authority of the State. The ultimatum to Serbia was a gambler's throw; but to the statesmen of Vienna and Budapest it appeared to offer the best chance of escape from a terrible danger which was certain to increase and which challenged the existence of Austria as a great power." (Gooch, op. cit., p. 55.)

Germany: In regard to Germany, the first point to be kept in mind is the military tradition which she inherited from the Bismarckian era. The conventional notions in this matter are usually quite correct as to the absolute degree of German militarism, but they are, for the most part, grotesquely exaggerated as to its uniqueness and relative extent and aggressiveness. No doubt Bismarck did bully France somewhat during his chancellorship, but the French "Revenge" group was irreconcilable, and Paul Déroulède preached the crusade of revenge not only in France but throughout the Continent. There were as many in Germany who would have welcomed the conciliatory program of Caillaux as there were Frenchmen who gave him loyal support. Germany was well aware of the strength of the revenge motive in the Franco-Russian alliance. (A good description and criticism of militaristic Germany is contained in the book by the German pacifist, F. Foerster, Mes Combats a l'Assaut du Militarisme et de l'Imperialisme Allemand. On Franco-German relations see Gooch, Franco-German Relations, 1871–1914; J. Caillaux, Agadir: Ma Politique Exterieure; and P. Albin, L'Allemagne et la France. The most thorough study of German foreign policy is that by F. Rachfahl, Deutschland und die Weltpolitik, 1871–1914. For the pacific group in Germany see H. Wehberg, Die Fuehrer der Deutschen Friedensbewegung.) The Pan-German League, so much denounced during the war in fantastic books like those by André Chéradame and R. G. Usher, appears to have been little more than a small but noisy group of fanatical patriots and imperialists of little standing or influence in Germany. (For this statement I am indebted to the conclusions of the most thorough and scholarly study yet made of the Pan-German League in a doctoral dissertation about to be published by Miss Mildred S. Wertheimer at Columbia University.)

Germany's attitude toward Russia was determined primarily by the fact that she was the chief ally of Germany's inveterate enemy and the enemy of her main ally. There was some further mutual enmity based upon discriminatory tariffs and Russian opposition to German plans in the way of imperialism in the Near East. (Gooch, Modern Europe, pp. 501–525; Korff, op. cit.; A. Hedenstrom, Geschichte Russlands von 1878 bis 1918; R. Pohle, Russland und das Deutsche Reich.) Germany understood that her future security depended primarily upon maintaining the strength and integrity of the dual monarchy. Otherwise she would be wholly isolated and surrounded by hostile and powerful States. The ascendency of Austria in the Balkans was also essential to the plans of Germany for developing the Near East. Germany thus had a definite and direct interest in the suppression of so evident a menace to the permanence of Austria-Hungary as the rapid growth of Yugoslav nationalism. It should be pointed out, however, that up to 1914, in spite of opposition of interests, there was surprisingly little hostility on the part of Germany toward Serbia. As late as July 1, 1914, Tisza complained of the Kaiser's partiality for Serbia. It was the horror at the assassination of a member of a royal family that turned the Kaiser against Serbia in 1914.

In order properly to understand the Kaiser's reaction to the murder of the archduke one has to combine with this general background his friendship with Franz Ferdinand, his recent visit with him, and, above all, the shock caused by the assassination of a member of a royal family, particularly one so close to the Hohenzollerns as the Hapsburgs. He had even been profoundly moved by the assassination of President Sadi Carnot, of France, in 1894, and of King Humbert, of Italy, in 1900. (The most detailed and accurate sketch of the Kaiser in relation to German foreign policy is contained in the five works by Otto Hammann, chief of the press bureau of the German Foreign Office: Der Neue Kurs; Zur Vorgeschichte des Weltkrieges; Um den Kaiser; Der Missverstandne Bismarck; and Bilder aus der Letzten Kaiserzeit.)

Whether he was right or wrong, it is therefore easy enough to see why the Kaiser should have been in a state of mind to regard the Sarajevo incident as a just basis for strong Austrian action against Serbia, even though it might lead to some possibility of a general European war. He had, however, the best of reasons for believing that the conflict might be localized to one between Austria and Serbia. He felt that the Czar should be as much startled and repelled as himself over the murder of Franz Ferdinand, and he had been assured by the Russian military attaché at Berlin that Russia had not been seriously disturbed over the aggressive attitude of Austria toward Serbia in 1913. In the face of these facts, it is not difficult to understand why the Kaiser should have been impressed with the letter of Franz Josef and, while still in a highly emotional state, should have given Austria a free hand with Serbia on July 5. It is equally clear, in the light of a full knowledge of the circumstances and consequences which we now possess, that it was a most foolhardy policy, which the Kaiser himself bitterly regretted before the month was over. (Fay, loc. cit. (July, 1920), pp. 628–629; Beard, op. cit., pp. 22–27. Valentin and Montgelas have explained in the most detail why the Kaiser did not continue his 1918 policy of restraining Austria. The most vigorous assault upon the Kaiser and his policy in 1914 has been made by K. Kautsky, Wie die Weltkrieg Entstand.) It must not be forgotten that in 1912 Poincaré deliberately, and with less justification in the way of a crisis, urged Russia to take a firm hand in the Balkans and assured her of French support to the full.

Though the general terms of the Austrian ultimatum to Serbia were agreed upon by the Austrian leaders on July 14, Berchtold deliberately withheld a copy from Bethmann-Hollweg and von Jagow, so that they did not obtain it until the evening of July 22, rather late to protest against its delivery. Both pronounced it too harsh and severe. Berchtold likewise held up the humble and conciliatory Serbian reply to the ultimatum, and the German Foreign Office first learned of its nature and contents through the Serbian minister in Berlin. The Kaiser, von Bethmann-Hollweg, and von Jagow were all satisfied with it and felt that it removed all cause for war between Austria and Serbia. (Fay, ibid., pp. 632–637. Tschirschky must have known of the contents of the ultimatum before July 23, and the responsibility for the ignorance of von Bethmann-Hollweg and Jagow may rest in part with him. See Gooch, Modern Europe, p. 543, note. There is little probability that Germany would have publicly protested in any event, because of the carte blanche to Austria. Bethmann-Hollweg might still have telegraphed a protest on the evening of the 22d.) The Kaiser commented upon the Serbian concessions as a great diplomatic victory for Austria. "A brilliant result for a time limit of only 48 hours. That is more than one might have expected. A great moral victory for Vienna; but with it every ground for war disappears and Giesl ought to have remained quiet in Belgrade. In such circumstances I should never have ordered mobilization." (Fay, loc. cit. (July, 1920), p. 637, footnote.)

Bethmann-Hollweg and the Kaiser on July 27–29 endeavored to mediate between Russia and Austria, both on his own initiative and in cooperation with Sir Edward Grey, but the Austrian Government deliberately refused to answer their telegrams containing the sugge-

tion and offer of mediation. The real earnestness of von Bethmann-Hollweg in his effort to restrain Austria is well brought out in the following telegram sent to Vienna on the early morning of July 30 (Ibid. (October, 1920), p. 45):

> "If Austria refuses all negotiations, we are face to face with a conflagration in which England will be against us, Rumania and Italy, according to all indications, will not be for us, and we shall stand two against four powers. Through England's opposition the main blow will fall on Germany. Austria's political prestige, the military honor of her army, as well as her just claims against Serbia, can be adequately satisfied by her occupation of Belgrade or other places. Through her humiliation of Serbia she will make her position in the Balkans as well as in her relation to Russia strong again. Under these circumstances we most urgently and emphatically urge upon the consideration of the Vienna cabinet the adoption of mediation in accordance with the above honorable conditions. The responsibility for the consequences which would otherwise follow would be for Austria and for us an uncommonly heavy one."

While Berchtold went through the form of laying this before Franz Josef, Forgách and Hoyos remarked to Tschirschky that any such proposal was a mere joke, in the light of the policy which Austria had determined upon and in which she was supported by the Austrian people.

As we have seen, the Austrian war party, this time determined not to be obstructed by Germany or any other outside power in their ambition to discipline Serbia, declared war on that country and then informed Germany that mediation or arbitration was out of the question, as war had already begun and the whole face of the diplomatic situation was changed thereby.

The Kaiser and Bethmann-Hollweg then devoted themselves to an effort to localize the conflict between Austria and Serbia, but they underestimated the Russian initiative and willingness for war, and their efforts failed. (Ibid., Gooch, Modern Europe, pp. 538–539, 544–545.) The victory of the military group at Berlin over the pacific chancellor was primarily due to the evasive conduct and duplicity of the Vienna authorities. Bethmann-Hollweg's program was discredited because he could report no progress on account of Berchtold's delays and deceit. The one real and complete test of the German desire to prevent a general European war was never allowed to come to a trial. If Russia had mobilized solely against Austria, and Germany, justified by Austria's duplicity and arbitrary action, had refused to join her ally, this would have been final proof of Germany's pacific intent.

Some have held that the German ultimatum to Russia demanding a cessation of mobilization was a rash and hasty move; counter-mobilization and a continuation of negotiations would have been a more moderate and judicious procedure. This is doubtless true from the standpoint of diplomatic negotiations, but from what we now know of Russian attitudes and Franco-Russian exchanges between July 29 and August 1, it seems perfectly clear that this would have had no significant results in avoiding the conflict, and from a military standpoint would have been a fatal strategic error. Russia was determined upon war, and Russian soldiers apparently invaded East Prussia before the expiration of the German ultimatum, though there is some evidence that Berlin was not fully informed of this fact. (Gooch, op. cit., pp. 547–549. Cf. B. E. Schmidt in American Historical Review, October, 1923, p. 137.) Once Germany was fully convinced that Russia meant war, her only sane procedure was to get into action as soon as possible against a much more powerful, but more ponderous enemy. At this point the control of the situation was taken out of the hands of the civil authorities and given over to the general staff.

It would, then, seem that the worst that can be said for the Kaiser and Bethmann-Hollweg is that they were both stupid, and, further, that the Kaiser was also far too hasty and impulsive in getting themselves into an inextricable hole by giving Austria a free hand in Serbia, but this is only what they have both admitted. That either had the slightest desire to bring on a general European war is not supported by a shred of evidence. Nothing could be more absurd than the old myth that Austria was about to give in on July 31 when Germany, alarmed at her signs of weakening, rushed in to prevent mediation and make war certain. (Fay, loc. cit., October, 1920, pp. 51–52; Gooch, op. cit., pp. 555–556. For the opinion of the English military attaché at Berlin as to the pacific nature of the Kaiser and his reluctance to sign the final mobilization order see the New York Times, March 30, 1924, Book Review section, p. 20. Two telegrams from von Moltke to Hötzendorf given in Volume IV of the latter's memoirs prove, however, the eagerness of the German general staff for war.)

It should further be indicated that it is obviously false to assert that 1914 was a peculiarly fortunate time for Germany to risk a World War, and that August 1, 1914, was "Der tag" long awaited. While further delay would have made France and Russia stronger in a military sense, Germany's Army and Navy increases were far from complete, and her finances were in a wretched state for war, as is shown by the many efforts in 1913–14 to sell foreign securities and get German gold back into Germany to guard against the emergency of a World War which the diplomats feared and the general staff hoped might be imminent.

Russia: Russian hostility to Germany actually goes back as far as the eighteenth century, though Bismarck did much to allay it. The Kaiser had turned away from Bismarck's Russian policy, and Russian hostility following 1910 was accentuated by the fact that Germany had all but conquered Russia economically. By 1913, 50 per cent of Russian imports were from Germany, and 35 per cent of her exports went to Germany. This amounted to four times England's trade with Russia and seven times the trade of France. Along with this went a tariff war, based on the discriminatory and differential tariff scheme common to European States before 1914.

Still further intensifying the Russo-German rivalry was the growing German domination of Turkey, which had become practically complete by 1912. The German grip upon Constantinople challenged the age-old Russian aspiration to control the Straits, and probably did more than anything else in the international situation to determine Sazonov's Balkan policy from 1912 to 1914, which was stiffened by the encouragement offered to it by Poincaré.

Russia had been disappointed and humiliated in 1908 as a result of the failure to secure the opening of the Straits as compensation for suggesting and acquiescing in the annexation of Bosnia and Herzegovina and because of her inability in the circumstances to stand forth in the rôle of the defender of Slavic nationalism which was more or less implied in her Pan-Slavic program. (Gooch, op. cit., chs. 12, 15. For a sympathetic study of Russian interests in Serbia and Yugoslav expansion see M. Boghitschewitsch: Kriegsursachen; cf., G. H. Trubetskoi, Russland als Grossmacht. It is worth while pointing out, however, that in the Three Emperors' Alliance of 1881 and 1884 Russia conceded to Austria the right to annex Bosnia and Herzegovina whenever she saw fit, but the Hungarians were opposed even to occupation at this time.) Her resentment was most opportunely exploited by President Poincaré of France. As Baron Korff points out in his judicious and moderate review of the second volume of Marchand's Livre Noir (American Historical Review, July, 1923, pp. 747–748.):

> "We find new light thrown upon the pre-war attitude of France, strangely but constantly connected with one big name—Poincaré. Pichon, Barthou, and many other familiar names are frequently mentioned, but none seems to have played any such prominent rôle in the building up and strengthening of the Franco-Russian alliance as Poincaré; and besides, with a very evident object—steady preparation for the coming conflict with Germany. The reader will put aside this volume with the inevitable conviction that Poincaré long before 1914 had one idea on his mind, the war with Germany. * * * These documents give a most vivid picture of the French pressure exerted on Russia with that one object in view, a war with Germany. At times the Russians were even losing patience with the French, so little did the latter mind the Russian interests; they were willing to lend the Russians money, but only on condition that Russia would increase her army and build new strategic, but otherwise quite useless, railways."

Most significant is the fact that Poincaré in 1912, through Izvolsky, gave Russia a relatively free hand in the Balkans, promising unconditional French support if she was attacked by Austria or Germany. This was two years before the Kaiser's grant of similar freedom to Austria. It is quite apparent, however, from the recent French Yellow Book on Balkan affairs that Poincaré, in spite of his encouragement of a strong Russian policy in the Balkans, insisted upon knowing and approving all the Russian acts and policies, in order that France might not be drawn into any conflict which would not advance her general European interests. Among the more interesting of Izvolsky's communications on this point are the following (Beard, op. cit., pp. 24–27. Also Entente Diplomacy and the World, pp. 403–404, and New York Nation, October 11, 1922, pp. 363–365):

> "The present Prime Minister and Minister for Foreign Affairs [Poincaré] is an exceedingly great personality and his cabinet shows itself as the strongest combination of power that has existed for a long period of years. * * *
>
> "M. Poincaré told me that the French Government is first of all considering the question of possible international eventualities. It quite realizes that this or that event, as, for instance, the destruction of Bulgaria by Turkey or any attack upon Serbia by Austria, might force Russia to give up its passive attitude and take diplomatic steps, to be followed afterwards, by military measures against Turkey or Austria. According to assurances received by us from the French Government, we can in such a case count upon the most sincere and most energetic diplomatic support on the part of France. * * * If the conflict with Austria should result in an armed interference on the part of Germany, France would, as a matter of course, look upon this as a casus foederis and not hesitate a minute to fulfill its obligation toward Russia. * * * M. Poincaré further told me that, in

view of the critical position in the Balkans, the highest authorities of the French military command are studying with increasing attention all possible military eventualities and it was known to him that expert and responsible personages held an extremely optimistic view of the Franco-Russian chances in case of a general collision. * * * It is for Russia, he remarked to me, to take the initiative in a question (the Austro-Serbian affair) in which she is interested above all others; while it is France's task to give her full and active support. All in all this means that if Russia makes war France will also make war, because we know that Germany will stand by Austria in this question."

That Poincaré, aided by Izvolsky's bribery of the French press, was successful in getting French opinion behind him is evident from the following telegram from Izvolsky to Sazonov (from the Livre Noir, Volume I, translated in the New York Nation, October 11, 1922, pp. 365–366):

"While not long ago the French Government and the press were inclined to accuse us of exciting Serbia and the dominant note was 'France does not wish to wage war for a Serbian port,' now, on the contrary, they look with astonishment and unconcealed apprehension upon our indifference to the fact of mobilization in Austria (against Serbia late in 1912). Not only are these apprehensions expressed by the French cabinet ministers; they penetrate also to the general public and into the newspapers of the most diverse political opinions; they are so lively in the French general staff that the minister of war felt it necessary to draw M. Poincaré's attention to the matter. * * * M. Georges Louis's telegram transmitting the reply of our general staff to General de la Guiche (of the French general staff) did not dissipate the astonishment of the French; they showed me the text of this telegram, according to which General de la Guiche was not only told that we considered Austria's arming only a measure of defense, but that in the improbable case that Austria should attack Serbia, Russia would not fight. This reply greatly astonished M. Poincaré and the other French ministers. * * *

"While attempting to maintain a favorable disposition among the members of the Government and in the political world I am also doing everything possible to influence the press. Thanks to careful steps taken in good time considerable results have been obtained.

"As you know, I do not intervene directly in the distribution of subsidies [to the French press], but this distribution, in which the French ministries of foreign affairs and of finance participate, seems to be effective and is attaining its goal. * * * In general, the Paris press of to-day is very different from that of 1908–9; I must call particular attention to the attitude of the Temps, which distinguished itself four years ago for its Austrophilism, but in the columns of which M. Tardieu is now energetically fighting against the Austrian policy. Count Berchtold and the Austrian ambassador at Paris have several times complained to M. Poincaré.

"In my discussions with French journalists I try particularly to persuade them that if Austria's arming and the demands of Austrian diplomacy bring on a general European conflict despite Russia's conciliatory moderation, war will be waged not for the private interests of Serbia or of Russia, but as a result of Austria's policy and Germany's support of it; these two powers seek to establish their hegemony in Europe and in the Balkan Peninsula. God be thanked, this idea is filtering more and more into political, military, and social circles, and lately I have not had to combat so much the idea that war might be imposed upon France for interests alien to hers as the fear that we might be too passive in a situation concerning the position and prestige of the Entente." (See the New York Nation and the New Republic for February 6, 1924, for revelation of the details of the cooperation between Izvolsky and Poincaré in bribing the French press with Russian gold. Tardieu was prominent as a disbursing agent.)

How well Izvolsky, Poincaré, and the Russian militarists succeeded between 1912 and 1914 is obvious from the aggressive Russian attitude in the Serbian crisis in 1914. Poincaré was aided in 1913 by the substitution of the aggressive Théophile Delcassé for the pacific Georges Louis as French ambassador to Russia. Delcassé was replaced shortly before the war by Maurice Paléologue, an equally enthusiastic supporter of the Franco-Russian alliance.

An illuminating fact as bearing upon the Russian attitude in 1914, which has rarely been pointed out, is the meeting of the Russian Crown council late in February, 1914, to decide as to the best means of Russia's getting control of the straits. The conference came to the conclusion that it would not be wise to strike suddenly and unaided against Turkey, but that it would be the best judgment to await a general European war, when the British and French fleets could be relied upon to destroy or hold in port the fleets of Germany and Austria. Such a conflict was not deemed unlikely or undesirable. (Gooch, op. cit., pp. 520–521; E. Laloy, Les Documents Secrets des Archives du Ministere des Affaires Etrangeres de Russie, pp. 74–109; Montgelas, op. cit., pp. 72–74.)

We have already referred to the tense feeling in both Germany and Russia in the spring of 1914 as a result of this growing suspicion, fear, increase of armament, and tightening of encircling policies. The Austro-Serbian crisis in such a setting was extremely likely to prove fatal to the peace of Europe. The specific circumstances of Austria's conduct toward Serbia were, as we have noted above, peculiarly arbitrary, insulting, and atrocious, perfectly designed to provoke the Russian leaders like Sazonov to strong measures in the attempt to insure Serbia a fair chance to put her case before the great powers. It is difficult to understand how any fair-minded historian can fail to see why Russia felt justified in contemplating forcible intervention against Austria, even if the Kaiser had reasonable grounds for believing that she probably would not execute such action. Prior assurance of complete French support gave Russia courage in a determined stand. (Fay, loc. cit. (July, 1920), pp. 634–635; Gooch, op. cit., pp. 539–540, 546–547, 556–557. It could be held in 1920 that Sazonov, while thoroughly committed to the Russian ambitions in the Balkans and the Near East and to the Franco-Russian military alliance, was desirous of avoiding war and allowing Serbia to submit her case to the European powers. This view must be somewhat modified in the light of the suppressed telegrams in the Russian Orange Book, which reveal the fact that both Sazonov and Izvolsky were thoroughly aware as to what was going on in military circles in both France and Germany. Sazonov may have been more pacific than the army group, and at least went through the form of cooperation with Grey in the effort to submit the problems of the 1914 crisis to a European congress. See his unconvincing apology in the New York Times, May 11, 1924.)

RUSSIAN OPINION DIVIDED

Russian opinion and attitudes were apparently divided. The Czar was sincerely desirous of peace, but quite incapable mentally of envisaging the complex European situation and comprehending the full import of his own acts and orders. Sazonov, the foreign minister, though thoroughly committed to Russian imperialism in the Near East and the French military alliance, seems to have been willing to avoid war and secure the submission of the Serbian crisis to a congress of the great powers; he hoped for aid in this direction from Great Britain and was not disappointed. On the other hand, Grand Duke Nicholas, the minister of war, Sukhomlinov, and the chief of staff, Janushkevitch, with the militaristic and imperialistic group as a whole, were convinced that the Austrian ultimatum palpably and inevitably meant war, and believed that the sooner Russia recognized this and accepted the strategic implications and responsibilities the better. (Fay, ibid. (January, 1921), pp. 225–251; R. Honiger, Russlands Vorbereitungen zum Weltkriege. Sazonov's part in urging the Czar to order general mobilization may be explained on the ground that he believed that it would frighten Austria into a resumption of conversations.) "They felt," says Professor Fay, "that a war between Austria and Serbia was necessarily a war between Austria and Russia, and they had no doubt that Austria was about to begin an invasion of Serbia as soon as the time limit expired. * * * They were probably convinced that war was 'inevitable,' and that here was Russia's heaven-sent opportunity to have her final reckoning with Germany and to acquire Constantinople and the straits. Therefore the sooner full mobilization was declared the better." (Fay, ibid., p. 233. It is alleged by some writers that the Russian mobilization was planned from Paris by the French militarists in conjunction with Izvolsky, Sukhomlinov, and Janushkevitch. It seems that Paris and London knew of Russian mobilization long before the Czar was aware of it.) All important evidence which has come out since this was published in January, 1921, has tended to confirm Professor Fay's generalization. To the Russian military group the European war was really on from the moment of the delivery of the Austrian ultimatum to Serbia, and no amount of restraining and conciliatory efforts by Bethmann-Hollweg, Sazonov, or Grey would have been of any real avail. The Russian militarists, encouraged by the French, ran away with the situation in Russia in the same way that Hötzendorf and his followers were dominating the policy and producing the train of tragic consequences in the realm of the Central Powers. (Livre Noir, Vol. II, B. von Romberg (editor), Falsifications of the Russian Orange Book; also the references in the following footnote.) Izvolsky, the Russian ambassador at Paris, was thoroughly with the military group.

General preparatory military measures to aid Serbia were decided upon on the 25th, partial mobilization ordered on the 29th, and general mobilization on the 30th. It has been alleged that a false report of German mobilization published in the Berlin Lokal-Anzeiger on July 30, 1914, produced the Russian mobilization order, but this is palpably false. The Russians had determined upon and ordered general mobilization before they heard of this publication. (Montgelas, op. cit., pp. 178–180.) Much has been made of an alleged interception of an order of the Czar in answer to an appeal from the Kaiser directing a suspension of mobilization, but it now seems that the question is unimportant and that the Russian militarists were as determined to have

their way, regardless of the Czar, as the Austrian war party was to disregard the moderating and restraining influence of Germany after July 27. (Honiger, op. cit.; S. Dobrorolski, Die Mobilmachung der Russischen Armee, 1914, and Die Kriegsschuldfrage, January–February, 1924, pp. 18–21. I am indebted to Professors Shotwell and Fay for reports of conversations with Dobrorolski in the summer of 1923, in which he frankly stated that the Russian war office and general staff accepted the Austrian ultimatum as a declaration of war on Russia, and began steady preparations for war against both Germany and Austria. Nothing but a complete repudiation by Austria of her demands on Serbia could have held the Russians in check.)

Nor was there any effort of the French to curb Russia. The most that they did was to suggest to Izvolsky on July 30 that he telegraph his Government to be as secretive as possible in carrying on the mobilization, so that Germany could not publicly allege or prove Russian aggression. While the Russians were hypothetically mobilizing to prevent Austrian intervention in Serbia, the French were urging Russia to neglect Austria and concentrate her military activities against Germany. Proof of good faith in the Russian claim to be arming to protect Serbia would have been made if she had mobilized against Austria alone, but this was strategically impracticable. Knowing that Germany and Austria were closely allied, it would have been folly to move against Austria and leave her whole German flank exposed. Further, one must reckon with the fact that Russia was not aware or convinced of the actually serious efforts of Germany to check Austria, and with the further fact that Russia was being urged by the French to move primarily against Germany. (Falsifications of the Russian Orange Book (New York, Huebsch, 1923), pp. 45–61. This had always been a basic phase of French policy, going back as far as the 1892 negotiations preceding the Franco-Russian military convention.)

The German ultimatum and mobilization were inevitably produced by the mobilization of Russia.

As Fay says, "German mobilization was directly caused by that of Russia. In fact, it came rather surprisingly late. (Fay, loc. cit. (January, 1921), pp. 250–251.) On this ground Gooch holds that Russia must bear the responsibility for the actual outbreak of hostilities: "The World War was precipitated by the action of Russia at a moment when conversations between Vienna and Petrograd were being resumed, when Bethmann-Hollweg was at length endeavoring to restrain his ally, and when the Czar and the Kaiser were in telegraphic communication." (Gooch, op. cit., pp. 546–547. As a matter of fact, Austria had not been persuaded to resume conversations at the time of the Russian general mobilization.) This conclusion, to be significant, must rest upon the assumption that if Russia had undertaken only partial mobilization, and that against Austria alone, Germany would have exerted sufficient pressure on her ally to have led to an abandonment of the Serbian invasion and a submission of the dispute to a European congress. Whether or not she actually would have done so is one of the many interesting hypotheses connected with the outbreak of the conflict which can not be regarded as an assured fact. In a narrow and technical sense, however, it is entirely true that it was the Russian general mobilization which supplanted the state of diplomatic negotiations by the clash of arms. This is doubtless what Professor Gooch implies.

There has been much discussion as to whether the Russian general mobilization meant war, and whether Germany was justified in issuing her ultimatum ordering Russia to suspend mobilization. There seems no doubt on this point. The British ambassador to St. Petersburg warned Russia as early as July 25 that Russian general mobilization would mean war, and we know that both the French and the Russian military experts fully and frankly recognized this. This fact surely disposes of the allegation that from a military standpoint Germany should have contented herself with countermobilization. France and Russia both expected her to follow the Russian mobilization with a declaration of war. (Gooch, op. cit., pp. 546–547; Falsifications of the Russian Orange Book, pp. 50–76; Montgelas, op. cit., pp. 133–136.)

The one point in the whole situation here which has been most frequently ignored by historians is that Sazonov was certainly grotesquely exaggerating the actuality when he described the protection of Serbia as a life and death matter for Russia. No informed historian and political scientist could well deny that Austria had far more reason, from the standpoint of the realities in the defense of her national existence, in attacking Serbia than Russia had in the way of protecting her. In 1908 Russia had instigated Austrian aggression of a type nearly as serious as that contemplated in 1914; in 1912–13 she had not been seriously disturbed by Austrian threats against Serbia, and the fact that she directed a prominent part of her military action against Germany and not Austria indicates that she was not wholly absorbed in solicitude for Serbia. At most, it was only Russia's not wholly defensible or commendable aspiration for the hegemony of the Balkans which was at stake, while the very future cohesion of the dual monarchy depended upon a repression of Yugoslav nationalism. We are not, of course, necessarily arguing that Austria-Hungary should have continued to exist, but we can certainly forgive the Austrian and German authorities for believing that it should. One should keep in mind, however, Professor Schmitt's thesis that, even if the Serbian matter was not of crucial importance for Russia considered individually, it was of the greatest importance to the Triple Entente as a whole.

France: In regard to France, the analysis of the pre-war situation must begin with a recognition of the Franco-German psychology after 1871. France never forgave Germany for the humiliation of that period or for the annexation of Alsace-Lorraine. Germany recognized the intensity of French resentment and longing for revenge, and reciprocated by an overbearing attitude toward France. We must, however, free our minds of the illusion that France was in 1870 a terror-stricken victim of Prussian aggression. Even the two early French authorities on the diplomacy of the Franco-Prussian War, La Gorce and Sorel, frankly admit that Gramont precipitated the war and thereby played directly into the hands of Bismarck. (We must also free ourselves from the myth of the Ems telegram atrocity. In some ways it was even less insulting in the abridged than in the complete form. A more recent French account of the origins of the War of 1870 is P. Lehautcourt, Les Origines de la Guerre de 1870.) We should further dispel the mistaken notion that England and the United States were indignantly repelled by Prussian aggressiveness in 1870. The overwhelming majority of English and American opinion was unreservedly on the side of Prussia, which they believed was being wantonly assaulted by the most militaristic and warlike power in Europe. It is true, however, that the severity of Bismarck's terms alienated some of his British and American supporters. (C. B. Schieber, The Transformation of American Sentiment Toward Germany, 1870–1914; chap. 1; D. N. Raymond, British Policy and Opinion During the Franco-Prussian War.)

The spirit of revenge never died out in France, its chief apostles being Paul Déroulède, Maurice Barrès, and Léon Daudet, leaders of the League of Patriots and the Action Française. After the collapse of the Boulanger movement in 1889, and the discrediting of the militaristic clique in the Dreyfus case, however, the war and revanche fever abated for a decade, and certain French leaders, like Joseph Caillaux, endeavored to promote greater friendliness between France and Germany. This was made more difficult by the Morocco crises, and about 1909 the party represented by Caillaux began to lose its dominating position and was replaced by the advocates of a "strong France," prominent among them Poincaré, Delcassé, Millerand, Joffre, Jonnart, and Tardieu. Even Clemenceau, the original and veteran defeatist and antimilitarist, joined their group. In the words of the Abbé Dimnet, "France was herself again." This group was strengthened by the unquestionable increase of the power and vocal exuberance of the imperialistic and military party across the Rhine. (The works of Fisher, Gooch, Curtis, and Albin, as above. E. Dimnet, France Herself Again, is a sympathetic discussion of the nationalistic party after 1900. An extreme criticism is contained in Gouttenoire de Toury, Pevet, and Bausman as cited.)

FRENCH INCITEMENT OF RUSSIA

The point of concentration in diplomacy on the part of the Poincaré policy was Russia. (See above in the section on Russia.) The record of its nature is now available in the Livre Noir, and no reader of the documents can doubt that after 1912, at least, France was the moving and dominating spirit in the Franco-Russian alliance, and that she constantly worked to accustom Russia to the idea of a coming war with Germany and to its preparation. Russian sensitiveness concerning Austro-German policies in the Balkans and the Near East was ever stimulated by French warnings and suggestions. When the Russian Government, in 1912–13, seemed not to be greatly disturbed over Austria's menacing attitude toward Serbia, the French Government informed the Russian that it viewed this attitude with "astonishment and unconcealed apprehension." (New York Nation, October 11, 1922, pp. 365–366, Document XVI; Gooch, Modern Europe, pp. 515–520; Montgelas, Leitfaden zur Kriegsschuldfrage, pp. 72–74.) In 1913 France passed a bill providing for the largest standing army per head of population maintained by any major European State. From the documents now available it seems perfectly clear that by this time Poincaré, himself a Lorrainer, was willing to accept the first good opportunity for a European war as the means of restoring Alsace-Lorraine to France. (Marchand, Livre Noir, Vol. I, pp. 35–39, 128–130, 148–150, 259, 345–347, 393, 419–437, 457–464, and Entente Diplomacy, Books II–III.) The allegation that he was eager to promote an occasion for such a conflict does not rest upon any such impressive documentary evidence, though informed persons will admit that the circumstantial evidence is impressive, and Poincaré has not attempted to clear himself by opening the French archives to historians. (The most serious accusation is that by Pevet, Les Responsables de la Guerre. Poincare's defense is contained in his Origins of the War, which is rendered far less convincing by the subsequent publication of the Livre Noir and the Falsifications of the Russian Orange Book. The authoritative apology for the official French policy is contained in E. Bourgeois and G. Pages, Les Origines and Responsabilites de la Grande Guerre.) Probably the

most judicious and comprehensive summary of the primary importance of Poincaré in completing and stiffening the Franco-Russian alliance is the following by Professor Schmitt:

"The credit belongs in the first instance to M. Raymond Poincaré, who became Premier of France in January, 1912. Under his masterly care Franco-Russian relations, which had become somewhat tenuous while one ally was absorbed in Morocco and the other in Persia and the Far East, were soon exhibiting the closest harmony. In the liquidation of the Tripolitan war and throughout the Balkan wars Paris and St. Petersburg devised and applied a common policy, carrying London with them, if possible. M. Poincaré repeatedly assured Izvolsky, now ambassador to France, that the Republic would fulfill all the obligations of the alliance; Izvolsky took the Paris press into pay to create a sentiment for Russia and to strengthen the position of the Premier, whom he recognized as most useful to Russia. The French statesman urged the Czar to proceed with the construction of strategic railways in Poland and sent Delcassé as his representative at the Russian court. The Russian ambassador, at least according to some persons, demanded that France revive the three years' military service. Then French and Russian general staffs in annual conferences perfected their plans for war, which were based on a joint offensive against Germany. A naval convention was concluded. Finally M. Poincaré went to Russia, and M. Sazonov, the Foreign Minister, expressed to the Czar his hope that "in the event of a crisis in international relations there would be at the helm in France, if not M. Poincaré, at least a personality of the same great power of decision and as free from the fear of taking responsibility." The elevation of M. Poincaré to the Presidency of the Republic in no way interrupted the newly developed intimancy. Indeed, from 1912 to the outbreak of the war the dual alliance presented a solid front at every turn to the rival diplomatic group."

FRANCE NOT AVERSE TO WAR

It is quite evident therefore that we must modify the view which was tenable before publication of the Siebert documents, the Livre Noir, and the Falsifications of the Russian Orange Book, namely, that the French Government was reluctant to contemplate the imminent approach of war in July, 1914. In 1920 Professor Fay could write:

"As to France, however much she may have encouraged the Russian militarists in the months preceding the crisis by her adoption of the three-year term of military service, by her exchange of military and diplomatic visits, by her naval convention, by her jingo press, and by her close relations with England, and however much by these same measures she may have aroused the suspicions of Germany, there can be no doubt that when the crisis came she sincerely did her best to avert it. (Fay, loc. cit. (January, 1921), pp. 252–253.)

To-day we know that she did not do her best to avert it. If there was to be a world war which would lead to the recovery of Alsace-Lorraine and the humiliation of Germany, 1914 was a good year for France to risk it, for her leaders knew of the growing improvement of relations between England and Germany, and the loss of English aid would have been a far greater handicap to France than the incompleteness of her military increases in 1914. The French diplomats also feared lest England might grow more cautious after a crisis like that of 1914. The chief bulwark of the defense of pacific intent upon the part of France is the statement that on July 30 she ordered the withdrawal of her frontier troops to a point 10 kilometers (about 6 miles) back of the boundary in order to prove her lack of aggressive purposes and then awaited German attack. There are a number of considerations which make it necessary almost entirely to discredit this move as any proof whatever of a purely defensive attitude on the part of France. In the first place, the order was given on July 30, before Germany had taken any steps toward general mobilization and when she was doing her best to restrain Austria. By the 30th, however, France was fully aware of the fact of the Russian mobilization measures, and her "fear" of Germany must have been based upon her agreeable understanding that Russia proposed to continue her military preparations and that this would mean war with Germany. Further, this order, even if executed, meant no weakening of the French defenses. It was not uniformly obeyed and had no military importance whatever back of the Belgian and Luxemburg frontiers. Officers and soldiers were left in the border posts to watch and report the activities of the German patrols. Most important of all is the generally overlooked fact that while this withdrawal meant little or no military handicap to the French, even where actually executed, it was in many cases a real military advantage, as it allowed them to bring up to the 10-kilometer line many detachments that had been stationed farther back from the frontier and to carry out preparatory military measures back of this line with apparent innocence of any aggressive intent. (A complete refutation of this withdrawal order as a proof of French defensive humility is contained in Montgelas, op. cit., pp. 180–182, which on this point is absolutely conclusive.) On July 30 Izvolsky was telegraphing to Sazonov that the French Minister of War had suggested that Russia might verbally assure the other powers that she was willing to slow up her military preparations, but at the same time might well actually speed them up, provided that she kept her movements sufficiently secret so that the other powers, particularly Germany and Austria, would not discover her extensive preparatory measures. (Falsifications of the Russian Orange Book, pp. 50–64.)

In the light of this and other suppressed Franco-Russian telegrams during the last three days of July, 1914, the order for the withdrawal of the French troops fits in well with the general picture of the French policy as it emerges from the secret documents, namely, a firm determination on the part of the Poincaré clique to encourage and execute extensive military preparations on the part of Russia and France and a parallel effort to keep this decision as secret as possible so as to get military preparations far under way before their discovery by Germany, and also to avoid alienating the opinion of Grey and England. The one fact that stands out of the Franco-Russian exchange of late July and early August, 1914, more than anything else, is the ever-present fear of the French authorities that England would discover the aggressive attitude of France and Russia and become lukewarm or alienated from the Entente. As Izvolsky telegraphed to Sazonov, "It is very important for France on account of political considerations relative to Italy and most especially England that the French mobilization should not precede the German one but form the answer to the latter." (Ibid., pp. 64–65.)

The ordered withdrawal of the French frontier troops, then, would appear unquestionably to have served a dual purpose. It sufficed to dupe Grey and the English into accepting the fiction of a purely defensive attitude on the part of France and allowed extensive French military measures to be carried on secretly and effectively behind the 10-kilometer line. Instead of an obstacle to the French military preparations, then, it was a positive gain, while also serving as a diplomatic ruse. We have no means of knowing as yet the understanding reached by Poincaré and the Russians during the former's visit to St. Petersburg in July, 1914, a most crucial bit of information for assigning war guilt, but we have unanswerable documentary evidence that by July 30 France recognized that Russia had determined upon military measures which would lead to war, encouraged her in this decision, and gave assurance of complete French support as an ally while publicly approving Grey's honest attempts at mediation with Germany, Austria and Russia. (Ibid., pp. 50–76; Montgelas, op. cit., pp. 94–97, 125–132, 142–144. Though in some cases in this work Montgelas fails to consider evidence damaging to Germany, his presentation of the case for Franco-Russian duplicity in these pages is incontestable.)

MILITARISTS WELCOMED WAR

More damaging is the testimony as to the enthusiasm and fervor with which the French civil and military chiefs anticipated the approach of war. On July 29 Izvolsky telegraphed Sazonov that the army circles in France were in high spirits at the prospect of war, and that the French Government was suppressing antimilitaristic meetings. On July 30 he telegraphed that France had given full assurance that she would fulfill all her obligations as an ally of Russia, but suggested that Russian military preparations be sufficiently secretive so that Germany would not also be prematurely frightened into mobilization. On July 31 the German ambassador in Paris called on Premier Viviani to learn what attitude France would take in the event of war between Russia and Germany. Viviani refused to answer, telling the ambassador to come around the next day. Just after midnight, however, the French Minister of War told Izvolsky that the French Government had agreed upon war and hoped that the Russians would neglect the war with Austria and throw all their forces against Germany. "The French Minister of War disclosed to me with hearty, high spirits that the French Government has firmly decided upon war and begged me to confirm the hope of the French general staff that all our (Russian) efforts will be directed against Germany, and that Austria will be treated as a negligible quantity." (Ibid., pp. 44–61.) When to this is added the unbounded enthusiasm for war which the French ambassador at Petrograd, Paléologue, confesses in his diary we have to drop entirely the myth of a terrified and reluctant France, however much the pacific group in France may have been repelled by Poincaré, Viviani, Delcassé, and their policies. (M. Paléologue, La Russie des Tsars pendant la Grande Guerre.)

Of course, we must distinguish rather sharply between the attitude of the French people and that of Poincaré and his Government. There is no doubt that the French people were pacifically inclined and taken by surprise at the sudden outbreak of hostilities. The French people were happy in the middle of July, 1914, to see that the Serajevo incident had quieted down, but Russian gold still remained to induce the French press to stir the French citizens from their pacific complacency. In fact, it is necessary to go even further, and distinguish between Poincaré and his group and other members of the cabinet. Several members of the cabinet were Socialists or socialistically inclined and opposed to war. French foreign policy on crucial points in the critical period of July, 1914, was arbitrarily and

in some cases secretly handled by Poincaré, Viviani, and Messimy, in the Government, in cooperation with Paul Cambon, French ambassador to England (who made a semisecret trip to Paris late in July), and with Delcassé and Tardieu. Upon Poincaré himself must fall the major responsibility for the determination of French policy from June to August, 1914, as well as for the control of Franco-Russian relations from 1912 to 1914. In order to whip the citizenry of the Republic into line, the Government, by means of censorship and propaganda, carried on a vigorous campaign to convince the French people that they were being asked to support their Government in a purely defensive war in which the very existence of France was at stake. (G. Demartial, La Guerre de 1914. Comment on mobilisa les consciences.)

That France was not caught napping in the way of military preparations is proved by the fact that, though she officially took action toward mobilization on July 31, the five army corps on the frontier were announced as fully prepared for war on the next day. Further, Poincaré frankly admitted to Izvolsky that he hesitated to declare war on Germany because to do so would involve calling Parliament and a public debate, which he feared. He also delayed in order to complete French mobilization, and, quite obviously, not to alarm England and lose her support. Satisfaction was expressed when the Germans actually invaded France and eliminated the necessity for a debate on war. (Falsifications of the Russian Orange Book, pp. 58, 62–63, 68–76.)

Great Britain: England's foreign policy underwent notable changes between 1870 and 1914. Down to 1890 she had pursued a policy of isolation, except for a brief joint action with France in Egypt, and the Mediterranean agreement of 1887. The new German Kaiser turned toward England and away from Russia about 1890, and Germany and England were on good terms until the famous Kruger telegram of the Kaiser at the time of the Jameson raid. This, together with German commercial development and naval plans, and her Bagdad railway scheme, alienated England, and good feeling was not restored until June, 1914.

The failure of efforts to achieve amicable Anglo-German relations earlier than this, as Hammann and Valentin freely admit, was due chiefly to Germany, and particularly to Bülow and his anti-English bête noir, Baron von Holstein, whom even the Kaiser denounces in his memoirs. They discouraged the pacific English advances. Further, it was Bülow's and Tirpitz's foolhardy naval policy that did more than anything else to arouse English suspicion and throw Grey into relations of a more friendly sort with France and Russia. German sympathizers might, of course, point to the English rejection of German overtures at the time of the Haldane mission of 1912.

England had clashed with France in the Sudan in 1898, but astute French diplomacy had brought out of this impasse an understanding with England which ripened into an agreement in 1904 and was practically a defensive alliance by 1911. England and Russia had been traditional rivals over the Near East until they settled their differences by partitioning Persia in 1907, thereby paving the way for the consummation of the Triple Entente. (The latest authoritative history of British diplomacy after 1870, based on the new documents and relatively impartial, is contained in the Cambridge History of British Foreign Policy, Vol. III. It should be supplemented by such critical works as those by E. D. Morel and W. S. Blunt. The best book yet written in England on war origins is that by Lord Loreburn, How the War Came. It should be compared with the official apology in the work of H. H. Asquith, The Genesis of the War.) There is little doubt that Sir Edward Grey, in spite of his engagements with Russia and France, was really desirous of better relations with Germany. He was the only important European statesman who had a vision of a new European order. Loreburn's judgment is on some points too harsh.

BRITISH COMMITMENTS TO FRANCE

In dealing with the problem of England's position and procedure in the crisis of July, 1914, it should be pointed out that Sir Edward Grey occupied a position singularly like that of the Kaiser and Bethmann-Hollweg. Sincerely desirous of preserving the peace of Europe, he had, nevertheless, actually arranged to aid France in case of her being attacked by Germany, and had a less definite agreement with Russia concerning concerted naval action. There is no doubt that the Anglo-French agreement was less literally definite than Germany's carte blanche to Austria of July 5, 1914, but it was morally as definite and binding. It brought Grey into the same desperate situation as Germany, when he found himself, on August 1–2, 1914, unconsciously the victim of warlike aims and activities on the part of Russia and France. So firmly were the French convinced of the binding character of the English understanding that Joffre tells us that the French military details were based in detail upon the assumption of English aid. Professor Schmitt further points out that the language of the Anglo-French understanding is practically identical with the comparable clauses of the Franco-Russian alliance.

The Anglo-French agreement had never been revealed to Parliament or to some members of the cabinet. Its very existence had been denied by both Grey and Asquith in 1913–14. It was first confessed by Sir Edward Grey on August 3, 1914, when he was compelled to go before Parliament and plead for the support of France. (See the indictment of Grey on these points in Loreburn, op. cit., and E. D. Morel, The Secret History of a Great Betrayal.) Professor Beard thus describes the situation:

> "When on August 3, 1914, the great decision had to be taken, Sir Edward Grey, in his memorable plea for the support of France, revealed for the first time the nature of the conversations and understandings that had been drawing the two countries together during the previous 10 years. He explained how the French Admiralty had concentrated its fleet in the Mediterranean and left the Atlantic coast of France undefended, and how, the day before, he had assured France that, if the German fleet came out, England would protect the defenseless ports across the Channel. He explained how naval conversations extending over many years had prepared for the immediate and effective cooperation of the two powers in case of war." (C. A. Beard, Cross Currents in Europe Today, pp. 30–31; Cambridge History of British Foreign Policy, Vol. III, pp. 466–470, 500–508.)

This announcement created considerable consternation in England, and led Charles P. Trevelyan, John Morley, and John Burns to resign from the ministry in protest.

England also gave Russia a favorable impression of her attitude in the event of a European war. Sazonov reported to the Czar in 1912 that on his visit to England Grey, the King, and Bonar Law assured him that cooperation with France and Russia in the event of war with Germany was the one point upon which all major parties in England were enthusiastically agreed. Of George V he said:

> "With visible emotion His Majesty mentioned Germany's aspirations toward naval equality with Great Britain, and explained that in case of a conflict it would have dangerous consequences not only for the German fleet but also for German commerce, as the English 'would sink every single German merchant ship they got hold of.'" (Beard, ibid., pp. 41–43; Korff in American Historical Review, July, 1922, p. 797.)

Definite arrangements for a triangular naval cooperation in the event of war were secretly worked out between England, France, and Russia in May and June, 1914, a rumor of which greatly disturbed and alarmed German official circles. (Beard, ibid., pp. 45–50, 72–75; Cambridge History of British Foreign Policy, pp. 484–486; New York Nation, October 11, 1922, pp. 365–370, Documents XXI–XXV.) Not only had England thus prepared for naval participation against Germany; she had also worked out in minute detail the plans for sending troops to the Continent. Lord Haldane, who had been Secretary of State for War from 1905–1912, testified in 1919 that he had made every plan during those years for the transfer of troops across the Channel. Like the Prussians in 1870, when war was declared the English officials had but to sign orders prepared nearly a decade earlier.

Captured Belgian documents further reveal the fact that England had even discussed with Belgium the possibility of landing troops on Belgian soil in the event of a German invasion, but this proposal received little encouragement from Belgium. (Beard, Ibid., pp. 50–55.) Finally, Winston Churchill, First Lord of the Admiralty, has told how, after 1912, when diplomatic relations between England and Germany were steadily improving, he became convinced that war with Germany was inevitable, and began in every way active preparations for it. The intellect of Churchill on the matter of war preparation seems fairly comparable to those of Hötzendorf, Janushkevitch, and Von Moltke. (W. S. Churchill, The World Crisis, 1911–1914.)

In spite of these preparations for war, no fair-minded student doubts Grey's sincere desire for peace in July, 1914, or the ardor with which he worked for mediation and delay of hostilities, within the limitations forced by his negative and vacillating character and his commitments to his allies. Probably the chief criticism which can be made of Grey's procedure after July 25 is his shiftiness and uncertainty and the fact that he did not warn Germany quickly and sharply enough as to what England's position would be in the event of an attack upon France. It would now seem that such a warning would have forced Germany into very strong measures against Austria and, perhaps, have averted the conflict. But we must remember that Grey would have faced a cabinet which might not have supported him in any such positive action. He was shamefully deceived by France and Russia, who had resolved upon war and were making military preparations at the very time when Grey was earnestly carrying on negotiations in good faith for delay and mediation. He was "double-crossed" by Grand Duke Nicholas, Sukhomlinov, and Poincaré in the same way that Bethmann-Hollweg and the Kaiser were by Hötzendorf, Forgách, and Berchtold. (Falsifications of the Russian Orange Book, pp. 44–76; Gooch, Modern Europe, pp. 545–546; Cambridge History of British Foreign Policy, pp. 486–504. For proof that Grey was not willing, how-

over, to limit his ability to fulfill his obligations to the Triple Entente in the interest of peace, see p. 501. An acquaintance who has examined the unpublished Siebert documents assures me that my account above is too favorable to Sir Edward Grey, who should bear more of the burden of responsibility for the crisis of 1914 than I have indicated.) The telegrams in the Falsifications of the Russian Orange Book reveal Poincaré excessively fearful of offending England or allowing her to discover in any way the aggressive French and Russian decisions. He was equally eager to discover and play up any apparently aggressive German aims and acts. It is doubtful if Grey was thoroughly disillusioned about his deception until the publication of the secret Franco-Russian dispatches in 1922–23, and Mr. Asquith still seems to share the illusions of 1914 about the good faith of his allies. (H. H. Asquith, The Genesis of the War, 1923.)

Once Germany declared war on France, Grey was relieved from his embarrassment by the invasion of Belgium, but there is little doubt that England would have come into the conflict irrespective of this act, and there is equal reason to believe that Germany would not have invaded Belgium if England had given assurance of abstinence from hostilities on this condition. The millions of English and Dominion citizens who fell in the World War were the price paid for Grey's folly in allowing himself to be dragged into the service of Franco-Russian imperialism. (Recognition of Grey's pacific intent in 1914 does not carry with it, of course, a whitewash of British imperialism, but the problems of British rule in Egypt, India, South Africa, and Ireland are not a legitimate part of the chapter of history dealing with the war guilt of 1914.)

Italy: Much has been made by some of Italy's unwillingness to join with Germany and Austria in 1914 as a proof of her conviction of their perfidy, aggression, and war guilt. This argument possesses no validity whatever. Italy's joining of the Triple Alliance in 1882 had been an accident, due to temporary Italian pique over the French annexation of Tunis. (A. C. Coolidge, the Origins of the Triple Alliance; Pribram, op. cit.; Fuller, op. cit. It might also be pointed out that fear dominated Italian policy in 1882, as Italy actually expected a French attack at this time. Pribram suggests that an important factor was King Humbert's fear of socialism.) Austria was Italy's traditional enemy, and in due time the old enmity reasserted itself. Italian nationalism and imperialism embraced as a part of its program the recovery of Italia Irredenta from Austria, if not, indeed, the making of an "Italian Lake" out of the Adriatic. Such aspirations could, of course, only be realized as the result of a war with Austria. By this time the anti-French feeling had cooled considerably, and in November, 1902, Italy and France made an agreement not to make war upon each other, even if one took the initiative in declaring war upon a State allied with the other. This meant that the Triple Alliance was, unknown to Germany and Austria, but a hollow shell, so far as Italy was concerned, for a dozen years before the crisis of 1914. (Gooch, Modern Europe, pp. 58–60, 145–149, 346–347, 416–417; G. Gullavresi, Italia e Austria, 1859–1914; Mayr, Der Italienische Irredentismus.) Italy's participation in the war on the side of the Allies was purchased only by promising her the territorial cessions contemplated in the Italian nationalist program, and it was this dickering, more than anything else, which produced the notorious Secret Treaties of the Entente. (L'Intervenzione dell' Italia nei Document Segreti dell' Intesa.)

Belgium: Belgium comes out of the test of full documentary evidence as to her pre-war activities with a complete clean bill of health. The most that can be made out of her archives is that she feared an invasion by France as well as by Germany in the event of war, and that England had actually discussed the possibility of landing troops on Belgian soil, though she had not been able to secure Belgian consent to such a proposal. In 1912, however, Sazonov wrote the Czar that Poincaré told him very confidentially that England had agreed to send 100,000 men to protect the Belgian boundary against the German invasion of Belgium, which was anticipated by the French General Staff. As to whether France or England would have ultimately invaded Belgium as a mode of getting at Germany if Germany had not anticipated them is another fruitless hypothesis, but anyone who doubts that their morality was above such action should remember their willingness to sacrifice their ally, Serbia, to protect whom the war was originally started, in making Italy concessions in the secret treaties. If they had abstained, it would have been on grounds of expediency and the consequences of alienating neutral opinion, for which the Allies certainly had more fear, if not more respect, than the Central Powers. (This material is contained in the Schwertfeger collection.) The fact that there is no available evidence that France actually intended to invade Belgium in 1914 is no proof whatever that such plans did not exist in the secret files of the general staff. Indeed, we know that the French as well as the German general staff had considered the desirability of invading Belgium. The French authorities well recognized the opposition of England to the violation of the neutrality of Belgium, and the inevitable loss of a powerful ally by even suggesting such action clearly outweighed any strategic value in anticipating German occupation of Belgium. It is, of course, the merest nonsense to allege that the French and British officials and generals were paralyzed with horror and astonishment at the invasion of Belgium. They had expected it and had based their war plans for years on this assumption. The only thing which surprised them was the rapidity of the fall of Liege and Namur and the German advance.

IV. FINAL CONCLUSIONS

It should be apparent to anyone who has followed the analysis of the evidence of war guilt up to the present point that the scapegoat theory of complete, sole, and unique guilt on the part of Germany or any other single State can no longer be supported. Probably the majority of competent students would assign the relative responsibility for the outbreak of hostilities in about this order: Austria, Russia, France, Germany, and England. But who will say that any of the other States, if placed in Austria's position, would not have done much as she did? The United States took military measures against Spain and Mexico on infinitely slighter pretext, without any question of our national integrity being at stake. Our own diplomatic conduct with Spain in 1898 will as little bear close scrutiny as that of Austria with Serbia in 1914. And none of the Entente States can make too much capital out of the free hand given to Austria by Germany. This was exactly what France really extended to Russia in 1912 and what all members of the Entente insisted Russia should have in the Balkan and Serbian crisis of 1914. Neither France nor England made as vigorous efforts to restrain Russia in 1914 as Germany did to curb Austria. Deeper than any national guilt is the responsibility of the wrong-headed and savage European system of nationalism, imperialism, secret diplomacy, and militarism which sprang into full bloom from 1870 to 1914. And there can be no hope of permanent peace in Europe until it is freely and clearly recognized that it is this system which must be resolutely attacked through various forms of international cooperation and organization. The most judicious summary of the whole matter is the following from the pen of Prof. George Peabody Gooch, the most impartial and thorough chronicler who has brought together a comprehensive picture of the diplomatic history of the generation preceding the war:

> "To explain the conduct of the different statesmen of Europe in July and August, 1914, is not necessarily to approve the policy pursued by them and their predecessors out of which the crisis arose. The root of the evil lay in the division of Europe into two armed camps, which dated from 1871; and the conflict was the offspring of fear no less than of ambition. The Old World had degenerated into a powder magazine, in which the dropping of a lighted match, whether by accident or design, was almost certain to produce a gigantic conflagration. No war, strictly speaking, is inevitable; but in a storehouse of high explosives it required rulers of exceptional foresight and self-control in every country to avoid a catastrophe. It is a mistake to imagine that the war took Europe unawares, for statesmen and soldiers alike had been expecting and preparing for it for many years. It is also a mistake to attribute exceptional wickedness to the governments who, in the words of Mr. Lloyd George, stumbled and staggered into war. Blind to danger and deaf to advice as were the statesmen of the three despotic empires, not one of them, when it came to the point, desired to set the world alight. But though they may be acquitted of the supreme offense of deliberately starting the avalanche, they must bear the reproach of having chosen the paths which led straight to the abyss. The outbreak of the Great War is the condemnation not only of the performers who strutted for a brief hour across the stage but of the international anarchy which they inherited and which they did nothing to abate." (Gooch, Recent Revelations on European Diplomacy, loc. cit., p. 29.)

Such, then, are the main results of the most recent research into the origins of the World War in the light of the documentary evidence made available in the past few years. The importance of the problem to-day is to be found in the undoubted fact that our attitudes with respect to desirable European policies are determined more than anything else by our views of the responsibility for the calamity of 1914.

PAY AND ALLOWANCES OF ARMY, NAVY, MARINE CORPS, ETC.

Mr. WADSWORTH. Out of order, I ask unanimous consent to report back favorably from the Committee on Military Affairs, without amendment, House bill 4820, to amend the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved June 10, 1922; and I submit a report (No. 594) thereon.

The PRESIDING OFFICER. Without objection, the report will be received.

Mr. WADSWORTH. I ask unanimous consent for the immediate consideration of the bill.

The PRESIDING OFFICER. The Senator from New York asks unanimous consent for the present consideration of the bill just reported by him. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ORDER FOR RECESS

Mr. CURTIS. Mr. President, I ask unanimous consent that when the Senate concludes its business to-day it take a recess until 12 o'clock to-morrow.

The PRESIDING OFFICER. The Senator from Kansas asks unanimous consent that when we conclude the business of the Senate to-day the Senate stand in recess until 12 o'clock to-morrow. Is there objection? The Chair hears none, and it is so ordered.

BEQUEST FOR SUMMER WHITE HOUSE SITE

Mr. BALL. Mr. President, I ask that the letter which I send to the desk may be read.

The PRESIDING OFFICER. If there is no objection, the Secretary will read as requested.

The principal clerk read as follows:

2905 GEORGIA AVENUE NW.,
Washington, D. C., April 21, 1924.

Hon. L. H. BALL,
United States Senate Office Building,
Washington, D. C.

DEAR SIR: Referring to your recent bill to create a National Capital park commission which, among other proposals contained therein, is one for the development of park boulevards on either side of the Potomac River, to extend, on the Virginia side to Mount Vernon, and, on the Maryland side along the bluffs to Fort Washington, I respectfully submit the following:

Within the past year there was bequeathed by the late J. Wilson Leakin, the sum of $200,000 for the purchase of a site for a summer White House to be erected in the State of Maryland.

The will provides that his offer be accepted by the United States Government within 18 months of his death, and that if this were not done, the money would revert to the Peabody Institute, which was made his residuary legatee.

No steps have been taken by the Federal Government to accept the money. Sites have been submitted but no final action has been taken and, unless this bequest is accepted by the coming June, the Peabody Institute will receive the $200,000.

I believe you will agree with me that the ideal location for this site should be on the Maryland shore of the Potomac River, directly opposite Mount Vernon, Va. It would be easy of access to the President via automobile or the U. S. S. *Mayflower*, the presidential yacht. It would always be a link, retrospectively, between the first and last Presidents of our country.

It would be within view of thousands of tourists who visit Mount Vernon annually, whereas the sites thus far proposed are devoid of sentiment or historical proximity; and, being near both Fort Washington, Md., and Quantico, Va., military guards from either of these stations could give it adequate protection.

Under any circumstances, it could be occupied from April until Thanksgiving.

If a summer White House can be located on the Maryland shore of the Potomac, directly opposite Mount Vernon, either by acceptance of the bequest herein quoted, applying it later for this purpose after the necessary land has been appraised, or by an independent appropriation therefor, your proposed riverside-park system will be splendidly balanced on each side.

May I ask your early consideration of this proposal on account of there remaining a trifle more than a month for the acceptance of the bequest herein mentioned?

I am inclosing copy of a letter sent to Senator FESS, referring to a bill by him to note the two-hundredth anniversary of the birth of George Washington. It is in harmony with your park plan and of interest to every citizen.

Very truly yours, PASCAL J. PLANT.

Mr. BALL. I ask that the letter be referred to the Committee on Public Buildings and Grounds.

The PRESIDING OFFICER. Without objection, it will be so referred.

Mr. BALL. I had the letter read merely to call the attention of the Senate to the fact that unless some action is taken by Congress between now and the middle of June, the bequest of $200,000 will go to the Peabody Institute.

ALIEN PROPERTY TRADE INVESTMENT CORPORATION

Mr. NORRIS. Mr. President, I ask unanimous consent for the present consideration of Senate Joint Resolution 121, Order of Business 541.

The PRESIDING OFFICER. The Senator from Nebraska makes a unanimous-consent request. Is there objection?

Mr. OVERMAN. What is the measure?

Mr. WADSWORTH. May the title be read?

The PRESIDING OFFICER. The Secretary will state the title of the joint resolution.

The READING CLERK. Joint resolution (S. J. Res. 121) to create a body corporate by the name of the "Alien Property Trade Investment Corporation."

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which had been reported from the Committee on Agriculture and Forestry, with amendments.

Mr. OVERMAN. Mr. President, I am not going to object to the present consideration of the joint resolution; I am inclined to support it; but it does seem to me that there is practically no one here, and that there ought to be a quorum present when the joint resolution is considered.

Mr. NORRIS. If the Senator desires it, I shall be glad to explain the joint resolution. I am not asking that it be passed informally. I am perfectly willing to take it up on its merits.

Mr. OVERMAN. I know that; but, as I have stated, there ought to be a quorum here. The joint resolution is a very important one. I do not object to its consideration, but I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ball	Dill	Kendrick	Ransdell
Bayard	Edge	King	Reed, Pa.
Borah	Ferris	Ladd	Sheppard
Brandegee	Fess	Lodge	Shipstead
Brookhart	Fletcher	McNary	Smith
Broussard	Frazier	Moses	Smoot
Bruce	George	Neely	Stanfield
Bursum	Gerry	Norbeck	Stephens
Cameron	Harreld	Norris	Swanson
Capper	Harris	Oddie	Wadsworth
Caraway	Harrison	Overman	Warren
Copeland	Heflin	Owen	Willis
Curtis	Johnson, Calif.	Pittman	
Dial	Johnson, Minn.	Ralston	

The PRESIDING OFFICER. Fifty-four Senators having answered to their names, a quorum is present.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. KING. I left the Chamber a moment ago, and the Agricultural appropriation bill was up for consideration. May I inquire now if that has been displaced; and if so, in what manner?

The PRESIDING OFFICER. It has been passed.

Mr. KING. I have no objection to its passage. May I inquire what measure is now before the Senate?

The PRESIDING OFFICER. We are acting under a unanimous-consent agreement, considering the joint resolution in charge of the Senator from Nebraska.

Mr. KING. Does the Senator ask unanimous consent?

Mr. NORRIS. Under a unanimous-consent request the Senate has before it now for consideration Senate Joint Resolution 121.

Mr. KING. Is that the joint resolution introduced by the Senator from South Carolina [Mr. DIAL]?

Mr. NORRIS. It is.

The PRESIDING OFFICER. And consent was given for its consideration.

Mr. KING. If I had been here, I should have objected to the consideration of the measure.

Mr. NORRIS. Mr. President, several Senators have asked, very naturally and properly, that the joint resolution now before the Senate be explained. Some Senators were of the opinion that an attempt was being made to have the joint resolution passed without due consideration. There is no such disposition whatever. We invite full consideration of the joint resolution. There is no disposition to pass it without proper consideration.

This is a joint resolution that has received the unanimous approval of the Committee on Agriculture and Forestry.

Mr. FLETCHER. Mr. President, I want to clear up this point——

Mr. NORRIS. If the Senator will let me explain the measure, perhaps I will clear up the point in the explanation.

Mr. FLETCHER. Perhaps the Senator's explanation will not touch the point I have in mind.

Mr. NORRIS. Perhaps it will not. Very well, I yield to the Senator.

Mr. FLETCHER. The question in my mind is whether this fund in the hands of the Alien Property Custodian will be

preserved so that it will protect the claims which American citizens have against the origin of the fund, against Germany, for instance. In other words, our people have certain claims, and we have always been told that they must look to this fund; and there was sufficient left in the fund after we had authorized the distribution of a certain portion of it, the Senator will recall, to protect those claims. Some of those claims have been filed, I presume, and are under consideration. The main point I want to be assured of is with reference to whether this fund will be available to protect the claims after it is used as may be provided in the pending joint resolution.

Mr. OVERMAN. I know the Senator from Nebraska is a brilliant lawyer, and has been a judge, and I would like to hear him on the question as to whether or not this is a trust fund which the United States is holding in trust, either to pay these claims or for the German nationals, as some people claim. That is a very interesting legal question, and I hope the Senator will give us his opinion upon it.

Mr. NORRIS. Mr. President, the Senator from Florida [Mr. FLETCHER] has anticipated me. Of course, what he asks is one of the things the measure must provide for, and one of the things that must be provided for before I would support any proposition such as involved in this measure. The Committee on Agriculture and Forestry were unanimous in that opinion. We have an amendment to this joint resolution which, in my judgment, completely protects the trust fund, as everybody, I think, feels it should be protected. I will refer to that just a little later.

There are some details to this joint resolution, and a corporation is to be organized under it, which will be able to carry out the objects of the measure, that there shall be taken from the Alien Property Custodian funds $150,000,000, with which money products in this country will be purchased and shipped to foreign countries whose nationals have title to the trust funds in the hands of the Alien Property Custodian.

Those products can be sold for cash or on time by the corporation, and provision is made for the taking of security, and so forth. All the money must be spent in this country, and it is contemplated that with this money agricultural products will be purchased, consisting of all kinds of grain and cotton and wool, perhaps. The sales must be made, however, in the country whose nationals own the property which the Government took during the war and now holds as trustee.

In order that there may be no question about the use of this trust fund, we have made no change in the law, because at the present time the Alien Property Custodian and other Government officials have invested parts of this fund in governmental securities. So they have been using the money to some extent.

We felt that the Government of the United States was bound in honor to hold this money for the benefit of whoever it might be later decided was entitled to it. So we amended the joint resolution so as to make it specific, and leave no question about it, that the Government of the United States guarantees that it will make up to the people entitled to the money, whether they be American citizens or foreigners, any money that may be lost by this operation I have briefly outlined.

Mr. BAYARD. Mr. President, is it not a fact that under the Alien Property Custodian law the Alien Property Custodian is bound to invest all the moneys resulting from the sale of properties in Federal securities?

Mr. NORRIS. Yes; I think it is.

Mr. BAYARD. So that he creates a trust fund under the law, and puts a trust upon those securities.

Mr. NORRIS. And the only guaranty that the cestui que trust has is that the Government of the United States will make good if there should be loss, and we do nothing more than that by this measure, except that we make a different kind of an investment.

Mr. BORAH. That is quite a different proposition, however, it seems to me, from investing this money in property which you are going to supply to people who will not be able to pay it back, in all probability, for the next 25 or 30 years. As I look at it, it does not make very much difference to the Government of the United States, if it is going to guarantee this fund, whether you take the property on hand that belongs to the alien property holders, or whether the Government supplies its own money. The Government goes into the business and takes the money out of its Treasury and sends this property over there. I do not know that it is a definite and final conclusion, but the fundamental objection I have to this measure is that this kind of a proposition means that if you are ever going to settle these claims of the alien property holders within any reasonable time at all, the Government of the United States will have to go down into its pocket to settle them, because the people to whom we are selling, if we ever collect it at all, will not pay it for the next 25 or 30 years. So what we are doing is to make it impossible to settle the proposition unless the Government of the United States takes the money out of its Treasury and settles it.

Mr. CURTIS. Mr. President, may I ask the Senator a question?

Mr. NORRIS. Let me answer one question at a time.

Mr. CURTIS. But my question would apply in the same connection and may save time.

Mr. NORRIS. Very well.

Mr. CURTIS. Is it not true that the Alien Property Custodian is settling these cases now every day?

Mr. OVERMAN. Only up to $10,000.

Mr. KING. And less than $50,000 in the aggregate.

Mr. BORAH. It is very unfortunate that he is not settling them every day.

Mr. NORRIS. If the Alien Property Custodian settles them, he has not any authority of law now to pay the money to anybody. Let me say first to the Senator from Idaho that if it be true that we throw this money away or make bad loans and lose it, we have to pay it, and if we are going to use it, we ought to be bound to pay it. The joint resolution provides that the products can be sold either for cash or on time, and that interest shall not exceed 6 per cent if sold on time, and the time shall not exceed one year. There is an international commission now sitting, provided for by the treaty with Germany, for the purpose of passing on the claims of our citizens and German citizens. They are liquidating them. They have proceeded to quite an extent. As to whether, when they get through, this money shall be used that we have taken from German nationals and Austrian and Hungarian nationals, and what it shall be used for, will require further legislation by Congress, even after that commission is through. One claim is—and as I understand it, the treaty with Germany provides that it can be done—that the money we have in the hands of the Alien Property Custodian shall be held as security to pay damages to American citizens brought about by Germany during the war, from submarine warfare, or, for that matter, any other kind of claim that an American citizen has against the German Government. These funds are held as security for that purpose.

Mr. BAYARD. Under the terms of the treaty?

Mr. NORRIS. As I understand it.

Mr. BAYARD. Is the Senator sure of that?

Mr. NORRIS. Yes; I think that is right. As I understand it, the treaty provides that Congress shall act on that matter. I may be mistaken about that, but it has not yet been determined. There are two classes of thought in the country, one whether we have an honorable right to hold the money that we have taken from German nationals to pay American citizens' claims against the Government of Germany. But we are holding it ostensibly for that purpose and until it is determined how much are the claims of American citizens against the German Government, nobody knows what the amount will be to pay. Of course, the German Government would be primarily liable, but ostensibly we are holding the money that we have taken from German nationals during the war by virtue of taking their property here, to protect American citizens who have claims allowed against the German Government by the international commission set up by the treaty, as I understand it, between our country and Germany.

Mr. OVERMAN. Not only the Versailles treaty, but the treaty with Germany provides that the fund shall go to pay those debts.

Mr. KING. No.

Mr. NORRIS. No; it will require the passage of an act by Congress before that can be done.

Mr. BORAH. It simply provides that the money or property shall be held.

Mr. NORRIS. To be held until Congress shall determine.

Mr. OVERMAN. That is right, but I am talking about the Versailles treaty.

Mr. NORRIS. There is a difference of opinion. Congress will have to decide when they get through with the work of the commission, which will take a little over a year yet to finish its work, and there will be a certain amount of claims allowed against the German Government then due to American citizens. Whether we should take the property of German citizens, which we took during the war, to pay the debts of the German Government to our citizens, is a question that must still be decided by the Congress, as I understand it.

Mr. OVERMAN. That is correct.

Mr. BORAH. Mr. President, I would like to ask the Senator a question, as I have to leave the Chamber. Does he propose to dispose of the joint resolution this evening?

Mr. NORRIS. I wish we could. It is in the hands of the Senate. I do not want to crowd anything or make any unnecessary speed in the matter.

Mr. BORAH. I do not want to interfere with the work of Congress because we have so little time left, but there is an exceedingly important question involved in the matter, and a question which, I think, goes to the very honor of the Government. Never, until we undertook to do so in this case, have we entered upon a policy in this country that would take the property of a people who came here and invested under American laws and under the American flag, and either squandered it, as we have a large portion of this fund, or used it to pay a portion of our debt. It is a vital proposition.

Mr. NORRIS. As I understand it, the question that the Senator from Idaho raises—and I think it is involved in the ideas of the Senator from Utah [Mr. KING], whose ideas in neither case am I trying to controvert now—is not raised in this situation. I do not believe that the question which he raises is involved in the pending joint resolution.

We do not in the joint resolution touch the question whether we shall use the money of German nationals to pay debts due from their Government to American citizens. That is not touched upon at all.

Mr. BORAH. But we are here by our process of legislation dealing with a trust fund in a way that no trustee ought ever to deal with the fund, in my opinion. It is dealing with it in a way that the very fact that we are taking their money instead of taking ours shows that we are not willing to take the risk with reference to our own money that we are taking with reference to theirs, but we are postponing the day of adjustment for those for whom we hold this fund.

Mr. NORRIS. I do not think we are doing either one of those things in the joint resolution. There is no postponement. They are not, as a question of law, using the money any differently from what we are using it now. We propose to invest it in a different kind of securities, and we now have on hand, from investments of this property in the Alien Property Custodian's hands, $27,000,000 of interest that has accrued since the Government of the United States got the property.

Mr. BAYARD. Mr. President, will the Senator yield?

Mr. NORRIS. Will the Senator pardon me just a moment? I want to make that point clear. We have already been using it, and the law under which we took it from those people provides that we shall, and we do it on the theory that the Government is liable for the money in any case as a matter of honor, is liable in any case to people who in the end it is determined own the money. If we were an individual and were going to use it, or the law provided we could use it, we would, of course, require a bond in order that it might not be lost; but nobody pretends and nobody believes that the Government of the United States is not good and that it needs to put up a bond when it handles this money. The joint resolution specifically guarantees all the money to all the claimants at the time they are entitled to it, and if we lose it by our investment we will pay it.

Suppose in the other investments we made that we invested in something and lost the money. Suppose somebody stole it out of the Treasury while we had it there, would anybody claim for a moment that the Government would not make it good when it was finally determined to whom it belonged?

But that question is undisposed of and is unsettled. It will require action by Congress to settle it. We do not anticipate that action, but we do know that before the commission is prepared to report a year will have elapsed, and we thought that with the products of the farm, cotton, wheat, corn, and tobacco, and without a market in this country, and with those people over there suffering for the very things that we have in abundance and which they are anxious to get, that we should carry out this plan. We believe that they are as anxious that we should do it as we are that it ought to be done.

I now yield to the Senator from Delaware.

Mr. BAYARD. I want to make this suggestion to the Senator. I do not think he has gone far enough back in tracing his history of the creation of the fund. We took the property, not under the law known as the Alien Property Custodian law but under international law, because we were at war with Germany. The Alien Property Custodian law was framed merely to have some one receive the property when we took it. Under international law we would hold the property, no matter whether the particular terms in the law were set up for the actual holding of it, until peace was declared and then would come the time for a distribution of the property to German nationals or any nationals, whoever they might be. Until that time arrives we handle the fund under international law and could not utilize it for our own nationals or for national operations. That has been the international law for many years.

The operation of the treaty with Germany made since the war has been to hold the distribution of that fund in abeyance, but not to apply it to any one object. The Senator's position undertakes to break two things; in the first place, international law as established and ratified in this particular proposition, and in the next place, the very terms of the act which took the property, and particularly the moneys arising from the sale of property, and invested them directly in a specific thing, and we can not do it by the present law. That could not happen under the terms of the law which was passed in contemplation of the existing situation. In other words, as I see it, the Senator is taking a trust created under international law and by Federal statute and tearing it into little pieces.

Mr. NORRIS. I would be the last man—and I think I speak for all those who have had anything to do with the contemplated legislation—to violate a pledge that I thought our Government owed, even though there was no law for it, to the amount of a penny. As I said a while ago, we are already using this fund for investment. We could not do it under the existing law in the manner proposed in the joint resolution.

Mr. BAYARD. But do we not account for the income?

Mr. NORRIS. That is the reason why we are trying to enact a law to broaden the scope of the investments.

Mr. BAYARD. But do we not account for the income and put it into this fund?

Mr. NORRIS. Surely we do, and we are going to account for all the income here. To show that we have been using this fund, we have not locked it up and kept it idle, and nobody would want us to do so. Those who will own the fund in the end would perhaps criticize us when they get the money, for they would say, "You have had it for 10 years and have not done anything with it. Our money has been idle. There were plenty of investments you could have made without loss. You ought to have done it and given us the benefit of it." We have been investing it and made a profit on the investment now of $27,000,000.

Mr. BAYARD. That is for the bnefit of the cestuis que trustent.

Mr. NORRIS. Surely. Of course there will arise another legal question as to who will be entitled to the interest, because it may be a question as to whether the Government of the United States is liable for interest. In my judgment every penny of profit that we make out of this money, either under existing law or under the pending joint resolution, must in honor go to those whose money and property we have taken. We must give them every cent of it, and must not in any way profit a single penny. There is no theory of making any profit in this contemplated legislation.

Mr. FLETCHER. Mr. President——

Mr. NORRIS. I yield to the Senator from Florida.

Mr. FLETCHER. I want to ask the Senator if he can state approximately the total amount of the fund now?

Mr. NORRIS. The amount is stated in the hearings, but I have forgotten exactly what it is.

Mr. DIAL. If the Senator will allow me, I will say that it is about $180,000,000.

Mr. NORRIS. I am told that it is about $189,000,000.

Mr. FLETCHER. I thought it was $400,000,000.

Mr. NORRIS. Some of the smaller funds have been returned.

Mr. FLETCHER. And the Senator proposes to use $150,000,000 of the $180,000,000?

Mr. NORRIS. Yes; we do not propose to take it all.

Mr. FLETCHER. I must dissent from the idea that this fund should not be used as a protection to American claimants. For instance, take the case of an American citizen who owned a vessel which he sent to Germany to procure a cargo of potash. The potash was loaded onto the vessel in Bremen before we became involved in the war, but the German Government seized the vessel and cargo and appropriated it. That claim ought to be paid by somebody—not by an insolvent, bankrupt concern—and if the United States Government has the money in its possession it ought to protect its citizens in a case of that kind.

With reference to the source of this money, take the case where the Kaiser himself and the Crown Prince owned real property, saw mills, and similar property, which was sold and constitutes a part of this fund.

Mr. NORRIS. I shall want to call the Senator's attention to that in due time when the question comes up properly before the Senate for decision. I expect to participate in the debate on it, but I should dislike to see the debate on this joint resolution go off on that question, because it is not involved in this proposed legislation. The particular joint resolution that we have now before us does not pretend to settle that question. The Senator has given his views on one side of the question, and the Senator from Utah [Mr. KING], who stands by his side, is very emphatic in his belief on the opposite side. The Senator from Idaho [Mr. BORAH] is with the Senator from Utah, but I want to call the attention of Senators to the fact that the question is not settled in this proposed legislation; there is no attempt to settle it; and the joint resolution, if passed, would not hinder its settlement. It may be made at any time; no, not any time; I ought not to say that, because the commission passing on these matters will take a year yet before they will get through. The only question now involved is whether or not the Government of the United States shall handle this money so as to help both its citizens and the citizens of Germany and Hungary and Austria. Most of it, of course, as we know, will go to Germany.

Mr. KING. Mr. President, will the Senator from Nebraska yield to me?

Mr. NORRIS. I yield to the Senator from Utah.

Mr. KING. Before we leave the point which was suggested by way of illustration by the Senator from Florida [Mr. FLETCHER], I wish to make one observation, with the Senator's pardon, in reply. The Senator from Florida indicated that because the German Government had seized a boat containing potash which belonged to American citizens and had confiscated it, therefore the Government of the United States ought to seize the property of German nationals invested in the United States under the sacred guaranties of treaty, to say nothing of international law, and apply the property of German nationals invested here under the protection of a treaty to the liquidation of claims of American nationals against the German Government.

I suggest to the able Senator from Florida that Mexicans have killed 800 Americans during the past few years; they have destroyed the property of American citizens to the extent of more than $300,000,000. There are hundreds of Mexican citizens living in the United States—many of them in California, many of them in New Mexico, many of them in Texas. They have valuable property. Shall our Government lay its hands upon the property of Mexican nationals who have invested in the United States?

Mr. BROUSSARD. But we are not at war with them.

Mr. KING. I will answer that suggestion in a moment. Shall our Government lay its hands upon the property of those Mexican nationals for the purpose of liquidating the claims that American nationals may have against the Mexican Government? Such a doctrine is intolerable, Mr. President. Even in the Dark Ages they would scarcely have proceeded so far.

The Senator from Louisiana [Mr. BROUSSARD] has suggested that we are not at war with Mexico. However, I shall pretermit any argument upon that point, because I am now trespassing upon the time of the Senator from Nebraska [Mr. NORRIS].

Mr. FLETCHER. The cases are not parallel at all. The people who went down to Mexico took their chances in Mexico; but here there is a different situation. When the Kaiser of Germany himself and the crown prince own property in the United States as a part of this fund, the Senator can not tell me that it is not ethical and proper that all legitimate claims of citizens of the United States should be protected by it.

Mr. KING. Any property of the German Government, of course, may be taken; I have no objection to that; but I am speaking about German nationals, and the Senator from Florida certainly understood that I referred to them.

Mr. NORRIS. I think I understand the Senator's position clearly; but, Mr. President, I want to repeat that I hope we shall not enter into a debate on that question. I myself have decided opinions upon it, but it is not involved in this proposed legislation. We shall, however, have to settle that; the Senate has got to thrash out that question.

Let me say, Mr. President, that when this proposal was first suggested to me I turned it down flat, because I said, "Why, this is a sacred fund; we can not do it." When I commenced to look into it, and we commenced to have hearings and commenced to consult with the officials of the Government and the Alien Property Custodian, I came to the conclusion, as did the entire committee, that there is not involved any new principle but merely a different use of the money. We had before us attorneys and persons having claims against the German Government amounting to many millions of dollars; American citizens whose property had been destroyed, whose ships had been lost or cargoes sunk. They were all frightened. Word got out in some way or other that we were going to take this money, which they looked upon as the Senator from Florida does. They regarded this fund as belonging to them, to guarantee the damages which they may establish before the commission as to their losses occasioned by the German Government, and they were all frightened, as they thought we were going to take it away; but when we gave those people to understand that no measure would come out of the committee that did not afford a guaranty by the Government of the United States against any loss that might be sustained, and the payment of that loss to whomsoever might be found later to be entitled to it, their objections vanished like the wind.

Mr. BROUSSARD. Mr. President, may I ask the Senator a question?

Mr. NORRIS. I yield.

Mr. BROUSSARD. May I inquire of the Senator what security is provided for these loans or advances?

Mr. NORRIS. The corporation proposed to be set up can take any security that it deems sufficient. It is given powers in that respect similar to those of the War Finance Corporation, as the Senator from Mississippi [Mr. HARRISON] suggests. We expect that the corporation will sell these products, but not always, of course, on time.

If the Senator will pardon me, I will refer for just a moment to cotton, in which he is so deeply interested and upon which he has so much information. We were informed that in Germany there was a provision of law by which a lien attached to property purchased that would follow the property through to its manufactured stage. The joint resolution provides that, if there is such a law and the product is sold on time, as one of the methods of security, when cotton is shipped to Germany and made into cloth the corporation would have a lien on the cloth itself after it was manufactured. We have not tried to hamper the corporation. We want to give it the same freedom that an individual would have. We have imposed no limitation except that the time shall not be more than a year, and that the interest shall not exceed 6 per cent.

Mr. SMITH. Mr. President——

Mr. NORRIS. I yield to the Senator from South Carolina.

Mr. SMITH. My understanding, from the discussion of this question before the committee, was that it was not a question of settling any of the disputed points that were raised by the Senator from Utah and the Senator from Florida.

Mr. NORRIS. Oh, no.

Mr. SMITH. But it was simply proposed to use as an investment the fund that we have and that was likely to remain in our hands and secure that without any reference to what ultimate disposition our Government might make of it in the settlement with the other nations; that we would simply use it in the meantime, while the adjudication was going on, for the purposes set forth in the joint resolution.

I notice that the Senator from Utah takes one side of the question as to whether the acts of the Government of Germany should affect the property of German nationals in this country. That question does not enter into the measure that is before us at all. The questions involved are not likely to be settled within a given time, and within that given time we propose to use the money for the best interests of this country and the other countries. That is my understanding of the entire measure. It constitutes no attempt to settle or to prejudice any question that may arise under the final adjudication of the controversy.

Mr. BAYARD. Mr. President——

Mr. NORRIS. I yield to the Senator from Delaware.

Mr. BAYARD. The Senator from South Carolina suggested the use of the fund not for German nationals but for American nationals. What right have American nationals to this trust fund? It has been created purely for German nationals.

Mr. SMITH. But, if the Senator from Nebraska will allow me to answer that question, we have the fund here, and if we can use it as an investment and incidentally help our nationals why should we stay our hands in the meantime? If we thereby can render more service to those who ultimately will get the money, what objection can the Senator have to that?

Mr. BAYARD. Frankly, I have objection because I never understood it to be proper that a trustee should invest his ward's money in his own affairs, and that is what we would be doing in this instance.

Mr. SMITH. If the trustee in investing this money incidentally can help himself without any infringement of the law and thereby greatly enhance the funds he holds for the cestui qui trust, I think he would be justified in doing it.

Mr. BAYARD. Does not the Senator consider—he stated a moment ago—that this fund was created under international law to start with, but was segregated under a Federal statute?

Mr. SMITH. Under the law we invested it.

Mr. BAYARD. For whose benefit? Not for the benefit of ourselves.

Mr. SMITH. Suppose we invested it for the benefit of Germany and we found a method by which we could more advantageously use the fund for Germany and incidentally help ourselves; I should like to know what valid objection the Senator could have to that.

Mr. BAYARD. I think that the incidental purpose is the object of the entire proposal.

Mr. SMITH. That is an inference the Senator may draw.

Mr. BAYARD. I do not think it is an inference. I think it is a fact.

Mr. SMITH. But the parties in interest were the ones who suggested the use of the money in this way.

Mr. NORRIS. Mr. President, before I yield further I wish to say just a word in regard to what the Senator from Delaware has said in his colloquy with the Senator from South Carolina. I do not know whether the Senator from Delaware understood it, but I have tried to state before that the money that will be taken from this fund, if this joint resolution shall be passed, will be used for the purpose of buying products of this country and selling them to the nationals of the country whose property goes to make up the Alien Property Custodian's fund.

Mr. BAYARD. I understand that thoroughly, but that does not cast any cloud over my vision when I see the real purpose of it, which is to buy products of this country to help people out who have no other market for them and to utilize this fund to establish a trade with Germany. The point I have in mind is that it is not, as I see it, a proper use for trust funds, and I conceive these to be pure trust funds.

Mr. NORRIS. In the case of a trustee who had money belonging to a ward, for instance, he would not have any authority to use it for such a purpose unless he secured express authority from the court that had control of it. We can not see how anybody having claims against Germany, or any German nationals whose property we have taken and converted into this fund, can complain, because the only security any of those people have is the Government of the United States, and this measure does not take away that security. They do not object, as far as I know. Neither the German nationals in the German part of it object to this measure, nor do those who have claims against the German Government, and who expect to get their pay out of this fund, object to it.

Mr. LODGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Massachusetts?

Mr. NORRIS. I do.

Mr. LODGE. What I desire to ask the Senator has no reference to the merits of the claim at all, but is simply as to the fund.

The fund, as the Senator from Delaware [Mr. BAYARD] has pointed out, is a trust fund. It is recognized in the treaty of Versailles, and it is in our hands as trustees. Part of it, I suppose, will be returned to the Germans from whom it was taken in time of war. The bulk of it is mortgaged, we may say, so far as necessary, to pay American pre-war claims for damages; and all the fund is, therefore, covered.

We can take this money out of the Treasury, of course, and I think that is what we ought to do if we are going to pass the joint resolution; but it does not seem to me that we ought to take a trust fund which is assigned to certain uses; and we shall be liable for that fund, of course.

Mr. NORRIS. Of course. Nobody disputes that.

Mr. LODGE. Then why take it? It is going to be the obligation of the United States.

Mr. NORRIS. Because we do not increase our liability, and, as I said awhile ago, we are already doing it with the same fund, and we have already made $27,000,000 profit on our use of this fund.

Mr. BAYARD. That is very true; but we are utilizing that and holding it and rolling it over for the benefit of the German nationals from whom we took it.

Mr. NORRIS. Exactly; and we will get interest on this. The only difference is that it will be a larger rate of interest.

Mr. BAYARD. But we are not abusing our trust in so doing, and the point made by the Senator from Massachusetts a moment ago is that all the way through this thing is a trust fund. That is what we can not get away from.

Mr. NORRIS. I admit it; yes.

Mr. BAYARD. All right. Now, the minute we depart from that, the point I am trying to make to the Senator from Nebraska is this: That being a trust fund, and we happening to hold it, is no excuse to us, because we happen to hold it, for using it for other purposes than the trust.

Mr. KING. That is a conversion.

Mr. NORRIS. I admit that. We are liable for it. If we lose it, we shall have to make it good.

Mr. BAYARD. But the mere fact that we have it should not make us use it.

Mr. NORRIS. We invest it here in Treasury certificates. We invest it in other kinds of securities, I understand.

Mr. LODGE. Chiefly Government securities, absolutely safe.

Mr. NORRIS. Suppose we invest it here, and suppose somebody steals it. We are liable for it. It is in our hands as a trust fund, and we must make it good; but the difference here is between investing it in Treasury certificates and investing it in a security that this corporation shall take from the people who buy the products. That is the difference.

Mr. KING. Mr. President, the Senator has alluded several times to the fact that we have obtained $27,000,000 of interest as a result of investment of this trust fund. The implication from his remarks was that we were doing a favor to the German nationals whose property we had sequestrated and converted. The Senator remembers that much of that property was highly productive——

Mr. NORRIS. Oh, yes; I know that.

Mr. KING. And that it was sold under the hammer at disadvantageous prices——

Mr. NORRIS. I admit all that.

Mr. KING. And that German nationals sustained enormous losses by reason of our conversion.

Mr. NORRIS. I believe all that is true. I am not contradicting that at all.

Mr. KING. So we are doing them no service, because we are getting 4 per cent interest upon property which perhaps would have returned them 10 or 12 per cent or more, because much of it was invested in profitable business enterprises in the United States.

Mr. NORRIS. I am not claiming that if we had not taken the property they would not have made more money out of it than we have made. The Senator is making an argument here that applies to the beginning of this thing, when we took the property. I am not going into that question. That has two sides. That is not interfered with by this legislation; but if we had taken that property and never invested a dollar of it the amount in the hands of the custodian to-day would have been $27,000,000 less than he has; so that it is a favor to the people who are going to get this money, whoever they may be, that they are going to get more than we took of them. That may not compensate them for the loss sustained by our taking, which for the purpose of this measure we may admit was wrongful in many cases.

Mr. BAYARD. Then, following out the Senator's argument, we arrive at this conclusion: That a trustee who lets trust funds lie idle is an ordinary trustee and can do nothing more than administer the terms of the trust as originally created; but the trustee who would advance his ward's interests by investing the money and getting a high rate of interest and turning over the income, and so forth, then becomes a privileged person and can do what he pleases with the trust funds, as long as he guarantees to make good in the event of failure or loss of the trust funds.

Mr. NORRIS. Oh, yes; I say we are simply changing the form of the investment as far as the property involved here is concerned. The Senator from Utah, however, has intimated that because we have made $27,000,000 on this fund that was not to our credit. However much there may be to our discredit in taking it—I am not saying that there is anything; but however that may be, for the sake of the argument admit it—we have done some good to the people whose money we hold, whether we get it honorably or otherwise, by increasing it $27,000,000.

If we had invested it and lost it, we would have had to sustain the loss. We will have to do that here. There is only a difference in the kind of security, whether you invest the trust fund in a note secured by a mortgage on cotton or whether you invest it in a bond secured by a municipality.

Mr. BAYARD. Or secured by the credit of the United States of America, which is a very different thing.

Mr. NORRIS. In no case do we get away from the credit of the United States of America.

Mr. LODGE. Mr. President, I just want to call the Senator's attention to this, if he will allow me:

This is admittedly a trust fund. It is generally understood that the first duty of a trustee is to invest in very safe securities. If I am rightly informed about this fund, it is invested in the safest possible securities, chiefly in Treasury certificates or United States bonds. We are taking it out of that type of investment and putting it into a more or less speculative investment.

Mr. NORRIS. I would not call it speculative, but I admit, I will say to the Senator——

Mr. LODGE. It is an active business.

Mr. NORRIS. I admit that we are going to put it into a kind of investment that is not as good as the kind of investment it has been in before. I admit that; but this is what I want to make plain, and what it seemed to me the Senator from Delaware had not gotten right in his mind:

The difference in the kind of investment is only a difference in the degree of investment. The principle is just the same in one case as in the other. If the trustee was not financially able to make good in case he lost, then the person who would ultimately be entitled to this money ought to be heard to object; but nobody contends that.

Mr. BAYARD. Then may I answer that proposition of the Senator by repeating the same reply I made to the Senator from South Carolina a moment ago, and that is this: You can not deny that you have in mind a benefit for persons other than the beneficiaries of this trust.

Mr. SMITH. Only incidentally.

Mr. BAYARD. In other words, you have in mind the benefit of the people in this country who will sell their goods to the German nationals and get their just proportion of this trust fund after it is released for this purpose.

Mr. NORRIS. We would not be here with this joint resolution if we did not think that without injuring anybody and without the violation of any sacred trust we could, by a different use of this money, help our people and the German people as well. That is the object of this proposed legislation.

Mr. SMITH. Mr. President, will the Senator allow me to suggest to the Senator from Delaware that the nationals of the very countries to whom we ultimately will have to pay this money are asking for the very commodities that we propose to send. They suggested that this fund that was lying idle might be used for the purpose of relieving their wants, with the proper safeguards thrown around it; and it was primarily for the benefit of the very nations to whom we will ultimately have to make this payment that this legislation was suggested. I believe it was primarily suggested—my colleague may know more particularly than I do—by a representative of one of the countries to whom this payment will have ultimately to be made.

Mr. NORRIS. Mr. President, I will yield the floor now, unless there are some other questions that Senators desire to ask.

Mr. DIAL. Mr. President, I was just going to suggest that the passage of this joint resolution will serve a double purpose, as my colleague [Mr. SMITH] says. It will not only take care of the interest on this money but it will serve the very people who claim the property by giving them employment. In fact, it will serve a third purpose. It will aid the people of the United States to get rid of a surplus which is somewhat of a glut on the market.

I did not hear the Senator from Nebraska [Mr. NORRIS] when he started his speech. I do not know whether or not he explained to the Senate that a commission would be appointed, as provided for in the joint resolution, composed of the Secretary of the Treasury, the Alien Property Custodian, and three others, to be appointed by the President.

The Senator from Nebraska spoke of the safety of the use of this fund. We happen to know of an organization that has been operating in a manner similar to that provided in the joint resolution. This organization has used $50,000,000 worth of cotton in Germany, and I am informed that it has not lost one cent.

The bill provides that there shall not be excessive loans; that only a very small proportion of the whole amount shall be loaned to one individual or one concern. It is protected so that there can not be much loss in case there is any loss at all.

The Senator from Nebraska has shown us that we can follow the raw agricultural product through the processes of manufacture; and, of course, the product will be worth much more when it is in the finished stage than it was in the raw stage.

Those people over there—the Germans and some of these other people—have the mills; they have the machinery; they have the labor. The labor is seeking employment, and by this process we will put them to work and enable them to be independent people, and sell their labor in this manner. We could not accomplish a better purpose, Mr. President.

We have pending in the Senate now a joint resolution to donate $10,000,000 to the women and children of Germany. It has passed the House, so it must have some friends in this country. I do not think that is a proper thing to do; but when we can lend assistance to the people of the world and let them help themselves by using their labor and their idle machinery and the facilities that they have, we shall be accomplishing a good purpose.

We were told here the other day by the Senator from Idaho [Mr. BORAH] that when this $10,000,000 joint resolution was being considered by the Foreign Relations Committee of the Senate that committee was appealed to by representatives of three other nations for donations. I submit that that is a wrong principle to set up in the United States.

Mr. President, no man in the Senate is more opposed than I am to the Government going into business and taking undue risks; but we have been talking here, not only during this session but during former sessions, about trying to do something to help agriculture in this country, trying to do something to open up the markets of the world, whereby we can sell our surplus products and thereby not only put the people of other countries to work but aid and encourage the people of this country to go to work and produce a surplus.

In my section of the country there is some surplus cotton carried over from year to year. That depresses the price of the next crop. While I do not believe there is any great quantity on hand at this time, yet newspapers will send out false reports—I do not mean they intentionally do so—the figures will be garbled, and we can not get a correct statement even from the Department of Commerce. The figures are always disputed, they are padded, the crop is misrepresented, and it is claimed that we carry a greater crop of cotton than is really in existence. So what I am trying to do now is to get rid of any surplus, if surplus there be, of the past crop, so that we may start in new with the next crop and let the law of supply and demand function, and let our people get a fair price for what they produce, so that the mills of the world can operate and so that the employees of the mills can continue to find employment and not be turned out on the streets.

The dry-goods trade all over the world is demoralized by reason of the wild fluctuation in cotton, and if we can get rid of the surplus cotton that will be corrected in a great measure. I see the senior Senator from Massachusetts [Mr. LODGE] here. I believe some of the mills in his State are shut down and labor is thrown out of employment. To a great extent that is brought about by the buyers being misinformed as to the cost of production, and they are failing to buy at present. So if we can get rid of our surplus cotton in this country before the next crop comes in, I think we will have done a great thing to stabilize the price of cotton and the price of dry goods, and we will put the people to work. We want to encourage the people to be an independent people and not have to come to Congress or to go anywhere else and ask for help.

That is the object of this measure. There is nothing revolutionary about it. We create a trust. Nobody wants to put the funds beyond the reach of the proper claimants at the proper time. We do not undertake to discuss that. We do not, as the Senator from Nebraska has well said, undertake to change it at all. But we are using the funds for a triple purpose, and there is nothing immoral about it. These people come and beg for it. They send delegation after delegation who say they want this done. Consider even the tobacco interests. We are told that there are some $8,000,000 of one tobacco concern impounded in this fund, and they to-day want to buy $4,000,000 worth of tobacco. At this very hour the South has a committee on the other side of the ocean trying to sell the surplus of the last few years of the tobacco crop, as my colleague well knows.

All we are trying to do is to put people to work, and of course we will help to sell and ship something out of this country, and there is nothing immoral or wrong in that. It is to be encouraged. The people owning the mills over there have been here trying to get cotton and wheat. They say that if they could have gotten the quantity of wheat needed during the last 12 months they would have used 50,000,000 more bushels of wheat from the United States.

The wheat people in the last few months have been trying to get Congress to go into the pension business, to lend money directly to the farmers of the Northwest in order that they might diversify, and they have come here asking Congress to

donate. We donated $20,000,000 to Russia, and now we are asked to donate $10,000,000 to Germany, and to keep on donating the taxpayers' money. Certainly we have no constitutional right to take that kind of a loss.

Therefore I see nothing wrong about this. I am, I will not say conservative, because I believe that is a term used now to discredit a man, but I am a conservative progressive, I hope. I try to be safe with money and try to be sound in work, and I want to let every man help himself.

Under this measure no loan can extend over the period of a year. There will be a revolving fund. It has been tried by some of my neighbors in South Carolina. My colleague knows there was a concern in Anderson which shipped cotton right out of my county and the adjoining county to Czechoslovakia, I believe it was, where it was converted into goods and sold.

Mr. LODGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Massachusetts?

Mr. DIAL. I yield.

Mr. LODGE. There are two matters involved in the joint resolution. One is the general policy of the United States making large appropriations to help agriculture. The other question is the simple one of taking the money from a trust fund. If it is to be taken at all, it ought to be taken squarely out of the Treasury of the United States and we should not take it from a fund which is distinctly, by law, a trust fund. It may be made to appear that we are not spending the money, but we are spending the money, no doubt for a good purpose. However, let it be our money that we take without any question of a trust fund. If we go into spending the trust fund, then any losses which come, of course, we are responsible for, and nobody can tell what the loss may be, because it is all a speculation, every bit of it.

Mr. DIAL. The Senator and I do not differ very much except in this: I do not know who the owners of the fund are; that is undecided, as a matter of law, but the parties from whom it was taken want this very thing done. It would encourage them, open up their trade with the United States, and it would encourage them to go to work, thinking they were using their own money, making interest on their own money, and it would establish a good feeling.

Mr. LODGE. That is a question of the general policy. We can get the money out of the Treasury of the United States. My objection is to taking trust money. There are two classes of people for whom this trust is held. It is not held primarily for Germans. It is held as a security that Americans who have claims will have those claims satisfied by Germany. To me the first point here is the question of taking the money from a trust fund. The other is the question of general policy.

Mr. DIAL. It is not taking a trust fund. It is merely using it. I believe in safety in investments, and correctness in legal business, and all those things. But you can not apply old rules to conditions which obtain to-day.

Mr. LODGE. I do not think we have any right to take money from this trust fund to speculate with it.

Mr. DIAL. No——

Mr. LODGE. It is pure speculation. It may turn out very well, or it may turn out very ill; we can not tell.

Mr. DIAL. It would be commerce; it would not be speculation. There is more or less risk, I admit.

Mr. LODGE. I have heard of speculation in connection with commerce.

Mr. DIAL. There would be more or less risk, of course.

Mr. LODGE. Of course there is risk. The custodian of that fund would never dare, as a trustee, to invest money in that way.

Mr. SMITH. As my colleague has said, I do not think it would assume the nature of a speculation, as the Senator from Massachusetts indicates.

Mr. LODGE. All commerce is more or less speculation.

Mr. SMITH. I know, but this is purely a question of legitimate, orderly commerce, which has been blocked by lack of funds to carry it on, and here are funds that are static, or laying idle, in a way, which neither belong to us nor belong definitely and distinctly to any particular individual, but which ultimately will belong to some one for whom we are holding the fund in trust, looking toward the settlement of the question as to just where it should be paid. Pending that settlement, if we could find a legitimate, safe, conservative method by which we could meet the requests of those who have the primary claim on it, as well as relieve a situation here——

Mr. LODGE. Of course, the Germans have no primary claim. The primary claim is ours, of those who are the subjects of the trust, the beneficiaries.

Mr. SMITH. I realize that; but we are investing the money now.

Mr. LODGE. We are turning it into business. I heard one of the greatest and most successful mill owners in Massachusetts once say that the question of whether a mill succeeded or not was dependent on whether the cotton was bought well three years in five; that is, the man who succeeded in buying his cotton well and judging his market well three years in five would make a mill successful. There is an element of speculation, of course, in every business. It is not in cotton alone.

Mr. SMITH. On the other hand, it is claimed now that the lack of prosperity is not due to the manner in which the cotton has been bought, but to the manner in which the purchasing market is conducting itself.

Mr. LODGE. I did not mean to go off into that at all. It was only an illustration of the fact that it is more or less a speculative thing, as all commerce must be. I shall be glad to help, but if we are to take the money I do want to take it squarely from the Treasury of the United States and not meddle with a trust fund.

Mr. SMITH. I want to point out to the Senator that no doubt this money has been invested in United States bonds.

Mr. LODGE. Almost all of it.

Mr. SMITH. The Senator knows that even our bonds have fluctuated. They went from 85 to par.

Mr. LODGE. Everything is comparative; and investment in United States bonds is not a speculative investment compared with investment in cotton or sugar or any other commodity.

Mr. SMITH. Not to the same degree; but there is the principle of speculation even in that.

Mr. LODGE. United States bonds, the Senator knows, are taken by trustees as the utmost of safety they can obtain in an untrustworthy world.

Mr. SMITH. What I was trying to show was that it was not speculation in the ordinarily offensive sense in which we use the word "speculation." It is investment in the ordinary, legitimate lines of commerce with whatever speculation is incident thereto.

Mr. BAYARD. May I ask the junior Senator from South Carolina about what amount of money would be taken out of the Alien Property Custodian's hands for this purpose in the way of cash?

Mr. DIAL. That would depend on the demand for the use of it.

Mr. BAYARD. What amount is estimated?

Mr. DIAL. We authorize $150,000,000.

Mr. BAYARD. I want to make a suggestion to the Senator on that basis. We must assume, then, that the custodian has at least $150,000,000 of United States securities, bonds——

Mr. DIAL. Or money.

Mr. BAYARD. Which he has presumably bought at par. If we force him to sell those for the purpose of putting the money into this operation, the price will be forced down, and before he gets through he will sell below the price he paid for them, and to that extent his trust funds will be diminished. They are still trust funds, and that operation will be punitive to that extent, or, by the very law you are endeavoring to have enacted, you penalize these people with the beneficiaries.

Mr. DIAL. I do not think so. A great deal of this business could be handled on credit, and the money would soon begin to come back. It would be a revolving fund.

Mr. NORRIS. I would like to make a suggestion to the Senator from Delaware, if the Senator from South Carolina will permit me. It is not expected that all this money is to be gotten at once. It will be used gradually, so there will be no throwing of a lot of securities on the market. For instance, the Alien Property Custodian has somewhere in the neighborhood of seven or eight or ten million dollars in actual cash doing nothing.

Mr. BAYARD. That may not be to the credit of these particular individuals, or their particular trusts, so it could not be utilized for this purpose.

Mr. NORRIS. But the Senator indicated, I thought, in his question to the Senator from South Carolina, that if this money were invested in United States bonds, or something of that kind, and they were put on the market, it would drive the price down. If we did that all at once, I think perhaps it would have that effect.

Mr. BAYARD. Suppose he put out only $10,000,000, and it happened that the price of the bonds was 98, or 99, or 99 and a fraction; even so, he would diminish the trust fund to that extent.

Mr. NORRIS. He would not do anything of that kind unless he was perfectly reckless. He would not be called upon to do anything of that kind. There is no question but that he can sell the United States bonds he now has above what he paid for them, and make a profit on them, because they have been going up all the time.

Mr. BAYARD. Were all of the custodian's purchases made at prices below par?

Mr. NORRIS. Not that I know of, and I can not say how much of his money is invested in Liberty bonds. I can not tell the Senator how many Liberty bonds are in his possession, but it is safe to say, from general knowledge of the Liberty bond market, that the prices have been going up. Liberty bonds are above par right now. None of them are below par.

Mr. BAYARD. I wish that were true. Only one or two issues, I think, are above par or better at the present moment.

Mr. NORRIS. I have been looking in the paper every day—I do not think I looked to-day—and I know one that I looked at yesterday was up to 102.

Mr. BAYARD. Not of the war-loan issues.

Mr. NORRIS. Of the issues that were to take up some of the war issues.

Mr. BAYARD. The refunding issues.

Mr. NORRIS. Yes. Those funds are invested in Liberty bonds, I take it, and have been so invested prior to the present time, of course some of them quite a while before, and it is very safe to say that if they were sold now he would make quite a profit on the transaction.

Mr. BAYARD. That is assuming a different proposition, but when the property was converted into cash and invested by the custodian, it was invested at the then market price of bonds.

Mr. NORRIS. Yes.

Mr. BAYARD. But, as a matter of fact, most of that property was converted during the war, and when the bond issues came out they were all sold at par, and so I assume the investment was made at par.

Mr. NORRIS. The Senator may be right.

Mr. BAYARD. It is just as good an assumption as the Senator's, because I am taking the war-time operation. When the Government officials invested in those issues they paid par.

Mr. NORRIS. If they bought the bonds directly from the Government, of course they paid par, but there has never been a time, from the time of the issuing of the bonds or soon after, except perhaps on those 3½'s that were nontaxable for every purpose, when they have not been below par, and they have been gradually and slowly coming up. It is only recently that they have reached par, and I assume he has made no investments recently, although I may be wrong about it.

Mr. BAYARD. He invests the interest that the Senator is speaking about.

Mr. NORRIS. Yes; perhaps the interest.

Mr. LODGE. If the Senator from Nebraska has no objection, I would like to move that the Senate proceed to the consideration of executive business.

Mr. NORRIS. I will say to the Senator from Massachusetts that I am ready whenever he is to go into executive session.

Mr. SMITH. Mr. President, will the Senator withhold the motion for a moment?

Mr. LODGE. Certainly.

ROBERT J. KIRK

Mr. SMITH. I ask unanimous consent for the immediate consideration of the bill (H. R. 3009) for the relief of Robert J. Kirk. It involves a small claim by an appointee of our court who was appointed as referee in a case by the judge, and on account of having been a trial justice for some reason they held up the claim. The judge himself says that the claim ought to have been paid as the court ordered him to do the work, and the Attorney General says so. It only amounts to $332.50.

The PRESIDING OFFICER (Mr. SPENCER in the chair). Is there objection to the request of the Senator from South Carolina?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any moneys in the Treasury not otherwise appropriated, to Robert J. Kirk, of Florence, S. C., the sum of $332.50 for service as United States commissioner for the Eastern District of South Carolina for the period beginning July 1, 1919, to November 15, 1919.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

REIMBURSEMENT TO SENATOR FRANK L. GREENE

Mr. FESS from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred Senate Resolution 230, submitted by Mr. LODGE on the 20th instant, reported it favorably without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay, out of the contingent fund of the Senate, to Hon. FRANK L. GREENE, a Senator from the State of Vermont, the sum of $7,500, as reimbursement for actual and necessary expenses incurred by him in the treatment and care of injuries resulting from an accidental bullet wound received while walking on the street in the city of Washington, D. C., February 15, 1924.

SALE OF REAL PROPERTY NOT NEEDED FOR MILITARY PURPOSES

Mr. WADSWORTH. From the Committee on Military Affairs I report back favorably, with amendments, House bill 9124, authorizing the sale of real property no longer required for military purposes, and I submit a report (No. 607) thereon. I intend to ask unanimous consent for its immediate consideration if permission is given to receive it.

The PRESIDING OFFICER. Is there objection to the receipt of the report? The Chair hears none.

Mr. WADSWORTH. I now ask unanimous consent for the present consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendments of the Committee on Military Affairs were, on page 2, after line 13, to insert: "North Carolina: Fort Caswell Military Reservation, near Southport on the Atlantic coast; less 57 acres, more or less, required by the Treasury Department for Coast Guard purposes"; and on page 2, after line 16, to insert: "Florida: Gasparilla Military Reservation, entrance to Charlotte Bay: *Provided*, That the appraisal and sale of this reservation shall cover only the right, title, and interest of the United States in the lands and public improvements thereon, without in any way altering or modifying any rights heretofore created therein," so as to make the bill read:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to sell or cause to be sold, either in whole or in two or more parts as he may deem best for the interests of the United States, the several tracts or parcels of real property hereinafter designated, or any interest therein or appurtenant thereto, which said tracts or parcels are no longer needed for military purposes, and to execute and deliver in the name of the United States and in its behalf any and all contracts, conveyances, or other instruments necessary to effectuate such sale.

FIRST CORPS AREA

Maine: Narrows Island Reservation, Boothbay, Lincoln County.

Massachusetts: Fort Phoenix, near Fair Haven, Bristol County; Springfield Armory, two small tracts.

Rhode Island: Fort Greene, Newport.

SECOND CORPS AREA

New York: Fort Montgomery, Rouses Point, Clinton County; Sag Harbor Reservation, Sag Harbor, Long Island, Suffolk County.

North Carolina: Fort Caswell Military Reservation, near Southport on the Atlantic coast; less 57 acres, more or less, required by the Treasury Department for Coast Guard purposes.

FOURTH CORPS AREA

South Carolina: Bay Point Reservation on Phillips Island, Beaufort County; Hilton Head Reservation at south entrance to Port Royal Sound, Beaufort County.

Florida: Gasparilla Military Reservation, entrance to Charlotte Bay: *Provided*, That the appraisal and sale of this reservation shall cover only the right, title, and interest of the United States in the lands and public improvements thereon, without in any way altering or modifying any rights heretofore created therein.

Alabama: Fort Gaines, on east end of Dauphin Island, Mobile County.

Tennessee: Park Field, Millington.

That the Secretary of War be, and he is hereby, authorized to convey by appropriate quitclaim deed to nine trustees and their successors to be selected by the Chamber of Commerce of Columbia, S. C., and known as "Trustees of Columbia cantonment lands," approximately 1,192 acres of land within the United States Military Reservation at Camp Jackson, S. C., to wit:

The following two tracts of land:

Tract No. 1: Beginning at a stone corner of the Powell, Hampton, and United States Government lands, thence along the Hampton lands, north 61° 45′ west 3,024 feet to a stone; thence north 47° 5′ west 1,956 feet to a stone; thence north 61° 40′ west 740 feet to a stone; thence north 27° 20′ east across Government lands 2,000 feet to a stone; thence south 87° 40′ east 385 feet to a stone; near southeast corner of Camp Jackson incinerator; thence north 6° 20′ east 975.5

feet to a stone; thence north 42° 20′ east 815 feet to a stone; thence north 82° 20′ east 828 feet to a stone; thence north 61° 35′ east 1,430 feet to a stone at intersection of old roads; thence south 72° 40′ east 1,355 feet to a stone; thence south 85° 40′ east 2,798.5 feet to a stone; thence south 27° 50′ west 2,654 feet to a stone; corner of Powell's lands, thence along Powell's lands south 79° 35′ west 1,290 feet to a stone; thence south 11° 40′ west 4,102 feet to a stone, point of beginning, containing in all 705.12 acres.

Tract No. 2: Beginning at a stone on the eastern side of the Camden public road near the 6-mile post; thence along Camden public road south 89° 45′ west 800 feet to a stone; thence along the Camden public road south 87° 35′ west 985 feet to a stone; thence along the Camden public road south 78° 45′ west 184 feet to a stone; thence south 12° 50′ east 985 feet to a stone; thence north 85° 45′ east 1,240 feet to a stone; thence south 63° 5′ east 1,984 feet to a stone 6 feet from paved road; thence in an easterly and northerly direction 922 feet along paved road to a stone 6 feet from paving; thence south 82° 20′ east 1,050 feet to a stone; thence north 73° 50′ east 1,325 feet to a stone; thence north 8° 20′ east 270 feet to a stone; thence south 86° east 408 feet to a stone; thence south 7° 30′ west 217 feet to a stone; thence south 64° 25′ west 570 feet to a stone; thence south 53° 25′ west 1,460 feet to a stone; thence south 50° 25′ east 323 feet to a stone; thence north 71° 55′ east 1,300 feet to a stone; thence north 52° 15′ east 2,131 feet to a stone on the north side of the Ancrum Ferry Road; thence north 3° 40′ east 4,315 feet to a stone on the eastern side of the Camden public road; thence along said Camden public road south 38° 30′ west 211 feet to a stone; thence south 36° 55′ west 1,039 feet to a stone; thence south 55° 50′ west 620 feet to a stone near the 7-mile post; thence south 87° 55′ west 779 feet to a stone; thence south 69° 40′ west 498 feet to a stone; thence south 55° 55′ west 1,330 feet to a stone on the southerly side of the Ancrum Ferry Road; thence south 75° 20′ west 811 feet to a stone near branch; thence south 70° 15′ west 1,265 feet to a stone; thence south 68° 25′ west 890 feet to a stone near branch; thence north 80° 20′ west 166 feet to a stone, the point of beginning, containing in all 486.88 acres; the land so conveyed being approximately equal in area to the lands donated to the United States by the said chamber of commerce as a part of the site on the said reservation by deeds executed by J. Erwin Belser, trustee, dated July 20, 1917, and November 16, 1917: *Provided*, That prior to such conveyance by the Secretary of War there shall be conveyed to the United States by appropriate deed all the rights of way and other rights reserved in the aforementioned deeds of donation to the United States to the extent that the Secretary of War may require.

That the Secretary of War is hereby further authorized, in his discretion, to grant by revocable license to the said trustees, their successors or assigns, subject to such conditions and restrictions as he may deem necessary to protect the interests of the United States, and to such regulations as he may from time to time prescribe, the right to use, in common with the United States, the existing roadways and railway lines of the United States, steam or electric, now located upon and extending over and across the reservation, and also the right to occupy and use such other lands within the said reservation as he may designate for the construction and operation thereon of steam or electric railway lines to extend to the lands to be conveyed to the said trustees as hereinabove described, the United States to have the right to use without charge any railway lines or tracks so constructed on the reservation: *Provided*, That the said existing roadways and railway lines on the reservation so occupied and used and the railway lines so constructed and operated thereon shall be maintained and kept in a good state of repair, to the satisfaction of the Secretary of War, at the sole expense of the said trustees, their successors or assigns.

That the said trustees shall hold, use, manage, lease, sell, and convey, or otherwise dispose of said lands, or any portion thereof, and of the proceeds and revenues of the same, for one or more of the following purposes as they may deem best, to wit: Agricultural, industrial, charitable, and educational purposes: *Provided, however*, That no sale or conveyance shall be made by the said trustees of the lands conveyed by the Secretary of War under this act until the Secretary of War shall have given his consent in each instance to such sale or conveyance.

That a majority of the said trustees shall constitute a quorum competent to transact business, and that the said trustees shall make such by-laws, rules, and regulations for their own government and for the management and control of the said property and the proceeds thereof as they may deem necessary and proper, and that in the event of any vacancy occurring among the said trustees by death, resignation, removal of residence from Richland County, S. C., or other cause, such vacancy shall be filled from residents of Richland County by selection by a majority of the remaining trustees, such selection to be approved by the Chamber of Commerce of the city of Columbia, S. C., or its successors; and if there be no successors, then such selection shall be approved by a majority vote of a committee composed of the president of the University of South Carolina, the mayor of the city of Columbia, the senator in the General Assembly of South Carolina from Richland County, the probate judge of Richland County, and the resident judge of the judicial circuit of South Carolina embracing Richland County, or their respective successors.

That there is hereby granted to the State of North Carolina, without cost to the State, for public uses, all lands belonging to Fort Macon Military Reservation and now the property of the United States, together with all the improvements thereon; and that the Secretary of War be, and he is hereby, authorized and directed to convey to the said State all right, title, and interest of the United States in said lands and improvements, to be held and used by said State for public purposes: *Provided*, That the following-described land is reserved and granted to the Treasury Department for Coast Guard purposes: Beginning at a concrete monument at the southwest corner of the present Coast Guard property; thence north 299.5 feet to a concrete monument at the northwest corner of the present Coast Guard property; thence north 9° 58′ west 1,320 feet, more or less, to Bogue Sound; thence eastwardly about 600 feet along Bogue Sound; thence south 1,340 feet, more or less, to a concrete monument at the northeast corner of the present Coast Guard property, which said monument bears north 134 feet from the center of the top of curb of the old hospital well, also it bears north 84° 22′ 30″ west 145 feet from the old gun pivot at the northwest corner of the outside wall of old Fort Macon; thence south 299.5 feet to a concrete monument at the southeast corner of the present Coast Guard property; thence south 1,400 feet, more or less, to the Atlantic Ocean; thence westwardly about 200 feet along said Atlantic Ocean; thence north 1,400 feet, more or less, to the south line of the present Coast Guard property; thence west 147.5 feet to the place of beginning, containing 22.6 acres, more or less: *Provided further*, That the Government at all times has the right and privilege of preserving, erecting, and maintaining on said reservation such buildings as Coast Guard stations, signal stations for pilots, lighthouses, etc., as may be incident to the purposes of the Treasury, War, Navy, and Commerce Departments.

SEVENTH CORPS AREA

Arkansas: Camp Pike Booster Pumping Station, near Little Rock.

SEC. 2. In the disposal of the aforesaid properties the Secretary of War shall in each and every case cause the same to be appraised, either as a whole or in two or more parts, by an appraiser or appraisers to be chosen by him for each tract, and in the making of such appraisal due regard shall be given to the value of any improvements thereon and to the historic interest of any part of said land.

SEC. 3. After such appraisal shall have been made and approved by the Secretary of War, notification of the fact of such appraisal shall be given by the Secretary of War to the governor of the State in which each such tract of land is located, and such State, or the county or municipality in which such land is located, shall in the order named have the option at any time within six months after the approval of such appraisal to acquire the same, or any part thereof which shall have been separately appraised, upon payment within said period of six months of the appraisal value: *Provided, however*, That the conveyance of said tract of land to such State, county, or municipality shall be upon the condition and limitation that said property shall be limited to use for public park purposes and upon cessation of such use shall revert to the United States without notice, demand, or action brought.

SEC. 4. Six months after the date of approval of said appraisal, if the option given in section 3 hereof shall not have been completely exercised, the Secretary of War shall sell, or cause to be sold, each of said properties at public sale, at not less than the appraised value, after advertisement in such manner as may be directed by the Secretary: *Provided*, That no auctioneer or person acting in said capacity shall be paid a fee for the sale of said properties in excess of the sum of $100 a day.

SEC. 5. A full report of transfers and sales made under the provisions of this act shall be submitted to Congress by the Secretary of War.

SEC. 6. The expense of appraisal, survey, advertising, and sale shall in each case be paid from the proceeds of the sale, whether made in accordance with section 3 or section 4 of this act, and the net proceeds thereof shall be deposited in the Treasury of the United States to the credit of "Miscellaneous receipts."

SEC. 7. The authority granted by this act shall not repeal any prior legislative authority granted to the Secretary of War to sell or otherwise dispose of lands or property of the United States.

EIGHTH CORPS AREA

SEC. 8. That the Secretary of War be, and he is hereby, authorized to reconvey to Elizabeth Moore, guardian of G. Bedell Moore, a minor, her successors, or her said ward, or his lawful or legal representatives or assigns, the camp site of Camp Robert E. L. Michie, containing 400 acres, more or less, as described in the deed of conveyance to the United States dated April 26, 1919, in consideration of the payment by Elizabeth Moore, guardian of the estate of G. Bedell Moore, a minor, her successors, or her said ward, or his lawful heirs or legal

representatives or assigns, to the Chamber of Commerce of Del Rio, of the county of Val Verde, and State of Texas, of the sum of $5,000 to be distributed by said chamber of commerce to the original donors.

SEC. 9. That the Secretary of War be, and hereby is, authorized and directed to convey, by quitclaim deed, to the city of Gloucester, in the State of Massachusetts, all the proprietary right, title, and interest of the United States to and in that certain tract of land now known as Old Fort Defiance, which was ceded by gift to the United States Government by vote of a town meeting in Gloucester in 1794 for the purpose of erecting a fortification, and which is now no longer needed for such purpose.

The amendments were agreed to.

The bill was reported to the Senate as amended and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

EXECUTIVE SESSION

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and the Senate (at 5 o'clock and 10 minutes p. m.), under the order previously entered, took a recess until to-morrow, Saturday, May 24, 1924, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate May 23 (legislative day of May 20), 1924

PROMOTION IN THE NAVY

Rear Admiral William R. Shoemaker, United States Navy, to be Chief of the Bureau of Navigation, in the Department of the Navy, with the rank of rear admiral, for a term of four years from the 7th day of June, 1924.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 23 (legislative day of May 20), 1924

MEMBER FEDERAL RESERVE BOARD

A. C. Miller.

DIRECTOR WAR FINANCE CORPORATION

George R. Cooksey.

MEMBER UNITED STATES SHIPPING BOARD

Edward C. Plummer.

CUSTOMS SERVICE

George M. Young to be general appraiser of merchandise.

PUBLIC HEALTH SERVICE

Henry S. Mathewson to be senior surgeon.
Edward B. Faget to be passed assistant surgeon.
Leo W. Tucker to be passed assistant surgeon.
John D. Reichard to be surgeon.
Forrest N. Anderson to be assistant surgeon.
Marvin P. Moore to be assistant surgeon.
Erval R. Coffey to be assistant surgeon.
Wilhelm R. Schilhammer to be assistant surgeon.

POSTMASTERS

ALASKA

Charles A. Sheldon, Seward.

ILLINOIS

Elliott O. Andrews, Belvidere.
Olive G. Woods, Hennepin.
Herman C. Hoefer, Park Ridge.
John N. Taffee, Pinckneyville.
Elizabeth R. Grant, Shabbona.
Edward P. Devine, Somonauk.
Kate M. Weis, Teutopolis.
Fay L. Quilter, Walnut.

KENTUCKY

John G. Fisher, Berry.
William M. Jack, Clenton
Mollie L. Allphin, Crittenden.
Agnes P. Simpson, Graham.
Edgar Renshaw, Hopkinsville.
Carley O. Wilmoth, Paris.
Minnie O. Tschiffely, Pewee Valley.

MICHIGAN

Edwin L. Groger, Concord.
Adrian J. Westveer, Holland.
Arthur G. Stone, Niles.
Frank N. Green, Olivet.

MISSOURI

Mary M. Wightman, Bethany.

HOUSE OF REPRESENTATIVES

FRIDAY, *May 23, 1924*

The House met at 11 o'clock a. m., and was called to order by the Speaker pro tempore [Mr. TILSON].

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Lord and Father of us all, again Thou hast declared how great is Thy love by bringing us to the light and promise of another day. Therefore it behooves us to offer Thee our tributes of thanksgiving. Hear us, Lord, and accept the offerings that we bring. Subdue any thoughts or feelings in our breasts that may not be right and just. Let Thy blessed spirit move over our homeland, blessing and directing every institution that helps our fellows to better living and to more thorough patriotic devotion. Be with our President these arduous days; be gracious unto him and restore him to health and strength. Help us all, dear Lord, to meet our obligations, bear our burdens, and to be good. Amen.

The Journal of the proceedings of yesterday was read and approved.

CERTIFICATES OF CITIZENSHIP TO INDIANS

Mr. SNYDER. Mr. Speaker, I ask to take from the Speaker's table the bill H. R. 6355, and to agree to the Senate amendments.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent to call up the bill H. R. 6355, which the Clerk will report by title.

The Clerk read as follows:

An act (H. R. 6355) to authorize the Secretary of the Interior to issue certificates of citizenship to Indians.

The Senate amendments were read.

The SPEAKER pro tempore. The question is on agreeing to the Senate amendments.

Mr. GARRETT of Tennessee. Will the gentleman yield for a question?

Mr. SNYDER. I will be glad to do so.

Mr. GARRETT of Tennessee. I would like very much to have the gentleman's construction of the meaning of this matter as applied to State laws that will be affected by this act; that is, the question of suffrage.

Mr. SNYDER. I would be glad to tell the gentleman that, in the investigation of this matter, that question was thoroughly looked into and the laws were examined, and it is not the intention of this law to have any effect upon the suffrage qualifications in any State. In other words, in the State of New Mexico, my understanding is that in order to vote a person must be a taxpayer, and it is in no way intended to affect any Indian in that country who would be unable to vote unless qualified under the State suffrage act. That is the understanding. And also it goes to this extent, it does not in any way change the right of the Indian to any tribal relation or any property he now holds. It does not affect that in any way, but simply makes him an American citizen, subject to all restrictions to which any other American citizen is subject, in any State.

Mr. GARRETT of Tennessee. Of course the gentleman and his committee have looked into the legal questions involved as to what his property rights will be. As to the other matter I do not know, but it has occurred to me, if objectionable at all, it might be a somewhat anomalous situation in regard to property rights. However, the principal thing I wanted to ask about was with regard to suffrage rights. It is the construction, then, of the chairman of the committee, and speaking for the committee, that this in no way affects the suffrage rights under State laws.

Mr. SNYDER. That is the understanding of the chairman of the committee, and he is carrying to the House that understanding, after careful consideration on that particular question, by a unanimous vote of the committee.

Mr. HASTINGS. And if the gentleman will permit me to suggest that this meets with the unqualified approval of the Department of the Interior and representatives of that department, so expressed to the Committee on Indian Affairs with reference to this matter when it was being considered.

Mr. SNYDER. And the commissioner as well.

The SPEAKER pro tempore. The question is on agreeing to the Senate amendments.

The question was taken, and the amendments were agreed to.

CLAIMS OF THE CHOCTAW AND CHICKASAW INDIANS

Mr. SNYDER. Mr. Speaker, I desire to present a conference report for printing on the bill H. R. 5325, and ask that it be printed under the rule.

The SPEAKER pro tempore. The gentleman from New York presents a conference report on the bill, which the Clerk will report by title.

The Clerk read as follows:

An act (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes."

The SPEAKER pro tempore. Ordered printed under the rule.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, and 6, and agree to same.

That the Senate recede from its amendment numbered 7.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to same with an amendment as follows: Strike out the language proposed to be inserted by the Senate and in lieu thereof insert the following: "*Provided, however*, That the attorney or attorneys employed as herein provided may be assisted by the regular tribal attorney or attorneys employed under existing law under direction of the Secretary of the Interior"; and the Senate agree to the same.

HOMER P. SNYDER,
FREDK. W. DALLINGER,
W. W. HASTINGS,
Managers on the part of the House.

J. W. HARRELD,
CHARLES CURTIS,
JOHN B. KENDRICK,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes, submit the following statement explaining the effect of the action agreed on:

On amendment No. 1, relating to the tribal attorneys: Strikes out the language which provides that the suit may be prosecuted by the regular tribal attorneys and provides that the regularly employed attorneys of the tribes may assist in the prosecuting of the suits.

On amendments Nos. 2, 3, 4, 5, and 6 are clerical changes made necessary by the adoption of amendment No. 1.

On amendment No. 7, the Senate recedes and accepts the language as passed by the House.

HOMER P. SNYDER,
FREDK. W. DALLINGER,
W. W. HASTINGS,
Managers on the part of the House.

EASTERN BAND OF CHEROKEE INDIANS

Mr. SNYDER. I desire to present a conference report for printing on the bill H. R. 3852, and ask that it be printed under the rule.

The SPEAKER pro tempore. The Clerk will report the bill by title.

The Clerk read as follows:

An act (H. R. 3852) providing for the final disposition of the affairs of the Eastern Band of the Cherokee Indians of North Carolina.

The SPEAKER pro tempore. Ordered printed under the rule.

METROPOLITAN POLICE AND FIREMEN

Mr. ZIHLMAN. Mr. Speaker, I ask to take from the Speaker's table the bill (H. R. 5855) and concur in the amendments of the Senate.

The SPEAKER pro tempore. The Clerk will report the bill by title.

The Clerk read as follows:

An act (H. R. 5855) to fix the salaries of the officers and the members of the Metropolitan police and firemen of the District of Columbia.

The SPEAKER pro tempore. The gentleman from Maryland asks unanimous consent to take this bill from the Speaker's table and agree to the Senate amendments.

Mr. GARNER of Texas. Mr. Speaker, the gentleman should not make that request. He should ask to take it from the Speaker's table and consider it and then vote on the question of whether to concur in the Senate amendments or not, but to ask unanimous consent to concur in the Senate amendments puts the House in entire agreement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland as modified? [After a pause.] The Chair hears none.

The Senate amendments were read.

The SPEAKER pro tempore. Without objection, the question on the amendments will be taken en bloc.

There was no objection.

Mr. BLANTON. Will the gentleman from Maryland yield me a minute?

Mr. ZIHLMAN. Yes.

Mr. BLANTON. Mr. Speaker, this ought to give us the best police force and the best fire department in the United States, and I believe it will do so.

The SPEAKER pro tempore. The question is on agreeing to the Senate amendments.

The Senate amendments were agreed to.

CODIFICATION OF LAWS RELATING TO THE JUDICIARY

Mr. DYER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table H. R. 4445, an act to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary," and agree to the Senate amendments.

The SPEAKER pro tempore. The gentleman from Missouri asks unanimous consent to take from the Speaker's table H. R. 4445 and agree to the Senate amendments. Is there objection. [After a pause.] The Chair hears none.

The Senate amendments were read.

The SPEAKER pro tempore. The question is on agreeing to the Senate amendments.

The Senate amendments were agreed to.

PENSIONS

Mr. FULLER. Mr. Speaker, this is the day on which private pension bills are in order. I call up H. R. 9246.

The SPEAKER pro tempore. The gentleman from Illinois calls up a bill which the Clerk will report by title.

The Clerk read as follows:

A bill granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war.

Mr. FULLER. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that the bill may be considered in the House as in Committee of the Whole. Is there objection?

Mr. HOWARD of Nebraska. Mr. Speaker, a question for information. I grant that the request is of superior privilege because of the character of the gentleman who lodges it, but as a matter of right is this request so superior as to supersede the consideration of the agricultural bill?

The SPEAKER pro tempore. This is the regular day for the consideration of private pension bills, and if no objection

is made to it, and no higher motion is made, this motion will be entertained.

Mr. HOWARD of Nebraska. Shall we have additional time for the consideration of the agricultural bill?

The SPEAKER pro tempore. The Chair can not answer that question.

Mr. HOWARD of Nebraska. If this sets aside the consideration of the agricultural bill I shall have to object to it.

Mr. FULLER. Mr. Speaker, it is too late to make objection, except to the request for unanimous consent, because the bill has been taken up under the rule and reported.

The SPEAKER pro tempore. The gentleman from Nebraska understands, I presume, that his objection would send the bill into Committee of the Whole with unlimited general debate, which will tend to retard the consideration of the agricultural bill.

Mr. HOWARD of Nebraska. Not because I am too late, but because a proper request has been made, I withdraw the objection.

The SPEAKER pro tempore. No objection is heard.

Mr. ASWELL. Mr. Speaker, may I inquire whether any idea can be given as to how long this will interfere with the consideration of the agricultural bill?

The SPEAKER pro tempore. The Clerk informs the Chair that it will take about nine minutes to read the bill.

Mr. FULLER. Mr. Speaker, I submit another unanimous-consent request, that the committee amendments may be offered en bloc after the reading of the bill has been completed.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that the committee amendments may be offered en bloc after the reading of the bill has been completed. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Mr. Speaker, I think at this juncture we ought to have a quorum, and I make the point of no quorum.

The SPEAKER pro tempore. The gentleman from Texas makes the point of no quorum. The Chair will count.

Mr. BLANTON. Well, I will withdraw the point of no quorum.

The SPEAKER pro tempore. The gentleman from Texas withdraws his point of no quorum, and the Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws—

The name of Maggie Riphenburgh, widow of William Riphenburgh, late of Company I, Fifteenth Regiment New York Volunteer Engineers, and pay her a pension at the rate of $30 per month.

The name of Charles O. Rider, late of Captain McNulta's Company A, First Regiment Illinois Volunteer Cavalry, and Company C, Nineteenth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Ellen McGarry, widow of Patrick McGarry, late of Company G, First Battalion Twelfth Regiment United States Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary A. Sturtevant, widow of Benjamin A. Sturtevant, late of Company B, Twenty-third Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Emma Urquhart, widow of David Urquhart, late of Battery B, Second Regiment Illinois Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Sallie M. Seaman, former widow of Patrick Fitzgerald, late of Eighteenth Independent Battery Indiana Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Anna Ganderup, helpless and dependent daughter of James Sweeney, late of Company B, Fourth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Stella B. Irwin, helpless and dependent daughter of John C. Irwin, late of Company K, One hundred and eighty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Matilda B. Henson, widow of John Henson, late of Company F, One hundred and fortieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Caroline Day, widow of Leander J. Day, late of Company A, Thirty-fourth Regiment Ohio Volunteer Infantry, and Companies G, M, and I, Fifth Regiment United States Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of John C. Herron, late of Companies E and D, Thirty-ninth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Mary D. Bilbay, widow of Joseph Bilbay, late of Company E, Ninety-seventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Joseph Bilbay, helpless and dependent son of said Mary D. and Joseph Bilbay, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Mary D. Bilbay the name of said Joseph Bilbay shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Mary D. Bilbay.

The name of Levi Mott, late of Captain Nett's Company K, Fourteenth Regiment Missouri Home Guards, and Company A, Third Regiment Missouri State Militia Cavalry, and pay him a pension at the rate of $50 per month.

The name of Ellen Hanour, widow of Peter J. Hanour, late of Company A, Seventy-fourth Regiment New York Militia Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah Brown, widow of William Brown, late of Company E, Ninth Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elisha M. Chilson, late of Company K, Sixth Regiment Michigan Volunteer Infantry, and Battery F, First Regiment United States Volunteer Artillery, and pay him a pension at the rate of $50 per month through a legally appointed guardian.

The name of Frances A. Thomas, widow of John Thomas, late of Company C, Sixteenth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Caroline Murfitt, widow of William Murfitt, late of Companies F and C, One hundred and fifty-first Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Eleanor G. Tiffany, widow of Henry D. Tiffany, late of Company G, Seventh Regiment New York State Militia, and pay her a pension at the rate of $30 per month.

The name of Fannie M. Gardner, helpless and dependent daughter of Jacob D. Gardner, late of Company G, First Regiment United States Veteran Volunteer Engineers, and pay her a pension at the rate of $20 per month.

The name of Nettie Campbell, widow of Henry Campbell, late of Company G, Thirteenth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Margaret J. Gano, widow of John S. Gano, late of Company A, One hundred and fiftieth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah M. Lyon, widow of Andrew J. W. Lyon, late of Company H, Thirty-sixth Regiment United States Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Emma J. Mooers, widow of Menander O. Mooers, late of Company E, Twenty-second Regiment Maine Volunteer Infantry, any pay her a pension at the rate of $30 per month.

The name of Sarah Beason, widow of John A. Beason, late of Company B, Fortieth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Edith C. Oakley, widow of George W. Oakley, late of Company F, Ninetieth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Sarah E. McKeever, widow of Alfred L. McKeever, late of Company A, Sixth Regiment West Virginia Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lucy Centers, widow of Killis D. Centers, late of Company B, Forty-fourth Regiment Ohio Mounted Infantry, and Company B, Eighth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Hubbard, widow of Larkin Hubbard, late of Company A, Forty-ninth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Julia Conger, widow of Harry Conger, alias Henry Stevens, late of Company K, Eighteenth Regiment, and Company A, One hundred and twenty-first Regiment, New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary G. Russell, widow of Cashmere Russell, late of Company B, One hundred and ninety-second Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Edith E. Doty, widow of James J. Doty, late of Company D, Ninety-eighth Regiment New York Volunteer Infantry, and Company A, First Regiment Vermont Volunteer Heavy Artillery, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Phanettie Ormsbee, widow of Charles W. Ormsbee, late of Company B, One hundred and eighteenth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Josephine Albert, widow of James H. Albert, late of Company A, Eleventh Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Drenning, widow of Simon H. Drenning, late of Captain Dougherty's company, One hundred and third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Margaret C. Spealman, widow of David Spealman, late of Company B, Fourth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Pheby Houck, widow of Eli Houck, late of Company B, Eleventh Regiment Indiana Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Adaline Smith, former widow of David W. Brittson, late of Company F, Eleventh Battalion United States Volunteer Infantry, and Company E, Seventeenth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Esther M. Huffman, former widow of John Mann, late of Company C, Fifth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Cora I. Fisher, widow of John W. Fisher, late of Company H, Seventh Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Medie M. Flanders, former widow of Charles C. Flanders, late of Company G, First Regiment New Hampshire Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Sarah E. Howe, widow of John M. Howe, late of Company B, One hundred and thirty-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Annie M. Bass, widow of James Bass, late of Company K, Sixteenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary B. Barnes, widow of William H. Barnes, late of Company H, Eighty-fourth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lovina Gilmore, widow of Ephraim C. Gilmore, late of Company B, One hundred and forty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Elsa Gilmore, helpless and dependent daughter of said Lovina and Ephraim C. Gilmore, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Lovina Gilmore, the name of said Elsa Gilmore shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Lovina Gilmore.

The name of Martha Comstock, widow of De Witt Comstock, late of Company G, One hundred and eighty-fourth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Frances E. Austeel, former widow of Francis M. Austeel, late of Company E, Forty-fourth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Louisa Woods, widow of Nathaniel G. Woods, late of Company F, Sixth Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Martha J. Turner, widow of James H. Turner, late of Company B, Eleventh Regiment, and Company H, Ninth Regiment, Tennessee Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Sarah J. Shelby, widow of Rufus Shelby, late of Company G, Second Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Nora V. McDaniel, widow of Orrin R. McDaniel, late of Company G, First Regiment United States Mounted Rifles, and Company H, Sixty-fourth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Philip Dieter, late of Company F, Third Regiment Potomac Home Brigade, Maryland Volunteer Infantry, and Troop D, Seventh Regiment United States Volunteer Cavalry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Edward D. Henderson, helpless and dependent son of Jacob Henderson, late of Company B, Forty-fifth Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $20 per month through a legally appointed guardian in lieu of that he is now receiving.

The name of Laura A. Moore, widow of William T. Moore, late of Company D, Twenty-fourth Regiment Ohio Volunteer Infantry, and landsman United States Navy, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Mary L. Green, widow of James M. Green, late of Company D, Ninth Regiment United States Colored Heavy Artillery, and Company E, One hundredth Regiment United States Colored Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lizzie G. Chapman, widow of James C. Heater, known as Samuel H. Chapman, late of Company C, Sixteenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Sarah Loudermilk, widow of James Loudermilk, late of Company G, Eighteenth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Anna M. Craig, widow of John B. Craig, late of Company H, Fourteenth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of William C. Merritt, late of Company F, Second Regiment Illinois Volunteer Light Artillery, and pay him a pension at the rate of $50 per month.

The name of Carrie E. Doane, widow of James W. Doane, late of Company H, Fifty-second Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Jacob Myers, late of Company K, Fifth Regiment Provisional Enrolled Missouri Militia, and Company G, Second Regiment Missouri Volunteer Light Artillery, and pay him a pension at the rate of $50 per month.

The name of Christina Forsythe, widow of John A. Forsythe, late of Companies K and B, Seventieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Josephine Wood Martin, widow of Charles Martin, late of Company B, Twenty-seventh Regiment Michigan Volunteer Infantry, and One Hundred and twenty-fifth Company, Second Battalion, Veteran Reserve Corps, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Shook, widow of Jacob Shook, late of Company I, Thirteenth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Albert C. Raymond, late of Company F, Fourth Regiment Connecticut Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Phoebe A. Chadsey, widow of George Chadsey, late of the United States Navy, and pay her a pension at the rate of $30 per month.

The name of Maria A. Carpenter, widow of Daniel Carpenter, late of Company C, Sixty-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of George Hurtt, late of Company E, Seventy-ninth Regiment, and Company I, One hundred and ninety-fourth Regiment, Ohio Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of John Scott, late of Company K, Fifty-seventh Regiment Ohio Volunteer Cavalry, and Company F, Ninth Regiment Indiana Volunteer Cavalry, and pay him a pension at the rate of $50 per month.

The name of Mary C. Thorp, widow of Thomas E. Thorp, late of Company H, Thirty-seventh Regiment Wisconsin Volunteer Infantry, and One hundred and forty-sixth Company, Second Battalion, Veteran Reserve Corps, and pay her a pension at the rate of $30 per month.

The name of Mary D. Surber, widow of Augustus H. Surber, late of Company E, Fourth Regiment Iowa Volunteer Infantry, and One hundred and fifty-eighth Company, Second Battalion, Veteran Reserve Corps, and pay her a pension at the rate of $30 per month.

The name of Ada Thorp, widow of Isaac W. Thorp, late of Company C, Fourth Regiment Wisconsin Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Tabitha S. Bennett, former widow of James O. Bennett, late of Company C, Thirteenth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Levi Barrett, helpless and dependent son of William Barrett, late of Company B, Seventh Regiment Kentucky Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Isadore Amos, widow of Benjamin F. Amos, late of Seventh Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Newt Ford, helpless and dependent son of Patrick Ford, late of Company H, One hundred and thirty-sixth Regiment New York Volunteer Infantry, and pay him a pension at the rate of $20 per month through a legally appointed guardian.

The name of Thomas J. French, helpless and dependent son of Edwin French, late of Company F, Third Regiment Delaware Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Elisa Peters, former widow of John Aday, late of Company G, Second Regiment Arkansas Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Lulia M. Enngard, former widow of James Mason, alias Jacob M. Young, late of Company A, Thirtieth Regiment Indiana Volunteer Infantry, and One hundred and fifty-fifth Company, Second Battalion, Veteran Reserve Corps, and pay her a pension at the rate of $30 per month.

The name of Sarah A. Wellman, widow of Richard N. Wellman, late of Company F, Fiftieth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of John Wellman, helpless and dependent son of said Sarah A. and Richard N. Wellman, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Sarah A. Wellman, the name of said John Wellman shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Sarah A. Wellman.

The name of Sarah E. Harkleroad, widow of Lewis Harkleroad, late of Company B, Thirteenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Smith, widow of John S. Smith, late of Company E, Seventieth Regiment, and Company K, Thirty-third Regiment, Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Allie W. Seeber, widow of Franklin Seeber, late of Company I, Tenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Ella L. Kipp, widow of Otis A. Kipp, late of Company C, One hundred and eighty-fourth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Johanna Garvey, now Dowling, former widow of Owen Garvey, late of Company D, Seventy-fourth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month, through a legally appointed guardian, in lieu of that she is now receiving.

The name of Lillie Beam, helpless and dependent daughter of Wesley Beam, late of Company G, One hundred and ninety-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Alice Beam, helpless and dependent daughter of Wesley Beam, late of Company G, One hundred and ninety-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Elizabeth Eddy, widow of Goin Eddy, late of Company D, Fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lilly Albaugh, helpless and dependent daughter of James M. Albaugh, late of Company B, One hundred and eighty-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month through a legally appointed guardian.

The name of Francis H. P. Showalter, helpless and dependent son of John H. Showalter, late major, Sixth Regiment West Virginia Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Cynthia M. Johnson, helpless and dependent daughter of William Johnson, late of Company I, Second Regiment Missouri Volunteer Light Artillery, and pay her a pension at the rate of $20 per month through a legally appointed guardian.

The name of Lydia Rankin, widow of David Rankin, late of Company B, Eighth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $30 per month through a legally appointed guardian.

The name of James H. Hoyt, alias James McCabe, late of Companies E and D, Fifty-first Regiment New York Volunteer Infantry, and Company C, Third Regiment Rhode Island Volunteer Cavalry, and pay him a pension at the rate of $50 per month.

The name of Sarah M. Skinner, widow of Frederick D. Skinner, late of Fifth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of John R. Garstang, late of Lieut. J. W. Groff's company (D), Fremont's bodyguard, and pay him a pension at the rate of $50 per month.

The name of Amelia Allen, widow of William Allen, late of Company C, Thirty-second Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rebecca C. Vanderhoof, widow of Richard H. Vanderhoof, late of Company I, One hundred and forty-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lizzie Clay, widow of Daniel W. Clay, late of Company H, Twenty-seventh Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of George P. Thomas, late of Company D, Ninth Regiment Missouri State Militia Volunteer Cavalry, and pay him a pension at the rate of $50 per month.

The name of Nellie Pratt, widow of James W. Pratt, late of Company F, Forty-ninth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Anna M. Pierce, widow of Thomas H. Pierce, late of Company E, Ninety-fourth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah J. Kelton, widow of W. Alvin Kelton, late of Company B, Sixteenth Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Sallie R. Van Landingham, now known as Sarah R. Van Landingham, former widow of Lewis J. Van Landingham, late of Company H, Sixty-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Jane E. Thorn, widow of George W. Thorn, late of Company G, Third Regiment, and Company L, Fifth Regiment, Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Angeline Stafford, widow of David W. Stafford, late of Company D, Eighty-third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ida Naile, widow of George Washington Naile, late of Military Telegraph Corps, Civil War, and pay here a pension at the rate of $30 per month.

The name of Lueza A. Watson, widow of Samuel H. Watson, late of Company C, Fifth Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Nancy J. Herd, widow of Jesse Herd, late of Company I, Forty-sixth Regiment Missouri Vounteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Malinda Herd, helpless and dependent daughter of said Nancy J. and Jessee Herd, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Nancy J. Herd, the name of said Malinda Herd shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Nancy J. Herd.

The name of Joseph Edwards, late of Company F, One hundred and eighty-seventh Regiment New York Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Sophia M. West, widow of Lewis W. West, late of Company D, Twenty-seventh Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Maude P. Brown, widow of Thomas B. Brown, late of Captain Ahl's independent battery, Delaware Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Jane Hoover, former widow of William S. Clark, late of Fifth Regiment Missouri State Militia Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lewis Berry, helpless and dependent son of John W. Berry, late of Company B, Ninety-third Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Nancy A. Vickery, widow of Cyrus J. Vickery, late of Company K, Eleventh Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary J. Noland, widow of James F. Noland, late of Company I, Seventy-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of John Gately, late of the United States Marine Corps, Civil War, and pay him a pension at the rate of $50 per month.

The name of Nancy Jones, widow of James A. Jones, late of Companies L and C, First Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Julian A. Wheeler, helpless and dependent son of Edwin R. Wheeler, late of Company B, One hundred and fifty-first Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Henry F. Correll, helpless and dependent son of John D. Correll, late of Company F, Twelfth Regiment Missouri Volunteer Cavalry, and pay him a pension at the rate of $20 per month through a legally appointed guardian.

The name of Ellen N. Pearson, widow of Washington Pearson, late of Company G, Second Regiment Provisional Enrolled Missouri Militia, and Captain John H. Morgan's Company A, Forty-fifth Regiment Enlisted Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Fanny M. Hubbard, widow of Benjamin S. Hubbard, late of Company I, Sixtieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Ellen McClaren, helpless and dependent daughter of James N. McClaren, late of Company K, Sixty-first Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Belle Huey, helpless and dependent daughter of George W. Huey, late of Company D, Seventeenth Regiment West Virginia Volunteer Infantry, and pay her a pension at the rate of $20 per month through a legally appointed guardian.

The name of Mary A. Smith, widow of Reddick Smith, late of Company F, One hundred and thirty-first Regiment Illinois Volunteer Infantry, and Company G, Sixth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Ella Orner, widow of George D. Orner, late of Company C, Thirty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Catherine Fuller, helpless and dependent daughter of Christian Fuller, late of Company A, Third Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of Frank Gentry, helpless and dependent son of James M. Gentry, late of Company A, Twenty-ninth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Anna McCombs, widow of John McCombs, late of Company A, One hundred and forty-fourth Regiment New York National Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of John Sims, helpless and dependent son of Jackson Sims, late of Company A, Thirteenth Regiment Tennessee Volunteer Cavalry, and pay him a pension at the rate of $20 per month.

The name of William Crawford, alias Thomas S. Carter, late of Company I, Second Regiment Connecticut Volunteer Heavy Artillery, and Company K, Fifth Regiment New York Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Martha R. White, widow of Wilson White, late of Eleventh Battery Michigan Volunteer Light Artillery, and Company B, Ninth Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Sarah J. Harrison, helpless and dependent daughter of Jared F. Harrison, late of Company I, Thirty-first Regiment Massachusetts Volunteer Infantry, and Company H, Twentieth Regiment Veteran Reserve Corps, and pay her a pension at the rate of $20 per month.

The name of Anna E. Hemingway, widow of George R. Hemingway, late of Company B, One hundred and seventy-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret J. McKendry, widow of Elijah McKendry, late of Company A, Thirty-sixth Regiment Ohio Volunteer Infantry, and landsman, United States Navy, and pay her a pension at the rate of $30 per month.

The name of Harriet J. Cline, now known as Harrietta Dunlap, widow of John H. Cline, late of Company H, Twenty-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Rhoda M. Stape, widow of George W. Stape, late of Company E, One hundred and seventh Regiment, and Company C, Two hundred and fifteenth Regiment, Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Douzilla Ashton, widow of Frederick Ashton, late of Company C, Eighteenth Regiment United States Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Henry F. Dunn, helpless and dependent son of Patrick Dunn, late of Company C, Fifty-second Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month through a legally appointed guardian.

The name of Thomas Debuke, late of Company I, Sixtieth Regiment New York Volunteer Infantry and Veteran Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Emma C. Withers, widow of Daniel H. Withers, late of Company E, Two hundred and seventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Carl Gilmore, helpless and dependent son of John Gilmore, late of Company D, Twenty-seventh Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $20 per month through a legally appointed guardian.

The name of Pius Yingling, late of Company F, Third Regiment Potomac Home Brigade, Maryland Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Joanna Billman, widow of Alowis Billman, late of Company D, One hundred and sixty-fifth Regiment Pennsylvania Drafted Militia Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Susan A. Bailey, widow of John F. Bailey, late of Company H, Thirty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Ethel Bailey, helpless and dependent daughter of said Susan A. and John F. Bailey, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Susan A. Bailey, the name of said Ethel Bailey shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Susan A. Bailey.

The name of George Cohen, helpless and dependent son of James Cohen, late of Company D, First Regiment West Virginia Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Luella E. Felix, widow of William H. Felix, late of Company I, Second Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Naomi G. Wilson, helpless and dependent daughter of Joseph M. Wilson, late of Company D, One hundred and ninety-second Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Margaret Murphy, widow of Boaz Murphy, late of Company K, One hundred and fiftieth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Isabell McLaughlin, widow of John H. McLaughlin, late of Company C, Thirty-fifth Regiment Kentucky Mounted Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Rebecca E. Fowler, widow of Abraham Fowler, late of Capt. Hiram B. Foster's Provisional Company, Adair County, Eighty-sixth Regiment Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Sarah J. Flanagan, widow of Christian J. Flanagan, late of Company H, Thirty-fifth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Frances J. Whitten, widow of Charles T. Whitten, late of Company H, Nineteenth Regiment Maine Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Josephine F. Pequignot, widow of Charles Pequignot, late of Company C, One hundred and forty-second Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lydia J. Lawson, widow of John P. Lawson, late of Company F, Eleventh Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ada May, widow of Alexander May, late of Company H, Two hundred and eleventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Mary E. Goudy, widow of John S. Goudy, late of Burdsall's independent company Ohio Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Jane Allen, widow of Nathan Allen, late of Company I, Third Regiment North Carolina Mounted Infantry, and pay her a pension at the rate of $70 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Joseph Allen, helpless and dependent son of said Jane and Nathan Allen, $20 of the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Fannie J. Allen, helpless and dependent daughter of said Jane and Nathan Allen, $20 of the additional pension granted herein shall cease and determine: *And provided further*, That in the event of the death of said Jane Allen, the names of said Joseph Allen and said Fannie J. Allen shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month to each of them, from and after the date of the death of said Jane Allen.

The name of Lovada Austin, widow of Andrew T. Austin, late of Company K, Third Regiment North Carolina Mounted Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Maude A. Norman, helpless and dependent daughter of John P. Norman, late surgeon Eighty-fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Rosa Boone, former widow of Joseph Blankhorn, late of Company C, Seventh Regiment Connecticut Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ruth J. Sorrells, widow of George W. Sorrels, late of Captain Crandall's Company A, Reserve Corps Missouri National Guard, and pay her a pension at the rate of $30 per month.

The name of Alta Humphrey, widow of Robert Humphrey, late of Company, I, Thirteenth Regiment Vermont Militia Infantry, and pay her a pension at the rate of $30 per month.

The name of Hannah Doll, widow of Franklin A. Doll, late of Company K, One hundred and forty-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Yaple, widow of Giles Yaple, late of Company B, One hundred and sixty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Catharine Jimason, widow of George Jimason, late unassigned, One hundred and forty-ninth Regiment Pennsylvania Volun-

teer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Catherine Skinner, widow of George Skinner, late of Company G, Third Regiment Minnesota Volunteer Infantry, and Company C, One hundred and eighty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Margaret A. Pool, widow of Benjamin T. Pool, late of Company K, One hundred and forty-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Louise Martz, widow of Gottfried Martz, late of Company I, One hundred and thirty-ninth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Clarie Herley, widow of William H. H. Herley, late unassigned, Twenty-eighth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Irvin E. Browning, helpless and dependent son of Wesley Browning, late of Company D, Eighty-ninth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Frank Nelson, helpless and dependent son of Richard C. Nelson, late of Company K, One hundred and fifty-second Regiment Ohio National Guard Volunteer Infantry, and pay him a pension at the rate of $20 per month through a legally appointed guardian.

The name of Katie Edds, helpless and dependent daughter of Finis Edds, late of Company C, Fifty-ninth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month, through a legally appointed guardian, in lieu of that she is now receiving.

The name of Annie Knappe, widow of Charles F. Knappe, late of Company E, Second Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Nancy I. Ross, helpless and dependent daughter of Daniel Ross, late of Company I, Twenty-second Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $20 per month through a legally appointed guardian.

The name of Fannie I. Sanderson, widow of William Sanderson, late of Captain Larimer's company, One hundred and first Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Bridgman, widow of Columbus Bridgman, late of Company G, Eighth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Amanda Fuller, widow of William C. Fuller, alias William Martindale, late of Companies A and D, Ninety-third Regiment, and Company B, One hundred and twenty-third Regiment, New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Issola L. Shipley, widow of William J. Shipley, late of Company A, Thirty-first Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Rachel Smith, widow of John A. Smith, late of Company G, One hundred and thirteenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Blanche Smith, helpless and dependent daughter of said Rachel and John A. Smith, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Rachel Smith, the name of said Blanche Smith shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Rachel Smith.

The name of Thersa J. Sunderland, former widow of Peter Sunderland, late of Company K, One hundred and fifty-second Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Laura C. Rexroat, widow of William F. Rexroat, late of Company G, Third Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Mary Taylor, widow of Cephas P. Taylor, late of Company C, Eighty-second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lizzie McCormick, widow of William McCormick, late of Company A, Twenty-ninth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emma A. Jones, widow of Abram Jones, late of Companies A and C, Sixth Regiment Kansas Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Lucy Mitchner, widow of Morris Mitchner, late of Company B, One hundred and eighteenth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Isabella Knight, widow of Thomas L. Knight, unassigned, Fortieth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Frances M. Reynolds, widow of John Reynolds, late of Company K, Third Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ellen N. Corbin, widow of George W. Corbin, late of Company D, Ninety-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary E. Burg, widow of Charles H. Burg, late of Company A, Third Regiment United States Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Rebecca J. Klepper, widow of Jacob Klepper, late of Company G, One hundred and thirty-eighth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of M. Ellen Klepper, helpless and dependent daughter of said Rebecca J. and Jacob Klepper, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Rebecca J. Klepper, the name of said M. Ellen Klepper shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Rebecca J. Klepper.

The name of Mary E. Stinson, helpless and dependent daughter of Samuel Stinson, late of Company C, First Regiment Missouri State Militia Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of Lucy J. Coburn, widow of Benjamin F. Coburn, late of Company K, Seventh Regiment Vermont Volunteer Infantry, and Company C, First Regiment Vermont Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Kate E. Abbott, widow of Allen W. Abbott, late of Company B, Fifty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha E. Collier, helpless and dependent daughter of John L. Collier, late of Company H, Tenth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Augusta M. Moseley, widow of John L. Moseley, late of Company K, Seventh Regiment Vermont Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Reka Butts, widow of Milon Butts, late of Company G, Seventeenth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Delnora Deuel, widow of James F. Deuel, late of Company H, Forty-fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary A. Huckaba, widow of John F. Huckaba, late of Company H, Second Regiment Tennessee Mounted Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Adaline Wiseman, widow of George P. R. Wiseman, late of Company D, Thirteenth Regiment Indiana Volunteer Cavalry, and pay her a pension at the rate of $50 per month, through a legally appointed guardian, in lieu of that she is now receiving.

The name of Abbie D. Washburn, widow of Oscar E. Washburn, late of Company H, Third Regiment Massachusetts Militia Infantry, and pay her a pension at the rate of $30 per month.

The name of Dorcas A. Reed, widow of George F. Reed, late of Company F, Fourteenth Regiment Maine Volunteer Infantry, and pay her a pension at the rate of $50 per month, through a legally appointed guardian, in lieu of that she is now receiving.

The name of Amanda J. Smith, widow of Milton Smith, late of Company F, Twenty-sixth Regiment Illinois Volunteer Infantry, and Fifty-ninth Company, Second Battalion, Veteran Reserve Corps, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Julia A. Thornton, widow of Noah Thornton, late of Company E, Fiftieth Regiment New York Volunteer Engineers, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rutha Roach, widow of Benjamin Roach, late of Company F, Sixth Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Phoby E. Sliger, widow of William G. Sliger, late of Company D, Fifth Regiment Tennessee Mounted Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Frances L. Row, widow of Michael Row, late of Company K, Two hundred and eleventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary J. Brown, widow of Levi H. Brown, late of Company D, Twenty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Zilpah I. Eaton, helpless and dependent daughter of Jeremiah L. Rice, late of Company K, Fifty-first Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of George Grove, helpless and dependent son of Simon Grove, late of Company G, Twenty-first Regiment Pennsylvania Volunteer Cavalry, and pay him a pension at the rate of $20 per month, through a legally appointed guardian, in lieu of that he is now receiving.

The name of Anna W. Jones, widow of Walter N. Jones, late of Company D, One hundred and twelfth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Malissa Sawyer, widow of Solomon Sawyer, late of Company G, Thirty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah A. Strawn, widow of Thomas J. Strawn, late of Company H, Eleventh Regiment Arkansas Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Adidamiah Reeves, widow of Laton D. Reeves, late of Company K, One hundred and fortieth Regiment, and Company H, One hundred and fiftieth Regiment, Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Laura C. Dupree, widow of John Dupree, late of Battery L, Fifth Regiment United States Volunteer Artillery, and pay her a pension at the rate of $30 per month.

The name of Sarah J. Harper, widow of James M. Harper, late of Company A, One hundred and thirty-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Adaline Laffolett, widow of John W. Laffolett, late of Company D, Thirty-third Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Bell L. Duncan, widow of Andrew M. Duncan, late of Company I, One hundred and thirty-fifth Regiment, and Company H, One hundred and third Regiment, Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Elizabeth Tedrow, widow of Douglas E. Tedrow, late of Company D, Seventy-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ester C. King, widow of Martin A. King, late of Company C, Third Regiment North Carolina Mounted Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret E. Farmer, widow of John N. Farmer, late of Companies H and C, Third Regiment Tennessee Mounted Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Caroline E. Johnson, widow of Henry M. Johnson, late of Company F, First Regiment Michigan Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Annie E. Stauch, widow of Jacob H. Stauch, late of Company M, First Regiment Potomac Home Brigade Maryland Volunteer Cavalry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Louisa T. Goans, widow of Samuel S. Goans, late of Company K, Ninth Regiment Missouri State Militia Volunteer Cavalry, and Company M, Thirteenth Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth Schnarr, widow of Henry Schnarr, late of Company G, Thirty-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Maria L. Johnson, widow of Daniel L. Johnson, late of Company C, Fifty-eighth Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Theodore F. Cook, late of Company C, Second Regiment, and Company H, Forty-sixth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Elizabeth Wood, widow of Abner P. Wood, late of Company E, Eighteenth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary J. Coppins, widow of Culmer Coppins, late of Company D, Seventh Regiment Vermont Volunteer Infantry, and pay her a pension at the rate of $50 per month, through a legally appointed guardian, in lieu of that she is now receiving.

The name of Maggie A. McKinney, widow of James McKinney, late of Company I, Twelfth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anna Sagendorf, widow of Jonas Sagendorf, late of Company B, Ninety-first Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Amy E. Sagendorf, helpless and dependent daughter of said Anna and Jonas Sagendorf, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Anna Sagendorf the name of said Amy E. Sagendorf shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Anna Sagendorf.

The name of Wilhemina W. Dietrich, former widow of John Weiss, late of the First Independent Battery, Indiana Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Frances R. Swails, helpless and dependent daughter of Darius R. Swails, late of Company E, Twentieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Barbara Schlatter, widow of Henry Schlatter, late of Company I, Sixth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sopha Brown, widow of Edley Brown, late of Company K, Fourth Regiment Indiana Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Richie A. Holmes, widow of Amos Holmes, late of Company E, One hundred and fifty-fourth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary M. Perago, widow of James S. Perago, late of Company A, Two hundredth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Hattie A. McGuire, widow of George F. McGuire, late of Company I, Fifty-seventh Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Noah Rickard, late of Company D, Thirteenth Regiment Indiana Cavalry Volunteers, and pay him a pension at the rate of $50 per month.

The name of Avilla Hough, former widow of Andrew Swartz, late of Company I, Eighty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret J. Billig, widow of Charles V. Billig, late of Company G, One hundred and forty-fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month through a legally appointed guardian.

The name of Jane L. Hewitt, widow of Daniel C. Hewitt, late coal heaver, United States Navy, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Nancy J. Fuller, widow of James W. Fuller, late of Company C, One hundredth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Minnie Young, widow of George G. Young, late of Company I, One hundred and ninety-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Martha Gruver, widow of Isaac Gruver, late of Company D, One hundred and forty-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah L. Headington, widow of Emmet Headington, late of Company B, Thirteenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Alexander, widow of Robert Alexander, late of Company C, Fifty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Thomas A. Smith, helpless and dependent son of Thomas D. Smith, late of Company H, Seventh Regiment Pennsylvania Reserve Infantry, and Sixty-fourth Company, Second Battalion Veteran Reserve Corps, and pay him a pension at the rate of $20 per month.

The name of Mary Boylen, widow of Patrick Boylen, late of Company D, Sixth Regiment New Jersey Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Nancy Leming, widow of Ephraim Leming, late of Company H, One hundred and sixteenth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Almira M. Mitchell, widow of James L. Mitchell, late of Company A, Nineteenth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Emma Kauffman, widow of Joseph S. Kauffman, late of Company K, Two hundred and third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Blanche H. Simms, helpless and dependent daughter of John Simms, late of Company E, One hundred and ninety-fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month through a legally appointed guardian.

The name of Mary J. Wilking, widow of Philip Wilking, late of Company G, Thirty-ninth Regiment Ohio Volunteer Infantry, and Company C, First Regiment Michigan Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Bridget M. Carpenter, widow of William F. Carpenter, late of Company G, One Hundred and eighty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Nancy J. Bryant, widow of Martin V. Bryant, late of Company B, Third Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary J. Kimbell, widow of Lorenzo A. Kimbell, late of Company K, Fourth Regiment United States Volunteer Cavalry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Lottie A. Bowhall, widow of Nathan Rowhall, late of Company B, Twentieth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Louise E. Shull, widow of Frederick A. Shull, late of Company A, Eighty-eighth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary E. Tanner, widow of Richard M. Tanner, late of Company I, Third Regiment United States Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Christena J. Carter, widow of Thomas J. Carter, late of Company B, Fourth Regiment Provisional Enrolled Missouri Militia Infantry, and pay her a pension at the rate of $30 per month.

The name of Lephe J. Barler, widow of Barnabas Barler, late of Company I, Fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Allen Y. Boggs, late unassigned Maine Infantry Volunteers, Civil War, and pay him a pension at the rate of $30 per month, without deduction on account of former alleged erroneous payment of pension.

The name of Eliza A. Winters, widow of Jeremiah Winters, late of Company D, Twelfth Regiment Pennsylvania Reserve Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Remetha H. Means, widow of George W. Means, late of Company E, One hundred and nineteenth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of John Sanders, late of Company B, Sixty-second Regiment Illinois Volunteer Infantry, and Veteran Volunteer in same organization, and pay him a pension at the rate of $50 per month.

The name of Mable Farnham, widow of Fred L. Farnham, late of Company C, First Regiment Maine Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Pearl Falkinburgh, widow of William A. Falkinburgh, late of Company M, Ninth Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Kate Bantz, widow of William A. Bantz, late of Company B, Seventh Regiment Maryland Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Carrie M. Althouse, widow of John W. Althouse, late of Company H, One hundred and fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Laura Murdick, widow of Allen Murdick, late of Company D, Second Regiment Massachusetts Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month through a legally appointed guardian.

The name of Sadie L. Treadwell, widow of Orrin L. Treadwell, late of Company G, Thirtieth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah J. Howell, widow of William H. Howell, late of Company H, Eighty-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Alice Green, widow of Luther Green, late of Company F, Third Regiment New York Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Benton Abbott, helpless and dependent son of David Abbott, late of Company H, Twenty-second Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month through a legally appointed guardian.

The name of Sophia Albright, widow of John Albright, alias John Brown, late of Company H, Third Regiment Pennsylvania Reserve Corps Volunteers, and Battery C, Fifth Regiment United States Volunteer Artillery, and pay her a pension at the rate of $30 per month.

The name of Minerva Kenney, widow of Samuel Kenney, late of Company H, Seventy-fifth Regiment Illinois Volunteer Infantry, and One hundred and seventh Company, First Battalion, Invalid Corps, and pay her a pension at the rate of $30 per month.

The name of Carra B. Jacobs, widow of John W. Jacobs, late of Company H, Sixteenth Regiment Kansas Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Ellen J. Goodnoh, widow of Edward C. Goodnoh, late of Company A, Thirtieth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elvina Spangler, widow of Israel Spangler, late of Company C, One hundred and sixty-sixth Regiment Pennsylvania Drafted Militia Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Jennie S. McIlhenny, widow of Robert K. McIlhenny, late of Company B, Twenty-first Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah J. Prouty, widow of Frederick Prouty, late of Company K, Seventh Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Eva G. Klug, widow of John W. Klug, late of Company K, Second Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Maggie M. Finch, widow of Martin L. Finch, late of Company A, One hundred and thirty-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Myers, widow of Gottlieb Myers, late of Company G, Eighth Regiment Pennsylvania Reserve Infantry, and Company G, One hundred and ninety-first Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Susan A. Main, widow of Charles H. Main, late of Company B, Third Regiment Rhode Island Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Esther A. Fero, widow of David Fero, late of Company C, One hundred and twenty-eighth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Julia B. Miller, widow of Joseph C. Miller, late of Company B, Battalion Engineers, United States Army, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Catharin Murphy, widow of James Murphy, late of Company G, Eighth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $70 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of James Murphy, helpless and dependent son of said Catharin and James Murphy, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Catharin Murphy, the name of said James Murphy shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Catharin Murphy.

The name of Emma L. Maynard, helpless and dependent daughter of Chauncey J. Maynard, late of Company C, Thirty-first Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Mary E. Main, widow of Lemuel Main, late of Company G, Second Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Joanna D. Potter, widow of Ames Potter, late of Company C, Ninety-fourth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Verrelle S. Willard, widow of Manfred Willard, late of Company H, Sixtieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Kundinger, widow of Theodore Kundinger, late of Company K, Fourth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Malissa Blair, widow of John W. P. Blair, late of Company A, Seventy-eighth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah A. Morris, widow of Charles B. Morris, late of Companies B and D, Second Regiment West Virginia Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Brittenham, widow of George W. Brittenham, late of Company K, Eighty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Palmer, helpless and dependent daughter of John Palmer, late of Company D, Seventeenth Regiment, and Company H, One hundred and fifty-first Regiment, Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month through a legally appointed guardian.

The name of Mary A. Force, widow of Washington P. Force, late of Company G, Sixth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Olive J. Hurst, former widow of Abram H. Hurst, late of Company B, One hundred and first Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah J. Fuller, widow of Henry Fuller, alias James Butler, late of Company A, Seventh Regiment New Hampshire Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mahala Shaw, widow of Francis M. Shaw, late of Company I, Twenty-first Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Josephine Roush, widow of Richard J. Roush, late of Company I, Fifty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Maria L. Reed, widow of Edwin W. Reed, late of Company F, Seventy-fifth Regiment, and Company A, Eighty-fifth Regiment, New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Margaret S. Higgins, widow of William H. Higgins, late of Company D, Fourth Independent Battalion Ohio Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of William A. Crampton, helpless and dependent son of Byron Crampton, late of Company I, Eighty-fourth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month through a legally appointed guardian.

The name of Jennie A. Davis, former widow of John L. Johnson, late of Company H, Thirty-eighth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Eva L. Wood, widow of Theodore Wood, late of Company F, One hundred and eighty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Yocum, widow of Henry N. Yocum, late of Company H, Third Regiment, and Company I, Ninth Regiment, Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary H. Templeton, widow of Dexter E. Templeton, late of Company A, Third Battalion, Twenty-ninth Regiment United States Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Nancy Adams, widow of Gillespie Adams, late of Company B, Fourth Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Eliza Ewing, former widow of Oliver Town, late of Company D, One hundred and ninety-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Walter Town, helpless and dependent son of said Eliza Ewing and Oliver Town, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Eliza Ewing, the name of said Walter Town shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Eliza Ewing.

The name of Jane E. Hart, widow of Albert T. Hart, late of Company H, First Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rachel Morris, widow of Eli T. Morris, late of Company G, Tenth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emma L. Dugent, widow of William Dugent, late of Company B, Thirteenth Regiment Maryland Volunteer Infantry, and Company D, Fourth Regiment United States Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Fannie Teeple, former widow of Benjamin Teeple, late of Company K, Second Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Josephine M. Downes, widow of Chauncey B. Downes, late of Company F, Seventeenth Regiment Connecticut Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Catherine Loriot, widow of Henry Loriot, late of Company B, Ninth Regiment Maine Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Steely, widow of Simon C. Steely, late of Company K, Twenty-sixth Regiment Kentucky Volunteer Infantry, and Company I, Twenty-second Regiment Veteran Reserve Corps, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of George Robinson, late of Company A, One hundred and eleventh Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Grace F. Briggs, widow of Barron W. Briggs, late of Company K, Thirty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Carrie S. Pierce, widow of Henry H. Pierce, late of Company H, Eighth Regiment Kansas Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Eliza Prody, widow of Max Prody, alias Max Prodi, late of Company D, Tenth Regiment United States Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary W. McGuire, widow of William McGuire, late of Company F, Third Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Annie K. Doherty, widow of John C. Doherty, late of Company G, Twenty-sixth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month through a legally appointed guardian.

The name of Rhoda Hart, widow of Hector S. Hart, late of Company D, One hundred and twenty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Orominah Bates, former widow of John R. Russell, late of Company A, Tenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary A. Egolf, widow of Joseph Egolf, late of Company H, Seventh Regiment Pennsylvania Reserve Infantry, and pay her a pension at the rate of $30 per month.

The name of Ida Hall, widow of Alexander Hall, late of Company I, Twenty-first Regiment New Jersey Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah A. Thornburg, widow of William Thornburg, late of Company B, Nineteenth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Clifford Fiske, helpless and dependent son of William A. Fiske, late of Company I, Third Regiment New Hampshire Volunteer Infantry, and pay him a pension at the rate of $20 per month through a legally appointed guardian.

The name of Mary Gaffney, widow of Philip Gaffney, alias Philip Murphy, late of Company I, Sixth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Henry J. Robinson, helpless and dependent son of William L. Robinson, late of Company E, First Regiment New Hampshire Volunteer Heavy Artillery, and pay him a pension at the rate of $20 per month through a legally appointed guardian.

The name of Mary A. Enderle, widow of Joseph Enderle, late of Company K, Sixteenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rosa E. Stephens, widow of Owen Stephens, late of Company B, Third Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Melinda Suggs, widow of James Suggs, late of Company H, Fifty-ninth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Edward Zechman, helpless and dependent son of Joel Zechman, late of Company K, Two hundred and tenth Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $20 per month through a legally appointed guardian.

The name of Margary Dotter, widow of Jeremiah Dotter, late of Company K, Sixty-third Regiment Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Mary E. Applegate, widow of Edwin R. Applegate, late of Company H, Eleventh Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Delphina E. Blackwood, widow of Birchem W. Blackwood, late of Company E, Fortieth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Arminda Morgan, widow of Jacob Morgan, late of Company E, Second Regiment North Carolina Mounted Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Luren M. Carter, widow of Amos C. Carter, late of Company C, First Regiment Minnesota Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary C. Triplett, widow of Joshua D. Triplett, late of unassigned Eleventh Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Clara Wirtz, widow of George Wirtz, late of Company F, Twenty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Julia A. Kresge, widow of Amos Kresge, late of Company G, Sixty-seventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Minnie E. Crow, widow of Mark E. Crow, late of Company I, One hundred and twenty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Martha Hammond, widow of Philip Hammond, late of Company B, One hundred and sixtieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Ella F. Young, widow of George H. Young, late of Company F, Eighth Regiment Connecticut Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Cynthia Lillie, former widow of Lauriston Jones, late of Company B, Second Regiment, and Company D, One hundred and twenty-fifth Regiment, New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anna M. Weber, widow of John Weber, late of Company I, Fifteenth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Vesta J. Hutsell, widow of Samuel Hutsell, late of Company H, Sixty-third Regiment Missouri Volunteer Infantry (Enrolled Militia), and pay her a pension at the rate of $30 per month.

The name of Betsy A. Burke, widow of Thomas D. Burke, late of Company H, Fifteenth Regiment New York Volunteer Engineers, and pay her a pension at the rate of $30 per month.

The name of Sarah A. Elliott, widow of John B. Elliott, late of Company C, Fourth Regiment West Virginia Volunteer Infantry, and Company A, Second Regiment West Virginia Veteran Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elmira L. Stone, widow of Wells C. Stone, late of Company F, Fifty-second Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Amanda E. Fortney, widow of Christopher Fortney, late of Company I, Two hundred and ninth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Harriet Sadler, widow of James A. Sadler, late of Company K, One hundred and eighty-fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lucy A. Cox, widow of Augustus H. Cox, late of Company E, Forty-fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha H. Raymond, widow of Gustavus Raymond, late of Company D, Forty-second Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Caroline M. Fleming, widow of George B. Fleming, late of Company G, One hundred and ninety-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth M. Cook, widow of George P. Cook, late of Company E, One hundred and sixty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Olive Hull, widow of William E. Hull, late of Company B, Seventh Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Fannie F. Kennedy, widow of Daniel E. Kennedy, alias Samuel Cooper, late of Company D, Seventy-seventh Regiment Illinois Volunteer Infantry, and Company K, Ninth Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Rebecca J. Raburn, widow of Francis M. Raburn, late of Company H, Seventy-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Frederick J. Dum, late teamster, Quartermaster Department, during Civil War, and pay him a pension at the rate of $30 per month.

The name of Louisa Jackson, widow of Hiram Jackson, late of Company I, Fifty-third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Plummer, widow of Zachary T. Plummer, late of Company C, Fifteenth Regiment Kansas Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Mandy Clapper, widow of William Clapper, late of Companies L and C, Nineteenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Isaac Eads, late of Company F, Third Regiment Tennessee Mounted Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Mary D. Brown, widow of George A. Brown, late of Company C, Forty-seventh Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth Conklin, widow of Samuel S. Conklin, late coxswain, United States Navy, Civil War, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Polley Smith, widow of James C. Smith, late of Company M, Thirteenth Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Mary E. Waitman, widow of Charles A. Waitman, late of Company G, Seventh Regiment Vermont Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Katie Thompson, widow of Thomas Thompson, late of Company L, Second Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Matilda Tedlock, widow of Pyrt Tedlock, late of Company B, Ninth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ray D. Ingersoll, widow of Orton Ingersoll, late of Company A, Eleventh Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Isabel D. Mann, widow of George W. Mann, late of Company I, First Regiment Maine Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Martha A. McNeer, widow of James H. McNeer, late of Company E, Second Battalion Missouri State Militia Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Della Elder, helpless and dependent daughter of William T. Elder, late of Company G, Eighty-first Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of John S. Nixon, helpless and dependent son of William S. Nixon, late of Company I, One hundred and forty-third Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Elizabeth J. Stallings, widow of Henry C. Stallings, late of Company G, Thirty-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah E. Bender, widow of Joseph C. Bender, late of Company D, Sixth Regiment Ohio Volunteer Infantry, and Companies H and K, Thirteenth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Carrie Thompson, widow of Sanford S. Thompson, late boatswain's mate, United States Navy, Civil War, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Metlin, widow of James C. Metlin, late of Company H, Sixty-third Regiment, and Company A, Eighth Regiment, Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Harriet E. Brothers, widow of Frank Brothers, late of Company B, One hundred and forty-second Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth Secrist, widow of Jesse Secrist, late of Company K, Third Regiment Pennsylvania Provisional Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary A. Winn, widow of Joel T. Winn, late of Company A, Ninety-first Regiment New York Volunteer Infantry, and Bat-

tery L, First Regiment United States Volunteer Artillery, and pay her a pension at the rate of $30 per month.

The name of Alice Gormley, widow of Daniel Gormley, late of Company E, One hundred and seventy-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Ella L. Norwood, widow of Howard J. Norwood, late of Company H, Fifth Regiment Massachusetts Militia Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emeline Harvey, widow of William Harvey, late of Company A, Fourteenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Nellie Mae Harvey, helpless and dependent daughter of said Emeline and William Harvey, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Emeline Harvey, the name of said Nellie Mae Harvey shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Emeline Harvey.

The name of Adelaide M. Clark, widow of Newell B. Clark, late unassigned, Sixtieth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah E. Doan, widow of Marmaduke R. Doan, late of Company F, One hundred and fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary V. Sprague, widow of Albert H. Sprague, late of Second Independent Battery Ohio Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Hester A. McLuen, widow of James F. McLuen, late of Company E, Thirty-ninth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Annie M. Marsh, widow of Augustus A. Marsh, late of Company H, One hundred and forty-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lewis Grignon, helpless and dependent son of Andrew Grignon, late of Company B, Twenty-first Regiment Wisconsin Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Elizabeth Hatch, widow of Charles Hatch, alias Charles H. Lord, late of Company B, First Regiment Maine Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Harriet E. Goodale, widow of Jude Goodale, late of Company B, Fifty-second Regiment Pennsylvania Volunteer Infantry, and Company C, Eleventh Regiment Indiana Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Susan M. Lambert, widow of James A. Lambert, late of Company I, Second Regiment Connecticut Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emily Sanders, widow of Zachariah P. Sanders, late of Company E, Twenty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Eva L. Little, widow of William Little, late of Company H, One hundred and twenty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary J. Wimbles, widow of Henry P. Wimbles, late of Company H, First Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth M. Humphreys, widow of John W. Humphreys, late of Company G, Fourth Regiment Provisional Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Susan K. Bentz, widow of Isaac E. Bentz, late of Company C, Seventeenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Melissa Bigler, widow of John W. Bigler, late of Company C, Fifth Regiment Pennsylvania Reserve Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret E. Ulrich, helpless and dependent daughter of George Ulrich, late of Company L, Fifteenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $20 per month through a legally appointed guardian.

The name of Sarah L. Shill, widow of Thomas J. Shill, late of Company G, Twenty-sixth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary O. Shaw, widow of John S. Shaw, late of Company D, One hundred and thirty-fourth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Erskine A. Cole, alias Charles Stickels, late of Company E, Tenth Regiment Vermont Volunteer Infantry, and Company B, Fifty-fourth Regiment New York Volunteer Infantry, and pay him a pension at the rate of $50 per month without deduction for former erroneous payments.

The name of Nancy Jane Bush, widow of Albert R. Bush, late of Company G, Fifty-fourth Regiment Kentucky Volunteer Mounted Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anna E. Ward, widow of James Ward, late of Company E, One hundred and twenty-second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Anna G. Murray, widow of Joseph Murray, alias John Townsend, late of Company K, Twenty-ninth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Bella M. Getty, widow of John F. Getty, late of Fourteenth Battery Ohio Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Mary A. Mathewson, widow of George Mathewson, late of Company C, Tenth Regiment Minnesota Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Clarissa Stratton, widow of Samuel W. Stratton, late of Company E, Twenty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Kate G. Caton, widow of Henry T. Caton, late of Companies G and E, One hundred and twenty-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Effie F. Myers, widow of James A. Myers, late of Company G, Thirteenth Regiment Maryland Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Belle Boots, widow of Willard S. Boots, late of Company L, First Regiment Ohio Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Kitty A. Freeman, widow of Jesse K. Freeman, late of Company H, Eleventh Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Jemima A. Taylor, widow of William L. Taylor, late of Company K, Sixty-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Jane F. Cochrane, widow of Russell Cochrane, late of Fifteenth Battery, Massachusetts Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Julia F. Veats, former widow of John Gannon, late of Company K, Fifth Regiment Connecticut Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Julie Cowan, widow of Philo J. Cowan, late of Company F, Seventeenth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Mary Stewart, widow of William A. Stewart, late of Company H, Forty-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month, through a legally appointed guardian, in lieu of that she is now receiving.

The name of Marion L. Tyler, widow of Elnathan B. Tyler, late of Company B, Fourteenth Regiment Connecticut Volunteer Infantry, and unassigned, First Battalion, Veteran Reserve Corps, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Goodsell, widow of Theodore W. Goodsell, late of Company C, Ninety-fifth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Helen L. Huff, widow of William H. Huff, late of Company C, Seventeenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary A. Bowman, widow of Peter A. Bowman, late of Company F, Two hundred and first Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of William D. Bowman, helpless and dependent son of said Mary A. and Peter A. Bowman, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Mary A. Bowman the name of said William D. Bowman shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the death of said Mary A. Bowman.

The name of Emma Post, widow of Eldad Post, late of Company D, Forty-seventh Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Annie C. Frazee, widow of Francis M. Frazee, late of Company C, Sixth Regiment West Virginia Volunteer Infantry, and

pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rebecca Murray, former widow of Moses Keeny, late of Company F, Ninety-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lurettie L. Morse, widow of Andrew J. Morse, late of Company E, Eighth Regiment Vermont Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Rosaline E. Palmer, widow of William Palmer, late of Company B, Ninth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Kate Irwin, widow of Isaiah T. Irwin, late of Company D, Second Regiment Missouri State Militia Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Augusta Chapman, widow of Abram Chapman, late of Company K, Fifty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Corkett, widow of John K. Corkett, late of Thirteenth Independent Battery Wisconsin Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary H. Von Brandis, widow of William Von Brandis, alias William Brandis, late of Company D, One hundred and thirty-first Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth A. Harrington, widow of Al C. Harrington, late of Company D, Fifth Regiment Maine Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary L. Danforth, widow of Lyman Danforth, late of Company H, Nineteenth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Barbara Grant, widow of Henry N. Grant, late of Company F, Second Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Catharine B. Bittle, widow of John Bittle, late of Company A, One hundred and sixty-fifth Regiment Pennsylvania Drafted Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Laura B. Smith, widow of Rhoades Smith, late of Company D, One hundred and thirty-fifth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Theresa A. Hunter, widow of William M. Hunter, late of Company B, Fifteenth Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Harriet E. Gould, widow of Harvey W. Gould, late of Company I, Fifty-seventh Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Jeanette E. Ferris, widow of De Forest W. Ferris, late of Company E, Sixth Regiment Connecticut Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rohama Crosley, widow of Ross Crosley, jr., late of Company E, Nineteenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Catharine S. Wakefield, widow of Miles D. Wakefield, late of Company H, Forty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Almaria Hemstreet, widow of Alvin L. Hemstreet, late of Company K, Forty-fourth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Daniel Burket, helpless and dependent son of Joseph Burket, late of Company E, Second Regiment Tennessee Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Elizabeth Thomas, former widow of Thoma Utz, late of Company F, One hundred and seventeenth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of John Charleston, late of Company G, Twenty-first Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Sarah J. Burns, widow of James Burns, late of Company G, Thirteenth Regiment Indiana Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Ella Littlefield, widow of Darwin S. Littlefield, late of Company A, One hundred and fifty-first Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Pfaff, widow of John Pfaff, late of Company K, Third Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Mary Smith, helpless and dependent daughter of Frederick Smith, late of Company C, Fifteenth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $20 per month through a legally appointed guardian.

The name of Sarah A. Bryan, widow of Walter P. Bryan, late of Company G, Fifteenth Regiment Connecticut Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah Hall, widow of Ira D. Hall, late of Company H, Forty-seventh Regiment Kentucky Volunteer Infantry, and Company D, Fourth Regiment Kentucky Volunteer Mounted Infantry, and pay her a pension at the rate of $36 per month in lieu of that she is now receiving as the natural guardian of Mattie Hall, a minor daughter of said Sarah and Ira D. Hall, $6 of the amount to cease and determine when the said minor daughter, Mattie Hall, attains the age of 16 years, or in the event of her death.

The name of Clarenda Brown, widow of Thomas Brown, late of Company D, Thirtieth Regiment Kentucky Mounted Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Eva D. Fuller, widow of Albert Fuller, late of Company C, Sixty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Isabella Rickman, widow of Nelson W. Rickman, late of Company A, Phelp's regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Susan Smitten, former widow of Edwin Chesley, late of Company A, Two hundred and sixth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Louesa Kontner, widow of Isaac D. Kontner, late of Company C, Thirty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lydia A. Gossett, widow of Newton J. Gossett, late of Company H, Twelfth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Henry J. Andrews, late of Captain William H. Ferguson's company, Enrolled Missouri Militia, Civil War, and pay him a pension at the rate of $50 per month.

The name of Elizabeth Croft, widow of William M. Croft, late of Company A, Ninth Regiment Pennsylvania Reserve Infantry, and Company B, One hundred and ninetieth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha Thomas, widow of Henry Thomas, late of Company E, Thirty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Mary E. Thomas, helpless and dependent daughter of said Martha and Henry Thomas, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Martha Thomas, the name of said Mary E. Thomas shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Martha Thomas.

The name of Jane S. Gillingham, widow of James Gillingham, late of Company H, One hundred and fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ida J. Black, widow of Hugh I. A. Black, late second class boy, United States Navy, Civil War, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ann C. Platt, widow of James W. Platt, late of Company K, One hundred and thirty-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Eliza A. O'Connor, widow of Robert O'Connor, late of Company D, One hundred and sixty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

This bill is a substitute for the following House bills referred to said committee:

H. R. 974. Maggie Riphenburgh.
H. R. 991. Charles O. Rider.
H. R. 996. Ellen McGarry.
H. R. 1028. Mary A. Sturtevant.
H. R. 1264. Emma Urquhart.
H. R. 1430. Sallie M. Seaman.
H. R. 1436. Anna Ganderup.
H. R. 1492. Stella B. Irwin.
H. R. 1505. Matilda B. Henson.
H. R. 1507. Caroline Day.
H. R. 1511. John C. Herron.
H. R. 1542. Mary D. Bilbay.
H. R. 1667. Levi Mott.
H. R. 1722. Ellen Hanour.
H. R. 1744. Sarah Brown.
H. R. 1748. Elisha M. Chilson.
H. R. 1771. Frances A. Thomas.
H. R. 1791. Caroline Murfitt.
H. R. 1801. Eleanor G. Tiffany.
H. R. 1838. Fannie M. Gardner.
H. R. 1845. Nettie Campbell.
H. R. 1968. Margaret J. Gano.
H. R. 1976. Sarah M. Lyon.
H. R. 2012. Emma J. Mooers.
H. R. 2073. Sarah Beason.
H. R. 2109. Edith C. Oakley.

H. R. 2121. Sarah E. McKeever.
H. R. 2180. Lucy Centers.
H. R. 2187. Mary Hubbard.
H. R. 2270. Julia Conger.
H. R. 2275. Mary G. Russell.
H. R. 2278. Edith E. Doty.
H. R. 2279. Phanettie Ormsbee.
H. R. 2294. Josephine Albert.
H. R. 2296. Elizabeth Drenning.
H. R. 2304. Margaret C. Spealman.
H. R. 2544. Pheby Houck.
H. R. 2547. Adaline Smith.
H. R. 2552. Esther M. Huffman.
H. R. 2572. Cora I. Fisher.
H. R. 2589. Medie M. Flanders.
H. R. 2643. Sarah E. Howe.
H. R. 2730. Annie M. Bass.
H. R. 3004. Mary B. Barnes.
H. R. 3020. Lovina Gilmore.
H. R. 3087. Martha Comstock.
H. R. 3099. Frances E. Austeel.
H. R. 3121. Louisa Woods.
H. R. 3128. Martha J. Turner.
H. R. 3134. Sarah J. Shelby.
H. R. 3325. Nora V. McDaniel.
H. R. 3462. Philip Dieter.
H. R. 3466. Edward D. Henderson.
H. R. 3481. Laura A. Moore.
H. R. 3569. Mary L. Green.
H. R. 3588. Lizzie G. Chapman.
H. R. 3606. Sarah Loudermilk.
H. R. 3654. Anna M. Craig.
H. R. 3760. William C. Merritt.
H. R. 3830. Carrie E. Doane.
H. R. 4017. Jacob Myers.
H. R. 4300. Christina Forsythe.
H. R. 4339. Josephine Wood Martin.
H. R. 4389. Elizabeth Shook.
H. R. 4415. Albert C. Raymond.
H. R. 4587. Phoebe A. Chadsey.
H. R. 4595. Maria A. Carpenter.
H. R. 4602. George Hurtt.
H. R. 4603. John Scott.
H. R. 4606. Mary C. Thorp.
H. R. 4648. Mary D. Surber.
H. R. 4686. Ada Thorp.
H. R. 4722. Tabitha S. Bennett.
H. R. 4723. Levi Barrett.
H. R. 4758. Isadora Amos.
H. R. 4781. Newt Ford.
H. R. 4788. Thomas J. French.
H. R. 4791. Eliza Peters.
H. R. 4872. Lulia M. Eungard.
H. R. 4885. Sarah A. Wellman.
H. R. 4922. Sarah E. Harkleroad.
H. R. 4940. Elizabeth Smith.
H. R. 4954. Allie W. Seeber.
H. R. 4956. Ella L. Kipp.
H. R. 5035. Johanna Garvey, now Dowling.
H. R. 5038. Lillie Beam.
H. R. 5041. Alice Beam.
H. R. 5043. Elizabeth Eddy.
H. R. 5044. Lilly Albaugh.
H. R. 5046. Francis H. P. Showalter.
H. R. 5069. Cynthia M. Johnson.
H. R. 5106. Lydia Rankin.
H. R. 5178. James H. Hoyt, alias James McCabe.
H. R. 5139. Sarah M. Skinner.
H. R. 5229. John R. Garstang.
H. R. 5245. Amelia Allen.
H. R. 5275. Rebecca C. Vanderhoof.
H. R. 5288. Lizzie Clay.
H. R. 5358. George P. Thomas.
H. R. 5360. Nellie Pratt.
H. R. 5373. Anna M. Pierce.
H. R. 5400. Sarah J. Kelton.
H. R. 5436. Sallie R. Van Landingham, now known as Sarah R. Van Landingham.
H. R. 5461. Jane E. Thorn.
H. R. 5463. Angeline Stafford.
H. R. 5508. Ida Naile.
H. R. 5547. Lueza A. Watson.
H. R. 5577. Nancy J. Herd.
H. R. 5757. Joseph Edwards.
H. R. 5768. Sophia M. West.
H. R. 5787. Maude P. Brown.
H. R. 5827. Mary Jane Hoover.
H. R. 5977. Lewis Berry.
H. R. 5969. Nancy A. Vickery.
H. R. 5972. Mary J. Noland.
H. R. 5988. John Gately.
H. R. 6040. Nancy Jones.
H. R. 6043. Julian A. Wheeler.
H. R. 6098. Henry F. Correll.
H. R. 6099. Ellen N. Pearson.
H. R. 6102. Fanny M. Hubbard.
H. R. 6108. Mary Ellen McClaren.
H. R. 6122. Belle Huey.
H. R. 6163. Mary A. Smith.
H. R. 6267. Ella Orner.
H. R. 6282. Catherine Fuller.
H. R. 6417. Frank Gentry.
H. R. 6457. Anna McCombs.
H. R. 6465. John Sims.
H. R. 6497. William Crawford, alias Thomas S. Carter.
H. R. 6511. Martha R. White.
H. R. 6528. Sarah J. Harrison.
H. R. 6567. Anna E. Hemingway.
H. R. 6616. Margaret J. McKindry.
H. R. 6641. Harriet J. Clise, now known as Harrietta Dunlap.
H. R. 6667. Rhoda M. Stape.
H. R. 6689. Douzilla Ashton.
H. R. 6693. Henry F. Dunn.
H. R. 6701. Thomas Debuke.
H. R. 6746. Emma C. Withers.
H. R. 6764. Carl Gilmore.
H. R. 6771. Pius Yingling.
H. R. 6797. Joanna Billman.
H. R. 6807. Susan A. Bailey.
H. R. 6840. George Cohen.
H. R. 6885. Lucila E. Felix.
H. R. 6917. Naomi G. Wilson.
H. R. 6931. Margaret Murphy.
H. R. 6940. Isabell McLaughlin.
H. R. 6958. Rebecca E. Fowler.
H. R. 6968. Sarah J. Flanagan.
H. R. 6970. Frances J. Whitten.
H. R. 7020. Josephine F. Pequignot.
H. R. 7028. Lydia J. Lawson.
H. R. 7029. Ada May.
H. R. 7046. Mary E. Goudy.
H. R. 7049. Jane Allen.
H. R. 7050. Lovada Austin.
H. R. 7058. Maude A. Norman.
H. R. 7085. Rosa Boone.
H. R. 7090. Ruth J. Sorrels.
H. R. 7096. Alta Humphrey.
H. R. 7098. Hannah Doll.
H. R. 7116. Mary Yaple.
H. R. 7125. Catharine Jimason.
H. R. 7134. Catherine Skinner.
H. R. 7159. Margaret A. Pool.
H. R. 7168. Louise Martz.
H. R. 7170. Clarie Herley.
H. R. 7171. Irvin E. Browning.
H. R. 7191. Frank Nelson.
H. R. 7198. Katie Edds.
H. R. 7199. Annie Knappe.
H. R. 7200. Nancy I. Ross.
H. R. 7201. Fannie I. Sanderson.
H. R. 7205. Elizabeth Bridgman.
H. R. 7213. Amanda Fuller.
H. R. 7225. Issola L. Shipley.
H. R. 7230. Rachel Smith.
H. R. 7246. Thersa J. Sunderland.
H. R. 7234 Laura C. Rexroat.
H. R. 7241. Mary Taylor.
H. R. 7242. Lizzie McCormick.
H. R. 7251. Emma A. Jones.
H. R. 7252. Lucy Mitchner.
H. R. 7275. Isabella Knight.
H. R. 7277. Frances M. Reynolds.
H. R. 7278. Ellen N. Corbin.
H. R. 7279. Mary E. Burg.
H. R. 7282. Rebecca J. Klepper.
H. R. 7286. Mary E. Stinson.
H. R. 7292. Lucy J. Coburn.
H. R. 7294. Kate E. Abbott.
H. R. 7295. Martha E. Collier.
H. R. 7332. Augusta M. Moseley.
H. R. 7337. Reka Butts.
H. R. 7347. Delnora Deuel.
H. R. 7371. Mary A. Ruckaba.
H. R. 7373. Adaline Wiseman.
H. R. 7374. Abbie D. Washburn.
H. R. 7386. Dorcas A. Reed.
H. R. 7387. Amanda J. Smith.
H. R. 7391. Julia A. Thornton.
H. R. 7392. Ruth a Roach.
H. R. 7393. Pheby E. Sliger.
H. R. 7397. Frances L. Row.
H. R. 7425. Mary J. Brown.
H. R. 7426. Zilpah I. Eaton.
H. R. 7428. George Grove.
H. R. 7429. Anna W. Jones.
H. R. 7434. Malissa Sawyer.
H. R. 7473. Sarah A. Strawn.
H. R. 7474. Adidamiah Reeves.
H. R. 7475. Laura C. Dupree.
H. R. 7481. Sarah J. Harper.
H. R. 7482. Adaline Laffolett.
H. R. 7484. Bell L. Duncan.
H. R. 7486. Elizabeth Tedrow.
H. R. 7487. Ester C. King.
H. R. 7488. Margaret E. Farmer.
H. R. 7509. Caroline E. Johnson.
H. R. 7510. Annie E. Stauch.
H. R. 7513. Louisa T. Goans.
H. R. 7519. Elizabeth Schnarr.
H. R. 7622. Maria L. Johnson.
H. R. 7625. Theodore F. Cook.
H. R. 7634. Elizabeth Wood.
H. R. 7640. Mary J. Coppins.
H. R. 7669. Maggie A. McKinney.
H. R. 7706. Anna Sagendorf.
H. R. 7709. Wilhemina W. Dietrich.
H. R. 7716. Frances R. Swails.
H. R. 7718. Barbara Schlatter.
H. R. 7722. Sopha Brown.
H. R. 7725. Richie A. Holmes.
H. R. 7739. Mary M. Parago.
H. R. 7765. Hattie A. McGuire.
H. R. 7768. Noah Rickard.
H. R. 7797. Avilla Hough.
H. R. 7799. Margaret J. Billig.
H. R. 7801. Jane L. Bewitt.
H. R. 7803. Nancy J. Fuller.
H. R. 7808. Minnie Young.
H. R. 7811. Martha Gruver.
H. R. 7814. Sarah L. Headington.
H. R. 7815. Mary E. Alexander.
H. R. 7829. Thomas A. Smith.
H. R. 7837. Mary Boylen.
H. R. 7844. Nancy Leming.
H. R. 7857. Almira M. Mitchell.
H. R. 7861. Emma Kauffman.
H. R. 7864. Blanche H. Simms.
H. R. 7865. Mary J. Wilking.
H. R. 7866. Bridget M. Carpenter.
H. R. 7867. Nancy J. Bryant.
H. R. 7872. Mary J. Kimbell.
H. R. 7874. Lottie A. Bowhall.
H. R. 7876. Louise E. Shull.
H. R. 7893. Mary E. Tanner.
H. R. 7897. Christena J. Carter.
H. R. 7902. Lephe J. Barler.
H. R. 7904. Allen Y. Boggs.
H. R. 7932. Eliza A. Winters.
H. R. 7939. Remetha H. Means.
H. R. 7940. John Sanders.
H. R. 7942. Mable Farnham.
H. R. 7943. Pearl Falkinburgh.
H. R. 7950. Kate Bantz.
H. R. 7958. Carrie M. Althouse.
H. R. 7970. Laura Murdick.
H. R. 7975. Sadie L. Treadwell.
H. R. 7979. Sarah J. Howell.
H. R. 7984. Alice Green.
H. R. 7993. Benton Abbott.
H. R. 8003. Sophia Albright.
H. R. 8004. Minerva Keaney.
H. R. 8008. Carra B. Jacobs.
H. R. 8010. Ellen J. Goodnoh.
H. R. 8015. Elvina Spangler.
H. R. 8030. Jennie S. McIlhenny.
H. R. 8033. Sarah J. Prouty.
H. R. 8038. Eva G. Klug.
H. R. 8041. Maggie M. Finch.
H. R. 8047. Mary Myers.
H. R. 8056. Susan A. Main.
H. R. 8061. Estheer A. Fero.
H. R. 8062. Julia B. Miller.
H. R. 8071. Catharin Murphy.
H. R. 8073. Emma L. Maynard.
H. R. 8075. Mary E. Main.
H. R. 8077. Joanna D. Potter.
H. R. 8098. Verrelle S. Willard.
H. R. 8099. Mary E. Kundinger.
H. R. 8104. Malissa Blair.
H. R. 8105. Sarah A. Morris.
H. R. 8106. Mary Brittenham.
H. R. 8107. Elizabeth Palmer.
H. R. 8122. Mary A. Force.
H. R. 8129. Olive J. Hurst.
H. R. 8130. Sarah J. Fuller.
H. R. 8131. Mahala Shaw.
H. R. 8132. Josephine Roush.
H. R. 8133. Maria L. Reed.
H. R. 8139. Margaret S. Higgins.
H. R. 8153. William A. Crampton.
H. R. 8156. Jennie A. Davis.
H. R. 8158. Eva L. Wood.
H. R. 8168. Elizabeth Yocum.
H. R. 8194. Mary H. Templeton.
H. R. 8198. Nancy Adams.
H. R. 8199. Eliza Ewing.
H. R. 8213. Jane E. Hart.
H. R. 8214. Rachel Morris.
H. R. 8219. Emma L. Dugent.
H. R. 8225 Fannie Teepie.
H. R. 8245. Josephine M. Downes.
H. R. 8246. Catherine Loriot.
H. R. 8255. Mary E. Steely.
H. R. 8256. George Robinson.
H. R. 8257. Grace F. Briggs.
H. R. 8260. Carrie S. Pierce.
H. R. 8261. Eliza Prody.
H. R. 8271 Mary W. McGuire.
H. R. 8274. Annie K. Doherty.
H. R. 8275. Rhoda Hart.
H. R. 8281. Orominah Bates.
H. R. 8287. Mary A. Egolf.
H. R. 8288. Ida Hall.
H. R. 8289. Sarah A. Thornburg.
H. R. 8290. Clifford Fiske.
H. R. 8291 Mary Gaffney.
H. R. 8293. Henry J. Robinson.
H. R. 8296. Mary A. Enderle.
H. R. 8299. Rosa E. Stephens.
H. R. 8302. Melinda Suggs.
H. R. 8310. Edward Zechman.
H. R. 8313. Margary Dotter.
H. R. 8317. Mary E. Applegate.
H. R. 8324. Delphina E. Blackwood.
H. R. 8327. Arminda Morgan.
H. R. 8338. Luren M. Carter.
H. R. 8342. Mary C. Triplett.
H. R. 8344. Clara Wirtz.
H. R. 8346. Julia A. Kresge.
H. R. 8347. Minnie E. Crow.
H. R. 8349. Martha Hammond.
H. R. 8358. Ella F. Young.
H. R. 8360. Cynthia Lillie.
H. R. 8362. Anna M. Weber.
H. R. 8363. Vesta J. Hutsell.
H. R. 8364. Betsy A. Burke.
H. R. 8365. Sarah A. Elliott.
H. R. 8383. Elmira L. Stone.
H. R. 8384. Amanda E. Fortney.
H. R. 8387. Harriet Sadler.
H. R. 8400. Lucy A. Cox.
H. R. 8403. Martha H. Raymond.
H. R. 8426. Caroline M. Fleming.
H. R. 8429. Elizabeth M. Cook.
H. R. 8430. Olive Hull.
H. R. 8431. Fannie F. Kennedy.
H. R. 8434. Rebecca J. Raburn.
H. R. 8435. Frederick J. Dum.
H. R. 8440. Louisa Jackson.
H. R. 8447. Mary Plummer.
H. R. 8448. Mandy Clapper.
H. R. 8451. Isaac Eads.
H. R. 8470. Mary D. Brown.
H. R. 8472. Elizabeth Conklin.
H. R. 8473. Polley Smith.
H. R. 8474. Mary E. Waitman.
H. R. 8483. Katie Thompson.
H. R. 8484. Matilda Tedlock.
H. R. 8496. Ray D. Ingersoll.
H. R. 8497. Isabel D. Mann.
H. R. 8504. Martha A. McNeer.
H. R. 8515. Della Elder.
H. R. 8516. John S. Nixon.
H. R. 8517. Elizabeth J. Stallings.
H. R. 8527. Sarah E. Bender.
H. R. 8534. Carrie Thompson.
H. R. 8537. Mary E. Metlin.
H. R. 8543. Harriet E. Brothers.
H. R. 8553. Elizabeth Secrist.
H. R. 8561. Mary A. Winn.
H. R. 8567. Alice Gormley.
H. R. 8569. Ella L. Norwood.
H. R. 8571. Emeline Harvey.
H. R. 8574. Adelaide M. Clark.
H. R. 8577. Sarah E. Doan.
H. R. 8590. Mary V. Sprague.
H. R. 8594. Hester A. McLuen.
H. R. 8596. Annie M. Marsh.
H. R. 8600. Lewis Grignon.
H. R. 8607. Elizabeth Hatch.
H. R. 8610. Harriet E. Goodale.
H. R. 8611. Susan M. Lambert.
H. R. 8612. Emily Sanders.
H. R. 8619. Eva L. Little.
H. R. 8621. Mary J. Wimbles.
H. R. 8624. Elizabeth M. Humphreys.
H. R. 8626. Susan K. Bentz.
H. R. 8631. Melissa Bigler.
H. R. 8632. Margaret E. Ulrich.
H. R. 8633. Sarah L. Shill.
H. R. 8634. Mary O. Shaw.
H. R. 8642. Erskine A. Cole, alias Charles Stickels.
H. R. 8648. Nancy Jane Bush.
H. R. 8649. Anna E. Ward.
H. R. 8669. Anna G. Murray.
H. R. 8670. Bella M. Getty.
H. R. 8675. Mary A. Mathewson.
H. R. 8691. Clarissa Stratton.
H. R. 8698. Kate G. Caton.
H. R. 8700. Effie F. Myers.
H. R. 8703. Belle Boots.
H. R. 8705. Kitty A. Freeman.
H. R. 8706. Jemima A. Taylor.
H. R. 8714. Jane F. Cochrane.
H. R. 8724. Julia F. Veats.
H. R. 8726. Julie Cowan.
H. R. 8729. Mary Stewart.
H. R. 8738. Marion L. Tyler.
H. R. 8739. Mary E. Goodsell.
H. R. 8742. Helen L. Huff.
H. R. 8750. Mary A. Bowman.
H. R. 8756. Emma Post.
H. R. 8760. Annie C. Frazee.
H. R. 8761. Rebecca Murray.
H. R. 8764. Lurettie L. Morse.
H. R. 8767. Rosaline E. Palmer.
H. R. 8772. Kate Irwin.
H. R. 8773. Augusta Chapman.
H. R. 8804. Elizabeth Corkett.
H. R. 8807. Mary H. Von Brandis.
H. R. 8808. Elizabeth A. Harrington
H. R. 8821. Mary L. Danforth.
H. R. 8822. Barbara Grant.
H. R. 8824. Catharine B. Bittle.
H. R. 8827. Laura B. Smith.
H. R. 8829. Theresa A. Hunter.
H. R. 8830. Harriet E. Gould.
H. R. 8831. Jeanette E. Ferris.
H. R. 8833. Daniel Burket.
H. R. 8846. Rohama Crosley.
H. R. 8847. Catharine S. Wakefield.
H. R. 8849. Almaria Hemstreet.
H. R. 8871. Elizabeth Thomas.
H. R. 8874. John Charleston.
H. R. 8877. Sarah J. Burns.
H. R. 8878. Ella Littlefield.
H. R. 8888. Mary Pfaff.
H. R. 8892. Mary Smith.
H. R. 8897. Sarah A. Bryan.
H. R. 8899. Sarah Hall.
H. R. 8900. Clarenda Brown.
H. R. 8903. Eva D. Fuller.
H. R. 8921. Isabella Rickman.
H. R. 8926. Susan Smitten.
H. R. 8927. Louesa Kontner.
H. R. 8948. Lydia A. Gossett.
H. R. 8950. Henry J. Andrews.
H. R. 8953. Elizabeth Croft.
H. R. 8967. Martha Thomas.
H. R. 8976. Jane S. Gillingham.
H. R. 8995. Ida J. Black.
H. R. 8999. Ann C. Platt.
H. R. 9090. Eliza A. O'Connor.

Mr. FULLER. Mr. Speaker, I offer the following amendments.

The SPEAKER pro tempore. The gentleman from Illinois offers committee amendments, which the Clerk will report.

The Clerk read as follows:

Amendments offered by Mr. FULLER: On page 14, line 24, strike out the name "Isadore" and substitute in lieu thereof "Isadora."

On page 21, strike out lines 11 to 14, inclusive.

On page 28, strike out lines 6 to 9, inclusive.

On page 40, line 19, strike out the word "betery" and substitute in lieu thereof the word "Battery."

On page 49, strike out lines 5 to 8, inclusive.

On page 65, strike out lines 11 to 14, inclusive.

The SPEAKER pro tempore. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. FULLER, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. BRAND of Georgia. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER pro tempore. The gentleman from Georgia asks unanimous consent to address the House for 10 minutes. Is there objection? [After a pause.] The Chair hears none.

RELIEF OF STARVING WOMEN AND CHILDREN OF GERMANY

Mr. BRAND of Georgia. Mr. Speaker, the purpose of this resolution is to authorize the Government of the United States to make a gift of $10,000,000 to Germany with which to purchase foodstuffs for the women and children of Germany, who are said to be suffering for the want of sufficient food for their support and maintenance. From my point of view this proposition, for many reasons, is inexcusable and indefensible. It is clearly unconstitutional.

Article I, section 8, of the Constitution declares:

The Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay debts, and to provide for the common defense and general welfare of the United States.

It is very questionable whether any rights under the "general welfare" clause were ever intended or can be extended to embrace persons outside of these United States and its possessions who are not citizens of the United States. The question may also be asked how it would promote the general welfare of the United States to make a gift to the people of Germany of $10,000,000, when the German Government at this time owes the United States $255,000,000 for the occupation of the Rhine by the American soldiers, a debt it is amply able to pay but which it manifests no willingness to pay.

The proponents of the proposition probably know or care nothing about the Constitution, though the supporters of the same in the House base their support upon the ground that the "general welfare" clause of the Constitution includes authority to make this gift. For this reason I will not undertake a general discussion of this question. It is only necessary, as it seems to me, to quote Judge Story on the Constitution, who is one of the strongest defenders of the "welfare clause," to show that giving this money to Germany can not be included in it. To come under this "general welfare" clause such welfare must be that which affects the whole people, not a part, not a class, but all the people. It must be general, not partial or special. A law to assist the people of a state or a class of people would not be "general" but "special welfare." In his work on the Constitution he says:

A power to lay taxes for the common defense and general welfare of the United States is not in common sense a general power. It is limited to those objects. It can not constitutionally transcend them. If the defense proposed by a tax be not the common defense of the United States, if the welfare be not general but special or local as contradistinguished from national, it is not within the scope of the Constitution. If the tax be not proposed for the common defense or general welfare, but for other objects wholly extraneous—as, for instance, for propagating Mohammedanism among the Turks or giving aids and subsidies to a foreign nation to build palaces for its kings or erect monuments to its heroes—it would be wholly indefensible upon constitutional principles.

Congress has no right to give away the people's money. The Government owns no money. It has not a dollar. The money which is in the Treasury belongs to the people. The only way it gets any money is by taxing the people. If $10,000,000 is given to Germany, it will be the people's money, and it is taking it away from them without their consent. It is not only a misappropriation of the people's money, but, being an exercise of assumed power, it is usurpation. Unless there is some stop to this sort of legislation there will be a revolution in this country which no power on earth can terminate until and unless Members of Congress observe the Constitution of this Republic which, with uplifted hand, they have sworn to support.

In 1914 when cotton was selling at 4 and 5 cents per pound, the farmers of Georgia and other cotton-growing States appealed to Congress for temporary assistance to enable them to tide over the financial storm which then confronted them. Agents from the cotton-growing States came to Washington to plead the cause of the people before the President and Congress. They were told to assist the farmers as requested was class legislation and that Congress had no authority to enact class legislation. These people did not ask the Government to give them anything, or to make them a present of any money. They only asked that some machinery be set up by Congress or put in motion by the President under existing laws by which they could borrow money to pay their debts and support their families until the storm passed by, and yet no help was given, no hope was held out, and nothing was done, but now a Republican Congress, supported by many Democrats, sees no class-legislation ghost to frighten them, and while unwilling to make a loan to our own people when in distress, are willing to give the people of Germany $10,000,000. Such inconsistency is repulsive to me.

The German people can take care of their suffering women and children without this gift. Mr. Philip A. Kauffman, a noted writer who has been to Germany, in an article in the Washington Star says:

Germans are leading lives of luxury and extravagant ease and comfort, not in Germany alone but in every country of the European Continent.

A member of the American Consulate Service abroad estimates that Germans traveling abroad for pleasure have spent 10,000,000 American dollars.

The Dawes committee reports that millions and millions of dollars belonging to the German people have been removed from Germany. Reginald McKenna, formerly Chancellor of the Exchequer, states in the United States alone there is no less than $1,300,000,000 invested, outside of the German holdings in England, Switzerland, Italy, Holland, Spain, the Scandinavian countries, South America, and the Orient.

Hon. A. P. ANDREW, of Massachusetts, in a speech delivered in the House said:

I was in Germany last October and spent some time in the Ruhr. I found food in variety and abundance everywhere in the restaurants. I talked with many Germans of different walks in life. And the conclusion that I came to was that Germany was suffering not from a lack of food or wealth, but from its maladministration or maldistribution. The country as a whole had more wealth than it ever had before.

Maximilian Harden, a great German editor, made this statement in an interview published in the American Hebrew:

Germany is literally crammed with food. Half of last year's harvest is still untouched. If I were Mr. Hoover, I would not send a single bushel of grain until the stocks now in Germany were consumed.

A New York Republican Congressman is the author of this bill. It is generally believed that politics is behind the proposition and if this were not a presidential election year this bill would never have been introduced, the end to be accomplished being to capture the German vote not only in the State of New York, but in other States where the German vote is a factor. One of the issues of a Washington newspaper entitled "The Woman Patriot," which is "dedicated to the defense of the family and State," entertains this view. In the issue which is devoted to the proposed gift, this paper says:

The appropriation of $10,000,000 of the American people's money in the Federal Treasury as a political gift to a foreign nation, and as a political bribe to voters of one nationality in the United States, is the most obvious outrage on the Constitution and the taxpayers of the United States, and if not killed in the Senate, or vetoed by the President, or stopped by the courts, this outrage will serve as precedent for any other misappropriation of funds the most unscrupulous political corruptionist may desire.

If in good faith this gift is to be made in the name of charity, then I contend the mothers and children who are suffering for the necessities of life and the poor of our own country should be the first objects of our compassion and should have the first call upon this Congress.

The mothers in this country whose sons were called to engage in the World War, many of whom fought and died to defend it, are entitled by every rule of fair play and justice

over the mothers of Germany whose sons fought and destroyed human lives in order to conquer it.

The mothers in this country gave their sons to engage in this war in order to keep the world free, while the people of Germany willingly sent their sons to the battle lines in order to enslave it.

While I am not unresponsive to human suffering, wherever it may exist and whatever may be the cause, yet I can not conscientiously reach the conclusion that the money of the people of the United States should be sent to a foreign nation and to an antagonistic people for any purpose whatsoever.

If the situation in Germany presents a real case of charity which their Government can not cope with, the people of this country can give out of their own pockets and of their own means, as they have heretofore frequently done, particularly when the earthquake broke upon Japan.

For Congress to give away the money of the people to a foreign country for any purpose is illegal.

To give the people's money away to a foreign country in the name of charity is likewise illegal.

To give the people's money to Germany in the name of charity to serve political purposes is not only illegal but infamous. [Applause.]

THE REVENUE BILL

Mr. GREEN of Iowa. Mr. Speaker, I ask unanimous consent to address the House for three minutes on the condition of the Treasury under the new revenue bill. I think it is quite an important matter and a number of the Members of the House have asked me about it.

The SPEAKER pro tempore. The gentleman from Iowa asks unanimous consent to proceed for three minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. GREEN of Iowa. Mr. Speaker, I hope I may have the attention of the House, because I think the matter on which I am speaking so briefly is of sufficient importance that all the Members would like to hear it. This morning the Washington Post carried a statement of mine with reference to the effect of the new revenue bill upon the Treasury receipts and especially upon the question of whether the bill would create a deficit. One statement, however, is made in the newspaper article which is not entirely correct and which I did not make. I gave out a written statement to the reporters, part of which was published and part of which was not. The statement is contained in the newspaper reports that I said the Treasury would have a surplus of $138,000,000 for the next fiscal year, which is not correct. That was not my statement. It could, however, be reasonably inferred from my statement that we would have a surplus, but not the amount stated.

I ask unanimous consent, Mr. Speaker, that the statement which I gave to the papers may be read from the Clerk's desk.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

The gloomy predictions for a deficit under the revenue bill as agreed to in conference will not be realized. I have obtained recent figures based upon actual Treasury receipts and also an estimate made by the Actuary of the Treasury for the fiscal year of 1925.

The original estimate of the surplus for the fiscal year ending June 30, 1924, was $329,000,000. I am now advised by the Treasury Actuary that it will exceed that by more than $100,000,000. Deducting from that estimate the amount of the 25 per cent reduction of this year's taxes, which will be taken off in this fiscal year and which will be about $120,000,000, there will still be around $300,000,000 surplus carried over into the fiscal year of 1925, much more than sufficient to pay the amount of the annual bonus expenditures for the next two years, although those are much larger than the average annual bonus cost, the first year being the largest of all.

For the fiscal year 1925 the original estimates of the Treasury, made early last fall, are also far too small. In my judgment the customs receipts will only be a little less than those for this year, in which event they would be about $50,000,000 more than was originally estimated. But if they are only a little larger, I am advised by the actuary, that we may expect our receipts from taxes to show such increase that if our Budget estimates were followed the surplus for the fiscal year 1925 would be $138,000,000. This, of course, does not allow for a bonus payment, but I have already shown that the surplus of this fiscal year will be ample to take care of the first two years of the bonus. In this connection it should be remembered that the reduction of taxes in the fiscal year ending June 30, 1925, will not be as large as it will be in the next fiscal year. On the other hand, by that time we may expect a further increase in our receipts due to the natural increase of business and the stimulus afforded by a tax reduction which in the fiscal year 1925, although not as large as it will be in the fiscal year 1926, will amount to over $400,000,000.

While we can reasonably expect this increase, it is too early now to make any reliable estimates for 1926 beyond the fact, as I have already shown, that on the present basis we will carry over into that year a surplus after allowing for some increases over the expenditures as originally estimated, including the amount required for the bonus. On the whole, I do not anticipate any deficit for that year.

I note that some fear has been expressed as to the effect of the new estate taxes. The Treasury Actuary asserts that the increased payments caused by the change will only aggregate $10,000,000 per annum, which is scarcely any more than could be expected from the increase in the value of the estates subject to this tax as the wealth of the country increases.

Mr. GREEN of Iowa. This article is in accord with statements made to me over the phone by the Government actuary and a table of estimates for the fiscal year 1925 prepared by him.

The SPEAKER pro tempore. The time of the gentleman from Iowa has expired.

Mr. GREEN of Iowa. Mr. Speaker, I ask unanimous consent to also put in the RECORD, without reading, the statement for the fiscal year 1925 under the new law, as prepared by the Treasury Actuary.

Mr. AYRES. Mr. Chairman, I ask the gentleman's time be extended two minutes more so we may have it read. I would like to hear the statement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas? [After a pause.] The Chair hears none.

The Clerk read as follows:

Estimated receipts, fiscal year 1925

Customs		$500,000,000
Internal revenue:		
Individual and corporation income tax	$1,650,000,000	
Miscellaneous taxes	814,000,000	
Total internal revenue taxes		2,464,000,000
Miscellaneous taxes		473,000,000
Total ordinary receipts		3,437,000,000
Expenditures chargeable against ordinary receipts (Budget estimate of Dec. 3, 1923, and not including additional expenditures authorized or to be authorized since that date)		3,298,100,000
Surplus		138,900,000

To this surplus should be added whatever taxes are collected by the department on account of income and profits taxes for previous years.

Mr. GREEN of Iowa. Mr. Speaker, the estimate of receipts under the tariff in the statement just read, in my judgment, is at least $50,000,000 too small and, as I have already stated, the surplus of $138,000,000, as the gentleman will see, does not provide for the bonus, but I showed in the previous statement that the first two years of the bonus could easily be taken care of out of the surplus for the fiscal year 1924, ending June 30 next. Nor does this provide for some additional appropriations that have been made, but it is sufficient to cover them.

Mr. GARNER of Texas. Not only that, but may I suggest to the gentleman that the taxes collected for back years, if they are in proportion to the estimate of the Treasury, will amount to at least $300,000,000.

Mr. GREEN of Iowa. I do not recall how much the Treasury originally estimated for such collection. I am informed by the actuary that the original estimates have been very much exceeded.

The SPEAKER pro tempore. The time of the gentleman from Iowa has again expired.

Mr. WATKINS. I ask unanimous consent that the gentleman's time be extended two minutes so that I may ask a question.

Mr. LAGUARDIA. I would like to ask the gentleman a question.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon. [After a pause.] The Chair hears none.

Mr. WATKINS. From these figures, is it not indicated that there would have been sufficient revenue to take care of the Bursum bill if it had not been vetoed, which would have required a little over $50,000,000?

Mr. GREEN of Iowa. Oh, I could not say about that. I have not calculated to that extent, but I do not think that there would be.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. LAGUARDIA. Has the gentleman estimated how much the figures would be increased if in aiding the farmers we would permit the manufacture of 2.75 beer? [Laughter.]

Mr. GREEN of Iowa. That is not a parliamentary question.

Mr. LAGUARDIA. No; it is a question for information.

M'NARY-HAUGEN BILL

Mr. RUBEY rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Missouri rise?

Mr. RUBEY. Mr. Speaker, I desire to submit a unanimous-consent request. When we adopted the rule the other day fixing the time of debate on the Haugen-McNary bill there were 15 hours given. This was divided among four Members, and we had 3 hours and 45 minutes apiece. I find it is absolutely impossible to accommodate the gentlemen who want to speak on this bill, and therefore I ask unanimous consent that the time for general debate on the Haugen-McNary bill be extended one hour, to be equally divided among the four gentlemen controlling the time.

The SPEAKER pro tempore. The gentleman from Missouri asks unanimous consent that the time originally fixed for debate on the Haugen-McNary bill be extended one hour, to be divided equally among the gentlemen controlling the time. Is there objection?

Mr. SUMMERS of Washington. Reserving the right to object, does the gentleman not think it would be better to get on to the reading of the bill?

Mr. RUBEY. There are gentlemen who are very much interested in this bill and who want to discuss it, and I think we ought to give them an opportunity to do so.

Mr. SPROUL. Mr. Speaker, I object.

Mr. HAUGEN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9033) declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes.

The SPEAKER pro tempore. The gentleman from Iowa moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9033.

The question was being taken, and the committee was dividing, when,

Mr. BLANTON. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll. The question is on the motion of the gentleman from Iowa to go into Committee of the Whole House on the state of the Union.

The question was taken; and there were—yeas 330, nays 2, not voting 101, as follows:

YEAS—330

Ackerman	Cole, Iowa	Fulmer	Johnson, Wash.
Aldrich	Cole, Ohio	Funk	Johnson, W. Va.
Allen	Collier	Gallivan	Jones
Allgood	Collins	Garber	Jost
Almon	Colton	Gardner, Ind.	Kearns
Andrew	Connally, Tex.	Garner, Tex.	Keller
Arnold	Connery	Garrett, Tenn.	Kelly
Aswell	Cook	Garrett, Tex.	Kent
Ayres	Cooper, Ohio	Gasque	Ketcham
Bacon	Cooper, Wis.	Geran	Kincheloe
Bankhead	Corning	Gilbert	Kindred
Barbour	Cramton	Glatfelter	King
Beck	Crisp	Goldsborough	Knutson
Beedy	Croll	Graham, Pa.	Kopp
Beers	Crosser	Green, Iowa	Kurtz
Berger	Crowther	Greene, Mass.	Kvale
Black, N. Y.	Cullen	Greenwood	LaGuardia
Black, Tex.	Cummings	Griest	Lampert
Blanton	Dallinger	Griffin	Lanham
Bloom	Darrow	Hadley	Lankford
Bowling	Davis, Minn.	Hammer	Larsen, Ga.
Box	Davis, Tenn	Hardy	Larson, Minn.
Boyce	Denison	Hastings	Lazaro
Boylan	Dickinson, Iowa	Haugen	Lea, Calif.
Brand, Ga.	Dickinson, Mo.	Hawes	Leatherwood
Brand, Ohio	Doughton	Hawley	Leavitt
Briggs	Dowell	Hayden	Lee, Ga.
Browne, N. J.	Doyle	Hersey	Lehlbach
Browne, Wis.	Driver	Hickey	Lineberger
Browning	Dyer	Hill, Ala.	Linthicum
Brumm	Edmonds	Hill, Md.	Longworth
Buchanan	Elliott	Hill, Wash.	Lowrey
Bulwinkle	Evans, Iowa	Hoch	Lozier
Burdick	Evans, Mont.	Holaday	Luce
Burtness	Fairchild	Hooker	Lyon
Burton	Fairfield	Howard, Nebr.	McClintic
Busby	Faust	Huddleston	McDuffie
Byrns, Tenn.	Favrot	Hudson	McKenzie
Campbell	Fenn	Hudspeth	McKeown
Canfield	Fitzgerald	Hull, Iowa	McLaughlin, Mich.
Cannon	Foster	Hull, Morton D.	McLaughlin, Nebr.
Carter	Frear	Humphreys	McLeod
Casey	Free	Jacobstein	McNulty
Chindblom	Freeman	James	McReynolds
Christopherson	French	Jeffers	McSweeney
Clague	Frothingham	Johnson, Ky.	MacGregor
Clancy	Fulbright	Johnson, S. Dak.	MacLafferty
Clarke, N. Y.	Fuller	Johnson, Tex.	Magee, N. Y.
Magee, Pa.	Porter	Shreve	Tinkham
Major, Ill.	Pou	Simmons	Treadway
Major, Mo.	Prall	Sinclair	Tucker
Manlove	Purnell	Sinnott	Underhill
Mansfield	Quin	Sites	Underwood
Mapes	Ragon	Smith	Upshaw
Martin	Rainey	Smithwick	Vaile
Merritt	Raker	Snell	Vestal
Michener	Ramseyer	Snyder	Vincent, Mich.
Miller, Wash.	Rankin	Speaks	Vinson, Ky.
Mills	Rathbone	Spearing	Voigt
Minahan	Rayburn	Sproul, Ill.	Wainwright
Montague	Reece	Sproul, Kans.	Ward, N. C.
Moore, Ga.	Reid, Ill.	Steagall	Watkins
Moore, Ill.	Richards	Stedman	Watres
Moore, Ohio	Roach	Stephens	Watson
Moore, Va.	Robinson, Iowa	Stevenson	Weaver
Morehead	Robsion, Ky.	Strong, Kans.	Wefald
Morgan	Rogers, Mass.	Summers, Wash.	Wertz
Morris	Romjue	Sumners, Tex.	White, Kans.
Morrow	Rouse	Swank	Williams, Ill.
Murphy	Rubey	Swing	Williams, Mich.
Nelson, Me.	Sabath	Swoope	Wilson, Ind.
Nelson, Wis.	Sanders, Ind.	Taber	Wilson, La.
Newton, Minn.	Sanders, N. Y.	Tague	Wilson, Miss.
Newton, Mo.	Sandlin	Taylor, Tenn.	Wingo
O'Connor, N. Y.	Schafer	Taylor, W. Va.	Wolff
O'Sullivan	Schall	Thatcher	Woodruff
Oldfield	Schneider	Thomas, Ky.	Woodrum
Oliver, Ala.	Scott	Thomas, Okla.	Wright
Paige	Sears, Fla.	Thompson	Wurzbach
Parker	Sears, Nebr.	Tillman	Young
Parks, Ark.	Seger	Tilson	Zihlman
Peery	Shallenberger	Timberlake	
Phillips	Sherwood	Tincher	

NAYS—2

Bland	Deal

NOT VOTING—101

Abernethy	Eagan	Michaelson	Sanders, Tex.
Anderson	Fish	Miller, Ill.	Stalker
Anthony	Fisher	Milligan	Stengle
Bacharach	Fleetwood	Mooney	Strong, Pa.
Barkley	Fredericks	Moores, Ind.	Sullivan
Begg	Gibson	Morin	Sweet
Bell	Gifford	Mudd	Taylor, Colo.
Bixler	Graham, Ill.	Nolan	Temple
Boies	Harrison	O'Brien	Tydings
Britten	Howard, Okla.	O'Connell, N. Y.	Vare
Buckley	Hull, Tenn.	O'Connell, R. I.	Vinson, Ga.
Butler	Hull, William E.	O'Connor, La.	Ward, N. Y.
Byrnes, S. C.	Kahn	Oliver, N. Y.	Wason
Cable	Kendall	Park, Ga.	Weller
Carew	Kerr	Patterson	Welsh
Celler	Kiess	Pearey	White, Me.
Clark, Fla.	Kunz	Perkins	Williams, Tex.
Cleary	Langley	Perlman	Williamson
Connolly, Pa.	Lilly	Quayle	Winslow
Curry	Lindsay	Ransley	Winter
Davey	Little	Reed, Ark.	Wood
Dempsey	Logan	Reed, N. Y.	Wyant
Dickstein	McFadden	Reed, W. Va.	Yates
Dominick	McSwain	Rogers, N. H.	
Drane	Madden	Rosenbloom	
Drewry	Mead	Salmon	

So the motion was agreed to.

The following pairs were announced:

Until further notice:

Mr. White of Maine with Mr. Fisher.
Mr. Strong of Pennsylvania with Mr. Kunz.
Mr. Wood with Mr. Reed of Arkansas.
Mr. Cable with Mr. Dickstein.
Mr. Bacharach with Mr. Mooney.
Mr. Anthony with Mr. Salmon.
Mr. Welsh with Mr. McSwain.
Mr. Little with Mr. Williams of Texas.
Mr. Ward of New York with Mr. Byrnes of South Carolina.
Mr. Mudd with Mr. O'Connor of Louisiana.
Mr. Curry with Mr. Logan.
Mr. Madden with Mr. Bell.
Mr. Fredericks with Mr. Stengle.
Mr. Gifford with Mr. Vinson of Georgia.
Mr. Temple with Mr. Mead.
Mr. Perlman with Mr. Kerr.
Mr. Yates with Mr. Eagan.
Mr. Britten with Mr. Lilly.
Mr. Fairchild with Mr. Cleary.
Mr. Winter with Mr. Oliver of New York.
Mr. Moores of Indiana with Mr. Carew.
Mr. Graham of Illinois with Mr. Weller.
Mr. Kahn with Mr. Clark of Florida.
Mr. Butler with Mr. Park of Georgia.
Mr. Wason with Mr. Rogers of New Hampshire.
Mr. Fish with Mr. Buckley.
Mr. Connolly of Pennsylvania with Mr. Celler.
Mr. Patterson with Mr. Drane.
Mr. Fleetwood with Mr. Barkley.
Mr. Kendall with Mr. Howard of Oklahoma.
Mr. Winslow with Mr. Harrison.
Mr. McFadden with Mr. Tydings.
Mr. Reed of New York with Mr. Dominick.
Mr. Boise with Mr. Abernethy.
Mr. Morin with Mr. Quayle.
Mr. Ransley with Mr. Taylor of Colorado.
Mr. Gibson with Mr. Drewry.
Mr. Vare with Mr. Milligan.
Mr. William E. Hull with Mr. Lindsay.
Mr. Wyant with Mr. Hull of Tennessee.
Mr. Kiess with Mr. Sullivan.
Mr. Stalker with Mr. O'Connell of Rhode Island.

Mr. Begg with Mr. Davey.
Mr. Michaelson with Mr. O'Connell of New York.
Mr. Perkins with Mr. Sanders of Texas.
Mr. Bixler with Mr. O'Brien.
Mr. Sweet with Mr. Garrett of Texas.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. SANDERS of Indiana in the chair.

Mr. HAUGEN. Mr. Chairman, I yield one minute to the gentleman from Ohio [Mr. LONGWORTH].

CONSIDERATION OF CONFERENCE REPORT ON THE TAX BILL

Mr. LONGWORTH. Mr. Chairman, a number of gentlemen have asked me this morning when it is likely that the conference report on the tax bill will be taken up. I have just heard that the Senate intends to act on it on Saturday. Therefore, if that is done, the first business on Monday morning will be the consideration of the conference report on the tax bill. This being the last day which the District of Columbia will have under the rule, I intend to ask unanimous consent that the House meet at 11 o'clock on Monday morning.

M'NARY-HAUGEN BILL

Mr. ASWELL. Mr. Chairman, I yield 40 minutes to the gentleman from Kentucky [Mr. KINCHELOE].

Mr. VOIGT. I yield seven minutes to the gentleman from Kentucky [Mr. KINCHELOE].

Mr. KINCHELOE. Mr. Chairman and gentlemen of the committee, the Agricultural Committee of the House, of which I am a member, has had under consideration this and other proposed farm legislation for two months, and was in executive session considering this bill for over two weeks. I entered upon this hearing with an open mind and with only one purpose in view, and that was to evolve a bill that might redound to the welfare, happiness, and prosperity of the American farmer in upbuilding the agricultural interests of this country. No one knows the precarious condition of agriculture better than I, and no Member of Congress is more anxious to vote for legislation that will serve this purpose any more than I.

I have the honor to represent in this House one of the greatest diversified districts in the United States, and I am anxious to see a bill passed that will do something for the farmer and not to the farmer. This bill, in my judgment, is the most complicated, far-reaching, uncertain piece of legislation that has been proposed to this House in 50 years. [Applause.] The complexities of it, both national and international, no human mind can grasp. In order to define my position toward this bill and other farm legislation I ask your indulgence in making a personal allusion.

I was born and reared on a farm in Kentucky and in the tobacco district. My boyhood days were somewhat uneventful, and can be summed up in one line of Gray's Elegy, "The short and simple annals of the poor." Most of my boyhood days were spent in the tobacco fields raising tobacco and selling it at such a low price that left me in debt at the end of the year. I had an ambition to obtain an education, so that I might place myself in a position to hold some office of honor and trust, and thereby render some service to my country and my fellow men. My greatest obstacle in obtaining an education was the question of finance, and I, together with other tobacco raisers of the "dark patch," was ground down by the iron heel of the American and Imperial Tobacco Cos. This sad experience not only makes every impulse of my being in sympathy with the farmer but almost makes me resentful when I contemplate those hardships which were so unjustly visited upon me. In view of this experience I could have no other purpose to serve but to vote for some legislation that would help the farmer. I realize that agricultural interests in almost every part of this country are in a precarious condition, and that this condition is brought about by no fault of the farmer, and I want to do something to alleviate his condition.

I have studied this bill more than any bill since I have been in Congress, and if you will indulge me for a while I will try to tell you what it is. It proposes to create a corporation consisting of five members, with the Secretary of Agriculture as chairman. The other members are to be appointed one from each of the three Federal land-bank districts, as numbered in the bill, by the President of the United States, with confirmation by the Senate. These four members are to receive a salary of $10,000 each per year, and to employ whatever force that is necessary to enforce the provisions of this bill and to fix the salaries of each. This corporation is organized for the purpose of stimulating the price of agricultural products, of which we produce a surplus in this country. The products mentioned in this bill consist of wheat, flour, rice, corn, wool, cattle, sheep, swine, or any other food products of cattle, sheep, or swine, and under section 2 of the bill, when this corporation finds that there is an exportable surplus of any one of these products and that product is not bringing the ratio price, which I shall later discuss, in the domestic market, it is then the duty of the corporation to immediately certify this fact to the President of the United States, and when that is done the bill provides that the President shall by proclamation declare that a special emergency exists as to such agricultural product.

How does the corporation arrive at the ratio price? Let us take wheat, and the same process is used in arriving at the ratio price of every other commodity mentioned in the bill. The corporation first gets through the Agricultural and Labor Departments the average price of wheat during the years 1905 to 1914, inclusive. It then gets the average price of 404 other commodities from 1905 to 1914, and that is on the basis of 100. It then gets the current all-commodity price of these 404 commodities. Then the ratio price of wheat is to the average commodity price of wheat from 1905 to 1914 as the current all-commodity price of the 404 commodities is to the all-commodity price of the 404 commodities from 1905 to 1914 on the basis of 100: Wheat is now selling around $1 per bushel. The ratio price under these circumstances would be about $1.50 per bushel, but the farmer does not get all the $1.50, because all the loss in the sale of the export surplus and the cost of administration of this bill, with a horde of Federal officers invading, if necessary, every home in the country, comes out of the farmer first. Still the proponents say that this is a farmers' bill. It is a packers' bill, a millers' bill, and a bill for the big wheat dealer. They do not suffer any loss—not on your life! The five big packers of this country, with 200 other small packers, have to-day processed meat that is worth hundreds of billions of dollars in cold storage which they purchased at the present low price of livestock. When the ratio price is declared on hogs, for instance, it is proposed to increase the price from about 7 cents per pound to 11½ cents per pound, and when this increase is established these packers are ready to deliver it to the corporation or sell it to the public at the rate of 11½ cents per pound, which will make them a profit from $100,000,000 to $200,000,000 overnight.

Mr. PURNELL. Mr. Chairman, will the gentleman yield?

Mr. KINCHELOE. I am sorry, but not now. The big flour mills of the country have hundreds of thousands of dollars' worth of flour on hand now made out of $1 wheat, and the large grain elevators have on hand over 50,000,000 bushels of wheat bought at $1. When the corporation establishes the ratio price raising the price of wheat from $1 to $1.50 per bushel, and flour in proportion, they will overnight unload on this corporation or the public their surplus products, making a net profit of hundreds of thousands of dollars, and you and I and the farmers, laboring people, and other consumers of the country will pay it.

Not a packer nor a packer's lawyer appeared before the Agricultural Committee in all these hearings protesting against the passage of this bill. When we had under consideration the packers' bill, which we passed at the last session of Congress, these packers and their attorneys, and they have the smartest ones in the world, were before our committee for weeks protesting against its passage. Even Mr. Wilson, of the Wilson Packing Co., was before our committee for about two days protesting. So you can see why the packers would not seriously oppose this bill. There is one fundamental proposition upon which all of us agree and which should be taken into consideration here. That is, when you increase the price of a product you not only stimulate its production but you curtail its consumption. You will remember that in 1922 hogs were bringing a good price. This stimulated the production to such an extent that there were 14,000,000 more head of hogs slaughtered in 1923 than in 1922. Of course, the more you stimulate the production of a commodity in this bill the greater will be the exportable surplus, and, therefore, the greater will be the equalization fee which the farmer has to pay and the less he will receive for that product.

In the year 1921 we exported over 309,000,000 bushels of wheat and flour. And the more you stimulate the price of wheat the greater will be our exportable surplus and the greater will be the loss to the producer. I have told you how the corporation will establish the ratio price. It will then establish the equalization fee, and here is where it gets the farmer. The corporation will make an estimate of what its loss is going to be on the exportable surplus which it will buy here at the ratio price and sell at the world's price. And I remind you that the corporation will have to buy all the products that are offered it. It will then make an estimate of what it will cost to administer this law, and when these estimates are made it will then establish what is called the equalization fee, every dollar of which must be paid by the

producer. Proponents say that this is not a price fixing bill. It is nothing but a price fixing bill, and price fixing has proved a failure not only in this country but in every country that has tried it.

The bill plainly provides that the corporation must buy at not less than the ratio price of each commodity and can not sell any of it in this country at less than the ratio price. Then all the loss that accrues on its investments, together with the expenses, is assessed against the farmer in the form of scrip. Of course, the bill uses a little softer word than scrip; it is now called a receipt. After the ratio price is fixed upon the various articles, then every transaction in an article upon which the ratio price is fixed the buyer of the article must retain the equalization fee and give to the seller a receipt for same. If the seller refuses to accept the receipt or the buyer refuses or fails to tender a receipt—and I ask the advocates of this bill to say whether I am wrong—then both the seller and the buyer are subject to arrest by a Federal officer and to be taken to the Federal court and fined not over $5,000 or imprisoned not exceeding one year, or both. I remember how the Republicans of Congress and throughout the country yelled and applauded President Harding when he said he wanted "more business in Government and less Government in business." What are you going to do with this bill? I believe there would be at least 50,000 extra officeholders appointed, running over the country, meddling in almost every transaction that the farmer makes, arresting farmers and purchasers and taking them to the Federal court because they refused to accept or offer the equalization receipt. And do not forget that the salaries and expenses of all these officers comes out of the farmers' products in the equalization fee he has to pay every time he sells a commodity upon which the corporation has levied a fee. No one before the committee could guess within a million dollars annually what it would cost to administer this law. I believe that the American people are getting tired of the Federal Government and Federal officeholders trying to run their business, and I believe the American farmers would resent the interference of Federal officeholders under this bill.

While this is a price-fixing measure, yet do not overlook the fact that the farmer is not guaranteed the ratio price. Not only the loss on the exportable surplus on his products sustained by the corporation and the cost of the administration of the law, including the salaries and expenses of the horde of Federal officeholders, must first be taken out, but the freight upon his products to the central market must also be deducted. You will understand that when the corporation establishes a ratio price upon these commodities that price will obtain only in the central markets of the country.

I believe that if the price of wheat should be stimulated as the proponents of this bill claim that within a year there could easily be an exportable surplus of wheat of from 350,000,000 to 400,000,000 bushels. I come from a tobacco district. As you all know, the great tobacco States of this Union are Kentucky, Tennessee, North Carolina, Virginia, and West Virginia. And the tobacco growers have to plant the best land they have in tobacco. Tobacco is not included in this bill, and therefore the tobacco raisers will not be benefited at all. So if wheat becomes more profitable to raise than tobacco, what is going to keep the tobacco farmers from planting their tobacco land in wheat, and wheat can be grown on practically every acre of land where tobacco has grown in these States. The potato and corn growers will do the same. You can thus see that there can be enough exportable surplus of wheat in this country to make the equalization fee so large that it will take all the profits the farmer might obtain from raising wheat to pay this fee.

Mr. BURTNESS. Will the gentleman yield?

Mr. KINCHELOE. I can not now. This corporation will sell its exportable surplus on the markets of the world in Europe, which will permit the laboring people of Europe to get the benefit of it at a low price and the costs of it will come out of the American farmer, whom you say you are going to help under this bill.

Everyone who has studied this bill knows that it is absolutely impossible for it to benefit the corn raisers of the country. Why do I say that? Every bushel of corn that is raised in this country, 94.5 per cent of it, is consumed on the farm and never goes into interstate commerce, so under the provisions of this bill not a cent of the equalization fee will be paid on the corn consumed on the farm.

The other 5½ per cent is practically all exported, which amounted in 1922 to over $117,000,000 worth. So where is the equalization fee coming from to pay the loss sustained by the corporation in buying the corn here at the ratio price and selling it at the world's price? There is only one source from which it can come, and that is out of the $200,000,000, which will be appropriated out of the Treasury of the United States under the provisions of this bill. So you see that within a short while, if the corporation should try to make this bill workable as to corn, it would soon go broke. I can imagine that the corn farmer will not be very enthusiastic about this bill when he learns the true facts about it so far as it pertains to his product.

Now, let us take meat. You can not export cattle, hogs, or sheep on foot. The packers know that. So what power under the bill has the corporation to process meat for export? If you will read section 42 of the bill, you will see that the only power the corporation has is to acquire the rights of operation facilities for processing and to make contracts for the processing of such agricultural commodities. So the corporation will have to have Federal employees in all the stockyards of the country to buy the thousands of head of hogs, cattle, and sheep when they come in. Then when the stock shall have been bought the corporation will go to the packers and ask how much they will charge to process this meat. Suppose they say 6 cents per pound. The corporation of course will say "We can not pay this." The packers will say, "You process it yourself, then." What facilities will the corporation have to process meat? None, of course. Do not you see that the corporation is at the mercy of the packers, and will have to pay them their price, all of which will come out of the equalization fee paid by the farmer? The corporation has one other alternative in the matter. Under section 44 (a) of the bill the corporation has the power to buy processed meat from the packers, but if it does buy the processed meat it is compelled to pay the packer the ratio price for it. Then the corporation, of course, will be compelled unless it can sell it here at not less than the ratio price, to export the processed meat to the countries in Europe and sell it at the world's price. However, as soon as the ship lands in any European country with this meat the five big packers will have their representatives there and will say to the corporation, "We are now ready to buy back our meat from you which you bought at the ratio price, but we will pay you only the world's price."

The loss of this transaction, as usual, comes out of the farmer. These five packers have in the European countries over 28 agencies with their cold storages and other facilities to take care of and sell the processed meat in the world's market. I can see the representatives of these five packers at every European seaport looking with longing eyes for the ships from the United States laden with processed meat which the packers sold to the corporation at the ratio price, and ready, willing, and anxious to buy it at the world's price so they can make another enormous profit on it. The pathos of it all is that the farmers which this bill is supposed to help will pay all the loss.

My opinion is that there will never be a ratio price declared upon beef, because the report of the Tariff Commission shows, under date of April 11, 1924, that we imported cattle and cattle products in the year 1923 to the value of over $65,000,000, and exported only to the value of a little over $25,000,000, so there will be no exportable surplus of beef and therefore no ratio price declared on it. This was put in the bill to fool the cattle raisers of the country. This same proposition applies to sheep also. For, in 1923, according to the report of the Bureau of Animal Industry, we exported 2,000,000 pounds of mutton and imported 6,000,000. It can not apply to wool, because there has never been a day since you and I were born but what two-thirds of the wool consumed in this country was imported. Oh, my friends, these articles were put in this bill for vote-getting purposes only.

However, I want to call your attention to a significant fact: Under section 301 of this bill the President of the United States has the power not only to fix a prohibitive tariff but to place an embargo upon any and all commodities mentioned in this bill, or any derivative thereof, or any competitive substitute therefor. America is a great shoe manufacturing country. And as outrageous and iniquitous as the Fordney-McCumber tariff bill is, yet it places no duty on hides. Yet, when this bill becomes a law, the President will not only have the power, but, in my judgment, he will be compelled to put a prohibitive tariff or embargo on hides. The direct result will be that the price of shoes of the American people will increase from 10 per cent to 25 per cent. I presume that seven-eighths of all the hides of this country are owned by the packers. Therefore they will receive another generous gift and benefit by reason of this law to the cost of the American public who wear shoes.

I want to give you a concrete illustration, and I want it to apply to the gentleman from Kansas [Mr. TINCHER], because he

says he is not only a wheat farmer but that he is very much for this bill and has spoken for it. Let us take his neighbor who lives across the fence from his farm. This neighbor has 20 fat hogs for sale. The local hog buyer comes to the neighbor and says, "I want to buy your hogs. What will you take for them?" This neighbor will say: "The ratio price, to wit, 11½ cents per pound." The buyer will say, "I can not pay this price for them." The neighbor will say, "That is the price that has been fixed by the corporation under the McNary-Haugen bill." "But," the buyer will say, "That price was fixed at the central market at Kansas City, and you are 300 miles, perhaps, from the central market. The freight rates on your hogs will have to come out of that. Also, the corporation has levied an equalization fee to pay for the operation of the law, including the loss on exportable surplus of meat, and it will have to come out of this price. Also, you can not ship these hogs yourself, because you do not have a carload of them." Remember the hog buyer does not have to pay the ratio price, but has a right under this bill to buy them from the farmer as cheap as he can. The buyer then buys the hogs at practically his own price, because the neighbor is not accessible to the central market. He will then retain from the neighbor the equalization fee and tenders the neighbor the scrip for the equalization fee. The neighbor will protest and say that he wants all of his selling price in cash. The buyer will say, "It is against the law for me to pay you the equalization fee in cash, and if I do not give you this scrip and if you refuse to take it, a Federal officer will come here and arrest you and me both and take us to Federal court and fine us not over $5,000 and not less than one year imprisonment, or both." The neighbor will say: "I saw two of these Federal officers in this neighborhood yesterday. Who is paying their salaries and expenses?" The buyer will say, "You and the rest of the farmers who are selling products upon which a ratio price has been fixed." The buyer finally pays him the agreed price, less the equalization fee, and gives him a receipt for it and takes the hogs.

The neighbor then goes to his town to buy shoes for himself and family for the winter. He begins to price the shoes and finds that they have increased from 10 to 20 per cent in price. He asks the merchant what is the cause of this increase; the merchant will tell him that there has been recently placed a tariff or embargo upon hides and that the packers of the country have increased, by reason of this tariff or embargo, the price of hides to such an extent that the shoe manufacturer had to increase the price of his shoes. He spends all the money he received for his hogs for shoes for himself and family and goes home. When he gets home he is informed by his wife that they are out of flour. The neighbor then goes over to the farm of the gentleman from Kansas [Mr. TINCHER], and tells Mr. TINCHER he wants to buy some of his wheat. Mr. TINCHER, of course, will be anxious to sell his wheat at the ratio price, but his neighbor will inform Mr. TINCHER that he has spent all the money he received for his hogs for shoes for his family and the only thing he has with which to pay for the wheat is the scrip he received from the hog buyer. "Oh," Mr. TINCHER will say, "I don't want the scrip; and, besides, it is nonnegotiable." The neighbor will say, "I didn't want the scrip for my hogs, but the hog buyer told me if I didn't take it I would be violating the law and subject to a fine and imprisonment." Mr. TINCHER will be bound to say, "That is true." The neighbor will then ask Mr. TINCHER if he did not vote for the McNary-Haugen bill which compelled him to take the scrip for his hogs. Mr. TINCHER will tell him, of course, that he did and that he spoke for the bill. The neighbor will then ask Mr. TINCHER what must he do with the scrip. Mr. TINCHER can only tell him, "You must hold it and perhaps after a while, if there is anything left after paying the cost of the administration of the law the corporation may pay you a little something for it." The neighbor will ask Mr. TINCHER what the scrip is worth. Mr. TINCHER will be bound to tell him, "I don't know. It may not be worth anything." The farmer sad and disheartened will then go home without his wheat and relate these facts to his good wife, and I am sure when he has told her the facts there will be one joyous chorus of the family go up and in one accord they will all say, "Glory to TINCHER in the highest, peace on earth and good will to the 'Merely-Hoggin' bill." [Applause.]

There will be authorized to be appropriated the sum of $200,000,000 out of the Treasury of the United States which will represent the entire capital of this corporation. This will be the only asset the corporation will have to buy anywhere from $800,000,000 to $850,000,000 worth of the exportable surplus commodities mentioned in this bill annually. I want you to understand that the corporation will be compelled to buy all the commodities that are offered it upon which a ratio price has been fixed. This means that the $200,000,000 will not be a drop in the bucket, and the proponents of this bill know it, with which to properly finance this corporation. But in order to hide their faces on that proposition there is a provision in the bill giving this corporation the right to sell bonds and notes to five times that amount, but it is specifically provided that the Government shall not assume any obligation for the payment of the notes or bonds, and that the notes and bonds and the income from them are subject to tax, both State and Federal. Now, figure this corporation that is in the losing business with only a $200,000,000 capital having the right to issue bonds or notes for five times that amount, $1,000,000,000, with the only thing behind these notes and bonds is the $200,000,000 capital that is likely to be wiped out at any time, when the world's price of the commodities drops after the corporation shall have bought these commodities at the ratio price. Yet the proponents of this bill would have you to believe that the corporation is going to be able to go out in the market and sell banks and other financiers these notes and bonds to the extent of $1,000,000,000 with no Government guaranty behind them, with the only asset of the corporation the $200,000,000 and with these notes and bonds and the income from them subject to State and Federal taxes. Can not you imagine this as a fertile field for the investment of the money lenders of this country? I will tell you what is going to happen if this bill ever becomes a law. About next December, and from time to time thereafter, this corporation will be coming back to Congress and asking for an appropriation of from $200,000,000 to $400,000,000 out of the Treasury, because the corporation will be broke and the farmer's market destroyed by that time.

When you increase the price of the commodities mentioned in this bill, then the all-commodity prices, to wit, the 404 commodities, are going to increase. You will then have a pyramid of prices which will affect all the people, including the farmers of this country. If it were possible for the farmers to receive the full ratio prices for the commodities enumerated in this bill, then they would not receive the cost plus the reasonable profit for them. I wrote the Tariff Commission, which recently made an investigation of wheat, and asked them to send me the cost prices of the production of wheat. This report shows that in the Wheat Belt area of this country, taking 16 places, that the average cost to produce a bushel of wheat is $1.47. The proponents of this bill will say, in effect, to the farmer, that you have been raising wheat at a loss of 50 cents per bushel, but we propose to fix it so you will only lose 25 cents per bushel. If the proponents think this bill will be of benefit to the farmer and can be successfully operated, why do they not provide in it the ratio price, plus a reasonable profit to the farmer? But they decline to do it. Hon. Gray Silver, of the American Farm Bureau Federation, stated before the committee that the ratio prices provided for in this bill are not high enough to give a farmer cost plus a reasonable profit. The farmer never received his proportionate price for his commodities between 1905 and 1914. Why? Because the Dingley tariff bill and the Payne-Aldrich bill were in operation during that time robbing the farmer the same as the Fordney-McCumber tariff bill is robbing him now. [Applause.] Nearly all of the gentlemen who appeared before the committee in behalf of this bill when I asked them if they did not think that the American farmer was paying too much for the manufactured products which he buys, would answer, "Yes"; but none of them wanted to disturb the sweet-scented tariff barons of the country by reducing the tariff upon the manufactured products which the farmer has to buy. This bill does not seek to reduce this tariff, but it intends to put a tariff all around the United States upon all the articles mentioned in this bill, together with their derivatives and substitutes. If this bill is ever put into operation, it will affect every tariff schedule in the present law, except metals and chemicals. It will increase the price of everything that the consuming public has to eat and wear. The chairman of the Ways and Means Committee stated that the estimated custom receipts for the next year will be $500,000,000. I serve notice on him now that if this bill becomes a law and an embargo is put on all these articles this country will not get $500,000,000 from the customs receipts, or any amount near it.

The proponents of this bill say, "If you are not for this bill, what is your remedy for the farmer?" I will give you several remedies; and this administration can enact these remedies into law, and I am willing to stay here until the frost falls if necessary in order to enact sound, economic legislation that will be of benefit to the farmer.

I would repeal the high tariff rates of this damnable Fordney-McCumber tariff bill and thereby increase the purchasing

power of the farmer's dollar instead of trying by an artificial stimulant to give him more dollars to buy at prohibitive prices. [Great applause.] You say that this would not be of immediate benefit to him. You lower the prices of the manufactured articles which he has to buy for himself, family, and the operation of his farm and you will find out very quickly that he will be benefited by it. I would reduce the freight rates on agricultural products of this country. [Applause.] The railroads are making more money than they ever made before. You talk about getting back to "normalcy" under these conditions! To-day you can ship a carload of wheat or corn from the Grain Belt of the Northwest to the Atlantic seaboard, and the freight on that carload is worth more than the wheat or corn. You can ship a ton of coal from my district to the cold regions of the Northwest, and the freight on that coal is worth more than the coal. What is the inevitable result? We have the anomalous economic situation that the coal operators and miners in my country are practically broke for the want of a market, and the wheat growers of the Northwest are burning corn and wheat to keep their families warm, and the teeming millions along the Atlantic seaboard are hungry for the flour.

A MEMBER. Wheat will not burn.

Mr. KINCHELOE. But corn does; and some of the Members of this House will if they persist in trying to fool the farmer by voting for this bill.

Congress should also pass the truth in fabrics bill now pending before the Committee on Interstate and Foreign Commerce. I would develop Muscle Shoals. [Applause.] Whether you give it to Henry Ford or some one else, it should be developed at once in order to afford the American farmer a cheaper fertilizer. Taxes, both Federal and State, should be reduced.

I would do another thing. I would pass a national cooperative marketing association bill in this country. [Great applause.] I give to you as my candid judgment that if this bill becomes a law the cooperative marketing associations of this country will have to go out of business. What is the purpose of the cooperative marketing associations? It is to improve the marketing facilities so the spread will be narrowed from the producer to the consumer, thereby helping the producer to get more for his products. This bill does not undertake to narrow the spread between the producer and the consumer. Why would a farmer remain in a cooperative marketing association, paying the cost of the operation of same, including salaries, storage, rent, and other necessary expenses, when the purpose of this bill is to do the same thing for the farmer as he hopes to obtain by maintaining the expense of a cooperative marketing association, to wit, to get a better price for his products? If the Federal Government would assist the various cooperative marketing associations of the country in narrowing the great spread in prices that exists between what the producer gets and the consumer pays it would help the producer and the consumer both. Do you know that last year the American farmers received seven and one-half billion dollars for the food products that they raised, while the American consumers paid twenty-two and a half billion dollars for the same products, and between those producers and the consumers there were 3,000,000 jobbers, retailers, and others that received the fifteen and a half billion dollars profit? I submit to you if it is not fair for the American farmers to have received at least a half of that fifteen and a half billion dollars profit which the middlemen got. In my judgment the only way we can narrow that spread is through a system of cooperative marketing, assisted by the Federal Government, on every product that the American farmer raises. This is fair, this will be beneficial, and will be constructive.

This law is supposed to continue in force five years. What will happen when this emergency terminates? With all commodities at the peak of prices and you strike the props from under this great temporary superstructure at that time, it will produce the greatest panic that the world ever saw in any country.

But the high-tariff advocates say that if we repeal the high protective tariff law we will lower the standard of American living, and that the wages of the laboring man will be reduced. You can not have in this country a permanent prosperity by stimulating by the way of a tariff, thereby eliminating the law of supply and demand for the benefit of a few people, without you do it to the detriment of the many.

This administration threw a sop at the American farmer by placing a tariff upon the agricultural products, and said at the time that this would solve all the ills of the farmer. Every agricultural product upon which a tariff was placed in the Fordney-McCumber tariff bill is selling at a less price to-day than it was the day the bill became a law, excepting wool. A tariff was placed upon wheat in the bill, which is nothing more nor less than a millers' tariff. The Fordney-McCumber tariff bill gave the President the power, after an investigation of the Tariff Commission, to increase the tariff upon wheat. A few weeks ago the President increased the tariff from 30 cents per bushel to 42 cents per bushel, and within a week after he announced the increase wheat decreased in price 7 cents per bushel.

To-day everything the American farmer sells he sells in an open market, and practically everything he has to buy for himself and family he buys in a protective market; and in my judgment prosperity will never be brought to him until the high tariff upon the things he buys has been reduced.

No one wants to lower the standard of American living or reduce the wages of American labor. Does the high protective tariff maintain the high wages of the American laborer? Let us see: The railroad men, the miners, the plasterers, the bricklayers, and the painters are getting decent wages to-day in spite of the tariff, but are paying most of their wages out for the high-priced commodities, made so under the protective tariff law, which they must have for themselves and families. The three highest protected industries of this country under the Fordney-McCumber tariff bill are cotton goods, woolen goods, and textiles; and the fact remains that the poorest and lowest paid laborers in the United States to-day are those who work in these highly protected industries. England is a free-trade country, and yet she pays her laborers more than France does, and France has a tariff. She pays her laborers more than Germany does, and Germany is the highest protective country in Europe. We all know that there is not a chance for this bill to become a law, and that the President of the United States would veto it, unless he repudiates the utterances of his December message to Congress. In that message he said in part:

> No complicated scheme of relief, no plan for Government fixing of prices, and no resort to the Public Treasury will be of any permanent value in establishing agriculture. Simple and direct methods put into operation by the farmer himself are the only real sources of restoration. The acreage of wheat is too large. Unless we can meet the world market at a profit, we must stop raising for export.

Everyone knows that the Fordney-McCumber tariff bill destroyed the foreign market for the farmers' product. The exchange of European countries has depreciated to such an extent as to be practically valueless. This tariff wall is so high that it prohibits European manufacturers shipping their products here and selling them in competition with the home manufacturers and procuring American money with which to buy the surplus products of the farmer. After this administration has killed and destroyed the foreign market for the farmers' products the President comes and says that the only remedy he has is to raise less.

It has been stated on the floor of the House that labor is for this bill. Representatives of the various railroad organizations came before the committee and indorsed the Norris-Sinclair bill. No representative of labor came before our committee indorsing this bill, excepting Mr. Wallace, of the American Federation of Labor, who indorsed it only in principle and made the patriotic statement that labor wanted to assist the American farmer.

Who are the principal advocates of this bill? Mr. Brand, in the Agricultural Department, seems to have written this bill, and he is the same Mr. Brand that the Federal Trades Commission showed in its hearings represented the packers in an effort to defeat the Borland resolution, which would have prohibited the Federal Trade Commission to investigate the packers. Another good advocate of the bill is Mr. Peek, of the Moline Plow Co., who has been selling the farmers plows at a greatly increased price by reason of the tariff on steel. The latest and most enthusiastic advocate of the bill is Mr. Otto Kahn, the great international banker of New York. I am sure that the farmer will take courage when he receives the news that this "great agriculturist" is advocating a bill for his benefit.

Another great advocate of the bill is Mr. John R. Mitchell, banker and ex-member of the Federal Reserve Board, who admitted that he represented the business interests of St. Paul, a city in which the great packing plants are located, and the principal business of the city.

Another great friend of the farmer!

Who are some of the people opposing this bill, and opposing it on the ground that it is unworkable and will do more harm to the farmer than anything that could happen to him? Judge Robert W. Bingham, of Louisville, owner of the Courier-Journal and Times, a man who has spent more time and money to build up a cooperative system in this country than any man

of my acquaintance, and who is now chairman of the National Council of the Farmers' Cooperative Marketing Association, has this to say:

I hope the McNary-Haugen bill will not pass, because I think it is unworkable and would not only not help the farmers but would greatly injure them and the country at large. It is an attempt on a large scale to nationalize the agricultural industry of the United States and to substitute Government control for private initiative and Government price fixing for the law of supply and demand. Such projects have failed in the past and will fail in the future. It is a dangerous form of class legislation which should never be tolerated. The farmers have a right to equal privileges with other citizens, and the demands of justice for them must be met. Recent legislation providing cooperative marketing, broadening the Federal reserve system to meet the needs of farmers for long-time credits, and establishing intermediate credit banks is all in the right direction and has proven of the utmost value. In addition, the War Finance Corporation has rendered service of inestimable value in the agricultural crisis prevailing after the war. These measures were based upon sound economics and have justified themselves. However, the plan for dumping surplus products abroad will inevitably bring reprisals from foreign countries and will thus deprive us of the only market we have for our surplus. It involves an enormous expense, with increased taxation, the very things the farmers as well as the rest of the country want to escape. I believe the McNary-Haugen bill is unsound economically, is impractical, and will result in the gravest injury to the very people it is designed to help.

I received a letter from Hon. Geoffrey Morgan, who has just retired as secretary of the Kentucky Farm Bureau Federation, of Kentucky, who has a national reputation in this line of work and who has the following to say:

I notice from the papers that you voted against the McNary-Haugen bill. I want to congratulate you, as I have come to the conclusion that you did exactly the right thing. I was at first inclined to be favorable to it, but after studying it carefully I am convinced that it is a menace.

I have here a telegram the excerpt of which pertains to this bill. It is as follows:

PETALUMA, CALIF., *May 21, 1924.*

JULIUS H. BARNES,
President United States Chamber of Commerce,
Washington, D. C.:

California agricultural legislative committee, composed of 35 farm-commodity organizations having over 65,000 grower members at last directors' meeting, with presiding officers of State farm bureau, grange, and Farmers' Union present, unanimously disapproved the McNary-Haugen bill as fundamentally wrong in principle.

PETALUMA CHAMBER OF COMMERCE.
POULTRY KEEPERS' ASSOCIATION.

Mr. Chairman, you can not help the farmer by trying to raise him up by his own boot straps. You will have to repeal laws that are discriminatory against him in order that this great country of ours may get back to the place where it belongs. The Rules Committee refused to make in order the Curtis-Aswell cooperative marketing bill, but I am glad to say that every Democratic member of that committee voted to make it in order. Gentlemen, if you will vote down this bill, I believe that Congress will not adjourn until it passes some kind of farm legislation. [Applause.] You vote down this bill and in my judgment it will not be a week before the Agricultural Committee will bring in a bill that will help the farmer that will be sane and constructive.

This bill if passed, I believe, will destroy the present system of marketing the farmers' products in this country and the export business of the farmers' products upon which a ratio price is declared. This corporation will have to handle all the export business of these products or guarantee exporters against loss from handling.

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. JOHNSON of Washington. Has the gentleman given any thought to the form that this certificate of equalization will take? Would it be marked legal tender?

Mr. KINCHELOE. Oh, no; it would not be legal tender, and it is also nonnegotiable.

Mr. JOHNSON of Washington. Would it bear the name of the United States of America?

Mr. KINCHELOE. I do not know anything about the form of it. That matter will have to be attended to by the corporation.

Mr. JOHNSON of Washington. There will be some expense incurred there.

Mr. KINCHELOE. Oh, yes; there will be a tremendous amount of expense, and the Government Printing Office will be printing the scrip which the farmer will be compelled to take, and this scrip will be worth about as much as a German mark. However, all the cost of the printing will come out of the farmer.

Mr. Chairman, if the House will indulge me, I would like to cite another concrete example as to the workings of this bill. Nearly all over this country the farmers have what is called wayside marketing, and we have a great deal of it in Kentucky. When this bill becomes a law, one of my farmers will kill a hog and start out to sell it to his neighbors and regular customers. Of course, the ratio price will have been established on every part of the dressed hog. He will meet his neighbor, and the neighbor will want to buy some of the dressed meat. The farmer will say he will be glad to sell him any part of it he wants provided the neighbor will issue him the regular receipt and retain the equalization fee, and he will ask his neighbor if he has a blank receipt. The neighbor will say, "What receipt?" He will then be told by the farmer that he must have a receipt printed by the Bureau of Engraving and Printing at Washington for the equalization fee. The neighbor will say he never heard of this character of receipt before, but will say to the farmer, "I will just write you an ordinary receipt for the equalization fee." The farmer will reply, "Oh, no; if we do that you and I will be arrested by a Federal officer and taken to the Federal court and will be subject to a fine or imprisonment, or both." So these two neighbors can not trade on account of this law. The neighbor will then ask the farmer, "How much is the equalization fee and the ratio price on your hog?" "Well," the farmer will say, "that depends upon what part of the hog you want to buy. The ratio price will be different on hams, ribs, shoulders, and chitlings." Therefore this farmer, in order to have customers for his wayside marketing, will have to see that each of them has beautiful blank receipts from the Bureau of Engraving and Printing at Washington, the cost of the same to be paid by the farmer himself. This illustration is not an exaggeration. There are millions of these transactions every year, and I cite it to show you how impracticable and impossible it would be for this bill to work.

Let us vote down this bill and have something constructive. [Applause.]

Mr. HAUGEN. Does the gentleman object now to anybody getting a receipt for the amount that he pays into the fund?

Mr. KINCHELOE. No; I am objecting to the whole bill, because it is not workable and will hurt the farmer more than it will help him.

Mr. HAUGEN. Why do you deny the farmer the receipt for the amount that he pays in?

Mr. KINCHELOE. I do not want to deny the farmer the receipt for the amount he pays in, but I want the packers and grain men, who are going to reap the benefits of this bill, to pay for the benefits they receive.

Mr. HAUGEN. Is not the farmer entitled to a receipt for the money he pays in?

Mr. KINCHELOE. Certainly. He can then use it as a rain check, because, in my judgment, it will never be worth a cent to him after all the expenses of the operation of this law are paid.

Mr. JOHNSON of Washington. Is that receipt negotiable in any way?

Mr. KINCHELOE. Oh, no; the Federal Government under this bill is going to say to the farmer that he must take the receipt and that he will have to keep it.

Mr. JOHNSON of Washington. Has it any value whatever?

Mr. KINCHELOE. After all of the costs of the administration of this law are paid, including the loss on the exportable surplus and expenses of the corporation, then if anything is left it will eventually trickle down to the farmer who holds the receipt.

Mr. JOHNSON of Washington. How long would a man have to keep the receipt before getting anything?

Mr. KINCHELOE. About a year, if he got anything at all.

Mr. JOHNSON of Washington. Can he take it to the bank and cash it?

Mr. KINCHELOE. Not on your life.

Mr. JOHNSON of Washington. Is it not negotiable?

Mr. KINCHELOE. It is not negotiable.

Mr. JOHNSON of Washington. What value?

Mr. KINCHELOE. As I have just stated, the farmer has to hold the receipt until the expenses are paid, and no one can tell what the value of the receipt will be, if anything.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. KINCHELOE. I will.

Mr. SHALLENBERGER. Is not that principle involved in every cooperative organization in the United States, and why should the gentleman object to the same principle being applied in this great national organization that is applied to every cooperative organization?

Mr. KINCHELOE. Because in a national cooperative-marketing system of farmers Mr. Packer does not come with the elevator man and the big miller and each get theirs and walks off with it, but the farmer gets whatever profit by way of increase of price for his products.

Mr. AYRES. I understood the gentleman to say that the millers and packers were for this legislation; if so, why are we receiving letters constantly from grain men and millers opposing this bill?

Mr. KINCHELOE. I do not know that I have received any against it, but let me say to the gentleman if he has he should not take their protest too seriously.

Mr. AYRES. I have received dozens.

Mr. KINCHELOE. Mr. Chairman, this bill proposes to make the European countries the dumping ground for the surplus agricultural products of this country and to prohibit, if necessary by embargo, any other country shipping any of its agricultural products into this country. What will happen? These European countries will enact retaliatory laws by placing an embargo upon our surplus agricultural products. If this is done, then this law falls of its own weight and with a great business catastrophe. The price of American wheat is now fixed in Liverpool, but England is not compelled to have American wheat. Every province she has raises wheat; besides, she can go to Russia and other European countries for the balance of her supply.

I am one who believes that in this great country of ours, where love and hope have combined and erected a family altar, the breadwinner of that family should have an equal chance with his fellow men in the race of life. This can not be in this country so long as we enact discriminatory laws. Let us repeal these discriminatory laws already on the Federal statutes instead of enacting more. The protective tariff laws of this country have always robbed the consumers of a great proportion of their earnings. They have fostered trusts and combines and are doing so to-day to the detriment of every man who toils. When I contemplate these discriminatory laws and how unfair they are to every laboring man in the country, I am reminded of Kipling's Cry of Toil, which represents the teeming millions of the toiling masses of this country, saying to the trusts and combines—by paraphrasing a little:

We have fed you all for a thousand years,
And you hale us still unfed;
Though there is not a dollar of all your wealth
But marks the maker's dead.
We have done our best to give you rest
And lie on crimson wool;
But if "tariff" be the price of all your wealth,
Great God! we have paid it in full.

There's not a mine blown skyward now
But we're buried alive for you;
There's not a ship blown shoreward now
But we're its ghastly crew;
Go reckon our dead by the forges red
And the factories where we spin;
For if "tariff" be the price of all your wealth,
Great God! we have paid it in full.

We have fed you all for a thousand years,
And that's our doom, you know;
Since first you chained us in the fields
To the strike of a week ago.
You have eaten our lives, our babes and wives,
And you say that's your lawful share;
But if "tariff" be the price of all your wealth,
Great God! we have bought it fair.

[Applause.]

Mr. Chairman and gentlemen of the House, I do not think that the above is an exaggeration.

In conclusion, and as one whose every heartbeat has always been and is now in sympathy with the American farmer, I want to appeal to you to defeat this legislation that would revolutionize the economic life of this country and be an indescribable detriment to the American farmer; and let us pass sound and economic legislation that will be to his benefit. It can and should be done before this Congress adjourns. Let us not try to fool the farmer by holding out a false hope, as this bill does, but let us take him into our confidence and be frank with him. Let us repeal the discriminatory laws which I have heretofore mentioned and enact a great cooperative marketing law which will redound to the happiness and prosperity of every American farmer and his family. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. I know the gentleman wants to be fair and wants to correct his statements——

The CHAIRMAN. The time of the gentleman has expired.

Mr. KINCHELOE. If the gentleman will yield me some time I will be glad to answer any question he may want to ask.

Mr. HAUGEN. I want the gentleman to speak the facts.

Mr. BLANTON. That is the trouble; he stated the facts.

Mr. KINCHELOE. Gentlemen of the House, I want to extend to you my sincere thanks for this great attendance here and for your patient attention, which you have so graciously given me. [Great and prolonged applause.]

Mr. VOIGT. Mr. Chairman, I would like to inquire in reference to how the time stands?

The CHAIRMAN. The gentleman from Iowa has 50 minutes remaining, the gentleman from Missouri has an hour and 55 minutes remaining, the gentleman from Louisiana has an hour and 11 minutes remaining, and the gentleman from Wisconsin has 27 minutes remaining.

Mr. VOIGT. I want to make a correction there. I was informed last night that I had 34 minutes remaining.

The CHAIRMAN. But the gentleman yielded seven minutes to the gentleman from Kentucky this morning.

Mr. VOIGT. But I got an additional 15 minutes of the additional hour.

The CHAIRMAN. There was no additional hour granted; that unanimous consent was not granted.

Mr. VOIGT. I was so informed by the gentleman from Iowa.

The CHAIRMAN. Objection was made in the House to that request, so no additional time was granted.

Mr. RUBEY. Mr. Chairman, I desire to extend 30 minutes to the gentleman from West Virginia [Mr. JOHNSON]. [Applause.]

Mr. JOHNSON of West Virginia. Mr. Chairman, unfortunately, our Government, like other Governments of the past and present, has given less consideration to the real interests and needs of agriculture than to any other factor which enters into our commercial life. The farmer is the last to have our helping hand, and the first to feel the effects of any catastrophe or depression.

Particularly may I refer to what happened to the farmer covering the period of our late war and just after it. He, as we know, was the last to receive any appreciable advance in what he produced, and when he was permitted to realize an advance in prices for his products, it was niggardly compared with the advance for the products and contributions of others. When peace was declared what happened? The price and value of the farmer's property and products at once, and immediately, began to fall—and these falling prices and values have so continued until this very hour.

The farmer's property and the products therefrom are now at or below the pre-war market prices, while, on the other hand, every commodity purchased to-day by the American farmer is priced to him at or near war prices. He is actually selling his products at pre-war prices and buying his needs on a war market.

The American farmer is a unique individual. He is a member and component part of the greatest single commercial factor in our commercial life. He does not buy a single necessity of life or perform a single act or deed requiring the expenditure of money that the other fellow does not fix the price. He sells nothing except what the other fellow will buy, and that at a price named for him in advance of sale. All the farmer is allowed to do is to produce, then sell, if he can, at a fixed price, and then buy what he needs at a price likewise fixed for him in advance.

Since the World War, compared with property values of 1919, agriculture has sustained a loss of over $32,000,000,000—a staggering loss—an average loss to the American farmers of over $8,000,000,000 each year. What other factor of our commercial life or what line of industry has been called upon to withstand such a staggering financial blow during this same period? Not a single one, as I shall show. Why has this great loss and burden been placed upon the shoulders of our farmers? This is not all; while he has sustained this enormous loss, his yearly basic products, his grains and his meats, have been going lower and lower until the dollar realized in the sale of these products have a purchasing power in the markets in payment for what he must buy of about 60 cents. His taxes are no less than in 1919, and in some instances higher; the machinery he has to buy is priced to him at the same high mark; his farm equipment and all other necessary commodities have

been maintained at the same high cost price to him; and his freight rates on the products he ships are war rates, with a small percentage decrease, and the passenger rates are substantially the same.

The average American farmer constitutes a class of our people different, perhaps, in many ways from any other. It is the largest single class; their daily problems are largely the same; their needs, their likes and dislikes are similar; and in almost every way they are the same wherever you find them. They live the same kind of life whether in the East, North, South, or West. There are reasons why this is so. As a rule they are the happiest and most contented. Their wants are simple. Their love for home and country should be envied. Their loyalty to the flag and to their country is not surpassed, and in few instances equaled. So far they have not conspired to be crooked and corrupt in business, big or little. So far they have asked little or no favors at the hands of our Government; they have never asked or received alms and they are not now doing so. I for one do not believe that the American farmer will ever ask favors of this Government unfair or unjust to others.

The American farmer is, as a rule, thrifty and saving. Prior to the World War he was moderately prosperous, and by economy he had accumulated something, and during the war he was permitted again to add a small stipend to his pre-war earnings, so that at the close of the war the average American farmer found himself with a small bank account. Then it was that the period of readjustment began, and then it was that the downfall of our farmers took root and began to grow.

Every other industry or factor in our commercial life in one way or another was permitted or enabled to hold its own. Most of them have not been called upon to contribute a penny on the road back to normal conditions, but, on the contrary, have been so situated, favored, and protected as to be able to earn handsome returns on their investments, while their property values since 1919 have not shrunk in value but increased.

The era of loss and falling prices, so far as the farmer was concerned, continued, and in order to meet this loss he began to draw upon his savings and continued to do so until his savings are gone.

His personal property and his farm were next. In order to stem the tide, as he thought, and in the hope that something would be done for him, he mortgaged these properties. Unable to redeem the mortgage when due, these properties were and are now being sold—sold on a market and to a public already loaded down with similar property. In most cases these properties are sold to the owners of these mortgages for even less than the amount of the mortgage. Banks which have dealt largely with the farmers are closing their doors, not only daily but hourly. Hundreds of them have failed and will fail. Farmers are borrowing money from our Government with which to buy seeds and pay the expense of planting. In some instances they have asked loans with which to buy the necessities of life. School children are kept from school because they do not have the necessary clothing and not sufficient food for the noonday meal. Suicides are not now uncommon among these farmers, a thing unheard of in years of prosperity. Well-to-do and respected farmers, with their wives and children, are daily forced from their natural habitations and compelled to take refuge in congested centers and there surrounded by entirely different conditions and influences of which they know little or nothing. God only can picture the final result.

The word "bankrupt" or "bankruptcy" is distasteful to the average American farmer. He is inherently honest, and somehow the word to him has a meaning and significance different from what it has to most of us. The judicial records under normal conditions show that the per cent of farmers who become bankrupt is far below that of any other class.

The storm and cyclone of the farmers' disasters began to be felt over a year and a half ago, and since that time it has spread rapidly and widely. It began in the Northwest. It is now felt everywhere and in every farming country.

I believe unless we, as Representatives of the people, deal with this situation and deal promptly and quickly a disaster will befall this country the like of which we have never experienced before. Not alone will the farmer feel it and suffer but every part of our commercial, industrial, financial, and social world will be affected and shaken to their foundation.

History reveals the fact that if you make and keep the farmer prosperous, or even let him get by, you have a prosperous condition in all lines of industry. Take away from him his share of prosperity and make of him a bankrupt, then you have pulled down upon your own heads the pillars upon which rest the success, prosperity, and happiness of all the world.

Already the present economic situation and the efforts of or results from readjustment since the World War have plunged into bankruptcy or forced to the very verge of bankruptcy over 600,000 American farmers, and unless this Congress shall wake up at once and do something for him and correct this situation you will find that this is a small beginning.

Labor without a happy and prosperous farmer can not live and prosper on the high plane it now rightfully enjoys. Wall Street and big interests will no longer control the finances of the world if it shall withhold its support from our farmers and stand in an attitude of indifference. Manufactures will reap its reward in the shutting down of its plants and the deterioration of its property and in the loss of a market for its finished products when the farmer shall have been deprived of his place in the commercial world on the same parity with it.

Transportation companies will have little need for their rails, boats, and motor power when the farmer fails to produce and offers no freight.

It is not for me at this moment to change the governmental policy or evolve some different economic plan whereby we shall be able to come back more quickly to normal conditions. So far as the American farmer is concerned at this moment he is forced to accept the policy and plan, and try to adjust his condition to the present situation. He neither has the time nor the power or influence to change this policy. I prefer to try to work in some sort of harmony with these policies and plans, though I do not mean to say I approve of all of them.

The commercial life of our country as now constituted is made up of four factors, and our present governmental policies are meant to and should apply to all alike, as follows: Agriculture, transportation, manufacturing, and labor.

The first and most important of these factors is that of agriculture. In and through this factor the basic products of life are produced.

The next, if I may designate, is that factor known as transportation, for without the means of transportation the farmer's products could not be delivered to points of consumption and for manufacturing purposes; and, again, the redistribution of the finished products throughout the consuming world could not be maintained without these arteries of distribution.

Then, next, the manufacturer, who receives the farmer's raw material and converts the same into the finished products ready and fit for consumption by the consuming public.

The last, labor. This enters alike into all three of the other factors, and they could not function without labor's contribution.

Whether right or wrong, there has gradually grown up in this country a policy which has to do with the enactment of laws beneficial to certain interests and to certain classes of our people. In the face of such legislation we find that the law of supply and demand is made inoperative. In other words, because of special or class legislation the law of supply and demand has been to a more or less degree set aside and made naught. While this policy is personified by the Republican Party, it is in a less degree to be found in the Democratic Party. One for protection, the other for revenue.

I do not want to be understood now and here as criticizing any party or any law. What I say is for the purpose of showing how certain interests and classes have been protected and benefited while others just as important, possible more so, have been ignored and excluded.

The peak of protection of one of our four commercial factors mentioned was reached in the passage of the Fordney-McCumber tariff law. This law, briefly and boiled down, enables the manufacturer to name and regulate the price at which he may sell his finished products, and thus return at least a reasonable profit on his investment. Often this same finished article is sold in the foreign markets in competition with the world at a less price than to the consuming public here.

This is simply a guaranty by law of a return to the manufacturer for his labor and upon his investment satisfactory to him. By this law he is protected in his business. That is not all. We have a "Tariff Commission," so called, appointed by the Federal Government, and the salaries of this commission and all expenses are paid by the Government. This commission has for its purpose the investigation and adjustment of tariff rates from time to time. Is this Government in business or not? What is the difference between a tariff commission to look after the interests of the manufacturers and a farmers' commission to look after the farmers' interests?

The property values of this protected factor in our commercial life have not shrunk one dollar, and the value to-day is more than the value in 1919, while during the same period

farm values have shrunk more than $32,000,000,000. This factor is calling upon the farmer to carry this enormous burden in this period of readjustment and at the same time protesting that it should still have a greater return than it now receives.

Under the Esch-Cummins law the transportation act and through the administration of the Interstate Commerce Commission this necessary factor is protected and given a guaranty of a reasonable return for labor expended, capital or property invested. Under this legislation this factor can have its rates fixed and established so as to yield a satisfactory return to its stockholders. This is done by law.

Only recently some of these companies have been so successful and prosperous that they granted a voluntary increase in wage to some of their employees. Indeed, so prosperous have they been since 1919 that they not only have experienced no loss in shrinkage in the value of their property but, on the contrary, have found their property in some instances more valuable than at the beginning of 1919, while at the same time, and since 1919, the American farmer has been called upon to shoulder and carry a loss of over $32,000,000,000.

The Interstate Commerce Commission is a governmental agency operating under a law passed by Congress, directing and controlling the operation of a business. The expense of this commission, like the Tariff Commission, is paid for out of the Treasury of the United States. They are governmental commissions, or agents, vested with power to enter into and direct private business.

Labor, still another of these factors, has not been overlooked by our Government. During this period of adjustment, since 1919, labor has not suffered on the whole to any serious degree, though at times it has had its struggles. It has not felt the shock nor the burden as has the farmer. It enjoys the Adamson eight-hour law passed by our Congress; it receives benefit from and is more or less protected by our immigration laws and, as others would have it, by our tariff law.

Of the four factors which go to make up our commercial life we find that three of them are protected and aided by Federal laws, and in two instances at least our Government is now and has been, by its commissions and agencies, entering into and aiding in the operation thereof; and if the Howell-Barkley bill passes every factor in the whole commercial life except the American farmer factor will have been by law put under the guidance and protecting wing of our Federal Government, and all of this at the expense of the Government.

Congress has not seen fit to pass a single constructive legislative measure which has for its object or would even tend to put the agricultural industry on the same footing or plane as the other factors to which I have referred. It has adopted a certain policy, but in adopting it—to our shame—Congress has limited its operation to certain commercial factors and denied it to the farmer.

The farmer and his friends are not to-day bearing arms against nor making war upon these protected factors because of this inequality and advantage. He and his friends do not desire to tear down, but rather build up. He is not for destruction but for construction.

His claim, demand, and fight is that the same consideration shall be accorded to him as is accorded to those who are so vitally concerned and closely associated with him.

THE BILL

In approaching a discussion of this bill and its merits I do so having in mind the words spoken, and the thought expressed, by Abraham Lincoln:

> The legitimate object of government is to do for a community of people whatever they need to have done but can not do at all, or can not so well do, for themselves in their separate and individual capacities.

Many weeks of hearings were held by the Agriculture Committee. Farmers, cooperative organizations, and men in all walks of life, and labor organizations from every section of the country appeared and gave testimony of the condition of the American farmers of to-day. Millers, packers, and brokers from different sections also appeared and gave testimony. Notwithstanding the many different viewpoints, everyone admitted the deplorable condition in which the farmer finds himself, and all agreed that unless something be done to relieve this depressed and bankrupt condition of the agriculture industry it will only be a short time until there will be a general disorganization, destruction, and disintegration of the whole agriculture fabric.

From what has heretofore been said it became necessary, in the judgment of the committee, to formulate some measure which would tend to relieve the situation, correct the evil, and thus save the farmer.

There were three different views advanced tending to correct this situation. One of these views was incorporated in a bill looking to making better and wider markets, and at the same time develop farm cooperative organizations and other agencies of sale for the farmer. It is apparent that no such measure would be of much relief to the farmer. Highly organized agencies for the handling of the farmers' products and additional markets will not avail him now. If to-day the farmers' products were sold in all the markets of the world under the most highly organized agencies, and no charges be made for these services, and no freight rates be charged for hauling the products to the markets, still the farmer would be getting less for his products than he could afford to take. He would still go into bankruptcy. He would still receive less than the ratio price. It is not this that the farmer needs. What he needs is higher prices. He wants his dollar of equal value in the commercial world with that of other dollars.

Then there was another view, and measures were introduced along this line. It was urged that the Government should form a corporation and purchase the farmers' products on behalf of the Government, at a price to be fixed which would return the farmer a reasonable profit for his products. The corporation was then on behalf of the Government to sell these products in the domestic and foreign markets at whatever price they could obtain and charge the loss to the Government. This temporarily would doubtless relieve the farmer, but in the end it would break the Government. This was Government head over heels in business.

Out of these various measures, and from the various viewpoints urged, the present bill now before Congress was agreed upon as the most feasible and practical solution.

The present bill does not ask that the Government shall take charge, through its corporation, of the business of the farmer. It does not call upon the Government to expend one single cent in the administration of this law or in any loss that might be sustained in its operation.

There are just three things that this bill asks of the Federal Government.

First. The Government, through the President, with the consent of the Senate, shall name four directors—no more than two directors shall come from the same political party. They are to receive a salary of $10,000 per year. Their duties are to handle and dispose of largely, if not entirely, the exportable surplus of the farmers' products mentioned in this bill after an emergency is declared. Of course, they stand ready to see that the ratio price established is maintained for the products of the farmer.

Second. A corporation is to be formed, which is fully described in the bill, and the stock in this corporation to the extent of $200,000,000 is to be subscribed and paid for as needed by the Government. This, in effect, is simply a loan to the corporation to enable it, through the directors, to be ready and able at all times to purchase at the ratio price the basic products of the farmer upon which an emergency has been declared. The $200,000,000 would be paid back at the end of five years.

Third. The Government, through the President, declares an embargo upon any of the farmers' products upon which there shall be declared an emergency, and which will come under the operation of this bill.

It is apparent that the bill would be inoperative without the declaration of an embargo upon these emergency products, for as soon as our domestic markets began to pay more for the farmers' products than realized in the world markets, then a great flow of the farm products produced in foreign countries would flood our shores and bankrupt the corporation. This embargo must be declared and maintained in order to keep out and prevent the foreign products from coming in competition with these products in the domestic market. This is not a new proposition and is not one concerning which my Democratic friends should very seriously question, for this same embargo was enacted into law by and used during a Democratic administration.

Let me illustrate: This country produced about 800,000,000 bushels of wheat last year. We consume about 600,000,000, leaving 200,000,000 bushels as an exportable surplus. The price at which this surplus is sold in the world market controls the price at which the 600,000,000 bushels are sold in the domestic markets. The world's market was around $1 per bushel and this establishes a price for wheat on our domestic markets. If you apply the ratio price under the bill—which I shall men-

tion later—wheat on the domestic market would bring $1.59 per bushel. Had the corporation been in operation the 200,000,000 bushels of wheat would have been sold in the markets of the world at $1 per bushel, while the domestic market would have been paying $1.59 per bushel. The corporation in the purchase and sale of the 200,000,000 bushels in the world markets would have lost $118,000,000. How is this loss to be met? The law provides that the corporation shall fix an equalization fee to be collected by the purchaser from the seller of, say, in the case 15 cents per bushel on the entire 800,000,000, realizing the sum of $120,000,000, and out of this the $118,000,000 is paid and $2,000,000 left for expenses of the corporation. The corporation can establish a less or greater fee to meet this loss and expense. It is conservatively estimated that 10 per cent of the ratio price on every product under the measure will be amply large to meet all loss and all expense.

If the farmer has 1,000 bushels of wheat for sale, he knows and is advised as to what the ratio price for this wheat is, and he sells this wheat to anyone desiring to purchase at the ratio price, or for more or for less. He makes his own sale and his own bargain. He is not compelled to take less than the ratio price, for the corporation will pay that price. The party to whom he makes this sale will pay him the price agreed upon and deduct therefrom the 15 cents per bushel. If there are 1,000 bushels, he would deduct $150 and pay him in cash for the balance. The farmer is given a receipt showing the payment of this $150—his contribution of the equalization. This fund and a receipt therefor is sent to the corporation and deposited by it in a special fund, known in this case as the "wheat account." At the close of the year the loss and cost of operating is ascertained and paid out of this equalization fund. The balance is then distributed back to the farmer in proportion to the amount he has paid on account thereof.

The operation of the bill and the handling and disposing by the corporation is practically the same and just as practical and feasible as to all other farm products under the bill.

This bill asks less assistance from Congress and excludes our Government from private business more than many other measures which have been passed for the purpose of keeping certain of our industries on a high plane of efficiency, productiveness, and profit. It simply extends the present governmental policy to the products of agriculture.

The framers of this bill, at the request of the farmers, have not asked that this policy be extended to them for an indefinite period. The farmer still thinks that if he is given some temporary relief for a limited time during this readjustment period that he can then take care of himself. Therefore, the farmer asks that you extend to him this policy, by this bill, for a period of five years. He has suffered for the past four years without this policy.

This bill does not become operative upon any of the farmer's products mentioned therein until there has been declared by the President that an emergency exists as to the particular product affected. There may be times during the five years of the life of this bill when there will be no emergency upon any article, and then the bill will be inoperative in its entirety; and there may be periods when it will operate only as to one or two of the products. My judgment is, that when it once becomes a law it will not operate upon more than two of the farmer's products, and perhaps only one.

The bill proceeds on the fundamental fact that the price of agricultural commodities should bear a proper relation to the prices of other commodities. In other words, farm products are to have a fair exchange value in terms of all commodities.

The ratio price, which I have previously referred to, is the price that gives the farmer's commodities the same percentage of increase in price, when compared with the pre-war period, 1905-1914, as is shown by the advance in price of "all commodities," about 400 in number (included in Bureau of Labor statistics index numbers). In other words it gives the purchasing power of a hundred cents to the farmer's dollar, whereas now it has relatively but a 60-cent purchasing power in the commercial world.

The constitutionality of this measure has been questioned. It has been urged by the departmental lawyers and other eminent attorneys that the law is constitutional; on the other hand we find lawyers of equal ability urging the unconstitutionality of the act. I see no reason why I should at this moment enter into a discussion of the constitutionality of this measure. My judgment or opinion might possibly influence some votes, but it would not make the bill constitutional. I shall be content in casting my vote in behalf of this measure in the thought that upon both sides of this question we have eminent lawyers differing, and in the end this question, if raised, must be settled by the courts. Upon a question of this character, when lawyers of ability differ, I feel that the lawmaking body in the passage or nonpassage of such a measure should give little heed and little consideration as to the ultimate constitutionality or unconstitutionality thereof. I should rather give my time and thought in pointing out the relief that this measure will bring to the farmer and the crumbling agriculture world.

If you apply the ratio price, as provided for under this bill, and if this bill had been and were in full operation to-day, the farmer would be receiving for his products the following prices, subject, however, to any loss and expense, which I have heretofore mentioned:

Chicago markets—Prices

WHEAT

Per bushel if bill in operation, 1923:	
January	$1.65
February	1.66
March	1.68
April	1.68
May	1.65
June	1.62
July	1.59
August	1.59
September	1.65
October	1.62
November	1.61
December	1.60
Per bushel if bill in operation, 1924:	
January	1.60
February	1.60
March	1.59
Actually received, 1923:	
January	1.23
February	1.30
March	1.27
April	1.29
May	1.24
June	1.15
July	1.01
August	1.01
September	1.10
October	1.15
November	1.08
December	1.10
Actually received, 1924:	
January	1.12
February	1.16
March	1.13

HOGS

Price if bill in operation, 1923:	
January	11.69
February	11.75
March	11.80
April	11.91
May	11.72
June	11.51
July	11.30
August	11.26
September	11.53
October	11.48
November	11.41
December	11.33
Price if bill in operation, 1924:	
January	11.35
February	11.37
March	11.25
Actually received, 1923:	
January	8.29
February	7.95
March	8.25
April	8.11
May	7.53
June	7.01
July	7.52
August	8.18
September	8.83
October	7.72
November	7.65
December	7.00
Actually received, 1924:	
January	7.20
February	7.08
March	7.36

CATTLE

Price if bill in operation, 1923:	
January	10.74
February	10.88
March	11.67
April	11.80
May	11.67
June	11.55
July	11.35
August	11.68
September	12.22
October	11.58
November	11.33
December	11.00
Actually received, 1923:	
January	9.17
February	8.86
March	8.83
April	9.01
May	9.41
June	9.94
July	10.05

Actually received, 1923—Continued	
August	$10.48
September	10.12
October	9.90
November	9.36
December	8.92

CORN

Price, if bill in operation, 1923:	
January	.99
February	1.00
March	1.01
April	1.01
May	.99
June	.98
July	.96
August	.95
September	.98
October	.97
November	.97
December	.96
Price, if bill in operation, 1924:	
January	.96
February	.96
March	.95
Actually received, 1923:	
January	.71
February	.74
March	.74
April	.79
May	.81
June	.84
July	.86
August	.88
September	.88
October	1.01
November	.84
December	.75
Actually received, 1924:	
January	.76
February	.80
March	.77

The farmer undoubtedly would be benefited very materially under the operation of this bill. Yet that benefit justly and rightfully belongs to him, and he has been denied this for a period of four years.

Without the farmer, and that is what will happen unless we help him, the rest of these classes will suffer—more than you or I can now anticipate. When you once break down the great agriculture industry, you strike at the very existence of our Government. When you disorganize the farmer and drive him out of his natural habitation, you have simply torn down the foundation upon which all other industries thrive and all the rest of our social, financial, and economic structures rest.

The present organizations, and I refer to the farm organizations, cooperative organizations, and so forth, will not suffer in any degree or to any extent through the operation of this act. On the contrary, the evidence conclusively shows that these organizations will not be injured, but much aided and benefited. They will function the same and be used by the corporation in its operation.

There have been before the Agricultural Committee, urging the passage of this bill, many men in various walks of life and individuals representing strong organizations. I am safe in saying that these representatives spoke for at least 75 per cent of our population, including the farmers; and not a single one protested against any possible increase to them in the cost of living. The transportation companies and the manufacturers have not appeared, and it is fair to assume that the people they represent have no serious objections to the enactment of this bill into law. The miller, the packer, and the broker—selfish and representing a very small percentage of people—were the real opposers to this measure. There were some few farm organizations represented by certain individuals who appeared in opposition to the bill, but this class consists largely of those who urge that the Government itself shall take charge of the farmer's products, be the purchaser and seller at the same time, and charge back whatever loss there may be against the Treasury of our Federal Government.

There are 6,500,000 farms in the United States. The farm values thereof, including personal property, has shrunk in value to the extent of $32,000,000,000 in the past four years. This amount is equivalent to that expended by us in the World War.

Already over 600,000 American farmers have failed during the past two years. Hundreds of banks in the agricultural sections have gone to the wall.

During the past four years the average total loss per farm, by reason of this shrinkage, has been $5,000, or at the rate of $1,250 per year. This condition can not remain much longer. It is getting worse instead of better, and the storm and cyclone of farm destruction is spreading so rapidly that it is felt in every agricultural section.

In conclusion, let me say that I realize that the farmers are the most depressed class of our citizenship; that unless immediate relief is afforded them there is but one end, and that is the crumbling and destruction of the agricultural industry.

I see no other relief in sight; I realize the plight and present situation of the farmer, and I know he must have relief. My judgment is that this bill will afford him relief. I must, therefore, regardless of consequences, support and vote for this measure.

Mr. LINTHICUM. Mr. Chairman, I make the point of order that no quorum is present.

The CHAIRMAN (Mr. PURNELL). The gentleman from Maryland makes the point that no quorum is present. The Chair will count. [After counting.] One hundred and ten Members present, a quorum.

Mr. RUBEY. Mr. Chairman, I yield to the gentleman from Nebraska 30 minutes.

Mr. SHALLENBERGER. Mr. Chairman and gentlemen of the committee, I did not expect to take the time of the House in the consideration of this bill, but after listening to the discussion for two or three days concerning the application of this bill to the livestock industry, with which I have been identified more or less for a great many years, I concluded to discuss briefly the provisions of the bill as they apply to livestock.

Of course, I can not answer the imagination and the rhetoric of gentlemen in discussing this bill, but I attempted to make some notes of those statements that come down to the real facts concerning the bill.

The gentleman from Kentucky [Mr. KINCHELOE] who preceded me in an eloquent speech touched on three points that apply to the livestock industry. He said that the packer if this bill was put into effect would have an opportunity to reap a tremendous profit because of the advance in the price of hides. The gentleman has forgotten that there is no tariff on hides, that hides are on the free list, and if you put the tariff under this bill as high as Haman the packers would not receive a cent of profit upon hides because of the passage of this bill. Last year we imported $59,000,000 worth of hides, and they came in free. The bill would have no effect whatever on the price of hides.

He claimed a loss of revenue would occur if this bill became a law. The gentleman from Kentucky said that under an embargo, or if we raised the tariff on the products mentioned in the bill, there might be a loss to the Treasury of $500,000,000. Now, there is no revenue received by the Government from tariff on wheat, no revenue from the tariff on pork or pork products, and very little revenue collected by the Government because of the tariff on beef. So if the bill was put into operation it would have no effect upon the revenues of the Government. You take nothing from nothing and you have nothing left.

Of course, the packer is made the goat in all this discussion. He is not a popular individual, and so you try to prejudice members against the bill and deny the farmer help by pointing to the packer as one who is going to receive great benefits because of it. The gentleman from Kentucky talks about the great profit that the packers might make by buying up the exported surplus in Europe. Those products will be sold over there on the open markets of the world. The packer would have to pay the price when he bought that the foreigner would pay the corporation, and that is the highest European price obtainable. So the gentleman from Kentucky would have the packer buying the products of the exporting corporation and then selling them again to the foreign buyer at the same price they paid for them. While we do not admire the packer, we know that he is not an imbecile. The imagination of the gentleman from Kentucky conjured up an impossible conspiracy.

We all listened to the speech delivered by the able and distinguished gentleman from Wisconsin [Mr. VOIGT], which I think was the most effective speech delivered against the bill. I have heard others express the same opinion. We saw the leader of the opposition, the gentleman from Louisiana [Mr. ASWELL], rising in the House and saying that he knew that the gentleman from Wisconsin knew more about the bill than any other man in the House. Or did he say that gentleman knew more about the bill than any man in America, or was it more than any man now living. So that we have the right to assume that the gentleman from Wisconsin [Mr. VOIGT], so far as his remarks were addressed to this bill, speaks the wisdom and the last word of those who are in opposition to it. I want to touch briefly upon the fundamental feature of his speech. He spoke for over an hour, and the speech has not yet appeared in the RECORD. In that speech he particularly re-

ferred to three cardinal features of the bill. In the first place, he admitted that the bill would work as to wheat. We have them fairly whipped as to wheat. Even the gentleman from Texas [Mr. JONES] said that it would work as to wheat, and the gentleman from Wisconsin admits that, and he has introduced a bill here to apply the same principles to wheat. He objected to the other features of the bill for three reasons.

First, he said that it is a price-fixing bill.

Second, he said that it is a bill that would not work as to hogs.

Third, he stated that it will greatly raise the cost of living to the consumers of the Nation. I want to discuss those three points particularly.

First, as to price fixing. Of course this a a bill to adjust the prices of farm products in this country, so that they shall be fair and reasonable as compared to the prices of other basic products, but it is not a price-fixing bill such as the Government established during the war. As I said the other day, when the gentleman from Kansas [Mr. TINCHER] was discussing this bill, during the war the Government fixed the price on wheat and beef and pork because wheat products and pork products are the foods which the soldiers of our Nation and our allies needed. The Government fixed a price which the farmer had to accept for those food products without regard to the price of any other product. The Government wanted those products to feed our Army and the armies of the allies because we had to furnish our allies with food for their armies, and by the way, we have not gotten our pay for it yet. The Government took the farmers' wheat and pork and beef at a price that was fixed by the Government, and the Government made a tremendous profit upon the food products which it took from the farmers at its own price. All of the money that our Government gave to the people of Europe was part of the profit that the Government made upon the farmers' products which it took at its own prices during the war. The Haugen bill is not a price-fixing measure. It is a price-adjusting bill, just the same as was the so-called bonus bill, which we passed over the President's veto. That bill was not a bonus. A bonus is a gift. Adjusted compensation is to be paid the soldiers to adjust the losses that the men suffered who fought the Great War for the Nation. This bill is not a price-fixing bill; it does not grant a bonus to the farmer, but it is an attempt to adjust the price paid to the farmer for his food products, so that he will receive a fair return for his labor in comparison with that which others receive in other lines of industry. It is a price-adjusting bill. The principle in this bill is the principle that Theodore Roosevelt laid down as the fundamental principle of his ideas of social and political justice. That was the principle of the square deal, and that is what this bill provides for. I admit that the working of the bill is based upon the tariff. Democrats do not like the tariff, but, gentlemen, we have the tariff and we are dealing with a tremendous emergency. Some say that excessive freight rates is an evil to be eliminated. I am one of those who think that, but you are not going to change freight rates or tariffs this year; it may take several years before you will get rid of them. We have an emergency with us now, and this is emergency legislation.

I admit that this bill will give the farmer the benefit of the tariff, but you gentlemen who live in the East, you gentlemen who live in the great manufacturing centers, who are fighting this bill, have been eating pie for 20 years at the tariff table, and this bill simply proposes to give the farmer a chance to get a bite of that pie. I am a Democrat and against the tariff as a general principle, but I am for this bill because it is the only plan that will give immediate and necessary relief to the farmers of the Nation while the present tariff rates are in effect. The gentleman from Wisconsin said that the bill would not work as to hogs. He drew quite a vivid picture of 85,000 hogs arriving upon the market of Chicago on a certain day, and I think he told you of the tremendous number of hogs produced in America. The volume and number of hogs sold on our markets each week is tremendous. I shall put some figures in the RECORD showing this. The gentleman told you that the big packers might say on that day when 85,000 hogs had arrived at Chicago that they would take only 50,000 hogs at the ratio price of 11 cents a pound, but as to the other 35,000 hogs they might say that they did not want them, but that they would pay 4 cents a pound for them, and that the corporation could take it or leave it. Then the gentleman said that he challenged any man in this House to deny the proposition that they would have to take it. The gentleman dramatically called for an answer. The gentleman from Iowa [Mr. HAUGEN] rose modestly, as he always does, and said that he would answer the question of the gentleman, and told the gentleman from Wisconsin what the owners of the hogs would do. He said they would ship them to some other market, and at that Members of the House laughed. Mr. Chairman, they should not have laughed at the gentleman from Iowa, they should have laughed at the gentleman from Wisconsin, because the gentleman from Iowa told exactly what would happen. The five great packers do not buy half of the hogs of America. There are five big packers buying hogs in Chicago, and there are 10 other packers buying there and more than 30 order buyers buying hogs upon the open market every day and shipping them to other packing-house cities in the United States. Surplus hogs above local consumption are produced in only limited sections of the country, and the packing houses in Boston, Baltimore, Buffalo, Cincinnati, or in any other city in the country where packing is done, have their buyers on the market in Chicago, in Kansas City, in Omaha, or St. Joseph buying hogs in competition with the packers.

The big packer is always a bear on the market. He is trying to bear the price of hogs on foot, and these other buyers stand there ready to buy, if the packers will not pay the market price. If the packers refused to buy those 35,000 hogs, which the gentleman from Wisconsin was going to sell them at 4 cents a pound, there would be others to buy them. It happens over and over again on certain days on the market that the big packers will not buy. They declare the price is too high, and they leave the yards and refuse to buy. But business does not stop, and no one is permitted to steal the hogs at 4 cents per pound. Other buyers buy them, and after a while when the packers find that they can not bear down the price they come back on the market. If the big packers were to absolutely refuse to buy any more hogs, it would affect the price of hogs but a short time. Gentlemen, there are 200 other packing houses in the United States, and the American people are bound to eat those hogs. If the five big packers went out of business, the other packers would expand their establishments and in record time the American business men would adjust themselves to the situation, and the business would go on without the big five packers, and perhaps it will in any event. For the big packers have suffered big losses because of the fall in prices of meat products along with the farmer. And so the picture which the gentleman drew was a thing which could not happen, that does not happen, and that never did happen, and that never will happen.

Having disposed of that part of his picture, I want to take up the one of overproduction. That is the thing that is held up as a frightful prospect if this bill becomes a law. They try to show you that overproduction is bound to follow if you advance the price of hogs and other livestock. I am going to show you that price does not determine the number of livestock in the United States. That rule for causing overproduction can not apply to them, never has applied to them, and never will. It is easy to talk about multiplying the number of hogs in the United States. Of course, the gentleman from Wisconsin told you that if you put the price of hogs up to $11 a hundred, it would increase the number of hogs 200 or 300 per cent. He said that he had a farm, and that he would go into the hog business heavily if this bill became a law. Increase of hogs can not be brought about by increase of price alone. There are three things that are the determining factors as to the number of hogs in this country.

The first factor is the law of nature. A sow has but two litters a year and only a certain average of pigs are saved. The weather is the second factor. The weather is much more important than price. I do not know how many pigs will be produced this year, but I will wager there will not be as many pigs in America on the 1st of next January as there were on the 1st of last January. Why? Because we have had the worst weather this spring for saving the spring pigs that we have had in 20 years, so the pig crop will not be as big next year as last. The last and most determining factor is the price of feed. You feed a hog for profit; you do not keep him for fun; and as the price of corn goes up the profit in feeding the hog goes down. We produce a lot of hogs in Nebraska, but we will not have as many next year, because high-priced corn caused loss on every hog we fed. Hogs in Nebraska lost money to the farmers last year because the price of corn was out of line with the price of hogs. The price of corn was too high in relation to the price of pork. Would anybody believe if the price of hogs went up 3 or 4 cents farmers would increase the number of hogs in the United States by 200 per cent or 300 per cent. Yet that is what the sage from Wisconsin claimed. Let us take the Department of Agriculture figures. In 1919 there were 74,584,000 hogs in America, and they were worth the average price per hog $17.85 at Chicago. In 1920

the number had fallen to 59,344,000 and the price per hundred was $13.91. Do you know why the price went down? Well, I will tell you. In 1920 the greatest deflation in history was forced upon agriculture in America, and it suffered the greatest blow it has ever known. The Federal reserve banking system began refusing credit to the farmers and insisting that the banks loaning to these farmers should compel them to pay up their loans. They did so and so they were forced to sell, and to sell at once, and the result was that hogs, cattle, and sheep went down like a falling stone. The farmers were forced to liquidate. In such times you can not sell your land or your home to settle your debts, but you can put your cattle, your hogs, or your sheep on a railroad train and sell them in the open markets of the world. When the Federal bank began to put on the screws the farmers had to put their sheep, cattle, and hogs upon a flooded market, and the loss to the American farmer was greater than he had ever suffered before. Now, to return to the figures. Hogs dropped in numbers from 74,000,000 in 1919 down to 59,000,000 in 1920. In 1921 the number of hogs was 56,000,000 and the price was $8.51. In 1922 the number was 58,000,000 and the price was $9.22.

In 1923 the number was 68,000,000, and the price went down to $7.55. In other words, instead of the number of hogs going up as the price went up those figures show that as soon as the rush to market in 1920 and 1921 was over the number of hogs increased, with a falling price. In 1922 the price was $9.22 and the number of hogs 58,000,000; and in 1924 there was 65,000,000, and the price only $7.55. In six years the number of hogs of America never varied 10,000,000, but the price declined $10 per hundred. The claim that an advance in price of $3 or $4 per hundred would result in overproduction is absolutely absurd and has no foundation in fact. The same rule holds good as to sheep. The number of sheep in the United States in 1919 was 48,000,000; in 1920, 39,000,000; 1921, 37,000,000; 1922, 36,000,000; 1923, 37,000,000; 1924, 38,000,000. So the number did not vary a million in all those years after 1920, and yet during that time every sheepmen got so sick because of falling prices and bankruptcy that he could not look a sheep in the face; but now sheep have risen so high in price that the fleece is golden as well as the hoof. Yet the variation in number between 1919 and 1924 was only a million. There is nothing whatever in the scarecrow of overproduction; there is nothing in that claim whatever as applied to livestock.

Mr. SIMMONS. Will the gentleman yield?

Mr. SHALLENBERGER. I can not now. The cattle proposition is one that apparently bothers some gentlemen. The price has varied more than $7 a hundred in six years, yet the number remains constant. Some one said here that the cattlemen are all broke. Well, they may be all broke, but they still keep right on raising cattle to feed the Nation. The number has decreased only 3,000,000 head in six years.

Gentlemen, the number of cattle in America has not been materially affected by the price, any more than sheep or hogs. It is determined by the laws of nature, feed, and weather, the same as other animals. Now, in regard to the matter of exports of hog products. The gentleman from Missouri [Mr. LOZIER] called attention the other day to the fact that because the packers handle this export makes the bill more workable as to hogs than with other products.

Now, gentlemen, the five great packers sell practically all the export pork products that America furnishes to the rest of the world. Of all the hogs we produce in America, we exported only 10 per cent in 1922, and in 1923 we exported 14 per cent. Because all our pork products sold for export abroad are handled by the big packers this Government corporation will easily determine the amount of loss on hog products exported because of the ratio price paid the American farmer. And if the loss is 2 or 3 cents a pound upon the exported product, the corporation will reimburse the packer for loss. The equalization fee may be a cent a pound or it may be half a cent a pound, but whatever it is it will be charged back to the farmer who sold the hogs. [Applause.]

Ninety per cent of all the hogs produced in the United States are consumed by the American people. After all, the packer is only a business machine through which the hog is processed at the cheapest possible price to prepare him for public consumption. If the Big Five Packers attempt to dominate the market, they quickly lose it to the hundreds of competitors that would spring up in every stockyard center in the country.

The gentleman from Massachusetts made an eloquent and persuasive speech in opposition to the bill. He complained bitterly of the probable raise in food costs to his people while thousands of spindlers were standing idle in the mills of New England.

There is no market for products of the mills in New England because economic conditions have destroyed the best market they ever had; the agricultural people do not manufacture.

The best market for American goods is not to be found beyond the seas. The greatest market in all the world is in the 48 States of this Union. The purchasing power of one-third of our population has been destroyed because of the disaster that has come to agriculture.

I listened to the eloquent speech of the gentleman from Louisiana [Mr. ASWELL], in which he pictured in glowing terms that all was well in America. It may be all right in Louisiana, but it is all wrong in the great agricultural region of the United States that produces the food products of America and is in fact the granary and the meat market of the world. The gentleman from Kansas [Mr. TINCHER] told you of the bank failures and bankruptcies that have fallen upon the people of the West and Middle West and that are bound to spread throughout the country unless checked by some relief to the farmer as provided in this bill.

He spoke of the panics that always followed in the wake of war. I have seen four panics in my lifetime. I saw the panic of 1873. I saw the panic of 1893. I saw the panic of 1907. But none of them brought such disaster and distress to the farming industry as has the depression of 1924.

It is all very well for the gentleman from Louisiana to boast of the prosperity that has come to the sugar planters of Louisiana bulwarked behind the wall of a protective tariff and taking their profits from the pockets of the American people. This bill will give the farmers of America who produce the foodstuffs that feed the Nation the benefit of the protection and the price fixing that others now enjoy under the favor of the tariff.

Gentlemen tell us that the remedy is rather to repeal the tariff and reduce high freight rates than to pass this bill.

But we have the tariff and the freight rates remain far above war levels, and we are not going to get them changed for the next two or three years, and agriculture must have help now or it will perish.

The bill, if put into effect, will materially advance the prices of the basic farm commodities the corporation deals in. The corporation will have the funds and will control the public market. It can advance the price of farm products which it elects to buy.

It may advance them 20 per cent, as estimated by the gentleman from Iowa [Mr. HAUGEN] in his speech, or 40 per cent, as assumed by the gentleman from Wisconsin in the second section of his speech.

But no matter whether the advance totals one billion, two billions, or three billions, the farmer is going to get the benefit of it, and that is the exact purpose of the bill.

If this Congress is honest in its desire to help the farmer, the only way that he can be helped in the present situation that confronts him and the country is to see that he secures a better price for the products of his toil.

I agree with the gentleman from Wisconsin that we ought to greatly reduce the excessive tariff that now robs not only the farmer but all the rest of us that have to buy the necessities of life.

But this Congress is not going to repeal the present tariff law. So this bill by its provisions gives the farmer the benefit of the tariff, which now fails to benefit him in the slightest degree.

Mr. ASWELL. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. RAINEY].

Mr. RAINEY. Mr. Chairman, in the brief time allotted to me perhaps I can call attention to some features of this bill not yet discussed in detail upon this floor.

I assume that every Member of this body realizes that agriculture is in distress and that every Member of this body is anxious to do something for the relief of farmers.

Banks in the West are failing. They may have too many banks there, but that does not account entirely for the fact that so many of them are failing. Banks have commenced to fail in the Middle West, and they do not have too many banks there. Already factories in New England are commencing to slow down, and all this means that the buying power of the farmers is disappearing. Frozen assets in the banks of the agricultural sections bring about, from every quarter in those sections, the crash of failing banks. Less purchasing power for farmers brings about the slowing up of factories in the East. All are anxious to do whatever is possible for the relief of this situation.

I live in a farming section. I represent here a farming constituency. I am a farmer myself, live on my own farm, and

farm it myself. If I were able to look at this bill from the viewpoint of its proponents and could be led to believe that it would accomplish the wonders that are claimed for it, I would be most enthusiastic in my support of it. But I can not convince myself that this bill will accomplish the miraculous results claimed for it. There are other measures pending before the committee which will accomplish some measure of relief. I myself, within the last two days, have introduced a bill which I will explain to the committee if I have time now, but if not I will attempt to do so under the five-minute rule. My bill, I think, will bring immediate relief to the farmer, and it does not embrace within its provisions any of these objectionable provisions about which we hear so much.

Now, let me insist, first of all, that this bill will produce the very thing we want to avoid. It will produce an overproduction, a greater production, if it works, and I am making this impossible assumption that it is going to work and that the ratio prices are going to be established and sustained. If the farmers can be made to believe it is going to work it will have the same result, it will result in overproduction.

In 1917, we slaughtered over 57,000,000 hogs in the United States, but the price went up, and in 1923 we slaughtered 81,000,000 hogs. This increase in the production and slaughter of hogs was brought about by a price increase. The increase amounted to 24,000,000 or nearly 50 per cent.

The average production of corn from 1903 to 1914 was 2,500,000,000 bushels; in 1923 it was 3,000,000,000 bushels—an increase in production of nearly 25 per cent, all on account of the increase in the selling price of corn. From 1909 to 1913 we produced an average of 600,000,000 bushels of wheat; in 1922 we produced 886,000,000 bushels, all due to the increase in the price of wheat.

If you can make the farmers believe they are going to get a bigger price for these things they are going to produce more. You have a check in this bill which is almost ridiculous in its terms. The check you propose for over-production is that this corporation shall send out information to farmers telling them of the dangers of overproduction and of the increased amount of losses the corporation will sustain if there is an overproduction, to be charged back against them. What difference does that make to farmers? Advise them over the radio as much as you please, or by documents that you send out, not to produce so much; if at the same time you advise them you are going to pay them more, of course, they will produce more.

Now, you are going to export a surplus. You are going to buy it in this country at the ratio price and you are going to keep on exporting a surplus which, during the period of five years, will keep getting ever bigger and bigger, and you are going to sell it in the foreign market at the best price obtainable and the best price obtainable means the cheapest price. You are going to dump it on the foreign markets and charge back to the farmers, through the equalization receipts you give them, the amount of the losses, and you must estimate what they will be.

Many of you are supporting this bill because you say the farmers want this bill. Many of you are supporting it because you say nothing better has been proposed. I am opposing it because nothing worse than this could be proposed.

Let me tell you what is going to happen. We have in our tariff laws what we call a countervailing duty. You will find it in section 303 of the Fordney bill. We provide that if any foreign nation gives in any way a bounty for anything produced in that nation and they send it over here the Secretary of the Treasury takes notice of that fact and estimates how much that bounty is, and then our tariff duties immediately increase—and Congress does not have to be in session to do that—to the amount of the bounty. That is our tariff law. If any other nation should try to dump any surplus in this country that is what the law would require the officials of this Government to do. We enforced this provision once against Russia.

Would you be surprised to know that this theory of countervailing duties is not our theory at all but that we borrowed it from other nations? It has been in every tariff bill we have passed commencing with the bill of 1897 down to the present time. We borrowed this idea from France. They have it there. Japan has the same sort of a law containing exactly our provisions; Belgium has the same sort of a law; Portugal has the same sort of a law, and I do not know how many other nations of this world have that law, but many of them have.

I have mentioned four commercial nations which consume our foodstuffs when we send them abroad, and every one of these four commercial nations produces the exact foodstuffs we are sending abroad, except Japan, and Japan produces rice in large quantities. When they exercise their right, and it is obligatory on their officials to impose this countervailing duty against us, does not that limit our foreign market for the produce we are going to send out? As soon as you commence to dump this surplus in any of these countries I have mentioned, and I might mention others, at once they put up their tariff as against these identical articles by just as much as your bounty amounts to, and your bounty on wheat, you say, is going to amount to 50 cents a bushel. They increase, then, their tariff 50 cents a bushel. Our relations with Japan are strained enough now, and when you commence to give bounties to rice producers, or try to do it, Japan imposes that same sort of countervailing duty against us, and you can not export to Japan. In other words, the immediate effect of these dumping provisions in these bills will be to limit the possible markets of the world where we can dump these surplus products.

I do not know what the law is in Germany. I do not know what sort of a countervailing duty they have there, but I know they have a tariff commission composed of 50 or 60 members, professors of universities and State officials, and they can adjust their tariffs whenever they want to in order to meet this sort of condition. But they have not any money to pay for anything we might send over there, whether they have these countervailing duty provisions in their law or not.

Therefore, as soon as you put this law into effect, you have a very small part of the world in which you can sell this surplus. As soon as they interpose these tariff walls against us, and they can, you increase by an amount which it would be difficult to estimate the losses of this corporation. Your "emergency receipts" would not amount to anything, and in less than six months of time, or at any rate in less than one year of time, the entire capital stock of your corporation would be entirely wiped out and a financial crash would come—carrying down first of all the farmers.

I know of no great financier in the country, I know of no great economist who is not opposing this bill, who does not declare that it is unworkable in all its provisions and that it is economically unsound, that it will bring with it ruin and destruction. I received as a part of the propaganda in favor of this bill a day or two ago what purported to be an extract from a letter written by Otto Kahn, and they called attention to the fact that the statement is not true that financiers are generally opposing this bill "because here is what Otto Kahn of New York, one of the world's great bankers has said about it." I now want to read you what Otto Kahn has said about it in a letter to me dated April 22, 1924. Referring to this letter that is being circulated, he said:

> I was not aware that my letter to Secretary Wallace was being circulated by farm bureau organizations, as I have given no authority to that effect to any such organization. That letter was not meant to be, and in fact is not, an indorsement of the McNary-Haugen bill as it stands. There are indeed several features in that bill in the shape in which I last saw it to which I take decided exception.

I will put the entire letter in the RECORD so that you may all read it.

The letter referred to follows:

> KUHN, LOEB & CO.,
> *New York April 22, 1924.*
>
> Hon. HENRY T. RAINEY,
> *House of Representatives, Washington, D. C.*
>
> DEAR CONGRESSMAN RAINEY: I beg to acknowledge receipt of your letter of the 21st instant and thank you for sending me the inclosed copy of the CONGRESSIONAL RECORD, containing your correspondence with the Illinois Agricultural Association, which I shall peruse with great interest and from which I feel sure I shall derive valuable enlightenment.
>
> I was not aware that my letter to Secretary Wallace was being circulated by farm bureau organizations, as I have given no authority to that effect to any such organization. I did inform Secretary Wallace, in reply to an inquiry from him, that he was perfectly at liberty to use my letter in any way he desired.
>
> That letter was not meant to be, and, in fact, is not an indorsement of the McNary-Haugen bill as it stands. There are, indeed, several features in that bill in the shape in which I last saw it to which I take decided exception; but as to the justice of the theory upon which the proposed measure rests, I do not see, in the light of such knowledge as is available to me thus far, how I can conscientiously modify the views as stated in my communication to Secretary Wallace. Perhaps you may be interested in perusing the inclosed copy of a letter which I wrote recently to a gentleman who had criticized my attitude concerning the McNary-Haugen bill.
>
> I can only hope and believe that full, free, and fair public discussion will finally lead to a solution reasonably satisfactory to all concerned.

I expect to be in Washington in the early future and shall not fail to endeavor, as you suggest, to further acquaint myself with the situation, and I hope particularly to have the pleasure of meeting you on that occasion.

Believe me,

Very faithfully yours, OTTO H. KAHN.

Mr. RAINEY. So the proponents of this legislation do not even have this banker to sustain them.

THE DAIRY INDUSTRY

Farm bureau organizations are attempting to obtain support of the dairy industry by representing to them that the bill now under consideration is the only relief for the wheat farmers of the Northwest, and that if it fails the wheat farmers of the Northwest will take up dairying, thus presenting increased competition in this field. In other words, they have resorted to a species of intimidation. As a matter of fact, if this bill goes into operation and can be made to work, as they say it will, the dairy industry in this country will receive a blow from which it will never recover. This industry depends largely upon the by-products of wheat, which can be obtained now at a very reasonable price. I am receiving letters from millers all over my district and in other States asking my opinion as to whether this bill will pass or not, and whether or not the plan can be operated. If the bill passes, and the plan can be put into operation, they expect, of course, to limit their production of flour to the home demand. At the present time, nearly every mill manufactures for export—both little and big. When flour is manufactured for export the by-products—bran and shorts—remain here and are available for the dairy industry. Without these by-products it would be exceedingly difficult to make dairying profitable. Whenever the mills are grinding for export these by-products are especially cheap. When the mills are not grinding for export these by-products are high. If the wheat which is now milled here for export goes to the port mills of Europe for grinding, as it will under this bill, the by-products will be disposed of there. The same ships which carry to the port mills of Europe wheat for milling can carry the by-products to Holland and Denmark. Holland and Denmark now provide the serious competition presented to the dairy industry of this country. They are producing dairy products there now cheaper than we can produce them here. Dumping wheat abroad as contemplated in this bill gives our dairy competitors in Denmark an opportunity to produce dairy products cheaper than there. In connection with my farm I operate a dairy with over 100 head of purebred Holstein-Fresian cattle. If this bill becomes a law my entire herd will be for immediate sale at a very low price, I assure you. Dairy prices depend on how much we can export. When we were exporting powdered milk and canned milk in large quantities we obtained our best prices. In these countries they have also by standardizing pork products developed the strongest competition our hog producers ever had. These by-products of wheat make excellent feed for hogs. The effect then of the operation of this bill would be to furnish our hog producers with a competition they have not had before. From almost any viewpoint this bill is bad.

HOT-AIR SPEECHES AND THE FARMERS' PROBLEMS

Promotion of measures to help the farmers commenced in the Sixty-sixth Congress with the emergency tariff bill and the organization of the farm bloc. In the Sixty-sixth Congress we had a Democratic President, and the farmers' emergency tariff bill was vetoed. It could not be passed over his head. I was a Member of the Sixty-sixth Congress and voted against this bunk measure. The Sixty-eighth Congress, however, was a Republican Congress. I was not a Member of that Congress. We had a Republican Executive and the farmers' emergency tariff measure became a law immediately. It was the first of the "gold bricks" handed to farmers, but other "gold bricks" were handed out in rapid succession, and there were more "hot-air speeches" made in the House in the interest of farmers during the Sixty-seventh Congress than had been made in all the prior years since the adoption of the Constitution. Courageous Members of Congress grandly went "over the top" for farmers. Mails were loaded down with speeches made for farmers. With disgusting frequency farmers all over the United States found these speeches in their mails. Six or seven of these alleged farm-relief bills were passed, the object of all of them being to enable the farmer to borrow more money to increase his overhead. Farmers know now how many of them were fooled by these measures. All of these received the hearty support of the American Farm Bureau Association, with its high-salaried officials—swivel-chair farmers, all of them. I wonder if any Member of Congress who perpetrated speeches of that character during the Sixty-sixth Congress and during the Sixty-seventh Congress is going to make a campaign for reelection on account of the record he made in supporting these bunk measures. The American Farm Bureau Association has abandoned them all and does not point with pride to its support of any of them, and the crowning "gold brick" proposition of all was embraced in the tariff protection features of the Fordney Act, which pretended to give protection to farmers. Before the election in 1920, I remember that Senator Nelson announced on the floor of the Senate: "You will sweat great drops of blood before you pass another tariff bill unless it contains also protection for farmers," and the Fordney bill contained this protection. All the protection afforded by the farmers' emergency tariff bill was carried over into the Fordney bill with its higher rates on the things the farmers are compelled to buy. The protection given to farmers, of course, did not work, because the farmer exports and can not limit his exportations as the manufacturers can. The higher rates given the manufacturers did work, and therefore the purchasing power of the farmers' commodities is not what it was before the Fordney bill went into effect. Now comes the bill we are considering—the biggest "gold brick" of all for farmers, the proposition which is to win for Members of Congress who support it the farmers' vote. Fortunately for those who vote for it, it can not pass. If it does pass, it can not be operated. But if it does pass and can be operated, a financial crash will come in the near future such as no nation has ever experienced, and will carry down, first of all, with it the farming industry.

FARMING THE FARMER

This bill was not drawn by the Committee on Agriculture. It was originally known as the Peek plan, and was the creation of John N. Peek. Later it became known as the Brand plan, for the reason that Charles J. Brand drafted the present bill and has superintended all of its amendments. I have had occasion before to tell who Charles J. Brand is and to discuss his questionable relations with the packers. In remarks I have extended in the RECORD, and which can be found in the CONGRESSIONAL RECORD of April 9, 1924, I had occasion to discuss him; and later on in my interview published in the St. Louis Globe-Democrat on May 13, 1924, which I will reprint in the Appendix to this speech, under the general leave to print which has been given. The connection of George N. Peek, however, with this bill is not quite so well known, and he has not been discussed as yet to any extent. George N. Peek was for a long time prominently connected with Deere & Co., manufacturers of farm implements. At the end of the war he accepted a very large salary tendered him by the Moline Plow Co. and became the president of the Moline Plow Co. at a very large salary, indeed, which I have heard estimated all the way from $50,000 to $100,000 a year. He withdrew all his investments in the Deere Co. and invested with the Moline Plow Co. and assumed the management of the Moline Plow Co. If the bill we are considering and for which he is to such a large degree responsible does not work any better than the Moline Plow Co. has been operating under his management, it will be a tremendous failure. The Moline Plow Co. has failed under his management and is now in the hands of its creditors. His salary has been greatly reduced, and I have heard that he is now receiving the very moderate salary of $10,000 or $12,000 a year. His authority, however, has been greatly restricted by the creditors' committee which now has charge of the Moline Plow Co. The investigation conducted by the Federal Trade Commission recently demonstrated conclusively a combination between all the manufacturers of farm implements to increase the price of those implements to farmers. From 1914 to 1918 the price of farm implements to farmers increased to 73 per cent. Among the men who have been actively engaged in farming the farmers George N. Peek has always been most prominent. Both Mr. Peek and Mr. Brand are swivel-chair farmers, helping always to devise and develop the methods and practices which have contributed so much toward bringing about the conditions from which farmers suffer to-day. If they can succeed in putting over this bill, all that they have done heretofore in the direction of bringing about conditions so destructive to farmers will fade into insignificance when compared with the injury this bill will do.

POSSIBLE MATERIAL FOR FUTURE INVESTIGATIONS

I have never seen as much evidence of propaganda, as much evidence of large expenditures of money in the promotion of any economic problem as is now in evidence in the efforts to pass the McNary-Haugen bill. I am wondering where it all comes from. Not long ago there was contributed through the Council of Grain Exchanges $100,000 toward farm bureau organizations. It will be interesting to know how much of this sum was contributed by those grain dealers who now have

large stocks of wheat on hand. It will be interesting to know how much was contributed by packers who now have large stocks of meat on hand. These grain dealers and packers will be handed at once and overnight $500,000,000 if this bill becomes a law; and if it operates at all, it will operate long enough to yield them this profit. After that the crash will come. It will be interesting to know how much the packers and the grain dealers are contributing now. In the appendix to this speech I will print a letter I have just received from B. F. Yoakum, an economist of national reputation, who is the originator of the Yoakum plan, which is embraced in the Curtis-Aswell bill. It will be noted that in this letter Mr. Yoakum discusses the benefits which a few people will reap to the extent of hundreds of millions of dollars during the brief period this bill may possibly operate, if it passes. Mr. Yoakum is a capitalist with large and varied interests and is in a position to know what he is talking about. There comes also in this connection rumors that two grain firms in Chicago, now practically bankrupt, one of them connected also with the packing interests, are to be revamped and reestablished to act as marketing agencies in connection with this bill, if it passes. There are also rumors of a great marketing company, even now in operation, which is to be used in connection with this bill, if it passes and can be operated, and connections are hinted at which will make it possible to utilize in connection with this company the inspection possibilities of the Department of Agriculture. When the crash comes, if this bill can be operated, there may be interesting investigations connecting up all the propaganda which is now being exercised for the bill with some, if not all, of the propositions I have mentioned. There are many Members of Congress who think they are now, in supporting the bill under consideration, "playing safe" who may be fortunate, indeed, if the bill fails. In a recent interview Doctor Jardine, president of the Kansas State Agricultural College, said:

> Were this measure to be enacted into law its practical working out would leave the men who fathered it without a shred of reputation. If I lured the farmers into following any such fantasy as the McNary-Haugen scheme, when the inevitable reaction came my usefulness would be destroyed, and I would be ruined utterly.

There is no Member of Congress who is supporting this measure to whom the slightest suspicion of wrongdoing can ever attach. I am simply calling attention to conditions which may arise and which will arise if this bill passes and can be operated for even a brief period of time, which will, I am afraid, make it difficult to defend a vote for this measure. [Applause.]

APPENDIX

Under the general permission to extend remarks in the RECORD, I print in connection with my speech my explanation of the farmers' bill for emergency relief, which I have introduced, but since printing and distributing this explanation among Members I have reintroduced and simplified it by leaving out the price-fixing features. The bill is numbered 9382.

Following that I print the letter I have just received from Hon. B. F. Yoakum, of New York City, dated May 23, 1916.

Following that I print my interview in the St. Louis Globe-Democrat to which I have referred in my speech:

A SIMPLE PLAN FOR IMMEDIATE FARM RELIEF

(By HENRY T. RAINEY)

Something must be done for the farmer. From the West and the Middle West there comes the crash of failing banks—farmers' notes, frozen assets. The mills of New England are no longer running in three shifts. Many of them are closed—the buying power of farmers is failing. The key industry, agriculture, is in distress. Something must be done at once. The McNary-Haugen bill will not furnish relief. It will only hasten and intensify the impending calamity.

A SIMPLE PLAN

I propose a simple, workable plan. It does not involve an initial charge on the Treasury of $200,000,000. It does not involve an issue of bonds and notes by a Government-created corporation of $1,000,000,000. It does not involve the creation of a new department of the Government with many thousand employees. There is in it no labored, perhaps impossible, plan to restore pre-war purchasing power of the farmer's basic products by artificially raising prices and attempting in a complicated, perhaps unworkable and impossible, way to relate those prices to the oil commodities of to-day. There are no penalties to be inflicted upon farmers in my plan; no emergency "scrip" or receipts. No attempt to charge back to farmers losses which will evidently be enormous and perhaps appalling. The plan I propose can be operated for a year for less than $50,000. My plan involves no suspension of economic laws. It will not destroy or injure existing primary markets.

THE PLAN

Commission: The bill I introduced last night provides for a commission to consist of the Secretary of Commerce, who shall be chairman; the Secretary of Agriculture, who shall be vice chairman; the chairman of the United States Tariff Commission; and an administrative commissioner to be appointed by the President from not less than three individuals recommended to the President by the Secretary of Agriculture, the administrative commissioner to receive a salary of $1,000 per month during the period he acts as such commissioner and to engage in no other employment actively during that time. The commission may appoint a secretary at a salary of $500 per month, and shall maintain its principal office in the District of Columbia in some room at the disposal of the Secretary of Commerce, to be designated by him. For the expenses of this commission the sum of $50,000 is authorized to be appropriated.

Emergency: Whenever the commission finds that there will be, during the period of one year after the passage of this act, at any time a surplus for export of wheat or flour or food products of swine, the commission may request the President to declare an emergency. When the emergency ends the commission may request the President to declare the emergency ended.

Customs scrip: The commission may prepare and issue customs scrip in convenient form and denominations, to be printed by the Bureau of Engraving and Printing, and to be accepted in payment of customs dues, and to be legal tender for no other purpose, the "scrip" to be canceled after its use.

Cost of production and selling price abroad: The commission is required to estimate the cost of production of wheat and swine, and to add a profit of 10 per cent for farmers. The commission also estimates the probable average price in world markets, outside of the United States, of said products, for a period of a year, and if the commission finds that the average selling price abroad will be less than the average cost of production in the United States plus 10 per cent, the commission shall thereupon declare the price difference, which shall be known as the export deficiency price. Thereupon, all purchasers of swine and wheat from farmers shall be required under such rules as the commission may prescribe to pay to the farmers the cost of production plus 10 per cent.

Rebate of export deficiency price: Whenever during said emergency period wheat, flour, or food products of swine are exported the exporters shall receive a rebate of the export deficiency price on each shipment in customs "scrip" in such manner as the commission may by its regulations determine.

Deficiency price not to apply to products on hand: The export deficiency price shall not in any manner attach to stocks of grain or flour, or food products of swine, in primary markets, or in the possession or ownership of grain dealers, millers, or packers, at the time of the passage of this act.

Publishing price: The export price and the deficiency price shall be published in such manner as the commission may determine on the first day of every month during the existence of the emergency, and the export deficiency price may be changed by the commission, if necessary, on the first day of any month during the period of any emergency.

Penalties: There are no penalties, except for counterfeiting or altering the "scrip." But any purchaser from a farmer who evades, and so forth, the payment of at least the emergency price for said products shall be fined not less than $100 and not more than the emergency price he should have paid.

This is all there is to the plan. I invite attention to my bill. If a parliamentary situation can develop during the consideration of the McNary-Haugen bill which will permit it I will attempt to substitute my plan.

WHAT MY PLAN DOES NOT APPLY TO

My plan does not apply to corn. Our exportations of corn are negligible, and corn goes up as the price of hogs goes up. It does not apply to wool. We import wool. It does not apply to beef products. Our exportation of beef products is not great, and the price is not now the subject of much complaint. The spread between feeders and the finished beef animals is not as great as it ought to be. There is a method of reaching this which I will discuss on the floor.

My plan will bring immediate relief to farmers. It will stop the bank panic which seems to impend in the West and in the Middle West. By restoring the buying power of farmers it will start again the mills of New England. Farmers will buy when they have money with which to buy.

EFFECT ON REVENUES

The effect on our revenues will be negligible. Last year we exported $116,000,000 of wheat. We will have less for export this year. In my section of Illinois half of the winter-wheat area has been plowed up. It was winterkilled. It will be planted to other crops. Assuming that the ratio price suggested in the hearings on the McNary-Haugen bill will also be the cost of production plus 10 per cent, the amount of customs scrip paid in at our custom houses will probably not exceed $30,000,000. In 1922 we exported

$200,000,000 worth of pork products. We exported more than that in 1923. We will export less than that this year. The breeding stock has decreased at least 12 per cent. The acceptance of the Dawes plan may restore the buying power of Germany within the next 12 months. Before the war Germany took enormous quantities of our pork products. She takes practically none now. The export price difference as to pork products will be less, on account of the possible increase in the price in world markets due to the demands Germany may make. Customs scrip accepted on account of pork products exported will probably not exceed $50,000,000 or $60,000,000. Perhaps it will amount to much less than that. By restoring the buying power of farmers and by adding some hundreds of millions of dollars to the income of farmers, we make possible larger customhouse receipts to offset a part, and perhaps a considerable part, of the loss occasioned by the cashing in of customs "scrip." By restoring to farmers the incomes they did have and the incomes they ought to have now, many thousands of them will again enter the income-tax paying class, and those that are now so fortunate as to be in that class will pay more taxes, and it may be that we will find the decrease in custom receipts entirely met by the increased revenues from these other sources.

TARIFF ADJUSTMENTS

My bill, of course, provides for such tariff adjustments by the President as will make possible the effective operation of the plan during the period of emergency.

DEFEAT OF THE M'NARY-HAUGEN BILL

In the event of the defeat of the McNary-Haugen bill, if I am not able to substitute my plan for it on the floor, I expect to present it immediately to the committee for consideration. It will require no extended hearings. The hearings already had have developed all the facts in the case. The majority report and the minority report are real encyclopedias on the subjects they cover. My bill was hurriedly drawn yesterday afternoon, but I believe it to be workable, and that it will need few changes. If the emergency is not over in a year from now, Congress can extend the operation of the plan over such periods as may be necessary, or apply it to other agricultural products, if it seems to be necessary.

DOES NOT INTERFERE WITH OTHER PERMANENT RELIEF PLANS

My plan attempts only to give emergency relief. It does not interfere with any of the very workable and excellent plans suggested for the permanent relief of agriculture. The Yoakum plan as embodied in the Curtis-Aswell bill can also be put into operation whenever Congress desires to do it. Under a permanent and orderly system of marketing agriculture ought always to be a profitable industry. It would not interfere with the operation of the Norris-Sinclair bill, if that should be determined upon as the ultimate method of permanent relief, with its proposed cheaper methods of distribution. It would not interfere with the plan which Senator SMITH of South Carolina has introduced, or expects to introduce in the Senate, which seems to combine the marketing system of the California Fruit Growers' Association with the restricted production plans of the tobacco growers of this country or the coffee producers of Brazil.

FARMERS SEEING "RED"

In some sections of the United States farmers are beginning to see "red." Can you blame them? The doors of hope to them appear to be closed. We must restore to them the opportunities they ought to have, and we must do it at once. My plan will do it. I ask the cooperation of Members of the House of Representatives.

Very truly yours,

HENRY T. RAINEY.

Dated May 20, 1924.

NEW YORK, *May 23, 1924.*

MY DEAR MR. RAINEY: I have received and read carefully your bill—H. R. 9382. It possesses much merit, and I wish Congress had more time to consider real important farm legislation. The enactment of your bill would fill a very important gap. It would go a long way toward taking care of the distressed farmers who need temporary relief. I trust that Congress can be impressed with the importance of its passage.

With many the impression prevails that the President of the United States is vested with the power to declare emergencies and carry out the provisions of the McNary-Haugen bill. This is an error, as under the operation of the bill it provides that under special emergencies, if the corporation—which is to be composed of the Secretary of Agriculture as chairman and four others to be appointed by the President—finds that there is a surplus for export of wheat, flour, rice, corn, wool, cattle, sheep, swine, or the products thereof, under estimates made by the corporation, it shall immediately notify the President in writing of its findings. Upon such notification from the corporation it shall be the duty of the President by proclamation to declare that such an emergency exists.

Whenever the corporation finds that the emergency no longer exists it shall notify the President in writing, and it shall be the duty of the President by proclamation to declare the emergency terminated.

After the declaration of an emergency in respect to any agricultural commodity coming under this bill the corporation may designate a price for such commodity under what is known as the "ratio price," thus fixing the price of that commodity. This process of price fixing is repeated monthly under computations made by the Secretary of Labor as soon as practical after the passage of this act, based upon "pre-war commodity prices" during the period 1905 to 1914, inclusive.

The bill does not contemplate any change in the board of directors, as their appointment extends during its corporate existence and the board exercises the exclusive and absolute control of $200,000,000, paid for its stock, in addition to which it is authorized to borrow money, issue bonds, notes, or other evidence of indebtedness to the extent of five times the amount of the original stock of $200,000,000, making the total authorization $1,200,000,000, or an amount $419,000,000 greater than the total farm value of the entire wheat crop, the entire rice crop, and the entire value of sheep for the year 1921. (Department of Agriculture.)

There has probably never been as much propaganda money expended on any economic problem to influence the passage of any legislation as has been expended on the McNary-Haugen bill. Therefore some people and some interests are far more interested than the farmers in the enactment of this bill, which under its operation makes it possible for others to reap benefits to the extent of hundreds of millions of dollars during any period of its operation.

The producers of wheat are being deceived through the belief, as stated in a newspaper report of this morning, that wheat now selling at $1.09 a bushel would bring to the producers under this bill $1.48 a bushel.

Section 202 of the McNary-Haugen bill provides that the corporation shall prepare estimates in respect to agricultural commodities as to the probable price obtainable for the exportable surplus, the probable losses of the corporation from its transaction, and the expenses of the corporation.

The corporation shall determine as nearly as may be the total amount of such expenses and losses which will be incurred or sustained attributable to the operation of the corporation in respect to each agricultural commodity during each operation period. Such amounts are to be known as equalization fees, and the equalization fees shall be paid under such regulations as the corporation may prescribe upon every sale of such agricultural commodity made for or on account of the producer. To avoid this charge against the producer being neglected the corporation requires the purchaser of the product to collect such equalization fees from the producer, and it may require the purchaser to issue a receipt to the producer.

Furthermore, the corporation may require both the producer and the purchaser to file under oath the terms of their transactions that the corporation may determine the disposition of the equalization fees paid by one and collected by the other, in connection with any other facts which the corporation may deem necessary to properly check all transactions between the purchaser and the producer. Every producer or purchaser who violates these regulations or fails to pay or collect the equalization fees shall be liable to such fee and a penalty equal to one-half of the fee, such fee and penalty to be recovered in a civil suit brought by the corporation against the producer and purchaser.

The funds from the equalization fees are to be deposited to pay all operating expense of the corporation. If there is a surplus after taking care of all expenses, losses, etc., in connection with this "blind pool" that the farmers are invited to enter, the corporation shall pay the balance pro rata to the persons from whom the equalization fees have been collected and deposited in the pool.

Therefore the producer can not be certain of the amount that he will receive, either in cash or participating receipts. In other words, the producer is going into a partnership, known in a commercial sense as a syndicate issuing participating receipts, the cash value realized under the participating receipts depending largely upon the managers of the syndicate. In this copartnership between the Government and the producer the producer places the entire management under the control of the directors of the corporation as syndicate managers, and at some time during the process of marketing the producer's products, after paying all expenses and losses, the producer will be advised the result of the syndicate operation and the amount due each of the producers.

Section 301 provides that if the President of the United States finds that the importation into the United States of any commodity placed under the emergency clause is increasing materially or is likely to increase materially the losses of the corporation, he shall by proclamation declare such fact; and then it shall be unlawful, until otherwise ordered by the President or Congress, to import into the United States any such commodity, except under such regulations and subject to such limitations and exceptions as the President may prescribe.

After the President ascertains what rate of duty added to the then existing rate of duty on such commodity would be sufficient to prevent such losses, he shall in such proclamation declare such fact, and on and after the day following such proclamation and until the termination of such special emergency, or until otherwise ordered by the President or Congress, the rate of duty so ascertained shall be levied, collected, and paid upon such commodity, when imported, in addition to and in the same manner as the then existing rate of duty; but in no case shall any rate of duty under the then existing tariff law be reduced. This places in the hands of the corporation the power to change our established tariff practically without notice.

With my best regards, I am,

Very truly yours, B. F. YOAKUM.

Hon. HENRY T. RAINEY,
House of Representatives, Washington, D. C.

[Article appearing in the St. Louis Daily Globe-Democrat, Tuesday morning, May 13, 1924]

CONGRESSMAN RAINEY REPLIES TO RUBEY ON MCNARY-HAUGEN BILL—ILLINOISAN DECLARES MEASURE CAN NOT ACCOMPLISH WHAT IS CLAIMED FOR IT AND WILL NOT BE ENACTED

(By Charles P. Keyser, Globe-Democrat staff correspondent)

WASHINGTON, May 12.—Representative HENRY T. RAINEY, of Illinois (Democrat), differs widely from Representative THOMAS L. RUBEY, Missouri Democratic member of the House Committee on Agriculture, in his view on the McNary-Haugen bill, creating an export corporation capitalized by Uncle Sam, who furnishes all the money and fixes prices on agricultural commodities. RAINEY was inspired to write a statement by the summary of the bill, which appeared in last Sunday's Globe-Democrat from RUBEY. RAINEY declares it is impossible for the bill to pass either the House or Senate, and that if by any chance it should pass, the President would veto it. The bill is sure to occupy a conspicuous place in the public interest in the next few days. In RAINEY'S words, "something will happen which will give it for some days a front-page position in all newspapers."

RAINEY handed to the Globe-Democrat correspondent a detailed statement of his views on the McNary-Haugen bill, intended as a reply to RUBEY or to anyone else advocating the passage of the bill. It follows:

TEXT OF STATEMENT

"If I could make myself believe that the McNary-Haugen bill would accomplish what its proponents claim for it, I would be shouting for it from the housetops. All my investments are in the farming industry, and I therefore have a strong personal interest in legislation of this character. A great many farm organizations are vigorously opposing the McNary-Haugen bill. A great many farm newspapers are also opposing it. Every financier and economist in the United States whose opinion is worth anything regards it as impossible, unworkable, and dangerous—especially to the farmers. The Illinois Agricultural Association, however, is a vigorous supporter of this legislation. The American Farm Bureau Association is also supporting it, and many exceedingly important farm papers. Most wonderful things are claimed for it. It is the Aladdin's lamp which is to accomplish wonders, greater even than were ever dreamed of in old Bagdad.

"I am not on the committee which has this bill under consideration. Therefore I am not leading any movement for it or against it. However, I will attempt as briefly as I can to call attention to some features of the proposed legislation which really, it seems to me, should be eliminated from any farmers' relief bill. I have had some experience in bill drafting and in legislation during my long and somewhat strenuous service in Congress. Inasmuch as I had a fair degree of intelligence, I hope, when I entered Congress, I ought to be as well qualified to discuss this bill at least as those farm-bureau officials who claim so much for this bill and who have had no experience in matters of this kind at all.

AN ARMY OF OFFICEHOLDERS

"The bill creates a corporation with four directors, who are to receive salaries of $10,000 a year each. These directors are authorized to appoint as many officers, employees, and agents as they may deem necessary; to fix their compensation at any amount which may appeal to the directors; to fix their tenure of office and to remove them at any time. The corporation starts out with $200,000,000 in good money to be contributed by the Federal Government, and the corporation can then issue a billion dollars of its own notes and bonds and float them on the market in such way as the directors may deem proper. The principal office of the corporation is in Washington, but the directors can establish as many agencies or branch offices in various parts of the United States as they may think necessary.

"These directors are given most unusual powers. The bill, after specifically conferring upon the corporation many general and special powers, concludes by giving the corporation all the 'powers,' it may think it requires, 'not specifically denied by law'—a blanket clause most unusual. The bill clothes the corporation it creates with more drastic powers than has ever been given to any governmental agency since the days of the Stuart Kings. No man can hazard a guess as to how many employees will be needed, but when I describe the working of the bill a little those who read this article can imagine how many agents, officers, and employees there will be. What the farmer wants accomplished are the results claimed in this bill. But the time has come when he must think for himself and determine for himself whether this bill will accomplish these results, and he ought to understand how it will work.

HOW BILL WILL WORK

"May I suggest following illustration: There is, let us say, a washerwoman who lives in the outskirts of a city who has raised a pig. She concludes to sell the animal to a butcher. The pig belongs to her. Ordinarily she would have the right to make a sale at any price which might appeal to her, and at any time, and to any person. An emergency has been declared under the bill with reference to swine—and there always will be an emergency in all probability under this bill—and this is what she will be compelled to do in order to sell: After finding a purchaser she will be compelled to ascertain from a 'terminal market' what the price is at which she can sell. She can not sell for less than that, and I do not think she could sell for more. The purchaser will also be compelled at his peril to ascertain the exact selling price for that month. I do not know where the 'terminal market' will be. The bill does not disclose that, but the producer and the purchaser will be compelled to get this information also from the corporation. The purchaser then pays for the pig. But this is not all. Both the producer and the purchaser must find out from the terminal market what the 'equalization fee' is at that time, and after the purchaser has paid for the pig he is compelled to collect from the producer in cash an 'equalization fee.' Neither of them will know what this amount is until they make the trade. Then he gives the producer a receipt, which he is to obtain in some mysterious way from some source not disclosed in the House bill, but of which they will both be advised later on by the corporation.

"All we know about the 'equalization receipt' is that it is to be printed by the Bureau of Engraving and Printing. At some distant time in the future the washerwoman who has raised the pig may stand a chance to get some good money for this 'equalization receipt.' How much no one knows, but she has paid good money for it herself. The corporation may by the rules it adopts permit her to dispose of it, and the receipt can probably act as 'circulating media' until somebody redeems it at some indefinite time in the future, not less than one year from the date of its issue. This sounds complicated enough, does it not? But this is not all. Both the washerwoman and the purchaser will be compelled to make out a report as to the sale. The reports will be separate reports in all probability, and must in all probability be sworn to before some officer authorized to administer oaths. This will require the preparation of these reports, and the fee of the officer will require an expenditure of some money. But that is not all. They must then buy some postage stamps and mail these reports—'returns,' they are called—to some officer to be designated by the corporation, and they must find out who that officer is. If either of them fails to correctly transact this business—if they fail to furnish the receipt or to make the 'returns' or to collect and account for the 'equalization fee,' they are jointly and severally liable to a fine of not more than $5,000 or imprisonment of not more than one year, or both; and these are not the only penalties in this bill. It bristles with penalties. The penalties are all to be enforced in Federal courts.

WAYSIDE MARKETING

"In all States where good roads are being built there is being developed for farmers a system known as 'wayside marketing.' Imagine a farmer starting out to do some 'wayside marketing,' or anyone else, for that matter. It is, let us say, the roasting-ear season. An emergency has been declared in corn. Under this bill there will probably nearly always be—if not always—an 'emergency' in corn for reasons which I will hereafter endeavor to state. Every time he sells a half dozen roasting ears he is compelled to go through exactly the processes I have just described. He is compelled to go through the same processes if he sells more than that or less than that number. I do not know how he could accomplish sales of this character under the bill at all. In order to do it with safety he would be compelled to find out what units of weight or measurement the corporation would require. He has, perhaps, also slaughtered a lamb or a calf on the farm. He is selling it in small amounts to his customers. It is, of course, the first sale made of the animal. For every sale he makes he must go through the above processes, and separate 'returns,' etc., must be made for each sale. Tell me that farmers or anyone else are going to like a bill of this kind when it goes into operation! This will apply to every sale made of any of the many basic agricul-

tural products mentioned in the bill, which comprise about everything a farmer can produce on a farm. In a rural community of, we will say, 2,000 people how many transactions will be made each day in the many basic agricultural products embraced in the bill, to wit, wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine? How many transactions will be made in flour alone? Even if there were no more than 100 transactions of this kind per day in a community of that size, this would require the services of at least one officer or agent to look after them and to protect the Government.

"The moonshine whisky regulations of a few years ago were simple and few as compared with the regulations which must surround all these transactions in farm products to safeguard the Government. Farmers, and all who deal with farmers, will be required to keep an elaborate system of books in order to protect themselves. These matters can be investigated at any time. Income tax revenue agents can go back five years, and are doing it, investigating farmers' returns, but agents, in enforcing the provisions of this law, can go back as far as they please after the law is in effect.

"With this explanation of the bill, can you imagine how many the bill will add to our increasing army of government employees? Could 5,000 agents do it? Could 50,000 agents do it? Would it take more than that or less than that to investigate all these transactions and see that the Government receives the proper amount on every sale made?

RESTORE PURCHASING POWER

"The object of the bill is to restore the pre-war purchasing power of the things the farmer raises, and this is to be accomplished in the following impossible way: Before the war these basic agricultural products would purchase a certain amount of commodities. The object is to make them buy the same amount now. This is accomplished with reference to any one of these commodities by establishing a ratio price, ascertaining first the average price of the commodity for the 10 years preceding 1914, and then raising that average price by referring it to an 'all commodities' price applied to present-day conditions, and fixed by reference to Bulletin No. 336 of the Bureau of Labor Statistics.

"An examination of that document will show that commodities are divided into nine groups. Three of these groups are composed largely of the basic farm products themselves, their derivatives, and substitutes therefor. These three groups comprise really much more than one-third of the 'all commodities.' The attempt now is to get the ratio price of the basic commodities high enough so it will purchase as much of the 'all commodities' as it would before the war. Inasmuch as the basic agricultural commodities are also a part of the 'all commodities,' and inasmuch as they and their derivatives and substitutes for them comprise a very considerable part of the 'all commodities,' then, whenever you raise the ratio price of the basic commodities, does it not of course follow that you raise the price of the 'all commodities,' their derivatives, and substitutes for them? In additionn to that, you raise the wage cost for processing the 'all commodities,' and this must be added to the selling price of the 'all commodities.' When will the ratio price overtake the 'all commodities' price? Will it ever be able to do it? Are you not by this bill, then, in reality providing for the farmers the kind of punishment to which Tantalus was subjected—whenever he stretched out his hand to reach the fruit which hung from the branches just above his head the branches withdrew and the fruit was always out of his reach.

"These price increases are to be made possible by resorting to a tariff embargo. The basic farm products—the processed basic farm products—and all derivatives and substitutes for them, are to be kept out of our markets by tariffs, which are to be made ever higher and higher in order to accomplish this purpose. Of course, if it works, and prices are raised, our surplus will grow ever larger. We are producing too much now, but the surplus is to be sold at any price that can be obtained abroad, therefore at the lowest price. It is all to be bought, however, by the corporation at the ratio price, and what is lost, including the salaries of employees, are to be charged back to the farmers. I am not joking about it. This is what the bill provides. How long will it be before these losses exceed the amount of the emergency certificates—the amount the Government has donated to the corporation and all it has borrowed, and when the crash comes, where will farmers be? And where will business generally be; and what will happen to the country?

THE GOVERNMENT IN BUSINESS

"But I have not yet finished describing the objectionable things in this bill. The corporation is authorized to contract with processing agencies and with transportation facilities, and, failing to make suitable contracts, the corporation can resort to more strenuous methods and 'acquire' agencies of this kind. In the bill now pending in the Senate, the corporation can construct or build or purchase or 'acquire' these various agencies. The House bill has now eliminated that, but the corporation can still 'acquire' under the House bill and the House bill can still put the Government into business of all kinds, including the operation of textile mills, the operation of railroads, and steamship lines. The only exception is that they can not operate transportation systems as a common carrier, and this is not much of an exception. Can you imagine any rights the Soviet Government obtained in Russia as the result of the revolution that Congress is not asked to confer in this bill!

"I know that a Member of Congress is not expected to call attention to matters of this kind. He is expected to be quietly led along like Alice in Wonderland and simply marvel at a process so wonderful as this, and a great many Members of Congress are going to do this. It will make it easier for them in the next election, they think. But after that I do not know what is to become of them. Members of Congress who permit themselves to be led along in this way ought to commence to hear from their constituents.

"The packers are not fighting this bill. One of their representatives drew it and is superintending its various changes. Through one of their representatives here they made some 'pro forma' objections, but that was all. It would require hundreds of millions of dollars to purchase outright railroad terminals, packing plants, refrigerator cars, yards, and so forth, and the packers do not think the Government can do this. In 1918 the Federal Trade Commission discovered in the secret files of the packers a remarkable document. It was a report made to the big packers by certain of their representatives in Washington. The files also show that they have accepted the report. Charles J. Brand, at that time head of the Bureau of Markets and now a marketing expert in the Department of Agriculture, was to undertake to assemble data so as to show that under no circumstances did the packer make more than 25 cents on a steer and that the farmers would be better off if in reality they only had two purchasers for their food animals instead of many; and there was to be an official publication called Brand's Best Seller, which was to further this scheme.

"The packers' secret files show that Brand was quite ready to engage in this enterprise. The corporation may have on its hands in a week after it declares an emergency 400,000 or 500,000 food animals in Chicago alone. What will it do with them? It must process them, of course. Who can do it? The answer, of course is, the packers and no one else. The 'processing' must be done at once and, of course, it must be done at terms the packers themselves fix. Then there follows the refrigeration of the processed food animals, and the distribution here and abroad. Who can do that? Nobody but the packers. They must be paid for doing it, and of course the packers are not doing business for fun nor from patriotic motives. The payment must be quite liberal. This, of course, means a close combination between the corporation, with its $200,000,000 in capital and its $1,000,000,000 in notes and securities, and the packers. How long will the independents last? Whenever the crash comes, as it will, the independents will have been crushed and the dream of the packers will have been realized. They will be in undisputed control of markets.

"With these facts in view, will it surprise anybody to know this bill was drawn by Charles J. Brand? I know him. He told me he drew it. It is so understood here in Washington. Have I given enough facts to show the folly of it all?

"I note that at farm bureau meetings Otto Kahn, of Kuhn, Loeb & Co., was quoted at some length as being in favor of the McNary-Haugen bill. Since he wrote this letter, I have received a letter from Mr. Kahn advising me that he did not know such use was to be made of the letter he had addressed to the Secretary of Agriculture, and he also advised me, in effect, that the McNary-Haugen bill contained a number of exceedingly objectionable features to which he could not agree. He, however, agreed that agriculture was in a bad way and that something must be done for it. This letter to me from Otto Kahn indicates clearly that the McNary-Haugen bill has not even him to defend it among the world's financiers.

"The President has in no uncertain terms declared himself to be against price-fixing measures of this character. It does not appear that this measure could pass either the House or the Senate If it were possible for it to become a law I have not yet found any Members of Congress who do not think it will be declared unconstitutional. The idea that a man can be prohibited from selling his property at his own price at any time is certainly new in this country. There are pending some perfectly sane measures that will furnish relief, especially as to wheat, for the next year or two. They are measures which tend to bring about a more orderly marketing of this cereal, and which provide for storage and purchases by the Government in a perfectly sane manner. The real remedy, however, is to be found in retracing our steps, repealing a number of bunk farm relief measures and revising the

tariff downward in many particulars, so as to restore in that way the alignment between basic farm products and "all commodities" which existed before the recent tariff increases. It is hardly possible, however, that we can expect this latter remedy from the party now in control.

"Valuable time is being wasted by considering such an impossible measure as the McNary-Haugen bill. The trouble with many of our farm organizations is that their policies are controlled by swivel-chair farmers who draw large salaries and who know nothing about practical farming. Many of them are socialists. They are of the type of men who would have been college professors in small colleges if the salaries attached to those positions were attractive. They are trying to do something to justify the salaries they now receive. They stood enthusiastically for the high protective tariff as a remedy for the ills of farmers, and at the elections of four years ago many thousand farmers accepted this remedy and voted accordingly. They received this alleged relief, but, of course, it does not work. Farmers can not limit their exports as manufacturing industries can do. At the demands of the farm bloc in Congress—most of whom are not farmers and know nothing about farming—supplemented by the demands of many farm organizations, every remedial bill suggested by this bloc and these organizations has been crystallized into law. These proponents have now abandoned them all. Of course, none of them has furnished relief. They were 'gold bricks'—nearly all of them—and the bill which is now being urged is the biggest 'gold brick' they have attempted to hand out.

"I have only touched some of the high points in this matter. There are many other things that I can not discuss in the scope of this article."

Mr. CLARKE of New York. Mr. Chairman, I yield four minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, frequent references are made, particularly in conversation among the Members of this House, about the tariff for the benefit of the textile industries of New England and the fairness of the claim that the agricultural interests of the Middle West should have like treatment. It is to this phase of the McNary-Haugen bill that I desire to make brief reference.

The industrial situation in New England is reaching a point as serious as that of the agricultural section in the Middle West. The tariff is not protecting our industries in Massachusetts or throughout New England.

I was waited upon last evening by a man coming to Washington of his own volition in behalf of the textile workers in a certain section of Massachusetts, asking whether or not something could be done for the employees of the mills. Work is so slack that great suffering is in prospect. The reason for it is that woolen and cotton goods are being imported into this country under the existing tariff law in quantities never before known.

Let me give two illustrations of the effect of importations on industries in my immediate home vicinity. The paper industry of western Massachusetts is running on very short time. Our largest company is in the hands of a receiver. The reason is apparent the moment one enters a department store and finds boxed stationery for sale at less than cost prices in this country.

I received this morning, a letter from a personal friend, the head of a warp mill, inclosing an advertisement from the New York Herald-Tribune of May 19, featuring a ship arriving in New York with a load of 20,000 blankets. These blankets are offered for sale at $3.75. The same kind of blanket can not be produced in this country by the mills for less than $5.50.

I insert herewith statistical information provided me by the Acting Commissioner of Labor Statistics to-day, giving the comparisons of employment in March and April of this year and also in April, 1923 and 1924. These tables show the percentage of decrease of employment, carrying with them the natural decrease in pay rolls.

From information which reaches me I can truthfully add that the conditions of employment during May are much worse than they were during April. This is the answer to the argument of tariff benefits at the present time in New England:

Comparison of employment in identical establishments

	During 1 week each in March and April, 1924						During 1 week each in April, 1923, and April, 1924					
	Establishments	Number on pay roll		Per cent of change	Amount of pay roll		Per cent of change	Establishments	Number on pay roll		Per cent of change	Amount of pay roll		Per cent of change
		March, 1924	April, 1924		March, 1924	April, 1924			April, 1923	April, 1924		April, 1923	April, 1924	
Cotton goods:														
United States	505	184,993	177,280	−4.2	$3,040,565	$2,869,682	−5.6	246	165,812	141,500	−14.7	$2,917,738	$2,313,340	−20.7
New England States	409	88,231	83,041	−5.9	1,788,773	1,668,935	−6.7	88	82,282	64,605	−21.5	1,695,782	1,299,095	−23.4
Woolen and worsted goods:														
United States	179	71,754	67,976	−5.3	1,624,970	1,493,981	−8.1	146	60,198	53,218	−11.6	1,350,426	1,184,049	−12.9
New England States	103	40,702	39,047	−4.1	922,237	875,161	−5.1	71	29,213	25,816	−11.6	665,907	595,919	−10.5

Is it not a fact that when the Republican Party came into power we promptly passed an emergency tariff bill at the request of the western producers? In the tariff act of 1921 much prominence was given to the agricultural schedule. In addition to all this, the flexible tariff provision has been invoked in behalf of wheat and an increase of 50 per cent has been made by the authority that provision delegates to the President.

Have the wheat growers of the Middle West any greater complaint than the industrial workers of the East? If the tariff provisions of the McNary-Haugen bill are needed for wheat and hogs, why should not we also establish a ratio price of woolen, cotton, paper, and all other industries of New England?

In addition to the above factor, it is recognized that the whole purpose of the bill is to raise the price of wheat, meats, and other commodities. If employment to-day in New England is at a minimum, in what manner can the working people of our section secure the money necessary to buy wheat and derivatives even at the present prices? Are we to accept the burden of an artificial advance not established through supply and demand, when we have no opportunity through employment in our mills to obtain the price of the necessaries of life at even to-day's market prices?

Previously Congress has been the constitutional method under which revenue is secured, either by taxation or by the tariff. This bill proposes to take away that constitutional power from Congress and place it in the hands of the Chief Executive.

The new system of tariff writing, according to this bill, would be a declaration of an emergency by the directors of the corporation it establishes and the positive requirement that when an emergency has been declared the President shall establish such rates of duty as amount to an embargo. In my opinion, therefore, this bill should be defeated from the standpoint of the tariff and revenue features.

Another point: We are fast getting the reputation of being an unduly extravagant Congress. This bill authorizes a $200,000,000 corporation, with the United States as the only stockholder, and a further credit of five times that amount. In other words, the McNary-Haugen bill would ask this Congress to do just one thing, namely, arrange for the purchase of the agricultural products of the Middle West at an expense to the Government of $200,000,000. As soon as this amount is expended request for as much more would, of course, be asked. In addition it will be necessary to make the Government responsible for such loans as the corporation may secure. Otherwise the corporation would have no credit upon which to borrow. It is a gigantic and impractical scheme to put the Government into the biggest business proposition that can be conceived of.

The passage of this bill would rightly designate this as a Congress gone extravagantly crazy. [Applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Ohio [Mr. THOMPSON].

Mr. THOMPSON. Mr. Chairman, I came from a district which stands for a tariff on wool and sugar beets; where hogs and hominy are a safe bet. I can go along with this measure and will proceed to give the reasons. Opponents of this measure of farm relief quite commonly assert that economic ills can not be cured by legislation. It is perhaps a

very conservative statement to say that 50 per cent of all legislation works itself out through producing economic effects. In fact, we may say flatly that all legislation affecting commerce, industry, finance is directly or indirectly economic legislation.

It is frequently said, particularly by those who are earnest advocates of free trade, that with respect to this measure of farm relief two wrongs will not make a right. In other words, to do for the farmer what other legislation has done for other American interests to their minds would be doing a second wrong and expecting right to grow therefrom.

I dissent from this view. I do not regard the protection that has been afforded other interests and occupations and the legislation that has been passed that is helpful to them as constituting a wrong. In fact, it is more nearly accurate to consider it an effort to do right and to create justice and equality.

Now we are confronted with undoubted evidence that one great part of our people, the farming public, is sharing so slightly in the benefits of previous legislation that it is necessary and desirable to legislate in a fashion that will give agriculture equality with industry, labor, commerce, and finance.

Let us consider briefly what has been done for others that creates conditions that may properly be considered artificial in which the farmer either is not sharing at all, is sharing very slightly, or from which he is actually suffering injury.

All modern life is artificial. It is artificial to wear clothing, live in houses, and so forth, but the extent to which we have been able by artificial means to bend natural laws, whether physical or economic, to the service of mankind is the measure of our progress toward civilization.

Without attempting to give complete details, but rather merely to give a broad picture of the situation, I will review briefly some of the legislation of State and Nation which every orthodox economist would insist as creating artificial conditions, but which, nevertheless, have brought into being an economic, social, and legislative fabric that calls for and justifies similar progressive legislation in behalf of American agriculture.

THE ADAMSON LAW

The effect of this law was to give to the railroad workers of the United States an 8-hour day with the same rate of pay that had previously been received for 10 hours' work. Necessarily this all shows up in the freight bill, and the farmer pays the freight, to an estimated increase in annual cost of $1,250,000,000.

THE IMMIGRATION LAW

We all agree that the needs for thorough assimilation and Americanization of foreign immigrants demanded a law controlling their entrance, both as to number and quality, into the United States. Nevertheless, it is undeniable that this artificial control of the labor supply of the United States has played a large part in the increase in wage levels from 100 per cent, based on 1913, to approximately 216 per cent in the union-scale industries that prevails to-day. It also is one of the factors necessarily in the high cost of farm labor, which stood at 162 on the average for 1923 compared with a five-year basis taken as 100 from 1910 to 1914.

The high cost of labor has merely forced the farmer to do his own work, drafting his wife and children to help him. With a purchasing power of 74 for all farm products, including those like cotton, which is above the pre-war level, it is easy to see that the farmer can ill afford to hire much labor when the index number for farm labor stands at 153.

THE TRANSPORTATION ACT

The transportation act helped the railroads by appropriating $300,000,000 to be used as a revolving fund for loans during a transition period of two years from public to private control. It also prescribed an aggregate annual net railway operating rate of income upon which just and reasonable rates shall be based. For the two years after March 1, 1920, this was placed at 6 per cent, and later reduced to 5½ per cent, of the aggregate value of all of the properties of each carrier. This rate is adhered to as a fair one to be striven toward under existing conditions since that time.

This law also created the Railway Labor Board, upon whose decisions many increases in railroad wages have been based. This board is authorized specifically in determining wage scales and salaries and standards of working conditions to consider (1) wages and conditions in other industries, (2) the relation between wages and the cost of living, (3) training and skill required, (4) inequalities in increases in wages in the past, and other factors. Not only does transportation labor receive a very high original wage for an eight-hour day, but it receives large additions to the rate for all overtime work.

MINIMUM WAGE LAWS

Both State and Nation have passed laws fixing a minimum wage that may lawfully be paid to certain classes of workers and certain occupations, and certainly no one can contend that such acts do not interfere with the normal operation of economic laws. If we are to have "normal operation," competition must be permitted to take its full course.

WORKMEN'S COMPENSATION AND INSURANCE LAWS

Numerous States have passed laws covering unemployment by reason of accident and from other causes, and they require industries to insure their workers against certain hazards, all of which, even though they may be ever so desirable, protect certain classes of the citizenship without affording similar protection to others. The cost of these forms of protection is added to the cost of the product, and the farmer, in common with others, must pay the added cost without personally receiving any benefits from similar enactments.

WAR CONTROLS

Wheat, the crop that is suffering so severely, at the present time in particular, was subjected on August 30, 1917, to a so-called fixed fair price of $2.20 a bushel at Chicago for the basis grade No. 1 northern spring or its equivalent. It should be noted that this price was fixed in the month of August, when the maximum weight of the wheat crop was resting upon the market.

Almost 50 per cent of the wheat crop of the United States is marketed in the months of July, August, and September. The price fixed at this time and under varying conditions and with some slight changes renewed for several periods that carried it up to June 30, 1920, ruled throughout each year in spite of the almost universal trend of prices upward after the harvest is finished.

In May, 1917, just after war was declared by the United States against Germany, the price of wheat went to $3.18. The future exchanges closed on May 10, remaining closed for the rest of the month. When they reopened No. 1 northern at Chicago ranged from a low of approximately $2.50 to a high of $3.09 in June. In July the range was from $2.25 low to $3 high.

Undoubtedly in the succeeding years with war demands and shortage of shipping facilities the price of wheat would have ruled on the average from $3 to $3.25, instead of around $2.20 due to governmental action.

We can make some rough approximations of what the wheat farmer lost through Government intervention to hold down the price of his product. It is probably true that no less than 2,500,000,000 bushels of wheat were marketed during the period of price control. If the loss were 50 cents per bushel, the aggregate amount of which the farmer was deprived was $1,250,000,000. If the loss were 75 cents a bushel, the farmer was deprived of $1,875,000,000.

Many people who have given attention to the matter believe that the wheat growers of the United States were deprived of anywhere from $1,500,000,000 to $2,500,000,000 through the operation of a fixed price on their product. That he certainly did lose can not be gainsaid, for under the wheat guaranty act of March 4, 1919, during its subsequent operation, never once did the open market price fall below the guaranteed price. However, we do not need to rely upon figures which must at best be mere approximations. We can rely upon the well-known fact that wheat was kept at a low price for the definite and declared purpose of reducing the cost of living to the consumer. The talk of encouraging the producer by the price fixed was a gesture outweighed by the actual fact that the fixed price was far below the price that would inevitably have existed had there been no control.

TARIFF LAWS

Protection to home industries has been one of the features of American public policy practically from the establishment of the Republic to the present day. With more than a hundred years of experience in passing tariff laws and administering them, they still present difficulties and produce effects different from what is desired and expected.

The primary purposes of tariffs are to (1) raise revenue and (2) protect home industries. That they raise the cost of living and wages no one thinks of doubting. That they help the protected industries is their very purpose. Likewise, that they are unable to afford protection to farm products, of which we produce an exportable surplus and whose price is therefore fixed in the foreign market, has long been well understood by the economist and is now becoming wholly clear to the farmer.

With protection as such we have no quarrel. It is undoubtedly one of the important cornerstones of the high standard of living of American labor. However, the effect of tariffs is to

give to American industries and American labor an American price. They are unable to afford the same fair play to the great staple American farm products. Forty million American farm people are now gradually rising in a demand that a device be created that will be efficient to do for the great export surplus crops what the tariff does for manufactured goods and nonexport farm products, namely, to afford them an American price.

The inefficiency of a general tariff schedule to protect wheat, an export product, and its efficiency in protecting wool, an import basic product, is shown by reference to a few very simple figures. There is a tariff of 31 cents on wool. The usual difference between London and Boston when there was no tariff was 3 cents. To-day, under the tariff, it is nearer to 25 cents. The relative purchasing power of wool in January, 1924, compared to all commodities was 145. The relative purchasing power of wheat the same month was 81, or 64 per cent less.

RENT CONTROL LAWS

Even in the matter of house rentals we have the rent control act. Here in the District of Columbia no one has shown a similar concern for the farmers of America. Their marketing costs are higher. Their freight rates are crushingly greater than pre-war. Their labor charges have far outrun the farmers' ability to pay, and the prices of things that the farmer must buy are from a few per cent to a hundred or more per cent above their pre-war normals.

Many other laws that interfere with the free operation of the law of supply and demand and with the freedom of operation of economic forces in general have been passed throughout the history of the Republic. The question has never been: Do they interfere? The question has been, rather: Does the purpose to be accomplished transcend in importance, permitting natural laws to take their unmitigated course? When the public good can best be served by interfering with natural law, that is the course that has been pursued.

It is a painful fact that the farmer has benefited far less than other classes of people from such interferences with the freedom of interplay of economic forces as has taken place. In some of these matters he has benefited with respect to some of his products, and he has also shared, at times at least, in a better standard of living. Conditions, however, that have prevailed during the past three or four years are gradually reducing him to economic beggary.

DOES THE SITUATION WARRANT GOVERNMENT HELP?

Everyone has agreed that American farming conditions are deplorable. This is true of those who oppose the McNary-Haugen bill, as well as those who favor it. The question then is: Do the circumstances warrant an emergency departure from our customary practice as to having the Government actually participate in the doing of business, even though this be through the medium of a corporation and not directly through an executive agency? It is perfectly apparent, I believe, to everyone that the conditions that exist are not of the farmers' own making. One hears constant suggestions as to things that have brought about the existing depression. Some contend that it is due to too little credit; others say that the real trouble is that there has been too much credit. Certainly under the circumstances the farmer has gone deeper in debt than he is able to pay. Others ascribe the trouble to lack of diversification, but during the past 12 months the diversified country has come to suffer much as the one-crop country suffered at the beginning of the agricultural panic in 1920.

It certainly is not clear how, even in one-crop territories, diversification can be carried far under the prevailing conditions of soil and climate and a financial situation that prevents the farmer from keeping his farm, to say nothing of launching upon new expenditures. Some, who are decidedly radical in their views, lay the whole trouble to the inadvertency of the middleman system in the United States. I hold no particular brief for our middleman, but many who claim to know state that our system is a very efficient one, and certainly in the case of the staple products it appears to me that the margin between the raw material and the manufactured material is usually so narrow that if the Government paid the whole expense the relief afforded to American farmers would not cure the distress that has prevailed for the last four years. Some state that the trouble is that our farmers have neglected cooperative organization too much. It is not clear to me how cooperative organization would be able to bring rough lumber that used to cost $30 a thousand and now costs $52 back to its pre-war level, or how such organizations could bring barbed wire from its 1923 price of about $4.75 per hundred pounds back to its 1909 price of $2.98, or single harness from $28 back to $13. In fact cooperative organization, while most thinking people agree as to the desirability of its development, is a long-time development and will not rescue us from the prospective panic. Others have somewhat roundly abused the farmer as being responsible for the trouble by his failure to reduce production and by overspeculation in land. As a matter of fact, the farmer has reduced production. There has been a reduction of nearly 700,000 head in the number of cattle on farms between January 1, 1923, and January 1, 1924. There has been a reduction of over 3,000,000 head of hogs between January 1, 1923, and January 1, 1924. Our 1923 wheat crop was 785,000,000 bushels, while in 1922 it was 876,000,000 bushels, and since 1919 we have reduced our wheat acreage from approximately 75,500,000 acres to approximately 58,000,000 acres in 1923. There has been a further reduction in the plantings for the 1924 harvest.

No one doubts that all of these questions are deserving of attention. The matter of speculation in land is quite outside of the mark on analysis, as in thousands upon thousands of cases men who homesteaded their farms and who inherited them and who have been successful for decades have gone under with the rest.

The real trouble is that farmers' prices are about the same as pre-war, but everything they buy is nearly double, due largely to laws of State and Nation. In a recent letter, a farmer in his own way pointed out what, in his views, constitutes the real difficulty. He says that business men, industrialists, and financiers have forgotten that the law of the cost of production is quite as important as the law of supply and demand. If the farmer goes to buy an automobile, and when he is told that the price is $875, he said that he thought it was too much, that the motor industry had slowed down and that the quantity of production warranted a lower price. The dealer reasoned with him that it cost so much to make a car and that it could not be sold for less than the cost of production plus a reasonable profit. He bought the car and a few days later hauled his grain to town to sell. He was told that his wheat was worth 80 cents a bushel. He said he could not raise it for that amount, that machinery was high, that labor was high, and that it cost him at least half as much again as 80 cents to raise it. The grain dealer replied that he should raise less wheat, that while the American crop was 82,000,000 bushels less than last year, other parts of the world had a plentiful supply. In the end, of course, the farmer had to take the 80 cents for his wheat just as the motor car builder did not have to accept less than $875 for his car. This illustrates what the trouble is. The farmer sells everything on a supply and demand basis and buys everything on a cost of production plus a profit basis. Under existing world conditions and with the necessity for keeping an equilibrium involving a surplus of the basic agricultural commodities, only continued disastrous deflation of agriculture can continue.

I believe the Government is warranted in helping American agriculture because the problem involves doing things for 40 per cent of the population that it can not do for itself. I believe this furthermore because of the fact that war measures are in part responsible, through inadvertence, for the situation in which the farmer finds himself. Wheat prices were fixed and other prices were not fixed. Students of the question have appeared before the Committee on Agriculture and expressed the belief that the fixed price deprived American wheat growers alone from a billion and a half to two and one-half billion dollars that they would have received had the law of supply and demand been given free course. Deflation, following close upon the heels of the greatest propaganda for increased production the world had ever seen, struck the farmer another severe blow, cutting down the value of his crop from fifteen and a half billion dollars in 1919 to $7,000,000,000 in 1921. Railroad freight rates were raised at the very time that the farmers' products were suffering their most disastrous decline and have taken another huge toll from the farmer at the time when he could least bear it. In view of all of these facts and many others that could be cited, I not only believe that the Government is warranted in helping the farmer to meet a national emergency due to world and other conditions beyond his control, but I think it is the Nation's duty. Unless the McNary-Haugen bill or other legislation that provides the relief proposed in this bill is passed, farmers will be driven to bankruptcy and a general industrial panic, in my opinion, will be inevitable.

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Ohio [Mr. BRAND].

Mr. BRAND of Ohio. Mr. Chairman, I have listened to some of the speeches made in the House against the McNary-Haugen bill, and I have reverted more to the speech made by the gentleman from Wisconsin [Mr. VOIGT] than to any other, for the reason that it impressed me more than the others. It may be that it was the most forceful objection made to the bill, or it

may be in my mind because it was the first objection that I have heard voiced against the bill. Further than that, the gentleman had told me that he could not support the bill and that he could point out insurmountable obstacles to the practicable working of the bill, and I had also been advised that he was the best posted on the matter of any Member of the House.

At any rate, I listened very intently to what Mr. VOIGT had to say, and the first point that he made that took root with me was when he stated that he was a farmer, that he owned a farm, and that he raised hogs, and that in case this bill went through it would raise the price of hogs from 7 cents to 11, and that in that case he would raise four times as many hogs on his farm, and that others would do likewise, and that a surplus of hogs would result which would succeed in swamping the Government or the corporation formed by this bill and that a great failure would result.

This point, when first expressed, gave me pause, and I had to think to see whether he was right or not.

Now, I have been able to answer, to my own satisfaction, this point made by the gentleman from Wisconsin. I do not believe that he and the rest of the farmers in this country can multiply their swine by four or by two or by any other number except as they increase the amount of feed on their farms in like proportion. If the gentleman from Wisconsin multiplies the number of hogs on his place by four he will have to multiply the amount of feed on his farm by a like amount, and that is an absolute impossibility. You can not increase feed in this country in any measurable degree under the operation of this bill. The only way it could be done would be to switch from wheat to corn, and there will be no occasion to do that, because the price of wheat will be satisfactory under the operation of the bill, and this is admitted by the gentleman from Wisconsin.

The fact of the matter is that there are no sudden changes in the quantity of production of farm products in the United States. It takes years to make a measurable change even when conditions are favorable. There were years during the war when hogs were up around 20 cents, and in those years other farm products were not as profitable as hogs. And yet the increased production of hogs did not show in any measurable degree.

The production of hogs is absolutely limited to the amount of feed that is produced. You can not raise a hog without feed. They are absolutely interchangeable, and if Mr. VOIGT had more hogs on his place than he could feed, he had better kill or sell half of the hogs, or at least sell or kill down to the amount equal to the feed he has.

Now, here is another point about producing hogs: I have found that you have to fit a farm with the stock that belongs on the farm, and that you can not afford to go off on a tangent. The ordinary farm has but one man on it, and generally he can take care of about 10 sows. You might think you could give him 20 sows and double the production of pigs and pork, but that is not the case at all. He can do well with 10 sows and take care of them and produce the pork, but double the quantity and my own experience is that he will not measurably increase his production of pork. I believe the Members of this House who have had experience will agree with me.

Further along in the discussion the gentleman from Wisconsin said that one day in Chicago last summer there were 85,000 hogs received. This was quite an unusual quantity of hogs. Then he said under the operation of this bill he would like to make an imaginary illustration. Suppose the domestic demand would only use 50,000 of those hogs and that there would be therefore for export 35,000 hogs, which the corporation developed by this bill would have to pay 11 cents a pound for, and he said it might come about that the packers in Chicago would say to the corporation that they could not pay the corporation more than 4 cents a pound for those 35,000 hogs and that they would not pay any more. In that case what would the corporation do?

My first answer is that his case is entirely hypothetical and that what would happen would be that the packers would do just as they did that day last summer when the 85,000 hogs actually did arrive. They would buy them all. But in case they wanted to take advantage of the corporation and only pay 4 cents, then I say to you, first, that the farmers who had just sold the hogs for 11 cents would take them all back at 4 cents and take them back to the farm and possibly hold them 30 days. Any farmer would be glad to make such a deal.

In the next place I want to say to the gentleman from Wisconsin that there are not just five packers in the United States. There are 207 packers in the United States who put up 60 per cent of the product, and there are 1,700 other packers in the United States who put up the balance of the 40 per cent, and any one of these 2,000 packers can pack pork for export and any product of pork. I want to say to the gentleman from Wisconsin that I believe those 35,000 hogs in his hypothetical case can be taken care of by the packing houses in Ohio alone and be prepared for export if there were that many hogs needed for export; and there is not a member of the Big Five, as he called the packers, in Ohio.

As a matter of fact, only 10 per cent of the pork raised in this country is shipped out of the country. Ninety per cent of it is consumed here, and that 10 per cent can be taken care of by the present facilities in each of many of the States of the Union if the Big Five do not wish to deal with the corporation we are figuring on developing.

It seemed to me that the above points made by the gentleman from Wisconsin were the chief stumblingblocks which he offered against the bill. My mind is satisfied that they are not real difficulties that business men can not overcome with ease and satisfaction. Some of you, I think, here feel that there will be great difficulties in the corporation taking care of the hogs. You think the corporation will have to buy the live hogs and possibly ship them out in the ocean and dump them. But to my mind, what will really happen is this: That this corporation will make an allowance to everybody exporting hogs or hog products of an amount equal to the difference between the American price and the foreign price, and this loss which this corporation sustains will be paid by the equalization fee paid by all producers of pork in the United States. A loss will be sustained on 10 per cent of the hogs produced and an increased price will be received for 90 per cent.

I have had some experience with a Government that wrote the first Haugen-McNary bill about 20 years ago. I have been for 30 years importing from Greece—connected with a firm importing dried currants from Greece. In the old days before this measure was written by the Greek Government dried currants were selling around 2 cents a pound, cost and freight paid to New York, which meant only about 1 cent a pound to the grower. Those Congressmen from California acquainted with the raisin business can tell you all what 1 cent a pound means to the producer of raisins, and that applies also to the Greek producer who was producing currants for a cent a pound. This is about the only article that Greece produces for export. Her soil is the only soil that will produce this particular article in the world, and she ships currants to all the countries of the globe, and she devised a plan by which she would make these nations pay for the product. This plan was exactly the McNary-Haugen bill turned around backward. Currants were grown in Greece and used for two purposes—wine and for export as dried currants. The wine had to be cheap, and to sell currants for wine purposes they had to carry a low price. Currants for export would bring more money if a plan could be devised to separate the two, and the retention act of Greece retained the surplus of currants each year to the Government and the Government took that surplus and sold them to the wine makers and they were destroyed as currants, and this left on the market just what the world would absorb of dried currants each year.

I want to say to you that that law has been in force for 19 years, and the growers to-day are getting about 12 cents a pound for currants, cost and freight, to New York, and there has never been a time in the 19 years when the price has been less than 3 cents a pound for export currants. The law has been a success, and the producers of Greece have been protected.

During those years I have been a merchant handling these goods and I want to tell you here of that experience as a solace to these grain merchants who think they are about to be ruined. During most of that time I have been a broker selling the product in the United States for the business firms of Greece who handle currants.

I was in this work before the law was passed and after the law was passed, and I never could see a particle of difference in my connection with the work either before or after, and I never could see any difference in the operation of the business in Greece by the business men there, occasioned by the enactment of this law, and I will say further that I have never heard a complaint by anyone connected in Greece or in America against this law, to the effect that it interfered with business or with any business concern engaged in that enterprise.

I think the grain merchants of the United States will find that their fears are unfounded and that their business will go on without molestation and without any new difficulties to overcome, and I really think that their profits will be more secure, because the price of the articles under this plan will not fluctuate to the extent that they have in the past.

There are the consumers in the United States, who have a right to be considered. The prices of agricultural products under the operation of this bill will be higher. That is absolutely true, and that is the only way you are going to put agriculture on a balance with the rest of the products in other lines of business in the United States, and it would seem that if the price of agricultural products goes up that the consumer would naturally have more to pay. That seems to be a reasonable conclusion. But, gentlemen, I have very serious doubts in my mind as to whether the consumer will be called upon to pay the advance in the price of farm products.

I have been interested in the manufacture and sale of bread in the United States for a number of years, and I have had occasion to study the business, and I find that a loaf of bread sells to-day in Washington—a pound loaf—at 9 cents, and I find at the same time there is less than a cent and a half's worth of wheat in that loaf of bread, and that there is a little over a cent and a half's worth of flour when the wheat is converted into flour on account of the milling cost. To confirm this statement I will say that I can show you the records kept by the United States Government in her Army bakeries, showing that in this year of 1924, she is making bread at a total cost of 0.0174 cent per pound loaf for all the material in the bread, and that takes in more than the flour. I can also show you that in the city of Washington the same bread is being sold at two very dissimilar prices; the same bakery is selling pound loaves of bread to the Navy of the United States at $3.69 per 100 pounds and is selling that same bread to retailers in Washington at $8 per 100 pounds, a difference of more than 100 per cent in the two prices on the same bread at the same time.

Now, this proves, I think, that the cost of the ingredients has little to do, if anything, with the price of bread sold to the consumers at 9 cents in the city of Washington.

I will also say that I have investigated the price of bread during the war, and am informed that the average price of bread in the United States was about 9 cents per pound loaf when flour was selling at $12 to $15 a barrel, and to-day in Washington, with flour worth $6 a barrel, the bread is bringing 9 cents a loaf.

Now, I believe it is reasonable to conclude that if you change the cost of the wheat in a loaf of bread from 1½ cents to 2 cents, that you will not alter the price of bread sold to the consumer at all.

This takes care of the matter of the wheat—I am not so familiar with the hog products—and these are the two articles that are going to be affected first by this measure.

But I believe if there were somebody here on this floor that could discuss intelligently the price of the hog and the retail selling price of pork, they would probably be able to develop just the same kind of a set of circumstances as I have related to you about bread.

I am not afraid of this bill not being practical. I am not afraid that we will get the Government into a disastrous financial situation. I am not afraid there will be a burden on the consumer as a result of this bill that will be hard to bear. But I am afraid of the result in this country if something is not achieved by this Congress for the relief of agriculture. The farmer has used up his surplus, he has borrowed all he can borrow, he can not go on buying high-priced products of industry and paying for them with his low-priced products; his back is against the wall, and he has got to make a stand for his own self-preservation. And, gentlemen, what I fear is that the farmer of the Nation will see red if we do not give him relief, if we do not even make an attempt to give him relief; and that he will join in a movement which he could make successful of tearing down all the other classes of society, down, and down, and down to his own level.

So I appeal to you people from the cities, and tell you that for your own interest put the farmer on an equal basis with yourselves, and thereby protect yourselves from a disaster that may await you.

There is only one objection I have to this bill, that there is an expense contemplated in the bill that is not covered and paid by the producers of the products affected. I refer to the capital required for the conduct of the business which the Government is to furnish, and I believe it is fair that the producers should pay the Government at the rate of 4 per cent per annum interest on whatever there is invested in this business, and I expect, at the proper time, to offer an amendment to that effect.

Otherwise every cent of expense occasioned by this bill is borne by the producers of the products affected.

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Illinois [Mr. RATHBONE].

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Wisconsin [Mr. FREAR].

Mr. FREAR. Mr. Chairman, it would be presumptuous for me to discuss in detail an agricultural bill in the presence of gentlemen of the committee now before me who have been making a study of the subject for months. Possibly I can add something of interest to the discussion, but I shall not attempt to thresh over the general subject which has been covered so well by different members of the committee. I do wish to address myself to one or two propositions that may not have occurred to members of the committee. I assume that everyone here is in favor of helping agriculture in any way that we properly can. It is useless to say that because we are divided in opinion as to methods we are not all interested in the subject. What is the most effective proposition in which we can reach agreement? I am in favor of any measure that will be recommended by this Committee of the Whole House after deliberation, without any fear that it is going to be disastrous to the country, because one of the provisions of the bill provides that the President of the United States has the power to determine when an emergency exists in any one product; he alone can put the act into operation with any specific product. So far as my own State is concerned, we have no especial interest in wheat, pork, or like products because Wisconsin is very largely a dairy State, producing over $100,000,000 annually in dairy products. We have no great particular interest in the bill so far as word comes, but when we are notified that over 400 banks have failed in the western part of the United States within a few months, that entire communities have been abandoned, that farms and stores, and, in fact, whole districts of the West have given up the fight, it calls for relief. It reaches far back, not only to your State and to mine, but into the Eastern States also, because I believe that is one of the troubles the East is having to-day. It has lost the great consuming West in the sale of eastern products. I feel that anything that we can do we should do. I am willing to vote for amendments to hold the operation of the bill down to wheat, if necessary, because if that one product is successfully benefited we should be satisfied before making the bill general in application. I shall vote for the bill as it comes from the Committee of the Whole.

I was interested in the discussion of the gentleman from Illinois [Mr. RAINEY], who has made a great study of this matter; but while he was speaking of Portugal and Belgium and other countries that have a sort of holdback, where a bonus is given in the respective countries, it occurred to me that that does not apply to England, and the wheat market is made in Liverpool. They have no protective tariff requiring any holdback against our foodstuffs.

The gentleman from Louisiana [Mr. ASWELL], partly in charge of the bill, made a strong argument against the bill, and I desire to address myself briefly to remarks made by him to the effect that this is a Bolshevistic proposal. He stated that this bill had in its terms become practically a Bolshevik movement, or something to that effect, and I assume it is no reflection on him to mention the fact, because we all know that he is interested as much as anyone in the relief of the farmers of the country. For the sake of argument, I am going to admit that that is partially so, that this bill may be of such general public benefit as to be called Bolshevistic. When I was over in Russia last summer I saw a gentleman there who represented an organization known as the Centrocyouse. A similar cooperative Russian organization is called the Centrocyaine. These organizations each number over 4,000,000 people. He represented 27,000 communities in his one cooperative company. It was financed by the Russian Government, that loans funds at reasonable rates of interest. The organizations buy and they sell to and from the peasants for the benefit of 85 per cent of the inhabitants. These are the peasants of Russia to-day. It is a great success there and the greatest cooperative organization in the world. In fact, both companies are larger than any others, so far as I have heard, and they are directly connecting the Government and the farmers of Russia.

Mr. Alex Gumberg, the representative of the textile industries of the Russian Government, stated to me that the Textile Syndicate of Russia, which combines over 400 Russian textile mills, has purchased since January of this year over 130,000 bales of cotton in the South, worth in round figures about $25,000,000, and of this amount $16,000,000 has been paid in cash, and he expects that the amount of purchases may be more than doubled before the end of the year.

The Russian Government is much in need of our cotton to supply the 400 mills in Russia, and they would prefer to buy direct rather than to pay commissions or handling charges to

German agents, as in the past. In these purchases the Russian Government finances the syndicate, and he is acting as one of the governmental agencies in the matter.

Mr. Victor P. Nogin, president of the syndicate, died on May 21 in Moscow. Mr. Nogin was in my office early in the year, and he then stated that he expected to make purchases of upward of $40,000,000 in cotton. When that statement was made by me in the House the facts were doubted by several incredulous, but the Russian Government is now engaged through the Textile Syndicate in buying American cotton from our farmers in the South, and in addition 20,000 bales of cotton have been purchased from New England mills that are now closed.

If normal trade relations were possible, thereby extending means of business credit through agencies in this country and direct dealings with the Russian people, the cotton purchases would be much larger and the purchases of agricultural machinery from the International Co. and other products of this country would be greatly increased. This trade is a life-saver at the present time for the cotton growers of the South, and it is a legitimate trade that comes direct from the Soviet Government, which finances these purchases.

As I have stated, we have much to learn in methods of cooperation, particularly for agricultural interests of the country, from the two great Russian cooperative organizations known as the Selskosoyus and Centrosoyus, the combined trade of which reached, as I understand, over $50,000,000 last year.

The bill before us contemplates far less than that amount in its application to wheat, and while all agricultural interests of the country have been hard hit by prices and living conditions due to deflation and other causes, we have been assured that the country generally will respond to better times if the wheat growers are given some assistance at this time.

With the right of the President to declare when an emergency exists so as to put the special rates in force, there would seem to be no danger of undue enlargement in its purposes. After trying out the provisions of the bill on wheat products, if successful, as I believe it would be, the emergency in dairy products affecting my own State or any other unusual condition could be properly met under the provisions of this bill.

Mr. ASWELL. Mr. Chairman, will the gentleman yield?

Mr. FREAR. I can not do that now. The people of the South have sold their cotton to Mr. Gumbert, representing the Russian people. The Russian Government is financing the proposal. So while the Bolshevik Government, as it is constituted, may have its weaknesses, it helps its own people in a way we may well imitate, and when buying cotton it is helping you and it is helping all of us. It is helping the people of the whole country, because whenever money is put in circulation in the South it soon gets into circulation here.

I have only a few minutes and I can not discuss this matter as I would like to do. The people of the West, more particularly the extreme West, are in dire distress to-day. They must have help. We all know that. We have to help each other, because the only way that we can help ourselves is by helping each other. I am not going to dilate on the subject that the farmer buys in a protective market, that he buys his labor and his transportation in a protective market, and practically everything else, and that he sells, we all know, in the markets of the world in competition with the cheapest labor and living conditions that exist in other countries. We have to help him, and the one thing to do is to vote for the bill as it comes out of the Committee of the Whole. That is what I shall do.

Mr. Chairman, one of the greatest financial authorities in the country, whose opinion I am frank to say would be held second to none by the average Member of the House, has expressed himself so forcefully and clearly on the bill before us that I am quoting briefly from a letter written by him on the subject.

Otto H. Kahn is internationally known as banker and economist. He is familiar with governmental activities, and his approval of the McNary-Haugen bill as an experiment if not as a cure-all for the existing agricultural depression is the best indorsement that could be offered at this time.

Anything that injures agriculture injures every other line of business, and this applies with equal force to the great financial interests of the country, because when 400 banks have their doors closed due to frozen credits, together with the abandonment of thousands of farms by families so as to depopulate entire sections of the country, the situation is one to excite apprehension on the part of every thinking man, and so I am attaching hereto the statement issued by Mr. Kahn, which speaks for itself. He says:

> The farmer, finding himself, as we are informed, in an intolerable situation, is gravely discontented and under a sense of grievance toward the existing order of things. * * * The farming business is the largest in the country. The basic and vital necessity of the farming industry needs no emphasizing. The immense social value of the farming class to the State is beyond argument. There can be no lasting prosperity in trade and industry unless the farmer is reasonably prosperous. * * *
>
> Not only is the farmer entitled in fairness to relief from conditions of maladjustment which place him in a position of heavy disadvantage as compared to other callings, but the continuance of these conditions constitutes a serious social evil and a derangement of so grave a portent as to justify resort to an heroic remedy, if it must be admitted that the lesser measures heretofore applied or suggested are impotent to effect a cure.
>
> It will be far less costly, I believe, to the country at large to bear the very slight addition to the cost of food which is involved in a reasonable trial of the theory embodied in the McNary-Haugen bill than to pay the penalty which would appear to be inescapable if the Nation countenanced or failed to redress a state of things that would leave agriculture languishing and declining and 12,000,000 farmers aggrieved, resentful, and deprived of a fair share of prosperity and well-being.
>
> As to the fear of setting a precedent, I believe that, in a broad sense and in its underlying thought, the McNary-Haugen bill—granting the existence of the conditions which it aims to correct—rather follows than creates precedent. Moreover, aversion against, or apprehension of, establishing a precedent is never a valid reason for failure to do that which is justly called for.

Mr. ASWELL. Mr. Chairman, I merely want to say that the gentleman from Wisconsin has conclusively proven my position that this is a Bolshevik bill.

Mr. FREAR. The gentleman has had the advantage of $25,000,000 in the South, paid his people by the Russian people, and I am delighted to think that this great aid is something to him, to his people, and also to the country.

Mr. RUBEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, it becomes apparent that the first test on this bill may come on a motion to strike out the enacting clause. It is rumored that the motion will be offered in the committee immediately after the reading of the first section and immediately after the conclusion of general debate. Of course an affirmative vote on the motion to strike out the enacting clause kills the bill on the spot. It would shut out all opportunity for substitution; it would shut out all opportunity for amendment, and if approved by the House it would summarily and arbitrarily dispose of the whole question for this session. As a matter of fact, it would preclude any possibility of farm legislation during the Sixty-eighth Congress, as the short session ends on March 4 and barely affords time for the disposition of the supply bills.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. CANNON. With pleasure.

Mr. GREEN of Iowa. I have forgotten whether a motion to strike out the enacting clause can be made at any stage.

Mr. CANNON. It may be offered at any time after the reading of the first section and before the reading of the last section.

Mr. GREEN of Iowa. I did not recall.

Mr. CANNON. Let us consider the significance of a vote in favor of the motion to strike out the enacting clause. It not only indicates opposition to this bill as written, not only opposition to any bill which might be substituted for the McNary-Haugen bill, and to any form of legislation which might be evolved through amendment of the pending bill, but it signifies objection to giving the subject any consideration whatever.

Mr. ASWELL. Well, now, the gentleman has no right to make an assertion of that kind.

Mr. CANNON. I am simply explaining the effect of an affirmative vote on the motion, a matter of common parliamentary procedure.

If the House agrees to a motion to strike out the enacting clause after the reading of the first section, there will be no opportunity to read the bill under the five-minute rule and, of course, no opportunity to offer amendments. That is a final disposition of the bill without opportunity for perfecting amendments of any kind.

One of the principal grievances charged against King John of England, during his regency for Richard, was that he refused to hear the common people. The wealthy and noble could always

secure an audience, but the peasant, the farmer, and the laborer, the bone and sinew of medieval England, were denied and refused redress. If this motion to strike out the enacting clause is agreed to, the Sixty-eighth Congress subjects itself to the same criticism. The rich and the powerful have never failed to receive a respectful hearing by this Congress. They have brought into this House every character of legislation in their own behalf, from the Mellon plan to the immigration bill, and have been accorded every consideration. Their bills have been debated at length, and every opportunity has been afforded for full consideration, but when the farmer, bankrupted by unfair discrimination and petitioning for relief from conditions the existence of which are universally conceded, comes in at the eleventh hour with a plea for restitution it is proposed that we throw the bill in his face and close the doors and go home.

Elemental justice demands that agriculture receive the same opportunity which has been accorded every other interest in the country since the session began, and if a motion is offered to strike out the enacting clause and deny further consideration it should be decisively defeated and the farmer given at least an opportunty to present his case. [Applause.]

Mr. Chairman, the United States as a whole has enjoyed a decade of unexampled prosperity. Production, movement of freight, corporate earnings, employment of labor, wages, bank clearings, and all visible criterions of national wealth and prosperity have in the last 10 years increased to totals and established records unequaled by any nation in any period of the world's history.

The year 1923 was incomparably the greatest year in industrial and financial growth and development since the discovery of America. Figures compiled by the New York Federal Reserve Bank indicate that during the year 200 representative corporations, manufacturing practically every commodity consumed by modern civilization, made profits of $834,000,000, as compared with profits of $634,000,000 made in 1919, previously the record year for volume of business and percentage of profits. The dividend of 300 per cent, aggregating $318,423,295.38, declared by the Standard Oil group; the surplus of more than $6,353,350 reported by the International Shoe Co.; the annual revenue of half a billion dollars flowing into the coffers of the United States Steel Corporation and its surplus of $54,259,993.64 are typical of the unprecedented earnings of practically every great business in the country.

Railroad profits were larger for 1923 than for any previous year. The freight traffic for the year was the heaviest ever recorded. For 23 successive weeks railroad-car loadings exceeded 1,000,000 cars weekly, and railroad earnings and dividends were in proportion. After paying taxes, interest, and "all other ascertainable charges" and expending vast sums in equipment and improvements, railroads reported incomes ranging from $11.45 to $26.80 a share on heavily watered capitalizations.

The Pennsylvania Railroad drew a revenue for 1923 in excess of $775,000,000, a new high-water mark, and the general passenger agent of the Baltimore & Ohio Railroad, in a circular letter to the Members of this House, announced that the year 1923 was the most prosperous in the history of the Baltimore & Ohio Railroad.

The remarkable prosperity of the country as a whole was also accurately reflected in the records of Federal income and profit taxes for 1923, which showed an increase of 21 per cent over those returned for 1922. During the year bank deposits and bank clearings, governed, of course, by business conditions in the great industrial and financial centers, surpassed all former records. Savings bank deposits increased $1,140,000,000. Savings averaged in excess of $30,000,000 a day for the entire year of 1923. And the increase continues. A nation-wide survey by the Federal Reserve Board shows that savings deposits on April 1, 1924, totaled more than $7,000,000,000, an increase of over $53,000,000 above the figures for the preceding month and $560,000,000 over the amount on deposit a year ago.

Our national wealth when last estimated by the Department of Labor amounted to $320,803,862,000, an increase of 72.2 per cent over that of the previous census—so marked an increase that the wealth of the United States to-day is practically equal to the total wealth of all Europe. The combined wealth of the United Kingdom, Germany, France, Italy, and Russia in 1914, when these nations were in the high tide of their greatest prosperity, totaled but $289,000,000,000, as compared with the present wealth of the United States of more than $320,000,000,000.

As an appropriate summary of business conditions for the year 1923, the financial experts, in summing up in the metropolitan newspapers the situation on January 1, 1924, announced that Wall Street had enjoyed a great year and was "satisfied." Those conversant with Wall Street's voracious appetite and with what is required to gorge it can well understand what is meant when it is announced that Wall Street is "satisfied."

But in the midst of the unparalleled prosperity prevailing to-day in the cities and the great industrial centers, while business is declaring enormous dividends, while the railroads are carrying the largest and most profitable traffic since the locomotive was invented, and labor is receiving the highest wage for the shortest hours since man was ordained to earn his bread by the sweat of his brow, in the face of this remarkable affluence the farmers of the country, comprising its most important single industry both in numbers engaged and in service rendered, are receiving such meager returns from their investments and such inadequate wages for their labor as to bring agriculture and the agricultural districts to the brink of a business precipice.

While corporate dividends and wage schedules have been mounting steadily the farmer has been deflated $32,000,000 in three years—$18,000,000 in land values and $14,000,000 in crop values—and this is a conservative estimate. Statistics reported by the Secretary of Agriculture show that crops and livestock at the close of 1923 were worth about $7,000,000,000 less than in 1919. Although there was an increase of more than a million head of cattle, hogs, horses, and sheep between January 1, 1914, and January 1, 1923, and all other classes of property in the United States increased in value from 1912 to 1923, the value of livestock decreased from $6,238,389,000 to $5,807,104,000.

While industry is enjoying an era of prosperity never dreamed of and labor is receiving the highest wage since the dawn of civilization, the farmers of America are in direst distress. Farm products are selling at less than the cost of production; taxes remain unpaid; credit is exhausted; farms are being abandoned; country banks are failing; foreclosures are common; and standards of living have declined to a minimum. While the roar of traffic and the hum of prosperity fill the cities, out in the country only a few miles away are ruin and privation. In 15 wheat-growing States 108,000 farmers have lost their farms by legal process or bankruptcy since 1920. More than 122,000 have surrendered their property without legal proceedings, and nearly 375,000 retain possession of their farms only through the leniency of creditors. Secretary Wallace officially reports that practically one out of every five farmers is bankrupt if his loans were called, and practically all are in desperate financial straits.

The natural consequence is a decline in the value of farms, averaging something like 50 per cent, and carrying with it a drop in bank credits secured by depreciated land and crops that has thrown country banks into the hands of receivers and all but choked the avenues of rural credit. From 1918 to 1923, 1,448 banks suspended payment with total liabilities of more than half a billion dollars, the great majority of them located in rural districts and practically all dependent on agricultural patronage. The previous record for bank failures was made in 1893 when 326 banks closed; but in 1921 the record was again broken and 358 banks failed; in 1922 the number rose to 397; in 1923, to 274; and all previous records for bank disasters were broken during the period between July 1, 1923, and May 7, 1924, the last statistics available, when 511 banks went down carrying with them the little remaining credit assets of as many rural communities.

In the State of Missouri, comprising some of the richest farming lands in the world, cultivated by some of the most industrious and intelligent farmers to be found in the Union, a survey made by the Missouri Bankers' Association and reported at its convention held at St. Louis, May 1, 1924, disclosed a larger number of failures in the farming sections of the State in the preceding three years than in the whole period of more than 100 years since Missouri was admitted into the Union in 1821.

And Missouri is no exception. The entire farming industry is affected by a devastating financial blight. According to a survey by the Department of Agriculture the average gross annual income per farm in the United States is $712. This is not for each person but for each farm. Nor is this profit. It is gross receipts. Out of it must be paid the taxes, cost of operations, up-keep, interest on loans, and wages of farm labor. What is left of the $712 when these charges are taken out is the pay received by the farmer. It is the pitiful reward of those who work the longest hours, under the most adverse weather con-

ditions, and at the most laborious profession known to man. It is the remuneration received not only for his own labor but for that of his wife and children, and it is the return not only on his labor but on his investments in land, stock, and equipment.

But the farmer's disadvantage does not end there. That is only the beginning. When he takes his few hard-won dollars to the market place he discovers they will buy only 50 cents' worth of the manufactured commodities required by his family. While the price of his products has been deflated to pre-war levels, the price of industry's products have not only refused to take a corresponding drop but have advanced even beyond war-time prices. As a result his dollar which before the war was worth 100 cents in the city markets has to-day only a fraction of its former purchasing power.

The following comparisons of the purchasing power of a bushel of wheat in 1913 and 1923 illustrate the gravity and extent of this discrimination against the farmer:

	Cost, 1913	Cost, 1923	Wheat needed—	
			1913	1923
			Bushels	*Bushels*
Plow	$9.50	$27.00	11.7	29.2
Double wagon	61.21	132.20	66.8	143.3
Single harness	11.00	26.00	13.7	28.3
100 pounds barbed wire	2.25	5.09	3	5.6
Suit of clothes	16.75	28.50	21	31
Two bottom plows	64.00	125.60	80	140
Double harness	32.00	73.50	40	80
Pair of shoes	4.75	11.00	6	12
Thresher operators	6.25	14.75	8	16
Harvest labor	2.00	6.00	3	6.5

Farm price of wheat per bushel:	
1913	$0.799
1923	.923

The same discrimination is shown in the purchasing power of hogs, a staple farm product, the returns from which largely fix the price of corn and other farm feeds:

	Cost, 1913	Cost 1913	Pork needed—		Increase
			1913	1923	
			Pounds	*Pounds*	*per cent*
Walking plow, 14-inch, general purpose	$11.75	$21.25	157	332	111
Gang plow, 14-inch	53.25	99.00	744	1,549	108
Disk harrow, 7-foot, 16-inch	23.00	47.50	321	743	131
Corn planter, 2-row	31.75	64.50	443	1,009	128
Grain drill, 22-7	106.00	190.00	1,481	2,973	101
Double wagon	61.21	132.20	----------	855	2,069
Ton of hard coal	8.59	19.17	----------	120	300

Farm price, hogs, per 100 pounds: 1913, $7.16; 1923, $6.39.

A corn cultivator which could have been bought for 500 pounds of live cattle in 1913 to-day requires 1,400 pounds of cattle in the same market. In other words, when the city man comes out in the country his dollar buys $1.30 worth of farm products, but when the farmer takes the same dollar back to the city it is worth only 50 cents in manufactured commodities. When we come to investigate this remarkable discrepancy between the buying power of the farm dollar and that of the industrial dollar we find it is directly due to methods and conditions of marketing. Manufactured products are fed into the market only as there is a demand for them and protected by a heavy tariff. Any surplus is kept off the domestic market and sold abroad. On the other hand, agricultural products are thrown on the open market as soon as produced, regardless of the demand, and, of course, greatly in excess of market requirements. The market is glutted, dealers are overstocked, and the oversupply inevitably beats down the price to a level far below the cost of production.

This is notably true of the wheat crop. We produce about 750,000,000 bushels of wheat every year, 600,000,000 bushels of which are consumed in the United States, leaving approximately 150,000,000 bushels to be exported to foreign countries. When exported it is passed through the Liverpool market, where it is sold in competition with the surplus of every other wheat-producing country in the world, and must therefore be sold at the world price. The world price thereupon becomes the American price, because exporters will pay shipping costs abroad only when they can no longer sell for a higher price at home, and in this way the price received for our surplus fixes the price of our entire crop.

The same conditions apply to hogs, and the 2,000,000,000 pounds of pork and pork products which we must annually export to Europe lowers the price of pork at home to the world price prevailing in foreign markets.

Not so with the products of America's industrial plants. Protected from outside competition by high tariff walls, they are fed into the home market in carefully measured quantities sufficient to supply the demand only, and at prices to which the tariff has been added to make a handsome profit. The surplus is dumped abroad in competition with foreign goods and, of course, at world prices, but can not affect the domestic price, as it does not reach the domestic market and is shipped abroad as soon as produced. As a result of these two widely differing methods of marketing, manufactured goods are sold in a protected domestic market at the American price and agricultural products are sold both at home and abroad in an open market at the world price.

Industry sells in the American market and buys in the world market. It sells its products at a high price and buys its necessities at a low price. Agriculture sells in the world market and buys in the American market. It sells its products cheap and buys its necessities dear.

Under this double system of short changing, the farmer is rapidly being reduced to a condition of peonage. The situation is becoming intolerable. The farmer, the most willing and indispensable producer in America, is entitled to a share of the wealth he produces. He is entitled to participate in the abounding prosperity which every other class in the country is enjoying. Either farm products must be raised to the level of nonagricultural goods or the price of the latter must be brought down to that of farm products. This is the great problem in the United States to-day. The latter course is not to be considered. It is neither practicable nor desirable. The only course open then is to bring agricultural prices to a par with the prices of other commodities—to make the farm dollar worth as much as the industrial dollar, to apply to agriculture the same principles already applied to other industries, and that is what the McNary-Haugen bill proposes to do.

It proposes to provide for the use of the farmer the same marketing advantages now utilized by the producers of manufactured goods. It proposes to relieve the domestic market of the surplus which depresses the price and sell it abroad under the jurisdiction of a centralized export agency similar to that employed by steel, textile, and other industries. It creates for this purpose a Government agency to be known as the United States Agricultural Export Corporation. This corporation would have power to go into the markets and buy agricultural products which were selling for less than their pre-war value and pay a price for them which would place them on a parity with the general average of all other commodities. Such a price is termed the "ratio price."

In determining this "ratio price" the wholesale prices of 404 staples, including every variety of commodity from machinery and clothing to fuels and building materials, for the 10 years beginning with 1905 and ending with 1914, inclusive, as compiled by the Department of Labor, is taken as a basis.

This decade has been selected as a period which represents fairly normal conditions throughout the United States. If prices prevailing during that period can be said to be unfair to either farm or factory, they probably favor the latter, for no one can claim that the farmer was unduly prosperous during those years. Few farmers made more than a living, and those who did made it through the inevitable increase in the price of land rather than through farming operations. Conditions may be considered as nearest to normal during those years, and the whole purpose of the bill is to restore to agricultural products the purchasing power they possessed during that period.

It would be the function of the corporation to maintain the price of any particular farm product at the same relation to the average price of that product during 1905–1914 that the average price of the 404 commodities at the time bears to the average price of the 404 commodities during the period from 1905 to 1914.

If, for example, the average price of hogs during the 1905–1914 period was approximately $7 per hundred pounds and the present price of hogs was $7, and the average price of the 404 commodities is to-day about 60 per cent higher than the average price of the 404 commodities during the 1905–1914 period, the ratio price of hogs would be 60 per cent higher than $7, or approximately $11.20.

Under the provisions of the bill the farmer would receive $11.20 instead of $7 per hundred pounds for his hogs. If the price of the 404 articles advanced the price of hogs would

ndvance; if the price of the 404 commodities declined the price of hogs would decline.

So the farmer could always be certain that the dollars which he received for his hogs would buy as much as they bought before the war. He could no longer be robbed, as under the present system, by having the manufacturer raise the price of the 404 necessities while the packer at the same time lowered the price of hogs.

During the year 1923 the State of Missouri produced 37,947,000 bushels of wheat, 196,000,000 bushels of corn, and approximately 1,111,600,000 pounds of pork.

The table below shows the additional revenue which would have been derived from these products had the ratio price been in effect:

Missouri, 1923

APPROXIMATE INCREASE IN WHEAT, CORN, AND HOG VALUES IF RATIO PRICES HAD BEEN IN EFFECT

Wheat	$19,352,970
Corn	31,497,600
Hogs	46,687,200
Total	97,537,770

In other words, under the McNary-Haugen bill the State of Missouri would have received in one year from these three commodities alone approximately $1,000,000,000 more than the prices actually paid the farmers who produced them.

It is a stock objection that the bill is a price-fixing proposition, but it is apparent at once that while the influence of world factors would be removed the effect of domestic influences would still obtain, and under the pressure of local supply and demand would fluctuate with the price of the 404 commodities. When these declined farm products would automatically decline with them and when they advanced in price farm products would automatically advance with them. The price of farm products would no more be fixed than that of the 404 commodities, and certainly no system could be more equitable.

The surplus bought to relieve the domestic market would, of course, be sold abroad, and the corporation would lose on all such transactions the difference between the American price at which it had been bought and the world price at which it must be sold.

To provide for this deficit the corporation would estimate in advance its probable losses on these sales and the season's operating expenses, and would collect from the producer at the time of marketing a small per cent of the ratio price to be used in meeting such charges and to be known as an equalization fee. A receipt would be given the producer at the time it was collected and after the season's operations were completed any part of the fund remaining on hand would be distributed back to the producer in the same proportions in which it was collected.

For illustration, let us assume that wheat is selling at $1.07 a bushel, as was the case in November, 1923. But the corporation finds that the ratio price is $1.58 a bushel, and establishes an equalization fee of 12 cents per bushel. The farmer receives $1.46 in cash and a receipt for 12 cents, a total of $1.58, the ratio price. Losses on surplus sold abroad and operating expenses would amount to about 9 cents per bushel, and at the end of the season the farmer presents his receipt and receives 3 cents per bushel, which, added to the $1.46 already received, gives him $1.49 a bushel for his wheat, or a margin of 42 cents over the price he would have received had the law not been in operation.

Had this bill been in force in 1923 the price would have, in fact, averaged $1.58 a bushel instead of $1.07. Twelve cents per bushel would have supplied an ample equalization fee, and the farmer would have received $1.46 in cash and a receipt for the 12-cent equalization fee. Our crop amounted to approximately 750,000,000 bushels, and 600,000,000 bushels were required for home consumption, leaving 150,000,000 bushels to be bought by the corporation for export. At the world price of $1.07 per bushel, the American farmer would have received $802,500,000 for his entire crop. But under the provisions of the McNary-Haugen bill he would have received for the 600,000,000 bushels sold at home $876,000,000 in cash and equalization receipts at the rate of 12 cents per bushel, amounting to $72,000,000. For the 150,000,000 bushels exported by the corporation and sold at $1.07, the world price, he would have received $160,500,000. The 150,000,000 bushels bought at the domestic price of $1.58 a bushel and sold at the world price of $1.07 per bushel would entail a loss of $76,500,000, and the operating expenses bring the total equalization charge up to $81,500,000. Subtracting this from the equalization fund of $90,000,000 collected on the entire crop of 750,000,000 bushels leaves $8,500,000 to be returned at the end of the year when the equalization receipts are presented for payment, and this added to the $876,000,000 received in the home market and the $160,500,000 received in the world market makes a total of $1,045,000,000 received for the year's crop under the McNary-Haugen bill, instead of the $802,500,000 actually received under the present system, which the gentlemen opposed to this bill desire to perpetuate.

The same procedure would apply to other agricultural commodities provided for in the bill. The ratio price of hogs, for example, would be maintained in the same manner. Recently hogs on the St. Louis market sold for $6.70 per hundred pounds, the lowest price for hogs recorded at the National Stock Yards since March 8, 1912. Upon a pre-war purchasing power basis the price would have been $10.85 per hundred pounds, the ratio price, which on a car weighing 16,000 pounds would have made a difference of $664 to the farmer who produced them.

It is to be noted that in these transactions no part of the expense of administering the law and enforcing the ratio price is to be charged against the United States Treasury. The adjustment is without cost to the taxpayer. The farmer, who receives the profit, pays the bill in full.

In fact, the farmer in urging this legislation is asking no favors and seeking no special consideration. The bill is not a measure proposing class legislation by depriving others of their rights as is so often and so unjustly charged, but proposes merely to restore to the farmer rights of which he has long been deprived by legislation already on the statute books. Through the enactment of legislation granting special favors to other groups a system of protection has been built up under which practically every other industry and every other class of labor has been protected against the competition of European products and cheap foreign labor, while the farmer has been left on the outside in a position similar to that of one of the early settlers against whom the door of the fort had been closed during an Indian attack.

There are three great factors in the business world: Capital, which owns the money, the factories, the mines, the transportation systems, and which runs Wall Street and handles the markets; labor, which operates all this vast mechanism owned by capital; and, third, agriculture, which provides the food supply to sustain both capital and labor, and is the most important of the three, for without it the world would starve in 90 days.

The first of these great agencies has already asked and obtained the right to combine for export trade, tariff protection, and other legislative favors and has for many years enjoyed many times the advantage which this bill now proposes to give to agriculture. The Webb-Pomerene bill and the Edge bill permitting combination for export trade, the Federal reserve act, the interstate commerce law, the Esch-Cummins act, and especially the Fordney-McCumber bill are as patently paternalistic and fix prices more certainly and more drastically than the most hostile interpretation of the McNary-Haugen bill could possibly effect them. The McNary-Haugen bill does not create precedent. It merely follows precedent. Industry is to-day charging prices and drawing revenues which would be impossible if these laws were wiped off the statute books.

We are told that the farmer's problem can not be solved by the enactment of laws; that we can not legislate prosperity. Apparently it is all right to legislate for the millionaire banker, the Wall Street capitalist, the industrial baron, and the railroad manipulator, but when the farmer presumes to ask for a living wage the proposition is branded as economically unsound and socialistic and he is given fatherly advice and told he must help himself.

Labor, the second of the three great agencies, has likewise received special consideration at the hands of Congress. Under the immigration laws, the eight-hour laws, the Adamson bill, and the Howell-Barkley bill, if passed, labor enjoys the same protection from the pauper labor of Europe, the coolie labor of the East, and the peon labor of the South asked by the farmer in this bill. Under this protection labor is to-day maintaining double the wage scale which would be either practicable or possible without favoring legislation.

The farmer believes in the right to organize, in the theory of collective bargaining and the doctrine of the living wage, and has cooperated with labor in the passage of laws which make them possible. And it is significant that organized labor favors the McNary-Haugen bill and is advocating its enactment. The workingman realizes that the decay of agriculture not only restricts his food supply and destroys a vast market for the products of his labor but drives into the city and into shop and

factory armies of farm workers to compete for work and depress wages, and he is willing to concede to others what he asks for himself and to pay the men who produce the food he eats a living wage for it.

As a matter of fact, the cost of living would not be appreciably affected by the passage of the bill, as the difference in price would be taken up by the reduction in cost of distribution. Bread sold in May, 1917, when wheat was bringing $3.45 a bushel, at the same price charged for it in September, 1923, when wheat was 92 cents, and there was little difference in the price of packer's bacon whether hogs sold for $11 per hundred pounds or for $7 per hundred or any price between the two.

Capital should be as generous as labor. Both are receiving an American price for their products while agriculture is receiving a world price. Both are enjoying protection while agriculture is competing with the starvation standards of the peasant and peon of war-stricken, poverty-cursed Europe and Asia. If American industry is unwilling to meet the competition of foreign industry, and American labor is unwilling to compete with foreign labor, how can they ask the American farmer to do what they themselves refuse to do?

Even in the McNary-Haugen bill agriculture is not asking the permanent legislative status so long enjoyed by industry and labor. The McNary-Haugen bill is an emergency measure only. It expires in five years; and the representatives of the farm organizations now in Washington give definite and emphatic assurance that when the date of its expiration arrives no continuance will be asked or expected.

The bill is merely designed to give the farmers an opportunity to organize and develop their own marketing machinery, a task accomplished by every other industry many years ago, but hitherto denied the farmer by conditions of environment and economic handicaps.

The development of farm organization is necessarily a slow and difficult process. There are six and a half million farmers, widely isolated and of vastly varying interests; and the welding of a representative majority of this vast constituency into a compact, effective distributing agency is an undertaking of the first magnitude.

But it is neither impossible nor impracticable. Already coordination is proceeding at a phenomenal rate in every branch of the industry. Cooperative associations are already to be found in the smallest villages, and national cooperative movements are now represented in every State in the Union.

From 4,000 to 5,000 organizations of producers are shipping livestock in a cooperative way, and the number is rapidly increasing. Thousands of cooperative elevators are owned by farmer organizations in the agricultural States, and central depots and plants are being established in every important city. The largest enterprise in my own town, both in volume of business and in capital invested, is the Farmers' Cooperative Elevator Co., owned and operated by the farmers of the community.

Surveys by the Department of Agriculture show 2,690 grain-marketing associations in the United States, and 753 associations for the handling of fruit and vegetables, and innumerable cooperative creameries and similar farm agencies.

Some of them manage vast enterprises and transact an annual business aggregating millions of dollars. The Montana Wheat Growers' Association handled 6,000,000 bushels of grain in 1923, in addition to other business, and its sales for 1924 already approximate 5,000,000 bushels.

The two greatest livestock commission companies in the Central West, if not in America, are the Farmers' Commission Co., organized by the Missouri Farmers' Association, and the Producers' Commission Co., organized by the Missouri Farm Bureau Federation. They handled 14,000 cars of livestock in 1923 and transacted a third of all the business passing through the great cattle-marketing centers of the State.

The Missouri Farmers' Association, organized in 1914, is today the largest dealer in poultry and eggs in the United States and handles a larger volume of business in those two commodities than either Armour or Swift. Three hundred thousand dollars were paid back to its members in patronage dividends last year from two of its four livestock commission companies. It has organized 377 livestock shipping associations and financed nearly 400 grain elevators and produce exchanges, and 9 central storage plants in Missouri in the last decade. It has saved hundreds of thousands of dollars for its members in commissions and profits and is controlled exclusively by dirt farmers who own and operate their own farms and who in the last seven years have contributed more than $5,000,000 in basic capital to finance its operations.

The American Farm Bureau Federation, engaged in similar enterprises, is perfecting township and county organizations in all the States and has materially improved production and marketing throughout the country.

With practical, successful, growing, cooperative organizations like these developing in all sections of the country, of their own initiative and on their own capital, it is evident that under the impetus of this bill a national cooperative organization would be formed which would be ready to take over the work of the Agricultural Export Corporation the instant it was relinquished.

In fact, leading representatives of the farm organizations announce that in event of the passage of the bill a conference of farm leaders will be convened at once and a statement issued notifying the farmers of America that they must immediately begin to perfect their own marketing machinery preparatory to taking over the business of the export corporation and continuing the benefits conferred by the McNary-Haugen bill at the expiration of the five-year period for which it is to be created.

Abraham Lincoln said:

> The legitimate object of government is to do for a community of people whatever they need to have done, but can not do at all, or can not so well do, for themselves in their separate and individual capacities.

He could not better or more accurately have expressed the theory of this bill had he been thinking of it at the time.

The farmers of America with all their handicaps can not do for themselves in their separate and individual capacities what every other class and industry in the land have long ago accomplished to their own profit and to the farmer's disadvantage.

This bill places agriculture on the same footing. It will make it possible for the farmers to help themselves, for them to enjoy the same opportunities and advantages already accorded labor and industry, and under the interpretation of Abraham Lincoln it is therefore a legitimate object of government.

It is a measure which will contribute not only to the needs and necessities of the farmer but to the welfare and prosperity of the Nation. The times demand a race of freemen in rural America and our form of government rests primarily on a powerful farming class—men prosperous and intelligent, fearless, and independent. The safety of the Nation and the perpetuity of democracy demand that the farmer receive his just share of the economic profits and the opportunities and comforts of life, and there can be no substantial and lasting prosperity if he is denied them.

There is an ancient document, now seldom quoted and too often forgotten, which opens with this preamble:

> We, the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution of the United States of America.

Mr. Chairman, there is not a single purpose among the many enumerated in this greatest of all constitutional enactments which would not be conserved and effectuated by the provisions of this measure to remancipate and revivify American agriculture.

The farmer deserves well at the hands of the Nation. He has produced unstintedly the most essential element of national wealth. He has fed to surfeit our armies in war and our citizens in peace. Suffering rankling inequalities, he has nevertheless generously and patriotically contributed his all with meager reward. We must not fail him in his hour of need. Let us pass this bill and restore to him and to rural America their rightful share of the Nation's prosperity. [Applause.]

Mr. RUBEY. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. DICKINSON]. [Applause.]

Mr. DICKINSON of Missouri. Mr. Chairman, I represent an agricultural district, and I shall not take council of the fears of those who are opposed to this bill, but prefer to rely more upon the judgment of those who are friendly to it. This bill comes with the approval after full consideration from the great Committee on Agriculture, and I am disposed to support it. The details of the bill I will not discuss at this time during general debate.

The condition of the farmer is a tragedy brought about by a number of causes.

While other industries well organized sought to protect themselves by Government aid during the aftermath of the World War and succeeded by favored action in Congress, agriculture bore the brunt and stood a loss without a parallel, and no

wonder Congress is now flooded with bills seeking to remedy the situation for the farmer.

In the disaster that came to the farmer, the Federal Reserve Board played a part in its drastic and cruel deflation, which left a scar which will be long in evidence. Bankruptcy followed quickly and fast with falling prices while taxation increased.

Another factor to the detriment of the farmer was the Fordney-McCumber high-tariff law, believed by many to be the greatest wrong ever perpetrated against the farmer.

Let me here quote from the Atlantic Monthly of May, 1924:

> The tariff is another important factor in the farmer's cost of living. I realize that I tread on highly controversial ground; but I can not honestly fail to state that in my judgment the Fordney-McCumber tariff was a colossal swindle perpetrated against the farmer. The farm Representatives in Congress were persuaded to vote for high tariffs on manufactured goods in exchange for high tariffs on farm products. But we do not import foodstuffs; we produce a surplus of them for export; and, in consequence, the tariff laid on the hypothetical inbound trade has no effect on the prices the farmer gets (except as regards a small amount of high-grade hard wheat). On the other hand, the prices of many things which he buys have been increased because of the tariff, either directly through duties imposed or indirectly because of the general upswing of all prices.
>
> Finally, the farmer is struggling under a heavy load because his indebtedness was incurred in dollars of a certain value, and now must be discharged in dollars of far greater value—about 50 per cent greater, on the average.

The high cost of labor and the excessive increase in freight rates under the Esch-Cummins Transportation Act are additional factors. The big banks, the manufacturers, and the railroads secured the legislation they demanded. Agriculture was left without protection and bore the brunt of the disaster of falling prices, while everything they were compelled to purchase went to a high level, and as a result bankruptcy followed, and the effect was felt in other lines of business. Five hundred bank failures in two years resulted. It is estimated that 1,200,000 persons left the farms for good in 1922. They fled from the farms because conditions pertaining to this industry were no longer tolerable. No hope for relief was held out; thus they sought to better their condition elsewhere. A remedy is now sought by legislation. An intolerable situation exists and must be met. I will not be a party to defeat all measures of proposed relief, and say to the farmer that we have helped others, yet refuse to try to help him.

A high level of prices for money in the banks, for goods of the manufacturers, for transportation rates, and a low level for prices of farm products, and no market abroad for the surplus products of the farm. You reduce the purchasing power of the farmer's dollar. It reacts and helps to cripple those who have been favored by the law. Let us try this experiment for temporary relief until the wrongs committed against agriculture can be remedied by making changes in the laws enacted against their interest. This McNary-Haugen bill does not, as I see it, necessarily interfere with the Yoakum plan or the Norris plan or other plans for permanent relief. I am not unfriendly to the Yoakum plan, known as the Curtis-Aswell bill, or the Norris bill, as I understand them. Let us give the benefit of the doubt to the farmer. The farmer will not longer stand by those who have favored every interest while he has been neglected. His surplus products must reach the foreign markets. Commerce on the high seas and trade between the nations of the world must be restored. Transportation rates must be made more reasonable and more business, products of manufactures lowered, and more goods sold. You can not paralyze the great basic industry of agriculture without injury to all business and all sections. Lend a helping hand; try this proposed remedy. Its safety rests in its proper administration. Do not throw up your hands and admit your want of capacity to help the situation; if you do you will regret it. Besides high tariff duties, high interest rates, high priced goods, high labor costs, high transportation costs the farmer has been at the mercy of the gambler in farm products. A high level of prices for all, except a low level for farm products and no foreign markets. Lift the level of prices for farm products or lower the level for what they must purchase. Do something now to relieve this distressed condition, and let us trade again with all the world, and, with a revived commerce here and abroad, we will start toward prosperity that will be permanent. Live and let live and all the world will be better. Unshackle trade; break down private monopoly that feeds on the masses that suffer while greed enriches only a few.

By the revenue bill you are giving hundreds of millions of dollars to those enjoying large net incomes, none of which goes to the farmer for he has no net income, and you hesitate to loan him the use of a revolving fund of $200,000,000, fully protected under this bill, by which the prosperity of the whole country may be helped. Every organized class or business comes and gets from Congress millions without protest. Increased millions for the Army and for the Navy. You take over projects like the Cape Cod Canal, dumped on the Government because not sufficiently productive under private ownership. No cry for socialism there, no cry of communism or Government ownership protest. You denounce this bill as socialistic and yet you are driving Germany, England, and congested populations of Europe to purchase from Soviet Russia their surplus wheat, while you refuse to furnish the legislation and opportunity to sell to the hungry masses of Europe the surplus wheat of the United States.

You are willing to loan money to farmers at high rates of interest on farms of low valuation, but not to permit the Government to lend a helping hand by encouragement of this great basic industry. You refuse to give them cheaper fertilizer for their depleted lands. You delay operation of Muscle Shoals at the behest of the Fertilizer Trust. Big business asks and gets what it desires, and hides its surplus in newly created corporations to avoid income taxation. Farmers have no income to conceal. They feed the world at a loss, and struggle for existence while their loans increase. Let the surplus of the farm as well as of the factory be sent abroad to meet the needs of the world market and the farmers be given a fair deal in this country. [Applause.]

The opponents of this bill charge that it is a price fixing bill and therefore obnoxious. The proponents of the bill say it is rather a price adjusting bill.

If the charge made is true, are not prices fixed in other lines of industry? Are not rates for transportation both freight and passenger fixed and so authorized by law and by approval of the Interstate Commerce Commission both on land and sea in this country and abroad? Have not your high tariff laws enabled manufacturers to fix prices for their goods that you are compelled to buy or go without? Go into any store in the land and upon the shelves thereof the goods await customers at fixed prices—the products of the mines, of manufacturers, of transportation, of labor in every line.

The price is well known, but you must not fix or permit the fixing or adjustment of prices of farm products but let the gamble go on. It has seemed to me that the time approaches when the gamblers' control should be broken and that they should not longer be permitted to beat down the prices of farm products in the hands of the producer and raised thereafter to high price for the consumer. So that both the producer and the consumer are robbed by those who can corner the markets.

The time has come when something must be done or else by reaction the other great industries will fail of prosperity, for the country can not prosper if the farmer becomes bankrupt.

Lend a helping hand, else the farmer will either go broke or will organize everywhere and take control, where now he is willing to cooperate. All he asks is fair play ,and that he must and will have.

If in supporting this measure I am in error, I at least have given heed to the judgment of the Committee on Agriculture of the House that reported the bill favorably after months of exhaustive consideration.

This bill has the approval of the Secretary of Agriculture, of farm organizations throughout the country, including my own State of Missouri and my own district. I have heeded the appeal of the farmer, and I have listened to his complaint, hoping and believing that in seeking to help him I have wronged no legitimate interest. There can be no lasting prosperity in trade and industry unless the farmer is reasonably prosperous.

The farming industry is the largest in the country, and his discontent must be reckoned with. Let us have a remedy now, even if temporary, and let us later lower the high-tariff wall, reduce freight rates, and open up the markets of the world, so that the surplus products of the farm can be cashed. If agriculture is to have any relief by legislation at this session of Congress, apparently it must come from this bill, for while there are pending measures vital to agriculture none can be substituted for the McNary-Haugen bill. It is the only bill having a definite and specific method for lifting the markets in which farm products are sold to an index ratio comparable with other commodities.

Mr. ASWELL. I yield to the gentleman from Ohio [Mr. CROSSER].

Mr. CROSSER. Mr. Chairman, the bill now before the House, known as the McNary-Haugen bill, would, by greatly increasing the cost of living, certainly cause great hardship to millions of the American people, who are already paying extortionate prices for all kinds of food. On the other hand it would not give the farmers of the country any real or lasting relief. Those who urge the passage of this bill tell us frankly that the purpose of the measure is to raise the price of all the products of the farmer, such as wheat, oats corn, cattle, sheep, hogs, and so forth, all of which are necessary as food for the American people. The supporters of the measure argue that by such a law they could raise the price of wheat, for example, from $1 to $1.50 per bushel, increase the price of hogs and other farm products, without doing any substantial harm to the people who must have them as food. They tell us that a 50 per cent increase in the price of wheat would probably not increase the price of flour very much, and that a like increase in the price of livestock would not to any great extent increase the price of meats. Their attempted explanation is that it would be a long while before the change in the price of the raw material would affect the price of the refined products used as food.

In support of this claim they point to the fact that shortly after the war wheat and other farm products dropped very greatly in price without a corresponding decrease in the price of the foodstuffs derived from these natural products. That is true and is explained by the fact that the big wheat dealers, for example, had control of practically all the wheat of the country, and could therefore compel the public to pay a price for the flour made from the wheat almost equal to the price the public paid when wheat was scarce. In other words, they were able to control the supply of wheat and demand the price they wanted. If, however, they were compelled by law to pay to the producer 50 per cent more for the wheat than they are now paying, they would, because of their control of the supply, instantly increase the price demanded from the public or the millers 50 per cent or more above the present price, and so the public will be compelled to pay it in the increased price of flour.

But it is said that even if it were to increase the cost of living to the American people, it is necessary for the protection of the farmer. There is no doubt that the wheat farmer in particular has suffered great hardship during the last year or two. This is largely due to the vicious Fordney-McCumber tariff law, which increases the cost of practically everything the farmer must buy, because the manufacturers who supply their goods to the farmer are given a monopoly of the market. This increase in the price of everything the farmer must buy, which is due to the evil provisions of the Fordney-McCumber tariff law, has the effect of reducing the value of the farm products, which have no market at present to speak of, except in the United States. But while we must admit that the farmer has suffered greatly in the last year or two, and many of them have become bankrupt, that does not justify the passage of an unsound law.

I contend that even the farmer would not be benefited by this proposed law but would be more seriously handicapped. This bill proposes to force an artificial price on practically all farm products for a period of five years. It is proposed to create a corporation to buy from the farmers all their products above that which is sufficient only to supply the American trade at the price fixed by the corporation. This corporation is then to sell in foreign markets this excess supply of farm products and hold the farmer responsible for the difference between what the corporation pays to the farmer for his produce and that for which the corporation sells this produce in the foreign markets. This difference in price is deducted by the corporation from the price paid for his produce in the form of what is called an equalization fee.

Now, let us see how this plan would work. The argument now is that the low price the farmer receives for his produce is due to the fact that there is an oversupply of wheat and other farm products. If he were guaranteed a price arbitrarily fixed by the corporation, the high price so guaranteed to him would certainly cause the farmer to grow more wheat or anything else upon which he was guaranteed an increased price. He would naturally produce what he might believe would bring him the highest profits. The result would be that, instead of curing the evil of so-called overproduction, the tendency would be to produce even more of the crop which had been guaranteed this increased price by the Government corporation, and so at the end the farmer would find himself worse off than if nothing had been done, because the equalization fees which would be charged against him at the end of the year would be increased constantly on account of the increase in the supply which the corporation would be compelled to buy and sell abroad at a constantly decreasing price, so that in the end the farmer would be more certain to become bankrupt than if nothing at all were done.

The bill, however, would have the effect of putting millions of dollars into the pockets of the great packers of the United States and into the treasuries of the wheat monopolies, because they now have great quantities of all kinds of meats and grains in their warehouses which would immediately go to the price fixed by the Government as soon as it were known what the price would be, for the stock that they have on hand would be immediately necessary to supply the American demand, and they would not suffer the fate of the farmer. They would have an immediate demand and an immediate market for this supply which they have cornered.

No, Mr. Speaker, neither the consumers, the people who live in the cities and who must buy food, nor the farmers who produce it should allow themselves to be fooled by this price fixing bill. Surely everyone knows that the American people pay now unreasonable prices for everything they must have in order to live, and yet this bill proposes to raise these prices far above even the present high prices. So far as the farmer is concerned, it would have only the effect of getting him more deeply into debt. The only class of people who would profit at all would be the big meat packers and those who control the grain market. Those who are to be blamed for the unjust laws which are now causing great hardships not only to the farmers but to the people of the cities can not now deceive the people by proposing to fix high prices on farm products by law. They may please the special-privilege seekers, who have helped to put them in office, but the people themselves will refuse to be fooled by such unjust measures.

Mr. ASWELL. Mr. Chairman, I yield nine minutes to the gentleman from New York [Mr. GRIFFIN]. [Applause.]

Mr. GRIFFIN. Mr. Chairman, Shakespeare said "All the world's a stage." This is not the full truth. The world has many stages and I have often thought that Congress is one of them.

Take the bills that are introduced—how like human characters they are. They run the whole gamut of human emotions—comedy, pathos, melodrama, and tragedy.

The committees of the House are the managers who pick the characters to fit the play. The bills introduced are like actors hanging around the stage door waiting for a job. If the committee reports them, they become like actors in the wings, awaiting their turn.

Sometimes the manager picks out an actor to play a serious part who might make a good comedian, and sometimes selects for a comedy part one who would fit better in a tragedy.

This bill was selected for a serious part. If it does not turn into comedy, it is surely destined to become a tragedy.

The tragical part of it is that it has been offered with such earnestness, hailed with such enthusiasm, and advertised with such vigor as a panacea for the farmers' plight that it is pathetic to contemplate the disappointment of its pretended beneficiaries when the true character of its insufficiency and impotency is revealed.

It is always rather awkward for an urbanite to take a position against any measure purporting to benefit the farmers.

There is already too much of prejudice and misunderstanding as to the relations of the farmer and the urbanite. Demagogues are prone to antagonize these two divisions of our population for their own self-aggrandizement.

I hold that the farmer and his city cousin are interdependent and tied together by the firmest bonds of mutual interest.

Without the farm cities would die. Without the cities the farmer would be isolated and would have no market or means of establishing contact with the world.

To oppose any measure purporting to be in the interest of the farmer therefore requires great caution, for it must not be assumed that every bill will fulfill the pretensions of its sponsors.

No bad measure has ever yet been passed without some pretense that it had a good purpose.

Because of the misconception, so often attached to the attitude and motives of urbanites who take sides in legislation affecting the agricultural interests, I have made a particular study of this bill.

ITS SHADY ORIGIN

Its shady, if not illegitimate, origin has been so thoroughly disclosed by the gentleman from Louisiana [Mr. ASWELL] as to put all hesitating minds on guard. The Secretary of Agriculture at first denied, then confessed his knowledge and interest in its creation. It appears that it emanated from three

men whose affiliation with the packing interests prompted my good colleague to call this measure: "The big five bonus bill."

If it is correct that this measure had its inception in the minds of men affiliated with the packing interests, known to be the natural enemies of the farmer, then all the true friends of the farmers have good ground to look at it askance and doubt its effectiveness.

A PRICE-FIXING MEASURE

Although faint attempts to deny it have been made, this measure is essentially a price-fixing proposal. Upon the excuse that an emergency exists with respect to the relatively low prices of agricultural commodities, the bill provides for the creation of a Government corporation to be called "The United States Agricultural Corporation," to consist of the Secretary of Agriculture, as chairman, and four members appointed by the President.

This corporation is to have a capital stock of $200,000,000, furnished it—please note—not by popular voluntary subscription, but directly handed to it out of the Treasury of the United States.

With this capital, it is empowered to buy the exportable surplus of wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine produced in the United States.

This exportable surplus it is at liberty to dump into foreign markets at whatever it will fetch. By a complicated, elaborate, and wholly impracticable device provided in the bill the losses from foreign sales are supposed to be apportioned among the producers.

This puts the United States directly into the export business, and the question will be immediately asked if it is right for the Government to sell cattle and hogs and pickled pigs' feet, why should it not sell cotton clothing, steel rails, hardware, or any one or more of the thousand and one things produced in industrial marts of the country?

But that is not all. This corporation Frankenstein is empowered to fix the fair price of all the agricultural products in which it is authorized to deal, and, to utterly clinch the market and preclude any competition, it is practically empowered to adjust, alter, and readjust tariff rates monthly, or as often as may be necessary.

I suspect this will be a sore point with Congress; whether it will be willing to surrender to this socialistic mechanism the right to initiate tariff legislation and repeal or alter existing tariff laws at its own sweet will.

When Congress makes this abdication, I shall be ready to admit that representative government in this country is a failure. [Applause.]

But, assuming that all of these tremendous and unusual powers are surrendered, either now or hereafter, by a weak and spineless Congress, indifferent to its noble past, the pertinent question arises: "Will it work?"

The answer is "Just as well as the thousands of perpetual-motion devices now gathering dust in the junk room of the Patent Office."

ITS ECONOMIC FALSITY

My friends, the laws of physics have their counterpart in the science of economics. If they did not, we would have no science, but only blundering experimentation.

It is a maxim of physics which every schoolboy knows, that "water always seeks its own level." Let us apply that.

The prices of commodities are known to be fluid. Wherever there is traffic and mutual exchange, prices shift and interchange as swiftly as the molecules of water. Where there is this connection, no matter how ramified or distant, a change in the level, whether a rise or fall, at one point is immediately followed by a similar rise or fall in the remotest conduit.

Let us see how this works in economics.

Does anyone suppose that there can be a substantial rise in the price of cattle, swine, wheat, or corn without it being instantly reflected in the prices of all other products? If so, he has not learned the most elementary lesson in exchange. No, the moment the price of wheat goes up, bread will go up; when cattle go up, butchers' prices will go up. When food goes up, labor will demand its share in increased wages. When wages go up, the price of commodities will go up. This condition will be general in the mines, in transportation, and in all branches of industry.

Then our agricultural friend will find that his bright rainbow hopes have been a delusion and a snare. He will find that the disparity between the things he sells and the things he wishes to buy has once again become his nightmare. He will find himself in the same plight as before.

What will he do then? Why, of course he will have to come back to Congress for more price-fixing legislation—unless in the meantime he has learned the falsity and stupidity of the theory that prompted him to make his first appeal. Can he not see that when prices have adjusted themselves to new levels, in order to get relief by the devices embraced in this bill, he will have to come back and back again in endless repetition, each adventure ending in the same inexorable, futile, hopeless result?

No; this is no way to help the farmer. Even the attempt of President Coolidge, in availing himself of the flexible tariff feature of the Fordney-McCumber tariff, by raising the tariff on wheat, has proved to be a lamentable failure. Last year we exported 20 per cent of our wheat. What occasion have we for a tariff at all so long as we produce one-fifth more wheat than we need for domestic consumption? I can easily understand a proposal that would attempt to regulate production, but to let producers go as far as they like with production upon the understanding that the Government would buy their surplus is the rankest socialistic program ever presented to the American people. [Applause.]

Mr. CLARKE of New York. Mr. Chairman, I yield two minutes to the distinguished son of Minnesota [Mr. LARSON].

Mr. LARSON of Minnesota. Mr. Chairman, last Tuesday my colleague, Mr. SCHALL, of Minnesota, in discussing the McNary-Haugen bill, made a statement in which he attributed nepotism and graft to Mr. Julius H. Barnes while acting as the head of the Food Administration Grain Corporation. I was not present when Mr. SCHALL made that statement. Had I been present, I would have called him to account then and there. When I read it in the CONGRESSIONAL RECORD I was shocked at such flagrant and reckless abuse of congressional privilege and immunity. I could not imagine what motives prompted my colleague to utter such a false and slanderous charge against Mr. Barnes.

I have just received from Mr. Barnes the following telegram, which I shall read into the RECORD. It is a complete refutation and answer to the charge:

NEW YORK, N. Y., *May 23, 1924.*

Hon. O. J. LARSON,

House of Representatives, Washington, D. C.:

The CONGRESSIONAL RECORD, May 20, quotes Representative SCHALL, of Minnesota, stating, "After all expenses were paid—and they were enormous, the chairman, Julius Barnes, putting his son in at a salary of $30,000 a year—there was still left over $70,000,000. This money came directly out of the pockets of the farmers." In the interest of common fairness and decency will you please have the RECORD correct the manifest abuse of this congressional immunity, where the most casual inquiry would have ascertained that my only son was then 14 and at school. The similarly loose and inaccurate statements regarding the operations of the Grain Corporation as a war agency can be dismissed with the statement that every wheat grower for three years received the full pledged price of the Government guaranty; that the Grain Corporation, handling billions of dollars of commodities, including many others than wheat, aimed to make no profit, yet to avoid losing money contributed by taxpayers through the Treasury, and succeeded in closing these enormous operations with a profit of approximately 1 per cent on the turnover and a sum barely more than interest on national funds employed.

JULIUS H. BARNES.

My sense of justice is so outraged that if I were to express my condemnation of such unwarrantable and reckless abuse of congressional immunity I am fearful I would violate the amenities of parliamentary usage. I shall try to restrain myself.

A man's reputation is dearer far than life itself, yet who is there that is safe from congressional calumny? The more conspicuous he is as a public man the more apt is he to become the unfortunate target for our poisoned shafts of false and malicious accusation. The greater the man the more inviting the target. What matters it that there is no foundation in fact for the accusation? Will it not bring the accuser as well as the accused into the limelight of publicity? The charge of corruption must be made now. It must be gotten at once into the CONGRESSIONAL RECORD and into the public press. An investigation as to its truth or falsity may be had later, if at all.

Am I overstating the case? Is not the calumniation of public men almost a matter of common occurrence in the Congress of the United States? It has gotten to be so common that the American public is beginning to look upon it as a part of the regular procedure of Congress. Is it any wonder, I ask, that the American people are losing confidence in and even respect for their National Legislature? Who is to blame? It is true that only a few Members are guilty of the practice of making false and slanderous accusations, but those who refrain from so doing must share the shame and the public's condemnation.

The charge of nepotism and graft is absolutely without any basis. There was no possible excuse for making it. A little

investigation would have convinced my colleague that the charge is utterly and palpably false. Mr. Barnes has but one son. At the time he was in charge of the Grain Corporation his son was only 14 years old and was attending school. It did not require the services of a trained investigator to find out those facts. A brief letter to Mr. Barnes would have brought to my colleague the facts. But, no, the charge must be published in the CONGRESSIONAL RECORD for the world to read. Of course, the great damage has been done; it is irretrievable. The least my colleague should do is to expunge his false statements from the permanent RECORD.

Is it any wonder that capable business men are so reluctant to enter public office? They do not want to become the objects of public calumny. They do not wish to be crucified on the cross of slander.

It seems that no matter how upright and honest a person may be, he is not safe from congressional calumny. Where is there a more unselfish or a more honest business man than Mr. Barnes? I measure my words when I say there is not a better man living than the object of my colleague's calumny. He is America's ideal business man. The American business men know him. For the third time he was recently elected to the presidency of the United States Chamber of Commerce, which has a membership of 750,000 business men. They recognize the high qualities of his leadership.

The charge relates to Mr. Barnes's connection with the United States Grain Corporation. What are the facts? During the war wheat went soaring sky high. The Government organized the Grain Corporation to stabilize the price of wheat and flour and to prevent profiteering.

The country needed a man big enough to undertake the work of wheat control. That meant finding a man, as Secretary Hoover has said, "fit to organize the the most stupendous operation the world had ever seen." That man was Julius H. Barnes, the genius of American business.

He answered his country's call. He abandoned his lucrative business. He gave his services free to his country both during and after the war. He saved the American people from the greed and avarice of the wheat and flour profiteers and gamblers. Not one dollar did the the Government lose—so honestly and efficiently and ably did Mr. Barnes carry on the operations of the Government's wheat-control agency. Every dollar was returned with interest into the Public Treasury. What a record of public service!

When he announced his proposed retirement, a testimonial dinner by business men from all over the country was given in his honor "in recognition of the extraordinary service which he rendered to the country during the late war and since the armistice," as United States wheat director. About a thousand men were present. One hundred of them traveled from his home city of Duluth to New York to pay him their tribute of esteem.

Yet, Mr. Chairman, such a man has been falsely charged by a Member of this body with wrongful conduct while at the head of the public agency which he administered with such signal ability and integrity.

How long are the American people to endure such injustice?

Mr. CLARKE of New York. Mr. Chairman, I now yield four minutes to that great flyer and World War veteran of New York City [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman and gentlemen, each speaker as he has taken the floor on behalf of this bill has made it a point to describe the farming characteristics of his district. It is therefore proper for me to say in the beginning that I come from a district in a city where there is complete diversification of—appetites—and constant shortage of food, caused by the prohibitively high retail prices of the necessities of life.

This bill presents many interesting features. First, perhaps the timidity with which it is presented by its sponsors, and then the constant and repeated explanation, or I might say apology, that is not paternalistic. Gentlemen, the very fact that this bill is before us for consideration is in itself of great and transcending importance. There is no one on the floor of this House either for or against this bill but knows that the farmers of this country are in a sad plight, and that they are not getting enough for their products. Yet, on the other hand, the farmer knows that the prices which the consumer must pay for food are far greater and out of all proportions to that which the farmer receives. Something is wrong. This is admitted by the fact that this bill was drawn, reported from committee, and is now before us. Gentlemen, I am a progressive in every sense of the word. Some of my friends sometimes refer to me as a "radical." If by that they mean that I am seeking radical changes in the very conditions which brought about the disparity between the exorbitant retail prices of food and the starvation prices paid to the farmer, I am not at all shocked by being called a radical; at least, I am not afraid to urge needed reform. Something is radically wrong when a condition exists that permits the manipulation of prices, the creation of monopolies on food to the extent of driving the farmer off his farm by foreclosures and having thousands of underfed and ill-nourished children in the public schools of our cities. The fault is not with the farmer, the fault is not with the consumer; the fault is that we have a vicious, unfair, unbalanced economic system that has been permitted to exist. The very interests who are responsible for that condition—the packers, the bankers, the warehouses, the middlemen—have been able in the past to secure special legislation to protect their interests and have been able in the past to control legislatures, so that this condition has so grown and has become so inequitable as to put the farmer at their mercy. At this late hour Congress is asked to give the farmer relief without disturbing the real cause of his evils. But this bill will not give the farmer relief. I have the highest regard for the sponsors of this bill, who sincerely believe that it will bring permanent relief to the farmer.

I respect their opinion; but to those who advocate the passage of this bill with their tongue in their cheek, I say that I refuse to cast my vote to impose a "bread tax" on the American people for the sole purpose of creating a campaign issue or providing a political alibi to any person or group of persons. [Applause.]

Mr. BURTNESS. Will the gentleman yield?

Mr. LAGUARDIA. I can not. I only have a few minutes.

The time is inevitably approaching when we must have an economic readjustment. That simply means that the toiler and producer shall receive a fair proportion of what they produce. The trouble is that under the present system the first concern is to insure the return on capital. We therefore find that the toilless, unproductive end of industry receives the greatest consideration and take out of the income or fruits of industry an undue and disproportionate share to that which it contributes. Why, gentlemen, one of the principal causes of the present condition of the farmer is the high cost of transportation. And why? Because it is necessary to base rates not upon the actual cost of transportation but in addition to that, in addition to the cost of the labor and the real cost of transporting material, we must add a "fair return upon capital invested." If it were but a fair return on the capital really invested, perhaps this economic readjustment that I am talking about would be delayed for a few years, but it is not only a return upon the so-called capital invested, but it is a return upon financial manipulations of the worst kind, upon water in the stock, upon bad investments in connection with railroads, bad investments not the cause of mistaken judgment but the cause of deliberate, vicious maladministration for selfish gain and profits. So that the valuations of our railroads uniformly throughout this country are so pyramided, are so inflated, that to the cost of moving food from our farms to our cities, from the producers to the consumers, is added an unjust toll as the result of a system which has been protected instead of destroyed. Then there is the credit system. The farmer must borrow, and under the present system the price for money is greater than the margin of profit allowed to him who tills the soil to raise food so that the world may live. The loaning of money requires no effort but gets the biggest return. Our warehouse and grain elevators, our system of marketing, the middlemen, fixing of prices, are all conducive to bringing large profits to those who toil the least at the expense and cost of those who produce and create. The smaller the contribution toward production the greater the return. Let us look at these economic problems intelligently and courageously. If you are ready to adjust returns to the farmer, let us do it. This bill will not do it. As I see it, this relief will not benefit the farmer in the long run, but after adding a burden by way of increased prices of food to the consumers, you will see that it will be so construed and so managed as to increase the profits to the wholesaler, to the jobber, to the middlemen, make certain high interest to the banks, increase the cost of farming machinery and implements, all at the expense of the farmer and the consumer.

What good will it be to increase the prices to the farmer if you are not going to protect him against monopolized commodities that he is compelled to buy? What good will it be to him if while we increase the price for his products the gas trusts, the farm-machine trusts, the leather trusts, and everything that he requires will simply add to their prices and take away the increased cost quicker than he can get it? Do you not see that you are only going half way?

Gentlemen, you can not solve a serious economic condition by a political expedient. In my humble judgment this bill is simply a political expedient in order to go back to the exploited farmers and say to them, "Yes, we have passed the McNary-Haugen bill; it will bring you relief; everything will be all right," or, in the event that the bill is defeated, to say, "We had the relief; we had a good bill; we had the remedy, but it was defeated in the House. Give us another chance and we will pass it the next time." And continue on in the same old way. I do not hesitate to say that the tenement dwellers of my city would not complain one bit to an increased cost of living brought about by any measure that we may pass in this Congress if I could look them square in the eyes and guarantee to them that by so doing we have brought actual permanent relief to the farmers of this country. But I would never be able to explain to them how I am bringing relief to the farmer by adding increased profits to the packers, to the railroads, to the gas trust, to the farm-machine trust, and to money lenders.

Gentlemen, you all know that the great percentage of livestock must be sold to the five big packing concerns. What is the corporation created in this bill going to do if after having fixed the price of hogs and cattle the packers simply say they are not in the market that day? We would have to hold the cattle back, feed them—although no arrangements have been made for it in this bill—or take the price that the packers would offer and stand the loss. Do you suppose the packers are going to give the benefit of a low price which they may be able to force to the consumers? Not at all. When the day comes that the packers of this country will give the consumers the benefit of low prices which they may obtain that day I am sure we will hear the sound of Gabriels's trumpet announcing the day of judgment.

If we are to give relief to the farmer let us perform the major operation necessary to relieve the ill and let us bring in a comprehensive bill which will regulate transportation, marketing, the value of money, and thereby bring relief not only to the farmers but to all who toil, who produce, and who create.

The distinguished gentleman from Kansas [Mr. TINCHER] spoke earnestly on behalf of this measure. He stated that all he has is invested in land. He referred to his colleague from California [Mr. RAKER], who replied that all he has is invested in cattle, and I will say to my colleagues that the people of my district, owing to the high prices of food, have nothing to invest in anything. The gentleman from Kansas, a great authority on the agricultural situation of the country perhaps at a loss for better support, cited Mr. Otto Kahn, a well-known international banker, in support of this measure. Since when has Wall Street become an authority and an inspiration to those of us who seek to relieve the farmer? If we are to seek guidance and management from international bankers of Wall Street, I say, God help the American farmers. [Applause.]

Only yesterday the gentleman from Oklahoma referred to protests against this bill from various banking institutions of my city. Apparently the financial magnates are divided, but I venture the statement that any group of bankers in New York, if they will have the opportunity to manage this corporation, would be heartily in favor of it. Therefore, when the gentleman from Kansas [Mr. TINCHER] said that a prominent banker had offered to take the management of this corporation. I say that perhaps if we offer the management of this corporation to those banking institutions that are vigorously opposed to this bill we might also obtain their indorsement. Why, gentlemen, it is not financial advice that we need. We have had too much of that kind of advice. What we need is drastic changes in our law to meet changed economic conditions brought about by invention, science, machinery, and the growth of population. When you talk about the law of supply and demand you must bear in mind that principle was laid down at a time when food and the necessities of life were produced by hand, before we had machinery, before we had cold storage or warehouses, before there had developed the idea of monopolies, and the artificial fixing of prices.

How can the law of supply and demand be applied when you have gigantic warehouses to store food and the power of an individual or group of individuals to release it a little at a time? How can the law of supply and demand be applied when we have cold storage where meat can be kept for months and years and the power in an individual or group of individuals to hold back that food, although there may be a great demand and cry for it in other parts of the country? The truth is that legislation has not kept abreast with the times. As the warehouses were constructed and cold storage invented, as cities of millions of population have grown, as machinery has been invented to turn out articles under the production system by the millions you have continued to legislate as if there had been no changes and no progress in the world. You have protected the dollar and disregarded the producers. You have protected property and forgotten the human being, with the result that we have legalized a cruel system of exploitation. Now we are approaching the time when a real change is necessary. Gentlemen, the very fact that a bill of this kind is before us for consideration is in itself significant. It means that finally we have the admission and the confession from those who would seek to stand pat and retard progress, those who are the first to criticize and abuse us who believe in progress, that conditions can not long remain the same, and that a real, drastic, radical change is coming and is absolutely necessary.

I want to point out that the distinguished chairman of this committee, the gentleman from Iowa [Mr. HAUGEN], who has the respect and admiration of the entire membership of this House and whose name is given to this measure, came before us and pleaded for its passage. Yet I am sure that if we were to urge on the gentleman from Iowa to take both horns of the dilemma and to go into the question thoroughly, and by that I mean the transportation, marketing, and credit, he would be the first to call us radicals and perhaps oppose any such measure. Oh, the gentleman from Iowa perhaps has not yet felt the unbalanced economic condition. He stated to us the other day that the farmers in his State were in need of instant relief. Why, gentlemen, according to a full page advertisement that I hold in my hand from the New York Times of Wednesday, April 23, 1924, inserted by the Iowa Daily Press Association, of Council Bluffs, Iowa, and signed by every leading daily paper of that State, there is no State richer, more prosperous, more happy than the great State of Iowa. [Applause.] I rejoice in their wealth, I rejoice in their happiness, and I hope the prosperity so graphically described by the Daily Press Association of Iowa may not only continue, but may grow even greater to the happiness of all the people of the State of Iowa. [Laughter.] Let me read the full page advertisement; it will not take long:

IOWA—THAT'S WHERE THE TALL CORN GROWS

IOWA

That's where the wealth per person is greater than in New York or in any other State.

That's where there are two bank accounts for every five men, women, and children.

That's where the percentage of illiteracy is smaller than in New York or in any other State.

That's where they are spending an annual income of between one and one-half and two billion dollars.

That's where 97 per cent of all the families read some one of Iowa's 32 leading daily newspapers. Dealers, jobbers, and salesmen read them also.

That's where any Iowa family, from farm or city, can reach their favorite store more quickly and easier than the average New Yorker can get to Macy's. There is an automobile for each average family.

That's where there are more than 4,000 miles of roads paved or graveled or in process of being paved or graveled.

That's where, during the past five years there has been expended more than $47,000,000 on primary road improvement.

That's where these 32 leading daily newspapers of Iowa have joined in a practical, complete, comprehensive, and uniform advertising and marketing service that covers every move you want to make in the rich Iowa market:

Ames Tribune, Boone News-Republican, Burlington Gazette, Burlington Hawk-Eye, Cedar Rapids Gazette, Cedar Rapids Republican, Centerville Iowegian and Citizen, Clinton Advertiser, Clinton Herald, Council Bluffs Nonpareil, Creston Advertiser, Davenport Democrat, Davenport Times, Des Moines Capital, Des Moines Register and Tribune, Dubuque Telegraph-Herald, Dubuque Times-Journal, Fort Dodge Messenger and Chronicle, Fort Madison Democrat, Iowa City Press Citizen, Keokuk Gate City, Marshalltown Times-Republican, Mason City Globe-Gazette, Muscatine Journal, Newton News, Oskaloosa Herald, Ottumwa Courier, Sioux City Journal, Sioux City Tribune, Washington Journal, Waterloo Evening Courier, and Waterloo Tribune—The Iowa Daily Press Association, Council Bluffs, Iowa. [Applause.]

I wonder how many of these daily papers are now urging the passage of this bill.

Reference has been made by others to the arrangements for the financing of this corporation. Reference has already been made to the power granted to the corporation to create indebtedness to an amount five times its capitalization, which would mean indebtedness to the extent of a billion dollars. While the law specifically provides that the United States Government is not responsible for the corporation indebtedness

and that such limitation should be inserted on the face of the certificate of indebtedness, I do not believe anyone is fooled by that. I do not believe there is a man in this House but knows that the American Congress and the American Government would not permit a single purchaser to lose a cent on any loan made to an agency created by Congress and representing the United States Government. That phase of it, however, has been taken up in detail by other speakers and I need not amplify on it.

In closing I simply desire to submit that when you are ready, gentlemen, to do the right thing to all of the people of this country you will find the progressive group ready to cooperate. I am not speaking for the progressive group at this time, but as one progressive. I speak what I believe are the sentiments of the progressive-thinking people in my part of the country. Let the farmers of the West know that the consumers of the East will not complain at any time that any legislation is passed for real relief of the farmer, but that the consumers of the East have learned by long years of exploitation, owing to high prices on monopolized food, that before we pass legislation we should study it carefully and make certain that it is for the relief of the farmer and not of those who are responsible for the conditions now existing. Why, charts were brought before the House to show the difference between the wages paid in my city and what the farmer is getting.

For the purpose of argument, we will accept the accuracy of these charts, but a careful study of these very charts brought here in support of this measure will convince any impartial person that this bill is not economically sound in that it does not remove the real evil. It simply takes one phase of the now unbalanced economic system and seeks to bring artificial relief by an artificially created agency. The wages of employees in New York factories referred to by the gentleman from Kansas and others who have used the chart are high. Why? Not because their employers are philanthropists, but these wages are fixed on the lowest possible cost of living in that city. The chart tells the tale. The difference in what the farmer is getting and what the consumers are paying, as shown by the rate of wages, is what is being lost to the farmer under the present arrangement of transportation, marketing, banking, and retailing. If we should pass this measure by artificially fixing the prices only of the commodities provided for in this bill, permtting the present high rate of transportation and the present cost of money and the present system of marketing, the result will be that your line showing the rate of wages paid to factory hands in New York will not come down to meet the rates paid to the farmer, but that exactly the same distance between the two will remain. As your line for the farmer will go up, so will your line for the employees in the city go up, with the result that your purchasing power of the dollar will decrease and you are exactly at the same point from which you started. Unless we change the system, unless we improve conditions by a scientific change in the method of marketing, by regulation of transportation rates fixed on actual cost, by disregarding the past and fixing the price for the use of money in proportion to its contribution as compared with labor and actual production, by preventing private monopolies, we are simply going around in a circle in the same old way and the rich will become richer and the poor will become poorer.

If I thought this bill would bring relief, I would vote for it, but I fail to see how any good can come from it. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. CLARKE of New York. Mr. Chairman, I yield two minutes and seventy-five hundredths of a minute to the gentleman from Maryland [Mr. HILL]. [Applause.]

Mr. HILL of Maryland. Mr. Chairman, I want to thank the acting chairman of the committee for his gracious yielding of time to me on this question.

The wheat farmer to-day is admittedly in a serious difficulty, just as the cotton producer a few years ago was equally admitted to be in a serious difficulty, and just as the cattle or hog raiser may at any time be in a serious difficulty. I do not represent a farming community, but my district fundamentally depends upon the farmers just as every other great city district does. I am solicitous and anxious that the Federal Government do whatever can properly be done to stabilize the agricultural conditions. I can not, however, favor such an alleged remedy as that offered in H. R. 9033, known in the House of Representatives as the Haugen bill, and in the Senate as the McNary bill.

Holding the conception of the functions of the Federal Government that I do, interpreting the powers of the Federal Constitution even under the general welfare clause as I do, I can not do else than oppose as strongly as I can the provisions of the McNary-Haugen bill.

I am not an expert in agriculture. I am not an expert in farm economics. On these matters I need only recall to your attention the speech and the arguments of the gentleman from Wisconsin [Mr. VOIGT] made before this House Tuesday night. His views are fully set forth in the minority report from the Committee on Agriculture, and I think that his report, together with his speech, knocks the props from under the McNary-Haugen bill.

I desire to call, however, special attention to that portion of his report which shows that the passage of this bill would mean immediately a gift to nonproducers of $500,000,000. I think that this portion of his report is so important that I will take part of my time to read it to this Committee of the Whole House.

A COLOSSAL GIFT TO NONPRODUCERS

When this bill takes effect as to wheat the price of dollar wheat will instantly rise to over $1.50. The elevator man, merchants, millers, and speculators who have wheat on hand will suddenly be made richer by operation of law. If the emergency is declared, as it probably will be before the wheat season, nearly all the wheat available for market will be in the hands of these men and not in the hands of the farmers. The same applies to rice and corn, the profit, of course, being smaller. It may be that on some of this an equalization fee can be collected, but if sold for feed or seed there is no fee. If the fee on $1.50 wheat is 20 cents per bushel, the law has increased the value to the holders 30 cents per bushel, which must be paid for by the farmers and consumers. Every merchant or wholesaler who has flour on hand will find himself enriched overnight, and under the terms of the bill no equalization fee can be collected. If an emergency is declared on cattle, hogs, and sheep, every head will instantly rise in value, whether in the hands of farmers or others. The hundreds of millions of dollars' worth of pork, beef, and mutton in the hands of the Big Five and about 200 smaller packers would instantly rise in value. On this item alone there would be a sheer gift to the meat packers of this country of from $150,000,000 to $200,000,000, to be paid for by the consumers of the country. The packers would have to pay an equalization fee providing an emergency were declared on their products, but that would only be a fraction of their gain.

All meat stocks in the hands of meat dealers who had bought them from packers would likewise rise, and from them no equalization fee could be collected. The millers of the country holding wheat or flour would make millions overnight, to be paid for by the consumers. If an emergency should ever be declared on wool, every clothing manufacturer, clothing dealer, etc., would be enriched, and no fee could be collected from them. When the packer legislation and grain futures act were before the committee there were swarms of packers and millers and high-priced attorneys making all manner of objections. These gentlemen did not put in an appearance when this bill was being considered, and no doubt they are praying for its passage. The total gift to nonproducers would easily amount to $500,000,000. There has been no such gift "since salvation was made free to the human race."

I desire to devote my time especially to the fundamental improprieties of this measure. It is proposed to create a Federal corporation with a capital stock of $200,000,000, all of which amount is to be subscribed and paid by the United States; paid by taxes of the cotton raisers, the tobacco raisers, the hog raisers, the rye raisers, the barley raisers, the poultry raisers, the cattle raisers, and all others for the immediate benefit of the wheat raisers and those specially favored classes who are mentioned in the bill. The corporation is further empowered to borrow money and to issue its notes, bonds, or other evidences of indebtedness to an extent of $1,000,000,000. In other words, it is proposed to create a Federal corporation with power to issue bonds up to one twenty-first of the whole public interest-bearing debt, which, the Commissioner of the Public Debt in the Treasury Department informs me, was on April 30, $21,353,000,000.

You are asked to create a $1,000,000,000 corporation, a governmental authority, with power to issue an amount equal to about 5 per cent of all debts accumulated by this Nation since its foundation over 137 years ago. You are asked to permit this for wheat and the other agricultural products enumerated in the bill. If you do this for these products, why should you not do it for cotton and for the other products of a similar sort? A cotton corporation and nine others with equal power could issue as much bonds as one-half the national debt.

The bill attempts to provide that the United States shall assume no liability for bonds issued by this corporation, but how

can the great Federal Government decently permit its own creature, the proposed "The United States Agricultural Export Corporation," to sell bonds to the American people which they naturally suppose have behind them the responsibility of the owner of the corporation, and then, in case of difficulty, deny such responsibility?

The bill is fundamentally wrong. The Constitution of the United States was not adopted to give the Federal Government any such power. This particular measure is merely one of the nostrums which are being offered to-day for current difficulties. The bill provides that the emergency for which the bill is proposed as a remedy shall in no event be held to exist later than five years from the June 30 next following the date of the passage of this act. Fundamentally, this bill proceeds on the theory of the existence of an emergency arising out of unsettled conditions following the war. If this sort of a bill is proper for five years, why is it not proper in perpetuity? It is fundamentally wrong. It commits the Government to active business in contraversion of the fundamental theory of the Constitution, and, furthermore, it would never accomplish the purpose for which its proponents have offered it.

I therefore shall vote against this bill and all such attempts to create governmental corporations in time of peace to handle matters which are in themselves essentially matters for private enterprises and not for governmental agencies. [Applause.]

Would any gentleman like to ask me a question on this subject?

Mr. BLANTON. I would like to ask the gentleman a question.

Mr. HILL of Maryland. I yield to the gentleman from Texas.

Mr. BLANTON. It has been stated, and the bill so states, that the Government is not behind this $1,000,000,000 worth of bonds that this corporation may issue. I want to ask the gentleman this question: Would not that be considered in the Congress, both in the House and the Senate, as a moral obligation on the part of the Government, and would not the Government, after all, be behind this $1,000,000,000 worth of debts which this corporation is authorized to create?

Mr. HILL of Maryland. I would like to say to the gentleman that he has put his finger on one of the most vital defects of this bill, a defect I just referred to briefly. Here is a corporation with its capital solely subscribed by the Federal Government operating as a United States corporation, with authority to issue $1,000,000,000 worth of bonds, and there is a clause in the bill providing that the Government shall not be responsible for any of the obligations of its offspring. I ask you whether there is any man in this House of Representatives who would not vote—if a question came up as to the payment of the bonds purchased by innocent purchasers, bonds issued by a corporation created by the Federal Government and operating as a Government agency—to make good to the innocent purchaser of one of its bursted bonds, if they did burst.

Mr. COLTON. Will the gentleman yield?

Mr. HILL of Maryland. Yes.

Mr. COLTON. Is not that same thing true as to the joint-stock land banks and intermediate credit banks?

Mr. HILL of Maryland. Not to the same extent, however. I voted against all of them. I am against that theory of Government regulation.

Mr. COLTON. And yet the gentleman will not say they are not doing good work?

Mr. HILL of Maryland. But the life of a bank is a long life. Now, here you are asked to do this thing. The whole funded interest-bearing debt of the United States is $21,353,000,000 at this time, and you are asked to create an organization which has the power to issue in bonds one twenty-first of the indebtedness that it took the United States 137 years to create. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. KETCHAM. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KETCHAM. Under the general permission to extend remarks, do I understand that the gentleman from Maryland intends to extend his own remarks?

Mr. HILL of Maryland. I will say to the gentleman that these are entirely my own remarks. I did not take up the question of 2.75 cider for the farmer, although I know he wants it. If I thought this bill would pass, I should insist on including cider in it. [Applause.]

Mr. BURTNESS. Mr. Chairman, I raise the point of no quorum.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and five Members present—a quorum.

Mr. ASWELL. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. JACOBSTEIN]. [Applause.]

Mr. JACOBSTEIN. Mr. Chairman, no one will deny that there is distress in certain farming sections of the country. The price of wheat, corn, hogs, and cattle is so low that the armer's dollar to-day is only worth about 72 cents. Foreclosures, bank failures in farming sections, abandonment of farms, furnish evidence of a critical situation in American agriculture. The Nation as a whole can not prosper if any large portion of its people are in distress. The farmer can not buy what the city folks produce unless he has the purchasing power. This purchasing power he lacks at the present time.

The agricultural distress prevails principally in the Northwestern States raising spring wheat, and, to a less extent, in the Middle Western States raising winter wheat. The distressed area also includes the Western States, depending primarily on the raising of corn, hogs, and cattle. Without minimizing in the slightest degree this agricultural calamity, in all fairness it should be said that the distress is not spread equally over the whole country nor among all crops.

It is to meet this emergency, such as it is and wherever it is, that the McNary-Haugen agricultural relief bill is now before Congress. The authors and proponents of this bill seek to invoke Federal aid as a means of raising and maintaining the prices of agricultural products which are now too low. These products, as specifically mentioned in the bill, are wheat, flour, corn, cattle, sheep, swine, wool, rice, and the food products of cattle, sheep, and swine.

The bill provides that an export corporation shall be organized with a capital of $200,000,000, the stock of which is bought by the Federal Government and paid for out of the Public Treasury. It is to be a private corporation, but organized with Government money and controlled and supervised by the Government. The semigovernmental corporation would also have the power to issue and sell to the public a billion dollars' worth of stock in order to get additional capital for effectively carrying on its work if conditions required it.

The whole idea back of the bill is simply this: That the prices of agricultural products are low because we have an exportable surplus; that is to say, we have an overproduction of wheat, flour, corn, cattle, sheep, swine, and the food products of cattle, sheep, and swine. "Therefore," the proponents of the bill say, "since it is this exportable surplus which is the cause of the low prices, we will get rid of the surplus by dumping it on the other side of the water." Through this export corporation the surplus would be disposed of in foreign markets at whatever price it would bring. But in so doing the domestic prices of these commodities would naturally rise. In fact, the very purpose of the bill is to establish arbitrary prices on these commodities at home, these arbitrary prices being such as would bring the prices of agricultural products up to a level with the prices of other nonagricultural commodities. Elaborate machinery is provided for by which the corporation created in the bill will ascertain and fix the prices of the various agricultural commodities whenever the emergency exists, such emergency being defined as a condition under which the farm-product price is low as compared with the average ratio price of 404 commodities.

Laying all technicalities aside, it is a price-fixing bill pure and simple. The Government is called upon to fix and maintain and to pay the farmers prices which are considered fair by the directors of this corporation.

Should the bill pass? Can the bill work? And if it can work, what will be its effect?

There is much to be said about the unworkability of the bill. It would require a bureaucracy of literally thousands upon thousands of Government agents and agencies to carry out the purposes of this bill. Take one commodity by way of illustration. It seems like a very simple thing to fix the price of wheat. But when you remember that there are some 20 different grades of wheat on the Chicago market and some 36 varieties of grades alone on the Minneapolis market, and that frequently the grade No. 2 sells on the market at a higher price than No. 1, it will be seen that the proposition is not so simple as it is made to appear by the advocates of this bill. Even assuming that there is an emergency on swine, how are you going to determine the fair price on all the derivative products of swine? There are literally hundreds of by-products of swine and cattle. It is not all as simple as it seems.

Or, look at the problem from another angle as to its unworkability. The prices of the commodities are shifting every month. Will the corporation shift the prices of farm products each month? And after the prices have been shifted and the cost of living goes up, then in turn will it not be necessary to again readjust the price of farm products to bring them in

line with the ratio price of all the other commodities, which it is the purpose of the bill to effectuate and maintain?

Assuming, however, that the bill becomes a law, and does work, what would be its effect?

Immediately, of course, any farmer or packer who has on hand products the prices of which are raised would derive a benefit from the price-raising and price-fixing process. Undoubtedly this would immediately enrich the packers, since they always hold on hand a vast amount of meat products.

In the general debate here it has been contended that the effect of this bill would be to make a gift to the packers outright of over $100,000,000.

If the bill worked, winter wheat, which is now selling for $1.10 a bushel, would be brought up to $1.50 a bushel; spring wheat, selling for $1.25, would be brought up to $1.60 a bushel; corn, selling for 73 cents a bushel on December 1, would be brought up to about 96 cents a bushel; hogs, selling for $7.25 per hundred, would be brought up to $11.25 per hundred; cattle would go up about 10 per cent in price; beef would go up about 2½ cents a pound (1 cent a pound increase on livestock); and rice would be increased about 13 per cent.

I have estimated that the result of all this would be an increased cost to the nonagricultural public of about $750,000,000 a year, or about $35 per family per annum.

We must not forget that two of the leading farm products in this country are milk and butter, the total annual value of which is about $2,000,000,000. If you raise the price of cattle and corn, you raise the price of milk and butter. The dairy industry is facing a crisis. They have already reached a point where they can not market what they have to sell at the present prices. They can not increase the price of butter and milk without curtailing the consumption. Therefore, the dairymen stand a good chance to pay a higher price for food for cattle and get no more for milk.

Mr. CLARKE of New York. Will the gentleman permit an interruption?

Mr. JACOBSTEIN. Yes.

Mr. CLARKE of New York. Is it not true now that there is a surplus of milk and the price has fallen off about 35 per cent?

Mr. JACOBSTEIN. I think that is true.

Mr. HAUGEN. Will the gentleman yield?

Mr. JACOBSTEIN. Yes; if you will yield me such time as you take up.

Mr. HAUGEN. I will yield the gentleman such time as I consume. Is it not a fact that the representatives of the dairy people have been doing everything possible to have the tariff adjusted so as to save the dairy industry, and to-day is not the price of butter 9 cents below the ratio price, and are you willing to deny them that 9 cents a pound? This bill will give them 9 cents a pound more. Now, then, tell your people what you are doing for them.

Mr. JACOBSTEIN. I want to be perfectly frank with you, just as I will be with my constituents at home.

Mr. SNYDER. Do not overlook the fact that the chairman says it will raise the price of butter 9 cents a pound.

Mr. JACOBSTEIN. I will also have to tell my industrial population back home that they will have to pay that 9 cents.

Mr. HAUGEN. They are willing to pay it.

Mr. JACOBSTEIN. I think they are. I think that the American people are good sports, and they would be willing to give the farmers that bonus.

Mr. HAUGEN. It is not a bonus. It is something that Congress does for the manufacturer and the rest of them.

Mr. JACOBSTEIN. I mean that if the American people saw a permanent solution of the agricultural problem in this bill they would be willing to pay a little more on a loaf of bread, to pay a little more for a pound of bacon, and to pay a little more for milk and butter, but they can not see it. That is the point. I think the American people want to be fair and they want to see the country's wealth fairly distributed among the population of this country.

Mr. ASWELL. Will the gentleman yield for a question?

Mr. JACOBSTEIN. I yield.

Mr. ASWELL. Does the gentleman recall that the producer of that butter does not receive the 9 cents? It goes to the equalization fee and the cost of production.

Mr. JACOBSTEIN. As I understand it, some one in the Department of Agriculture has figured that 15 cents out of the dollar will go to the cost of operating the machinery and to pay the losses through the operation of the machinery. At any rate, my proposition is that if it works it is going to seriously affect the dairy industry and the poultry industry in this country, and you must not forget that they are two very large industries in the United States.

Mr. BURTNESS. If the gentleman will yield, I would like to have his reaction on this proposition. In the event these other types of farming, such as raising cattle and corn, are not made profitable will not that in itself react upon dairying and other farming by forcing the people now engaged in raising wheat and stock and pork into dairying and poultry raising and things of that sort, and therefore do you not need protection against that diversification?

Mr. JACOBSTEIN. I wish I had time to discuss that. I have only a few minutes remaining, and that is a big problem. I would like to say to the gentleman from North Dakota that you can not escape the dilemma. Either it will raise the price of raw materials or it will not. Now, you admit it will raise the price of wheat and maybe of corn, and I contend that everybody who uses corn and wheat will have to pay the price. We who are going to use it, either directly as bread, or as eggs or as milk or as poultry, will have to pay that price, and I have figured out it is going to cost the average family in the United States $35 per head.

What I have said of milk and butter applies equally to poultry and eggs, the annual product of which is larger than that of wheat, approximating, as it does, $1,000,000 annually. If wheat and corn go up in price the poultry men would have to foot the bill. They can not pass the increase along to the consumer, because even as it is there is an oversupply of poultry and eggs. The egg market has broken. Prices are low. Eggs are selling in Washington at 30 cents a dozen. The poultry people can not afford to go on at that price. If you raise the price of the feed that the poultry and the cattle need, how are you going to sell more milk and more poultry and more eggs? It can not be done. So, even if the bill does work, it is bound to affect disadvantageously the dairy and the poultry businesses.

Therefore it would appear that the effect of the McNary-Haugen bill would be to injure, if not to ruin, the dairymen and the poultry and egg farmers. I have been told by a friend of mine that only recently some of the best dairy herds in Western New York have been dispersed because of the unprofitableness of maintaining them.

But if, as the proponents of the bill claim, the increased cost could be passed along to the consumer, then, as I said before, it is of no avail to the farmer, because it is only a vicious circle. The wheat farmer might get more for his wheat to-day than he did yesterday, but he and others would have to pay more for everything they buy, which in turn would send the price of wheat up again. This has been very well said by Mr. B. W. Snow, formerly chief statistician of the Department of Agriculture, who describes the probable results of the McNary-Haugen bill as follows:

> If living costs are artificially advanced, it will be necessary to put wages up. Then it will cost more to produce everything, and prices of everything will be higher. And so we will start around again in the old circle—higher cost of living, then higher wages, then higher prices for everything and higher wages to pay the higher prices for everything and still higher prices to pay the higher wages, until finally we come once more to the inevitable smash.

As the cost of living went up wages would rise, and among other things freight rates would rise, penalizing the farmer again, and of course everything the farmer buys or that he uses on his farm would be advanced in price as a result of this pyramiding process, so that the purchasing power of his wheat, though increased to $1.50 in terms of money, would to-morrow in reality shrink again to $1.10 in terms of commodities. It is a merry chase, with the farmer lagging behind.

What is the cause of the trouble? The authors and proponents of the bill recognize that the cause of the trouble is the surplus. The surplus is due, of course, to overproduction. The war overstimulated production. The average wheat acreage in the United States from 1909 to 1913 was 47,097,000, whereas in 1919 it rose to 75,694,000. From 1920 to 1923 there was a considerable shrinkage until in 1923 it reached 58,293,000, which is still 20 per cent above the normal acreage. But overproduction was even greater in foreign wheat-producing countries. Canada, which used to average 10,000,000 acres before the war, now has 22,000,000 acres under cultivation. We have a world overproduction in wheat, and notwithstanding our tariff, the price of wheat at home is fixed by the price of wheat in Liverpool, which must be so while we are on an exporting basis.

Where is that surplus wheat coming from? I will ask the gentleman from North Dakota if some of it is not coming from the wheat land there? I know a little about North Dakota, although I have not lived there all my life. I know that some of it is grown on land that produces only 5 bushels an acre, or

6 or 7 or possibly 8 bushels an acre. Is not that true, Mr. BURTNESS?

Mr. BURTNESS. That is true only in the event that we have rust or bad weather conditions; otherwise, it is not true.

Mr. JACOBSTEIN. The same thing is true of cattle and swine. We have more than the world can buy at prices that are profitable to the producer of meat and corn.

The remedy would seem to be not in getting rid of the surplus but in cutting down the production, so as to eliminate the surplus. The fallacy in the bill, therefore, is that it fails to take cognizance of the fact that as you increase your price you stimulate production and encounter a still larger surplus. The McNary-Haugen bill does not attack the trouble at its source. It seeks to alleviate the pain but does not eradicate the cause of the disease. There might be some sense in Government price fixing which at the same time attempted to effectively control production, which this bill does not propose to do.

The experience of agricultural cooperatives proves that artificially stimulating prices without effective control of production leads sooner or later to a crash. The experience of the raisin growers of California illustrates this. The raisin growers of California raised a crop in 1922 so heavy that the market broke, and the organization had to deflate and reorganize. The average production of raisins from 1914 to 1919 was somewhere in the neighborhood of 130,000 tons. Stimulated by the high prices which the cooperative had fixed, production had increased 225,000 tons. The crop of 1922 was so large that the raisin growers' association spent $1,500,000 on an advertising campaign in order to get rid of their surplus crop. Then the crash came in 1922 and 1923.

The experience of the California Prune Growers' Association is a repetition of the experience of the raisin growers. High prices led to heavy production. Then the smash came.

There is every reason to believe that the artificial stimulation of prices under the McNary-Haugen bill would in a similar manner stimulate overproduction. If the overproduction results in too large a surplus, the surplus has to sell at a great sacrifice abroad. It is easily conceivable that the loss on the exportable surplus would wipe out any gain that might come from the enhanced price on the domestic market.

In contrast with this method of solving the problem I would call your attention to the experience of the soft-coal industry. They, too, have been suffering from an overproduction. The mine owners as well as the workers agreed that the only solution lay in the closing up of a number of the unprofitable mines. Might not the wheat producers do the same thing?

After the war the copper industry suffered from overproduction. Prices fell to a no-profit basis. The owners found it necessary to curtail production, even to the extent of closing down some of the mines. In this instance, however, the producers were able to buy up the surplus and store it, in order to maintain the price. But in copper, as in coal, the remedy lay in cutting down production.

Another fallacy, of course, in the philosophy underlying the McNary-Haugen bill is this: Believing that the protective tariff has maintained prices on manufactured products, why not apply the same method to agricultural products? There are two answers, of course. To the extent that the protective tariff works it does so for the benefit of one portion of the community at the expense of another portion. If the tariff law works in favor of one industry, it does so only by imposing higher prices on other industries. But if everybody in the community seeks the same protection there is nobody left upon whom the burden can be placed and the futility of the tariff becomes apparent to anyone who is willing to think straight and honestly on the subject.

The fact is that the farmers are beginning to realize as never before that in the tariff they got a gold brick. To the extent that the tariff has helped to maintain prices at post-war levels the farmer as a consumer has had to pay the bill, while as a producer he is selling his commodity at the old pre-war level. The debate and the education that is coming from the McNary-Haugen bill is opening the eyes not only of the farmer but of the Representatives of the farmer in Congress.

There are millions of farmers in this country, including some that I have the honor to represent, who raise fruit and vegetables, oats and barley. These products are not touched by the McNary-Haugen bill. In fact, any farmer who does not produce any of the commodities mentioned in the bill—wheat, corn, cattle, sheep, swine, wool, rice—is in the same position as a worker in a city. He is a consumer, whose cost of living would go up, but as a producer he would get nothing from the bill.

I am not surprised that some of the leading agricultural economists of the country are opposed to the McNary-Haugen bill, including:

William H. Jardine, president of Kansas State Agricultural College—Kansas, by the way, is the largest wheat-growing State in the Union.

Henry Jackson Waters, former president of the Kansas State Agricultural College, now editor of the Kansas City Weekly Star.

Benjamin H. Hibbard, head of department of agricultural economics, Wisconsin Agricultural College, and author of works on agricultural subjects.

Edward G. Nourse, former chief of agricultural economics section, Iowa State College.

Thomas Nixon Carver, professor of political economy and economic adviser for economic department, Harvard University.

James E. Boyle, research professor of agricultural economics, New York State College of Agriculture, Cornell University.

I am driven to the conclusion that the thing will have to work itself out unaided by Government interference. In the meantime, however, the farmer ought to seek, and is entitled to receive, relief in two directions—a reduction in tariff rates and a reduction in freight rates.

As Prof. James E. Boyle, of Cornell University, has put it:

> The farmer needs a major operation. The McNary-Haugen bill is a patent medicine.

Mr. LOWREY. Yesterday afternoon the gentleman from Nebraska [Mr. SHALLENBERGER] and the gentleman from South Carolina [Mr. STEVENSON] engaged in a rather interesting colloquy, in which they spoke of the poverty and honesty of the people they represent. Each insisted with great enthusiasm that his people were poor but honest. Back yonder in 1882, B. P.—before prohibition—[laughter] it is said that an old gentleman, a member of the legislature, declared with great enthusiasm, "Mr. Speaker, I represent a people that are poor but honest." An old gentleman who was sitting back at his desk who had been imbibing freely of light wine and beer, or something else, rose and said, "Mr. Speaker, will the gentleman allow a question?" The gentleman said, "Yes; let him state his question." He answered, "I understand you say your people are poor but honest?" "Yes," was the reply; "I am proud to state that I represent a people that are poor but honest." "Poor and honest both?" came the question. "Yes; poor and honest both," said the gentleman on the floor. "Well, I have only one thing to say about your people," was the reply, "they are in a h—— of a fix." [Laughter.] I might say that my people are in about the same fix as the people represented by these two gentlemen.

My district is a farming district and my people are decidedly poor just now, and I think most of them are honest—those that are not in politics, at least. [Laughter.]

I want to say, furthermore, that I believe that gentlemen on both sides of this question which we are discussing are honest. I am sure the gentlemen from the Northwest appealing to us so strongly in the interest of wheat in the presentation of this bill believe it is the right thing.

I take it that every man in the House recognizes the difficulties into which agriculture has fallen and is anxious to do something to relieve the situation. We all admit, I believe, that an emergency exists. Differences arise only as to the means to be employed.

For some weeks I have been studying the McNary-Haugen bill, not exhaustively, as I am not a member of the Committee on Agriculture, but as closely and as sympathetically as my other duties would permit. I have also listened attentively to the discussion which has been going on here for two or three days.

The more I have studied and listened the more I have been convinced of two things. First, this bill will not accomplish the relief of the farmers. The machinery which it seeks to establish would be unwieldy and uncertain and, without questioning the honesty and ability of the gentlemen who might be placed in charge of it, wasteful in administrative detail and uneconomic in general accomplishment. Nobody would be satisfied. The farmer would find himself subject to arbitrary price fixing that might or might not be fair to him and encumbered perhaps with "scrip," which he would not know what to do with and of uncertain value, in place of money. The miller would find himself unable to buy or to calculate beyond the end of a given crop month, and the public would find itself paying artificial prices at times for the most important necessities. The

Government, because it had undertaken the impossible, would find itself more and more discredited. And finally, because we would be attempting to deal on an unnatural basis in the world markets, where we do not have a monopoly, we would within a very few years, I fear, find ourselves cut off from our foreign trade, on which one-third of our wheat production has been dependent. And, worse still, we would have another big corporation in power, with possibilities for tyranny and corruption worse than we have yet seen.

Just here let me quote from an editorial in the New Orleans Picayune.

Governor Davis, of Kansas, himself a "dirt farmer" in a wheat-growing State, declares that measures like this McNary-Haugen bill "are brought forward by politicians who believe that the farmers are easily fooled. The farmer," he adds, "does not want special privileges," but needs instead "fewer expensive stimulants of government and more common horse sense in the administration of government." Doctor Jardine, president of the Kansas State Agricultural College, asserts that "were this measure to be enacted into law its practical working out would leave the men who fathered it without a shred of reputation. If I lured the farmers into following any such fantasy as the McNary-Haugen scheme, when the inevitable reaction came my usefulness would be destroyed, and I would be ruined utterly. * * * If there is any demand among the Kansas farmers for the McNary-Haugen bill, I have yet to run across it."

The Nebraska Union Farmer expresses the belief that the McNary-Haugen plan "would break down of its own weight in a very short time. The whole scheme is on the bootstrap-lifting order, artificial, cumbersome, expensive, and bureaucratic, and offers no assurance that it would accomplish the purpose for which it is proposed."

Second, this measure is highly paternalistic. Even if it should succeed as its proponents hope, it would tend to take from the American farmer the sense of individuality and self-reliance that has made him great and make him the creature of a Government machine. That is the moral element; and though it is hard to assess, in its final effects it determines our economic as well as our national destiny.

Most of us look, I am sure, with real apprehension on any pronounced movement toward state socialism. Yet this bill is as socialistic as anything that was ever seriously proposed to the American people. It is a symptom of the reaction that is taking place against what we might call state capitalism. The problem of the friends of good government is to hold the balance between the two. The avowed purpose of the American Government is to protect its people in life, liberty, and the pursuit of happiness; to guarantee equal opportunity to all and special privilege to none.

The tragedy of the situation into which we have now drifted is that the ends of government have been so corrupted as to guarantee special privilege to some and equal opportunity to none. The gentlemen on the other side of the House, most of them, I take it, will not say it just that way; but they are admitting freely that two standards have been created in America largely by reason of our protective tariff laws. There is one plane on which the farmer buys the manufactured articles and products that are his daily necessity. This plane is determined on a purely American basis, behind American tariff and labor walls which shut out foreign competition. Fifty per cent below it is the plane on which the farmer sells his own raw products. This plane is determined on a world basis. There is no economic way of putting it on any other basis. More than half our cotton and one-third of our wheat are produced for the world market. Hence these prices are determined by world conditions. If the world buys heavily from us, prices go up; if the world is unable to buy or buys elsewhere, we have a surplus left at home above what we ourselves can consume and prices go down.

It is vain to hope that we can compel the world to buy from us by national legislation or by any other act of our own. All we can do is to encourage the world to buy from us. But this act does not encourage the world to buy from us. On the contrary, it sets up an export corporation whose business it will be to pool our surplus products and hold them against the world until it forces the world to pay the highest prices that at the time being can be obtained. Of course, it must do that. If it should do less, the officials at its head would promptly be "investigated."

But what would happen meanwhile? The world, seeking to buy at the lowest possible prices, would turn to other fields. We have no monopoly. Agriculture in Argentina, Brazil, South Africa, northern Africa, Mesopotamia, India, China, Australia, Canada, and eastern Europe, in all of which places farmers can buy and sell on the same plane, would be given a tremendous impetus. In a few years I fear we would find ourselves with an export corporation that was unable to export because it had killed its foreign markets. A third of our farm houses would be vacant, a third of our fields would be untilled, a third of the best portion of our population would be crushed and embittered. We would have built a Chinese wall about ourselves.

Gentlemen, I admit that we have created artificial conditions in this country which have placed the farmer at a disadvantage. And that is equivalent to admitting that our Government has not guaranteed equal opportunity to all and special privilege to none, but has protected some in special privilege and has placed others at a disadvantage. We have forced American agriculture to bear, in addition to its own burden, the burden of American industrialism.

Through a paternalistic system of the most vicious sort we have hampered and pandered to corporate business. The manufacturers, the transportation systems, and the labor unions, have all, in one way or another, had their special guaranties and special privileges. Of course there have been efforts to equalize things in favor of agriculture, but these efforts, because, as I have already said, we can not control world conditions by domestic measures, have without exception failed.

Things have gone from bad to worse until now, as the handwriting appears on the wall, gentlemen whose party is responsible for a monstrous condition have brought forth a monstrous palliative. They at least have the virtue of consistency. They remind me of the ranch boy from Montana, who, having grown up with wild horses and wild steers, came East and married a New York girl, whom he took back to his Montana ranch.

A few years later he showed up in the East again. Somebody asked him about his wife. "Oh," he said, with a certain wistfulness, "Mary was a good girl, and she made a fine wife. But, you know, she broke her leg and I had to shoot her!" Like our high-tariff friends he had conceived of only his established method of dealing with a crippled animal.

Mr. Speaker, if we are determined to maintain a Government that grants unequal privileges and unequal protection, we need not concern ourselves about the farm problem. The farm problem will take care of itself through the hard process of elimination, not of the unfittest but of the more unfortunate, and retrenchment from what in the past has been proper and legitimate investment. That process has already begun. In a few more years it will have run its course. We will produce and consume within ourselves, and let the rest of the world go hang. And everybody knows what happens to the individual or the nation that cuts loose from friendly association and from interchange and exchange with neighbors.

This bill, I am convinced, simply adds one wrong principle to another wrong principle; and it is hard to right one wrong with another wrong. If we really want to help the American farmer effectively and permanently we must put him back in position to compete on a world basis. It is not a question of giving him special privileges and protection; on a world basis we can not give these. It is a question of taking from others the special privileges and protection we have given to them and which have borne so hardly on the American farmer and on the whole national welfare. It is a question of restoring government for the whole people—not for the farm bloc, or for the labor bloc, or for the manufacturing bloc—of restoring government which will guarantee equal opportunity to all and special privilege to none.

Of course a program of that sort will take time. We can not expect this Congress to begin it; and we can not expect the Democratic Congress which is to come to finish it. We need evolution, not revolution. Revolution is usually the mark of people who lack proper balance and understanding; evolution is the mark of people who understand the fundamental principles under which they live and conduct their government.

If we can do anything meanwhile to help the farmer tide over the emergency which undoubtedly exists, by all means let us do it. If we can give him better diversification, better transportation, better information, and better exportation we will render him worth-while service. But none of those measures will give him full and permanent relief. We must follow them with something that reaches deeper into the economic verities. And I am afraid that this present measure will give neither temporary nor permanent relief, but will simply add to the confusion.

Along the lines of information and diversification we are getting some very helpful results through the Department of Agriculture. In fact, much has been done to enable farmers to select the crops that pay and to increase production.

By the improvement of waterways, the establishment of barge lines, the proper encouragement and proper supervision of railways, and the encouragement of good roads we can greatly help the farmer in the transportation of his products.

But at last the most vital question is that of markets. May I venture to suggest that the gentleman from Louisiana [Mr. ASWELL] has a bill that promises large things on home marketing, and the Dial joint resolution now pending before the Senate offers more in foreign marketing than any other measure brought before this Congress. As gentlemen know, I am especially interested in this latter measure.

We ought not to adjourn without considering both these measures thoroughly.

This Congress has been in session nearly six months. We all know that agriculture is our basal industry and yet is suffering almost to the point of collapse. The appeal for relief has been constant and urgent. We are now close upon adjournment and no farm legislation has been passed. We have no right to adjourn without giving time to consider these various measures thoroughly. If we adjourn without doing something for agriculture the farmers will resent it bitterly, and ought to. This Congress will suffer accordingly, and ought to. I am not surprised that we hear much talk of farmers deserting both old parties in the coming elections.

Mr. HAUGEN. Mr. Chairman, I yield eight minutes to the gentleman from Maine [Mr. HERSEY].

Mr. HERSEY. Mr. Chairman, I have been in the House during the whole 15 hours' discussion of this bill. I have heard all the speeches for and against this measure. I have read all the extension of remarks in the RECORD on this bill. I have read all of the hearings before the Agricultural Committee on this, the so-called McNary-Haugen bill.

I come from an agricultural State and from a district that is almost wholly agricultural. My home county is second in agricultural products according to the last census of the United States. We raised last year in that county over 25,000,000 bushels of marketable potatoes, and I have not been able to find potatoes mentioned in this bill.

I have to go back in a few days to my farmer constituents. They have not troubled me much. I have been here seven years and they have not dictated how they thought I ought to vote on any bill or any measure. I have voted on all measures that I thought would help the farmers. They trust me, knowing I was born and brought up on a farm, knowing that I stand always for the best interests of the farmers. I believe in the farm as the foundation of prosperity of the Nation, but not one of my farmers is in favor of this bill, as far as I can find out. They are against price fixing. They are against the Government interfering with them. They are against Government buying and selling of their products in the markets, and they are against Government ownership.

If this bill is not a price-fixing bill, if this bill is not for the purpose of making higher prices for farm products in the Northwest for five years, if this bill is not for inducing a surplus, if this bill is not for raising the high cost of living, then it does not mean anything. Unless you have a surplus under this bill you can not have your higher prices for the products. If there is no surplus your bill is no good and only fools the farmer.

Some one said yesterday:

> I have a doubt about this bill working, I have a doubt about this bill being of any consequence to the farmers, but I am going to resolve the doubt in favor of the bill.

Mark Twain had a very much better motto than that. He said:

> When in doubt, tell the truth.

I think we had better tell the truth to the farmers. We are going back in a few days to our constituencies, and what are you going to say to them about this bill, if you vote for it? Three-fourths of the States would not be benefited by it in the least, and yet they will be paying for the high cost of living caused by this great appropriation to make big profits and high prices to northwestern farmers in a matter of price fixing, which, to my mind as a lawyer, I think is wholly unconstitutional. Oh, you say, "We gave $10,000,000 to Germany the other day out of our abundance." That also was unconstitutional.

A MEMBER. Not in money.

Mr. HERSEY. Oh, no. I saw gentlemen here who were in favor of this bill stand up on this floor with moisture in their eyes weeping over the babies that needed milk in Germany, which they said that gift would supply, and then they ended up by adding an amendment to the bill to spend that $10,000,000 for wheat to benefit the western farmers, and to send wheat to Germany instead of "milk for the babies." Do you think you are fooling the farmers? The school marm said to the small boy, "Johnny, you will have to have an excuse for staying away from school. Go right home to your father and have him write you an excuse." Johnny said, "Ma'am, my father is not any good at writing excuses. Mother finds him out every time." [Laughter.] Some of you who will vote for this bill are going home with a lot of poor excuses, but the farmers will find you out before you get through.

Congress has been doing everything for the farmer that it could legally do. The farmers in my State are in just as bad condition financially as the farmers in the Northwest. We can not get any profits from our farm products, and have not for the last three years. We have borrowed money to the extent of our resources.

Mr. MICHENER. The gentleman does not grow anything in his district but potatoes.

Mr. HERSEY. Potatoes, hay, oats, sweet corn, and apples, and they are not mentioned in this bill. Men come here representing constituencies in the Northwest that are suffering from low prices of wheat, and you feel you must vote for this bill or not come back. The farmers of the Northwest are looking to Congress to help them get big prices for their farm products. They think they are going to get $1.50 for every bushel of wheat they have on hand, and also what they raise in the next five years. They believe that there is going to be price fixing by the Government for the next five years. They believe their surplus is going to be marketed abroad by the Government, and the loss to be borne by the Government. They believe above all things in the world that what they are going to do for the next five years is to grow all the wheat they can and get a big profit. There is nothing but wheat in this bill. It is admitted that everything else must go out of the bill, as we have not a surplus of any other farm product.

The last Congress did everything possible to benefit the farmer. My committee, the Judiciary, reported a bill which passed Congress authorizing the farmers to organize themselves into cooperative societies for cultivating their lands and marketing their products. We took them out from under the restrictions of the Clayton antitrust law and the Sherman antitrust law and gave them a privilege we gave no other class or industry in allowing them to organize, build warehouses, store and hold and market their products, and do all these things through organization of farmers to control the markets that was not allowed to any other industry in the land.

These cooperative associations have been a great success in welding the farmers together into a solid organization where they can do much to control the markets and protect themselves against middlemen and the profiteers. The only trouble so far has been that only about one-half of the farmers join these organizations. The other half are unrestricted by any contracts or agreements and still continue to flood the market at the wrong time and each working on his own account. I look to see in the near future a better organization of the farmers in the cooperative societies, which to me is one of the great remedies for low prices and financial distress among the farmers.

I was pleased to support the cooperative bill in the committee and in the House.

We also passed the filled milk bill to prevent interstate shipments of fraudulent milk wrongly branded, for the benefit of the dairy farmers.

We also established the agricultural credits act and admitted agriculture to the Federal Reserve Board, establishing Federal intermediate credit banks and national agricultural credit associations of farmers, limiting their own banking privileges to farmers, giving them the lowest rate of interest that could be found among the banking institutions.

We also revived the War Finance Corporation for their benefit, passed the packers and stockyards act which permitted publicity of the packers' business, regulating their handling of the farmers' products so as not to permit any overreaching of the producer.

We also passed the warehouse act for the benefit of the farmers, the cotton futures act to protect the cotton farmers, and fixed a standard for butter, opened the naval stores for the benefit of the farmer, and passed the Capper-Tincher bill to prevent speculating in agricultural commodities and preventing those not farmers from speculating in great agricultural commodities. We passed the good roads act to help the farmers in marketing their crops.

I have voted for all these acts and relief for the farmers of this Nation, and if you can show me to-day any act of legislation that will assist the farmer in a lawful and legitimate way to recover from war deflation and make him more prosperous in his agricultural pursuits, I will gladly vote for this bill, but I can not lend my assistance to the enactment of legislation that can only work to his injury and to the destruction of the great public policies that have in the past made our farmers more prosperous than those of any other Nation.

The history of this bill before us is very interesting. In the great Northwest are more than a dozen States in one block

known as the wheat and corn belt and the livestock-producing States. It is a great agricultural section, and of late years its principal products have been wool, corn, meat, and wheat.

While this great Northwest has been endowed by nature far beyond other sections of the country by being well adapted to woolgrowing and agricultural pursuits, yet its farmers have been the victims of much vicious and false political propaganda from those who were not farmers.

During the last half century more than 20 new political parties have sprung up in this great land of the Northwest—the People's Party, the Greenback Party, the 16 to 1 Party, the Populists, the Farmer-Labor Party, the Progressive Party, and the Farmer-Labor Progressive Party, and dozens of others which I have not time to mention.

All these parties have organized with the idea of sending Representatives to Congress who would, by the political influence of holding the balance of power, obtain legislation that would favor the farmers of the great Northwest, giving them an advantage over the rest of the States and obtain from the Treasury special privileges.

The present condition of low prices of farm products is not confined to-day to these Northwestern States, but is general all over the country wherever the farm is found. It grows out of the aftermath of the war, for during this great world-wide war our farmers everywhere in the Nation received abnormal prices for the products of the farm. These western farmers received $2.20 to $3 per bushel for wheat. The farmers of my State received as high as $10 and $11 per barrel for potatoes. These high prices everywhere induced the farmers to increase their products until for the last two or three years potatoes and wheat have been down at cost or below the expense of production. The present depression of these products has been brought about not only by the natural process of the Nation getting back to normal, but by reason of the production of a large surplus above our demands and needs, and this surplus has fixed the price in the domestic market. We have not been able to export but very little of these products because the other nations were unable to buy and there was no market abroad.

Canada grows very many millions of bushels of surplus wheat and potatoes far beyond her domestic needs. She has the advantage of shipments by English vessels from the port of Halifax to the port of Liverpool. England, the largest foreign buyers of wheat, deals with English colonies, Australia and Canada; and they have been able to supply Europe with all her needs of agricultural products.

The present administration, recognizing the actual situation of things, has endeavored in every way possible to lessen the losses of the farmers. We have fixed a tariff upon wheat of 42 cents per bushel, thus excluding and shutting out imports from Canada and protecting as far as possible our own domestic market. We have fixed a tariff of 40 cents per bushel on potatoes, thus protecting the potato farmers of the Nation from the influx from Canada.

We have also put a high tariff upon all other products of the farm and all livestock and wool to protect the farmer, and to my mind the farmer is coming out all right. The only immediate remedy that can be offered him that can possibly do him any good is to induce him to further organize—organize into cooperative societies to control his own market at home, and if he has a surplus outside of his home market to market this abroad with his own agents and not depend upon the professional exporter, middleman, and profiteer who have hitherto exploited the farmer.

There is also another remedy. The transportation of the country, which was brought almost to the verge of destruction under Government control, is now recovering under private management, and soon we shall be able to give lower freight rates to the farmer to assist him in marketing his crops. The development of fertilizers in the United States; the manufacture of our own fertilizers; the destruction of foreign monopoly; the lowering of taxes; the bringing about of economy in government, all will tend to lift the farmer from his slough of despondency to his old prosperity. But none of these things can come to him by the passage of this bill.

In the last congressional elections in the Northwestern States the farmers were deluded and deceived by the politicians of these many new political parties calling upon the farmers to send to Congress members of farm-labor blocs who promised to obtain high prices for their farm products, lower freight rates, and Government relief by Government ownership, operation, and control.

The elections in these States produced a large number of Congressmen, both in the House and Senate, that came here with the one idea of obtaining legislation that would return them to Congress in the elections of 1924.

This first session of the Sixty-eighth Congress has had the benefit of their wisdom in two bills that are now up for our consideration. President Coolidge has been keenly aware of the situation of the farmers of this country and the low prices they are offered for their products. Last fall he sent two directors of the War Finance Corporation, Eugene Meyer, jr., and Hon. Frank Mondell, to visit the great Northwest and make an investigation of conditions in the wheat-growing States and to report to him their findings and recommendations. This was done in an interesting pamphlet printed by the Government dated November 5, 1923, entitled "Report to the President on the Wheat Situation." I would advise my fellow Members to read this pamphlet if they wish to get a full and unbiased idea of the situation of the farmers in the great Northwest and of the question now before us.

Among other things Messrs. Meyer and Mondell reported was this:

> In these days of swift economic changes the Government, in cooperation with those directly concerned, should approach the problems as they develop with a strong and sympathetic interest and with a determination to proceed as promptly as may be possible in taking steps to meet them. World conditions over which we have no control bring their repercussions at unexpected times and in ways that are difficult to foresee, and, with the best intention in the world, we can only endeavor to meet the difficulties as they arise. Unfortunately these maladjustments are the inevitable economic consequences of the disturbances of war.
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> Where sympathy and emotion are properly aroused we must nevertheless seek to maintain a thoroughly rational attitude in order that we may find the sound and therefore effective solution. It is relatively easy to detect the proposals of those who seek to exploit agricultural distress for their own political purposes. But it is far more difficult to deal with the proposals of the perfectly sincere and honest-minded people who seek to solve problems by short cuts which are unsound and which, therefore, are bound to be ineffective.
>
> We feel, as a result of our trip, that the solution of the wheat problem lies along two lines: First, the adjustment of production to American needs if the world market is oversupplied from other producing countries at lower prices than are satisfactory to the American producer under prevailing conditions, and second, the development of an improved marketing system such as we believe can be brought about by the organization of the producers of the country for the purpose of marketing their wheat under the cooperative marketing plan, making it unnecessary to rely so completely upon the uncertain functioning of the speculative public contract market.

After this report of farming conditions the President appeared before the present Congress at its opening session and in his first message, speaking of the farmer and agricultural conditions, said:

> No complicated scheme of relief, no plan for Government fixing of prices, no resort to the Public Treasury will be of any permanent value in establishing agriculture. Simple and direct methods, put into operation by the farmer himself, are the only real sources for restoration.

Since this Congress was organized the so-called progressive farm-labor blocs from the great Northwest have formed a political alliance with organized labor to put the present bill and the Barkley labor bill, so called, through Congress at the present session. Organized labor in Minnesota recently passed the following resolutions:

> Whereas the organized labor movement of Minnesota through its political efforts has successfully elected Dr. HENRIK SHIPSTEAD and MAGNUS JOHNSON to the United States Senate, showing that the farmers and workers can be organized into a political party and elect representatives to the State and National Governments; and
>
> Whereas it is behooven upon the American Federation of Labor to lead the great mass of American workers into a more effective and progressive means of defense on both economic and political fields: Workers of the United States, unite! Get behind the Minnesota workers! Help them pile greater working-class victories upon the triumphs already won!

The Agricultural Committee of the House is composed of 22 members. Of this number 14 are from the great Northwest and only 8 from the rest of the country. The Agricultural Committee of the Senate is composed of 17 members. Of these 11 come from the great Northwest and only 6 from the rest of the country.

Before these two committees so organized this farm-labor bloc presented the present bill, known as the McNary-Haugen bill, and this same combination of farm-labor blocs presented to the Interstate Commerce Committee the Barkley labor bill, so

called, supported by all the farm-labor group of the Northwest.

There can in legislation be nothing in common between the farmer and organized labor. The farmer is interested in getting the highest prices for his products. The railroad laborer is interested in getting the highest wages possible. The farmer is interested in obtaining low freight rates. The railroad laborer cares nothing about the freight rates, but only interested in obtaining high wages. If the farmer succeeds in raising the price of his products, the laboring man must pay it in the high cost of living. If the laborer obtains high wages, the farmer must pay it in higher freight rates, and so the only object of this combination of farm and labor is purely political. "You help pass my bill and I will help pass yours, and let the country pay."

The gentleman from Oklahoma [Mr. SWANK] in discussing this bill, page 9209 of the RECORD, said:

I wish to congratulate and compliment these great railway brotherhoods and the American Federation of Labor for exerting their energies in behalf of the farmers of this country. They want to see the farmers prosper and to receive a reasonable price for their products. I am glad that their honored representatives appeared before the committee in behalf of the farmers of this Nation.

It becomes necessary therefore that these men from the Northwest who obtained their election by making glittering promises to the farmers must make good to obtain a reelection. Over in the Senate the Farmer-Labor Senator from South Dakota, Senator NORBECK, on page 8193 of the RECORD, a few days ago said:

Mr. President, the farmers of this country, and especially the farmers of the great Northwest, know that the disparity of the value of their dollar grows largely out of conditions brought about while the Democrats were in power. It resulted largely from interference with the law of supply and demand. * * * It is a good time for the Senate to express its views on the McNary-Haugen bill, and I think Senators from the Northwest should consider that feature very carefully now, instead of going home a month later and saying, "We slipped a cog again in not bringing our measures up for consideration at the proper time."

The bill before us is the result of this desperate effort of the Northwest radicals in Congress to obtain legislation that will return them to Congress in the coming election.

Let us examine the bill. This bill attempts by abnormal and artificial means and methods to raise and maintain the price of farm products without regard to the law of supply and demand. It organizes a Government corporation with a multitude of agents and employees to buy up the surplus of farm products and to sell them in the foreign markets at the best price they can get, admittedly at a great loss from the purchase price, or to dump them abroad at the expense of the Nation. It starts with an appropriation of $200,000,000 from the Treasury and a borrowing authority for $1,000,000,000 more. It fixes the price of this surplus according to a ratio taken from four years of prices prior to the World War, which would make the price of wheat at the present time $1.50, and wheat is now selling at $1 per bushel. The minority report of the House Committee on Agriculture gives the following statement of the effect of and the workings of the bill:

When this bill takes effect as to wheat the price of dollar wheat will instantly rise to over $1.50. The elevator men, merchants, millers, and speculators who have wheat on hand will suddenly be made richer by operation of law. If the emergency is declared, as it probably will be, before the wheat season, nearly all the wheat available for market will be in the hands of these men, and not in the hands of the farmers. The same applies to rice and corn, the profit, of course, being smaller. It may be that on some of this an equalization fee can be collected, but if sold for feed or seed there is no fee. If the fee on $1.50 wheat is 20 cents per bushel, the law has increased the value to the holders 30 cents per bushel, which must be paid for by the farmers and consumers. Every merchant or wholesaler who has flour on hand will find himself enriched overnight, and under the terms of the bill no equalization fee can be collected. If an emergency is declared on cattle, hogs, and sheep, every head will instantly rise in value, whether in the hands of the farmers or others. The hundreds of millions of dollars' worth of pork, beef, and mutton in the hands of the Big Five and about 200 smaller packers would instantly rise in value. On this item alone there would be a sheer gift to the meat packers of this country of from $150,000,000 to $200,000,000 to be paid for by the consumers of the country. The packers would have to pay an equalization fee providing an emergency were declared on their products, but that would be only a fraction of their gain.

All meat stocks in the hands of meat dealers who had bought them from packers would likewise rise, and from them no equalization fee could be collected. The millers of the country holding wheat or flour would make millions overnight, to be paid for by the consumers. If an emergency should ever be declared on wool, every clothing manufacturer, clothing dealer, etc., would be enriched, and no fee could be collected from them. When the packer legislation and grain futures act were before the committee, there were swarms of packers and millers and high-priced attorneys making all manner of objections. These gentlemen did not put in an appearance when this bill was being considered, and no doubt they are praying for its passage. The total gift to nonproducers would easily amount to $500,000,000. There has been no such gift "since salvation was made free to the human race."

Some of the proponents of this bill have denied that it is a Government price-fixing bill. It can not be anything else. First, because it gives the method by which prices are fixed; second, those who favor the bill admit it is price fixing.

The gentleman from Nebraska [Mr. SHALLENBERGER], on page 9331 of the RECORD, speaking in favor of this bill, says:

The bill, if put into effect, will materially advance the prices of the basic farm commodities the corporation deals in. The corporation has the funds and will control the public market. It can advance the price of farm products which it elects to buy, just as certain as the sun will rise to-morrow morning.

It may advance them 20 per cent, as estimated by the gentleman from Iowa [Mr. HAUGEN] in his speech, or 40 per cent, as assumed by the gentleman from Wisconsin in the second section of his speech.

But no matter whether the advance totals one billion, two billions, or three billions, the farmer is going to get the benefit of it, and that is the exact purpose of the bill.

Price fixing has been generally condemned by all who have studied the farmers' problems. The National Grange, the most reliable purely farm organization in this Nation, in its declaration of policies and position as regards farm legislation, says:

In war time price fixing may have been necessary; in peace time the grange regards price fixing as unjustifiable and indefensible.

It will be remembered that this bill will not work or accomplish anything for the farmer unless he has a surplus. The bill itself says:

It is hereby declared that there exists a general emergency in respect of agricultural commodities by reason of the existence of surpluses available for export in agricultural commodities.

Now, let us see how this bill would work should it become law at this session of Congress.

From the best information I can obtain it is estimated that there are about 100,000,000 bushels of wheat in this Nation above that needed for our domestic market. It is also estimated that 75 per cent of this wheat is now in the hands of the brokers, wheat profiteers, elevators, warehouses, and other large organizations of capital that have bought this wheat on a falling market and are holding it for the higher market on the passage of this bill. As soon as this bill becomes a law this Government corporation will be obliged to call an emergency and buy this wheat at $1.50 per bushel, and the profits will go into the hands of those big interests which are speculating in wheat. The poor farmer of the Northwest, who is in a large majority, like the poor farmer in my State, can not hold his farm products for higher prices. He needs the money and must sell his products as soon as the crop is harvested or his cattle are ready for the market. Therefore only about 25 per cent of the present surplus of wheat is held by real farmers, and they are the farmers who are able to hold it. This bill would not confer any benefit at all upon those who need it most.

If this bill should become a law it would at once hold out a great inducement for the farmers to grow a surplus of wheat, because without a surplus they could not get the higher price, and with a surplus there would be a guaranty of $1.50, which would give them a good profit, and thus instead of curing the evil of overproduction we would at great expense to the Government bring about a continuance of the evil from which the farmer now suffers and at the same time enrich the profiteer and the grain gambler.

This bill by a price-fixing scheme holds out false hopes to the farmers, and the result must necessarily be an irreparable injury to the tillers of the soil.

Secretary Wallace of the Department of Agriculture says:

Unless production is fairly well adjusted to demand, prices will be disappointing. We are far more dependent upon Europe for markets for our cotton than for our food products. * * * In considering the matter of future exports of our agricultural products it must be remembered that the probable tendency will be downward. European agriculture is becoming more productive and no doubt economic condi-

tions are becoming more stable. As normal conditions in Europe are reestablished their purchases of our surplus will become more normal.

One of the results of the passage of this bill would be to kill cooperative societies that are now doing so much to give relief to the farmer. One of the great objects of these societies, of course, is to find a market for the farmer and assist him in marketing his products, but of what use would these cooperative societies be if the Government does the marketing?

In a colloquy found on page 9221 of the RECORD between Mr. VOIGT, of Wisconsin, and Mr. KETCHAM, of Michigan, the following occurs:

Mr. VOIGT. The prime object of the farm cooperatives is to get the farmer a better price.

Mr. KETCHAM. Yes, sir.

Mr. VOIGT. That being true, what is the object of a farmer participating in the cooperative organization if there is only one Government price?

There are two careful and conservative editorials upon this bill which ought to be brought before the House for their careful consideration before a vote is taken to force this Nation into a price fixing Government control and management and Government marketing of products of a certain class out of the great body of farmers of this Nation. The first editorial is from a great independent paper of New England, the Boston Transcript, and is as follows:

FARMERS MUST CAST OUT AGITATORS

If the farmers and grain producers of the West can cast out from their midst the professional agitators who hurry to prescribe nostrums for the economic ills from which the farmers suffer, a long step will be taken toward remedying conditions admittedly bad. The producers of wheat, corn, oats, and livestock long have suffered because there has been gross and excessive speculation and utterly unwarranted price manipulation in connection with the sale of those commodities. That the evils existed and were recognized gave the Nonpartisan League its only excuse for existence and attracted to league membership many thousands of honest farmers who sought a remedy. And agitators of the Nonpartisan League variety were prompt to take advantage of the situation.

Under leadership for the most part utterly impractical, the Nonpartisan League has run its course to date with no striking benefits to producers of grain and livestock, without lessening the grip of speculators and profiteers. The farmers are getting, under deflation conditions, even a smaller proportion than usual of the value of their grain and their livestock. As was inevitable, when prices began to drop, the first to feel the effect of a reduced demand were the producers of grain, cotton, and livestock. Prices of these commodities had been forced higher than ever had been known, and when the war-time demand stopped, prices had to yield. It was when the price of wheat had declined from above $3 a bushel to below $2, and when cattle, hog, corn, and cotton prices had declined in proportion, regardless of cost of production, that a new coterie of agitators began to vociferate, and to advocate withholding wheat, corn, and cotton from the market. Hogs and cattle could not so well be held back, as they would continue to eat. Organizations were formed in the South and in the West, members of which bound themselves not to sell cotton, corn, or wheat. What has been the result? Supplies of all the commodities being greatly in excess of the demand, the efforts to keep up prices have been as ineffective as would be efforts to sweep back the tide. Prices have continued to drop until wheat growers in some sections of the country can not cash their holdings at $1 a bushel, and millions of bushels of corn will not net the growers 35 cents a bushel.

As fast as one crop of agitators fails in its effort to lead the farmers out of the wilderness another crop comes to the fore to save them from the speculator and the profiteers. And under bad leadership the condition of the farmer grows continually worse. Only when the farmer severs all connection with the agitators, thinks and acts for himself, will he be enabled to better his condition and secure his fair share of what the consumer pays for farm products. (Boston Transcript.)

The second editorial is from the independent Washington Post of May 28, 1924, and entitled "Fooling the farmer and consumer," and is as follows:

The persistency of the supporters of the McNary-Haugen bill is worthy of a better cause. The farmers of the United States are entitled to demand wiser and more effective champions. If a proper course had been pursued by the farmers' champions at the beginning of this session, some relief would now be in sight for the farmers, instead of an opposition that is steadily becoming more resentful.

The farmers of this country, being a part of the body politic, deserve the support of all citizens in any fair measure which will bring relief to agriculture without penalizing other industries. But the self-appointed champions of the farmer have pursued a course that antagonizes other elements of the population. One or two special interests have succeeded in obtaining advantages over the public during this session of Congress, but this fact does not warrant the granting of special favors to the farmers. * * * It would be fortunate for the farmers if the McNary-Haugen bill should be beaten, because it would, if enacted, arouse a prejudice against agriculture which would do great harm to the legitimate interests of that industry.

The McNary-Haugen bill is intended to benefit the farmer by raising the price of farm products to the consumer. This is the wrong method of approaching the problem. The consumer is not responsible for hard times on the farm, and should not be punished to make prosperity for the farmer. If the bill should succeed in raising prices, the benefits would not go to the farmer but rather to the meat packers, the millers, the grain speculators, and other middlemen. By raising the price of wheat the acreage would not be cut down and the price accordingly maintained for the benefit of those farmers who did raise wheat. These farmers, as well as many others who have quit raising wheat, would immediately increase their acreage to take advantage of the high price. Then wheat would either tumble in price, despite price fixing, or the Treasury would be drained to keep up prices on a deluge of wheat.

There are millions of bushels of wheat in elevators, mills, and in the hands of speculators. The passage of the McNary-Haugen bill would give them hundred of millions of dollars' profit at the expense of the consumer without benefiting the farmer to the extent of one dollar. That is a fraud upon the consumer and the farmer, and makes certain that any real relief measure proposed later would be rejected by the angry public.

The McNary-Haugen bill would "stabilize" prices of meats, and would attempt to keep prices high at home by "dumping" the surplus abroad. But this would not help the farmer or the consumer. It would merely be handing money to the meat packers. The packers would be guaranteed a fixed high price at home, and then, when the Government commission turned around to sell surplus meat abroad, it would find the foreign agencies of the American packers on hand, waiting to buy back their own product abroad at "dumping" prices. The principal packers have agencies at all commercially strategic points abroad. Instead of supplying these agencies with meat direct from the factory here, the packers would sell the meat at the fancy prices fixed by the Government, and then would instruct their foreign agencies to buy back all surplus which is sent abroad for the purpose of keeping up prices at home. The Government would pay the packers 150 or 200 per cent profit at home, and would then "dump" the surplus upon the packers' agents abroad, at a price perhaps 100 per cent less than was paid for the meat. The estimated profit of the meat packers through the operation of the McNary-Haugen bill is from $1,500,000,000 to $2,000,000,000. This would come from the pocket of the consumer in this country, through direct purchase of meat and through taxation to meet the losses to the Treasury incurred by the commission in executing the law.

The country demands reduced taxation. If the McNary-Haugen bill should become a law, increased taxes would be immediately necessary to meet the Treasury deficit. The evil would be twofold. First, it would be a charge upon all the people for the benefit of a class; and second, the class intended to be benefited would not be benefited, but injured.

The testimony from farmers who have carefully studied the McNary-Haugen bill is to the effect that it would greatly injure them. Protests against the passage of the bill are coming from the chief farming communities. "We do not want fixed prices," is the burden of the protests. "We want economy in government, reduced taxes, no favoritism, and a square deal." That is the authentic voice of the American farmer.

One of the difficulties in the situation is the interference of politicians who are trying to curry favor with the farmers by offering to obtain for them special access to the Treasury. These politicians are not the true friends of the farmer. They are seeking their own advantage. They hope to fool the farmer and obtain his political support with a bribe of Treasury money. They are doing their best to deceive the consumer by pretending that the McNary-Haugen bill will not hurt anybody. The measure proves on its face that it is a fraud, for if it will put money in the farmer's pocket it must take the money from the consumer. But investigation shows that the bill would not benefit the farmer, although it would injure the consumer. Middlemen and speculators would reap a rich profit at the expense of the farmer and consumer, and the taxpayer would pay for it all.

Let us not attempt to fool the farmer by voting for this bill.

Mr. CLARKE of New York. Mr. Chairman, I yield six and a half minutes to the gentleman from Minnesota [Mr. NEWTON].

Mr. NEWTON of Minnesota. Mr. Chairman, the farmer, and especially the spring-wheat farmer, is in bad shape. The great bulk of the spring wheat is grown in the north Middle West. As to conditions in that portion of our country, they have been

very aptly described in a report made by the late John H. Rich, then chairman of the Federal reserve bank in Minneapolis, dated November 12, 1923. The provision is as follows:

There are in the northwestern grain area 388,242 farms, embracing 72,250,000 acres. It is noticeable that in the well-diversified sections the amount of agricultural distress is vastly less than in the grain areas. The former were the areas which years ago underwent forced abandonment of one-crop farming. A survey of the circumstances and condition of 203,040 farmers within the area properly classified as wholly or principally grain raising discloses many important facts. Of the total number 5,388 are bankrupt or being foreclosed, 9,302 so involved as to be in imminent danger of bankruptcy, and 4,959 have been forced to abandon their farms and leave the country. In view of the inclusion of those who have abandoned their land in the number of those bankrupt, the survey indicates a total of 14,690 as having failed, or 7.2 per cent. The percentage by States is interesting, and is as follows:

	Per cent.
Montana	17.7
North Dakota	10.5
Northwestern Wisconsin	3.0
Minnesota	3.7
South Dakota	7.3
Northern Michigan	2.8

Furthermore, agriculture in general has been having its troubles during this period of readjustment. Progress, however, is being made, conditions are on the mend, and will so continue if we do not do something to prevent it. We must bear in mind that this is not the first time this country has had a depression in agriculture. I again quote from a portion of this same report wherein Mr. Rich comments on conditions pertaining to agriculture in this country following the close of the Civil War:

A glance at conditions following the Civil War is of particular interest because these conditions are curiously parallel to those existing in the grain-raising areas of the Northwest to-day. During the decade from 1860 to 1870 Iowa almost doubled the amount of wheat produced. Wisconsin increased its population more than one-third. The Prairie Farmer observed in 1864:

> "There must be something radically wrong with the farmer who does not now free himself from debt. Every cultivated product bears a highly remunerative price."

Toward 1870, when prices were beginning to drop, farmers in Iowa and Wisconsin considered the slump but temporary, and on the strength of the prosperity they had enjoyed for 6 years they did not hesitate to go into debt for choice land. About 1870 there was considerable holding of wheat in the Mississippi Valley States. In 1866 and 1867 wheat sold for $3.50 a bushel. In January, 1870, it was worth 77 cents on the Chicago market. In the following years prices fell to an exceptionally low level. An excellent authority says that when farmers felt themselves pinched by falling prices they tried three different means to relieve themselves.

First, they attempted to reduce the cost of transporting their products; second, they tried to eliminate the middleman through cooperative buying and selling; and third, they demanded that the United States Government increase the circulating medium. In 1870 a total of 18,000,000 bushels of wheat was marketed at Milwaukee, and in 1880 only 11,000,000 bushels. The secretary of the Iowa Agricultural Society said in 1878 that there never has been a time in history of so great a depression in business of all kinds. Corn was being bought for 8 cents a bushel. In 1866 the farm value of an acre of wheat in Iowa was $22.72, and in 1876 only $5.48. So rapidly did conditions change that in 1879 the secretary of the Wisconsin State Agricultural Society was able to say that large areas in wheat were a thing of the past. An authority states that during the years of falling prices, discontent, and agitation the farmers in both States who had developed dairying were prosperous and contented and paid little attention to the Greenback movement.

The cry then was for Congress to do something. That cry is being repeated to-day. As we listen, let us remember that an economic ill can not be cured by a legislative pill. While we can not cure, we can greatly aggravate the existing trouble. The law of supply and demand is inexorable. Almost from the dawn of history there have been those who have sought to set it aside. All have failed.

Emperor Diocletian endeavored to stabilize prices. By decree he fixed the prices of all grain, beef, pork, and so forth. It utterly failed. Some years later another Roman emperor, Julian, forgetting the lessons of the past, endeavored to do the same thing. Notwithstanding they had behind them in their efforts to enforce the despotic powers of the great Roman Empire, neither were able to set aside the inexorable law of supply and demand.

It was tried in France during the days of the revolution, and the latest country to attempt it was Soviet Russia. There are many other instances in history too numerous to mention, and all have failed. Can it be that America must also try the experiment? If so, we too will fail, and we too shall pay the cost of conducting the experiment.

Mr. Chairman, for some three or four years now the price of American wheat has been generally unprofitable to the farmer if we are to take into consideration the cost of production and the purchasing power of the farmer's dollar over the commodities he buys. I think it will be admitted that generally speaking the price of wheat in this country is fixed by the price that our exportable surplus sells for abroad. There can be but little difference of opinion as to the condition of the wheat farmer, and especially the spring-wheat farmer. But, before prescribing a remedy, we ought first to ascertain the cause of the disease. The most active official proponent of the McNary-Haugen bill has been an officer of the Department of Agriculture. It is my understanding that the relief plan embodied in this bill was also drawn along lines recommended by the Secretary of Agriculture in his report last fall. It is claimed by the advocates of this legislation that he has privately indorsed and recommended the passage of this measure. Therefore, I think that I am warranted in quoting from the Secretary of Agriculture in his report of the wheat situation last December, as to the cause of these ills. He said, on page 66 thereof:

This condition of things has resulted from (1) the decline in wheat prices, (2) the relatively high levels maintained in the prices of other commodities and services, (3) and also from the maladjustments which exist in the wheat industry itself.

Most authorities agree in the main with this general statement. As to the cause for this decline in wheat prices, the Secretary says, on page 67, as follows:

The present low prices are caused by the large world supply of wheat, for which there is not an effective demand at higher-priced levels.

Therefore overproduction or the excess of the world supply to the available demands, according to the Secretary's statement, lies at the very root of the trouble. The average production of wheat per year in the world for the five-year pre-war period was 2,981,000,000 bushels. The yield for this last crop here was 3,468,000,000 bushels. Here is an increase of nearly 500,000,000 bushels over the pre-war average. Rye is used as a bread grain, especially in Europe. There has been but a slight change in the present production of rye as compared to wheat. So there has been no such shrinkage in the production of rye as to warrant any substantial increase in the production of wheat.

While there has been this increase in wheat production there has been no increase in consumption in the world at large. On the other hand, it has decreased. This is due in Europe to post-war conditions. The best authorities agree that the per capita consumption per year in Europe will run from 1 to 2 bushels less than it did before the war. So, then, we have an increase in supply and a decrease in demand. This increased production is primarily in the following three countries:

	Average pre-war	Average post-war	1923
	Bushels	*Bushels*	*Bushels*
Argentina	157,347,000	201,089,000	249,000,000
Canada	197,119,000	325,446,000	470,228,000
United States	660,108,000	852,018,000	782,000,000

This is due in a large measure to the stimulation of the war. Canada and the United States constituted the great granaries of the world during the period. Millions of acres of new land were opened up in Canada. This was undoubtedly the result of this great increased demand, also the urging of both British and American Governments to produce more wheat. The war ended. There was no voice in authority to stop a portion of this great new producing machinery. We continued to produce, and we continued to export. As we so continued to produce prices commenced to decline. The following figures will show how our exports have greatly exceeded the pre-war exports of wheat.

The average percentage of wheat exported 1905 to 1914, inclusive, was 18.8. During the period 1919 to 1922, inclusive, it was 31.6. Furthermore, the export for the first seven months of the fiscal year ending June 30, 1924, is 192,350,000. This is in excess of any previous year.

Notwithstanding this marked increase in production in the United States in recent years, there has been no corresponding increase in this country in consumption per capita. In fact it is less now than in the pre-war years.

Obviously we can not increase consumption so as to take care of our great exportable surplus of from 150,000,000 to 200,000,000 bushels per year. As long as we have that surplus we can only dispose of it, therefore, in the world market. There it will come into competition with wheat from every country on the face of the globe and we can obtain for that surplus only the competitive world price, and as long as we have a surplus our domestic price generally will be governed by the world price.

It is interesting to note that this increase in production in this country has not been in the spring-wheat States but in the Southwestern and Pacific Northwest States. Furthermore, a greater percentage of the wheat from these sections finds its way into the export market than does wheat grown in the spring-wheat areas. Now, in the spring-wheat States we have tried to adjust our acreage to the change in conditions, and have decreased that acreage substantially in the last two or three years.

From 1910 to 1914, inclusive, the total wheat acreage in the United States was about 48,000,000 acres. The acreage planted in 1923 was in excess of that by 13,000,000 acres. In Minnesota the acreage in 1920 was 2,880,000 acres. In 1922 it had been reduced to 1,939,000 acres. In North Dakota it had been reduced from 8,916,000 to 8,740,000 acres.

In spite of this depression in the price of wheat, I am advised that there will be a substantial increase in the number of bushels produced this year in the Southwest and Pacific Coast States than was produced one year ago.

When the Fordney-McCumber tariff bill was passed it carried a duty of 30 cents per bushel on wheat. Under the flexible provision, thereof, this duty was increased by the President, following an investigation by the Tariff Commission to 42 cents per bushel. This has helped in a measure, but no tariff duty no matter how high can solve the problem while we produce a substantial exportable surplus. If we curtail production so as to eliminate this exportable surplus, then with the protective tariff the domestic price can be more substantially increased; otherwise not.

The Secretary expressed the second cause in this language:

> Relatively high levels maintained in the prices of other commodities and services.

The statistics prove beyond a doubt that the purchase power of a bushel of wheat is not what it was during the pre-war years. Wheat prices have dropped to pre-war levels or below, while wages and prices of manufactured commodities are still much higher than the pre-war average. This is likewise true of taxes. Taxes bear most heavily upon agriculture. When the war ended and the demand for his products decreased the manufacturer curtailed his production while, as I have demonstrated, the wheat farmer increased it. Clearly, then, the solution of this second cause lies in the solution of the first cause—overproduction.

The third reason the Secretary gives as:

> The maladjustments which exist in the wheat industry itself.

I again quote from page 68 of his report:

> It is important to bear in mind that the solution of present agricultural difficulties depends quite as much upon the efforts of farmers themselves as upon any governmental action.

During the war high prices and the call of the Government induced many farmers to buy more land and this demand inflated farm value. This in turn materially increased the cost per bushel. Furthermore, some of this land was unfit for economic production of wheat. Then, with increased acreage, came poor farming with inadequate preparation of the seed bed, poor methods of planting resulting in an increased weed menace with its resultant increases in dockage. The yields per acre are now so low in the Northern and Middle Western States as to involve a loss even under favorable crop conditions.

The average for the past 19 years is as follows:

United States in general	14.25
Minnesota	13.2
North Dakota	10
South Dakota	11.6
Montana (newer soil)	19.6

The average for the five post-war years is as follows:

United States	13.4
Minnesota	10.6
North Dakota	9.1
South Dakota	9.9
Montana	10.9

The remedy for inadequate yields and poor quality of wheat is in diversification and better farming methods, and not in laws attempting to set aside the law of supply and demand. It is claimed that the wheat farmer loses money on every bushel of wheat he sells. With this low yield he can not do otherwise if he must compete in the world's markets with countries producing a greater yield per acre and with less expensive land.

The Tariff Commission in its recent report to the President on wheat-production costs, on page 4, says:

	Costs in United States	Costs in Canada	Excess, United States over Canada
A. Weighted average costs			
1. Crop of 1923:	*Per bushel*	*Per bushel*	*Per bushel*
Without land charge	$1.11	$0.64	$0.47
With land charge on cash rental basis	1.34	.82	.52
With land charge at interest on stated values	1.47	.82	.65
2. Three-year average cost, 1921-1923:			
Without land charge	1.04	.71	.33
With land charge on cash rental basis	1.24	.91	.33
With land charge at interest on stated values	1.40	.92	.48

On page 16 thereof, Table V, are figures showing the great differences in the yield per acre between this country and Canada. It is as follows:

TABLE V.—*Acreage and production of hard spring wheat, United States and Canada, 1910–1923* [1]

	Acres harvested (in thousands)		Production (thousands of bushels)		Yield (bushels per acre)	
	United States	Canada	United States	Canada	United States	Canada
Average 1910–14 [2]	16,301	9,202	187,590	169,533	11.5	18.4
Average 1915–1919 [3]	13,373	15,097	164,874	227,852	12.3	15.1
1920	10,984	16,803	95,806	233,425	8.7	13.9
1921	11,563	22,096	109,774	278,630	9.4	12.6
1922	10,879	21,223	160,597	375,194	14.7	17.7
1923	10,676	21,666	110,954	446,570	10.4	20.6
Average 1920–1923	10,694	20,447	119,283	333,455	11.2	16.3

[1] Total spring wheat crop of States of Montana, North and South Dakota, and Minnesota, and Provinces of Alberta, Saskatchewan, and Manitoba. Durum wheat has been excluded from United States figures.
[2] Including Durum.
[3] Excluding Durum.

If the farmer is losing money in competing with Canada for export, why encourage him to continue?

The remedy for a surplus for which there is an inadequate demand is a decreased acreage. Why does not our Agriculture Department tell the farmer to put his wheat acreage back to where it was before the war? No; that would be too simple a remedy. Instead it proposes a novel, ingenious, artificial scheme, which ignores the lessons of the past and violates all fundamental economic laws. It proposes to remedy these agricultural ills by forming a corporation and conferring certain powers upon that corporation and the Government. In brief, the bill creates a corporation with five directors, of which the Secretary of Agriculture is to be the chairman. Its capital consists of $200,000,000 to be appropriated from the United States Treasury. Whenever the corporation finds an exportable surplus of "wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine," and that the domestic price is below the ratio price to be fixed by the corporation, it shall so notify the President, and he must declare an emergency which will put the ratio price in effect until the corporation recommends otherwise. It will be noted that the President has no discretion whatever. He becomes a ministerial agent in this corporation, of which the Secretary of Agriculture is the head. The ratio price is to bear the same relation to the pre-war price on the commodities as the current all-commodities bears to the pre-war all-commodities price. It therefore clothes the corporation with price-fixing authority. Make no mistake about this.

To carry out its general powers it is given authority to operate warehouses, facilities for processing basic commodities, to make contracts for the same, to trade in basic commodities, and engage in such further business as is incidental and necessary. Let me submit that this is putting the Government in business to the extreme limit. If, following the declaration of an emergency and the putting into effect of a price on a basic commodity, it is found that such commodity or any derivative thereof or competitive substitute therefor is likely to depress the domestic market and thereby tend to increase the losses of this corporation in respect of such commodity, the President must proclaim that fact, whereupon an embargo upon "such

commodity or derivative or competitive substitute" is put into effect. Note the tremendous tariff-making powers that are conferred, in effect, upon this corporation. These powers go not only to the basic commodities and their many, many derivatives, but also to the many, many more competitive substitutes. The power is to so fix the duty thereon as to prohibit their entering into the country during the period of the emergency.

Upon the declaration of such emergency the corporation is required to purchase the basic commodities in such quantities as to maintain the domestic price at the level of the ratio price. It is to sell the surplus abroad at whatever it can get and prorate the loss per bushel among the producers by means of a so-called equalization fee.

Truly, of the making of laws there is no end. The provisions as to how the ratio price is to be arrived at and the way losses are to be apportioned are certainly novel and ingenious. One witness described it in the following language:

A little like differential calculus and fourth-dimension mathematics, which makes Einstein's theory of relativity so simple that a child of 6 could take hold of it and make it sound as simple as A, B, C.

I am wondering if it occurred to the draftsmen of this bill that our Federal Government is still one of limited powers—powers that are either granted in express terms or are necessarily implied from those that are expressly granted. Turn to the Constitution. Where is there any grant of power which can be construed to permit a Federal Government taking the taxpayers' money to go into the business of trading and processing agricultural commodities? Where are the precedents for legislation of this kind? If we are to commence with agriculture, where will it end? What right have we to put the equalization-fee provisions into effect?

Mr. Chairman, this is not a step toward the abandonment of private enterprise and the taking over by the Government of private business; this is a leap. Furthermore, it can not be called a leap into the dark, for the experiences of centuries have pointed the way—that this can only lead eventually to disaster. The basic principles underlying the McNary-Haugen bill are wrong and inconsistent with every fundamental principle of our institutions. It is another instance of the citizen asking the Government to support him instead of the citizen supporting the Government. You read in history of the fall of the great Roman Empire. We also read that preceding that fall the populace of Rome had been educated into the belief that the Government should support them.

Mr. Chairman, is the pioneer spirit that animated our fathers and made possible the development in a century of a continent gone? Where is the spirit of the men who conquered and developed this country? Those men only asked the Government to let them pursue their own vocations in their own way. As for help, they only asked for it in matters pertaining to the common defense.

Gentlemen, I do not believe that this scheme will work out, but for purposes of argument let me assume that it will. Our annual crop of wheat is about 800,000,000 bushels. The present price is about $1 per bushel. The ratio price will be about $1.50 per bushel. Our domestic consumption of wheat is about 600,000,000 bushels. This is the quantity consumed by the American people. If this bill passes and goes into effect and works, the difference in the price to the consumer of these 600,000,000 bushels of wheat will be 50 cents per bushel. This means $2.25 per barrel of flour. Our per capita consumption of wheat in this country is about 5 bushels per year. Therefore if this bill goes into effect it means that every man, woman, and child in this country will experience an increase in the cost of living of $11.25, or $56.25 per family of five during a given year. Is the consumer willing to pay this? If he is, there ought not to be any mistake about his knowing just what he will be compelled to pay if this bill passes and goes into effect.

Take hogs. The present price is about $7 per hundredweight. This price is low. If this bill goes into effect the corporation will declare an emergency as to both wheat and hogs. That is a certainty. The ratio price on hogs will be approximately $11.50 per hundredweight. The increase will be $4.50 per hundredweight. We produced in 1923 11,182,000,000 pounds of hogs. Of this total production we consumed ourselves 10,248,000,000 pounds. The consumption of pork in 1923 per capita was 91.4 pounds. The advance is $4.50 per hundredweight, or 4½ cents per pound. This means an increase per individual in this country during the year of $4.10, or $20.50 per family.

Is the consumer going to stand for this?

Suppose the beef market should become depressed and the corporation should find and declare an emergency as to beef. Think of the great added cost to the consumers of this country in such a case, for we are the great beef-consuming people of the world.

When we think of the consumer let us also bear in mind that not only would the price of the basic commodity upon which an emergency had been declared rise but that prices would advance proportionately on all competitive commodities and the products, by-products, derivatives, and competitive substitutes thereof, for under the tariff provisions requiring prohibitive duty during an emergency there could be no importations whatever.

What is the consumer going to do when wheat goes up, our products increase in price, and the prices of all derivatives are in hand? What will the consumer do when he finds pork going up 4½ cents per pound? What will the housewife say when all of the derivatives thereof and the competitive substitutes therefor will advance in price? There can be no doubt but what that would further increase the cost of living. Then will come the demand for increased wages to meet the higher cost of living. In justice to the wage earner in the cities the increase is granted. This in itself will increase the all-commodities price and result in increasing the ratio price. The new ratio price being above the old, it is above the price the corporation is paying for wheat. It then automatically raises the domestic price. This in turn further increases the cost of living, necessitating further increases in wages, and so the vicious circle enlarges and enlarges only to finally burst, with disaster to all concerned.

Indirectly it is a measure to fix wages by legislation. Diocletian fixed the price of wheat, pork, and other basic commodities. He also fixed the wages of artisans. Unskilled labor received 15 cents per day. Carpenters were paid 30 cents per day. He did it directly and failed. This bill, if it works, will do it just as effectually, and history will then repeat itself. The workman, like the farmer, is concerned not so much with his actual wage in dollars and cents as he is in the purchasing power of that wage. In what terms can he exchange it for other commodities for himself and his family? That is what concerns him.

If this bill works, there can be no question but that it will materially decrease the purchasing power of the wage earner. He will not be able to buy as much flour for a dollar, neither will he be able to buy as much pork as he can at the present time. Any bill which does this decreases wages, no matter by what name it is called.

The gentleman from Kansas [Mr. TINCHER] offered a chart showing the advances during the past 10 years both in wages and in agricultural products. He said he did not want to bring wages down, but he did want to bring the price of farm products up. His reasoning was specious, for with the increase of the price of commodities comes a corresponding decrease in the purchasing power of the wage earner's dollar. If commodities go up and wages remain the same, the purchasing power of the wage earner's dollar is decreased to just that extent. If, therefore, the purchasing power of his wage is to remain the same, it must be increased. In this event the disparity now present will continue. Both will be merely on a higher level. This will not help the farmer, neither will it be of benefit to the consumer. It will be further noted from this chart that prices of agricultural commodities commenced to rise before wages, and that the rise was more rapid and pronounced. It is my observation that commodity prices always change more quickly than wages. The chart shows a general downward tendency of wages, and a rising tendency of commodity prices. This is the law of supply and demand working. We should let it proceed. If we interfere, we can only aggravate.

Furthermore, Mr. Chairman, this is, from the standpoint of the consumer, a "heads I lose and tails you win" proposition. The price of a commodity is down, an emergency is declared, and the ratio price fixed which increases the domestic price of say, wheat, 50 cents per bushel. As a result, the producer gets the benefit of the same purchasing power that he had in pre-war years. Now suppose an extended drouth comes in some portion of the world and decreases the supply of wheat, or suppose there is a war or some other catastrophe materially increasing the demand for wheat so that the price of wheat rises to a point far in excess of what it was in pre-war years. There is nothing in this bill to protect the consumer from any such situation. This bill enables the producer to get his pre-war price, but if anything of this kind which I have related should occur it in no wise protects the consumer in the pre-war purchasing price of his dollar. Again let me say, that from the standpoint of the consumer, this bill is a "heads I lose and tails you win" proposition.

Mr. Chairman, I do not think that this Congress or another Congress has any business legislating along these lines. I

do not think that we ought to legislate so as to make the wage earners' dollar buy less or more of the farmers' products. This is something that can only be adjusted through the laws of supply and demand. Some of you, my colleagues, may differ with me as to this. In fact, those of you who advocate the passage of this bill must differ with me. I think, however, we can agree on this and that is that we ought not to legislate so as to injure both producer and consumer. It is my judgment that that is just what this bill will do if enacted into law. I believe it will place the farmer in a worse position than he is in to-day. If so it can not help but injure the man in the cities. The two are interdependent upon each other.

I shall now seek to demonstrate that this bill can not aid the farmer, and it can only succeed in aggravating his present condition and making it worse. I think we must agree that the primary cause of the wheat farmer's condition is the excess of supply over demand. It would seem to follow, therefore, that any remedy to meet this condition should involve a decrease in production. This legislation will raise the domestic price from the present figure of about $1 per bushel to $1.50 per bushel. This in itself is an invitation to increase production. If, with our present surplus of 200,000,000 bushels now selling at an inadequate price in Europe we increase production and thereby increase that surplus, how can it do other than aggravate the present situation?

Mr. Chairman, valorization schemes fail, and always will fail if production is not controlled. If this bill is to pass, the corporation should have authority to curtail production. Why is this not provided for? The reason is apparent. How many of the farmers of the country would stand to have some bureaucrat tell them whether they would be permitted to plant wheat or not; and if so, what kind and how many acres? Schemes of this kind have been tried before. The attempt is to fix prices and levels above the natural market. This in itself is an invitation to overstimulation and the product of the commodity so sought to be benefited. As a consequence a goodly percentage of producers, offered a guaranteed market with prices above what they had been receiving, will devote an increased portion of their time to increasing the production of the commodity enjoying this privilege. The result is soon a further excess of supply. This excess must be allowed to pile up or be dumped abroad at a further depreciated price. Australia has had one of these valorization schemes pertaining to sugar. The Government has been left with a great surplus of sugar which it can not dispose of because of the depressed market, and which it is retaining at the expense of the taxpayer.

What is the consumer of this country going to say when he pays $11.50 per hundredweight for his pork, and finds it selling abroad for $5 per hundredweight? What is he going to say when wheat costs his miller $1.50, whereas it costs the foreign miller 75 cents per bushel? He will then rise up in his wrath. There are far more consumers than there are producers, and if there is going to be legislative price fixing and the consumer takes a hand directly that price will be fixed in the interest of the majority, and that certainly will not be in the interest of the farmer. Prices ought not to be fixed or controlled by legislative assemblies or by any other method except through the law of supply and demand. It is through prices that the people of any community make known their needs of particular goods. It can be done in no other way.

I have endeavored to show that this overproduction or excess of supply over demand has been the greatest factor in bringing about this disparity of prices as between the price that the farmer receives and the price that he has to pay. The statistics introduced by the proponents show that the disparity is gradually getting less. Anything which puts a premium upon further increasing the supply will but further decrease the price on the farm commodity and make the disparity that much greater.

The third cause the Secretary described as maladjustments which exist in the industry itself. I shall now take up the question of whether or not this bill will reach that cause.

The Secretary refers, on page 68 of his report, as follows:

> A number of factors within the wheat industry itself also have contributed to the present wheat crisis. Lands on which wheat can not under present economic conditions be grown profitably have been brought into cultivation in some regions.

This bill will not reach this situation. It will only aggravate it, for it places a premium by adding an inducement for producing more wheat.

I quote further from this report:

> Furthermore, high prices and the appeal for larger food supplies during the war induced many farmers to expand unduly their farm operations and to incur liabilities which since the break in wheat prices they have been unable to carry.

I can see nothing in this bill to meet that difficulty.

I quote further:

> The financial distress which has come as a result of these various causes is considerably aggravated by losses which are due to inefficient farm management.
>
> The one-crop system that has been practiced by so many wheat farmers has depleted the soil, infected the land with weeds, resulting in a marked decreased in yields and a substantial lowering of the quality and condition of the yield.

This bill will not do anything other than to aggravate this by providing an inducement for increasing the acreage in the price per bushel, which in no wise depends upon efficient farming.

Instead of recommending or countenancing legislation of this character the Department of Agriculture ought to advise the farmer as to the facts and tell him the truth. They ought in every practical way assist him in giving him every kind of valuable information as to world-crop conditions, average, and production in the various countries of the world, and all other information necessary to the intelligent planning, planting, and production of his crop. In our part of the country the wheat acreage did not shrink back to a pre-war basis until practically five years after the armistice.

During the war, it will be recalled, the Department of Agriculture issued a program recommending wheat acreage by counties. After the armistice this recommendation was not recalled, neither was the farmer advised of the probability of what Europe would do in the way of renewing production and increasing consumption. The farmer should have been told that conditions had changed, or would very soon change; that if he maintained his wheat acreage on a war basis, prices would certainly fall. The department has given out information of this character in our part of the country pertaining to flax. The information gave the average imports for the 10 preceding years. The probable domestic requirements for the year following in this information, as I understand it, was disseminated through county agents. The farmers were quick to utilize the information furnished to them. The flax acreage was increased approximately 75 per cent. Production increased approximately 66⅔ per cent. The value of the crop was increased substantially 75 per cent. Total production was increased from 11,383,000 to 18,901,000 bushels. The added income to the farmer was $15,000,000. This is showing the farmer how to help himself. This plan should have been pursued following the close of the war in reference to wheat. It is not too late to do it now. The scheme embodied in this bill can not help but increase production and aggravate the present existing situation.

It is admitted by some that this bill is unsound in principle, but that it should pass, because we have protected the manufacturer and labor with the protective tariff and labor with an immigration restriction law. The immigration law does incidentally protect labor and its wages. The primary purpose of restricting immigration was not to protect labor, but to protect American institutions by preventing the bringing in of people here too fast to be assimilated. As for the policy of protection, that applies to the farmer as well as to the manufacturer. We all know how promptly the emergency tariff bill was passed following the inauguration of President Harding. This was confined to agricultural products. Furthermore, the producers of this country practically wrote their own schedules in the Fordney-McCumber bill. It was only the other day when the duty on wheat was raised under the flexible provisions of that bill from 30 cents to 42 cents per bushel. It has practically eliminated the importation of wheat. The farmer gets the same protection that the manufacturing exporter gets.

Furthermore, it might be well for us to bear in mind what the President had to say in his annual message about agricultural relief. I quote:

> No complicated scheme of relief, no plan for Government fixing of prices, no resort to the Public Treasury, will be of any permanent value in establishing agriculture. Simple and direct methods put into operation by the farmer himself are the only real sources for restoration.

This plan was then under consideration generally through the public press. It fixes prices, requires money from the Treasury, and involves no end of complications.

Mr. Chairman, I come from a city district. In my district—the greatest milling center in the world—we grind millions of bushels of wheat annually, much of which is exported. Yet this is but a small percentage of the commerce and industry in my district. All of this commerce and industry, however,

is dependent upon the prosperity of the farmer in the adjoining territory. He is our customer and we are his customers. When one prospers the other prospers. When adversity comes to one it necessarily follows as to the other. Business in my city is affected by the depressed agricultural conditions. Great merchandising stores have vast sums of money out on credit which at present can not be paid. Banks and trust companies have made mortgage loans upon farms where in many instances payments of principal and interest are not being met. If the people of my district were of the opinion that the enactment of this legislation would be of real worth and benefit to the farmer, they would be for it. If I likewise felt so, I would be for it; but I can not support it, believing it to be unsound in principle, unworkable in practice, detrimental to the very people it is designed to help, and perilous from an economic and political standpoint. [Applause.]

Mr. TINCHER. Mr. Chairman, I yield 15 minutes to the gentleman from Minnesota [Mr. CLAGUE].

Mr. CLAGUE. Mr. Chairman, the financial condition of the average farmer in the United States is not good; he has been steadily losing since 1920. How to improve that condition is one of the vital questions of to-day. Some people declare that the only farmers who are not prospering are those living in sections where diversified farming is not carried on. I know from actual experience that farmers are not getting a reasonable return for their labor or on their investments. This condition now prevails amongst the wheat farmers, stockmen, and farmers in most sections where diversified farming is carried on. It also includes the dairy farmer in many sections. Where I live, in southern Minnesota, most farmers diversify, and a large per cent of them have not been able to pay all interest on necessary small loans, interest on their mortgages, or pay all their taxes in the past three years. Many of our hard-working farmers, who have been careful and economical in their purchases and expenses, who were out of debt four years ago, are to-day heavily in debt and living partly off their principal accumulated prior to 1920. By reason of having to hire high-priced help, pay interest charges on necessary loans, paying high taxes, and having to purchase necessary machinery at present prices to carry on and conduct his farm, and by reason of the high cost of nearly all the things he has to buy the average farmer has not been able to make ends meet.

This is the condition of most of our farmers. It is not sectional but general, and particularly so in all of the Northwestern States. This condition prevails even in sections that have had good crops during the past four years. What is the cause? In my opinion it is due to the low purchasing power of the farmer's dollar. The farmer has to produce his commodities on a war-time cost basis, has to purchase most all of his necessary articles on a war-time basis, but has had to sell his commodities at a pre-war price. Between 1905 and 1914, inclusive, the farmer's dollar was worth 100 per cent, but now his dollar is worth about 60 per cent of what it was during this basic period 1905–1914. The following list of articles which the farmer has to purchase has risen in price since 1914 and speaks for itself:

Labor, more than 100 per cent.
Cloth and clothing, more than 101 per cent.
Fuel and lighting, more than 67 per cent.
Metals and metal products, more than 41 per cent.
Building material, more than 81 per cent.
Furniture and house furnishings, more than 76 per cent.

But farm commodities have only advanced in price since 1914 on an average of 17 per cent. It will be seen from the foregoing that all necessary articles which the farmer has to purchase has advanced on the average of more than 60 per cent, while farm commodities which the farmer has to sell have increased not over 17 per cent. To-day it takes practically twice as many pounds of grain of any kind, twice as many pounds of fat cattle or fat hogs as it did during the average of the basic period given in this bill to purchase machinery, fuel, building material, household goods, or to hire farm help, or to pay the interest, taxes, or past indebtedness as it did in 1913 and 1914.

Practically every article the farmer has to purchase is protected by a tariff and made by high-priced employees protected by restricted immigration laws. The freight carriers are protected by laws allowing carriers a reasonable return on their investments; money loaners are allowed by law to charge reasonable interest rates, and by reason of such laws the manufacturer is not compelled to have his surplus manufactured articles fix his home price; the laborer in shops of railroads or mechanics do not have to compete with foreign labor, but the price received for the surplus which the farmer has to ship abroad determines his home price of that particular commodity. By having to sell their surplus on the world markets our farmers are now receiving a pre-war price for many of their commodities, thereby taking twice as many bushels of grain and nearly twice as much of everything he produces to hire help or purchase the necessaries of life. All other classes have been helped much more by our laws than the farmers. Our farmers are paying for their necessaries the highest prices paid in the world and have to pay a higher wage for help than the farmer of any other country, but his surplus products have to compete with the low-priced farm products of other countries that are produced by low-priced labor.

The farmer of the United States has been the burden bearer for most of our people. He has been paying the bills.

The Committee on Agriculture has held many hearings on proposed farm-relief legislation. Evidence has been given before our committee by farmers, business men, leaders of farm organizations, and labor leaders, from many States, all advocating that some farm-relief legislation is necessary and should be passed by this Congress. Our committee has given faithful, honest, and diligent study to this question. I believe I can say that it was the unanimous opinion of the committee that it is not more credit that is wanted, that more credit would be an injury instead of a benefit. What the farmer wants is a chance to get out of debt, not some scheme to get him in deeper, is the agreed opinion of the committee and of everyone who appeared before it; that the one relief needed to help our farmers to-day is a better price for all the commodities the farmer has to sell—a price that is on a comparative price basis with the things he has to buy. With this object in view much time and much study has been given by the different members of our committee to the various bills proposing farm relief. It was only after a full and fair hearing and mature deliberation that the McNary-Haugen bill was favorably reported. We got the best judgment upon it from the most practical farmers and business men. Many changes were made in the bill from the original draft to simplify and bring forth a workable law. Our committee realized that we could not pass at this time any law that would bring down the prices of the necessaries the farmer has to buy, nor lower the price of labor to a pre-war basis, that the only thing that could be done would be to raise the price of farm commodities to a comparable price with such things as the farmer has to buy and the present labor wage. This bill does not in any way try to destroy the other fellow. It is an honest effort to advance the price plane of farm commodities in the United States so that the farmer's dollar will have the same purchasing power it had during the years 1905–1914, inclusive. If this plan had been in force in 1923, the ratio price based on the 10-year basic period of 1905 and 1914 would have given our farmers in cash at least 35 cents a bushel more for their wheat, 15 cents a bushel more for corn, $3 per hundred more for their fat hogs, $1 per hundred more for their fat cattle. It would have made the farmer's dollar worth nearly 100 per cent instead of less than 60 per cent, as it is to-day.

The opponents say that the bill is not workable and it is to that feature of the bill that I now turn. To understand the workability of the plan we must first understand what it is designed to do and just how it provides what shall be done. This plan sets up a corporation capitalized through a subscription by the United States which is controlled and operated by a board of directors in the same manner and in the same way that the ordinary corporation is managed. Its purpose is to cure a condition that now exists whereby agricultural products produced in excess of the requirements of our own people are fixed to sell on account of such excess or surplus at a price that rests on the basic price of like commodities in the competitive markets of the world, thereby nullifying to the farmer the benefits that other American institutions receive through the operation of the principle of protection for our high standard of living, thus bringing down the American standard of living of the American farmer to that of the low standard of the peasant of Europe. This plan in the result of its operation segregates the surplus portion of our domestic requirements and permits the farmers to sell the surplus in the markets of the world at the world's competitive price, and as far as this surplus is concerned the operations under the plan will be similar to what they are to-day. But the benefits and advantages to the farmer are provided by permitting him to sell his domestic portion—that is, the portion required for home consumption—in the markets of the United States at a price that is in keeping with American standards and the American principle of protection—a price measured on the basis of equality with other American-

produced commodities. The corporation provided for in this plan enters into the markets of the United States in the same manner that a similar private corporation would, and becomes a competitive purchaser for specific farm products upon which an emergency has been declared at a price that will restore the pre-war purchasing power these products had during the basic period of 1905–1914, inclusive. The corporation's activities are limited to the minimum required to restore and maintain that price.

The setting up of this ratio price is not left to the discretion of a friend or foe of the farmers, but established through the use of statistical data compiled by a Government agency using a formula specifically referred to and made a part of the bill. When an emergency is declared and the price determined the corporation would become an active buyer in basic markets to the extent only as necessary to maintain the market at that ratio price. In wheat, for example, the price in all the markets of the United States, with but few exceptions, rests and depends upon the world's price or the Liverpool price, as it is generally referred to, less the cost of delivery at that market. Under the workings and operations of this bill the price will rest on the ratio price established in the basic markets through competitive buying by this corporation, which in all probability will not need to extend beyond the markets or the United States ports of export, and the price available there will be reflected throughout the United States into all terminal and primary markets.

Export operations, as are now conducted, in so far as methods of operations vary and grades are concerned, are well defined and easily determined, and but a comparative few variations and grades are dealt in; therefore, it would be a simple operation to establish the ratio price for basic grades and basic varieties and provide for purchase as required to maintain the market at the basic price. In marketing operations as conducted at the present time, variations in grades and quality are purchased at a price above or below the basic price as the variation in grade or quality may be. This established method of purchasing of grades and varieties above or below the basic price or ratio price will be the method under which the corporation provided by the plan will operate. It only involves the carrying out of a simple business transaction in a business manner. The ratio price at which the corporation becomes active as a buyer will provide the minimum basic price in all markets, for the simple reason that there will be no sellers at a price less than it is known that there is a buyer equipped and willing to buy it. But this does not necessarily mean that there will be nothing but higher prices in various markets than this basic ratio price. There will be no fixed price. Markets are sustained at the ratio price through the competitive action of this corporation, and not otherwise, and as soon as the surplus of any emergency-declared commodity tributary to any certain market is absorbed, the operation of ordinary competitive methods will undoubtedly cause the price to vary and range at times to a higher level than the ratio figure.

It is the contention of those opposed to the bill that the law, if passed, will be unworkable. This type of statement has been made with respect to almost every important piece of legislation in the history of the United States. Just a few illustrations will bring the facts to your mind. Most of us will remember how freely it was asserted at the time of their consideration as to each of the following:

1. That the income-tax laws would ruin the country.
2. That the Federal reserve act would destroy the banking system.
3. That the Federal farm loan act would dry up the sources of the farmer's credit.
4. That the meat inspection act would drive the packing industries into bankruptcy.
5. That the cotton futures act would rob the cotton producer of millions of dollars.
6. That the food control act would produce a revolution.
7. That the grain futures act would destroy the grain exchanges and with them the country elevators.
8. That the immigration laws would invite instant and serious retaliation from numerous foreign nations, and could not be administered.
9. That the tariff laws would be unworkable, invidious, ruinous, and likely to provoke countervailing action by other countries.

Coldly analyzed, what are the facts as to all of these statements? Their stimulus rests upon the fact that interests affected by them, no matter how narrow or how broad, have foreseen some degree of inconvenience or some loss of profit to their own particular business so that they have opposed them all in spite of their being for the general welfare.

It is almost an axiom that only a few of the farseeing, constructive, progressive, and wise in any trade and industry are willing to accept suggestions, whether in the form of legislation or otherwise, looking toward changes in their existing status quo.

The grain-futures exchanges of the United States, for instance, have reached a point where the Nation may expect practically nothing from them in the way of improvement. They have become solidified in their way and while performing in many respects a valuable service future changes and improvements will probably have to come from outside stimuli.

APPLYING THE FOREGOING BACKGROUND TO THE M'NARY-HAUGEN BILL, IS THE PLAN WORKABLE?

The statement is constantly made, usually without giving reasons, that the plan created by this bill will not work. Only three reasons have been given, so far as my knowledge extends, as to why it will not work.

1. The farmers will not pay the equalization fee and this will break down the plan.
2. It includes products other than wheat and can not be applied successfully to them; for instance, livestock and/or its products.
3. It will destroy the grain-futures exchanges and thus destroy the opportunity for hedging, thereby ruining the country elevator.

1. The answer to the first statement is that if a farmer can get 35 to 40 cents a bushel more for his wheat under the bill than he can without it he will be very glad to take it, and, in addition, a participation certificate for 10 or 15 cents more, even though he accepts the certificate with the knowledge that its final value depends on the loss in the export market and the expenses of conducting the corporation.

2. The fundamental principles involved in marketing one agricultural product are practically identical with those of marketing others. Necessarily, you do not grind pork out of a flour mill nor flour out of a packing plant, but the forces of competition operate on purchasing and selling in the same manner in both cases.

Hogs are worse off as to price than wheat. They can be handled equally well under the bill. There are two ways in which the situation can be met: The corporation has ample power to enter into contracts for processing, distributing, and selling the products—the corporation bearing the loss from the equalization fund—or it could buy finished exportable products in the form of hams, shoulders, bacon, and lard, and arrange for their exportation and sale through existing foreign outlets of the packers, compensating them for their losses on such products.

The bill is practically applicable to every product of which we export a surplus, although only certain specific necessities of life are named therein, namely, wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine.

3. There would continue to be the same need for a hedging market for the miller and the grain dealer as now exists. To the holder of long contracts the ratio price at which the corporation bought the export surplus would practically constitute a "stop-loss" order. The price level, of course, would not necessarily be satisfactory to the speculative short seller, as in his case it would be a "stop-profit" device. However, the bill is intended to help the farmer, and the speculative short seller is very often anything but help to the farmer.

Inasmuch as no maximum price is fixed, future trading would continue, but above the level of the ratio price. If a miller sold a baker 100,000 barrels of flour for May delivery, he might still wish to buy wheat futures to hedge his flour sale. Similarly, if a grain buyer bought grain, as he will undoubtedly continue to do, he would wish to hedge that purchase by a sale in the future market. Where there is an insurable risk to be taken, enterprises will be found to take that risk for a reasonable compensation.

When the price of a commodity nears the ratio price speculative buyers will probably appear in good numbers, confident that domestic market forces will elevate the price to a reasonable margin above the ratio level. There will be buyers and sellers in every market above the ratio price, because shortened domestic supplies will create fluctuation which truly will not be as great as heretofore. This suggests that scalpers and other more purely speculative traders will, to some extent, disappear from the market.

Only a fixed price at which the whole crop will be bought would of necessity destroy future trading. Then no one would require a hedge and no one would be tempted to speculate.

The McNary-Haugen bill does not fix or guarantee prices. It merely lays down a rule of conduct by which the export corporation must be guided in buying the export surplus, or such quantity of the crop of any year as is necessary to maintain prices at or near the ratio price level.

DOES THE PLAN REALLY INVOLVE ANYTHING THAT IS NOVEL?

Let us see what is necessary in the case of wheat and its products or hogs and their products in applying the principles of this bill.

1. To determine in an approximate way the surplus available for export.

As we know, within very reasonable limits, the population of the United States and its average per capita consumption each year, we can, without going further, after the regular crop reports are issued, determine with a sufficient degree of accuracy for the purposes of this bill the approximate extent of the export surplus to be bought by the commission. The purpose must be to set the amount high enough, as buying can be stopped at any moment if too great elevation of price results.

2. To determine the price that these products should be now in order to have the same purchasing power in terms of other commodities as they had on the average in the 10-year period from 1905 to 1914.

This is a matter of simple arithmetic. All of the data are collected every month of the year, and have been for decades, by the Bureau of Labor Statistics of what is now the Department of Labor, which also makes most of the necessary computations involved. Those not now made are not difficult and can and would be made promptly by the Secretary of Agriculture and the Secretary of Labor as required by the bill. Certainly any simple problem in arithmetic can be solved if its necessary elements are in our possession, as they are in this case.

3. To buy in the United States wheat and its products and pork and its products.

It seems almost silly to say that if you have the money that you can buy practically anything that you want if some one else has the commodity and wants to sell it. This is exactly what the situation is. The grower has the product and wants to dispose of it and the corporation will have the money to buy it.

4. To have raw material (wheat or live hogs) converted into finished product for export.

We will have a corporation amply capitalized with ready cash in its treasury and empowered to make contracts or, if necessary, even to lease or otherwise acquire the rights of operation of elevators, mills, packing houses, and so forth. It will not be necessary to do any of the latter, because, with its money and its power to contract, the corporation can go out and hire existing millers and packers to process all of the raw materials that it buys.

Our mills are only working between 40 per cent and 50 per cent of capacity and our packing plants probably not over 50 or 60 per cent of capacity. Is there a corporation in the country with a management so stupid that it would refuse to serve the United States export corporation to be established under this act for pay?

5. To ship products within the United States and to foreign countries.

With money to pay freight, with railroads eager for freight to haul, and with hundreds upon hundreds of idle ships anxious to get cargoes, who would say that this corporation would find any difficulty with respect to this feature of its necessary operation? As a matter of fact, practically all of the product will be handled by the agencies that now handle it, with agreements suitably drawn to protect the farmer and at the same time to give a reasonable earning to those who serve him through the agricultural export corporation.

6. To sell in foreign countries.

We now have a corporation possessed of wheat, flour, hams, bacon, lard, and other products that are used all over the world. It wants to sell these products, and is protected against undue loss by a fund that it has created through the collection of equalization fees. It is the universal observation of market agencies that if you have a product to sell, and will price it reasonably, all things considered, you will always find a buyer.

7. To distribute over all producers the expenses and losses made through the segregation of the export surplus and its sale in the foreign market at a price below the prevailing ratio prices.

This, in substance, is exactly what is done now by thousands of cooperative marketing associations. It is, perhaps, not too much to say that $1,000,000,000 worth of farm products in the form of wheat, dairy products, livestock, and fruits and vegetables are handled on this basis to-day. The major part of the sale price is paid to the grower by his cooperative immediately after the sale has taken place.

A specified percentage is witheld in the treasury of the organization until the end of each operating period, be it one month, three months, or any other length of time, from which all expenses and losses are deducted ratably. The residue of this fund at the end of the time is prorated to each member in exact ratio with the amount of business he did with the cooperative organization. These payments are known commonly as "patronage dividends."

As a cold matter of fact, there is absolutely nothing that is novel in a business sense in the plan proposed by this legislation. Opponents are merely taking advantage of the fact that its provisions are not well understood to throw a smoke screen around the whole proposition, and thus befog its proper understanding.

One illustration will serve to show those who wish to give fair-minded consideration to the problem how readily this legislation can be enforced. For convenience of consideration we need look at the whole matter from just two angles—first, from that of an agency, the United States export corporation, created to buy in the domestic market and to sell in the foreign markets the export surplus of our export farm products; second, a device that will keep out of the United States the basic agricultural commodities of other countries, for to permit them to come in would break down the plan just as the admission of products of foreign countries would break down the protective tariff law as accomplished by tariff duties in general schedules.

HOW THE BILL WILL OPERATE ON HOGS

First, the corporation will determine that an emergency exists; second, it will make its preliminary arrangements; third, it will issue a finding to the President; fourth, the President will issue his proclamation; fifth, the corporation will publish ratio prices, designate ratio periods and basis markets; and sixth, the corporation will begin to operate as any private corporation would operate to handle the same type of transactions. The second and sixth are the steps that require the greatest attention.

I. DETERMINING THE SPECIAL EMERGENCY

The finding of a general emergency is declared by the Congress in the bill itself. Special emergencies require the finding that there is a surplus of hogs available for export and that the ratio price would be higher than the prevailing domestic price. These facts are so thoroughly known that no extended investigation is required upon which to base the finding to the President.

II. MAKING PRELIMINARY ARRANGEMENTS

This will include, at least, the following:

1. Determining what shall be the basis market;

2. In what other markets the corporation should operate to accomplish the purposes of the bill;

3. Preparing the contracts needed to provide for processing hogs purchased by the corporation.

4. Preparing contracts under which the exporters (packers, domestic exporters, foreign importers) will dispose of the products arising from the corporation's purchases.

5. Put out bids to execute contracts contingent on the actual declaration of the emergency by the President.

1. The basis market for hogs is readily determined. It is Chicago, where over a period of years between 20 and 25 per cent of all hogs killed under Federal inspection are slaughtered. This will be the basis market used in the computation of the ratio price.

Chicago kills between 12,000,000 and 15,000,000 hogs per annum. This on the average is more than twice the kill of its nearest competitor—Kansas City—so there can be no doubt as to the propriety under the law of selecting Chicago.

2. It is probable that if the corporation confined its purchasing, which, of course, will be done through the existing market agencies to Chicago, the price effects would be communicated throughout the markets of the country. However, nothing should be left to chance in this matter, so it is likely that branches would be established in the 12 most important markets for hogs in the country. The following selection illustrates how great a percentage of the total kill can be covered in this way, assuming the corporation chooses the following list:

Average number of head of cattle, hogs, and sheep combined, slaughtered at cities listed, from 1907 to 1923

City	Total	Percentage of total United States inspected slaughter
Chicago	12,334,060	20.71
Kansas City	5,637,493	9.47
Omaha	4,404,031	7.40
St. Joseph	2,734,749	4.59
St. Louis (including East St. Louis)	4,028,287	6.77
Sioux City	1,545,322	2.59
Fort Worth	1,329,039	2.23
St. Paul	1,821,866	3.06
New York (including Jersey City)	3,931,403	6.60
Indianapolis	1,708,083	2.87
Boston	1,621,692	2.72
San Francisco	401,673	.67
Louisville	164,829	.28
Denver	402,998	.68
Grand total above cities	42,065,525	70.64
Total United States inspected slaughter	59,548,768	100.00

Please note that in the foregoing table all animals slaughtered under Federal inspection are included, cattle and sheep as well as hogs. If an emergency is declared on cattle, the same markets would no doubt be used and no duplication would necessarily result.

Fourteen markets control over 70 per cent of the inspected slaughter of the United States. Operation in this number would certainly prove completely effective for the purposes of the bill. However, certain geographic areas might not reflect fully the influence of the ratio price. Therefore, the corporation might decide to add operating offices for the following:

(a) At Seattle, to handle operations when necessary in Seattle, Portland, Tacoma, and Spokane;

(b) At Atlanta, to control the situation at southeastern packing points; and

(c) At New Orleans.

COOPERATION OF PACKERS

The packers will cooperate by reason of self-interest. They are opposed to the bill partly because of misunderstanding, partly because of unwillingness to change existing methods of doing business, and partly because they consider they were unfairly treated during Government control in the war period.

Contracts under this bill must be voluntary, and the packers need not participate in the export business unless they wish to do so. As there are between 275 and 325 exporters of meat products, including packers and others—but chiefly packers—they will wish to continue in this business, particularly as the corporation will undoubtedly be forced to give them a fair remuneration.

In any event competition will be found sufficient for the purpose of handling the one-eighth of our hog products that are exported, as is disclosed by the following list, showing the number of enterprises engaged in packing and slaughtering at the most important of the cities in the list:

City and number of enterprises

Chicago	43
Kansas City	12
Omaha	9
St. Joseph	4
St. Louis (including East St. Louis)	30
Sioux City	6
Fort Worth	3
St. Paul	11
New York (including Jersey City)	21
Indianapolis	13
Boston	9
San Francisco	13
Louisville	6
Denver	9

The enterprises in the list include both large and small, but can leave no reasonable doubt as to the sufficiency and availability of competitive facilities for handling the products of the corporation.

It is always necessary to remember that there will be no reason for existing agencies not to continue to do the work they are now doing and have done throughout their existence.

3. The corporation has ample power to make contracts and may lease plants for processing products.

It would be unwise to declare a special emergency and then to begin to make preparations. These must be made in advance. The corporation must be completely ready to operate the day the proclamation takes effect.

The bill utilizes existing private business to do everything that can possibly be done by it in order to interfere the least possible with the normal functioning of commerce in basic agricultural commodities.

According to the president of Armour & Co. in a printed statement put out by that company, existing plants and facilities were enlarged during the war beyond the necessities of normal times, that it has not been possible to reduce overhead in keeping with reduction of business from war-time peak, and that operations are going on at considerably less than war capacity, which he states can not be economically done.

A conference with the representatives of the packing industry, which is over 90 per cent represented in the Institute of American Meat Packers, will enable the corporation quickly to make all necessary contractual arrangements for processing.

4. The large packers are the greatest exporters, but nevertheless there are 211 additional exporting firms, and with all of these there is opportunity to make contracts for handling the export surplus. They handle it now and will handle it under the McNary-Haugen bill, as it will show them an earning.

These contracts will not be difficult to prepare. Uniform export contracts are already in use and available. Conferences with the enterprises that are affected will very quickly enable this part of the preparation to be made.

However, 348 slaughterers have applied for and received the inspection of the Bureau of Animal Industry, and hence are permitted to engage in the export trade. No less than 155 plants actually do engage in exporting.

The gentleman from Wisconsin on Tuesday night stated that only the Big Five engage in exporting. As a matter of fact, there are no less than 302 exporters shipping meat products at present, either of their own manufacture or purchased by them for the purpose of export from the United States. The export certificates show this.

Necessarily, the Big Five are the most important exporters, just as they are the most important domestic slaughterers, but why say they are the only exporters when there are so many more?

5. Before the corporation is ready to issue its finding to the President, and he to issue his proclamation, the various contracts mentioned under 3 and 4 must be completely executed, with only one contingent clause, namely, that the President do subsequently declare the emergency in preparation for which the contracts have been prepared. If in spite of the facts stated under II above it is impossible to make contracts with the packers, no proclamation would ever be issued.

That any industry in the United States would so flaunt the honest and sincere effort of the Nation to give relief to its most important basic industry is utterly inconceivable. It is particularly inconceivable that the packing industry, which is so largely bound up as to well-being with the producer, would take a position so stupid and so self-destructive.

III. ISSUANCE OF FINDING

When all of the foregoing details have been taken care of the corporation will notify the President in writing that a special emergency exists as to hogs, reciting necessary facts upon which he may base his proclamation.

IV. RATIO PRICE, PERIOD, AND BASIS MARKETS

At the same time the presidential proclamation is issued the corporation is required to publish the ratio price of hogs. At the same time it must designate the period to be known as the "ratio period" during which the ratio price will prevail. It will probably be a monthly price, though the corporation is permitted under the law to determine what period is best adapted to the needs of each basic commodity.

The market upon which the ratio price is based must also be designated at the same time, and in this designated market the purchases of the corporation for the commodity or grade must be the ratio price. In all of the other markets that may be included in the operations of the corporation a price representing the usual commercial differences between that market and the basis market will be paid. In other words, competition will govern, as is now the case.

ACTUAL OPERATIONS

To make a clear picture of the operations about six different steps must be kept in mind. They are as follows:

1. Determination of amount of equalization fee.
2. Collection of equalization fee.
3. Purchase of live hogs at markets.
4. Processing by packers.
5. Sales in foreign markets.
6. Distribution of equalization dividends.

1. DETERMINATION OF AMOUNT OF EQUALIZATION FEE

During the seven years just before the war—1907 to 1913—we exported 1,073,000,000 pounds of pork products on the aver-

age. Our average total production in the same years was 8,847,000,000 pounds. This means that we exported 12.1 per cent of our total production, the equivalent in weight of 6,700,000 hogs.

The ratio price of hogs at Chicago last month, computed according to the bill, would have been $11.25 per hundred pounds. The actual price was $7.36 per hundred pounds. The latter represents the world price. The difference is approximately $4.

Our problem is to fix an equalization fee that will cover expenses of operation and losses in buying at the ratio and selling at the world price. This fee must be set high enough to insure the money of the United States invested in the corporation's capital stock against impairment. Safety will require fixing the equalization fee on the safe side, which will create a balance to be distributed to the growers at the end of each operation period.

As we use at home seven-eighths of our total pork crop, we export one-eighth; hence the difference of approximately $4 a hundredweight on the one-eighth we export will amount to about 50 cents per hundred pounds on the total production.

To put it another way:

Seven parts sold at $11.25 equals $78.75, 1 part sold at $7.36 equals $7.36; total, $86.75. Average price for total $86.75 divided by 8 equals $10.75.

$11.25 ratio price per hundred pounds.
10.75 average price per hundred pounds.

.50

Amount per hundred pounds necessary to make up loss on export fraction.

So a deduction of 50 cents from the ratio price per 100 pounds would cover the loss of the export corporation in selling one-eighth of the total production at a loss of $4 per hundredweight. These calculations are not intended to be final, but merely to clearly show the principles involved and how readily they can be worked.

In order without fail to safeguard the corporation's capital, suppose that the equalization fee be set at $1 per hundredweight to cover loss in exporting the surplus and cost of operation. This fee can be set high safely, since any excess over the amount actually necessary will be repaid to the producer in the form of a dividend at the close of the operation period.

Remember that the one-eighth exported determines the price of the whole hog crop.

2. COLLECTION OF EQUALIZATION FEE

Now, how will the plan work? Suppose that John Jones has 70 hogs to sell, weighing, say, 15,000 pounds. The principle is the same whether he sells few or many hogs. Taking the ratio price as $11.25 and the equalization fee as $1 per hundredweight, Jones will receive $11.25 less $1, or $10.25 per hundredweight in cash, approximately $3 more than he would receive without the bill. For his 15,000 pounds, which is an average car lot, this would amount to $450. In other words, he would get $1,537.50, instead of $1,104, which he would have gotten at $7.36, the market price without the bill.

In addition to the cash the buyer would give Jones a formal receipt, which he would be authorized to issue by the export corporation, showing that Jones has paid an equalization fee of $1 per 100 on 15,000 pounds of hogs, the face of this receipt will be $150. What does this receipt mean to Jones? It means that he will share in whatever is left of this fee after the expenses and losses on the one-eighth export fraction in handling pork are met.

The corporation will have no effect on the usual marketing costs. The one additional expense due to its operation will be that arising from the cost of the service it must perform in separating the surplus from the total crop, guiding it through existing channels out of the country, collecting the equalization fee, and distributing any balance left in the equalization fund.

Suppose that it cost the corporation 25 cents per hundredweight on the whole crop to perform this service; this estimate is far too high, for 25 cents per hundredweight on all hogs would mean over $22,000,000, an amount far in excess of what would be required for these limited purposes; but, taking this figure and adding it to the 50 cents per hundredweight to cover loss on the export part, we get a total of 75 cents per hundredweight. The equalization fee collected is $1 per hundredweight. The difference is 25 cents, and this would be prorated to all producers on surrender of their receipts at the close of the ratio price period.

3. PURCHASE OF LIVE HOGS AT MARKETS

At the 14 markets named above, the corporation would keep a supervisory office with an accounting and recording staff, which would issue its instructions to buyers at such a rate as would sustain the level of the ratio price. These purchases would be made by the packers with whom the contracts for slaughtering and processing were made. There would be no difference in principle from what happens without the McNary-Haugen bill, except that the part bought up by the corporation would be completely removed from any price effect upon the domestic market.

The total amount involved would not be extraordinarily great, as our pre-war average value of pork exports (1905–1914) was less than $102,000,000. In other words, less than $10,000,000 worth a month. The 1923 total was $266,000,000, something over $20,000,000 worth a month to handle. The movement is not uniform, so that the peak requirements will be higher than the monthly average figure, but it will be less business than many individual corporations do in many lines of business.

4. PROCESSING BY PACKERS

Under the contracts entered into before a special emergency has been declared, the purchases made for the corporation's account will be slaughtered, processed, and distributed by the packers through their existing export sales outlets. These contracts will cover every detail necessary to safeguard the corporation—hence the grower whose creature it will be jointly with the Government—from avoidable enhancement of losses.

5. SALES IN FOREIGN MARKETS

Eight hundred and sixty-three establishments are under the Federal meat inspection law; 348 of these conduct slaughtering. Of the 348 establishments that do slaughtering, 155, including 91 owned by the Big Five packers, conduct an export business.

Of the 863, 302 in all, including slaughterers, engage in exporting. In other words, 147 enterprises conduct export of livestock and meat products in addition to those who are slaughterers. If it seems necessary, in order to get results and to do justice, contracts for handling the product in the foreign market will be made with the 302 exporters.

Under the Edge and Webb-Pomerene laws corporations could be organized by the packers and exporters to handle the product controlled by the export corporation. The exporters could submit their offers from purchasers abroad to the sales supervision department of the export corporation or the corporation could sell the exportable products on a parity with world prices and let the exporters take complete charge of the product from this point. This would involve putting them under bond to actually ship out the products released to them by the corporation.

As all the existing agencies will be continued in business, no changes will be made in the export outlets except in a bookkeeping or actuarial relationship that will be created by the contracts between the corporation and the exporters. Their foreign staffs will continue to work exactly as at present and under the direction of their employers, without any interference whatsoever from the corporation except to make sure that the full world price is being secured for the American farmers' sales.

6. DISTRIBUTION OF EQUALIZATION FUNDS

As the corporation will necessarily withhold more than actual loss and actual expense for safety's sake, there will be a balance in the pork equalization fund to be prorated back to the producers. Their receipts will show how much they are entitled to. Returning, in conclusion, to our hypothetical farmer, Jones, who got $10.25 per hundredweight in cash when he sold his hogs and a receipt for $1 per hundredweight equalization fee, we can now close out his transaction. One dollar was withheld, but only 75 cents used. He is therefore entitled to 25 cents per hundredweight at the end of the operation period. Jones's total price, then, is $10.25 plus the refund of 25 cents, or $10.50 per hundredweight. This is approximately $3.15 over the price of $7.36, which he would have gotten without the bill. It raises his total return for his 70 hogs to $1,575, as against $1,104, which he would have received if there was no McNary-Haugen bill. The corporation would declare its rate of dividend either in per cent or in cents per hundred pounds; would arrange with banks, post offices, or other suitable institutions to take up the receipts and to issue the cash for them. Jones would turn in his receipt for $150 and receive a dividend of $37.50.

CONCLUSION

Wheat has been mentioned so many times and is believed to be in such distress that many have erroneously concluded that

the export corporation plan could not be operated fully as effectively on hogs and cattle as on wheat. The plan can be worked successfully on every crop of which we export a surplus.

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Montana [Mr. LEAVITT].

Mr. LEAVITT. Mr. Chairman and gentlemen, the McNary-Haugen bill is a straight, fair plan to return agriculture to its place of equality among the other industries of the Nation. It proposes only that the Government, in the preservation of which the farmers in great measure are now caught in an after-war crisis, shall furnish the working capital for a corporation headed by the Secretary of Agriculture as a revolving fund with which to help themselves back to a comparatively fair level with labor and industry, which have already been helped by adequate legislation.

The voice of the gentleman from Massachusetts [Mr. LUCE] trembled yesterday when he said this must not be done, because it would cost his working people, with 6,000,000 idle spindles, a little more to live. But is he not willing that the farmers of the West and South shall be taxed high prices for manufactured goods that his people may get high wages and live American lives? His voice would tremble even more should the farmers say out of their necessity, "Very well, then, let us strike down the protection which taxes us for their support, let us throw them into competition with the labor of Europe and South America, as we are thrown in competition with it through the necessity of selling our surplus in the markets of the world," so that, as the gentleman says, nature may take its course and the sacred laws of supply and demand may not be interfered with.

Of course, it costs more to pay decent wages than coolie wages, and it is also true that the farmers, as 40 per cent of the buying public, help pay the added cost. Is it possible that there is any place in this country unwilling to pay the farmer what it costs him to produce the necessities of life? Who are willing to eat at the expense of some one else?

And here is the gentleman from New York [Mr. BLACK] who has served notice that he intends to thrust a beer amendment into the vitals of the bill to-morrow. Does anyone doubt for a moment the purpose of such an act? It is to kill this bill. The gentleman is less open in his purpose than the gentleman from Massachusetts, who has at least the virtue of being aboveboard, if shortsighted in his argument. I know how hard it will be for them to explain a vote for agriculture and all America to constituents, so many of whom still do not readily understand the English language, and so many others of whom know their dictionaries, but need to learn the language of the entire United States, but I also know that there are many here from the East who are with us for this bill because they know its necessity and its justice.

The gentleman from South Carolina [Mr. STEVENSON] argued against this bill yesterday, but in trying to think of what he said without the RECORD before me I found this morning that I could remember nothing.

The gentleman from the farms of Duluth [Mr. LARSON], where the great grain elevators stand along the harbor of the Inland Sea, by denying any crisis in agriculture thus qualifies as an expert in blindness to the facts.

My good friend the gentleman from New York [Mr. CLARKE] spoke for the dairymen as against this bill, but in yesterday's mail came a letter from the National Cooperative Milk Producers' Federation, whose membership covers the East, the Middle West, and the South, which reads as follows:

> For some time the members of the executive committee of this federation have been studying the McNary-Haugen bill, and at a meeting to-day of the committee it was unanimously decided that the bill should have the approval and support of this federation.
>
> Without attempting to discuss the bill in detail, we believe that it is the one bill now pending in Congress that promises early assistance to the hard-pressed stock raisers and wheat growers.
>
> We are also convinced that any measure that will be helpful to them will react to the distinct and material help of dairymen.
>
> May we express the hope that you can see your way to give to this bill the utmost limit of your support.
>
> Very truly yours,
>
> THE NATIONAL COOPERATIVE MILK PRODUCERS' FEDERATION,
> By J. D. MILLER, *President*.

The president who signed that letter lives, not in the West, but in Pennsylvania.

Gentlemen, the real truth about this measure is becoming known, and it is gaining strength with understanding. The 60,000 names shown yesterday by the gentleman from Illinois is only an indication of its general support. On the Committee on Agriculture recommending this bill are men from every section and both parties.

That the gentleman from Louisiana [Mr. ASWELL] calls them Bolsheviks has its advantages, because it proves the unfairness of his position. Starting with such a statement, his argument falls flat. He has a bill of his own and it has much merit; even as the gentleman from Massachusetts [Mr. LUCE] is willing to let agriculture suffer that his factory hands may not pay any more for what they eat, he is willing to kill this bill because his own is not in its place. I would apologize to the House for any discourtesy, but this is so vital a time for this country that plain speaking is required.

You talk here about everything but the issue, which is the crisis of agriculture, and this bill which will help it. You try to find some reason for doing nothing rather than what to do. You cry "Keep hands off from agriculture," when you mean keep hands off from privilege. Let us be fair.

If the gentleman from Wisconsin [Mr. VOIGT], who also has a bill he wishes to substitute, will yield me time, I will guarantee to show the fallacy of his essential arguments against this bill. I can not do it, of course, in the few minutes I have. I can only call attention to the fact that he acknowledged the needs of agriculture, but criticized this measure without saying what should be done instead. He has abstained from printing his speech in the RECORD, although it was Tuesday night when he delivered it. He called this measure unsound, saying it fixes prices, whereas it only adjusts them at a parity. And to-day I have here a bill he has himself introduced to fix an arbitrary price on wheat by law.

Since my election to Congress I have given more time and more thought to agricultural legislation than to all other matters combined, and I have done this because from my touch with the situation I know that the greatest present need of the country is the solution of our farm problems.

The situation of agriculture has been discussed on the floor of this House so repeatedly and at such length that I will not in the short time I have been given repeat in any detail. We now know, and no one questions who is intelligently informed, that a crisis of the most urgent character exists in much of the agricultural industry. One farm authority calls attention to the fact that bankruptcy and mortgage foreclosures have reduced the ownership of the six and one-half million farms of the United States to a point where they are held by less than 3,000,000 owners. In great areas of our country the farmers have produced the last four crops at a loss, and they have been forced to make up these losses by further mortgaging their real estate and personal belongings. Thus, the indebtedness of the American farmer has increased from four to five billions of dollars in the past five years. We know that 1,120,000 people left the farms for the cities in 1922 and that a similar exodus continued in 1923 and is now under way; but with all this we also know that, regardless of anything else, we must have the products of the farms in order that our people may continue to eat. The farmers must continue to farm for us, even if they can not afford to farm for themselves.

That bank and business failures go hand in hand with agricultural depression has attracted the attention of the business and financial leaders. That industrial hardship follows any loss of the purchasing power of the people, and the farm population are some 35 to 40 per cent of our people, has riveted the attention of the manufacturers. In short, the situation is so severe and has reached so far that there has never been a more general recognition of the problem than now exists.

Out of such a necessity has come the most intense study and most honest search for both the causes and a solution. The result of this study has been to make plain that those basic farm products of which an exportable surplus is produced have, through the necessity of selling that surplus abroad, had the price of the entire crop—sold here as well as abroad—fixed adversely by competition with produce of cheaper labor, cheaper transportation, and un-American living standards. All this at a time of foreign demoralization after the war. Meanwhile the cost of production of these crops steadily has risen.

Farm labor, for example, which was $2.23 per day in Ohio in 1913, was $3.50 in 1923. In Washington it had risen from $2.90 to $5.75; in North Dakota from $3.35 to $4.70. The increase varies from 48 per cent to 111 per cent. Similar increases are noted in the costs of transportation, farm machinery, clothing—in fact, everything which enters into cost of farm production. In other words, the farmer must thus pay his costs under American conditions of living under closed markets, and sell his products under European and South American conditions of living. The result is that instead of 5.5 per cent of all bankruptcy cases being farmers, as it was in 1912 to 1914, it was

14.4 per cent in 1922. It ran as high as 32.6 per cent in Nebraska and 78.5 per cent in North Dakota. How could it be otherwise when for the last four years the net loss per acre on wheat in Minnesota and the Dakotas has been from 10 cents to $3.42 per annum, and the losses on the production of other staples has been of a similar nature? In short, an emergency exists in the most basic of our industries. What to do to meet it as far as it can be met by legislation is the problem before us to-day.

Any manufacturer succeeds if he can sell his product at cost of production plus a profit. Any business fails if it can not. If the sale value of the product stays down while the cost of production mounts until it wipes out the profit and eats into the capital, difficulty ensues.

Suppose at that point, while the manufacturer is wrestling with his problem, a farmer should hitch his horse outside, come in and say: "I'll tell you what to do; just change your production to something else. Just quit making monkey wrenches, they get thrown into the machinery anyway, and go to making clothespins—the women must always wash."

If the manufacturer kept civil and did not throw him out, he would explain that that would take time and a change of machinery as well as a different supply of raw material. In the same way the farmers are trying to keep cool while oratorical gentlemen are giving them the same sort of advice, with no greater knowledge of the difficulties and time involved.

Diversification is already under way. It can proceed only as markets will absorb any surplus. In Montana, for example, there was a 40 per cent increase in the number of pounds of butterfat last year, but in spite of that no real gain could be made on the principal of indebtedness. These things take time and have their limitations. A crop planted is not harvested next week, and a hog is not born overnight. Cows cost money; and beyond all that the agricultural emergency exists with regard to many of the products of diversification. No one claims that diversification will solve the immediate crisis. Furthermore, many sections are peculiarly adapted to certain necessary crops, such as hard spring milling wheat, the production of which should not be reduced.

The fundamental fact is that the farmers could meet all of their own difficulties if what they raise could be sold at a reasonable profit. To accomplish that is the purpose of the McNary-Haugen bill.

The gentleman from Wisconsin [Mr. VOIGT] uttered more fallacies regarding this bill on Tuesday night than I supposed could be crowded into one hour and a half, but none was greater than his statement that it is unsound to determine the prices of farm products by those of other commodities. Why, gentlemen, the price of every commodity must be related to the price of other things. It is a matter of exchange value, and if its value in relation to other things is too low, it can not continue to be produced. For 10 years before the Great War exchange values were at a fairly normal level; that is, there was a general prosperity, because the farmer and practically all other producers could exchange what they put forth into the markets for fair returns, translated into the prices of what the farmer must buy. To-day, however, while labor has a relative purchasing power of 170 per cent computed on that 10-year relationship as 100 per cent, and the products of industry as a whole have a purchasing power of 159 per cent, agricultural products as a whole have a purchasing power of only 74 per cent. Why? Because by legislation and by organization labor and capital in industry have been protected through the after-the-war crisis in order that foreign competition in neither field shall bring down American standards, but our staple crops still have their prices fixed by competition abroad. The difference between 170 and 159 on the one hand and 74 on the other is the difference between American standards of life and those of Europe and South America.

This situation is ruining agriculture and it must not continue. Either the high standards of labor and industry must likewise be thrown down into foreign competition along with agriculture, which no American thinking man will advocate, or American agriculture must be restored to its place of parity. That is the purpose, and the sole purpose, of this McNary-Haugen bill. It is a sound, constructive bill, because it meets an emergency. It is not proposed as a permanent policy, but recognizes that, just as exceptional measures were required and justified to win the war, necessary steps to win the peace for agriculture as well as for labor and industry are required.

This bill says that only when an emergency exists the corporation formed and headed by the Secretary of Agriculture shall be empowered to buy, at a price of equality with all commodities, for sale abroad at the world prices of the surplus, while the needs of home consumption are met at prices commensurate and on a parity with all other commodities purchased here. It gives the means of protecting the home market against foreign competition by a flexible tariff, and it charges back on the farmer himself the cost of operating the corporation and the losses on foreign sales. That is all it proposes to do, and if you believe that agriculture is entitled to a square deal, this is your opportunity to demonstrate it as a working fact by supporting this measure. [Applause.]

MESSAGE FROM THE SENATE

The committee informally rose; and the Speaker having taken the chair, a message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had insisted upon its amendment to the bill (H. R. 7041) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, had requested a conference with the House thereon, and had appointed Mr. SHORTRIDGE, Mr. SPENCER, and Mr. CARAWAY as the conferees on the part of the Senate.

The message also announced that the Senate had passed with amendments bills of the following titles, in which the concurrence of the House of Representatives was requested:

H. R. 6721. An act to amend the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia," approved June 20, 1906, as amended, and for other purposes;

H. R. 6202. An act to amend sections 11 and 12 of the merchant marine act of 1920;

H. R. 5573. An act granting certain public lands to the city of Shreveport, La., for reservoir purposes;

H. R. 8886. An act providing for sundry matters affecting the Military Establishment;

H. R. 731. An act authorizing the Wichita and affiliated bands of Indians in Oklahoma to submit claims to the Court of Claims;

H. R. 4835. An act to pay tuition of Indian children in public schools; and

H. R. 6482. An act authorizing the Postmaster General to contract for mail messenger service.

The message also announced that the Senate had receded from its amendment numbered 3 to the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes.

The message also announced that the Senate had passed without amendments bills of the following titles:

H. R. 169. An act to amend an act entitled "An act to amend section 73 of an act entitled 'An act to codify, revise, and amend the laws relating to the judiciary,' approved June 12, 1916," and for other purposes;

H. R. 498. An act providing for a recreational area within the Crook National Forest, Ariz.;

H. R. 656. An act to add certain lands to the Plumas and to the Lassen National Forests in California;

H. R. 714. An act to amend section 101 of the Judicial Code;

H. R. 2882. An act to provide for the reservation of certain land in Utah as a school site for Ute Indians;

H. R. 2884. An act providing for the reservation of certain lands in Utah for certain bands of Paiute Indians;

H. R. 3236. An act to regulate the practice of optometry in the District of Columbia;

H. R. 4437. An act to quiet titles to land in the municipality of Flomaton, State of Alabama;

H. R. 4460. An act authorizing payment to certain Red Lake Indians, out of the tribal trust funds, for garden plats surrendered for school-farm use;

H. R. 4481. An act authorizing the Secretary of Commerce to exchange lands formerly used as a site for the Point of Woods Range Lights, Mich., for other lands in the vicinity;

H. R. 1442. An act authorizing issuance of patent to Charles Swanson;

H. R. 1475. An act for the relief of Luke Ratigan;

H. R. 1869. An act for the incorporation of the Grand Army of the Republic;

H. R. 2713. An act to transfer certain lands of the United States from the Rocky Mountain National Park to the Colorado National Forest, Colo.;

H. R. 2875. An act to provide for the addition of the names of certain persons to the final roll of the Indians of the Flathead Indian Reservation, Mont.;

H. R. 2879. An act to provide for the disposal of homestead allotments of deceased allottees within the Blackfeet Indian Reservation, Mont.;

H. R. 4981. An act to authorize the Secretary of War to grant permission to the city of Philadelphia, Pa., to widen Haines Street in front of the national cemetery, Philadelphia, Pa.;

H. R. 5136. An act for the relief of Eva B. Sharon;

H. R. 5169. An act authorizing the Secretary of the Interior to grant a patent to certain lands to Johann Jacob Lutsch;

H. R. 5218. An act granting the consent of Congress to the Pittsburgh Coal, Land & Railroad Co. to construct a bridge across the Tug Fork of Big Sandy River at or near Nolan, in Mingo County, W. Va., to the Kentucky side, in Pike County, Ky.;

H. R. 5416. An act to authorize the setting aside of certain tribal lands within the Quinaielt Indian Reservation, in Washington, for lighthouse purposes;

H. R. 6628. An act to change the name of Jewett Street west of Wisconsin Avenue to Cathedral Avenue;

H. R. 6857. An act to provide for the addition of the names of Chester Calf and Crooked Nose Woman to the final roll of the Cheyenne and Arapaho Indians, Seger jurisdiction, Oklahoma;

H. R. 7109. An act to authorize acquisition of unreserved public lands in the Columbia or Moses Reservation, State of Washington, under acts of March 28, 1912, and March 3, 1877, and for other purposes;

H. R. 7113. An act to establish a dairy bureau in the Department of Agriculture, and for other purposes;

H. R. 7500. An act to authorize the sale of certain lands at or near Adger, Ada County, Idaho, for railroad purposes; and

H. R. 8050. An act to detach Reagan County, in the State of Texas, from the El Paso division of the western judicial district of Texas and attach said county to the San Angelo division of the northern judicial district of said State.

The message also announced that the Senate had passed, with amendments, the bill (H. R. 8070) authorizing preliminary examinations and surveys of sundry streams with a view to the control of their floods, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to the bill (S. 946) for the relief of Amy L. Fallon, mother of Lieut. Henry N. Fallon, retired.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House of Representatives was requested:

S. 1725. An act for the relief of Ruble M. Mosley;

S. 2559. An act to establish an Alaska game commission to protect game animals, land fur-bearing animals, and birds in Alaska, and for other purposes;

S. 3181. An act to authorize an appropriation to enable the Director of the United States Veterans' Bureau to provide additional hospital facilities;

S. 3187. An act granting permission to certain officers and men of the military forces of the United States to accept various decorations bestowed in recognition of services to the allied cause;

S. 3220. An act authorizing the health officer of the District of Columbia to issue a permit for the removal of the remains of the late George Mauger Burklin and the remains of the late Anton Lerch Burklin from Glenwood Cemetery, District of Columbia, to Fort Lincoln Cemetery, Prince Georges County, Md.;

S. 3276. An act authorizing the sale of real property no longer required for military purposes;

S. 3111. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Stockbridge Indians may have against the United States, and for other purposes;

S. 3093. An act granting certain public lands to the city of Phoenix, Ariz., for municipal, park, and other purposes;

S. 2979. An act to extend the provisions of the homestead laws so as to allow certain credit, in lieu of permanent improvements, for the period of enlistment to soldiers, nurses, and officers of the Army, and the seamen, marines, nurses, and officers of the Navy and the Marine Corps of the United States;

S. 2834. An act relating to the American Academy in Rome;

S. 2836. An act relating to the deposit of funds available for maintenance of reclamation projects;

S. 2719. An act to authorize the payment of an indemnity to the British Government on account of losses sustained by the owners of the British steamship *Baron Berwick* as the result of a collision between that vessel and the U. S. S. *Iroquois* (now *Freedom*) and a further collision with the U. S. destroyer *Truxtun;*

S. 2519. An act to extend the benefits of the United States employees' compensation act of September 7, 1916, to Carol E. Reeves;

S. 2518. An act for the relief of Austin G. Tainter;

S. 2434. An act for the purchase of the Oldroyd collection of Lincoln relics;

S. 2178. An act to relieve United States district judges from signing an order admitting, denying, or dismissing each petition for naturalization;

S. 2124. An act for the relief of Perley Morse & Co.;

S. 1650. An act for the relief of William F. Brockschmidt;

S. 1051. An act to authorize and provide for the payment of the amounts expended in the construction of hangars and the maintenance of flying fields for the use of the Air Mail Service of the Post Office Department;

S. 863. An act for the protection of persons employed on railway baggage cars and railway express and baggage cars, and for other purposes;

S. 697. An act providing for the disposal of certain lands on Crooked and Pickerel Lakes, Mich., and for other purposes;

S. 483. An act to correct the status of certain commissioned officers of the Navy appointed thereto pursuant to the provisions of the act of Congress approved June 4, 1920;

S. J. Res. 73. Joint resolution providing for the appointment of a commission for the purpose of erecting in Potomac Park, in the District of Columbia, a memorial to those members of the armed forces of the United States from the District of Columbia who served in the Great War;

S. J. Res. 85. Joint resolution authorizing an appropriation for the participation of the United States in the preparation and completion of plans for the comprehensive observance of that greatest of all historic events, the bicentennial of the birthday of George Washington;

S. J. Res. 124. Joint resolution to provide for the posthumous appointment to commissioned grades of certain enlisted men and the posthumous promotion of certain commissioned officers;

S. 3263. An act to provide for the inspection of the battle fields in and around Fredericksburg and Spotsylvania Court House, Va.;

S. 3249. An act granting the consent of Congress to the construction of a bridge across the Niagara River and Black Rock Canal;

S. 3244. An act granting the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct a bridge across the Pearl River in the State of Mississippi;

S. 3241. An act for the relief of soldiers who were discharged from the Army during the World War because of misrepresentation of age;

S. 3171. An act for the relief of sufferers from earthquake in Japan;

S. 3170. An act for the relief of Edgar William Miller;

S. 3077. An act to amend the act of Congress approved March 4, 1913, creating the Public Utilities Commission of the District of Columbia, and for other purposes;

S. 833. An act for the relief of Emma La Mee;

S. 3024. An act providing for the acquirement by the United States of privately owned lands within Rio Arriba and Taos Counties, N. Mex., known as the Las Trampas grant, by exchanging therefor timber, within the exterior boundaries of any national forest situated in the State of New Mexico;

S. 3047. An act authorizing joint investigations by the United States Geological Survey and the Bureau of Soils of the United States Department of Agriculture to determine the location and extent of potash deposits or occurrences in the United States and improved methods of recovering potash therefrom;

S. 3026. An act authorizing the Secretary of War to permit the city of Corinth, Miss., to construct, operate, and maintain water and sewer mains under and along the Government approach roadway to the Corinth National Cemetery;

S. 3016. An act to enable the Rock Creek and Potomac Parkway Commission to improve the parkway entrance;

S. 2799. An act to provide for quarters, fuel, and light for employees of the Indian field service;

S. 2761. An act to authorize the withdrawal of lands for the protection of antelope and other game animals and birds;

S. 2699. An act to amend an act creating the Custer State park game sanctuary in the State of South Dakota;

S. 2232. An act to amend section 2 of the act approved February 15, 1893, entitled "An act granting additional quarantine powers and imposing additional duties upon the marine hospital service";

S. 2172. An act to amend section 1 of the act of June 4, 1920 (41 Stat. L. p. 750), and to provide fees for executing applications for passports and for issuing the same;

S. 2087. An act for the relief of Laura C., Ida E., Lulu P., and Esther P. Peterson;

S. 1987. An act accepting certain tracts of land in the city of Medford, Jackson County, Oreg.;

S. 1656. An act granting the consent and approval of Congress to the La Plata River compact;

S. 1607. An act for the relief of Nellie Kildee;

S. 1528. An act authorizing the Secretary of the Interior to accept the fee-simple title to a certain tract of land adjoining the Hot Springs National Park, Ark., donated to the United States of America for use in connection with Hot Springs National Park;

S. 1042. An act to provide for the establishment of a probation system in the United States courts, except in the District of Columbia;

S. 1040. An act for the relief of the owners of the New York Sanitary Utilization Co. scow *No. 14;*

S. 1039. An act for the relief of the owner of the scow *W. T. C. No. 35;*

S. 1038. An act for the relief of the Brooklyn Eastern District Terminal;

S. 862. An act amending section 1 of the interstate commerce act;

S. 823. An act to authorize the acceptance of title to forest lands in the State of Florida and to create national forests therefrom, and for other purposes;

S. 785. An act for the relief of the Eastern Transportation Co.;

S. 367. An act for the relief of James W. Laxson;

S. 51. An act for the relief of the owner of the schooner *Itasca* and her master and crew;

S. 1574. An act for the relief of Alice E. O'Neil;

S. J. Res. 115. Joint resolution to provide for the free transmission through the mails of certain publications for the blind; and

S. J. Res. 127. Joint resolution to provide that the powers and duties conferred upon the Governor of Alaska under existing law for the protection of wild game animals and wild birds in Alaska be transferred to and be exercised by the Secretary of Agriculture.

M'NARY-HAUGEN BILL

The committee resumed its session.

Mr. COLTON. Mr. Chairman and gentlemen of the committee, is this legislation now necessary? I think it will need no argument upon my part to convince this House that the condition of the farmer is desperate. Surely if there is any possible way for this Government to help him, that way ought to be found. One-fourth of all our farmers have either actually gone into bankruptcy or are facing it. The rest of them are not more than breaking even. If some relief is not forthcoming thousands of farmers will be sold out and many country banks which are now considered solvent will soon close their doors.

During the debate upon this bill some of the most anomalous things have developed. The Representatives from the industrial sections are telling the Members from the agricultural sections that this bill will not help them; that those who profess to speak for the farmers do not understand the situation, and many Members who are farmers themselves are told by Members from the city that they do not understand the farmers' problems. All are agreed that agriculture is in a precarious condition, but when the remedy is sought the city Member tells the farmer he does not understand the problem. Nearly every Representative who has spoken here has expressed a willingness that farmers should receive a higher price for their products, and then in the next breath he has opposed this measure because it would raise the price of the necessities of life to the consumer. Gentlemen, let us be fair. If you are willing that the farmers should receive a higher price, what difference does it make to you whether he receives it as a result of a decreased production or by reason of withdrawing the exportable surplus and shipping it abroad? In other words, you admit that if there was a decreased production that the consumer would have to pay slightly more, and you urge that. What difference would it make to the consumer if that increase in price were brought about by reason of a small crop or because the larger crop is taken care of under the provisions of this bill? Your position is untenable. Experts agree that the provisions of this bill would increase wheat 20 points and would only increase the cost to the consumer about 1 point. In other words, the all-commodity index would be advanced 1 point where other agricultural commodities would be increased 20 if this bill were in operation. That slight increase would be so little that no one would notice it.

The opponents of this measure have earnestly contended that this was a packers' bill; that it would benefit packers and the milling companies. Here again you have one of those strange anomalies that sometimes develop in public debate. The Representatives on the floor of this House from the packing centers without exception are opposing this bill. That is equally true of the Representatives from milling centers. It therefore follows if we are consistent that these Representatives do not know what their constituents want. Gentlemen, can you imagine anything more paradoxical? Agricultural Representatives do not know what their constituents want. Those representing packing and milling districts are equally mistaken, and the Representatives from city districts must work out this problem. Honestly, is there any consistency in this argument at all? Practically every farm organization in America is asking for the enactment of this law. The only packers' organization in America is opposing it, and practically every organization in the buying and milling of grain is also opposing it. Does that bear out the contention that this is a packers' bill? I submit to you that it does not, and is at least presumptive evidence that it will benefit the farmers. These organizations have given months of the most careful study to this problem and their Representatives are the keenest students of the economic questions as they affect the farmers' interest.

A great deal of opposition to this bill arises from the fact that there would be an overproduction, but experience does not prove the correctness of this contention. Surely no one will argue that the stimulus of this bill would be equal to the stimulus of the late World War. The greatest production of wheat was in 1915, two years before we entered the war. In that year it reached 1,025,801,000 bushels, whereas in 1918 and 1919, after the tremendously effective campaign carried on all over the United States for an increased production, the amount in each of those years was less than 1,000,000,000 bushels. When the further fact is considered that an overproduction will reflect back upon the farmer, because he must bear the burden of taking care of the surplus, surely no one will seriously contend that the farmer is going to make the mistake of greatly increasing his production. Especially is this true in view of his experience during the last two or three years.

Of course, it is impossible to conceive of any law against which possible objection can not be raised, but judging from the experience already had by the farmers, as well as from the results of the campaign for production carried on during the war, it seems clear to me that there will be no great increase in the production of agricultural products during the lifetime of this bill. The great difficulty of the farmer is not altogether the low price of his products, because he is actually getting now a higher price on an average for his crop than he received before the war. The trouble is that the purchasing power of the farmer's dollar is not on a parity with the dollar of other industries. The farmer buys in a successfully protected market and sells in a demoralized world market. America faces, in my judgment, a choice between bringing the price of other industrial commodities down to the world level or lifting the price of the farmers' products up somewhere near other industrial prices. The disparity between them is too great and can not exist much longer. For one I believe the greatest calamity that could come to our country to-day would be the leveling process of bringing everything down to the world market.

We must solve the problem in some other way. Any policy of protection ought to be on the level and treat all industries alike. Agriculture should have the same degree of protection that other industries enjoy.

The McNary-Haugen bill points the way to lift the plane of agricultural products and yet maintain the higher level for other industrial commodities. Had it been in effect in 1923 it would have distributed more than $1,000,000,000 among the farmers and livestock men in the country in addition to what they did receive. It would have greatly increased the property valuation of all farming lands. It would have prevented hundreds of bank failures. Forty per cent of the people of America live outside of incorporated places, the most of them upon the farm. You can not tell me that prosperity in the industrial centers can long continue with the purchasing power of the farmer's dollar curtailed as it is now. The condition in which the farmer now finds himself will be duplicated in every part of our country unless you bring relief to agriculture. The collapse of agriculture in America means the collapse of every

other industry in the country. This can not and must not be. We must save America for Americans and maintain the high standard of living in all lines of industry. [Applause.]

It must be borne in mind that this bill is not to cost the Government of the United States one dollar. It is true that a $200,000,000 corporation is provided for, and the Government is required to take stock in the amount that will be needed to carry on the business provided for in this bill, but that will be returned at the expiration of the lifetime of the measure to the Treasury, and some are willing even to pay a small rate of interest for the use of that money. It must further be borne in mind that every dollar of expense connected with the operation of this bill comes directly out of the farmer, and all this he is willing to pay if the price of his product is brought up to a parity with other industrial commodities.

Gentlemen, in conclusion let me say that this is an emergency measure. When our country entered the war we faced many emergencies, but did we hesitate on that account? No. We met and solved every problem and came out of that struggle triumphant. I have absolute faith in my country. It has successfully solved every great problem in the past, and it will solve this problem. It has met every emergency that has ever confronted it. American ingenuity will meet every situation confronting this country in the future. An emergency has been proven. The farmers of this country face a condition and not a theory. There is an emergency here. America will meet it. In my judgment this bill offers the best solution for the meeting of that emergency, and for that reason I shall support it. [Applause.]

Mr. RUBEY. Mr. Chairman, I yield seven minutes to the gentleman from Illinois [Mr. ARNOLD].

Mr. ARNOLD. Mr. Chairman and gentlemen of the committee, this Congress has been in session something over six months. The eyes of the American farmer have been turned to their National Capital during all this period of time hoping and expecting that some remedial legislation would be enacted in their behalf. So far they have hoped and looked in vain.

As the Congress is nearing its end, with an election fast approaching, with the demands of the agricultural interests becoming so insistent, legislation has finally been reported out of the committee and brought to this floor for our consideration. The farmers of the country are to-day wondering what we have been doing all these months that no remedial legislation has been enacted. We have heard from the White House and leaders of the majority platitudes and high-sounding phrases to catch the ear of the American farmer, but what the farmer is interested in is action, not idle words of praise or sympathy.

With taxes mounting higher year by year, with freight rates advancing, with the purchasing value of his dollar gradually diminishing, with the existing inequality in prices he receives for what he sells and what he is obliged to pay for what he buys, with his obligations soaring skyward and in numerous instances the sound of the auctioneer's hammer ringing in his ears, with conditions which force him to rob the fertility of his soil in order to keep his head above water, it is no wonder he is alarmed and is demanding action by Congress. He knows, and every student of agricultural conditions knows, that if his present predicament continues long his days as a farmer are numbered. His request is not that his Government expend vast sums in his behalf, but that his Government treat him as fairly as it has treated other interests and extend its kindly offices to him as have been extended to others, that he may help himself at his own expense.

It has been well said that agriculture is the basic industry of America. More money is invested in agricultural activities and more people are dependent upon the results of agriculture than the results of any other industry. One-third of our population is directly engaged in this pursuit and every man, woman, and child in America is dependent upon that one-third, directly or indirectly, for food and clothing, the elementary necessities of human life. The farmer pays one-half the gross earnings of the railroads of the country and buys nearly one-half of the manufactured products of the country. His is the key which locks and unlocks the wheels of industry throughout the land. Their continued prosperity depends upon his prosperity. There are practically six and one-half million farms in the country, with a valuation of nearly $80,000,000,000. This is nearly double the amount of money invested in manufacturing industries. Of all the exports of the country, the farmer produces one-half and he contributes more than one-half of the total expense for the maintenance of our public institutions. Upon his products our great network of railroads, our transportation systems by land and by water, are dependent for their continued operation and sustenance. Unhealthy agricultural conditions lead to unhealthy industrial conditions, and unless checked and restored in time disaster marks the end, not only to the farmer but to transportation and industrial activities alike.

We are all interested in the general prosperity of the country. For America's prosperity we must have a well-balanced development between agriculture, industry, and transportation. Neither can long endure successfully without the prosperity of the other. When adversity visits the one, the prosperous days of the other are numbered. Readjustments are necessary when one gains an undue advantage over the other, until a permanent stabilizer is found and applied.

Formerly American life was very simple.

The farmer could live within himself, raise his own foodstuffs, make his own clothing, machinery, and appliances, crude as they were, but he could and did live without the aid or assistance of the outside world. Science, discovery, and invention have brought about an economic development which has changed all that. American standards of life and living have changed. The farmer is now dependent upon the markets for his output and draws on the markets for his continued operation. Modern civilization has wrought great changes and presented new conditions and new problems which must be met and solved in the economic world, and as the march of time goes on, when other business, trade, and callings are bolstered up by special legislation in their interest, it is not strange that things get out of balance and need correction in the interest of the farmer. If we must have special legislation in the interest of other industries and business, then let us have special legislation in the interest of agriculture, the basic industry of America. You must agree with me that it is at least as much entitled to special legislation as any other business.

Unfortunately the scales of equity are far out of balance at the present time. Through the protection afforded by laws enacted by Congress to industry and labor, the price of their products and the scale of their wages have become distinctly an American standard. The protective tariff, the Adamson law, immigration laws, the Esch-Cummins Act have created a distinct standard or scale of prices and wages in practically every line of industrial activity except agriculture. It requires no argument to convince anyone that no set of men in any business, trade, calling, or profession will continue long in that business unless his balance is on the right side of the ledger. If he does not quit voluntarily and go into some other business, he will soon receive an invitation to quit from the bankruptcy court or the sheriff's summons. I am not a calamity howler and do not want to be classed as such.

I want to get as far away from the pessimist as possible. Optimism is the bright light of success in any undertaking. But in dealing with conditions we must deal with them as they are. We must not deceive ourselves. The lure of the high wages of the city is drawing men from the farms to-day as never before in the history of the American Nation. The exodus from the farms to the cities has been gradually becoming more pronounced year by year. It has been estimated that an average of 3,300 persons per day are leaving the farms, seeking other means of livelihood. Our farm population has shrunk nearly 2,000,000, while the industrial centers are becoming larger and larger and more congested. And this condition will continue until the agricultural industry is brought more nearly in balance with other industries, so that the opportunities in agriculture will approximate the opportunities in other industries. Some people complain that so many are leaving the farm and going into the industrial centers. If greater opportunities are awaiting them elsewhere, they are not doing themselves justice if they do not go. Human nature is so constituted that men and women will go where the opportunities are best; this is but natural; it is the law of the universe; in other words, self-preservation is the first law of nature. If it continues at the present rate, this migration from the farm to the industrial centers, industrial America will soon reach the stage of overcongestion. The wheels of industry will cease to turn. The smokestack of the factory will no longer belch forth clouds of smoke, and our great transportation system will cease to function in its accustomed channels through business stagnation and depression.

Factories can not long operate without an outlet for their products. The transportation systems of the country must have commerce to transport for their continued activity, and without the commodities of the farmer to be transported back and forth from the farms to the cities and the industrial centers, the steel bands of our great railway system, a veritable network spreading to the remotest corners, polished by the continuous use of

locomotives and freight cars pulling the commerce of the Nation to-and-fro, would soon be transformed into streaks of rust and decay.

The failure of the farmer means the accumulation of goods upon the merchant's shelves, in factory, and warehouse. It means curtailment of operations in the factory and a resulting unemployment. Something should and must be done to equalize conditions and avoid the wreck and ruin which is sure to follow in the wake of these abnormal conditions. Something should and must be done to restore the equilibrium between agriculture and other industries in order to avoid the wreck as far as possible. The equilibrium should be hastened and not retarded. The greatest question which now confronts the American people is how best to restore this equilibrium. The high protection afforded industry under the Fordney-McCumber tariff law has placed the farmer at a decided disadvantage. It has given the manufacturing interests of the country an undue advantage. It enables the manufacturers to operate at a much greater margin of profit. It returns into the Treasury but $500,000,000 annually, while it costs the people of the country, by way of increased cost of the things they must buy, $3,500,000,000 annually, much of which falls directly on the farmer. A protective-tariff policy never did and never will help an industry which must depend upon the world markets to regulate and fix its prices.

The agricultural industry of this country must sell and compete in world markets by reason of the fact that America produces a surplus of farm commodities and that surplus must be sold in competition with world production. The price of the exportable surplus determines the price of commodities sold for domestic consumption. He can not pay American standard of wages or enjoy American standards of living when he is forced to sell in markets fixed by open world competition and purchase the things required by him in a local, protected market. Financial prosperity can not be his under such conditions.

What, then, is the remedy? Credit facilities have been extended to him, but it is not credit he needs. He is already too heavily involved. He needs relief that will enable him to discharge his indebtedness before he is consumed by the debts he has already contracted. Organization and cooperation is to him a shield of protection only to a limited extent. The organization of labor has placed the laboring man on a higher plane than ever before. It has brought about better wages and better working conditions. Labor never could have attained the standard it now enjoys but for organization and cooperation.

The manufacturing industries of the country have profited by organization and cooperation, but special legislation enacted at their behest for many years past has so contributed to their welfare until there has grown up in this country a standard of prices and wages known as the American standard, with which agriculture can not compete without corresponding legislation in its behalf. By organization and cooperation other industries can figure the demand and can create the supply accordingly. Not so with the farmer. He might figure the demand, but the supply is difficult. Many uncontrollable circumstances overnight may transform his whole calculations. The early frost, the drought, wet weather, blight, insects, destructive pests, devastating storms, and any number of other exigencies lay waste his crops, which, can not be foreseen. Epidemics and disease among his livestock are beyond his vision, consequently he is handicapped in equalizing supply and demand and can not reach an estimated basis with anything like the degree of accuracy of other business. No man or set of men has ever yet been able and never will be able to control the elements. Farming interests are so scattered and diversified, and so fraught with uncertainties, that successful and effective organization is economically impracticable.

The farmer, who has not been one favored by legislation as other industries, compelled to labor under such disadvantage, can not compete with the industrial centers, and we find the man power of the farm gradually diminishing, with no prospects of a change until farm prices are restored and stabilized. The result of this is broad acres lying idle, impoverished and depleted soil fertility, old homesteads going into decay, homesteads which once flourished and gave forth abundant fruits and bountiful harvests now growing up with straggly oaks and pines. The migration from rural to urban centers threatens the stability of our whole economic system and menaces the future welfare of the American Republic. The United States must adopt a definite policy as to agriculture and industry. We have reached the period when we must determine whether we will strive for a permanent, well-rounded, self-sustained national life, in which there will be a fair balance between agriculture and other industries, or whether we will sacrifice agriculture for the building of cities and an industrial nation, which must be more or less dependent on outside support.

We have the facilities, we have the equipment, we have the natural resources, we have everything within our domain for a well-rounded national life. Shall we develop it symmetrically or shall we continue in the future as in the past to develop certain industries at the expense of others? All I ask for agriculture and all agriculture asks for itself is an equal opportunity. This it is entitled to and must have if our boasted prowess of America is to continue undiminished. A well-developed national life calls for the development of all our great resources, not at the expense of any one but for the common good of all.

Ordinarily I am opposed to legislation for any special interest, and would oppose legislation of this character in the interest of the farming class alone, which is to some extent paternalistic, but when I consider the fact that other industries are profiting at the expense of the great agricultural masses of the country through special legislation in their behalf, and when I further consider the fact that to have national prosperity we must have a well-balanced prosperity between other industries and agriculture and transportation, and when I consider the unfortunate dilemma in which agriculture is now placed by special legislation accorded other industries, for the preservation and protection of the American farmer, as a matter of self-defense for this industry, so essential to our national welfare, to establish the equilibrium between agriculture and industry, I am willing to waive my natural antipathy against special privilege and vote a little special privilege to the farming interests of this country to place this industry on a parity with other industries.

There has been presented to us for our consideration this bill, known as the McNary-Haugen bill. There were many objectionable features in this bill as originally presented. The Committee on Agriculture, after extensive hearings and due consideration, have revamped the bill, retaining the essential principles of the original bill but eliminating many of the objectionable features. The bill now, to my mind, presents a fairly workable plan. It is, as has been said, a new departure in farm legislation. Some may say it is too paternalistic, but it is not more paternalistic than a protective tariff for the protection of the manufacturing interests of the country; it is not more paternalistic than the law authorizing a commission to adjust freight rates for the transportation interests of the country, whereby they are permitted a margin of profit over and above operating expenses and maintenance and upkeep. It is not more paternalistic than other measures that have been placed upon the statute books under which other interests are made to thrive. It lays claim to being no more than an emergency measure. The emergency now exists. It costs the Government nothing. All expenses of its creation and operation are borne by the agricultural interests themselves. It is true credit is extended to the extent of $200,000,000, but it is only credit extended, not a gift, and every dollar will find its way back into the Treasury. There may be some defects in its workings. If so, time will disclose these defects and future Congresses can correct them if it be deemed advisable. I believe it is a start in the right direction. That something is necessary for the relief of the farmer is conceded by practically everyone. This seems to be the only plan so far presented for relief in this present emergency.

Its basic feature is to release that portion of the farmers' commodities consumed at home from the prices fixed through competition in the markets of the world and put him on an equal footing with other business which has been the recipient of special legislation, that he may enjoy the American standard of wages and prices enjoyed by them. It subjects the exportable surplus only to open competition in the world markets and spreads the difference between prices received for the exported surplus and the prices received for domestic consumption proportionately over the entire product marketed. That will tend to restore the equilibrium between agriculture, transportation, and other industries. It will enable the farmer to work out his own salvation at his own expense; and, with a cooperative marketing system so worked out as to take up the slack between producers and consumer, I believe agriculture will thereby be enabled to hold its own, and with well-rounded development between agriculture, transportation, and industry, with the equilibrium established and maintained, the general welfare of the people of America will be promoted.

Gentlemen, I have been listening to the general debate on this bill for something like 14 hours. I have been giving due consideration to the words of wisdom uttered in the debate on

this bill, both pro and con. It is indeed interesting to me to see in this great body of Representatives from the great Northwest, the great outdoors of America, God's own country, Members of this House affiliated with the party now in power, after standing here for years past voting and working in the interest of the great New England States as that section sought and received special legislation through a high protective tariff, now coming to this Congress for some relief for their section. When they ask for bread, you gentlemen from that great section offer them a stone. [Applause.] It has been well said here, gentlemen, that this country is nonsectional, and with that I agree. It should be; but I observe also on this side of the aisle some of my friends and colleagues from the great Southland lining up against this bill, and I wonder why.

I do not like to say that personal interests control men in their actions or deliberations, but, gentlemen, I venture the assertion that were the price of cotton down to 5 cents, as it was a few years ago, and relief were available to the cotton grower by this bill you would see many of these gentlemen scrambling over themselves to have cotton written into the bill.

Mr. ASWELL. Will the gentleman yield?

Mr. ARNOLD. I will.

Mr. ASWELL. If cotton was 5 cents and the ratio price 19, and 65 per cent of the cotton was exported, it would bring down the price of cotton in this country 2 cents for the producer.

Mr. ARNOLD. I thank the gentleman for his contribution, and I presume that is his version of the matter. Gentlemen, objections have been made to this bill for the reason that it is a price-fixing measure. It is not a price-fixing measure but a price-adjustment measure. I ask you gentlemen in all fairness and in all candor, is not the agricultural interests in this country entitled to a relative price with other commodities for their commodities? I ask you gentlemen in all fairness and candor, is it anything unreasonable for the agricultural interests of this country to come to this Congress and ask this Congress to enact some legislation that will enable the American farmer to help himself at his own expense?

This, as you have been told, will not cost the American Government one dollar. It has been said here by the opponents of the bill that it will increase production, and increased production will drive prices down. I grant you that it will have that tendency, but at the same time the men who have been opposing the bill on the ground that it would increase production are supporters of cooperative-marketing bills designed to increase the revenues of the American farmer on his commodities; and if you increase the revenue of the American farmer on his commodities, by whatever system proposed, you thereby increase production just the same.

This bill will dovetail in nicely with a broad cooperative-marketing plan, which will assist the farmer materially as a measure for permanent relief by taking up the spread in prices between what the producer gets and what the consumer pays. Let us write this upon the statute books and give it a trial. If we do that, I believe the pendulum will swing back before adversity strikes the hour which spells the demoralization of what has heretofore been the greatest industry of the country and the institution upon which all our flaunted prosperity must rest. We owe a duty to industry, to ourselves, and to our country to cooperate and work together to bring into our American life that harmony of a well-balanced prosperity that our people may enjoy that happiness and contentment so necessary to the welfare of the American people. [Applause.]

Mr. RUBEY. Mr. Chairman, I yield eight minutes to the gentleman from Oklahoma [Mr. McKEOWN].

Mr. McKEOWN. Mr. Chairman, it is necessary that the products of labor be in proper form to facilitate transportation and exchange. This is necessary to give the product exchangeable value. Supply and demand regulate values when artificial regulations do not interfere with this natural law. This natural law is as immutable as the tides and as resistless as the sun. No one can say exactly the point where demand begins or ends or where supply ends or begins in relation to the creation of value. But supply can be adapted to demand and the gulf between the producer and the consumer is not so fixed that it can not be bridged. It can not ever, in my opinion, be filled.

Organized effort in production, transportation, and distribution will help promote more harmonious operations of the natural law controlling supply and demand.

The man-made conditions in the world markets as well as the domestic trade are out of gear with nature and as a result the unfortunate farmers are being ground between the upper stone of high prices for his necessities and the lower stone of low prices for his products.

Many uneconomic laws and regulations have contributed to this condition—the high protective tariff, high freight rates, and increased wages. The greatest factor however, in my judgment, which has contributed to the economical seesaw is the fact that for more than a century we have devoted every energy to building and encouraging manufacturing enterprises. Not only have the great cities, but every village and hamlet, through commercial clubs and chambers of commerce, been dinning our ears with the cry for more industries and more dinner-pail brigades.

Members cry "Keep the Government out of business," but this comes rather tardily at this time, when for more than 50 years the Government has been in the money business and has turned this popular product over to private persons to profit on and take toll of the American people.

The Government has put the farm-loan business in the hands of private persons by providing that the stock subscribed by the Government should be returned. When the money is returned to the Government these farm-loan banks then assume an independence of action which works to the detriment of the farmers. Instead of making liberal loans so the farmer can take up their present mortgages, they restrict loans, and the farms go to the block.

In 1890 there were no farm mortgages in Oklahoma.
In 1900, 9.8 per cent of the farms were mortgaged.
In 1910, 39.2 per cent of the farms were mortgaged.
In 1920, 61 per cent of the farms were mortgaged.

The Government set the banks up out of money a part of which was paid in taxes by the farmers and for the purpose of relieving the home-owning farmers, but the banks have gotten into the hands of some who are not interested so much in how the farmers come out but how well the banks will fare.

We protect the manufacturing industries and have done so for nearly a century, yet we hear nothing from the opponents to this bill about socialism in these matters.

You talk about raising the cost of living, but you do not discuss the failure of any living on the farm.

Some of you want wages reduced, and thus return to normalcy, but the reduction of wages will not appeal to the farmers, as it is in the good wages of labor where lies the hope of markets for his food products. It is not high wages that is hurting; it is low prices.

The prices of the things which the farmer must purchase whenever perchance he can buy a few necessities are several times higher than the prices of his products. The products of the farmers will hardly buy one-half the amount of necessities that they would buy in 1919. Clothing has risen in 10 years 101 per cent; building material has risen 81 per cent; while farm products rose 17 per cent.

Maybe this bill will not do all the things its proponents hope, but one thing is sure, you can not hurt conditions.

The farmers of Oklahoma are not struggling for comforts but for their very existence, for food and clothing, and for a roof over the head of himself and family.

Give him a little lift so that he can regain his foothold. There are no more optimistic people on the earth than the farmers of Oklahoma. The floods descend and the droughts come and the boll weevil thrives, yet he goes on from year to year with grit in his craw and hope in his heart.

I am hoping the day will come when the farmer will have the benefit of his toil and some reasonable compensation for the labor of himself and family.

Congress has been increasing the tariff for the protection of infant industries until, like old-age pensions, the amount of protection increases with the age of the industry.

Let the country pause a moment and realize that the basic industry of America, namely, agriculture, has been neglected and forced to struggle for nearly a hundred years against the greatest odds.

Let cities, towns, and villages give some time to the encouragement of this great industry and relieve in part the tremendous burden resting upon the Government of the United States.

Now to the bill before us for consideration. Shall it pass? And will it have my vote and approval? It will have my vote but not my full approval. It is counter to all my ideas of economics. It sells products at home for more than abroad. I could never vote for the bill but for the fact that the manufacturers have been and are now doing that very thing under the protection of the tariff laws and there is no chance to repeal the tariff laws in time to do the farmers any good.

I like provisions in the Norris-Sinclair measure and believe that the Curtis-Aswell bill would give a permanent basis for agriculture. But, gentlemen, we do not face theories; we face real conditions. There is no time for long arguments or delaying diagnosis. We must pull the farmer out of the meshes of disaster or he will perish. There will be plenty of time to diagnose and patch him up, because he is already injured enough, until you will have an opportunity to try all your remedies. So I am supporting this measure not because I think it is the best, not because I favor the theory or principle upon which it is grounded, but because I am convinced that unless some positive steps are taken to meet the present emergency in agriculture, that hunger and unemployment will stalk the streets of our manufacturing cities, and that political revolution will run riot from coast to coast.

Representatives of a hundred and ten million people, ponder well your vote.

The bill has many valid objections, but you must remember that no measure can meet the full approval of a majority of the Members.

The committee considered it for over four months. Some call the bill as reported a monstrosity. If it took the committee four months to bring this out, what could you expect to vote for if they are given four more months of time?

I can not set my judgment against the committee to the extent that I am willing to vote against the only measure offered and then go back to the farmers of Oklahoma, who have lived in dugouts and starved to build a civilization in a coming Commonwealth, and say that I bid my opportunity to vote for some relief under a plea that the measure is uneconomic, and confess my inability to meet the emergency thrown upon me as one of their Representatives. If I err, let me err on the side of him who feeds the world and toils uncomplainingly in the face of tremendous odds. [Applause.]

I am unwilling to confess that the House of Representatives of the United States is impotent in this emergency.

We met the transportation emergency to the tune of over a billion dollars. We met the shipping emergency to the tune of $3,000,000,000. We met the emergency of the high cost of living to our employees to the tune of several million. Are you going to fail the farmer? [Applause.]

Mr. HAUGEN. Mr. Chairman, it has been alleged time and time again that this measure would bankrupt the farmer. I have here petitions signed by 4,150 farmers, 847 bankers, 5,843 business men, 7,497 others—all told, 58,383 signers. They are all for the passage of this bill. I ask the Clerk to read the letter transmitting the petition.

The Clerk read as follows:

ILLINOIS AGRICULTURAL ASSOCIATION,
Chicago, May 19, 1924.

Hon. GILBERT N. HAUGEN,
House of Representatives.

Greeting:

Our down-State farmers, bankers, business men, and others of the great State of Illinois in large numbers have expressed through petition, which I have the honor to bear with me, commissioned to deliver to Congress, their interest in the early passage and enactment into law of a measure pending in Congress and known as the McNary-Haugen bill.

There is attached herewith for reference a summary of the several petitions.

ILLINOIS AGRICULTURAL ASSOCIATION.

Mr. HAUGEN. I have here a list of 300 associations indorsing the bill, an addition of 10,000 individuals. We have armfuls of indorsements from various sections of the State. Do you want to take their word for it or take the politician's word for it?

Mr. DENISON. Will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. DENISON. I have an acquaintance in Washington who claims to represent the farmers. I do not know how many. His name is Benjamin Marsh.

Mr. HAUGEN. Well, I will turn him over to you, or I will refer him to the gentleman from Texas. Mr. Chairman, I yield to the gentleman from Illinois [Mr. FUNK].

Mr. FUNK. Mr. Chairman, the opponents of this bill seem to think that the only people who are supporting it are farmers, and that the workingmen throughout the country are not supporting the bill. I do not know how it is in any other State than Illinois, but I do know that in Illinois the Illinois Federation of Labor and its affiliated associations are supporting this bill. I have received a letter from that organization which I send to the desk and ask to have read, in my time, which will indicate the support of the Illinois Federation of Labor for this bill.

The CHAIRMAN. Without objection, the Clerk will read.

There was no objection, and the Clerk read as follows:

[John H. Walker, president Illinois State Federation of Labor, chairman; Dennis McCarthy, Brotherhood of Locomotive Firemen and Enginemen, secretary treasurer, legislative representatives of Illinois State Federation of Labor; United Mine Workers of America, District 12; Brotherhood of Railroad Trainmen; Brotherhood of Locomotive Firemen and Enginemen; Order of Railway Conductors; Women's Trade Union League; Illinois Journeymen Barbers' Association. Chicago office—166 West Washington Street, phone, Franklin 0916. Springfield office—seventh floor, Illinois Mine Workers' Building, phone, Main 4330.]

JOINT LABOR LEGISLATIVE BOARD OF ILLINOIS,
May 15, 1924.

Hon. FRANK H. FUNK.

DEAR CONGRESSMAN: At a recent meeting of the Joint Labor Legislative Board of Illinois consideration was given to the deplorable condition in which the farmers find themselves as a result of the ruinous deflation policy instituted some three years ago and the need of Federal legislation to assist them in recovering from their bankrupt condition, which Government reports show a great majority of them to be in.

Inasmuch as the Government has seen fit in the past to assist and protect various business and financial institutions, it appears only fair that Congress would heed the plea of the farmers in giving to them some measure of relief at this time.

By unanimous action of the members of the board we were instructed to advise you that after careful consideration of the legislation now pending in Congress that the Joint Labor Legislative Board of Illinois joins with the Illinois Agricultural Association in requesting you to give your support and vote for H. R. 5563, known as the McNary-Haugen bill, which provides some measure of relief and assistance to the farmers, which they are in need of so much at this time.

Trusting that you will give this measure your favorable consideration, we remain,

Respectfully yours, DENNIS MCCARTHY, *Secretary.*

Mr. ASWELL. Mr. Chairman, a good deal has been said recently as to the location of the opposition to this bill. The gentleman from the State of Washington [Mr. SUMMERS] yesterday made a strong effort to make it appear that the opposition is purely sectional. That charge 30 years ago would have had perhaps some influence, but such a suggestion now on a question of this character of national importance is pure bunk. I have had hundreds of letters from all parts of the United States in opposition to the bill, but I have not burdened the RECORD with them. Let us look hurriedly at a few examples.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. ASWELL. Yes.

Mr. RAKER. The gentleman has heard my question in regard to the cattle situation.

Mr. ASWELL. I did not know that the gentleman had asked it.

Mr. RAKER. Cattle have been selling for 4½ to 5 cents a pound for cows and 5 to 6½ cents per pound for steers. That has been going on for several years. The people are paying from 25 to 65 cents a pound for meat. How is this bill going to aid the man who raises the cattle?

Mr. ASWELL. The bill is impossible and unworkable with reference to cattle, if you mean to reduce the spread between the producer and the consumer.

Mr. RAKER. We have to concede that the price of meat to the consumer now is too high.

Mr. ASWELL. Yes.

Mr. RAKER. And the producer is not getting enough.

Mr. ASWELL. That is correct.

Mr. RAKER. How is this bill going to protect these cattle people in the West?

Mr. ASWELL. My candid judgment is, after four months of study, that it is entirely hopeless and helpless in that respect.

Mr. RUBEY. Mr. Chairman, will the gentleman yield to me so that I may answer the gentleman's question?

Mr. ASWELL. I have not the time. I wish now to call attention to a few letters which indorse the opposition to this bill. Here is a letter from Mr. H. L. Wray:

PARK RAPIDS, MINN., *May 17, 1924.*

Representative J. B. ASWELL,
House of Representatives, Washington, D. C.

DEAR SIR: I have just noticed by the papers that you were opposing the McNary-Haugen bill and wish to commend the stand you are taking.

This bill, if it becomes a law, could only aggravate an unfortunate situation, and I do not see how anyone who has given the matter any thought could approve it. Trusting that this bill may meet the defeat it deserves, I am,

Respectfully yours, H. L. WRAY.

The Nebraska Farmer and the Nebraska Union Farmer are opposed to this bill.

The following opinions were expressed by ex-Governor McKelvie, L. S. Herron, and C. Vincent, of Omaha, Nebr.:

The editor of the "Nebraska Farmer," former Governor S. R. McKelvie, and L. S. Herron, editor of "The Nebraska Union Farmer," official paper of the Nebraska Farmers' Educational and Industrial Union, the largest farmers' organization in the State, have both been following the course of incubating legislation and have both arrived at the same conclusion regarding the McNary-Haugen bill now before Congress.

The Omaha grain exchange takes pleasure in cooperating with them to the extent of reprinting and mailing these editorials to Members of Congress.

To establish a basis of equal exchange between certain agricultural products and the general level of commodity prices would mean that ultimately all agricultural products would have to be included. When this had been done, the next step would be to reverse the procedure and raise certain commodities to an equal basis with agricultural products. The general level of wages is abnormally high now, but this will not continue always and should the cost of living advance so that the laborer's dollar would have a purchasing power below the general commodity level, it would follow that the Government, if it is to be unprejudiced and fair, would have to adjust wages. It would be like a dog chasing his tail.

The argument is made, and it is tenable, that industry and labor are now subsidized or protected by certain laws which give them a distinct advantage over agriculture. It is held that the tariff enables industry to keep prices of commodities up, and immigration restrictions enable labor to control wages arbitrarily. Admitting that this condition obtains, at least in a measure, it is doubtful that it can be continued indefinitely. Meanwhile, one may not be sure that these benefits are not reflected to agriculture, for industrial activity and good wages undoubtedly help the domestic market for agricultural products and are an aid to prosperity on the farm.

On the other hand, the Wallace plan to attempt to maintain domestic prices of farm products by dumping the surplus abroad and assessing the losses back to farmers, while having the merit of being self-supporting, might easily result in assessing back losses as great as the gains. Consumers would certainly cut down their consumption of the products to which the plan was applied and leave a greater and greater surplus to dump abroad.

The Wallace plan offers nothing to improve either the domestic or foreign demand for farm products. Instead, it would simply force, or attempt to force, domestic consumers to pay higher prices for their food, regardless of their ability. Although it would not put the Government so directly into the marketing business as would the Norris-Sinclair bill, it would set up a lot of Government red tape that would frustrate and hamper real cooperative marketing.

LETTER FROM C. VINCENT

A Member of the present Congress mailed a copy of the McNary-Haugen bill to Mr. C. Vincent, secretary and former general manager of The Farmers' Grain Co., operating several farmers' elevators, asking his views concerning this measure. Below is a copy of his reply. (Mr. Vincent has been actively engaged in cooperative efforts for 20 years.)

"Since wheat is a world-wide product and the demand for it universal, the market can not become normal so long as Europe is in a state of economic turmoil. When the United States exerts its acknowledged influence on the side of world peace and world financial stability there will be hope for a remunerative wheat market, and not until then."

Doctor Jardine, who is the president of the agricultural college of the State of Kansas and who is reputed to be the best-informed and most popular citizen in the State of Kansas among the farmers, expressed the following opinion:

If I lured them into following any such fantasy as the McNary-Haugen scheme, when the inevitable reaction came my usefulness would be destroyed and I would be ruined utterly. Were this measure to be enacted into law, its practical working out would leave the men who fathered it without a shred of reputation.

The following statement comes from Mr. S. G. Rubinow, who is the general manager of the Minnesota Potato Growers' Association:

ST. PAUL, MINN., *May 15, 1924.*

Press reports indicate your bill has opportunity for passage. Congratulations and best hopes. Is there anything I can do to assist? Sincerely and earnestly feel, based on long and practical experience with entire problem of distribution costs and marketing, that your bill offers only sound and permanent solution. Given financial association and control their own selling, which is part of economics of production, thereby changing permanently their present unsatisfactory economic status. If present administration will not intelligently take up and solve this problem, conditions will get worse and farmers everywhere turn to radical and demagogical measures.

S. G. RUBINOW,
General Manager Minnesota Potato Growers' Association.

The following is a statement taken from the Iowa Homestead, which I understand has the largest circulation of any journal of the kind in Iowa:

The idea that the price of a farm product or group of farm products can by a miracle of government action be made to bear a continually definite relationship to the ever-changing and uncontrolled prices of other groups of commodities is a fallacy.

An analysis of the figures submitted by the Bureau of Agricultural Economics of the Department of Agriculture shows that this ratio price will fluctuate from month to month, and inasmuch as the bill removes all possibility of hedging these fluctuations will tend to destroy all stability in the grain business. Indeed, the bill makes it absolutely impossible for one who buys wheat on a ratio price one month not to lose money or make money if he sells it on the ratio price of the next or some other month.

Notwithstanding the expressed opinion of these leaders and many others the McNary-Haugen bill was thrust down the throats of the uninformed delegates to the recent Iowa and Minnesota Republican State conventions. I do not recall when a pending measure, pretending to be of economic value only, was thus made a political football. Its very use in this manner justifies suspicion as to authorship, good intention, and ultimate value to the general body of stockmen and farmers.

After a long, careful study of the situation I am convinced that the McNary-Haugen bill will not do the farmer any good, but will harm him; it will not lower freight rates; it will not eliminate 1 penny of the duplication of waste between the producer and the consumer; it will not stop speculation in grain and pork; it will not bring the wheat acreage down to what it should be; it will not do anything except to add another commission to those which perform nothing worth while.

I am bringing these to the attention of the committee, because it has been asserted here that only in the East and South is there opposition to this bill. The opposition is widespread in all sections of the country. Here is a letter which I did not intend to use until a moment ago, signed by A. F. Shotts, which I ask the Clerk to read in my time.

The CHAIRMAN. Without objection the Clerk will read.

There was no objection, and the Clerk read as follows:

MASON CITY, IOWA, *May 16, 1924.*

Hon. J. B. ASWELL,
House of Representatives, Washington, D. C.

MY DEAR SIR: Fight the McNary-Haugen bill to the last ditch. It is wrong in principle and will prove worthless, and is Bolshevistic and un-American. It is bad and should be rejected. Go after it hard.

The country does not want it—only those who are playing for votes from the farmer are for it.

Yours truly,

A. F. SHOTTS.

Twenty-five miles from HAUGEN'S home town.

Mr. ASWELL. Mr. Chairman, I now call attention to another letter. The gentleman from Washington [Mr. SUMMERS] yesterday made an effort to have it appear that opposition to the bill is sectional. Here is a letter from the secretary of the State Farmers' Union of the State of Washington, which I shall ask the Clerk to read in my time for the information of the gentleman from Washington.

The CHAIRMAN. Without objection, the Clerk will read.

There was no objection, and the Clerk read as follows:

FARMERS EDUCATIONAL AND COOPERATIVE UNION
OF AMERICA AND FARMERS UNION COOPERATIVE
MUTUAL FIRE INSURANCE CO.
Spokane, Wash., May 17, 1924.

Hon. J. B. ASWELL, M. C.
House of Representatives, Washington, D. C.

DEAR CONGRESSMAN: Your activities in forwarding the interest of the Curtis-Aswell bill is greatly appreciated by our farmers in the Northwest, and on their behalf I desire to extend to you our thanks and appreciation for your splendid work.

We believe this bill as it is drawn, placing the machinery for its operation and all responsibility upon the farmers themselves, is the best and most constructive bill that has been offered in behalf of agriculture for a generation. Whenever the farmers are allowed to assume the responsibility of looking after their own business they will become self-reliant, self-resourceful, broadened in vision, and will develop a better understanding of all business problems, and therefore

will become better citizens and better equipped to take a leading part in the affairs of this Nation. I do not believe any bill will prove successful in placing agriculture on its feet again and pave the way for a permanent prosperity for the farmer that is not worked, planned, manned, and controlled by the farmer himself. He will strenuously object to any plan that will single him out and place his business under any politically controlled department, bureau, or appointee.

Agriculture is in a deplorable condition, and something must be done by this Congress or millions more of the farmers will be forced from their homes. It would be difficult indeed to exaggerate the deplorable condition of the farmer at this time. He is not in a condition, either mentally or financially, to be experimented with. He has ever been true and loyal to his Government and always in the hour of his country's need he has rallied nobly to her defense, but how long can he be expected to keep up this true loyal spirit under the treatment he has received for the past few years? There is now a dangerous unrest springing up among the farmers everywhere that would require very little to direct him into the camp of the extreme radical if something is not done at once to change the trend of affairs as they affect the farmer. This is not an opinion manufactured for the occasion, but an opinion formed after spending more than a half century among the farmers, and the last 17 years actively at work among them in farm organization work, gathered from conversation from farmers of all political faiths and creeds, many of them a few years ago considered ultraconservative.

There is a strong feeling that the Government is more or less responsible for their present condition. The administration of the United States Grain Corporation, under which the Government guaranteed the price of wheat, was arbitrarily held down and the minimum price made the maximum price, while the sky was the limit for everything the farmer had to buy, was considered a great injustice. At the same time the Government used every resource possible to spread propaganda to urge the farmer on to greater production. Slogans such as "Food will win the war," "Grow more wheat and win the war," and many others were sent out all over the Nation, with the result that the farmer bent every effort to grow more food. Every available acre was put under cultivation; old retired farmers that were thought too old to do active work on the farm were again requisitioned into service. The result of the increased production was flooded markets, poor prices, and less than cost of production, to be followed up another year, and another, and so on, hoping that conditions would change and that he could recoup some of his losses by this continued increased production, only to find that the more he produced the worse off he found himself to be. This was followed by the deflation program, ordained and carried out by the powers that be, that drove a million farmers from the soil into the already overcrowded cities, to be followed by other millions in the near future if relief is not imminent. These other millions are now permitted to stay on their farms only because their land would not sell for enough to pay the mortgagee, who does not want the land. Could you wonder at the farmer being in a rather bad frame of mind? Could you wonder at his insistence for a plan that will place his business in his own hands and remove him from the control of any political control, either elective or appointive? Is he not entitled to this much from this Congress?

Would it not be an insult to any other class of our citizens to be singled out as incompetent and placed under the paternalistic care of the Government? If so, would it not be equally as great an insult to the farmer? Is this Congress ready to place this discount on his intelligence? If our Nation is to attempt a paternalistic form of government, the farmer will demand that it be applied to all kinds and all classes of citizens, and that they be not singled out and branded as a class of incompetents, incapable of handling their own business.

The Curtis-Aswell bill represents his idea of what he wants and what the Congress should do for him. Rather than pass any compromise legislation that will deprive him of his self-control we sincerely hope that this Congress will send him empty handed away and not attempt to arouse any false hopes through any plans of Government control that will but mean failure, rendering him more helpless in the end. Upon this idea of self-help we are ready to stand; we believe the farmer is entitled to it. We know he is entitled to it.

If you could send me several hundred copies of the hearing on the Curtis-Aswell bill, I will be pleased to mail them out to our farmers. Let me again express my high appreciation for the splendid work you are doing on behalf of the farmer.

Very truly yours,

A. O. CROSS,
Secretary of the Farmers' Union.

Mr. ASWELL. Then there is the following from the New Orleans Times-Picayune:

SOMEBODY IS MISTAKEN

Sundry Republican Senators, in caucus the other day, expressed grave fears that the Republican Party will lose the farmer vote next November unless the McNary-Haugen bill is passed. So it was decided in caucus to press for action upon this and other farm-relief measures.

The McNary-Haugen bill is so weird and wonderful a confection that it has been discussed at length in the national press. Its avowed primary object is to bolster the price of wheat by Government aid extended via extremely complicated—and costly—price-fixing process. Its complexities bewilder laymen and stamp it as the product of theorists. Distressed wheat farmers in certain districts of the Northwest apparently have swallowed it whole, accepting at face the assurance that it will cure what ails them. So their Representatives in Congress are pushing it. But, apart from this distressed minority group, American farmers display no eagerness for its enactment.

Governor Davis of Kansas—himself a "dirt farmer" in a wheat-growing State—declares that measures like this McNary-Haugen bill "are brought forward by politicians who believe that the farmers are easily fooled. The farmer," he adds, "does not want special privileges," but needs instead "fewer expensive stimulants of government and more common horse sense in the administration of government." Doctor Jardine, president of the Kansas State Agricultural College, asserts that, "were this measure to be enacted into law, its practical working out would leave the men who fathered it without a shred of reputation. If I lured the farmers into following any such fantasy as the McNary-Haugen scheme, when the inevitable reaction came my usefulness would be destroyed and I would be ruined utterly. * * * If there is any demand among Kansas farmers for the McNary-Haugen bill I have yet to run across it."

The Nebraska Union Farmer expresses the belief that the McNary-Haugen plan "would break down of its own weight in a very short time. The whole scheme is on the boot-strap lifting order, artificial, cumbersome, expensive, and bureaucratic, and offers no assurance that it would accomplish the purpose for which it is proposed."

"Enthusiasm" for this measure seems confined largely to Washington. The Senate's Republican caucus evidently mistakes the clamor of the legislative group which has fathered the "boot-strap lifting fantasy" for the voice of the farm people. The President's range of vision and of hearing is not so narrowly confined. It may be hoped with some confidence, therefore, that he will give the McNary-Haugen "fantasy" its quietus by veto if Congress is stampeded to its passage.

Mr. Chairman, I call attention to the fact that this bill proposes not a private corporation but governmental control strictly, nothing more. The corporation is to be created by the Congress. The President of the United States is to appoint the members of the corporation and they are to be confirmed by the Senate of the United States. The corporation is to be presided over by a member of the Cabinet. The certificates are to be printed at the direction of the Secretary of the Treasury and by a Government bureau, the Bureau of Printing and Engraving. It is from top to bottom governmental and the Government would be morally bound. Two hundred million dollars is to be appropriated from the Federal Treasury, from the taxpayers, and $1,000,000,000 is to be borrowed. There is not a gentleman in this Congress to-day, having voted for this bill, who would not later cast his vote in an emergency to appropriate another billion dollars to pay the losses of this corporation. The Government would be morally bound because it is a Government corporation. So it is—the Government involved from start to finish. A good deal has been said and some excitement created because some said I called this measure some names.

I want to show by high authority that I am correct in my description of this bill.

I said that the McNary-Haugen bill is unconstitutional. In the majority report on page 79 it is admitted that in certain transactions the bill is probably unconstitutional. Any good lawyer knows that its proposed interference with the right of private contracts makes it so.

I said that the bill is not only unsound in principle and unworkable in practice but it is paternalistic. Webster says that paternalism means a principle or practice of control of the governed by the government. That is the primary principle of this bill.

I said it is socialistic. Socialism, according to Webster, is a political and economic theory, the essential feature of which is government control of economic activities. It means that the Government takes control of production and distribution of the necessities of life. It is obvious that this bill proposes exactly that procedure.

I said it is communistic. Webster says that communism advocates a powerful central government, a system of social organization in which goods are held in common; the opposite of the system of private property. It means a system which gives large powers of government to small political units involving common ownership, common responsibility. This bill represents exactly that idea. The Government would declare the farmer incompetent and control his business, while each farmer would be responsible for the payment of the equalization fee, to

share in common with other farmers in the total cost of operation and of losses by the corporation. He would bear the cost whether he exported his products or sold in the domestic markets.

Socialism originated in Germany, but it required generations for it to take hold of the German people. Communism originated in France, and it has not yet taken large hold upon the people of France. These theories find their fullest expression in the Soviet Government, where Bolshevism is in control, making Russia to-day the tragedy of the world. This bill leaps to Bolshevism at a single bound and could properly be presented to the Soviet Government except that it would make a Russian Bolshevik seem to be a stand-pat reactionary. [Applause.]

Gentlemen, I say, as I said in the beginning, that it would enslave the farmer, be a calamity to the people and to the Nation, should we embark upon this program of paternalism and take even a single step in the direction of the socialistic conditions in Europe. I say, as I began, that I do not fear that this bill will pass. I would like to see it overwhelmingly defeated. And why? Because I am a friend personally of every Member of this House, and the men who vote for this bill may find their only salvation in the hope that it will never become operative, because if it should become operative every man who voted for it would be in danger. When the equalization fee is demanded and farmers are threatened with fine and prison, and when the hordes of Federal agents swoop down upon his constitutents going into their homes to watch their business, it would so irritate and enrage the farmers that they would annihilate the man who voted for it. My idea is that your chance lies in the prospect that it will never become operative, or you who vote for it will not escape the wrath of your constituents. [Applause.]

Mr. RUBEY. Mr. Chairman, I yield three minutes to the gentleman from Minnesota [Mr. KVALE].

Mr. KVALE. Mr. Chairman and gentlemen of the committee, just think of the ultraconservative Republican from Kansas [Mr. TINCHER] supporting and voting for this bill after listening to the gentleman preceding me [Mr. ASWELL] calling it radical, communistic, Bolshevistic, and almost every other name in the dictionary. Wonder how a little of his own medicine tastes to him.

But I imagine the gentleman from Kansas is in very much the same position in which I find myself. His constituents are flat on their backs. They need and demand relief; and unless it is granted it will react unfavorably on the whole country. And I want to say in that connection that no man has the right to make the statements made yesterday by the gentleman from the eighth district of Minnesota [Mr. LARSON] to the effect that the failures and bankruptcies in Minnesota are largely of the shoestring variety. Any man who can make such a statement has either been enveloped in a Rip Van Winkle sleep for three years, or he is blessed with a shoestring intellect. [Laughter and applause.]

The objection is made to this bill by conservative Republicans from the East that it will increase the cost of living to the American people one billion dollars, or perhaps two. Undoubtedly it will increase the cost of living. Just how much no one can say. That is one feature of the bill I do not like; and there are others, even in its present amended form. For that reason I would greatly have preferred the Norris-Sinclair bill, amended, or similar measure that would lessen the enormous spread between producer and consumer and eliminate the profiteer, the grain gambler, and food speculator. That is the fellow we need to get after. But I am not given a chance to vote for any such bill, so I am going to do the next best and vote for this one, in the hope that it will accomplish even more than is claimed for it. Even if it does increase the cost of living to our people because of increased prices to the farmers, I claim the farmers of the Nation, especially the farmers in my section of the country, have it coming to them because of all that has been taken out of their pockets the last few years. It is merely a readjustment. In that respect this bill is a farmers' adjusted-compensation bill—not a bonus.

As for the objection that it is a price-fixing measure, I ask, why object to it on that score? That is nothing new. A new term, perhaps, but the principle is old enough for every Republican to be familiar with it. Just call it a tariff and it will sound much better to you. "A rose by any other name would smell as sweet." You of the manufacturing East have lived and prospered on the price-fixing tariff these many years. And for the same number of years the farmer has been the loser by it. Now we ask for him just a little of this protection that has been given the manufacturing East. I can understand how Democrats who do not believe in a high tariff can vote against this bill. But I certainly can not understand how eastern Republicans who have grown fat on a high tariff could justify a vote against this bill on that score.

There is also the price fixing of the transportation act. But I have no time to discuss that now. Let me say this in closing: If this measure is not passed by the Congress, or if it is passed and vetoed by the President, then will come the acid test for you people who have talked about being friends of the farmer. I challenge you to join with us from the West and stay here all summer, if necessary, in order to enact some legislation that will really benefit the farmer. [Applause.]

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. RUBEY. Mr. Chairman, I yield five minutes to the gentleman from Indiana [Mr. GREENWOOD]. [Applause.]

Mr. GREENWOOD. Mr. Chairman and gentlemen of the committee, there has been a theory in this country almost continuously since the Civil War that all that was necessary to have general prosperity for all of the people was to lay a high protective tariff and that thereby, by taxing the consumers of our country, prosperity would prevail. But we have arrived at a time when we see the fallacy of that theory of government. You can not tax the consuming public of America with higher tariff taxes and expect prosperity to prevail. If you could break down all of the economic laws and allow the law of supply and demand to prevail in all industries, agriculture would take care of itself, but for 50 years agriculture has been robbed of the purchasing power of the products of the farm in favor of the protected industries of this country, and the hour has come when this issue must be settled; the hour has come even in the party of the administration, when the Republicans of the West no longer agree with the Republicans of the East on this question of protection, because they realize that their constituency has been paying tribute to New England throughout all these years.

The gentleman from Massachusetts [Mr. LUCE] yesterday made one of the most selfish arguments I have ever heard in favor of manufacturing as against the balance of the country. So while this bill does not conform to my ideas or theory of government, yet I believe that as a matter of self-defense on the part of agriculture against the manufacturing industries of this country it is justified, and I am going to swallow my academic theories on the question of the tariff, on the question of gratuities, and on the question of governmental privilege and vote for this bill, because I believe it will give the agricultural interests of this country a chance to get upon an equality with manufacturing, which has been enjoying these special privileges for years.

If I had my way, gentlemen of the committee, I would first reduce the tariff duties on all the articles that the farmer has to buy, as well as the balance of the consuming public of the country, and place them on an equality by an adjustment of tariff duties. Next I would formulate a foreign policy—something we have not had for four years—which would develop some markets abroad for the surplus of the farmers of this country. Then I would increase the powers of the Federal Trade Commission so that it could investigate the profits of middlemen and regulate, if you please, the profiteering in foodstuffs, and give the producer a little more of the money which the consumer has to pay for these products. Then I would reduce the freight rates on agricultural products and give them a preferential rate. Those four things I would prefer to do, but since my party is not in power and can not do those things, and there is no relief with regard to those policies, I consider it my duty to my farmer constituency in Indiana to vote for this bill. Although its underlying theory may not be correct, I believe it is my duty to vote for this bill in order to put the farmers back on an equality with the other industries of this country, and that is what I am going to do. [Applause.]

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. RUBEY. Mr. Chairman, I yield two minutes to the gentleman from Missouri [Mr. LOZIER].

Mr. LOZIER. Mr. Chairman, I have given careful consideration to all of the agricultural relief measures introduced during the present session of Congress. Each is designed to afford some form of relief. The passage of one of these measures does not automatically preclude the passage of some of the other bills, because they are not necessarily antagonistic or inconsistent. Some of these measures are intended to afford quick temporary relief, while under others the relief would be delayed but may be of a more permanent character. But so

far only one of these bills has been reported favorably by the Committee on Agriculture, and that is the bill we are now considering, generally designated as the McNary-Haugen bill.

I am actively and aggressively supporting this measure. In so doing may I say that I do not consider it a panacea for all the agricultural ills which now afflict this Nation. I do not consider it a perfect measure in every respect, and I concede that in several features the bill is not entirely satisfactory to me. But the purpose of the bill is wholesome, and I am convinced that the plan presented is workable and will afford the agricultural classes substantial temporary relief and in a measure relieve them of the unjust burden under which they now labor.

I regard this as an emergency measure, and I believe that its enactment will do much to restore agriculture to the class or group of profitable occupations. I believe the exigencies of American agriculture are such that the Members of this Congress, both Democrats and Republicans, can well afford to resolve every doubt and every question in favor of this bill.

I have heretofore on several occasions on the floor of the House called attention to the nation-wide agricultural distress. I have, I believe, shown that some of the suggested remedies will not afford the farmer adequate relief from the present unbearable conditions. I have heretofore demonstrated, I believe, that relief can not come by a nation-wide limitation of production, nor by an increase of tariff duty, nor by diversification of crops. I will not here repeat the arguments made by me in former addresses on these propositions.

Every Member who has spoken on the agricultural situation during this session of Congress has frankly admitted that conditions are deplorable. Members who are opposing this bill are profuse in their expressions of sympathy for the farmer and profess a willingness to help the farmer, but they have offered no substitute for this measure, and they have not presented and are not advocating any comprehensive plan to relieve the farmer of his burdensome handicap.

These professed friends of the farmer remind me of the ancient fable of the crocodile that weeps in sympathy as it eats its victim. In the Arabian Nights we are told of a prince of the illustrious family by the name of Barmecide, who flourished in Bagdad contemporaneously with the Caliph Harun-al-Rashid. Barmecide in his great sympathy for the famishing beggar Shacabac, invited him to his home and promised him a feast on rich viands, but set before him only empty dishes. The special privileged classes for more than a generation have been promising the American farmer a feast of prosperity, but the dishes set before the farmer year in and year out have been empty.

What relief do the opponents of this bill offer to our agricultural classes? This bill is being viciously opposed by the Representatives from the New England and Middle Atlantic States, where the industrial lords of the Nation revel in wealth and prosperity, which came to them by tariff laws so exceedingly high as to shock the conscience of the Nation. The manufacturers of the United States have been the beneficiaries of a price-fixing policy. The purpose of the so-called protective-tariff system is to create artificial conditions and reduce competition, thereby enabling the manufacturers to fix prices, so as to insure greater profits than would accrue to them in the absence of these high tariff laws.

The gentleman from Massachusetts who so vigorously denounced the pending bill yesterday on the floor of this House represents a section of our country that for 75 years has levied tribute on the farmers of the Nation. His constituents have grown rich beyond the dreams of avarice, as a result of class legislation; and he and the people he represents would never oppose class legislation for the benefit of others if they had any sense of appreciation for the favors they have received in the form of high tariff schedules.

I understand that many Representatives from the great centers of wealth and population will vote against this measure. Can it be possible that the financial, commercial, and industrial interests of this Nation will deny to the American farmer a chance to save himself? Are these interests determined to destroy agriculture, drive the American farmers into bankruptcy, and reduce them to a condition of servility?

Are we to have the opposition of the sugar growers of Louisiana? Must we fight the lumber interests of the Nation? The sugar and lumbering interests are enjoying the benefits of a high protective tariff. They are never satisfied and always asking for an increase. No doubt before the Sixty-eighth Congress adjourns the sugar growers and lumber lords will crawl on their bellies into the lobbies of the House and beg that the tariff on sugar and lumber be increased. [Applause.]

The citrus growers of the South have succeeded in getting their products on the high-tariff list, and in due time they will probably besiege Congress for an increase of the duties on oranges, lemons, grapefruit, and other products of the South.

I am sorely disappointed and grieved that many Representatives from the cotton-growing States are opposing this measure. The cotton growers of the South enjoyed tremendous prosperity during the World War. A minimum price was fixed on the farmer's wheat, but the cotton growers of the South prevented the Government from regulating the price on cotton. I assert that this action was indefensible. The western farmer has not forgotten and will not forget the economic injustice to which he was subjected during the war, when the minimum price of wheat was fixed, and, contrary to all expectations, the minimum price made the maximum price, while the sky was the only limit in the price of cotton. And now many Representatives from the cotton-growing States are vigorously assailing this measure which is designed to afford some little relief to the western farmer.

Let me say now that the present high price of cotton will not always prevail.

The cotton grower is now living in a fool's paradise. It is inevitable that there must be sooner or later a material reduction in the price of cotton, and I believe the time will come and it is not far distant when the cotton grower of the South will be in as serious financial and economic plight as that of the western farmers at the present time. Why not prepare for that evil day by helping the grain and livestock farmer now, so you can ask and expect this aid if adversity comes to your own household?

I appeal to the Representatives of the great cotton-growing States, of the States that produce sugar, lumber, and citrus fruits in large quantities, not to block the road, not to defeat this measure, not to be a party to the economic destruction of the western farmer. The cotton producer is vitally interested in the prosperity of the great West, because anything which impairs the buying power of the western people must necessarily reduce the demand for your cotton products, and our financial distress will soon be reflected in lower prices for your staple commodities.

A few weeks ago the Members of this House from the Southern States urged that the Representatives of the great agricultural West support the Muscle Shoals project. They told us that the prosperity of the South was at a low ebb, and that the consummation of the Muscle Shoals project was necessary to revivify and rehabilitate the entire South. We heeded your prayers and vigorously supported and voted for the Muscle Shoals lease, although some features of the bill were of questionable propriety and wisdom. Now, did you appreciate the votes of the Representatives from the great agricultural States, without which your Muscle Shoals fight would have been lost? We came to your rescue. Will you not come to our rescue? Will you now deny our constituents the relief the pending bill offers? I am putting this question squarely up to you. What are you going to do about it? In all probability the Muscle Shoals measure will have to be considered again in this House. Our future action toward that project will depend very largely on your vote on the McNary-Haugen bill and other farm-relief measures.

Do you imagine that we will tamely continue to vote with you on matters of vital importance to the South when you, by your votes, slap us in the face and deny us the poor privilege of trying out this experiment, which will not injuriously affect you?

But you say that the McNary-Haugen plan is not workable and is not a good thing for the farmer. Who says it is not a good thing for the farmer? Certainly the western farmer, in his bitter experience, ought to be a better judge than the Wall Street banker, the protected manufacturer, the protected lumber dealer, the protected sugar interests, and other representatives of class legislation and special privilege. You say it will hurt the farmer. The corn grower, the wheat grower, the grower of livestock—the farmers who are affected by this bill—they say they believe it will help them, and they know what will best promote their interests. The farmers who will be affected by this bill have studied its provisions, and they are satisfied with it. If it should not be workable they will suffer and not the cotton planter, the manufacturer, the lumber kings, or the Wall Street magnates.

And let me say to the Representatives of the protected manufacturing interests that you, too, are living in a fool's paradise if you think for one moment that you can promote the interests of your constituents by defeating this bill. I warn you that you are playing with fire, because you are defying the

agricultural classes of America. You are refusing their fair and reasonable demands. You are contemptuously ignoring their requests. Without the farmer vote the high protected tariff system would have been destroyed many years ago. You have slobbered over, cajoled, and deceived the agricultural classes for years. You have held out to them false promises and hopes that you knew could never be realized. You have bled the American farmer systematically and unconscionably for a generation. The excessive high protective tariff system has enabled you to extort from the farmers of this Nation annually hundreds of millions of dollars in the increased cost of their supplies. You have exacted and collected tribute to the uttermost farthing. You are the beneficiaries of high tariff laws which compel the American farmer to buy his supplies in a protected market at artificially stimulated prices, while compelling him to sell his commodities in the open markets of the world. This has been openly and publicly admitted by numerous Republicans during this debate, and is not denied. The banquet served to the farmers by the protected manufacturing interests of the Nation is a modern Barmecide feast, at which the farmer gets nothing to sustain his economic life but can only lick the empty dishes of the special-privileged classes. Certainly you do not expect the farmers to get fat upon such a diet.

In opposing farm-relief legislation the manufacturers are inviting disaster and creating a resentment on the part of the agricultural classes which will inevitably be reflected in a radical reduction of tariff schedules. The manufacturing interests of this Nation should realize that the buying power of the agricultural classes has been paralyzed, and this deplorable situation will be reflected and is now being reflected in reduced demands for the products of mills and factories. The manufacturer is vitally interested in a prosperity that is nation-wide and not localized in one particular portion of our country.

During this debate able Republican Members of this House who have loyally supported their party all their lives have openly and publicly denounced the selfish manufacturing and capitalistic interests that are viciously fighting this bill while enjoying the benefit of high tariff laws and special-privilege legislation. This is not a political question. Democratic farmers and Republican farmers are alike demanding this legislation. What will benefit the Democratic farmers will to an equal extent help the Republican farmers. Their interests are identical. They must sink or swim together.

But it is charged that this is a "price-fixing" measure. I say it is a "price-adjusting" measure. It does not definitely "fix" the price at any given point, but is intended to "adjust" the prices of these certain commodities so they may bear an equitable relationship to the price of approximately 400 other commodities in general use. This law seeks to give the farmer's dollar the same comparative or relative purchasing power it had in the period of 1905 to 1914.

But suppose we concede that this is a "price-fixing" law. What of it? Shall we condemn it because, forsooth, it seeks to fix the price of agricultural commodities on a basis that will return to the farmer the cost of production together with a fair profit? Shall all price-fixing measures be anathematized? If so, you must repeal the tariff laws, for it is admitted that they create artificial conditions and enable the manufacturer to fix higher prices on his products than could be secured without the tariff.

The Federal reserve system, as to interest and credits, is a "price-fixing" law. It creates an organization by which the price of one of the most important commodities—that is, interest—is regulated or fixed. The transportation act is a price-fixing law as to passenger and freight rates and also as to the net earnings that carriers may retain. The Interstate Commerce Commission is the governmental agency by which the price of passenger and freight service is fixed. Telephone and telegraph tolls are regulated by a price-fixing law. The Adamson Act was a price-fixing law as to labor. The services performed by one-half million Federal employees are regulated by price-fixing laws, because the service and labor performed by Government officials and clerks is as much a commodity as corn, pork, cotton, or transportation services.

The farmer's plight is largely the result of the Government having systematically for a half century or more indulged in an extensive "price-fixing" legislative program. The manufacturers, the carriers, the great financial institutions, and labor have all been the beneficiaries of "price-fixing" laws, and it does not lie in the mouths of the representatives of any of these interests that have profited by price-fixing laws to condemn this measure on the ground that it is a "price-fixing" law. The great labor organizations have patriotically given their approval to a program having for its object the rehabilitation of American agriculture. The laboring men and practically all other occupations recognize that the farmer must be prosperous, or labor, commerce, transportation, and industry of every kind will suffer. Why do not the manufacturers, the capitalists, and other special privileged classes show the same public spirit and interest in the welfare of the American farmer that labor has shown?

The opponents of this bill, while professing great friendship for the farmer, have offered no definite plan to meet the present distressing emergency. Judging from their attitude toward all worth-while farm-relief legislation, methinks their professions of friendship are dentilingual—that is, formed between the teeth and the tongue—or perhaps dentilabial, or articulated between the teeth and the lips.

Many of the opponents of this measure frankly state that they are opposed to all pending farm-relief measures. They say that nothing can be done by Congress for the farmer; that he is the victim of economic conditions for which there is no remedy; that he must work out his own salvation with fear and trembling, and that this Government is impotent to afford any relief. In reply may I say that it is one of the functions of government to prevent one class of citizens from preying on other classes. Shall this Congress confess its inability to devise any plan for the rehabilitation of American agriculture? Shall we proclaim to the world that under our form of government legislative and economic handicaps may be placed on the farming classes, and which burdens this Government has no power to remove? Shall we by word and vote sanction the claim that our Government can perpetrate an economic wrong on one-third of its citizens and then be powerless to remedy the social injustice it has created? If so, then our Government has failed in its most essential and vital purpose. I believe Congress has the power to remove every economic handicap to the creation of which it has been a party. I believe that Congress can correct every social injustice that flows from an abuse of its legislative powers. I sincerely trust that this measure may have your support. [Applause.]

Mr. RUBEY. Mr. Chairman, I yield to the gentleman from Missouri [Mr. FULBRIGHT] such time as he may desire.

Mr. FULBRIGHT. Mr. Chairman, I desire to incorporate as a part of my remarks a letter from one of my constituents dealing with the bill under consideration. It is from a man of much learning and wide experience, and, although a manufacturer, he is interested in farming and has given much thought and study to the agricultural situation. He gives some timely advice to the business interests opposing farm legislation, and coming from a high-tariff Republican of the Middle West his suggestions might well be considered by the high-tariff Republicans of New England. This letter in full is as follows:

HEADLIGHT FARM,
Canalou, Mo., May 5, 1924.

Mr. J. F. FULBRIGHT,
House of Representatives, Washington, D. C.

DEAR MR. FULBRIGHT: Replying to your letter of March 12 in regard to the McNary bill, I have delayed my answer because I found it difficult to make up my own mind. On the whole, I am inclined to advise you to vote for the bill. In my comments please keep in mind that I have been a high-tariff Republican practically all of my life and that at present my main interest is as a manufacturer rather than as a farmer, as far as income goes.

My chief objection to the bill is that it assumes that the period just preceding the war was a normal one for American agriculture and that it tends to reduce the farmer's level of possibility to the results obtained in this period. As a matter of fact, most farmers were standing privations which were tolerable only because of advancing land values and of the hope which this seeming prosperity brought about. There was a certain amount of real prosperity in the heart of the Corn Belt, and it is with this part of agriculture that Mr. Wallace is familiar. In effect, though not in words, this bill would establish a maximum price above which the farmer could never hope to get. The minimum price on wheat established during the war proved to be a maximum, and it will be so in this case. The vital factor in the present agricultural situation is that the banking and business interests before the war found an outlet for our surplus agricultural products because they were compelled to use them to pay our annual interest bill due to Europe. This disposed of the troublesome surplus and left the home market protected by the tariff with a large purchasing power from the high wages which labor was receiving. I always advocated the protective tariff of almost any height on this ground and believe that the policy was justified by conditions and events. The conditions are different now. We can not dispose of a surplus abroad in payment of our debts, and the farmer gets no

benefit from the tariff, in fact it prevents him from selling his surplus abroad and taking pay in the products of European labor, which is all Europe has to pay with. It should not be overlooked, however, that if the importation of manufactured goods closed American factories it would reduce the home market for farm products to a certain extent, but to a limited extent only, because people do not increase their purchase of food in proportion to increase of income. They eat a little more and buy a lot more luxuries. It seems to me that the protected industries ought to jump in and support this bill with a whole heart to keep the farmers from becoming desperate and smashing the whole tariff system. The protective system has existed through the sufferance of the farmers of the Middle West. The argument of the protected interests, including railroads and banks, that the McNary bill is paternalistic is worthy of the joke column. As an advocate of a protective tariff I have never claimed that it was not paternalistic. I do not consider it as much so, however, as the Federal reserve law or the Cummins-Esch law.

I do not take any stock either in the argument that there will be too much red tape and bureaucracy required to operate this law. A detailed examination of the red tape and bureaucracy required by the tariff system would make any possible machinery for the administration of this law look very small. There is no valid distinction either between collecting money and paying it out for public purposes and leaving it in people's hands without collection for the public benefit as we do in the case of railroads, banks, and industry. Stripped to its basic elements our whole economic system is supported by an income tax on the farmer which leaves him at best a poor living and in most cases drives him into bankruptcy and despair.

The argument that an increase in farm prices would be at the expense of general prosperity is disproved by the recent history of high wages in industry. We have been absolutely assured that conditions such as have actually existed in industry could not possibly exist under the wage scale which we have actually been paying, and everyone admits that the country has been prosperous except in the case of agriculture, although manufacturing capacity now represents the enormous increase due to the war, not the so-called normal before the war.

Money as a circulating medium in the body of the Nation is not a mere rhetorical simile, as compared with the circulation of blood in the human body. Labor and farming are the two legs on which the Nation stands. If we were positively assured that a man could not afford to spare blood to circulate through his legs because it would rob his vital organs, we should know the argument was ridiculous, especially if we tried it on one leg and found out that all the members prospered except the other leg. Labor got its own pump and pumped its share of the blood. I doubt the possibility of the farmers being able to do the same thing, and I do not believe that the condition of gangrene which we now have in the agricultural leg can be allowed to continue without infecting the other organs. The supply of blood is not decreased by making it circulate in every part.

I am not at all convinced that the McNary-Haugen bill will put enough circulation through farming to keep it healthy; at least it will not reach below the knee. Mr. James, of the Federal Reserve Board, says that cotton is still raised "under practically slave conditions" in spite of the present relatively high cotton prices. All that the cotton farmer would get out of this bill is that he might not be allowed to fall lower than the bottomless pit in which he lived before the World War.

In my opinion there is no program now proposed for the American farmer which will give him the relief he requires. Normalcy does not lie in putting him where he was before the World War, either actually or relatively, because conditions are different. Human forces are like mechanical forces. Motion is always in the direction of the stronger force, and to-day all the other forces in our economic and political structure are greater and more concentrated than they ever were before and the farmer is left relatively weaker. Every buyer is a bear in spirit and the farmer has no practical means of resisting this downward pressure. The so-called law of supply and demand presupposes the ability of both parties to bargain on equal terms. In every crop there are enough growers compelled to market at once through financial necessity to put them out of the bargaining class and enough products are marketed in this way to dominate the market and repeal the law of supply and demand for the balance of the growers even though they might be in position to hold.

The Chicago Tribune sagely advised the farmers of the Northwest that their plight was due to the radical Representatives which they have been sending to Congress. In an editorial headed "Back to grass" it advised its readers that the solution of the agricultural problem lay in letting the farms go back to grass. It was callousness of this kind on the part of the powerful which caused and justified the French Revolution. To one who knows the mental and physical suffering through which farm families have been going, the cruelty of that editorial and the attitude of mind which lies behind it justify radicalism, communism, Bolshevism, or any other desperate attempt at a remedy. I am beginning to believe that there is no help for the farmer until he becomes desperate enough to shake the foundations of capitalism. This might carry him down in the common ruin, but it might force the balance of the Nation to solve the agricultural problem as part of their own problem and abandon the fiction that we are still a Nation of individualistic coon hunters, spreading out over a land of natural opportunity.

Under the laws of the physical universe, finely divided matter is pushed into the vacant spaces of the heavens by the repulsive force of light, in violation of our old ideas of the law of gravitation; but when this matter gets into close enough contact the law of gravitation resumes sway and overcomes the force which pushed the matter together. In other words, the laws which regulate the behavior of dispersing matter are not those which regulate the behavior of condensing matter, and I suspect that this applies to human society also. God appears to have uniformity in his methods.

Very truly yours,

XENOPHON CAVERNO.

This letter is but a reflection of the general feeling and sentiment of the farmers throughout the Nation. The Congress and the President may well heed the warning. The farmer will no longer be "soft-soaped" by fine phrases of the politician. He is facing bankruptcy and despair. What he wants and what he must have is action and not promises, and for my part, I shall resolve every doubt in favor of the farmer when considering legislation which seeks to grant him relief. Many bills have been introduced having in view relief for the farmer, most of which have been pigeonholed in committee and will never reach the floor of the House. I introduced H. R. 6069, the object of which was to lower the prices of farm implements and fertilizers, but it has met the common fate of farm legislation. Apparently the pending bill is the only farm relief measure that we will have the opportunity to pass upon, and I shall give it my support.

Mr. HAUGEN. Mr. Chairman, I yield nine minutes to the gentleman from Iowa [Mr. DICKINSON].

Mr. DICKINSON of Iowa. Mr. Chairman, reference has been made here to a college president from the State of Kansas who, I understand, has visited Washington. Up to date I have not been able to find a single solitary Congressman from Kansas who was interviewed by this president while he was in the city of Washington, and I would like to ask the gentleman from Kansas [Mr. SPROUL] whether he considers this man's reputation ruined now so far as Kansas is concerned.

Mr. SPROUL of Kansas. I certainly do; and that is the estimation of the farmers of the State as indicated by the letters I have been receiving from them concerning his attitude.

Mr. HOWARD of Nebraska. You understand he is already ruined?

Mr. SPROUL of Kansas. Yes, sir.

Mr. DICKINSON of Iowa. A letter was read here from Mason City, Iowa, written by a man by the name of Shotts. I live 50 miles west of Mason City, and I never heard of this gentleman in agriculture or in anything else, and I want to suggest to him that if he has any doubt about the standing of GILBERT HAUGEN in the fourth congressional district of Iowa I advise him to run for Congress against him. They have been trying it out there for 30 years, and they have never succeeded yet. [Applause.]

This is the only opportunity this Congress is going to have to present agricultural relief. If you vote to strike out the enacting clause of this bill you will vote to deny agriculture a fair hearing on this floor. If you vote to strike out the enacting clause of this bill, there will be nothing more said in this Congress concerning agriculture, and that applies to both sides of the House. The roll will be called, and we will see who the friends of the farmer are and who it is that wants to say in this Congress, "We will not give any relief to agriculture under existing conditions."

I think this is the most far-reaching bill that is going to be presented to this Congress or the next Congress, and I want to say to every gentleman here on either side of the House that this bill and the principle involved in this bill is going to be knocking at the door of this Congress or at the door of the next Congress unless you adopt it now.

The bill has to do, if you please, with the adjustment of industry and labor and agriculture, and that is what every good citizen of the United States ought to be in favor of; and in case it is not adopted by this Congress I want to say that the trials and tribulations of agriculture are not going to stay out west of the Mississippi River. They are going to come knocking at the door a little farther east all the time. The

interest that is due out there on mortgages in this western section of our country is going to be defaulted. You may say that our people are wealthy. They showed an advertisement here where Iowa was rated as the richest State. We are wealthy, but we are not making any money.

Mr. MACGREGOR. Will the gentleman yield?

Mr. DICKINSON of Iowa. No; I can not yield. I only have a few minutes.

Our industries are slumping. We are not able to make a profit on what we are doing, and how long can a factory maintain smoke in its chimneys if they are eating into their capital stock every day?

The principle involved here is not only economical but political, for it has to do with fixing policies that are going to be far-reaching in the future, and they are going to be fought out in both parties on both sides of the aisle, and no man is going to be able to escape his responsibility. It is admitted here by the worst enemy of this bill that it will work on wheat. If it will work on wheat, the wheat farmers are entitled to relief, because democracy is organized for the benefit of the people, and if it does not render the relief when it has the opportunity it is not performing its full function to the governed. If it will work on wheat, why not on hogs? If it will work on hogs, why not on corn? The processing of hogs is no more intricate than that of wheat. The processing in one thing is no more intricate than the processing of another. It is amusing to me when they say it will not work on corn, and then we find Doctor Corn ASWELL in Louisiana, where they produce 29,000,000 bushels of corn out of the 3,000,000,000 bushels, come up here as a corn doctor and tell us what we need to fix it up so as to take care of the corn situation.

Who raises the corn and hogs in this country? Who raises the pork chops that you eat down here nearly every day on the table? Of corn and hogs of this country 42 per cent of the hogs are raised in Iowa, Illinois, Missouri, Nebraska, and Indiana. Forty-five per cent of the corn is raised in these same States. And who is there here from those States asking that this law be enacted into legislation? With reference to corn, are you willing to take the opinion of Doctor Corn ASWELL whether this law will help the farmer, or will you go out and take the word of the farmer who produces the corn and is interested in the financial end of it? Will you take the statement of a farm bureau and a farmers' union of these locations that produce the corn? Who produces the hogs? The same localities that produce the corn, because one is coexistent with the other. The gentleman from Wisconsin says that this will not work as to hogs. On the other hand, John Brown, president of the National Livestock Association, says it will work with reference to hogs, and he is in the market game every day. He knows the marketing process on hogs. He knows what is to be done in order to make a successful delivery of hogs to the market, and he knows what it will take to manufacture them. He knows how farm products are exported, and he says that this bill will work.

Whose opinion does this Congress want to take, the man in the business or the man that has made a theoretical study of this bill and who lives in a district that produces no pork?

We are told that the spindles of Massachusetts are becoming idle, and when you look over sales of their products not the slightest deduction is there made in the price of an article. Why? Because they are so organized that they can take care of their output at the price that pays them a profit.

Now, that is all that the farmers ask you to do here. This bill is not going to be put into operation to take care of all the hogs in this country. It is only to be put into operation when there is an exportable surplus and you have to sell your pork at less than the ratio price. [Applause.]

THE M'NARY-HAUGEN BILL AND ITS RELATION TO PRIVATE AGENCIES

Much is made by the opponents of the McNary-Haugen bill of the claim that it will destroy existing private business now performing useful functions in handling farm commodities. Just how much displacement of this character there will be is impossible to estimate, but certainly no important agency that is efficiently and economically engaged in performing a useful service would find its duties changed or its field limited under the plan set forth in this bill.

In going upon the market to buy the surplus of any commodity, in contracting for processing this commodity if necessary for foreign sale, and in perfecting the actual sale in export it is certain that the corporations will have the good business judgment to secure these services in the least costly and most efficient way possible. It is with that thought in mind that the authors of the McNary-Haugen bill inserted the following section in the proposed law:

> The corporation shall utilize, so far as practicable, existing facilities and agencies, including the associations of producers, in the exercises of its powers and shall exercise the power granted it in Paragraphs I and III of subdivision A only if the existing agencies or facilities can not be used or obtained on reasonable terms.

Loudest of all in their opposition to the McNary-Haugen bill have been a coterie of grain exporters headed by Julius Barnes, who has employed his position as president of the United States Chamber of Commerce in every conceivable way to fight this bill. It is plain to any student of grain marketing that ample opportunity is provided by the McNary-Haugen bill for the millers and grain elevators to employ their facilities in grain handling under conditions exactly as favorable as at present. Even with the grain exporters there is no reason why the corporations should not utilize them in foreign sales, provided they will render the service at as low a cost as the corporation could perform it. It is true that the corporation will probably encourage a policy of handling as much of our grain exports in the form of flour as possible, which might not be wholly to the liking of the grain exporters.

But, at any rate, since Mr. Barnes is taking such a prominent part in opposing the McNary-Haugen bill, it is proper to inquire just who are these grain exporters and how important are they that they should be weighed against the interests of the six or seven million farmers whose welfare and in many cases whose very existence on the farms are closely tied up with the McNary-Haugen bill.

Fortunately, the information needed to answer this inquiry is at hand. The Federal Trade Commission on May 16, 1922, published Volume I of its study of grain exporting, dealing particularly with "Interrelations and profits of grain exporters." From this study we learn that there were only 90 companies which in 1921 exported any wheat whatsoever, and only 36 companies that handled as much as a million bushels of wheat each. Of these 36 companies, only 18 are American, while 18 were wholly foreign or were largely controlled by foreign stockholders. Forty-six per cent of the total wheat exported in that year was exported by foreign companies. Of the first three companies in volume of wheat exports for 1921, an English company stood at the head, a French company came second, and in third place stood a concern largely dominated by Belgian capital.

At the head of the list of American wheat exporters, fourth in total volume of exports, came Julius Barnes. It is interesting to note that Mr. Barnes, in addition to the Barnes-Ames Co., controls eight other subsidiary corporations, according to the Federal Trade Commission—the Barnes-Irwin Co., the Barnes-Jackson Co., the Barnes-Pizaaek Co., the Itasca Elevator Co., the Neil Grain Co., Smyth, Barnes & Co. (this Mr. Barnes operates as an English concern), the Zenith Grain Co. (Canadian), and the Nye & Jenks Grain Co.

Just to give a clearer picture of the way the Barnes influence spreads throughout the grain-marketing structure in this and other countries, it is interesting to note that, according to the Federal Trade Commission, Mr. Barnes controls, in addition to those enumerated above, nine other companies subsidiary to the Nye & Jenks Grain Co. These are the Trans-Atlantic Brokerage & Export Co., New York; Rialto Elevator Co., Milwaukee, Wis.; Independent Grain & Lumber Co., Mason City, Iowa; Nye-Schneider-Fowler Grain Co., Omaha, Nebr.; Central Granaries Co., Lincoln, Nebr.; Nebraska Elevator Co., Lincoln, Nebr.; Thresher Fuller Grain Co., Kansas City, Mo.; Nye, Jenks & Co., Minneapolis, Minn.; and the Nye-Schneider-Jenks Co., Omaha, Nebr.

Here we have a picture of the grain-exporting situation. Nearly half our export wheat handled by foreign concerns; only a handful of Americans engaged in the grain-exporting business at best, and that handful interlocked and interrelated and permeated with the influence of Julius Barnes. This is the group that is making the most noise and opposition to the McNary-Haugen bill, and this is the group whose interests Congress is asked to consider as more important than the interests of millions of farmers who now suffer from impaired purchasing power largely due to discriminatory legislation.

These grain exporters do not require much more in the way of physical equipment than an office and a desk. Their operating capital need not be large. The Federal Trade Commission report said:

> Trading in grain, including the sale of grain to the foreign buyer, does not require extensive physical equipment, and therefore does not call for any considerable capital in permanent form. While some merchants physically handle and store the grain, thus requiring the use of considerable capital, others, many of them among the largest grain merchants, do not so handle the grain. Hence, a large proportion of the capital of the grain merchant may consist of working capital which may be in the form of borrowings secured by grain.

In his utterances against the McNary-Haugen bill Julius Barnes has been careful to have himself quoted as president of the United States Chamber of Commerce. In view of his widespread and peculiar interests in the grain-exporting business, as shown by the report of the Federal Trade Commission previously referred to, I submit that it would be more straightforward, and certainly more comprehensible, if Mr. Barnes would explain his interest in the McNary-Haugen measure now pending by a frank statement that he is the leading American grain exporter.

In a very informal talk before a considerable group of Congressmen and their wives one evening last week Secretary of Agriculture Wallace said that some way must be found to make clear to the people in the industrial sections and in the cities, especially the East, just what has happened and is happening to the farmers of the mid-West and far West, where our great surplus agricultural crops are produced. He said he thought that if the people of the cities and industrial centers could once understand the seriousness of the agricultural situation they would be just as anxious as the people of the West to do something to relieve a condition which is a real menace to the Nation. He said:

Surely everyone will agree that Government must secure and maintain economic justice among the various producing groups. At the present time a very large percentage of the farmers of the Nation are the victims of economic injustice, in part at least due to Government action. Farmers greatly extended their production to help win the war. They went in debt to buy additional equipment, to enlarge their cultivated acreage, to add improvements which would not otherwise have been added, to buy machinery which would not otherwise have been bought, and to vote taxes which would not otherwise have been voted, to buy Government bonds, and to pay high prices for labor. They were assured that they could produce with assurance that they would be able to sell all they might produce at prices sufficient to make them whole. Until the summer of 1920 prices of farm products in general sold high enough to cover enlarged production costs. In 1920 the prices of most farm products dropped perpendicularly to figures far below the bare cost of production, without taking into account added expense in the way of taxation, increased freight rates, and other fixed items of expense. The Government was responsible in considerable part for the agricultural inflation and was responsible in part for the drop in farm prices. To say that the Government's responsibility was due to the needs of war may explain but does not relieve the situation in which the farmer finds himself.

When we remember that about a third of our people live on the farm, surely it must be evident to every thinking citizen that if we compel that third to continue for any considerable length of time under gross economic injustices things are going to happen which good citizens do not want to see happen. Speaking generally, the best farmers are those who have been hit the hardest, because it was they who responded most cheerfully to war demands. The idea that any considerable number of farmers are in trouble because of unwise speculation or of inefficiency is wrong. The number of those is very small. But hundreds of thousands of good, hard-working farmers who have farmed efficiently, avoided speculation, worked hard, and managed their farms wisely have seen their savings of a lifetime swept away and have lost their farm homes through no fault of their own.

This is a situation to challenge the attention of every thoughtful statesman. Bankers, manufacturers, and business men generally in the agricultural regions of the mid-West and West are close enough to see what is happening, but similar groups in the East do not seem to understand either what is happening or the results which are bound to follow unless this agricultural trouble is remedied very soon.

The farmers of America have been the balance wheel from the beginning of our national life. They have sent a steady stream of fresh blood into the cities. They have thought clearly on every national problem, and especially on the great economic and social problems which make for sound and stable government. No greater mistake can be made than to permit this basic group to continue under such drastic conditions as have prevailed for the past three years.

Statistics show that, if we except those regions in which there is a considerable excess of foreign population, the number of births in most of the cities of the eastern half of the United States is not sufficient to even maintain our population. Aside from immigration our population is growing through increase on the farms and in those urban and industrial sections in which foreign nationalities are preponderant. The farmers produce more than half a million surplus children each year. These children spend their character-forming years on the farms, and move into the cities as they reach maturity.

The sort of citizens they make depends upon home conditions and educational and religious opportunities. Conditions such as have prevailed upon the farms for three years past are making it necessary for the children to work as soon as they are large enough to work. A large percentage of them are being deprived of those educational, social, and religious opportunities which are so necessary to the making of good citizens. Schools and churches are being closed in many regions. The people of the cities from their own selfish standpoint could afford to pay at least 40 per cent of the cost of furnishing educational opportunities to the young folks now on the farms rather than allow present conditions to continue, for these young folks will make the citizens of the next generation.

There is still another phase of this situation which is of selfish interest to the people of the cities. The fertility of the soil is our greatest material national asset. It will not be many years until our population will be large enough to consume all of the farm products we are now producing, and as time goes on our troubles will be due not to an agricultural surplus but to the high cost of food. During the past three or four years the farmer's income has not been large enough to enable him to keep up his producing plant. His machinery is deteriorating, his buildings, his fences, and other improvements. The need for producing cash crops and the high price of seeds has prevented him from following those systems of rotation which are necessary to keep the land in good heart. We are eating into the fertility of the soil, our capital asset, at a rate which the Nation can not afford, looking to future needs. This is a matter of even greater concern to the consuming public than to the producer.

Some way must be found to assure to the farmer his fair share of the national income. Some way must be found to bring the farmer into fair economic relations with other essential groups. The advice of the classical economist to let things alone on the theory that economic laws will bring about a normal balance is bad, and never so bad as at the present time. Ways have been found to protect other groups from the brutal operations of these economic laws, and ways must be found to give the farmer equal protection.

Our sympathies are aroused when we hear of a famine in any part of the world, and we give freely of our money to feed the starving people. If we should follow the advice of the cold-blooded economist, instead of feeding starving people we should let them die on the theory that the consequent reduction in population would restore economic balance and there would then be food enough for all.

The people of the United States can not afford to permit agriculture to continue in its present state. It is not a question of showing favoritism to the farmer. It is not a question of giving the farmer something at the expense of other groups. The question is to see to it that the farmer has justice; that he has equal opportunity with the commerce, the business, the industrial, the financial, and the transportation groups—even-handed justice—no more, no less. It is a great national problem, upon the satisfactory solution of which national welfare depends.

During this period of acute agricultural depression hundreds of farms have passed out of the ownership of farmers and into the hands of nonfarmers. This movement is growing rather than lessening. We are feeling the cumulative effect of low prices and lessened income. It is not good for the country that the land should be owned by a nonresident landlord class. That tends toward rack rents, lower standards of living, exploitation of the soil, and peasantry.

The fostering of a sound agriculture is a Government duty, and present conditions demand courageous action, even if it may be necessary to adopt heretofore untried methods.

The following letter has been sent to Members of the House and Senate by representatives of farm organizations who are in Washington supporting the McNary-Haugen export corporation bill. In addition to the men and organizations signatory to this letter, over 300 other farm organizations, as well as many hundreds of commercial and professional associations, have indorsed the measure:

During the recent press comment on the McNary-Haugen bill, the statement has frequently been made that the present Congress will not adjourn without passing some kind of farm legislation, and the only inference which can be drawn from such statements is that if Congress can not see its way clear to give the farmer what he wants, then it will give him something it thinks he ought to have. And we, the undersigned, who represent the largest and the most representative farm organizations of the country, believe that the time has come when we should make our position in these premises clear to Congress and to the whole Nation—and therefore without the slightest semblance of threat but with an overwhelming conviction of the gravity of the situation which now confronts the farmer, we want to make it perfectly plain that no mere legislative palliative can save agriculture from the collapse which now impends, which has already forced tens of thousands of the best farmers in the land into bankruptcy and which at this hour menaces tens of thousands of other farmers with the same catastrophe.

The single and solitary purpose of the McNary-Haugen bill is to give to the farmer as big a dollar for the products of his toil during the next five years as the dollar that he is forced to pay to industry under the Fordney-McCumber Act and to labor under the existing

generous wage scales, and in all candor we desire to ask of Congress and of the country, Is there anything unfair about this proposal? Can the farmer be expected, on the one hand, to bear a large share of the burdens imposed by industry and labor who have created living conditions of their own liking—and then, on the other hand, accept a price for his wheat, hogs, cattle, and other surplus farm commodities, at home and abroad, established in competition with the peasant and peon farmers of the whole world? If the American manufacturer is unwilling to meet the foreign manufacturer on an even footing, and if labor believes that the time for absolute exclusion with reference to immigration has come, then should they ask the six and a half million farmers of this country to do what they themselves refuse to do?

Through the McNary-Haugen bill we have approached this situation as best we knew how. For four long, weary months this measure has stood the fire of the opposition before the House and Senate committees and during this time we have sought to cure every fair and valid objection made against its various provisions. Therefore we have a firm conviction that the measure as it now stands is legally sound, practical, and workable. Nevertheless if any Member of Congress can, in good faith, propose any further amendment that will make it more so and yet subserve the full purpose which the act has in view, then we shall most cordially welcome such assistance—for certainly we want it to be sound and workable and certainly also we do not want to take a penny out of the Federal Treasury that is not returned, for we are asking Congress to help us save agriculture from impending ruin. We are not asking for charity. But if after placing ourselves in this friendly and conciliatory attitude Congress should still see fit to deny our petitions, then we shall go back home and save as much out of the wreck as we can.

In the meantime let Congress and the whole country understand that the day of soft-soaping agriculture is past—that in this hour when the average farmer is struggling for his very existence it would be an insult to offer him a mere legislative nostrum that does not honestly and fairly seek to relieve him of the tremendous handicap under which he is laboring. In all kindness but nevertheless with profound firmness we therefore say, give us the McNary-Haugen bill, for agriculture is unable to accept a substitute.

The above statement has the unqualified indorsement of the following organizations whose representatives are on the ground in Washington.

T. C. Atkeson, Washington representative, National Grange.
John G. Brown, president National Live Stock Producers' Association.
Geo. G. Coale, Knox County, Ind., banker.
Thomas E. Cashman, president American Hereford Breeders' Association and director Minnesota Farm Bureau Federation.
S. H. Thompson, president Illinois Agricultural Association.
R. A. Cowles, treasurer Illinois Agricultural Association.
Carl Gunderson, director South Dakota Wheat Growers' Association.
William Hirth, president Missouri Farmers' Association.
C. W. Hunt, secretary-treasurer Iowa Farm Bureau Federation.
Geo. C. Jewett, general manager American Wheat Growers Associated.
F. W. Murphy, St. Paul Association and Northwest Campaign Committee for Promotion McNary-Haugen Bill.
J. F. Reed, vice president Minnesota Farm Bureau Federation.
J. R. Riggs, Producers' Commission Association of Indianapolis, Ind.
C. G. Selvig, president Minnesota Export Commission League.
Gray Silver, Washington representative, American Farm Bureau Federation.
Wm. H. Settle, president Indiana Farm Bureau Federation; Indiana Wheat Pool; Indiana Dairy and Produce Association.
L. J. Tabor, master National Grange.
John Tromble, president Kansas Farmers' Union.
National Cooperative Milk Producers' Association.

Mr. HAUGEN. Mr. Chairman, I yield one minute to the gentleman from Washington [Mr. SUMMERS].

Mr. SUMMERS of Washington. Mr. Chairman, when my friend, A. D. Cross, of Spokane, Wash., wrote the letter to the gentleman from Louisiana [Mr. ASWELL] I do not believe that he thought his letter was going to be used as it was. He is for cooperative marketing. So am I. Here is the closing paragraph of a letter from Mr. Cross, written to me on the 10th of this month:

I desire to thank you for your earnest work on behalf of the McNary-Haugen bill, and we hope it will pass—

[Applause.]

as there is no conflict between it and the Curtis-Aswell bill. The former is an emergency measure and the latter for permanent relief.

It is signed "A. D. Cross, secretary of the Farmers' Union, State of Washington."

The gentleman from Louisiana [Mr. ASWELL] stopped the Clerk before he concluded the reading of Mr. Cross's letter. The impression was given that Mr. Cross opposes the McNary-Haugen bill, whereas, speaking for the farmers' union, of which I have been a member for 15 years, he says, "We hope it will pass."

Mr. HAUGEN. Mr. Chairman, I yield the balance of my time to the gentleman from Iowa [Mr. DOWELL].

Mr. DOWELL. Mr. Chairman, I am in favor of the passage of this legislation. It is admitted by even those who opopse it that it will furnish some relief to the farmers of the country. But the charge is that it is not economically sound.

I have listened with much interest to this debate. The farmers of the country are earnestly urging the passage of the legislation, and if we may judge by the attitude of their Representatives on the floor some business sections of the country are opposing the legislation.

I listened with much interest to the reading of a letter submitted by the gentleman from Louisiana [Mr. ASWELL], and while this letter was supposed to oppose this legislation, I thought I could well understand that the writer was urging in the strongest terms possible the immediate relief the passage of the legislation would give to the farmers of the United States.

Now, that my friend the gentleman from Washington, Doctor SUMMERS, has read the last clause in the letter, it appears that the writer indorses the bill under consideration and asks for its support.

The legislation under consideration, I believe, will do much to relieve the farmers of the country of their present distressed condition, and knowing the need of aid for these farmers at the present time, I want to urge as earnestly as I may the passage of this legislation.

The gentleman from Massachusetts [Mr. LUCE] on yesterday condemned this legislation in no unmistakable terms, and his condemnation of it was not because it would not improve the condition of the farmer, but because he claimed that his constituents would be required to pay an additional price for these farm products.

I want to quote briefly from his remarks in the CONGRESSIONAL RECORD of yesterday.

We do want agriculture to prosper. We will help it in every reasonable way; but what we say is that its prosperity should be in the main left to the working of laws of economics that are never defied without disaster.

From his speech, further on, I quote the following:

What is our remedy? Why, the natural remedy, the remedy of nature herself. The remedy of the competitive system; the remedy of the laws of economics.

In other words, he tells us let the farmer work out his own salvation. I take it from his argument he desires to purchase the farm products as cheaply as possible, and he believes this legislation will increase the price of farm products. Therefore he opposes it vigorously. But how does this principle work when it is transferred to the State of Massachusetts? When a tariff bill is before the House for consideration the gentleman from Massachusetts is here begging and imploring Congress to protect the great industries of New England against the cheap manufactured products of the world, and the industries of Massachusetts by this tariff are protected, and I dare say the gentleman from Massachusetts would admit that it is for the purpose of maintaining a price at which these institutions can manufacture their products at a reasonable profit.

The farmers of the United States now find themselves without protection and without an adequate market for their products. And they are unable to carry on their business at the prices they are receiving for their products.

What is good for the great industries in Massachusetts by way of protection is good for the farmer of the United States. And the gentleman from Massachusetts should be broad enough to see that the industries of the East can not long prosper while the farmers of the country are raising their products without profit. In other words, my view is that the best condition possible for the industries of Massachusetts is for the farmers of the country to be prosperous.

The farmers of the country are earnestly asking Congress to furnish them with relief from their present condition. And this legislation is before us for consideration and, as I view it, it is the only legislation that will be brought before us for consideration at this session. And if this measure is defeated at this time we will be unable to furnish the much-needed relief asked for by the farmers of the United States. [Applause.]

Mr. RUBEY. Mr. Chairman and gentlemen of the House, for 15 hours we have been debating this great question. On behalf of the committee I wish to extend their thanks for the splendid attendance that has been given us.

During these closing moments of the debate I call attention to the fact that on the 7th of June, in a few days, to be exact just 15 days from now, will come to an end the present session of Congress. There is absolutely no chance to get legislation for agriculture unless you act now and act favorably upon this measure. It is up to you. For five months or more we have given our time and attention to this piece of legislation. We have brought it to you. It is yours now to do with as you please, but I wish you to remember that when you wend your way homeward after the closing hour, after the gavel falls in this Chamber and in the other, you must meet face to face the farmers of America.

They have been asking for this legislation. If you voted for it, good and well. If you voted against it, what can you say? Can you say to the American farmer that you voted against the bill in the hope that some other measure could be brought in? You know that within 15 days there can not be brought into this House or into the Senate Chamber a perfected piece of legislation to give to the farmer any manner of relief. So I say to you, most kindly and yet most emphatically, that it is the McNary-Haugen bill, the bill the farmer wants, the bill he is asking for, or it is no legislation at all. [Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has expired. All time has expired.

Mr. HAUGEN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SANDERS of Indiana, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 9033, and had come to no resolution thereon.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

A message in writing from the President of the United States by Mr. Latta, one of his secretaries, who also informed the House of Representatives that the President had approved and signed bills and resolutions of the following titles:

On May 15:

H. J. Res. 195. Joint resolution authorizing an appropriation for the participation of the United States in two international conferences for the control of the traffic in habit-forming drugs.

On May 17:

H. R. 7962. An act to extend for the period of one year the provisions of Title II of the food control and the District of Columbia rents act, approved October 22, 1919, as amended.

On May 19:

H. R. 1823. An act for the relief of the Long Island Railroad Co.; and

H. R. 3684. An act for the enrollment and allotment of members of the Lac du Flambeau Band of Lake Superior Chippewas, in the State of Wisconsin, and for other purposes.

On May 20:

H. R. 2878. An act to authorize the sale of lands allotted to Indians under the Moses agreement of July 7, 1883;

H. R. 4161. An act authorizing the Commissioner of Indian Affairs to acquire necessary rights of way across private lands, by purchase or condemnation proceedings, needed in constructing a spillway and drainage ditch to lower and maintain the level of Lake Andes, in South Dakota; and

H. R. 5799. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Seminole Indians may have against the United States, and for other purposes.

On May 21:

H. J. Res. 248. Joint resolution to provide for the remission of further payments of the annual installments of the Chinese indemnity; and

H. R. 837. An act to exempt from taxation certain property of the Daughters of the American Revolution in Washington, D. C.

On May 22:

H. R. 4200. An act to provide for the cleaning of the exterior of the post-office building at Cincinnati, Ohio; and

H. R. 6059. An act authorizing the conveyance to the city of Washington, Mo., of 10 feet of the Federal building site in said city for the extension of the existing public alley through the entire block from Oak to Lafayette Streets.

On May 23:

H. R. 2498. An act for the relief of the East LaHave Transportation Co. (Ltd.), owner, A. Picard & Co., owner of cargo, and George H. Corkum, Leopold S. Conrad, Wilson Zinck, Freeman Beck, Sidney Knickle, and Norman E. LeGay, crew, of the schooner *Con Rein*, sunk by United States submarine *K–4;*

H. R. 3183. An act for the relief of Rush O. Fellows; and

H. R. 5808. An act for the relief of Edward T. Williams.

ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 6820. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes; and

H. R. 9192. An act making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes.

SWAINS ISLAND (S. DOC. NO. 117)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

I transmit herewith a report from the Secretary of State regarding the status of Swains Island in the vicinity of American Samoa in the Pacific Ocean.

I recommend that Congress take the necessary action to regularize the status of the island in accordance with the recommendations of the Secretary of State.

CALVIN COOLIDGE.

THE WHITE HOUSE, *May 23, 1924.*

THE M'NARY-HAUGEN BILL—"WHO KILLED COCK ROBIN?"

Mr. SUMNERS of Texas. Mr. Speaker, as a sort of aftermath of the defeat of the McNary-Haugen bill, a large-sized United States map has been brought into the lobby, at the top of which is pinned the legend "Who killed Cock Robin?" This map has been recolored to show the sections of the country from which support and from which opposition to the McNary-Haugen bill came. This map, which has been fixed up since the defeat of the bill, has no reference, of course, to any pending legislation. It is political. It is to be used in the coming campaign in an effort on the part of the administration to escape responsibility for not having enacted farm relief legislation. Practically the entire cotton-producing section of the South is included in the area of first-degree responsibility. The mental impression intended to be conveyed by this map is to locate responsibility away from the party in power. Otherwise there could be no point or purpose to it.

I do not ordinarily participate in partisan discussions. I realize the desperate straits to which this administration is driven after all the brave words and mighty promises, but it is neither brave nor fair to hide behind a doctored-up map and arouse prejudice in order to escape responsibility.

The Congress is adjourning. Nothing has been done. An excuse must be offered. Words fail; hence the trick map. It is to answer the question, "Who killed Cock Robin?" It is hoped that the grain and meat producers in their indignation that the Southern States—all agricultural and Democratic—which did not support the McNary-Haugen bill, will forget that the Republican Party is in power and in responsibility in both the House and in the Senate and in the White House. It is hoped they may not stop to consider that this McNary-Haugen bill did not propose the slightest relief to the southern farmers, but, on the contrary, proposed an added burden on the farmers of the Southern States, many of whom are in the greatest distress.

It is hoped, no doubt, they may not inquire into the history of this bill and learn that the committee which framed the bill knew when it was being framed the South could not support it and that it was reported to the House over the protest of representatives from the South on that committee. An examination of the provisions of the bill discloses that if the administration had deliberately set about to frame a bill with the purpose of excluding the possibility of southern support it could not have succeeded better than in this McNary-Haugen bill. The purpose to do that is not charged, but the bill discloses the fact. That is bad enough, but to label this bill as the real Cock Robin, deceased, which would have scratched away all the troubles of the wheat and meat producers, and in the solemn presence of that dead bird point an accusing finger at the South, inquiring, "Who killed Cock Robin?" and answer that question with this trick map, is not justified even by the dire extremities of these map fixers. It is not a mere matter of partisan or of personal politics which is involved. It is the possibility of mutual hurt.

It is not constructive statesmanship to propose a one-sided farm-relief measure which gives to one section of the country no share in its benefits, but actually proposes a new burden, get the bill defeated, and then offers for not having done any-

thing an excuse calculated to arouse an unwarranted prejudice which would prevent concert of action among agricultural sections in those matters where there is community of interests.

Let us see about this. The general plan of this bill—I speak of it as of before its defeat—is to advance from the Federal Treasury $200,000,000, to be administered by a Government board in the purchase, in its discretion, of certain enumerated commodities where there is an export surplus and the domestic price is below the average commodity price based upon the average of those prices during the years 1905 to 1914, both inclusive. Through the operation of the tariff the embargo, if necessary, and the purchases made for export domestic prices are to be raised until they reach the point of the average relative commodity price. The surplus purchased is to be sold abroad, dumped, and the loss from such sales and the cost of administration deducted from the receipts from original domestic sales.

That is the general plan of the bill. Aside from any questions as to economic or governmental soundness, the selection of the years 1905 to 1914, inclusive, as the basis for price fixing, while applicable and acceptable to the meat and grain sections, was impossible as to cotton, for this clear reason: Since the years 1905 to 1914, inclusive, carried in the bill as the basis for determining all prices to be paid by the Government board, 1909 being the average thereof, the boll weevil has established itself throughout the entire cotton-producing area. There is not a person to any degree familiar with the increased cost, the increased hazard, of cotton production resulting from the advent of the boll weevil who has the slightest idea that cotton can now or ever again, as long as that pest remains, be produced on the basis of the same relative average commodity price received for cotton during the 10 years 1905 to 1914, inclusive. In other words, cotton farmers having to fight this pest and bear the loss in yield would be destroyed from the increased production cost per bale and decreased yield long before prices had shrunk to the point where contact with the provisions of the McNary-Haugen bill would be established. I raised this question at the first meeting of Members called to receive an explanation of the bill and was told no consideration could be given to this new element in production cost. I am not criticizing for not doing this. I am criticizing for trying to lay responsibility upon the South after this policy was adopted which excluded it from any further interest in the bill except as to its adverse features.

The wheat and meat farmer suffers from the ravages of prices relatively lower than those of 1905 to 1914; the cotton farmer from yield lower than those years. In each of the sections there are vast areas of acute distress resulting from these causes. Many cotton farmers for three years in succession, after the entire expense of cultivation, have suffered almost total and many of them total loss of their crops. In some sections whole counties have been largely depopulated. The only effect of this bill, in so far as they are concerned, would be to increase the price of the meat and grain products which they must buy. Of course, we are sympathetic with the meat and grain farmers, but we can not vote this added burden on our people in a bill which brings no relief to them. We can not stand an increase of production cost. We must sell two-thirds of our cotton abroad, handicapped as we are by the boll weevil and the tariff-boosted, trust-manipulated prices which we must pay. We must have cheaper cost of production if we are to meet world competition with this handicap. Why, may I ask these map fixers, should southern Representatives vote an increased cost on our people to help those who will not help us and will not help themselves to reduce this cost so that we may all have a fairer chance to compete with the world, as both of us must?

Aside from that, we know that we can never depend on any arbitrary arrangement under which domestic buyers of the one-third of our cotton would be forced by law to pay us enough to absorb a loss on the two-thirds sold abroad, the cost of administering, and in addition pay us a profit on the entire crop. The people would not stand for it. An attempt to proceed in that direction would be a foolish gesture. However, there was no such proposition. While the bill originally included the word "cotton" it excluded the staple by the failure to include as a price-fixing element the influence upon production cost caused by the boll weevil. We do not complain at that. But after this sort of treatment, why lay responsibility at our door for the failure of this administration to frame a bill we could support?

"Who killed Cock Robin?" If our friends can get by with this "Who killed Cock Robin" business, they will have something to brag about in the cloakrooms for many days to come. Who did "kill Cock Robin"? The fact is, nobody "killed Cock Robin" in the House. It was dead when it was brought in. From the time of the solemn entry of the pallbearers it was only a question as to when the obsequies would take place. As a matter of fact, it was not a "Cock Robin" at all. It was not even a little female robin. All that could be told for certain was that it was a dead bird over which a preelection wake was being held. A good many people thought it looked like a little gosling which had died in its shell.

And now the party in power and in responsibility in both Houses of Congress and at the White House, having failed utterly to enact farm-relief legislation, is seeking to use this map to divert resentment from the administration and from the party in power to a group of Southern States, Democratic in their affiliation, which this administration saw to it—I do not charge the purpose—were excluded from any chance to cooperate in passing the legislation which it brought to the floor of the House. It is said that all is fair in war and in politics. I challenge that statement.

It may be that some support was expected from certain other sections of the country, especially from the manufacturing sections. For generations the farmers of the wheat and meat producing sections have had the doctrine preached to them, largely by their own representatives in Congress, that if they would agree to an artificial increase in price of the products of the cities, the people of the cities would have more money with which to buy the products of the farm. They have accepted and devoutly supported that doctrine, but when the wheat and meat producers sought, in the advocacy of this bill, to return the argument that if the manufacturing cities would agree to an artificial increase in the price of the products of the farm, and only up to the point of average commodity value, the farmer would have more money to buy the products of the manufacturing city, the city folks, to use a bit of expressive slang, "gave them the horse laugh."

It may be true that "what is sauce for the goose is sauce for the gander" but these preachers of the doctrine referred to seem to reason that it does not follow that what has made the "goose" sick would be good for the "gander." They would not take their own medicine. It was a very embarrassing moment for these gentlemen who have been peddling this medicine around, doping up the wheat and meat farmers, just when these farmers are getting suspicious as to its efficacy, to have those for whom they have been peddling it refuse to taste it just a little bit to show that they did not regard it as injurious to the system. It was disconcerting to say the least. It is enough to start them off trying to find out "Who killed Cock Robin?"

Maybe these gentlemen are to be excused for this map stunt. There is possibly not much else left in the present circumstances for the administration which is in power and in responsibility in the House, in the Senate, and in the White House to do except to get a lot of trick maps and go about the country crying out: "Cock Robin is dead; who killed Cock Robin?" But we are sorry that it has seemed to be necessary to lay the blame and responsibility in substantial part at the door of a group of agricultural States excluded from consideration of providing for them an additional burden upon production.

THE MERCHANT MARINE

Mr. GREENE of Massachusetts. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 6202, to amend sections 11 and 12 of the merchant marine act of 1920, with Senate amendments thereto, disagree to all of the Senate amendments and ask for a conference.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to take from the Speaker's table the amendment to the merchant marine act, with Senate amendments thereto, disagree to the Senate amendments and ask for a conference. Is there objection?

There was no objection.

The SPEAKER appointed the following conferees:

Mr. GREENE of Massachusetts, Mr. EDMONDS, Mr. LEHLBACH, Mr. DAVIS of Tennessee, Mr. LAZARO.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. TAYLOR of Tennessee, for one day, on account of important business.

HOUR OF MEETING TO-MORROW

Mr. HAUGEN. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day, it adjourn to meet at 11 o'clock a. m. to-morrow.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, I object.

ADJOURNMENT

Mr. HAUGEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 50 minutes, p. m.) the House adjourned until to-morrow, Saturday, May 24, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

509. Under clause 2 of Rule XXIV, a letter from the chairman of the Personnel Classification Board transmitting recommendation that Congress enact legislation to amend the classification act, striking out the two lowest rates of compensation for grades 2 and 3, respectively, of the custodial service, was taken from the Speaker's table and referred to the Committee on the Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 9077. A bill granting the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct a bridge across the Pearl River in the State of Mississippi; without amendment (Rept. No. 834). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 9224. A bill granting the consent of Congress to the Panola-Quitman drainage district to construct, maintain, and operate a dam in Tallahatchie River; without amendment (Rept. No. 835). Referred to the House Calendar.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 9314. A bill to amend section 98 of the Judicial Code; without amendment (Rept. No. 839). Referred to the House Calendar.

Mr. DOWELL: Committee on Roads. H. R. 4971. A bill to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented, and for other purposes; with an amendment (Rept. No. 840). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GILBERT: Committee on the District of Columbia. H. R. 8686. A bill authorizing the health officer of the District of Columbia to issue a permit for the removal of the remains of the late George Mauger Burklin and the remains of the late Anton Lerch Burklin from Glenwood Cemetery, District of Columbia, to Fort Lincoln Cemetery, Prince Georges County, Md.; without amendment (Rept. No. 836). Referred to the Committee of the Whole House.

Mr. REECE: Committee on Military Affairs. H. R. 8749. A bill to correct the military record of Tennessee McCloud; without amendment (Rept. No. 837). Referred to the Committee of the Whole House.

Mr. HILL of Alabama: Committee on Military Affairs. S. 1427. An act for the relief of Rosa L. Yarbrough; without amendment (Rept. No. 838). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Claims was discharged from the consideration of the bill (S. 1427) for the relief of Rosa L. Yarbrough, and the same was referred to the Committee on Military Affairs.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. FULMER: A bill (H. R. 9398) to provide for the establishment of a dairying and livestock experiment station at Columbia, S. C.; to the Committee on Agriculture.

By Mr. WILLIAMS of Texas: A bill (H. R. 9399) granting the consent of Congress to the North Texas Co., of St. Jo, Tex., incorporated under the laws of Texas, to build a bridge across the Red River in the vicinity of Illinois Bend; to the Committee on Interstate and Foreign Commerce.

By Mr. WURZBACH: A bill (H. R. 9400) to authorize the exploration and purchase of mines within the boundaries of private land claims; to the Committee on Mines and Mining.

By Mr. McKEOWN: A bill (H. R. 9401) to provide for the purchase of a site and building at Sapulpa, in the State of Oklahoma, and providing an appropriation therefor; to the Committee on Public Buildings and Grounds.

By Mr. VINSON of Kentucky: A bill (H. R. 9402) authorizing the construction of a bridge across the Ohio River to connect the city of Portsmouth, Ohio, and the village of Fullerton, Ky.; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ARNOLD: A bill (H. R. 9403) granting an increase of pension to Isabella Shields; to the Committee on Invalid Pensions.

By Mr. BEERS: A bill (H. R. 9404) granting an increase of pension to Maria Van Orman; to the Committee on Invalid Pensions.

By Mr. CUMMINGS: A bill (H. R. 9405) granting a pension to Abraham Hess; to the Committee on Invalid Pensions.

By Mr. DENISON: A bill (H. R. 9406) for the relief of Ferdinand A. Roy; to the Committee on Military Affairs.

By Mr. GREENE of Massachusetts: A bill (H. R. 9407) for the relief of Mary C. Busiere; to the Committee on Claims.

Also, a bill (H. R. 9408) for the relief of Ralph W. Clapp; to the Committee on Claims.

By Mr. WILLIAM E. HULL: A bill (H. R. 9409) granting a pension to Emma J. Pemble; to the Committee on Invalid Pensions.

By Mr. LEHLBACH: A bill (H. R. 9410) for the relief of Nicola Uzzolino; to the Committee on Claims.

By Mr. MAJOR of Illinois: A bill (H. R. 9411) granting an increase of pension to Emma Baldridge; to the Committee on Invalid Pensions.

By Mr. MURPHY: A bill (H. R. 9412) granting an increase of pension to Cassie A. Cunningham; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9413) granting an increase of pension to Elizabeth May; to the Committee on Invalid Pensions.

By Mr. PAIGE: A bill (H. R. 9414) granting a pension to Mary E. Harris; to the Committee on Invalid Pensions.

By Mr. REECE: A bill (H. R. 9415) authorizing the President to appoint J. H. S. Morison to the position and rank of major, Medical Corps, in the United States Army; to the Committee on Military Affairs.

By Mr. SHREVE: A bill (H. R. 9416) granting a pension to Francis Blakeley; to the Committee on Invalid Pensions.

By Mr. SNELL: A bill (H. R. 9417) granting a pension to Ida V. Forbes; to the Committee on Invalid Pensions.

By Mr. SPEAKS: A bill (H. R. 9418) granting an increase of pension to Kate Crookes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9419) granting an increase of pension to Eliza J. Karns; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9420) granting an increase of pension to Nettie McDowell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9421) granting an increase of pension to Frances E. Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9422) granting an increase of pension to Rilla J. White; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9423) granting an increase of pension to Paulina Whitehead; to the Committee on Invalid Pensions.

By Mr. TILSON: A bill (H. R. 9424) granting an increase of pension to Dora K. Flaherty; to the Committee on Invalid Pensions.

By Mr. WHITE of Kansas: A bill (H. R. 9425) granting a pension to Della Work Cherry; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2859. By Mr. CULLEN: Petition of the Maritime Exchange of New York City, indorsing the principle of the application of the ratio of 5-5-3 to the respective naval armaments of Great Britain, the United States, and Japan, and urging that the United States Navy be kept at full strength contemplated in this agreement; also petition favoring bill introduced by Hon. JOHN J. KINDRED providing for establishment of a national police bureau, known as House bill 8580; to the Committee on Naval Affairs.

2860. By Mr. FULMER: Petition of Woman's Christian Temperance Union, Leesville, S. C., signed by Mrs. J. N. McCartha,

president, and 37 members, protesting against the passage of any law in favor of light wines and beer; to the Committee on the Judiciary.

2861. By Mr. GALLIVAN: Petition of United National Association of Post Office Clerks, Washington, D. C., recommending early and favorable action on House bill 9035; to the Committee on Rules.

2862. Also, petition of James A. McKibben, secretary Chamber of Commerce, Boston, Mass., protesting against the McNary-Haugen bill; to the Committee on Agriculture.

2863. By Mr. GRIFFIN: Petition of the City Parliament of Community Councils of the City of New York, urging that a congressional committee be appointed to investigate the matter of telephone rates and service in the United States, particularly the relationship between the American Telephone & Telegraph Co. and its subsidiaries; to the Committee on Interstate and Foreign Commerce.

2864. Also, petition of the Maritime Association of the Port of New York, urging prompt action in providing the necessary appropriation to carry out the plan of naval building and modernization recommended by the Secretary of the Navy; to the Committee on Naval Affairs.

2865. Also, petition of the Maritime Association of the Port of New York, urging prompt action on House bill 8580, providing for the establishment of a national police bureau; to the Committee on the Judiciary.

2866. By Mr. NEWTON of Minnesota: Petition of the "Soo" Line Shop Employees Association, of Minneapolis, Minn., opposing the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2867. By Mr. RAKER: Petitions of H. J. Barton, Oak Bar, Calif.; W. S. Sullivan, Agnew, Calif.; and Edwin S. Pickard, Adin, Calif., indorsing House bill 9035, in re increase of salaries for third and fourth class postmasters; and Chamber of Commerce of the United States of America, Washington, D. C., in re legislation relative to increasing postal rates; to the Committee on the Post Office and Post Roads.

2868. Also, petitions of Mrs. Alda C. Riesenman, Wendel, Calif.; F. G. Campini, Drytown, Calif.; and R. Guy Smith, Moss Beach, Calif., indorsing House bill 9035, to increase salaries of third and fourth-class postmasters; to the Committee on the Post Office and Post Roads.

2869. Also, petitions of Sierra Paper Co., Los Angeles, Calif., and L. W. Becker, Los Angeles, Calif., opposing passage of Howell-Barkley labor bill; to the Committee on Interstate and Foreign Commerce.

2870. Also, petition of Miss Anna A. Welch, 2266 Pine Street, San Francisco, Calif., urging favorable consideration of House bill 8352 in re reclassification of salaries of the custodian employees of the custodial service; to the Committee on the Civil Service.

2871. Also, petitions of Gyro Club, of Seattle, Wash., opposing bill pending which would change name of Mount Rainier to Mount Tacoma; John A. Edlund, Tacoma, Wash., in re change in name of Mount Rainier; and M. J. Dunham, Castle Glen, Wash., relative to changing name of Mount Rainier to Mount Tacoma; to the Committee on the Public Lands.

2872. Also, petition of the National Cooperative Milk Producers' Federation, 1731 I Street NW., Washington, D. C., in re McNary-Haugen agricultural bill; to the Committee on Agriculture.

2873. Also, petition of A. C. Williams, secretary Mena Chapter, No. 2, Izaak Walton League of America, Mena, Ark., indorsing bill for the establishment of a national park in the Ozark Mountains of western Arkansas; to the Committee on the Public Lands.

2874. Also, petition of Ralph Gordon, master Happy Camp Grange, No. 395, Happy Camp, Calif., opposing creation of a Federal department of education; to the Committee on Education.

2875. By Mr. TAGUE: Petition of Boston Central Labor Union, deploring congressional authorization for the manufacture of shoes in Federal institutions; to the Committee on the Judiciary.

2876. By Mr. THOMPSON: Petition of Napoleon, Ohio, Chapter, Izaak Walton League of America, 150 members, urging immediate passage of House bill 4088, known as the upper Mississippi River bill; to the Committee on Agriculture.

2877. By Mr. UNDERWOOD: Petition of Chillicothe Chapter, No. 3, Izaak Walton League of America, favoring the preservation of the upper Mississippi Valley as a national game reserve; to the Committee on Agriculture.

SENATE

SATURDAY, *May 24, 1924*

(Legislative day of Tuesday, May 20, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

NAMING A PRESIDING OFFICER

The Secretary, George A. Sanderson, read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., May 24, 1924.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. SELDEN P. SPENCER, a Senator from the State of Missouri, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. SPENCER thereupon took the chair as Presiding Officer.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6202) to amend sections 11 and 12 of the merchant marine act, 1920, requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. GREENE of Massachusetts, Mr. EDMONDS, Mr. LEHLBACH, Mr. LAZARO, and Mr. DAVIS of Tennessee were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message also announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Presiding Officer [Mr. SPENCER] as Acting President pro tempore:

H. R. 6820. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes; and

H. R. 9192. An act making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes.

POSTMASTERS AND POSTAL EMPLOYEES

Mr. MOSES. Mr. President, the unfinished business is the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service. I have not charge of the measure, but I ask unanimous consent that it may be temporarily laid aside.

Mr. ROBINSON. For what purpose?

Mr. MOSES. I understand that the chairman of the Committee on Finance wishes to take up the conference report on the revenue bill.

Mr. ROBINSON. There will be no objection to the request.

The PRESIDING OFFICER (Mr. SPENCER). Is there objection to the request of the Senator from New Hampshire that the unfinished business be temporarily laid aside? The Chair hears none, and it is so ordered.

"THE PERIL OF NARCOTICS—A WARNING"

Mr. ROBINSON. Mr. President, I ask unanimous consent to present a document entitled "The Peril of Narcotics—A Warning," by Capt. Richmond P. Hobson, late of the United States Navy and late a Member of the House of Representatives, president of the International Narcotic Education Association, and to have the same referred to the Committee on Printing.

The PRESIDING OFFICER. Without objection, it will be so referred.

CONFEDERATE MEMORIAL DAY SERVICES

The PRESIDING OFFICER laid before the Senate the following communication, which was read and ordered to lie on the table:

HEADQUARTERS CONFEDERATE VETERANS' ASSOCIATION,
OF THE DISTRICT OF COLUMBIA,
Washington, D. C., May 9, 1924.

To the United States Senate:

Camp 171, United Confederate Veterans of Washington, respectfully invites the Members of the Senate to attend the Confederate Memorial Day services at Confederate section, Arlington National Cemetery, at 3 p. m., Sunday, May 25, 1924.

Very respectfully,
FRED BEALL,
Commander Camp 171, United Confederate Veterans.

MEETING OF INTERNATIONAL LONGFELLOW SOCIETY

The PRESIDING OFFICER laid before the Senate the following communication, which was read and ordered to lie on the table:

To the President pro tempore of the Senate:

All Members of the Senate, their families, and friends are cordially invited to attend the public readings by our great American poet, Edwin Markham, to be given at the First Congregational Church under the auspices of the International Longfellow Society, Monday afternoon, May 26, at 4.45. "The Man With the Hoe" and other poems will be given. The same evening, at 8 o'clock, "Lincoln" and other poems.

These readings are given in connection with the preservation of the birthplace of the poet Longfellow and in furtherance of the centenary of Lafayette's last visit to America.

The French ambassador will preside and introduce Mr. Markham.

ARTHUR C. JACKSON,
President the International Longfellow Society,
Longfellow Birthplace, Portland, Me.

PETITIONS

Mr. CAPPER presented the petition of the Pittsburg (Kans.) Chapter, No. 1, of the Izaak Walton League of America, praying for the passage of legislation to establish the upper Mississippi wild life and fish refuge, which was referred to the Committee on Commerce.

Mr. LADD presented a resolution of Bottineau Post, No. 2, of the American Legion, of Bottineau, N. Dak., favoring the passage of legislation granting relief to World War veterans afflicted with tuberculosis, which was referred to the Committee on Finance.

Mr. SHORTRIDGE presented numerous letters, telegrams, and papers, in the nature of petitions, from sundry citizens, labor unions, and church and civic organizations in the State of California and other States of the Union, praying an amendment to the Constitution relative to the regulation of child labor, which were referred to the Committee on the Judiciary.

Mr. WADSWORTH presented the following concurrent resolution of the Legislature of New York, which was referred to the Committee on Appropriations.

IN ASSEMBLY STATE OF NEW YORK,
March 5, 1924.

(By Mr. Austin)

Whereas there has been enacted into law since the close of the Great War a new national defense act, under whose provisions a policy of preparedness has been provided for; and

Whereas a reserve force of our citizens, known as the Organized Reserves, has been made a part of our military forces; and

Whereas the National Guard of the State has been brought into closer connection with the War Department so that the Army now consists of three components, the Regular Army, the National Guard, and the Organized Reserves; and

Whereas it is important that proper funds be appropriated for the training of the two civilian components, namely, the National Guard and the Organized Reserves, the men and officers receiving no pay excepting on active duty; and

Whereas it is important that a reasonable amount of training shall be provided for, at the expense of the Government, it being the policy of the War Department that officers in the Reserve Corps should be placed on two weeks' active duty once in three years: Therefore, be it

Resolved (if the senate concur), That we do earnestly recommend and request that the Congress make liberal appropriations for the carrying out of the spirit of the national defense act; and that the Members of Congress from the State of New York be urged to vote in favor of such appropriations.

The Speaker put the question whether the house would agree to said resolution, and it was determined in the affirmative.

Ordered, that the clerk deliver said resolution to the senate and request their concurrence therein.

IN ASSEMBLY,
March 20, 1924.

The senate returned the concurrent resolution in relation to the national defense act with a message that they have concurred in the passage of same without amendment.

STATE OF NEW YORK, COUNTY OF ALBANY,
Office of the Journal Clerk of the Assembly, ss:

I, W. K. Mansfield, journal clerk of the assembly, do hereby certify that I have compared the foregoing record of proceedings of the assembly of March 5 and 20, 1924, relative to the resolution therein set forth with the original thereof as contained in the official copy of the journal of the assembly of said dates, and that the same is a true and correct transcript of said journal in so far as the same relates to said resolution.

In witness whereof I have hereunto set my hand this 30th day of April, 1924.

W. K. MANSFIELD,
Journal Clerk of the Assembly.

REPORTS OF COMMITTEES

Mr. WALSH of Montana, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them each without amendment, and submitted reports thereon:

A bill (S. 2689) for the relief of the First International Bank of Sweetgrass, Mont. (Rept. No. 608); and

A bill (H. R. 3511) to extend relief to the claimants in township 16 north, ranges 32 and 33 east, Montana Meridian, Mont. (Rept. No. 609).

Mr. JOHNSON of Minnesota, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment, and submitted a report thereon as indicated:

A bill (S. 927) for the relief of the widow and minor children of Raymond C. Hanford;

He also, from the Committee on Agriculture and Forestry, reported a bill (S. 2913) for the establishment of migratory-bird refuges to furnish in perpetuity homes for migratory birds, the establishment of public shooting grounds to preserve the American system of free shooting, the provision of funds for establishing such areas, and the furnishing of adequate protection for migratory birds, and for other purposes (Rept. No. 610; and

He also, from the Committee on Claims, reported a bill (S. 3115) for the relief of Rosa B. Smolik.

Mr. STEPHENS, from the Committee on Claims, to which was referred the bill (S. 2778) for the relief of R. E. Swartz, W. J. Collier, and others, reported it with amendments, and submitted a report (No. 611) thereon.

Mr. HARRELD, from the Committee on Claims, to which was referred the bill (S. 1893) to refund certain duties paid by the Nash Motors Co., reported it without amendment, and submitted a report (No. 612) thereon.

He also, from the same committee, to which was referred the bill (S. 443) for the relief of the William J. Oliver Manufacturing Co. and William J. Oliver, of Knoxville, Tenn., reported it with an amendment, and submitted a report (No. 613) thereon.

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them each with an amendment, and submitted reports thereon:

A bill (S. 308) to reimburse the State of Montana for expenses incurred by it in suppressing forest fires on Government land during the year 1919 (Rept. No. 614); and

A bill (S. 3050) for the relief of the Turner Construction Co., of New York City (Rept. No. 615).

Mr. SPENCER (Mr. STERLING in the chair), from the Committee on Claims, to which was referred the bill (S. 2731) for the relief of the Chamber of Commerce of the City of Northampton, Mass., reported it without amendment and submitted a report (No. 616) thereon.

Mr. TRAMMELL, from the Committee on Claims, to which was referred the bill (S. 2369) for the relief of the Eagle Pass Lumber Co., of Eagle Pass, Tex., reported it with an amendment and submitted a report (No. 617) thereon.

PERMANENT COURT OF INTERNATIONAL JUSTICE

Mr. PEPPER. From the Committee on Foreign Relations I report with amendments Senate Resolution 234, advising the adherence of the United States to the existing Permanent Court of International Justice with certain amendments, and will ask leave later to file a written report.

The PRESIDING OFFICER. The resolution will be placed on the calendar.

Mr. SWANSON. The minority desires the right to file a written report later, and any other member of the committee will also have a right to file his views in connection with the resolution.

DISTRICT OF COLUMBIA APPROPRIATIONS

Mr. PHIPPS. From the Committee on Appropriations I report back favorably with amendments House bill 8839, making appropriations for the government of the District of Columbia and other activities chargeable, in whole or in part, against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes, and I submit a report (No. 618) thereon. I desire to serve notice that I shall call up the

bill for consideration on Monday, or at the first opportunity that is afforded.

The PRESIDING OFFICER. The bill will be placed on the calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

Mr. ROBINSON. Some days ago I introduced a bill to establish a national park in the State of Arkansas. A similar bill was introduced in the House of Representatives by Mr. WINGO, a Member of the House from the State of Arkansas. He advises me that there is an error in the description of the land embraced in the bill. For the purpose of making a clerical correction I ask permission to introduce a bill giving a correct description of the land and to have it referred to the Committee on Public Lands and Surveys.

By Mr. ROBINSON:

A bill (S. 3375) to establish the Mena National Park in the State of Arkansas; to the Committee on Public Lands and Surveys.

By Mr. SWANSON:

A bill (S. 3376) to provide for the inspection of the battle fields and surrender grounds in and around old Appomattox Court House, Va.; to the Committee on Military Affairs.

A bill (S. 3377) for the relief of George E. Taylor; and

A bill (S. 3378) for the relief of Isabelle R. Damron, postmaster at Clintwood, Va.; to the Committee on Claims.

By Mr. LENROOT:

A bill (S. 3379) providing for the sale and disposal of public lands within the area heretofore surveyed as Boulder Lake, in the State of Wisconsin; to the Committee on Public Lands and Surveys.

By Mr. ERNST:

A bill (S. 3380) to grant the consent of Congress to the Cincinnati, New Orleans & Texas Pacific Railway Co. to construct, maintain, and operate a new bridge across the Cumberland River, in the County of Pulaski, State of Kentucky, near the town of Burnside; to the Committee on Commerce.

By Mr. COPELAND:

A bill (S. 3381) granting a pension to Horace W. Myers; to the Committee on Pensions.

By Mr. BURSUM:

A bill (S. 3382) for the relief of Mrs. Robert A. Thomas; to the Committee on Claims.

By Mr. SHORTRIDGE:

A bill (S. 3383) amending section 3228 of the Revised Statutes as amended by section 1316 of the revenue act of 1921; to the Committee on Finance.

By Mr. JONES of Washington:

A bill (S. 3384) to establish in the Bureau of Foreign and Domestic Commerce of the Department of Commerce a foreign-commerce service of the United States, and for other purposes; to the Committee on Commerce.

By Mr. NORBECK:

A bill (S. 3385) granting a pension to Otto W. Shade (with accompanying papers); to the Committee on Pensions.

AMENDMENT OF MERCHANT MARINE ACT, 1920

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 6202) to amend sections 11 and 12 of the merchant marine act, 1920, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. JONES of Washington. I move that the Senate insist upon its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. JONES of Washington, Mr. FERNALD, and Mr. FLETCHER conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed the bill (S. 3272) granting the consent of Congress to the Panola-Quitman drainage district to construct, maintain, and operate a dam in Tallahatchie River.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 8070) authorizing preliminary examinations and surveys of sundry streams with a view to the control of their floods.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2169) to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes.

The message also announced that the House disagreed to the amendments of the Senate to the bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MADDEN, Mr. MAGEE of New York, Mr. WASON, Mr. BUCHANAN, and Mr. LEE of Georgia were appointed managers at the conference on the part of the House.

The message further announced that the House had adopted a concurrent resolution (H. Con. Res. 25) relative to the enrolling of House bill 8350, the State and Justice, etc., Departments appropriation bill for the fiscal year ending June 30, 1925, in which it requested the concurrence of the Senate.

WORLD COURT

Mr. LODGE. I send to the desk a letter which I ask may be printed in the RECORD without reading. It is a letter from Chandler P. Anderson relating to the proposed World Court.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter referred to is as follows:

[Published in the New York Times, May 16, 1924]

MAY 13, 1924.

The EDITOR OF THE NEW YORK TIMES:

In Mr. Wickersham's letter in the New York Times to-day, replying to my letter of May 10 about the proposed world court, he says in conclusion that the real trouble with this "improved plan" is that "it can not be expected to meet with the approval of any of the nations which have united in the formation of the existing court."

I do not know by what authority Mr. Wickersham speaks for the members of the league, but I doubt that they will find the proposed changes as unacceptable as he believes.

As to the proposed jurisdiction amendment, he says that it is not intended that the court should have jurisdiction over "all matters especially provided for in treaties and conventions in force" unless they are referred to it by the parties. If that is true, could any member of the court have any objection to amending the provision as proposed, in order to avoid any possible future misunderstanding on this point?

He also admits that so far as the United States is concerned the submission of a case must be by special agreement which has received the approval of the Senate. That being true, what objection can there be to an express statement of this condition, which is invariably stated in all arbitration treaties made by the United States?

As to the proposal that the court should not render advisory opinions concerning questions which the United States considers are of purely domestic concern, he remarks that the court is not obliged to render any advisory opinion, and he points out that it recently refused to render an advisory opinion in a controversy between Finland and Russia. He may be interested to know that the principal reason why the court refrained from rendering an advisory opinion in that case was because "the Russian Government absolutely repudiated the claim of the so-called League of Nations to intervene in the question of the internal situation of Carelia and stated that any attempt on the part of any power to apply to Russia the article of the covenant of the league relating to disputes between one of its members and a non-participating State would be regarded by the Russian Government as an act of hostility to the Russian State."

Does any member of the League of Nations think that it is advisable to invite a rebuff of this character, or that it tends to international good feeling to force a nation into such a hostile attitude in order to prevent interference with its domestic concerns?

Mr. Wickersham takes me to task for pointing out that his statement that the whole world, except the United States, Russia, Ecuador, and Mexico were in the league court is incorrect, because Germany, among other States, is not a member of that court. He retorts that Germany was a party to a recent case before the court, and that a German judge sat as a temporary member of the court in that case. The case he refers to is the steamship *Wimbledon*, and Mr. Wickersham will find, if he examines the decision of the court, that in that case Germany was not there voluntarily, but because compulsory jurisdiction of the court over that case was imposed upon Germany by the provisions of articles 380 and 386 of the treaty of Versailles.

Mr. Wickersham will also be interested to learn that, in addition to the United States, Russia, Ecuador, Mexico, and Germany and her former ally, Turkey, 9 other States have not signed the protocol for the court, and 11 States which signed the protocol have not ratified it. These States comprise nearly all of Latin America, in-

cluding the five Central American Republics, also Argentina, Bolivia, Chile, Columbia, Dominican Republic, Paraguay, and Peru. Thus there are 25 States in addition to the United States which have not become members of the league court, and many of these are members of the League of Nations.

Mr. Wickersham further criticizes the "improved plan" on the ground that it is not a reorganization of the league court, but a new and independent creation. It does not appear on what authority he makes this statement, but if he will examine the proposed plan he will find that it is required to be submitted to a third Hague conference, and it will rest with the States participating to decide whether the proposed world court should be an entirely new court or a transformation of the league court into a world court. It is distinctly stated in the plan that "the simplest solution would be to separate the existing court from the control of the League of Nations and establish it independently by a new international convention, without destroying its identity, but making the changes required by its new status." It would seem that this question could appropriately be decided by the nations themselves, when the proposal is submitted to them.

Mr. Wickersham dissents from my statement that "if any court is to make laws for the world, it should be a world court, and not the league court." That would seem to be a perfectly self-evident proposition, and certainly the burden is on Mr. Wickersham to show the contrary, and how the United States would fare better in the league court than in the world court. But he has not troubled himself to argue the question thus raised.

On this point, I recommend to Mr. Wickersham's attention the following statements made by Dr. David J. Hill in the Saturday Evening Post last August:

> "It is not humanly possible for a court constituted as the Permanent Court of International Justice is constituted—every judge except one belonging to a nation that is a member of the league—not to defend the interests of the league as such. If there were any doubt on this point it should be removed by the fact that the court is the official adviser of the league in legal questions, the greater part of its work thus far having been the rendering of opinions regarding the league's activities. * * * So long as the Permanent Court of International Justice is in any sense dependent upon the league for its existence, being chosen, paid, and pensioned by it, the judges must support the league and will inevitably be controlled by the league's law. No doubt the league—that is, the council and assembly—will not give orders to the court. That is unnecessary. The orders are already in the covenant of the league, which assigns its proper rôle to each of the league's organs and will determine the policy of all of them, because it is their fundamental law. Their community of interest lies in helping the league to prevail in order, as Lord Robert Cecil has expressed it, that the league 'may become the sole international authority in Europe and the world.'"

As illustrating the reluctance of the league to participate with the rest of the world in the development and codification of international law, I cited in my last letter the refusal of the league to call a third Hague conference for that purpose, as recommended by the committee of jurists which drafted the league court plan. Mr. Wickersham undertakes to explain the league's refusal to adopt this recommendation by showing that Mr. Root, who was a member of that committee, stated in 1921 that the time was not then ripe for such a conference.

That was in 1921, however, and nothing has since been done about it by the league. The failure of the league to act is a reason for, rather than against, reopening the question of calling a third Hague conference, as proposed by the Lodge resolution.

Mr. Wickersham's objection to establishing any legal principles to control the decisions of the court is admirably answered by the following extracts from an editorial in the American Journal of International Law for April, 1923, by Prof. Charles Noble Gregory (one of the editors of that Journal). Speaking of the league court, he said:

> "The large conclusion as to the future course of this very high tribunal which is suggested with much force is that it will evolve such juristic rules and conceptions as it sees fit, controlled by no code and but little if at all limited by judicial precedent or scholastic opinion. If it is called to deal with such international questions as may be discerned in the offing, even by our somewhat short-sighted and optimistic statesmen, it is apparent that it will probably register in perfect good faith and with supreme confidence, exclusively the views and policies of Europe. What those views and policies will prove to be as to the rights of Indian, Japanese, and Chinese nationals on our shores, in our schools, in our lands, and in a claim, always appealing, for equal treatment, who can say? In the matter of enemy's property and the vast sums claimed in relation thereto, in the matter of international debts which are owed to us in billions by the countries to which these judges belong, who can foresee their conclusions or anticipate their decisions?
>
> "If they are hostile to the interests of this country and contrary to those views of justice and equity which we have so long assimilated, how can they be reviewed or corrected? No means is apparent and even an advisory opinion will operate as compulsive. * * * "Under the above circumstances, the friendly eye of the international student must look to the uncharted course of the high tribunal with real solicitude. He must wish for it not only exalted powers of intellect, but a spirit of equally exalted and disinterested devotion to justice, which can not be said to be universal in international action. He must hope that these nebulous, unfenced, and expansive powers will not engulf and destroy the safeguards which the long, brave, and successful struggle of our race and our country for freedom and self-government has fashioned and until now maintained."

CHANDLER P. ANDERSON.

WASHINGTON, D. C., *May 13, 1924.*

PROHIBITION ENFORCEMENT

Mr. BORAH. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Philadelphia North American of date May 21, 1924, entitled "For nullification."

The PRESIDING OFFICER. Without objection the request of the Senator from Idaho is granted.

The editorial is as follows:

FOR NULLIFICATION

Many Americans were astonished, it appears, by Nicholas Murray Butler's recent speech denouncing prohibition, the eighteenth amendment to the Constitution, and the Volstead Act, and demanding restoration of a legalized liquor traffic. But while such an utterance from a distinguished educator is deplorable, the incident surely provided no occasion for surprise. Doctor Butler has long been foremost among the advocates of the booze cause. So far back as January of last year he diverted the country by a similar declaration. Then his argument for liquor was that the law was being disobeyed by "large numbers of highly intelligent and morally sensitive people." During the interval his views have not grown more logical but merely more violent. Now he urges abandonment of the law upon the ground that it promotes immorality and crime; besides making lawbreakers among the "highly intelligent and morally sensitive," he contends it is corrupting innocent young persons by inciting them to defiance, and is putting the brand of criminality upon bootleggers who ought to be self-respecting, tax-paying, law-abiding, licensed rum sellers.

Doctor Butler, of course, has other titles to fame besides his fanatical hatred of prohibition. As president of Columbia University he is noted in the scholastic world, having been the recipient of literally dozens of honorary degrees from institutions of learning in this country and in Europe. He has been for many years a leading figure in the councils of the Republican Party, and has been insatiable in pursuit of political prominence and public office. At several national conventions he has been a member of the committee on resolutions. Four years ago the New York delegation gave him a complimentary ballot for the presidential nomination. In 1912 he was the nominee for Vice President and shared with Mr. Taft the distinction of rolling up 8 electoral votes.

In the address which he delivered at a banquet of the Missouri Society in New York City on April 29 he stated his case in these terms:

> "Shocking and immoral conditions have been brought about by the eighteenth amendment to the Constitution and the legislation enacted pursuant to its provisions. The amendment itself is not only a violation of the principles upon which our Government rests but a revolutionary departure from them. The American people will not long permit this condition to continue without emphatic and effective revolt.
>
> "As a result of the eighteenth amendment we now have a nation-wide traffic in intoxicating liquors which is unlicensed, illicit, illegal, and untaxed. We have multiplied many times the saloon. We have brought about a situation in which we challenge the ingenuity and the sporting instinct of millions of young persons to test whether or not they can safely violate a law for which they have no respect. We have invited and induced a spirit and a habit of lawlessness which are quite without precedent. * * *
>
> "The reason why the national prohibition law is not enforced is that it can not be enforced. The reason why it can not be enforced is that it ought not to have been passed. In its attempted interference with the food and drink and medicine of the people, it is a form of oppression to which a free people will never submit in silence. The immoral conditions which have followed the ratification of the amendment are the natural results of its own immorality. * * * Men and women of religious faiths, of moral principle and of public spirit should face the terrible facts that confront them. * * * A burning moral issue has been raised by the results of the prohibition policy. That issue is whether the Ameri-

can people will have the courage to strike from their Constitution and their statute books the hateful cause of all this demoralization."

This remarkable statement of perverted facts and false deductions has been hailed with delight by the liquor interests and all the forces of lawlessness, both the morally sensitive and the callously commercial, and it has been unsparingly denounced by supporters of the law and the Constitution. Many of these latter express amazement that such destructive sentiments should emanate from a man who is head of a great institute of learning and the counselor of youth. There is, however, nothing in Doctor Butler's record inconsistent with his fury against a measure of economic and social and moral progress. In public affairs he has always been a sodden reactionary, a defender of special privilege and predatory interests, and a dependable spokesman for the most sordid elements in the Republican Party leadership.

Some of his opponents assail him severely for advocating repeal of the eighteenth amendment. This, we are sure, is not valid ground for criticism. Doctor Butler or any other citizen, if he believes that adoption of the amendment was a mistake and that its effects are injurious, has an unquestionable right to urge its repeal and to work for the accomplishment of that end through orderly processes. The spectacle of a man in his position condoning lawlessness and acting as special pleader for a discredited and outlawed traffic is, of course, gross in its impropriety. His misrepresentations may properly be censured and his judgment challenged. But these considerations do not impair his right to agitate for repeal, if he does so candidly.

The offense of Doctor Butler and his kind is that they are not honestly striving for repeal of the eighteenth amendment by the democratic methods through which it was made a part of the Constitution, but are working to bring about its nullification. There are certain infallible tests which determine the degree of sincerity in a man's hostility to the law.

The two main contentions offered by Doctor Butler are precisely those which are used by the bootleggers and by every agent of the liquor traffic, namely, that the law is an invasion of personal liberty and that it can not be enforced.

The first of these pleas was long ago worn threadbare. "Interference with the food and drink and medicine of the people" is not an unheard-of innovation; it is a commonplace function of law. If Doctor Butler doubts this, let him try to buy a trout out of season, or run a private still under a license law, or purchase a pound of opium. Personal liberty extends just to the point where its exercise inflicts social injury, and no further.

In asserting that the law can not be enforced, he speaks neither accurately nor honestly. For his statement is founded upon the premise that there have been genuine and efficient efforts to enforce the law, and no one knows better than Doctor Butler that this implication is false.

He knows that neither under Democratic nor Republican auspices has there been followed a sincere and determined purpose to apply the prohibition law. He knows that at the head of the bureau responsible for enforcement is an official who is hostile to the Volstead Act and whose first thought is to serve the politicians and their backers; that the enforcement officers and agents have been selected in most instances for political reasons, and have included former saloon keepers, bootleggers, and politicians serving the liquor interests; that the records of courts and congressional inquiries have revealed not merely official indifference and incompetence but flagrant corruption and betrayals of trust; that the law has been distorted in the Bureau of Internal Revenue, disregarded in the Department of Justice, and misinterpreted by prosecutors and judges. For Doctor Butler, in the face of these notorious conditions, to say that the law can not be enforced is an assumption which instantly raises doubts as to his good faith.

But another test has a graver effect upon his repute as a good citizen and an honest critic of prohibition. Straightforward advocacy of repeal of the eighteenth amendment is legitimate, provided it is based upon unswerving loyalty to the law and uncompromising support of its enforcement until it shall be repealed. Without these things agitation against the law has for its purpose not repeal but nullification. In his speech Doctor Butler said: "I shall obey these laws so long as they remain on the statute book." But this perfunctory remark was lost in the torrent of invective against the eighteenth amendment and the Volstead Act. The speaker is conspicuously one of the "highly intelligent and morally sensitive" class, and no one knows better than he that the effect of his sweeping denunciation of the amendment as an unconstitutional, immoral, and utterly indefensible enactment is to incite defiance of it.

"A year ago," says the United States attorney in New York, "Doctor Butler said disobedience of the law was not a crime, nor even reprehensible. Now he says the law can not be enforced, bewailing the fact that so many persons have taken his advice. He puts all the emphasis on repeal and none on the duty of obedience."

And Doctor Butler was not satisfied to assail the amendment as wrong in principle and unenforceable in practice. He had the effrontery to attribute to it all the lawlessness and criminality involved in its defiance.

Drinking, he finds, is no longer a vice, because it is done in violation of a statute which isn't popular, and he has an approving smirk for "the ingenuity and sporting instinct of young persons" who "violate a law for which they have no respect." Bootlegging and smuggling and the selling of poison booze are not the activities of criminals but "the natural results of the immorality of the eighteenth amendment." With precisely as much justification and honesty it could be argued that the antinarcotic law is responsible for the prevalence of dope peddling and drug addiction.

That the aim of the Butler movement is nullification, not repeal, is shown not only by his studied encouragement of law defiance but by his demand for modification of the Volstead Act, which "tells a conscious lie," he says, in defining as intoxicating any liquor containing more than one-half of 1 per cent of alcohol.

Thus he gives support to the agitation for the legalizing of "light wines and beer." But he is perfectly aware that if Congress were to authorize the making of intoxicating beer the law would be invalid, for it would be in palpable violation of the eighteenth amendment. As for "light wines," the very term in this connection is a palpable fraud, since there is not a "light" wine containing less than 8 per cent of alcohol, and most of them contain double that amount. But if in this manner the Volstead Act can be broken down, then there will be no enforcement statute and the constitutional amendment will be nullified. And that is exactly the purpose behind the whole wretched scheme.

The enemies of prohibition are divided into three classes—first, honest advocates of repeal, who practice and support loyal observance of the law until repeal can be accomplished; second, the bootleggers, who methodically violate the law for gain; third, those who incite lawlessness while professing to deplore it and who make a false pretense of working for an impossible repeal while actually striving to achieve a possible nullification. And the tactics of the third group are by far the most dangerous and detestable.

AGRICULTURAL DEPARTMENT APPROPRIATIONS

The PRESIDING OFFICER (Mr. STERLING in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McNARY. I move that the Senate insist upon its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McNARY, Mr. JONES of Washington, Mr. CAPPER, Mr. SMITH, and Mr. HARRIS conferees on the part of the Senate.

TAX REDUCTION—CONFERENCE REPORT

Mr. SMOOT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the conference report on House bill 6715, the tax bill.

The PRESIDING OFFICER (Mr. SPENCER in the chair). The Chair hears no objection, and the conference report is before the Senate.

[For report, see page 9243 of yesterday's proceedings of the Senate.]

Mr. MOSES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Fess	Lodge	Shortridge
Bayard	Fletcher	McLean	Simmons
Borah	Frazier	McNary	Smith
Brandegee	Glass	Mayfield	Smoot
Brookhart	Gooding	Moses	Spencer
Broussard	Hale	Norbeck	Stanfield
Bursum	Harreld	Norris	Stanley
Cameron	Harris	Oddie	Stephens
Capper	Harrison	Overman	Sterling
Caraway	Heflin	Owen	Swanson
Copeland	Howell	Pepper	Trammell
Couzens	Johnson, Calif.	Phipps	Underwood
Curtis	Johnson, Minn.	Pittman	Wadsworth
Dale	Jones, N. Mex.	Ralston	Walsh, Mass.
Dial	Jones, Wash.	Ransdell	Walsh, Mont.
Dill	Kendrick	Reed, Pa.	Warren
Ernst	King	Robinson	Weller
Fernald	Ladd	Sheppard	
Ferris	Lenroot	Shipstead	

The PRESIDING OFFICER. Seventy-four Senators have answered to their names. There is a quorum present.

Mr. SMOOT. Mr. President, I wish to make a brief statement of the action of the conferees and the effect thereof on the revenue bill, H. R. 6715. There were six material matters on which the bill as amended by the Senate differed from the bill as passed by the House: The normal tax, the surtax, the exemp-

tions, the corporation tax, the provisions as to publicity of returns, and the estate tax.

(1) The House bill provided for a normal tax on the income of individuals at the rate of 6 per cent, except that the rate on the first $4,000 was at the rate of 2 per cent and on the next $4,000 at the rate of 5 per cent. The Senate amended this provision to provide for a normal tax at the rate of 2 per cent on the first $4,000, 4 per cent on the next $4,000, and 6 per cent on the remainder. On this amendment the House recedes.

(2) The House bill provides for a surtax on the net income of individuals ranging from 1½ per cent of the net income in excess of $10,000 but not in excess of $12,000, to 37½ per cent of the net income in excess of $200,000. The Senate amended this section to provide for a surtax ranging from 1 per cent of the net income in excess of $10,000 but not in excess of $14,000 to 40 per cent of the net income in excess of $500,000. On this amendment the House recedes.

(3) The House bill provided for a personal exemption in the case of a married man and in the case of the head of a family of $2,500 if the net income of the individual were less than $5,000 and of $2,000 if the net income of the individual were in excess of $5,000. The Senate amendment provided for an exemption of $2,500 irrespective of the amount of the net income of the taxpayer. On this amendment the House recedes.

(4) The House bill provided a tax on the income of corporations at the rate of 12½ per cent and provided in addition for a capital stock tax on corporations of $1 for each $1,000 of the fair average value of the capital stock. The Senate amendment repealed the capital stock tax, reduced the normal tax on corporations to 9 per cent, and provided for a graduated tax on the undistributed net income of corporations ranging from one-fourth of 1 per cent to 40 per cent of such undistributed net income. On this amendment the Senate recedes.

(5) The House bill provided that the income-tax returns should be open to inspection only upon order of the President and under rules and regulations prescribed by the Secretary and approved by the President, with special provisions for the inspection of returns by and the furnishing of information to the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, a special committee of the Senate or House, the proper officers of any State, and the bona fide shareholders of record of a corporation. The Senate amendment provides that returns upon which the tax has been determined by the commissioner shall constitute public records and shall be open to examination and inspection as other public records. On this point the House recedes with an amendment restoring the provisions of the House bill with certain clerical changes and providing in addition that the commissioner shall have prepared and made available to public inspection in the office of the collector in each internal-revenue district and in such other places as he may determine lists containing the name and post-office address of each person making an income-tax return in such district, together with the amount of tax paid by such person.

(6) The House bill provided for an estate tax ranging from 1 per cent of the estate in excess of $50,000 but not in excess of $100,000 to 40 per cent of the amount of the estate in excess of $10,000,000. The Senate amendment provides for an inheritance tax ranging in the case of a direct heir from 1 per cent to 36 per cent of the amount of the inheritance in excess of $5,000,000; in the case of a collateral heir from 1 per cent to 45 per cent of the inheritance in excess of $5,000,000. On this amendment the House recedes with an amendment restoring the provisions of the House bill with certain clerical and unimportant technical changes.

In addition to the above there were other provisions as to which the Senate and House bills differed, which, although of less importance than those listed above, involve questions of policy. I shall list and explain the action of the conferees on these amendments.

The House bill provided that the amount by which the tax was reduced on account of capital loss should not exceed 12½ per cent of the loss. The Senate struck out this provision of the House bill, with the result that capital losses, the same as other losses, would be allowed in full as deductions. On this amendment the Senate recedes, and the provisions of the House bill are restored.

The House bill limited the amount which might be considered as earned income to $20,000. The Senate amendment reduced this amount to $10,000. On this amendment the House receded.

The House bill provided for a credit against the income tax of an individual of 25 per cent of the amount which bears the same relation to the total amount of the tax as the amount of the earned net income bears to the total amount of the net income. The Senate amendment provides for the crediting against the tax of 25 per cent of the amount of the tax which would be payable by the taxpayer on a total ordinary net income equal in amount to his earned net income, the effect of the Senate amendment being to consider the earned income as that income in the lower brackets in the case of a wealthy taxpayer, thus placing the taxpayer with a large income upon the same grounds in this respect as the taxpayer with a small income. On this amendment the House recedes with certain clerical changes.

The House bill provided that the deduction for interest paid on indebtedness—except indebtedness incurred in connection with the trade or business of the taxpayer—and the deduction for nonbusiness losses should be allowed as deductions in computing net income only if and to the extent that the sum of these amounts exceeds the income of the taxpayer from tax-exempt securities. The Senate amended the bill, striking out this provision on the ground that it was indirectly taxing the income from tax-exempt securities. On this amendment the House recedes.

The House bill provided that if any corporation is formed or availed of for the purpose of preventing the imposition of surtaxes upon its shareholders by permitting its gains and profits to accumulate instead of being distributed, there should be assessed against such corporation a penalty of 25 per cent. The Senate amendment increased this penalty to 50 per cent. On this amendment the House recedes.

The House bill provided that in case of an additional assessment of income, war profits, excess profits, or estate taxes the taxpayer could appeal to the Board of Tax Appeals, but that in the event of an adverse decision by the board the taxpayer should sue in the courts for its recovery. The Senate amended this to require that the Government in the event that the taxpayer did not acquiesce in the decision of the board could collect the tax only by suit. On this amendment the Senate receded.

The House bill exempted from the tax upon the sale of automobile trucks or wagons those the selling price of the chassis of which is less than $1,000. The Senate added to this provision another provision exempting from the tax truck and wagon bodies selling for an amount not in excess of $200. On this amendment the House receded.

The House bill reduced the tax on automobile parts and accessories from 5 per cent to 2½ per cent. The Senate amendment struck out this tax entirely. The Senate recedes.

The House bill, as does the present law, imposed a tax upon certain sales of paintings, statuary, art porcelains, and bronzes. The Senate struck out this tax. On this amendment the Senate recedes.

The Senate inserted by amendment a provision in the House bill providing that the hearings before the Board of Tax Appeals shall be open to the public, that the testimony taken at the hearing shall be reduced to writing, that the board shall make a report in writing of its findings of fact and its opinion and decision in each case, that such report and all evidence received by the board shall be public records open to the inspection of the public, and shall be published at the Government Printing Office and sold in the same manner as other public documents. On this amendment the House recedes with an amendment, limiting the cases in which the oral testimony shall be reduced to writing and in which the board shall write an opinion to those cases in which the amount of tax in controversy exceeds $10,000.

The Senate amended the House bill to provide that if any part of an excise tax has been refunded to the taxpayer by the Government, such refund not being required by a decision of a court of competent jurisdiction, and if the articles, the sale of which was taxed, have passed from the possession of the taxpayer, the taxpayer should not again be assessed or taxed, or if he has been reassessed and taxed, the amount of the tax should be abated or refunded. The Senate recedes.

The Senate inserted by amendment a section providing for the exemption from the income tax imposed by the revenue act of 1916, the revenue act of 1917, the revenue act of 1918, and the revenue act of 1921, of farmers' or other mutual hail, cyclone, or fire insurance companies (if otherwise exempt under the provisions of such acts) whether or not such organizations are of a purely local character. The House recedes with an amendment making clerical changes.

The Senate inserted by amendment a provision for a reduction of the postal rates in the case of the portion of publications devoted to advertisements. On this amendment the Senate recedes.

The remainder of the amendments were clerical, technical, and comparatively unimportant. I shall, of course, however, be

glad to explain the action of the conferees on any of the other amendments, if the Senate so desires.

Mr. President, I have had the Government Actuary make an estimate of the revenue that will be derived from the bill when in operation as compared with the expenditures of the Government based upon the recommendations of the Budget.

I may add that there has been confusion in the public mind as to the figures that have been published in this respect, and this only: Some figures have been published and have appeared in the press of the country, and I will say also have been used on the floor of the Senate by me and other members of the committee, applying sometimes to the fiscal year and at other times to the calendar year; and, of course, there is considerable difference in the amount of revenue that would be shown under those conditions.

For instance, for the fiscal year 1924 all of the revenue will be derived from rates of the existing law; but the fiscal year 1925 begins on July 1, 1924, and ends on June 30, 1925; so the fiscal year 1925 will be the first full fiscal year in which the revenues derived from the pending bill, if it becomes a law, will be collected.

I have here the estimates for the calendar years 1923, 1924, and 1925; but, as we make our appropriations for fiscal years instead of calendar years, in order that there may be no confusion in the minds of the public or in reading the RECORD on the part of those who do not carefully note that there is that difference, it seems to me the only thing to do is for us to confine ourselves to the fiscal year.

Mr. SIMMONS. Mr. President, does not the Senator from Utah think it would be well for him to state that the income taxes of the year 1923–24 will be collected under the present law, and that the payments upon those incomes that are due after June 1 will be transferred to the fiscal year 1924–25?

Mr. SMOOT. Yes; I think my statement before would be fairly construed in that way, but I am glad the Senator has made it perfectly plain.

Take the fiscal year 1924: The individual and corporation income tax is $1,899,000,000; the miscellaneous tax, $939,000,000. The total for the Internal Revenue Bureau—because they collect these taxes directly—would be, for that year, $2,838,000,000. The miscellaneous receipts—and I shall not take the time to name from what source they come, but they are all the miscellaneous receipts, special taxes, stamp taxes, and all other forms of taxes outside of the incomes of individuals and corporations—amount to $541,100,000; or, in other words, the total ordinary receipts for the fiscal year 1924—that is, the year ending June 30, 1924—will be $3,929,100,000. The expenditures chargeable against ordinary receipts, according to the estimate of December 9, 1923—and that was the last estimate which was given—are $3,565,040,000, which would leave an excess of ordinary receipts over expenditures chargeable against ordinary receipts of $364,060,000.

Senators, if they have followed this matter very closely, will remember that in the Secretary's report dated December 31, 1923, it was estimated that there would be a surplus of $329,000,000 instead of $364,060,000.

That increase in the surplus is largely made up in this way: It was given out generally and agreed to, not only by the Treasury Department but, I believe, by both Houses of Congress, that we would reduce the income taxes for the fiscal year 1924 25 per cent. The House passed that bill, but the Senate did not act upon it before March 15, the date when the first payment of taxes became due. After this bill was reported to the Senate the Treasury Department, at the request of a number of Senators, I am informed, desired to ascertain what effect that proposed 25 per cent reduction had upon the first payment of the taxes that fell due on March 15, 1924.

The examination is not complete yet, but it has gone far enough to demonstrate the fact that many of the taxpayers paid three-fourths of the tax, feeling quite certain that the payment of three-fourths of the tax on March 15 would in reality represent payment in full for the year. In other words, every year there are many taxpayers who pay all of their tax on March 15, so as not to be bothered about sending payments on June 15, September 15, and December 15; and the partial examination which has already been made shows that this year many of them sent 75 per cent of the amount of the tax, with the hope, of course, that the 25 per cent reduction for the fiscal year 1924 would take effect before the next payment became due in June, or any of the following payments. That, of course, increased the amount of surplus on hand at this particular time.

Mr. UNDERWOOD. Mr. President, may I ask the Senator a question on that point? Where the taxpayer has paid the full amount of the tax already, what provision does the bill contain for the Government paying it back?

Mr. SMOOT. He gets a refund of 25 per cent.

Mr. UNDERWOOD. Does he get it in cash, or in the form of a credit on future taxes?

Mr. SMOOT. He will get it in cash as soon as the Treasury can pay it.

Mr. ROBINSON. Does each taxpayer who has paid the full amount of his taxes have to make a personal application for a refund?

Mr. SIMMONS. No; it is automatic.

Mr. SMOOT. It is automatic. The Treasury will return the money.

Mr. OVERMAN. Mr. President, when is the taxpayer to deduct his 25 per cent if he paid the first installment in full in March? Can he deduct it in June?

Mr. SMOOT. Of course the Treasury Department will decide that matter, and I think more than likely they will decide that it shall be deducted in June.

Mr. OVERMAN. That is a matter that will be handled by regulation of the Treasury Department?

Mr. SMOOT. I have not any doubt but that that will be the case, just as it would have been the case if the bill had passed before March 15, granting a 25 per cent reduction.

Mr. SIMMONS. Mr. President, if the Senator will pardon me, I think that has already been announced.

Mr. SMOOT. I so understand, but I did not want to be positive about it. That is my understanding, however. If this bill becomes a law, anyone that paid 25 per cent of the total tax for 1923 on the 15th of March will not have to pay the whole of the next 25 per cent that becomes due on June 15th.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield to me?

Mr. SMOOT. Yes.

Mr. REED of Pennsylvania. In the House bill there was a provision on that subject which was accepted by the Senate, so that it was not in conference. That provides, in the case spoken of by the Senator from North Carolina [Mr. OVERMAN], that if the taxpayer has elected to pay in installments the amount of the discount on those installments which have been paid may be deducted from the next installment paid after the act goes into effect. The Senator will find the provision in full on page 370 of the new bill.

Mr. BAYARD. Mr. President, do I understand the Senator from Pennsylvania to say that that is mandatory; that the Secretary of the Treasury shall allow that amount if claimed?

Mr. SMOOT. Yes; it is provided in the bill.

Mr. REED of Pennsylvania. Yes; it states there that—

> The amount so prorated to any installment, the date for payment of which has arrived—

That would be the March installment—

> shall be credited against the installment next falling due after the enactment of this act.

In other words, if you have paid 25 per cent of your tax last March, you will deduct 50 per cent from the next installment, which is due in June.

Mr. BAYARD. What I have in mind is this: Assuming that some of the smaller taxpayers, as suggested by the Senator from Utah, had paid 100 per cent of the tax on March 15, 1924, they would be entitled to 25 per cent reduction.

Mr. SMOOT. Twenty-five per cent reduction.

Mr. BAYARD. Which they would not be in position to claim until the next fiscal year, would they?

Mr. SMOOT. Oh, the department itself will refund that amount of money.

Mr. BAYARD. It will refund it to them?

Mr. SMOOT. Yes; shortly after this bill becomes a law.

Mr. BAYARD. I thought application had to be made.

Mr. SMOOT. No; no application has to be made.

Mr. BAYARD. I will state the reason why I raised the question. The other day in the Claims Committee we had before us a bill to reimburse a person who had overpaid his tax, and the matter was not adjudicated or application was not made by the taxpayer until after the statute of limitations had run, and the question arose as to whether the Government, having received that money, should not repay it; and the principle involved here is somewhat similar. The Government having been overpaid by this operation I think direct mandatory provision should be made that the Government will give credit of its own motion.

Mr. SMOOT. It is, and they will send it back just as soon as the returns can be examined. They will have to be examined.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New Mexico?

Mr. SMOOT. I yield.

Mr. JONES of New Mexico. The Senator may have given us the information—but if he did, I did not hear it—regarding the receipts from the income taxes as indicated by an examination of the returns which have been made with respect to this reduction of 25 per cent. I should like to know whether the Treasury has a new estimate regarding what the receipts would have been during this calendar year if there had been no reduction of 25 per cent—whether they would equal or exceed the previous estimates of income on the business of the calendar year 1923.

Mr. SMOOT. I will say to the Senator that I have that estimate for the revenue on the business of the calendar year 1923, collected in 1924. If the Senator will remember, the estimated surplus of revenue during that period was $395,000,000.

Mr. JONES of New Mexico. The Senator does not have in mind the same point which I am inquiring about. The estimated surplus on all of the receipts was $329,000,000.

Mr. SMOOT. Yes.

Mr. JONES of New Mexico. But, referring to the estimated receipts from individual income taxes, based upon the business of 1923, my question is whether the later disclosures indicate that the revenue from that source would have equaled or exceeded the previous estimate.

Mr. SMOOT. I have not the figures here for 1923. I have them for 1924 in detail. I can state the amount to be collected for 1924, the calendar year. The Senator is speaking of the calendar year, not the fiscal year?

Mr. JONES of New Mexico. The calendar year.

Mr. SMOOT. For the calendar year 1923 the estimated revenues up to date show a reduction from the collections under the present law of only $505,620,000. In other words, there is a gain of approximately $100,000,000 in all of the revenues as estimated on the 23d day of May, 1924, as compared with the estimates given us when we first had the estimates before us.

Mr. JONES of New Mexico. Then it does indicate that if we should not make this reduction of 25 per cent the revenues from the individual income taxes would exceed the previous Treasury estimates.

Mr. SMOOT. That is true.

Mr. JONES of New Mexico. Has the Senator in mind the amount of that increase?

Mr. SMOOT. No. One set of figures is based on the calendar year and the other on the fiscal year, and I can only give an estimate, but when I show the figures of the estimated revenues for the fiscal year 1925 the Senator can get some idea of the difference; but it is over $200,000,000.

Take the estimated revenue for the fiscal year 1925. I think this will show the Senator about what he desires. That will be the first fiscal year with the new law in full operation, beginning on July 1, 1924, and ending June 30, 1925.

This is what it shows: The total ordinary receipts under the present law would be $3,798,000,000. Under the revenue act of 1924 the total would be $3,437,000,000. In other words, there is a difference of $361,000,000.

Now I will give a statement of the expenditures chargeable against ordinary receipts, and I am speaking of the Budget estimates of December 3, 1923. I do not give any other estimates than those of December 3, 1923, so that there can be no misunderstanding. Of course, that does not include additional expenditures authorized or to be authorized since that date by Congress, but the total under the present law, according to the estimate, is $3,298,100,000. Taking into consideration the only estimates made by the Budget and taking it for granted that the appropriations of Congress do not exceed those estimates, it would give a surplus up to the time this bill becomes a law of $138,900,000.

Mr. JONES of New Mexico. Mr. President——

Mr. SMOOT. I yield.

Mr. JONES of New Mexico. My recollection is that the estimated expenditures called ordinary expenditures included $511,000,000 for the retirement of the public debt. That was supposed to arise from the sinking fund and also the amount of the bonds which might be deposited in the Treasury by the English Government, and also some bonds from estates in payment of estate taxes and of the franchise tax. It is quite evident now that Great Britain will not pay her indebtedness to this Government in bonds, because the bonds are now selling above par. Of course, those bonds will not be paid to us in extinguishment, to that extent, of the public debt. If that debt is paid in cash, as it will be, there is that amount, something like $165,000,000, which might be considered as ordinary receipts and applicable to ordinary expenditures, not including the retirement of the public debt.

Mr. SMOOT. The Senator is wrong there. Under the law such receipts could not go for ordinary expenditures, because under the law payments on foreign obligations must go to the retirement of the obligations of this Government.

Mr. REED of Pennsylvania. Mr. President, for most of the past six months Liberty bonds have not been selling for over par, and at the present time, or until a day or two ago, the 3½'s of the first issue were below par. The next installment to be paid by Great Britain is due on the 1st of June, and throughout most of the past six months she has undoubtedly been preparing to make her payment. Whatever Liberty bonds she has of the 3½ per cent issue certainly could not be resold by her on the market for par, or anything like it. So that, I think, it is reasonable to expect that a very considerable part of her payment on the first of the coming month will be made in bonds, and what will happen during the succeeding half a year no man can foretell.

Mr. JONES of New Mexico. Of course that may happen; but if the Senator will pardon me, the 3½ per cent bonds are selling at only about one thirty-second of a per cent below par.

Mr. REED of Pennsylvania. That is true at this moment, but they have been very much below that, and, of course, Great Britain does not buy all her bonds on the last day of the six months' period.

Mr. JONES of New Mexico. That is quite true. The difference, however, is very inconsiderable, and prospects are that even the 3½ per cent bonds will sell above par in a reasonably short time.

Mr. REED of Pennsylvania. Suppose they do; the Senator does not for a moment think that Great Britain could sell $160,000,000 of them without breaking the market below par?

Mr. JONES of New Mexico. Of course, I can guess at that perhaps as well as anyone else, but $160,000,000 out of an issue of that size is not very much.

Mr. REED of Pennsylvania. It is 10 per cent of the issue.

Mr. JONES of New Mexico. It amounts to almost 10 per cent of the issue, but not quite. The probabilities are that that payment will be made in cash sometime during the year, and to that extent would make available the cash to be used for ordinary purposes.

I am very sorry, if I may express myself again upon the subject, that the Senator from Utah and the Senate did not accept an amendment to the bill which would provide that the indebtedness from Great Britain, if paid in bonds, should be credited against the sinking fund, not leaving at the whim or caprice or business interest of a foreign power the making of a reduction in our indebtedness or not as business conditions might make advisable. I think the amendment should have been accepted by the Senate, so that we would know the exact amount by which our funded debt would be reduced.

I think it is not wise business policy to have the reduction of our permanent debt depend upon the action of a foreign government. I believe that we have been reducing our funded debt entirely too much. A reduction in the funded debt of $511,000,000 in one year is decidedly too much. If we are going to reduce our gross indebtedness, it seems to me that the reduction should come with respect to the floating indebtedness, which is a burden upon the banks of the country and the business interests of the country, whereas the bonds have been absorbed by the public and the Treasury does not need to worry about them.

Mr. SIMMONS. Mr. President, if I understand the statement made by the Senator from Utah, it means that if the bill should fail and the taxes for the next year were to be collected under the present law, there would be a surplus in the Treasury of $499,900,000—within $100,000 of $500,000,000.

Mr. SMOOT. That is true.

Mr. SIMMONS. But if the bill becomes a law and the taxes are collected under it, there will be a surplus in the Treasury at the end of the fiscal year 1925 of $138,900,000?

Mr. SMOOT. No; that is only in case we do not appropriate the amounts estimated by the Budget.

Mr. SIMMONS. I am leaving out subsequent appropriations.

Mr. SMOOT. Leaving out all appropriations other than those estimated by the Budget, there would be $138,900,000.

Mr. UNDERWOOD. That is not very intelligible to the jury, because the jury does not know how much we have spent in the meantime.

Mr. SMOOT. If the Senator will allow me to proceed, I will give the amounts that are liable to be appropriated over the Budget estimates.

Mr. SIMMONS. The estimated surplus under the present law would be based upon the conditions existing at the time.

The estimate under the present law is that if it remains in force another year there will be a surplus of $500,000,000. If, however, the present law shall be superseded by this measure there will be a surplus of $138,000,000.

Mr. SMOOT. That is based upon the Budget estimates. If there is any appropriation outside of the Budget estimates it would take that much off of the $138,000,000.

Mr. SIMMONS. It would take off that much of the surplus under the present law.

Mr. UNDERWOOD. If the Senator can give the information, I would like to have him make his computation not only taking into consideration the appropriations subsequent to the estimates of the Budget, but also the other authorizations, such as the bonus, so that we may know where and how we stand.

Mr. SIMMONS. The $138,000,000 would pay the bonus. There will be plenty of money to pay the bonus.

Mr. SMOOT. It is fair to state, and I think I should state at this time, that those figures are based upon the estimate of $200,000,000 to be collected from income and profits taxes for previous years. It may run over $200,000,000 or it may run less.

Mr. SIMMONS. If the Senator will pardon me, the statement is made, in this estimate, as I understand it, that the surplus of $138,000,000 should be added to whatever taxes are collected by the department in excess of $200,000,000, beyond the income and profits taxes.

Mr. SMOOT. That is exactly what I said.

Mr. SIMMONS. There are some who think that instead of $200,000,000 we will get $300,000,000. Of course that is purely a conjecture.

Mr. SMOOT. I asked Mr. McCoy if he thought there would be any more than $200,000,000 collected, and he said no; he did not think there would be. He told me that this morning and gave his reasons, and they appealed to me as very good reasons.

Mr. SIMMONS. Will the Senator advise us how much was collected from that source last year?

Mr. SMOOT. There was some $400,000,000 approximately collected.

Mr. SIMMONS. Can the Senator advise us how many of those claims have not been settled up to this time?

Mr. SMOOT. It is a very small percentage, I will say to the Senator, not over 2 per cent of the whole amount of claims.

Mr. SIMMONS. Does the Senator know what percentage was collected in the last year?

Mr. SMOOT. No; but it was larger than any other year. Of course, as every year passes those old claims of 1917—and there is where most of them sprang from—are weeded out and the larger ones settled. The actuary told me this morning that he does not anticipate a dollar's worth more than the $200,000,000.

Mr. SMITH. May I ask the Senator if he could not supply figures showing what percentage of the unsettled claims were collected last year and the year before, and the amount remaining yet to be settled, so that the Senate might have a reasonable basis for a calculation as to the actual amount to come in this year, because, if the character of the claims is the same as last year and the per cent yet to be settled is as great as those settled last year, or approximately that, we could get some intelligent idea as to how much would come from that source this year.

Mr. SMOOT. The percentage could not possibly be the same, because we collected a great percentage of them last year. I think the larger amounts were collected last year.

Mr. SIMMONS. I had been under the impression that in the discussion of them this year, especially in connection with the board of tax appeals, the opinion was expressed that there was a very large number of claims yet to be acted upon.

Mr. SMOOT. I remember it was put in the RECORD.

Mr. SMITH. Could not Mr. McCoy, who is in the Chamber now, tell us about how much is yet to be collected?

Mr. SMOOT. What Mr. McCoy said was that he does not believe there will be over $200,000,000 collected. We name $200,000,000 in our estimates.

Mr. SIMMONS. The estimates are based on the assumption that that much will be collected.

Mr. SMOOT. Yes; and if it falls short of $200,000,000 we are short in our estimates that much. If it runs over, we are over whatever it may be.

The Senator from Alabama [Mr. UNDERWOOD] wanted to know really what the estimate of the surplus meant. It means that this is based upon the expenditures chargeable against ordinary receipts under the Budget estimate of December 31, 1923, not including additional expenditures authorized or to be authorized since that date. This estimate does not include the following items.

Mr. UNDERWOOD. If the Senator will allow me, what I want to get at it this: Of course, I know that the bonus bill does not require much money now. It only requires the cash payment, as it was stated.

Mr. SMOOT. But the fiscal year we are figuring on—1925—will require $135,000,000.

Mr. UNDERWOOD. I want to know, with the ordinary appropriations for the Government and the authorization under the bonus bill, whether the tax bill is not sufficient to cover those items?

Mr. SMOOT. It would if we simply had the bonus bill. There would be $2,000,000 over the balance, if our estimates are correct, to pay the bonus for this year.

Mr. SIMMONS. I want to ask the Senator if, when he reported the bill to the Senate, he did not estimate that there would be $60,000,000 or $70,000,000 deficit?

Mr. SMOOT. Yes. We anticipated that there would be a deficit, and I so stated, and that is why I am stating now the difference in the estimates.

Mr. SIMMONS. I am gratified to find that there will be no such situation.

Mr. SMOOT. So am I.

Mr. SIMMONS. The Senator did not include when he estimated a deficit of $70,000,000 the payment of any bonus at all.

Mr. SMOOT. That is true.

Mr. SIMMONS. Eliminating the bonus, we would have $138,000,000 surplus instead of $50,000,000 deficit.

Mr. SMOOT. If the conference had agreed to the bill as it passed the Senate, we would have been in the fix I stated we would be in when the bill was before the Senate, but the conference has made changes greatly increasing the revenue.

Mr. SIMMONS. I was speaking about estimates made by the Senator when he reported the bill and before we acted on it at all. He estimated then there would be a deficit of something like $70,000,000.

Mr. SMOOT. I used the same estimate that I am using now, and I have been trying to explain that those estimates by Mr. McCoy have changed, because some of them were made over a year ago, and the estimates I have given to the Senate to-day were made to include up to day before yesterday. That is where the difference arises.

Mr. SMITH. If the Senator will allow me, the Senator from North Carolina, as I understand it, claims that under the estimate made when the bill came into the Senate and before it was modified by the Senate, there would be a deficit of something like $70,000,000 under the bill as it came from the Finance Committee. It was modified and certain taxes were reduced, and it went back to conference, and in conference it has not yet been restored to the high point, perhaps, where it was when it came from the Finance Committee at first, and yet with those modifications as now in the bill it will meet the bonus and will give a small surplus besides.

Mr. SMOOT. It will do that, provided we do not have certain legislation, including the reclassification bill, calling for $15,000,000, which we will have to have, and we can not get away from it.

Mr. SIMMONS. The Senator's estimate when the bill was before the Finance Committee included those things.

Mr. SMOOT. No. At the time we thought we were going to pay the $240 bonus to the field employees. Nobody thought we could get the reclassification——

Mr. SIMMONS. But we did not include any estimate for the bonus when the Senator reported the bill out, because there was no bonus legislation at that time.

Mr. SMOOT. Certainly not. That is true.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER (Mr. LENROOT in the chair). Does the Senator from Utah yield to the Senator from New York?

Mr. SMOOT. I yield.

Mr. COPELAND. As I understand the matter, with the anticipated income from the new bill and from other funds which are expected, there will be money in hand to pay off the expenses of the Government and to pay the bonus.

Mr. SMOOT. Yes; provided we do not enact the following legislation, which is now in the hands of Congress:

The reclassification bill, carrying $15,000,000. The Veterans' Bureau bill, carrying $32,000,000. That has been passed, and it ought to have been passed. That is for the disabled veterans and is a recodification of all the laws affecting the Veterans' Bureau. We passed it, and I have not any doubt that it will become a law. Then there is the bill providing hospitals for the World War veterans that carries $6,800,000. We have

already passed the District of Columbia surplus fund bill, which carries $4,500,000. That has already passed both Houses. We have already passed private bills carrying over $2,000,000. The Post Office employees' compensation bill is the unfinished business to-day, and the very least estimate of cost of that bill is $65,000,000.

Mr. COPELAND. If Mr. McCoy's estimate overruns $75,000,000 or $80,000,000 in excess of the $200,000,000, we would still have money enough to pay the additional items.

Mr. SMOOT. Oh, no. The additional items will amount to $125,000,000, and no farmer legislation included.

Mr. SIMMONS. If the bill as the Senator reported it from the Finance Committee had passed the Senate without any change whatsoever, those items to which he has now referred would further have increased the deficit that he then estimated would be the result of the passage of the bill.

Mr. SMOOT. There is no question about it, and I have stated it on the floor several times in calling attention to those very items. I called attention then to the bonus bill, which had not at that time passed.

Mr. OVERMAN. Will the Senator read the other items?

Mr. SMOOT. The other items of legislation to which I referred include the public buildings bill, which we ought to pass. I have now a demand from the departments here for space for nearly 3,000 employees, and I do not know where to secure it. I am investigating every public building and having a survey made to see if there is not some way of getting part of them under cover.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Nebraska?

Mr. SMOOT. I yield.

Mr. NORRIS. I would like to invite the attention of the Senator from Utah, when he is trying to house all these thousands of new employees, not to the District of Columbia, but to the great territory of the United States. We have too many people here now.

Mr. SMOOT. That is true.

Mr. NORRIS. We passed a law to try to regulate rents so as to hold down the cost of living, and the local courts nullified it and Congress is helpless. It would not do any good to increase salaries, because that is only an invitation to the landlords to increase rents and to other people to increase the prices on their products.

Mr. SMOOT. And they do it.

Mr. NORRIS. Of course they do. The revelations made here by the Senator from Delaware [Mr. BALL], chairman of the Committee on the District of Columbia, are simply astounding, and yet almost everybody knew in a general way that something of the kind existed. If we are going to give up the right, as it seems to me we have, even for the preservation of the Government itself, to regulate the cost of living in the District of Columbia, why not take a lot of these employees and bureaus and commissions and put them somewhere outside of the District of Columbia? They do not have to be in the District of Columbia. Without any doubt we could take 25,000 employees out of the District of Columbia and put them somewhere else where they could live economically and where the cost to the Government would be less. There is no reason why the public lands, for instance, should be administered 1,000 or 1,500 miles away from the lands themselves. There is no reason why a whole lot of these commissions should be in Washington. We ought to do like the States do—put them somewhere in the different parts of the country. Many of them could be centrally located and expenses saved.

It seems to me we have about reached the time when we ought to declare our independence from the grip of what it seems to me we are officially informed by a committee of this body is holding us down. We should get away from courts that will nullify the laws we pass to regulate the cost of living in the District of Columbia. It seems, if we undertake to regulate rents here, that we would be met with injunctions, and probably would somewhere else, but let us give some other courts an opportunity to try their whips on us instead of having it all done in the Capital City.

Mr. SMOOT. The last report I have received as to the number of employees in the District of Columbia shows that on April 1 of this year there were 64,680 employees in the District of Columbia.

Mr. NORRIS. We could take half of them out of the District without any damage to the public service.

Mr. SMOOT. Of course, that is a question for future legislation. I simply wanted to call attention to the fact that I do not know where to turn to get space for the 3,000 employees we will have to have to put the bonus bill in operation.

There is on the Senate Calendar at this time a bill calling for $10,000,000 this year for buildings for the Government in the District of Columbia and $10,000,000 next year. I think there ought to be a program to stop the everlasting payment of $2 per square foot for rentals in the District of Columbia. Let them try to rent to somebody else. They will find nobody who would pay that high rent.

Mr. NORRIS. I agree with the Senator. Why not have the bonus bill enforced from some other central location in the United States?

Mr. SMOOT. I think that is out of the question. If the Senator would go and see the trainloads of records that would have to be moved—and I do not mean to say a carload, but I mean trainloads of records—he would understand the difficulty of that proposition.

Mr. NORRIS. I know; but we should only have to move them once.

Mr. SMOOT. That may be; but the same records must be referred to by other departments than where located.

Mr. NORRIS. That would be all; and they could be moved in a freight train.

Mr. SMOOT. But they would all have to come here in the end.

Mr. NORRIS. None of them would have to come here. There is not any reason why the Pension Bureau should be in the city of Washington.

Mr. SMOOT. There may be something in that; I do not know; but they are here; and so long as we have employees and make appropriations for them we have got to house them. If we can not erect buildings here, as we can erect them by paying interest at the rate of 4 per cent, then we are compelled to rent buildings in the District of Columbia and to pay outrageous rentals.

I will now proceed with these items. For instance, next year it is understood that we have got to have a naval program which will cost $100,000,000. Senators, I am simply suggesting these items; I do not say that all of these bills will be passed, but I wish you now to know that they are not included in any estimates that have been made. The estimates that we have given are based exactly on the situation as it is to-day. The estimates do not include any of these other items of which I have spoken. We shall be compelled, however, to provide for the following items:

Reclassification will cost $15,000,000; the Veterans' Bureau $32,000,000; hospitals for the World War veterans $6,500,000; District of Columbia surplus fund $4,200,000; private bills which we have already passed $2,000,000. As to the post-office employees, of course I do not know whether or not the bill providing for the increase of their compensation is going to pass and become a law, but at the very least, should the bill pass, it will require an expenditure of $65,000,000.

Mr. SMITH. Mr. President, if I may ask a question with reference to the bill providing for the postal employees, are there no provisions made in the bill as to any reclassification of postal rates so as to take care of any part of the additional expense?

Mr. SMOOT. There are no such provisions in the bill. It is a straight increase of compensation measure at the very time when we are putting into effect a reclassification of other Government employees. I recognize, too, that if the reclassification bill goes into effect there will be changes, for every employee in the field service will have a perfect right to appeal to the board if he is not satisfied, although the reclassification has been made according to the returns made by the employees themselves to the Classification Board.

Mr. SMITH. Mr. President, I am not now a member of the Post Office Committee and have not examined the bill, but I was under the impression that certain changes had been made in the classification of certain mail matter looking to meeting this additional expense in the Post Office Department.

Mr. SMOOT. Nothing whatever of that kind is provided in the bill; in fact, the Senator knows from his own correspondence that there is a bitter protest from all over the country, particularly from the farmers of the country, against the increase in the parcel-post rates. I have had such letters by the hundred.

Mr. SMITH. I was under the impression that there was quite an extensive field where there might be fair and equitable adjustments and reclassifications in order to bring in greater revenue, and I thought perhaps that that matter had been investigated by the committee and had been provided for in the bill.

Mr. SMOOT. I am not a member of the Post Office Committee.

Mr. SIMMONS. Mr. President, what the Senator from Utah has been saying, if he will pardon me, with reference to the postal employees' bill and the large increase in the expenses of the Government by reason of legislation which may hereafter be enacted, would apply with equal force if we had adopted the Mellon plan.

Mr. SMOOT. It would have applied just the same.

Mr. SIMMONS. Or if we had adopted the bill as it passed the Senate. In fact, Mr. McCoy's estimate shows that if we had adopted the Mellon plan just as Mr. Mellon wrote it and sent it to the committee we would have had a surplus at the end of 1925 of $160,000,000 as against an estimated surplus of $138,000,000 under the bill now under discussion.

Mr. SMOOT. That is true, I will say to the Senator.

Mr. SIMMONS. There would be a difference of only $22,000,000. What the Senator from Utah has been saying means that if we had passed the bill in accordance with the Mellon plan or had passed the House bill or the pending bill the additional legislation which he is anticipating or fearing—I do not know which—would increase the expenditures of the Government.

Mr. SMOOT. The Senator from South Carolina is right as to that. The President of the United States, in his message to Congress recommending a reduction of taxes, based his request solely upon the recommendation made by him that economies be practiced on the part of Congress.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New Mexico?

Mr. SMOOT. I have about concluded, Mr. President.

Mr. JONES of New Mexico. I merely wish to call attention to a further fact. During the last calendar year we reduced the gross debt of the United States by $1,078,000,000. I think we may very well consider that we have something of a surplus brought over from last year if only a reasonable reduction of the public debt be taken into consideration. That reduction came about in this way: Through the sinking fund and through payment of the English debt there was brought about a reduction of only between $400,000,000 and $500,000,000; but a surplus was brought into the Treasury of over a half billion dollars more, which was paid out in the liquidation of ordinary expenses of the Government instead of reissuing the short-term certificates; so we actually have a carry over of over a half billion dollars after retiring over a half billion dollars of the public debt. I think that in our legislation we can well afford to take cognizance of that situation and not feel that we are running on the ragged edge of things.

Mr. SIMMONS. Mr. President, will the Senator yield?

Mr. JONES of New Mexico. I yield.

Mr. SMOOT. I will conclude in a few moments.

Mr. SIMMONS. Let me say one word to the Senator from New Mexico, if the Senator from Utah will permit me. Of that billion dollars we paid last year upon the public debt about $284,000,000 came from the sinking fund.

Mr. SMOOT. That is quite right.

Mr. SIMMONS. And about $160,000,000 represented the amount received from foreign governments. That was all the money which under the law the Secretary was required to apply to the payment of our indebtedness, was it not?

Mr. JONES of New Mexico. The Senator is quite right.

Mr. SIMMONS. Notwithstanding that amount being something over $400,000,000, the Secretary of the Treasury reduced the public debt to the extent of a billion dollars.

Mr. JONES of New Mexico. One billion seventy-eight million dollars.

Mr. SMOOT. I think the correct figures are $1,072,000,000.

Mr. JONES of New Mexico. And, of course, the Secretary did the wise thing, when he had the money in the Treasury, instead of issuing interest-bearing certificates, to use it in taking up certificates already issued. I am not complaining of what the Secretary of the Treasury did in that respect.

Mr. SIMMONS. Neither am I.

Mr. JONES of the New Mexico. But I call attention to the fact that if we had only liquidated our public indebtedness by half a billion dollars last year we would have over a half billion dollars surplus in the Treasury now.

Mr. SMOOT. I gave the exact figures as to what made up the payment of $1,072,000,000 on the public debt when I made my speech upon the bill. The sinking fund was included in that amount, as stated by the Senator from New Mexico, and the payments on the English debt were also included. Then there was $437,000,000 carried in the banks of the country on deposit, and the Secretary decided to reduce the deposits and take up an equal amount of short-term certificates. The remainder of it, of course, represents the gain in the revenue of the Government over and above expenditures.

Mr. SIMMONS. I should like to ask the Senator a question right there. There was a surplus of three hundred and some million dollars in the Treasury at the end of the last fiscal year.

Mr. SMOOT. I can state the exact amount by referring to my previous speech.

Mr. SIMMONS. I will ask the Senator if the Secretary did not apply that surplus to the payment of the indebtedness of the Government?

Mr. JONES of New Mexico. Will the Senator allow me to answer that question?

Mr. SMOOT. There was that surplus, and that is the surplus to which I had reference over and above the amount of expenditures. Then there was the sinking fund; there were the debt payments; and there was the reduction in the cash balance carried in the banks of the country. The remainder of it of course, as I have said, was gain.

Mr. SIMMONS. Surplus.

Mr. SMOOT. Yes; surplus.

Mr. SIMMONS. And the surplus for that year was about the same as the surplus now.

Mr. SMOOT. And I think it was approximately the same, perhaps a little bit more.

Mr. SIMMONS. It was very nearly the same, and the Secretary applied that surplus to our indebtedness.

Mr. SMOOT. He took up short-term certificates.

Mr. SIMMONS. That is the same thing.

Mr. JONES of New Mexico. The Senator from Utah is correct in saying that there was a large balance in the Treasury at the beginning of the last calendar year. There were around $500,000,000 in the Treasury at that time, and of course that could have been used even before that time in taking up short-term certificates; but it was carried over into the following calendar year, and the net reduction, after accounting for the cash balance last year, was $859,000,000.

Mr. SMOOT. Yes; including the sinking fund, which, of course, we have got to provide anyway, and including the payments on the English debt, which we have to use for the liquidation of the obligations of the Government.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New York?

Mr. SMOOT. Yes.

Mr. COPELAND. What further payment is contemplated? How much is likely to be paid during the next year for the reduction of the public debt?

Mr. SMOOT. We have got to provide at least $284,000,000 in the sinking fund under the law. That is to take care of $10,000,000,000 of the bonds which we issued during the war, and the other $10,000,000,000 which we issued are to be taken care of by the payment of foreign obligations and are to be retired from such payments.

Mr. COPELAND. What is the estimate of that amount?

Mr. SMOOT. The only payments that we receive now on foreign obligations are from England, and they will amount on the average to about $170,000,000 a year. Of course, a small sum will be received from Finland, amounting I should say to about $35,000 a year, and from Hungary a sum less than that. Those are the only foreign countries that are paying us anything at all at this time.

Mr. COPELAND. Are there other sums?

Mr. SMOOT. Yes, there would if we could make settlements with other nations. France, for instance, owes us over $4,000,000,000.

Mr. COPELAND. I mean outside of the international debts.

Mr. SMOOT. No, not outside of the international debts.

Mr. COPELAND. Are there other sums that are likely to come in that could be used?

Mr. SMOOT. No, not that I know of.

Mr. JONES of New Mexico. My recollection is that the estimated reduction of the public debt for the year is $511,000,000 plus.

Mr. COPELAND. For what year?

Mr. JONES of New Mexico. For the fiscal year 1925.

Mr. SMOOT. The only estimate that I now recall showed a probable reduction of $395,000,000. However, that does not make any difference, for the reports show the facts.

Mr. JONES of New Mexico. I want to say to the Senator that he certainly is incorrect if he states that there was no estimate made. If the Senator has before him the estimate which has been made for the fiscal year 1925, I am quite certain he will find the estimate that the public debt would be reduced out of ordinary receipts by $511,000,000.

Mr. SMOOT. There is no need of talking now about what we may be able to do. I know if we make the appropriations to which I have referred we will be faced with a deficit.

Mr. COPELAND. Mr. President, I should like to ask the Senator one further question. Only a certain amount of that reduction is mandatory, is it not? That is to say, for instance, the collections from foreign governments must be so applied.

Mr. SMOOT. Yes.

Mr. COPELAND. But, even beyond the mandatory payments, it is contemplated that there will be further payments from the ordinary receipts of the Government.

Mr. SMOOT. No; not under the estimate that we have for 1925 and in view of the reductions in the tax bill.

Mr. COPELAND. Where do the figures given by the Senator from New Mexico come from?

Mr. JONES of New Mexico. They come from the sinking fund which is required to be set aside——

Mr. SMOOT. Certainly; and from the payments on the English indebtedness.

Mr. JONES of New Mexico. They include the payments on the debt of Great Britain, the estate taxes which may be paid in bonds, the franchise tax upon the Federal Reserve Board which is invested in these bonds, and so on, making from those sources $511,000,000.

Mr. SMOOT. Mr. President, we are estimating from the estate tax a revenue of $110,000,000. That is counted in the amount of receipts, and if it is paid in bonds, we can not pay our obligations by bonds, but have to issue short-time certificates to cover that amount. We shall have to have the $110,000,000 in order to make up the amount of receipts that we estimate for in this bill.

Of course, Mr. President, we are going to have the amount of the sinking fund. We shall have to do it, and we shall have to put in the sinking fund what England pays us each year to take care of the retirement of an additional $10,000,000,000 that we did not provide for in the original act.

Mr. SIMMONS. Mr. President, I assume that in the estimates of expenditures included in the calculation of the Senator from Utah, as given to the Senate a little while ago, the sinking fund for the purpose of paying off our domestic debt is included, and that it includes also the amount that we are expecting to receive from foreign governments.

Mr. SMOOT. Why, certainly; that is what I say.

Mr. SIMMONS. That is included in the estimate the Senator has given.

Mr. SMOOT. We must do it under the law. We can not do otherwise; but, taking everything else into consideration and providing for those two items, we will have under the estimates made a surplus of $138,900,000, providing we appropriate only what the Budget estimated for; and, of course, I am not going to repeat the items by which Congress has gone beyond that.

Mr. SIMMONS. I think we all understand that.

Mr. SMOOT. Just as far as Congress appropriates over and above the estimated surplus of $138,000,000, of course, we will fall short.

Mr. SIMMONS. Mr. President, I think the Senator ought to state this fact: In 1923 and 1924 we had quite a number of estimates as to the condition of the Treasury. We started out with an estimate that there would be a deficit of something near $800,000,000.

Mr. SMOOT. Of course, those were estimates that were made a year and a half ahead of the time the money was collected.

Mr. SIMMONS. They were made last year, in 1923.

Mr. SMOOT. No; they were the first estimates that were made.

Mr. SIMMONS. The Senator will understand what I mean to say when I finish. Then there was another estimate which presented the possibility or the contingency of a deficit of something like $500,000,000; but the Treasury Department received income largely in excess of the amount thought possible at the time those estimates were made.

Mr. SMOOT. There is not any doubt about it, because the revival of business came on in 1922.

Mr. SIMMONS. When we actually collected the money we saw that all the estimates that were made were far afield——

Mr. SMOOT. But they were made a year and a half ahead.

Mr. SIMMONS. Yes; and that instead of a large deficit there was a very considerable surplus—the surplus of $319,000,000 we are now talking about. The first estimates made by the department after this bill was introduced indicated a much less amount of receipts on the part of the Government than the estimates that the Senator has just submitted to the Senate. The department admits, therefore, that this time, as well as the first time I refer to, it was mistaken, and mistaken because the receipts of the Government under the present law were very much greater than they estimated.

Mr. SMOOT. Yes.

Mr. SIMMONS. Now, no man can tell what will be the actual result of operations during the fiscal year 1924–25 under this bill. It may be that as in the former case, instead of having a surplus of $138,000,000, if business is good, as we all hope it will be, we may have a surplus far in excess of that, as we had last year a large surplus instead of a large deficit as was indicated by the previous estimates.

If the Senator will pardon me just a minute longer, when the Senator reported this bill and stated that the indications, so far as the estimates then before the committee were concerned, pointed to a deficit of $70,000,000, I think he said that he would take his chances; and I think he was right in saying that, because the Senator probably anticipated, or at least hoped, as we now anticipate or at least hope, that there will be a great increase in the receipts of the Government, and that the surplus will be much larger than we are now calculating. Of course, there is a possibility of its being less; but, following the trend of the last two years, the indications are and I think we have a right to assume that the probabilities are greatly in favor of an increase in the surplus instead of a decrease in the surplus now estimated.

Mr. SMOOT. Mr. President, it is only fair to say this: Take, for instance, the amount of revenue that came from the importation of goods into the United States. Nobody thought that the revenue would amount to more than $400,000,000. When I stated upon the floor of the Senate that it would be $400,000,000, I was questioned immediately. I thought I had put it at as high a figure as it was possible for me to imagine; but, instead of that, there was nearly $200,000,000 more, an unprecedented amount. Nobody would have thought of such a thing; but we got nearly $200,000,000 more from that one source. These estimates were made at the beginning of 1922, as many estimates are made, a year and a half before the actual collection of the tax; and this is what happened: In 1921 business had just begun to revive; in 1922 it was good, and, of course, the receipts increased; so we have not got that in our favor in the estimates here for the future.

Mr. BROUSSARD. Mr. President, will the Senator yield?

Mr. SMOOT. Yes; I yield.

Mr. BROUSSARD. Is not the condition that confronts the Congress at this time the same as the condition that confronts the Congress whenever it seeks to raise revenue, either by the imposition of taxes of this kind or by a tariff, that the estimate as to what will happen is mere speculation?

Mr. SMOOT. We know now a great deal better than we do where an estimate is made a year or 18 months ahead, because we know this: Take, for instance, the rates on importations. They are not quite holding up now to what they were a year ago. We have estimated in this amount $500,000,000 from that source. Business now is off somewhat, as everybody knows; the importations are falling off, and we are not collecting from that source the money that we anticipated; but in the estimate that is made to-day we take that into consideration, because we know what is happening.

Mr. BROUSSARD. What I want to do, if the Senator will permit me, is to show that whenever we are about to pass a bill we must be guided by the latest estimates that we can get.

Mr. SMOOT. Absolutely.

Mr. BROUSSARD. There is nothing positive about it, however; and with the knowledge and the information that the Senator has at this time based on estimates made yesterday, there is no reason to think that the country will suffer more by virtue of the legislation that has been passed, including the bonus, than on every occasion when we have passed a bill. It has been asserted, and the propaganda has gone out, that we have about wrecked the Treasury by voting the bonus; and I am glad to hear the Senator state now that we are no worse off than we have been whenever we have taken up a measure of this kind to raise revenue. After all, whether we will have a surplus or a deficiency depends on what we are going to do hereafter.

Mr. SIMMONS. Mr. President, if the Senator will pardon me, I should like to supplement what I said a little while ago with a statement that I have just gotten from the Treasury Department. The estimate made by Mr. Mellon in December of the receipts of the Government was $150,000,000 less than the estimate of receipts now made.

Mr. SMOOT. Yes; and I think the reason of that is that the income-tax returns came in on March 15, and those returns show—there is no question about it—that there is an increase of revenue from that source; and that is why, in a

large measure, this additional estimate is made, showing the difference between the original estimate and the one that is made to-day.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. SMOOT. Yes.

Mr. COPELAND. What is the amount of savings made by the new bill over the existing law?

Mr. SMOOT. About $490,000,000.

Mr. COPELAND. The amount of savings is about $490,000,000?

Mr. SMOOT. Yes; I will tell the Senator the exact amount. I think it is $499,900,000, if the Senator wants to know exactly.

Mr. COPELAND. There is a reduction of approximately $491,000,000, provision is made for the payment of the bonus, and in all probability a half billion dollars will be paid off on the national debt.

Mr. President, I think the thanks of the Senate are due to the Finance Committee for bringing in a bill which makes possible all this very hopeful prospect. The country is not going to smash. All these gloomy forebodings have been silly. We have given the country relief to the extent of over a half billion dollars in taxes. We are going to take care of the national debt; and we can still say that—

God's in His heaven—
All's right with the world.

Mr. SMOOT. Mr. President, I will close my statement now with the hope that the conference report will be adopted.

Mr. WALSH of Massachusetts. Mr. President, may I ask the Senator if he estimates a deficit in the revenues by reason of the passage of this bill?

Mr. SMOOT. I will say that there will be a deficit if we pass the legislation to which I have already referred. I do not want to go over it again.

Mr. WALSH of Massachusetts. But, so far as the legislation that has been already enacted is concerned, there will be no deficit, in the Senator's opinion, if this bill is passed as reported?

Mr. SMOOT. The bonus bill has been enacted already, so that will leave about $2,000,000, and of course we have passed the private bills and some of the other bills, the District bills. There will be a little deficit on the bills that we have already passed.

Mr. SIMMONS. We can pay the bonus and there will still be a small surplus.

Mr. WALSH of Massachusetts. And the bill provides for a flat reduction of 25 per cent on all individual income taxes payable in the present fiscal year?

Mr. SMOOT. For the calendar year 1923.

Mr. WALSH of Massachusetts. And also a reduction approximating 25 per cent in the individual income taxes payable in the following years?

Mr. SMOOT. More than that.

Mr. WALSH of Massachusetts. Averaging more than 25 per cent?

Mr. SMOOT. Yes.

Mr. KENDRICK. Mr. President——

Mr. SMOOT. I yield to the Senator. I am through, however.

Mr. KENDRICK. In the Senator's very concise and, it seems to me, very clear report on the action and work of the conferees, he spoke of the reduction allowed for losses sustained in capital investment.

Mr. SMOOT. Yes.

Mr. KENDRICK. At the time the Senator made the reference I did not like to interrupt him, but I should like to have the Senator explain, in a word, what changes were made in the present law in connection with that matter.

Mr. SMOOT. Under the present law, if a capital loss is sustained, suppose it is a $100,000 loss, then in the return made by the taxpayer, if he has a gain of $100,000, that capital loss can offset that gain. The Senator remembers that in the existing law capital gains are limited for taxing purposes to 12½ per cent, or, in other words, a man may make $100,000 in capital gains and he is only charged a tax on 12½ per cent on the $100,000, or $12,500; but in the existing law he is allowed the full amount of his capital loss, so the bill as reported to the Senate by the conferees treats the capital loss exactly like the capital gain, and if he loses $100,000, he can only take 12½ per cent of that loss and deduct it from his gain. If he makes $100,000, he pays taxes upon 12½ per cent of the $100,000. I will say to the Senator that it made a difference in the revenue of about $60,000,000.

Mr. JONES of New Mexico. Mr. President, I want to put in the RECORD a statement regarding the public debt, so that it may be in the RECORD in connection with the remarks of the Senator from Utah [Mr. SMOOT], in order that there shall be no question about it.

I have before me the report of the Secretary of the Treasury for the fiscal year ending June 30, 1923, which is the latest report of the Treasury on the subject. For that fiscal year the public-debt retirements chargeable against ordinary receipts are listed as follows:

Sinking fund	$297,144,300
Purchases from foreign repayments	37,854,500
Received from foreign governments under debt settlements	160,969,325
Received for estate taxes	10,000,000
Purchases from franchise-tax receipts (Federal reserve banks)	6,000,000
Making a total of	511,968,125

For the fiscal year 1925 the figures are as follows:

Sinking fund	$310,000,000
Received from foreign governments under debt settlements	160,277,975
Received for estate taxes	6,000,000
Purchases from franchise-tax receipts (Federal reserve banks)	6,000,000
Making a total of	482,277,975

Mr. SIMMONS. I wish to ask the Senator from Utah if he does not think the estimate just prepared by the Actuary of the Treasury, from which he has been reading, should be put in in connection with the statement of the Senator from New Mexico?

Mr. SMOOT. I intended to have it printed in the RECORD as a part of my remarks, but it can be put in at this place.

Mr. SIMMONS. It comes better at this place.

Mr. SMOOT. Very well.

Mr. SIMMONS. If the Senator from New Mexico will permit me, I offer these figures as an appendix to his last statement as to the results for the year 1925 under the Mellon plan, under the present law, and under the measure we are now considering.

The PRESIDING OFFICER. Is there objection to printing in the RECORD the matter referred to by the Senator?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated revenue, fiscal year 1925

(Revenue act of 1924 as agreed to in conference.)

Source	Mellon plan	Present law	Revenue act of 1924
Customs	$500,000,000	$500,000,000	$500,000,000
Internal revenue:			
Individual income and corporation tax	1,662,000,000	1,900,000,000	1,650,000,000
Miscellaneous taxes	824,000,000	925,000,000	814,000,000
Total internal-revenue taxes	2,486,000,000	2,825,000,000	2,464,000,000
Miscellaneous receipts	473,000,000	473,000,000	473,000,000
Total ordinary receipts	3,459,000,000	3,798,000,000	3,437,000,000
Expenditures chargeable against ordinary receipts (Budget estimate of Dec. 3, 1923, not including additional expenditures authorized or to be authorized since that date)	3,298,100,000	3,298,100,000	3,298,100,000
Excess of ordinary receipts over total expenditures chargeable against ordinary receipts	160,900,000	499,900,000	138,900,000

To this surplus should be added whatever taxes are collected by the department in excess of $200,000,000 on account of income and profits taxes for previous years.

Mr. NORRIS. Mr. President, in rising to oppose the conference report, I realize that I am undertaking a futile thing, and I want at the same time to make my position perfectly clear, and give the reasons for my position.

The Democrats and the Republicans have gotten together now, to a very great extent, on this conference report, and of course it is only a question of time before it will become the law, unless vetoed by the President. I want to be fair, in stating my position, with those who are going to vote for the conference report. There are a great many things in the bill as the conference committee have agreed upon it which I favor. There are a great many respects, at least some respects, in which the conference committee bill is better than the bill as it passed the House, in my opinion, and likewise better than the

bill as it passed the Senate. I say, in some respects. In some other respects the bill agreed upon by the conferees is considerably worse than the bill as it passed the House, as I look at it.

When we are considering a conference report, we must consider the parliamentary situation in order to be perfectly understood. In the particular instance now before us, the two great outstanding features of the conference report which I oppose are, first, the rejection of an amendment which the Senate attached to the bill, offered by the Senator from New Mexico, in which a graduated tax was provided for the incomes of corporations. The other, as I view it, is the so-called publicity amendment, applying to income-tax returns.

I realize, too, that we can not expect a conference committee to get everything they want or that we want. An agreement in conference is necessarily somewhat of a compromise always. But I do not believe that the conferees on the part of the Senate have done their full duty, notwithstanding this. The publicity amendment should have been carried back to the House and the Members of the House given an opportunity to discuss it and to vote upon it by roll call. I urged that that be done, and that the conferees insist that it be done. There would have been no difficulty, if our conferees had insisted upon it, in bringing that condition about, and putting the House on record, as the Senate is on record, on that particular amendment. That has not been done. It is good politics not to do it, and in my opinion that is the reason it was not done.

The Democrats expect to elect the next President. Whether their hope will become a reality or not will depend upon the man whom they nominate. If they nominate one of the two Senators who are now giving me their attention, their dreams will probably be realized.

Mr. CARAWAY. Does the Senator want to start a feud between these two Senators? [Laughter.]

Mr. NORRIS. But assuming the Democrats do elect a President, not knowing who the nominee is going to be, and therefore who the President is going to be, Democratic politicians do not know whether their boss in the White House is going to be in favor of publicity of income-tax returns or opposed to it. Yet I think the country believes, from the vote taken in the Senate, that the Democratic Party is in favor of publicity of income-tax returns.

If that be earnest, if that be genuine, why should we not put on record the Members of the coordinate branch of the National Legislature, and see whether those who voted for publicity of income-tax returns in the Senate would be vindicated by a vote of the House?

I believe just as firmly as that I am here that if the House of Representatives had had an opportunity to debate the publicity amendment which we put into the bill on the floor of the Senate, and had had a roll-call vote, the amendment would be in the bill now, and because I believe in the amendment, and because our conferees have not insisted that that step be taken, I am opposing this conference report.

In my judgment, if we could send it back and a vote should be had in the House, the bill would come back before us in a second conference report with the approval by the House of the Senate amendment on this subject, and likewise with the approval by the House of the Senate amendment on the corporation-tax proposition.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Massachusetts?

Mr. NORRIS. I yield.

Mr. WALSH of Massachusetts. I note that the Senator is making the same protest which he and others have made every time there has been an important bill before a conference committee. We have observed that in the final analysis the legislation of this body is passed in secret, behind closed doors, by a group of Senators and Representatives. I am fully in accord with his suggestion that there should be a requirement that amendments which are debated in the Senate and voted upon on this floor should be submitted to the other body, and amendments debated and voted upon in the other body should be submitted to the Senate, and not to a committee of conferees to pass upon them in secret. We are in accord in that view.

I believe it will lead ultimately to a widespread protest from the American people against this method of constructing important legislation. I do not know of anything that does more damage and causes more disrespect for our institutions than the failure to have a vote in both our Chambers upon an important amendment. The idea of a conference committee being able in secret, behind closed doors, to suppress almost the unanimous vote of this body is intolerable. It is not representative government. It is secret, star-chamber government.

I trust the Senator will pardon me for digressing a little from the question I desired to ask him, but I rose to ask the Senator in what way we can force action that will lead to having some of these amendments passed upon by the other branch.

Mr. NORRIS. In only one way, and that is by rejecting the conference report.

Mr. WALSH of Massachusetts. That might result in the defeat of the bill itself.

Mr. NORRIS. I think not. If we were to adjourn tomorrow or the next day, or had a time fixed for adjournment within the next few days, there would be something to that theory; but I do not think it would defeat the bill.

Mr. WALSH of Massachusetts. I am sure the Senator feels as I do, that we would not care if every single amendment were taken out of this bill, if we knew that was the consensus of opinion in the other branch; but when we have doubt as to whether they would agree or disagree, and when we have only the judgment of a small handful of Representatives in the Congress, I think our protest is justified.

Mr. NORRIS. Mr. President, I thank the Senator for his observation. If the bill had gone back to the House, and the House had had a roll-call vote on this particular amendment of which I am speaking, and on the other one offered by the Senator from New Mexico, and those amendments had been defeated by decisive votes, I would have made no further protest. I realize that we can not always have our own way, no matter how earnestly we may believe we are right. It is a matter of compromise. But, Mr. President, as the Senator from Massachusetts has so well said, in the case of amendments of the importance of these two, which were debated fully in the Senate and put on the bill on the floor of the Senate and then referred to the conference, it is not right that they should be rejected by the conferees without the House ever having an opportunity to debate them or to vote on them.

Mr. WALSH of Massachusetts. It is not representative government.

Mr. NORRIS. I hope I will be understood when I say that I am not finding fault with any Senator or any Member of the House or any outsider who opposes either one or both of these important amendments, but the Senate showed by a very decisive vote, after a full and unlimited debate on both of them, where the Senate stood, and our will has been nullified by three or four men meeting in secret. That is the effect of the conference report.

Mr. WALSH of Massachusetts. And without any record to show who those men were or how they voted.

Mr. NORRIS. There is a record to show who the men were, but no record of how they voted.

Mr. WALSH of Massachusetts. There is a record of those who were in the conference, but there is no record of how they stood upon this measure.

Mr. NORRIS. No; there is not. The way it stands now, one branch of the National Legislature or its Members, if this thing ever comes up again in a subsequent Congress, will be able to jump either way without ever having been put on record. The men who represent constituencies in either branch of our National Legislature, where the thing should come properly before them, ought to be on record on a roll-call vote as to whether they favor or do not favor such important propositions.

I want to repeat, with all respect to the conferees and to the Members of the House of Representatives, that if there had been a roll-call vote on these amendments, I would not be here to protest against the conference report, because, as I said, there are a good many good things in it that I favor, and if I were voting for or against the bill as they have reported it here and were called upon to vote for or against it without reference to any opportunity to improve it, I would vote for it. But I am opposing the conference report because I believe that if it would go back to conference and would be taken back to the House, and the House of Representatives had an opportunity upon a roll call to vote on the amendments, they would improve the bill and make it better than it is. That is the reason why I am opposing it, because that is the only way under the parliamentary situation that that can be brought about. If our Democratic friends in the House of Representatives are as near unanimous in favor of publicity and the other amendments as they were in the Senate, I want to say to you, my Democratic friends, there are enough Republican votes in the House to put both of those amendments across. Why do you not take it to them and give them an opportunity to vote?

Mr. President, it seems to me that no argument of a logical or sound nature has been made against the publicity of income-tax returns. Men with millionaire incomes do not want it, and it seems, therefore, we can not get it. In my opinion,

if we had publicity of income-tax returns we would greatly increase our revenue. Knowing that the income-tax returns are behind closed doors and locked and sealed from the eye of the public, the dishonest man, in making an income-tax return, feels that he runs no risk to do everything in that return to cut down his income, because it is going to be kept forever in secret. The inclination, then, to any individual who is not completely honest is to make his income as small as possible for the purpose of that return.

As I said, the publicity of income-tax returns would bring much additional revenue into the Treasury of the United States. No man can tell how much. I think any reasonable individual, however, who will remember that there are millions of them, and that the opportunities to defraud the Government out of proper tax are almost unlimited as long as the returns are in secret, must agree that the amount would be enormous. It would run into hundreds of millions of dollars, in my judgment.

But that is not all. The honest man now who makes an honest return and pays honestly the tax that should come from him in the way of an income tax is discriminated against and compelled to pay a higher proportion of tax than he should pay.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

Mr. NORRIS. I yield to the Senator from Massachusetts.

Mr. WALSH of Massachusetts. Some idea of the losses to which the Senator refers can be determined by a knowledge of the fact that in one year the reassessments by the Government after examining the returns of taxpayers were $600,000,000. In other words, there were errors amounting to $600,000,000 traceable and determinable by an examination of the taxpayers' reports.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Arkansas?

Mr. NORRIS. I yield.

Mr. CARAWAY. Has it not been the policy to transact all public business publicly? Is it not the policy of every republic to do that?

Mr. NORRIS. Yes.

Mr. CARAWAY. Under what theory do we deny any public scrutiny of the transactions of collecting taxes, refunding taxes, and all those settlements? What honest man could object to the people knowing what was done with the tax returns?

Mr. NORRIS. I can not answer the question of the Senator, because I can not conceive of a theory based on logic or an objection based on reason in opposition to the publicity of income-tax returns.

Mr. CARAWAY. Why would it not be just as reasonable to say we will close the doors of the courthouses and have all litigation in private so that the public may not pry into a man's business? Why not say it is not wise for the public to know?

Mr. NORRIS. I should think it would be just as reasonable and the same principle is involved.

Mr. CARAWAY. And when they do not have publicity there is always more or less corruption.

Mr. NORRIS. Always. The history of civilization shows that corruption and dishonorable conduct in public office always comes from secret government, and secret government can not be conceived if we claim that we are living in the highest state of civilization.

Mr. CARAWAY. The contention of many men has been that the Great War, just ended, was the result of secret diplomacy.

Mr. NORRIS. Yes; and with a great deal of reason contended that if we had not had any such thing as secret dealings between governments we would not have had, perhaps, the Great War. At least there were many wars that we would have avoided if we had been dealing publicly with our neighbors in an international way.

Mr. President, who would consent for a moment that the Senate and House of Representatives should transact all their business in secret? Who would consent for a moment in any county, in any State of the Union, that the returns of the assessor should be locked up and nobody given an opportunity to examine those returns? Millions and millions of people are making tax returns to the local assessors all over the United States, millions more than are making income-tax returns, and as far as I know every single one of those returns is a public document and subject to examination at all reasonable hours by the public generally, and yet when we come to the income-tax returns the doors are locked and nobody allowed to make any examination of any return on file. It must be apparent that the Government of the United States is losing hundreds of millions of dollars every year on account of this silly notion. It is said that a man does not want his neighbor to know about his business. He can go to the courthouse and find out by looking over his tax returns now if he wants to do so. He can go to the courthouse again when there is a lawsuit and find out away beyond the secrets of a financial proposition.

Mr. WALSH of Massachusetts. And when he dies there is a public record of his estate.

Mr. NORRIS. Yes; when he dies he always leaves his property behind him. There has never been an exception to that rule that I know of. His property is administered and the public find out all about it.

They know about his business; they know how much he had; they know what kind of property he had, and what property brought him in an income and what did not. They know all about it.

Mr. WALSH of Massachusetts. So that his heirs are not protected by any secrecy.

Mr. NORRIS. No.

Mr. WALSH of Massachusetts. Whatever amount he leaves to his wife and children is known to everybody.

Mr. NORRIS. From the top to the bottom of a democratic form of government there is no place for secret public business. Let us admit, although I am not able to conceive of an instance where anybody would be hurt by publicity, that in one case in a thousand or a million some one might be injured. Must benefit that will accrue to all the people be surrendered in order to protect one or two in some business whim?

I have heard it said—it was in a statement made by no less a man than Secretary Hoover, as published in the newspapers—that if we had publicity of income-tax returns some people would pad their returns, and represent their incomes as being greater than they were, in order to make their neighbors believe they were rich. I would give a premium for that if anyone should care to do it. If anyone is anxious to have other people think that his income is great and is willing to pay to the Federal Government something extra in order to have that notoriety in the neighborhood, bid him Godspeed and let him put his money on the table. What a calamity it would be if Mr. Mellon or Henry Ford should pay the Government more than they ought to pay it! What a terrible thing! How it would shock the people, and how it would hurt the taxpayers! Just think of it!

Mr. President, there is another respect—though I want to be frank and to say that in that respect the conference report has somewhat modified the existing law and has made it better—there is another respect in which benefit would come, and that is in connection with framing legislation. We have passed through both Houses of Congress, after very extended hearings in committee and lengthy debate on the floor, a revenue bill, the conference report on which is now before us. We knew that in the existing tax law there were loopholes; we knew that we were not getting the money we ought to get from income-tax returns; we knew that in thousands of ways the real spirit of the law was being violated; but we did not know how. From those who were called upon to legislate was concealed behind locked doors and vaults the evidence that would disclose the loopholes by which dishonest men avoid paying taxes to the Government. And yet the opponents of publicity clamor and say, "You must not let anybody look at those sacred documents." If a man has made an honest return, how can he be hurt by publicity; if he has made an honest mistake, how can his feelings be injured even then, if that mistake is corrected and made right—whichever way it may be?

Under the bill now before us, committees of Congress can examine tax returns, but that will not give them the opportunity to bring about remedial legislation such as they would have if the amendment which the Senate put on the bill had been included in the conference report and made a part of the law.

It is true that members of the Finance Committee of the Senate and of the Ways and Means Committee of the House of Representatives are to be permitted to examine tax returns; but they are not the only pebbles on the legislative beach. There are some others here who are equally interested in good legislation, who are equally interested in having the right kind of a revenue law; but they are all denied access to these secret records of big incomes. From a legislative point of view alone such records ought to be public. We get much of our information even on important legislation from men outside of Congress who are particularly well informed on various matters of legislation, but if they wanted to assist in good legislation of this kind they would still be denied under this bill access to tax returns.

Mr. President, there is a third important reason why these returns ought to be published, at which I have before hinted. The honest citizen who makes an honest return is entitled to protection in preference to the dishonest one. We are proposing to legislate here to the advantage of dishonest people and thereby adding to the burdens of the honest men who want to pay what they rightfully ought to pay. This bill does not give the honest man a square deal; it gives the advantage to the dishonest taxpayer and puts additional burdens upon the man who wants to do his full duty; because if one set of taxpayers do not pay what they ought to pay, the burden is correspondingly increased upon those who do pay what they ought to pay. We could reduce the rates if everybody in the United States paid what under the law he ought honestly to pay.

Heretofore there has not been any way to remedy, in public at least, anything that was found wrong in tax returns. A man may overpay; that often happens. The honest taxpayer may have paid too much; he may have paid more than he is required under the law to pay by having made some mistake. So long as the returns are secret he will never find it out. That is unfair to him. He ought to have an opportunity, if a mistake is discovered in one man's return and his is similar to it, to know of the mistake that was discovered, in order that he may apply the information to his own return, and if something was due to be refunded that he could get it back honestly, squarely, openly, and aboveboard.

Mr. President, there is another loophole in the existing law which we sought to correct here by the adoption of the amendment of the Senator from New Mexico [Mr. JONES], which our conferees have likewise given up and surrendered without asking the House to vote on it. It looks to me as if we had left a loophole in this law big enough to drive a four-horse team right through it. Corporations will pay a flat tax of 14 per cent. Upon small corporations that is too much. It may be compared to the normal tax on the individual, which commences at 4 per cent, but as the income increases and falls in the higher brackets surtaxes are added, which bring about larger levies on the big incomes. But the corporation tax does not commence low enough to give relief to the small corporation with small capital.

The amendment of the Senator from New Mexico [Mr. JONES], instead of fixing the normal tax on corporations at 14 per cent, fixed it at 9 per cent—in my opinion, it should have been still lower—and then it was increased, according to the income, to a point as high as the tax on individual incomes.

Why should not that be done? If a corporation has an income so large that, if distributed, the individuals receiving it would be compelled to pay the rate provided for in the very highest brackets up to 40 per cent, why should we permit that income to be retained in the corporation and permit the corporation to pay a tax of only 14 per cent? Yet that is what this bill provides.

We heard in the debate on this bill of many instances where men having very large incomes incorporated for the express purpose of avoiding taxation. If their incomes should fall in the brackets that are higher than 14 per cent, they could afford to do it under this bill and make money by the operation.

Mr. SIMMONS. Mr. President——

Mr. NORRIS. I yield to the Senator from North Carolina.

Mr. SIMMONS. I know the Senator wishes to be absolutely accurate.

Mr. NORRIS. I do.

Mr. SIMMONS. The bill does not provide for a corporation tax of 14 per cent, but of 12½ per cent plus the tax on capital stock.

Mr. NORRIS. I am glad to be corrected.

Mr. SIMMONS. It is about the same, except that the 14 per cent tax, it is estimated, would yield about $20,000,000 more revenue than the present law, indicating that a 14 per cent rate would be higher than that now contained in the bill.

Mr. JONES of New Mexico. Mr. President——

Mr. NORRIS. I yield to the Senator from New Mexico.

Mr. JONES of New Mexico. I desire to state in this connection that the 14 per cent tax which was suggested by the Finance Committee was fixed in contemplation that there should be no capital-stock tax. So, likewise, in framing the amendment which I presented to the Senate the rates were fixed in contemplation of the same situation, that there should be no capital-stock tax. I expressly stated that if the capital-stock tax should be retained, in that case the normal tax upon corporations would be reduced from 9 per cent to 8 per cent, and still raise the same amount of revenue.

Mr. NORRIS. Mr. President, I think that the rejection of this provision that we incorporated in the bill in the Senate is going to enable men with large incomes to pay a tax of 12½ per cent only. They will combine in corporations. Five or six men with individual incomes, let us say, even on Liberty bonds, running up to $200,000 or $300,000 apiece may put them in a corporation and pay a tax of 12½ per cent whereas the individual with practically the same income will have to pay as high as 46 per cent, when the normal tax with the surtax is included. I want to ask the Senator from New Mexico if I have overstated that.

Mr. JONES of New Mexico. I do not believe the Senator has overstated it at all, and I do not believe he can give too much emphasis to that thought.

Mr. NORRIS. Mr. President, I want to say to my Democratic friends that the amendment of the Senator from New Mexico was in the nature of restoring the old excess-profits tax by which corporations paid a rate somewhat in proportion to their income. It was better than the old excess-profits tax. You will remember that that tax was repealed when the present law was passed; and all over the West in every campaign that has been made since, that is one of the things that was hurled into the teeth of Republican candidates, that they had voted to repeal the excess-profits tax. Now the Democrats, even of the Senate, are going to relieve their Democratic brethren in the House from going on record on the restoration of that tax that they condemned the Republicans for repealing. If you will examine the roll call when that tax was repealed, you will find that the proposition was not entirely a partisan one, although the Republicans had control of the Senate.

Do those proclamations of the Democrats, then, made throughout the Middle West at least, mean anything? Were they made for the purpose of getting into office, to be violated after, on that kind of a promise, you did get into office? Is it one thing to condemn the repeal of a law when you are trying to get in, and another thing to take the same action yourselves after you get in? Are you afraid to send this bill with that provision to the House of Representatives and let the Democrats there go on record?

You did not talk that way in the campaign; and again I want to assure you that if you were telling the truth in the campaign, and if you mean your professions now, if you will send this bill over there we will furnish you enough votes from the other side to put that amendment into the law.

Mr. President, as I said at the beginning, I think I know the situation in the Senate well enough to know that this conference report can not be defeated. I know it will be charged that I, and such men as I, who believe in these two particular amendments that I have advocated, have voted against this bill. I tried to make it plain at the beginning that my object in opposing this conference report is not because I am opposed to the bill, but because I am anxious to make it better before we finally pass it, and because the only way to accomplish that under the present parliamentary situation is to defeat the conference report.

I want to say frankly that it seems to me this conference bill, with the exception of the big loophole I have mentioned, is a very good bill. I am only asking that we take such action here as will make it better. I like, for instance, the rejection of the Senate amendment on inheritance taxes, and the retention of the estate tax, mainly because the House rate went up a good deal higher than the Senate rate did. I think a great deal of that provision. I admit, too, that there are some publicity features here that will do some good, though not very much. My opposition to the conference report, therefore, is based entirely upon the proposition that if we could reject it and send the bill back to conference we would have incorporated in it when it got back here in the next report both of these amendments if the House voted on them both.

If the House rejected one upon voting on it, I should be willing to quit on that. If the House rejected them both, then I should be willing to accept the bill as it is now. I want to say to the Senator, however, and particularly to the conferees, that it seems to me that on these two very important propositions they have not done their full duty. The House has had no opportunity to debate or vote on either one of them; and when I ask that that opportunity be given, and that they insist that it shall be given, I am not making an unreasonable request.

Mr. JONES of New Mexico. Mr. President, I share with the Senator from Nebraska [Mr. NORRIS] a very deep disappointment that this revenue bill is not what I think it should be. I feel that some explanation is due to the Senator from Nebraska, to the Senate, and to the country, as to why this report is now presented to the Senate bearing the signature of every member of the conference committee.

The two principal features discussed by the Senator from Nebraska, as he has stated, are the two important con-

troversial features of the bill. It is necessary to recall the history of this legislation.

About a year ago the Secretary of the Treasury announced to the country that there could be a substantial reduction of Federal taxation. When the Congress assembled at the closing of last year the President of the United States came before the Congress in joint session and referred to the fact that the Secretary of the Treasury, with the assistance of the experts of his office, had prepared a revenue bill which would bring about a reduction of taxation, and the President thoroughly and completely accepted the measure as proposed by the Secretary of the Treasury. Almost in exact language he adopted and indorsed the Mellon plan.

The House took up the bill for consideration. It made very substantial changes in the Mellon plan, especially so far as the individual income taxes were concerned. It increased quite materially the taxes upon estates. It provided in considerable measure for information as to the contents of tax returns.

The bill came over to the Senate, and I felt as deeply as does the Senator from Nebraska that the one great means for the evasion of taxes had not been dealt with at all. The House had made no change with respect to the taxes upon corporations. The Senate did adopt, by a very substantial majority, a different plan for taxing corporations. I believe for the first time since I have been a Member of the Senate there was not a Democratic vote against the proposed plan for taxation upon corporations.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from New Mexico yield to the Senator from Nebraska?

Mr. JONES of New Mexico. I yield to the Senator.

Mr. NORRIS. The Senator refers now to the action in the Senate?

Mr. JONES of New Mexico. I do.

Mr. NORRIS. Assuming that the Democratic vote over in the House would be the same, does not the Senator realize that if they could have gotten a vote on the matter there would have been enough progressive Republicans in the House to put it in the law?

Mr. JONES of New Mexico. I have not the slightest doubt that that is true.

Mr. NORRIS. Then I should like to ask the Senator why he, as one of the conferees, and in addition because he is the author of the amendment itself, did not insist that the House conferees take that amendment to the House and have a vote on it?

Mr. JONES of New Mexico. I expected to answer that just a little later, but I think I might as well do it now.

So far as the Senate conferees are concerned, they expressed a desire that the amendment should be taken to the House for a separate vote and that the question of the publicity of individual tax returns should likewise go to the House for a separate vote. We were met with a united opposition to those proposals, and that opposition was based not altogether upon opposition to the provisions in the Senate bill but was based largely upon the fact, and I may say that was the controlling influence, that the conferees on the part of the House desired above all things else that a revenue bill should be enacted into law at this session of Congress. There were a large number of Members of the House who were of the definite opinion that if either one of these measures should be incorporated in the bill, the bill would not become law because of the intervention of the Executive veto. The bill as reported by the conferees does provide, so far as individuals are concerned, a large measure of tax reduction.

Mr. BROOKHART. Does the Senator have any assurance that the bill in its present form will receive the Executive sanction? I saw by the morning papers that Mr. Mellon is likely to veto the thing in any form.

Mr. JONES of New Mexico. Mr. President, of course I do not know whether or not this bill in its present form will receive the signature of the President.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Nebraska?

Mr. JONES of New Mexico. I yield.

Mr. NORRIS. I am interested in the Senator's statement that the conferees surrendered these valuable amendments because they were afraid of a veto. If these conferees who are afraid of a veto from the White House had been told that the President would veto the bill in any other form except in the form in which Mr. Mellon wanted it, would the conferees have lain down and agreed to it in that form? In other words, would the conferees be willing that the Executive should be supreme, and that we should simply be a lot of pawns, to be pushed about at the will of the Executive, and at his pleasure?

Mr. JONES of New Mexico. Mr. President, of course, I do not believe we should merely register the will of somebody else in our legislation; but in regard to this matter, the conferees on the part of the House were firmly convinced that the legislation would receive the Executive veto if these two amendments were left in it, and that, I am sure, furnished, at least to some extent, the reason for the very positive position that they took, that these amendments should not go back to the House for a separate vote.

Mr. NORRIS. May I again interrupt the Senator?

Mr. JONES of New Mexico. They were not willing to take them back to the House.

Mr. NORRIS. I understand that, and I would like to ask the Senator a question—and if it is at all embarrassing I will not insist on an answer. I want to ask the Senator whether one of the reasons why this was not insisted on was the fact that at least some people in control of some politics in this country did not want to put the Democrats of the House on record on either one of these propositions? Was there not something of that kind?

Mr. JONES of New Mexico. I can not answer that question, because it was not presented to me as a reason for the action of the conferees. It is just possible, and the Senator may have gotten definite information, that that did actuate some people, but that was not the basis for the action of the conferees on the part of the House as presented to the conference committee.

I regret that it was necessary, in my judgment, for the conferees on the part of the Senate to indorse this conference report, but I became thoroughly convinced that it was the best that could be done under all the circumstances. I became convinced that we would be most fortunate if this bill, in its present form, should meet with Executive approval. I am still in doubt as to whether or not it will meet with such approval, but my belief is, subject to such doubt, that it will become law.

I read in the morning paper that the Secretary of the Treasury was very much opposed to this bill. I have no doubt that it fails in many respects to meet the unqualified approval of the President, but my judgment is, although it is not free from all doubt, that when the President takes the bill up for consideration, and when the responsibility is put upon him either to accept it or reject it, I believe that the President will sign it and that it will become law.

If that should be done, there will be a large measure of relief from taxation. If it is done, there will be an opportunity for the Congress of the United States at least to inquire into the methods adopted by taxpayers to evade just taxation. The provision in the bill bringing into the light all controversies which may come before the board of tax appeals, as I understand it, will have a very beneficial result. I do not believe it is right to have a controversy between the Government and a taxpayer regarding moneys due from him to the Government, moneys due to the taxpayer by way of abatement and refund, adjusted and settled in secret. It is repulsive to me, and I feel some degree of gratification that that will not be done any longer, at least as to matters which come before the board of tax appeals; that in the important matters the testimony will be taken down, it will be transcribed, and that testimony and all exhibits will be subject to public scrutiny. I think it is a great step in the right direction.

Mr. COPELAND. Mr. President——

Mr. JONES of New Mexico. I yield.

Mr. COPELAND. I not only voted for the publicity feature, but the Senator from Nebraska will recall that I spoke for it. I would like to ask the Senator from New Mexico if the conferees succeeded in adding some features to this publicity provision as it came from the House? In other words, is the publicity feature in the bill as finally agreed upon an improvement on the House provision?

Mr. JONES of New Mexico. There is no question about that. The bill as it passed the House contained no provision regarding the publicity of proceedings in the Treasury Department in the adjustment of claims between the Government and the taxpayers.

The bill as it came from the House did contain the provision that committees of the Senate and the House, and joint committees, should have access to these returns. To that provision there was added, in the Senate and in conference, this further feature, that, whereas under existing law the names and addresses of taxpayers in the several collection districts are published by posting a notice in the post office at the county seat of each county in the district, under this provision the

amount of the taxes paid by the taxpayer is also posted. But, of course, it gives no information as to the sources from which the incomes are derived.

Mr. COPELAND. But the Senate conferees did succeed in improving the House provision, at least to the extent named?

Mr. JONES of New Mexico. We improved it to that extent. To my mind that was a very substantial improvement.

The report of the committee leaves the present law in effect so far as the tax on corporations is concerned. To my mind the present law upon that subject not only furnishes a means for the evasion of taxes which should be paid to the Government but it discriminates against the taxpayers of the country. It works a gross injustice.

The difference between the individual income rates as proposed by the Secretary of the Treasury, and those finally written into this measure, is based largely upon the fact that the Mellon plan was written and devised for the benefit of the favored few and against the interests of the great body of taxpayers of this country. The same may be said of the provision of the present law, which the Secretary of the Treasury insists shall remain as it is, in regard to the tax upon corporations, as to those citizens who are engaged in business through corporate organizations.

We have heard time and again of the number of individuals who would be benefited more by the Mellon plan than by the Simmons plan—the few, about 2,500 only—and it was for the benefit of those 2,500 that the Secretary of the Treasury, with the indorsement and the approval of the President, sought to put over on the country his plan for individual surtaxes. I say that in almost the same degree, if not to a greater degree, does that principle apply to taxation upon corporations.

I need only call attention to this situation: According to the statistics of the incomes, based upon the last year for which there has been any compilation, I find this remarkable condition of affairs: Three hundred and fifty-six thousand three hundred and ninety-seven corporations made income-tax returns for that period; 185,158 of them had no taxable net income. As to that 185,000 the present system imposes a direct tax upon capital, and not income at all. These corporations returned that they had a deficit in income of $3,878,219,134; but notwithstanding a deficit, under the present law they will have to pay a capital-stock tax which can only be paid out of capital. They will have to borrow the money with which to pay it. That, to my mind, is wrong. I favored the repeal of the capital-stock tax and to raise the whole revenue from the tax upon net income. The Senate favored that, but the conferees on the part of the House insisted that the present law providing for a tax upon corporations should remain just as it is. The Senate changed that provision so as to raise the revenue from a tax upon the net taxable income rather than the capital-stock tax. Under the conference report the capital-stock tax will be restored, and these 185,000 corporations, which had no net income but a loss, will have to dig up the money somehow to pay that tax which brings into the Treasury about $85,000,000 a year.

Of the other corporations there were 75,451 reported a net income of less than $2,000, and 135,987 reported an income of less than $10,000, leaving 35,252 corporations out of more than 356,000 with incomes above $10,000 a year. Of the 35,252 there were 25,327 which had incomes of less than $50,000 a year. That leaves of all those corporations only 9,925 that had incomes above $50,000 a year, and they are to pay a capital-stock tax; they are also to pay a flat tax of 12½ per cent, and that 12½ per cent is as much tax as an individual would have to pay if he had an income of over $50,000 a year. So all those corporations, except 9,925, will have to pay more tax or the same rate of tax as an individual with an income of $50,000 a year, and a capital-stock tax in addition.

If an individual were operating as a corporation he would have to earn through the corporation as much as $50,000 a year and more in order not to pay taxes at the same rate as the individual doing business in his individual name. We know, moreover, that those corporations generally have more than one substantial stockholder. If they have two equal shareholders owning the corporation, then it would be necessary for the corporation to have an annual income of $100,000 in order that the rate of tax upon the corporation should not exceed the same rate of tax upon the income if earned by a partnership with two partners. Of those corporations having an income of a hundred thousand dollars a year and more there are only 5,330. So those 5,330 corporations are to be protected under the existing law, the law supported by the Secretary of the Treasury, and even of those 5,330 many of them, as we know, are owned by the general public. The stock of the dividend-paying railroads of the country is scattered all over the country. They have thousands of stockholders. The same is true of the American Telephone & Telegraph Co., with over 100,000 shareholders, and other large corporations of that kind, where it is to the absolute disadvantage of the shareholders that the corporation should pay the flat tax rate of 12½ per cent, which only takes the place of the normal tax of 6 per cent or less when the dividends are paid to the shareholders.

So I think we can eliminate at least one-half of those corporations. There will then remain of those corporations probably not more than 2,500 who are receiving the express favor of legislation.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Massachusetts?

Mr. JONES of New Mexico. I yield.

Mr. WALSH of Massachusetts. Perhaps in my absence the Senator commented on it, but I do not think we can emphasize too often and too strongly the fact that every class and group of corporations and individuals in America have had war taxes reduced except one. The nonexcess-profit-making corporation is paying to-day 25 per cent more tax than it paid even with all the war-burden taxes upon it. I do not think we can emphasize too strongly the fact that this clearly shows that the Republican Party supports big business and not small business.

Mr. JONES of New Mexico. The Senator from Masachusetts was not only right in his observation, but I think it is important for us to make it clear just how that came about. The war was just being ended; in fact, we were still paying a large share of the direct expenses of the war when the revenue act of 1921 was passed. It was realized that there should be a reduction from the war taxes, and the process adopted, so far as corporations are concerned, was by repealing the excess-profits tax; but it was realized that to do that and nothing else would not bring in sufficient revenue for the Treasury. During the war the flat, or normal, tax upon corporations was 10 per cent. That was the war tax—10 per cent upon all corporations. In order to repeal the excess-profits tax and still raise the money, they not only did not reduce the war normal tax of 10 per cent, which was imposed upon all corporations, but they increased it to 12½ per cent.

Mr. WALSH of Massachusetts. And they retain it in the present bill, which is a bill to reduce taxes.

Mr. JONES of New Mexico. Yes, that is retained. It is in the present law framed by the same responsible political party. It is the same provision which the Secretary of the Treasury and the President advocated when they presented the Mellon plan, which proposed to leave it in the law, and it is the same provision that is reported now in the bill by the conferees of the two Houses of Congress.

Mr. WALSH of Massachusetts. The very business corporations that need most a reduction in taxes, that need most to be encouraged because of their limited profits, are to-day bearing a heavier tax than during the middle of the war.

Mr. JONES of New Mexico. The Senator is quite right. That flat tax has been increased to 12½ per cent, being 25 per cent higher than in the very midst of the war, and no suggestion ever was made for relief to those corporations, which, as I have said, numbered all told 356,397, less the very few thousand which I pointed out and which are making large incomes.

Mr. WALSH of Massachusetts. I will ask the Senator if among the class of corporations that had their tax increased 25 per cent since the war are not only small, struggling merchants and manufacturing concerns but all of the public-service corporations practically and the railroad corporations which have been adding to the taxes of the people by increasing their revenues through increased car fare.

Mr. JONES of New Mexico. I do not think there can be any defense for the tax of 12½ per cent upon the railroads of the country—the public utilities of the country—where their rates of fare are regulated by law and where these taxes must be distributed among the users of the service of transportation companies and public utilities generally. It is absolutely indefensible, and it can only be justified upon the theory which the Secretary of the Treasury has repeatedly announced, that they want to favor the few, give them exemption from taxation, so that they may prosper, so that they may control business productivity in the country.

Mr. WALSH of Massachusetts. In a word it amounts to this, does it not, that the big corporations with their enormous income, because they control the markets of the country and the world, have had their taxes reduced since the war by a substantial amount, while competitive business men have had their taxes increased?

Mr. JONES of New Mexico. The Senator is quite right. I deem it unnecessary to dwell upon this phase of the case longer.

It was repeatedly discussed when we had the bill under consideration.

I desire, however, to call to the attention of the Senate an article discussing the present law upon taxation of corporations which was published in the Annalist under date of May 12 of this year. The Annalist is a journal of economics published by the New York Times, a paper which, as we all know, has favored to a very great degree the so-called Mellon plan. But in this publication there appears an article which is quite illuminating and furnishes very interesting reading to anyone who is a student of the subject. I ask that the entire article may be printed as an appendix to my remarks without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

[The article referred to will be found in the appendix to the speech of Mr. JONES of New Mexico.]

Mr. JONES of New Mexico. The article is written by Mr. George B. Robinson, who is president of the Wall Street security house bearing his name. As I have stated, it is published under date of May 12, 1924, in the Annalist, which is a weekly publication by the New York Times Co. The title of the article is "Corporate finance perverted by the income tax." At the beginning of the article the author refers to a bulletin of the National City Bank of New York, of December, 1922, in which that bulletin used the following language:

> There is no good reason why persons desiring to conduct any business, whether large or small, under the corporate form of ownership, should be placed by policies of the Government under any burden or disadvantage as compared with individual proprietors or partnerships. They are entitled to like consideration and similar treatment.

The author of this article, after having made that quotation, begins as follows:

> The obvious corollary to this well-taken point is that there is also no good reason why persons desiring to conduct any business under the corporate form of ownership should be placed by policies of Government under any advantage or special privilege as compared with individual proprietors or partnerships.

Mr. Robinson, after a preliminary statement, points out nine different features of business policy which are invaded by the present tax upon corporations. I will read those in this connection. The article states:

> Our present law tends to encourage, if it shall not force, the following changes in our financial structures:
>
> 1. The incorporation of all large successful industries and activities.

The individual or the partnership must pay a tax upon all the earnings of the business, whether taken out of the business or not. The corporation can retain it all by the payment of 12½ per cent.

> 2. The incorporation of all personal businesses which earn considerably more than their proprietors' needs for living expenses.

That is a point which we have discussed on the floor of the Senate on various occasions; that corporations are organized for the express purpose of transferring properties to the corporation, keeping the earnings in the corporation, paying the 12½ per cent only, and taking out as dividends only a sufficient amount to pay the living expenses of the stockholders.

> 3. The incorporation of all large real estate holdings where State laws permit.
>
> 4. Vast vertical corporation expansion, such as the purchase of railroads or coal mines by Ford Motor Co.
>
> 5. Further centralization of control of business through placing the individual's expansion at a disadvantage compared with corporate advantage.
>
> 6. The dissolution of many small corporations.

I do not see how anyone can look over the statistics and not conclude that the law will unquestionably force the dissolution of thousands of corporations, even where the shareholders would prefer to do business as a corporation.

> 7. Cash dividend policies dictated by the willingness of large (usually dominating) stockholders to receive taxable cash.
>
> 8. Growth of the practice of "taking profits" through the medium of making "capital gains" to the extent that dividends are most generous when controlling stockholders have stock for sale.
>
> 9. More stock dividends to facilitate distribution of stocks at such times until a corporation confessing to a share parity of $100 will be a novelty.

This article discusses those various points and, in my judgment, anyone interested in the subject will be glad to read it.

Mr. President, the writer proposes a remedy, and the remedy he proposes is that the earnings of the corporation shall be ascertained and that the shareholders shall pay the tax upon the shares that they hold. I submit that that would be ideal if it could be done.

Mr. WALSH of Massachusetts. The Senator suggested that in the committee.

Mr. JONES of New Mexico. In 1917 in the Committee on Finance the very first suggestion I made to the committee at that time was that that plan be adopted, but on investigation it was ascertained, first, that it would be unconstitutional, and, second, that it would be impracticable with regard to the vast number of corporations whose shares of stock are dealt in daily on the exchanges of the country. The plan proposed by the writer of the article, as I have said, is ideal, but unfortunately these other barriers must prevail.

Then what remedy should be adopted? I submit the remedy which the Senate adopted when this revenue bill passed the Senate. There is nothing radical about it; there is nothing drastic about it. Any corporation can carry on business in a reasonable way, and, even so far as the corporation is concerned, pay less taxes than it pays under the present law.

The Actuary of the Treasury has been kind enough to prepare some tables showing the operation of such a provision. A corporation with a capital of $100,000 and a net income of $10,000, under the proposal as it passed the Senate, would pay a tax of $900, instead of a capital-stock tax, and a flat tax of $1,250 on its earnings. Of course, it was understood that if the capital-stock tax should be retained the flat tax of 9 per cent as proposed would be reduced to 8 per cent. If so, taking the law as it is now and the proposal which the Senate adopted, such a corporation would pay in taxes under the provision adopted by the Senate $800 and the capital-stock tax, as against $1,250 and the capital-stock tax under existing law. I may add that any corporation earning as much as $25,000 would need to pay only the flat tax of 8 per cent and the capital-stock tax. I may add further that in regard to the small corporation of $10,000 it is not estimated that there would be any distribution of its net income or any additional tax coming from shareholders through the surtax provision.

Take the corporation with a net income of $100,000. Such a corporation can retain under the provisions of the bill as it passed the Senate 50 per cent of its net income and pay less taxes than under existing law. There is an exemption of $10,000 for every corporation, and, applying that exemption, together with the rates of surtaxes paid upon the undistributed annual income, it could retain over half of its net earnings and pay less taxes.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Massachusetts?

Mr. JONES of New Mexico. I yield.

Mr. WALSH of Massachusetts. Has the Senator any figures showing the percentage of corporations making returns of taxable income that would benefit by his amendment as compared to the present law?

Mr. JONES of New Mexico. I will say to the Senator that I presented that rather at length during his temporary absence from the Chamber.

Mr. WALSH of Massachusetts. I thank the Senator and will be glad to review it.

Mr. JONES of New Mexico. Mr. President, I have referred to the tax which the corporation would pay, but we can not lose sight of the fact that if corporation incomes are distributed the shareholders will add the cash dividends to their other income and pay surtaxes upon them; so that a corporation with $100,000 net income, if distributing 51 per cent of its earnings, would pay only a flat rate of 13.51 per cent—that is, counting the 9 per cent, but if that be reduced to 8 per cent, as proposed, the rate of tax would be 12.51 per cent—and upon a retention of 51 per cent of its annual income it would pay substantially the same rate as the flat tax imposed upon all corporations. However, there would be paid surtaxes by the individual shareholders, so that it is estimated that on the whole income from the corporation and the shareholders the Treasury would receive revenue at the rate of 17.51 per cent.

Of course the loss of revenue by relieving these small corporations from high taxes must be made up somewhere, and so the plan is to make it up by imposing surtaxes upon distributed dividends and bring about a situation where the dividends in some cases will be distributed to a much greater extent than they are being distributed under existing law.

I likewise have a computation of a corporation of $5,000,000 capital and a net income of $1,000,000 a year, showing just how

it would operate; and another computation of a corporation with $1,000,000 of ordinary net income and a surtax income of another $100,000.

It must not be overlooked that under existing law—and it is a part of the Mellon plan—a corporation can own any of the Federal bonds absolutely free from all taxation. The Secretary of the Treasury has inveighed against the use of tax-exempt securities for the purpose of evading taxation. Let him begin with something with which he can deal and rectify the evil within his own control or within the control of the Congress. He has made no suggestion that the Federal bonds owned by corporations should pay any tax, although the bonds themselves are subject to surtax. If an individual owns these bonds, he is exempt only from the normal tax. If the corporation owns the bonds, it is likewise exempt from the normal tax, and that tax is the only tax which the corporation pays; and therefore all these bonds held by corporations are wholly exempt from taxation.

I do not know whether the Secretary of the Treasury is interested in any financial institutions handling these bonds or not, but I do know that there is a large floating indebtedness of the Government which is held almost entirely by these corporations. They can take these securities, bearing 4½ per cent interest, and hold them absolutely free from all taxation.

Mr. President, to my mind this is a crime. It seems to me that when once understood by the taxpayers of this country, they will realize the outrage which is imposed upon them, and imposed upon them deliberately, because they know the conditions, and is imposed deliberately for the purpose of favoring the approximately 2,500 corporations which are using this process to evade just taxation.

I ask leave that these tables may be inserted at the conclusion of my remarks as an appendix.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See appendix.]

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Massachusetts?

Mr. JONES of New Mexico. I do.

Mr. WALSH of Massachusetts. Of course, the corporations that would be likely to carry these bonds that are exempt from taxation when in the hands of corporations are again the very prosperous corporations, with large surpluses, and which least need discriminatory legislation in their favor.

Mr. JONES of New Mexico. Unquestionably; the Senator is right about that.

In regard to the proposed tax on corporations, if adopted by the Senate——

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield to me further?

Mr. JONES of New Mexico. Yes.

Mr. WALSH of Massachusetts. Before the Senator closes, as I do not want to interrupt his argument—I have been called from the Chamber and have not had a chance to follow his argument in full—I should like to have him, if he has not already done so, refer to three attacks that have been made upon this amendment. As I understand them, they are these:

First, that the Senator's amendment seeks to tax all surpluses of corporations already set aside. Of course, that is absolutely false; it is not true; but the Senator is aware of that criticism or misrepresentation?

Mr. JONES of New Mexico. I am glad the Senator has suggested that, and I hope the newspapers of the country will do us at least the justice of making mention of the fact that it has no reference whatever to accumulated surpluses of corporations.

Mr. WALSH of Massachusetts. I have had letter after letter requesting information from me as to whether they ought now to scatter the surplus that they have already accumulated, so as to avoid this; and, of course, the Senator's amendment did not have anything to do with already accumulated surpluses.

The second attack I have heard made upon the Senator's amendment is that it tends to discourage sound and good business dealings; that we ought to encourage the accumulation of surpluses by corporations, and that the imposition of the Senator's tax upon surpluses would tend to discourage the doing of business in the soundest and safest and surest way.

The third attack I have heard made—and then I will let the Senator answer—is that it would prevent corporations from setting aside surpluses to expand their business; that mills would not use their surpluses for the erection of new buildings, and business houses would not accumulate surpluses for the expansion of their business.

In that connection may I ask the Senator if it is not a fact that if a business man who is not incorporated makes a large amount of money and wants to erect a building in which he can establish his plant or his store his accumulated income is taxed; and is there any difference between a corporation being taxed for its accumulated income and an individual being taxed for the same purpose?

Mr. JONES of New Mexico. Mr. President, it is my information that there are many large businesses in this country conducted either by an individual in his own name or by a partnership. Those industries want to expand just as much as an industry which is doing business under a corporate form. If they want to keep their net income in the business it is taxed, and it is taxed at the same rate as if the entire amount were distributed to them and taken completely out of the business.

Mr. WALSH of Massachusetts. In other words, the individual pays both the normal tax and the surtax.

Mr. JONES of New Mexico. The individual, of course, would pay his normal tax, and he would pay his surtax up to the maximum of the surtaxes, while the corporation would pay only this flat tax of 12½ per cent. It should be remembered that there is no tax upon the income of a corporation until it has deducted every item of expense, including depreciation and depletion of plant, and what is left is absolutely a net income, an addition to the wealth of the corporation. It is only when that point is reached that any tax is imposed under the bill or the present law. When that point is reached, I want to ask what concern is going to be disrupted or is going to lose its credit when it has distributed in dividends to its stockholders as much as 48 per cent of its net income?

Mr. WALSH of Massachusetts. And when that point is reached, why discriminate between the corporation, on the one hand, and the individual or partnership, on the other, to the advantage of the corporation in doing business?

Mr. JONES of New Mexico. There can be no justification whatever for it. Moreover, there are other means which can be adopted for additions to capital if the corporation seeks to do so. A plan frequently adopted by corporations now is to issue interest-bearing scrip, and if it is taxable to the shareholders as individual income the corporation is relieved from the tax.

Another system which can be adopted, as is often done, is this: The corporation says to its stockholders, "We have so much earnings here, so much net income. We want to put up an additional plant. We want to use this money that we have. It will be to your interest to have us do so"; and in such a case the corporation may say to its shareholders, as thousands and thousands of them do, "We would like to have you take your share of this dividend and invest it in additional stock in this corporation." That is a frequent thing. It is being done right along.

The American Telegraph & Telephone Co. within the last few days has advertised a plan to sell to its stockholders $150,000,000 of stock, and upon that basis they sell them the stock, they get their dividends from the corporation, and get the right to buy the stock with those dividends.

Moreover, as to all these thousands and thousands of corporations where there are a few individuals doing business as a corporation, they are given permission to make returns as a partnership. So, Mr. President, I can not conceive an objection coming from any business man unless he wants to set up not a reason but a mere excuse for using a corporate device to evade his just taxation.

Mr. President, I ask also that there may be printed as a supplement to my remarks the provision of the bill as it passed the Senate and stricken out in conference contained in section 228, which is a provision that shareholders may be taxed as partners; also the substitute plan for the taxation of corporations as found in section 230 of the bill as passed by the Senate but also stricken out by the conference committee.

The PRESIDING OFFICER. Without objection, it will be so ordered.

[See appendix.]

Mr. JONES of New Mexico. I also ask unanimous consent to have published in the RECORD as an appendix to my remarks the table to which I referred, which is found in the Statistics of Income for 1921, on page 63 of those statistics, and designated as Table D.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See appendix.]

APPENDIX

[From the Annalist, Monday, May 12, 1924]

CORPORATE FINANCE PERVERTED BY THE INCOME TAX—THE ESCAPE OF IMPOSTS OUTWEIGHS SOUND PRINCIPLES, YET THE LAW BEGINS WITH A WRONG CONCEPT OF INCOME

(By George B. Robinson)

[Mr. Robinson is president of the Wall Street security house bearing his name.]

"There is no good reason why persons desiring to conduct any business whether large or small, under the corporate form of ownership, should be placed by policies of the Government under any burden or disadvantage as compared with individual proprietors or partnerships. They are entitled to like consideration and similar treatment." (Bulletin of National City Bank of New York, December, 1922.)

The obvious corollary to this well-taken point is that there is also no good reason why persons desiring to conduct any business under the corporate form of ownership should be placed by policies of Government under any advantage or special privilege as compared with individual proprietors or partnerships.

Yet the revenue act of 1921 confers privileges upon the corporate form in some cases, only to establish disadvantages—in other cases they are not compensating because they lack concurrent application—to such extent that we have a law which is a Chinese puzzle, the solution of which has become the chief concern of all corporate finance. And not only is the form of organization of any given business being dictated by consideration of obtaining the utmost exemption, but likewise all other such corporate and personal financial matters as dividend policies, expansion, reorganizations of corporate structure, and the methods of "taking profits" are being governed primarily, when not completely, by the nontaxability they may obtain. We have substituted and are now substituting for the normal considerations which formerly determined questions of corporate and personal finance these new and exceedingly abnormal considerations. That this course is unwise, that it even may prove exceedingly harmful to industrial progress at some later date, may not be doubted when it is realized that the present tax law has not yet earned an assurance of permanence, particularly if, as this consideration of the law will attempt to point out, it has elements of financial unsoundness which do not justify its endurance.

In pre-war days there existed very definite financial principles which governed the actions of conservative men in these respects. A business took the form which best suited the interrelationships between its proprietors and its relationships in its trade; that is, to customers and creditors. Of its earnings, if new capital could be used in the business to good advantage, the dividend policy would be conservative. When desirable expansion (for the present) had been completed, it would be generous. There was no burden incidental to receiving a dividend, as there is now in the case of large stockholders. A surplus was cause for pride, nor did it fear attack, and vanish each year into capital account. When stockholders desired to convert corporation profits into personal profits, they could do so either through the medium of cash dividends or by selling their shares at an advance. They are now largely confined to the latter course by its much greater exemption. Our present law tends to encourage, if it shall not force, the following changes in our financial structures:

1. The incorporation of all large successful industries and activities.

2. The incorporation of all personal businesses which earn considerably more than their proprietors' needs for living expenses.

3. The incorporation of all large real-estate holdings where State laws permit.

4. Vast vertical corporation expansion such as the purchase of railroads or coal mines by Ford Motor Co.

5. Further centralization of control of business, through placing the individual's expansion at a disadvantage compared with corporate expansion.

6. The dissolution of many small corporations.

7. Cash-dividend policies dictated by the willingness of large (usually dominating) stockholders to receive taxable cash.

8. Growth of the practice of "taking profits" through the medium of making "capital gains," to the extent that dividends are most generous when controlling stockholders have stock for sale.

9. More stock dividends to facilitate distribution of stocks at such times until a corporation confessing to a share parity of $100 will be a novelty.

What are the provisions of the present law which confer these privileges and establish these burdens on the corporate form of proprietorship? The National City Bank Bulletin (December, 1922) noted only the burdens, particularly that of double taxation. First the corporation is taxed on its earnings, then the stockholder on his dividends. In all cases where dividends paid out equal or approximate the earnings of a corporation, double taxation exists, except as there is partial relief by the fact that dividends are exempt from normal tax. Consider a small business with two equal owners who are compelled to use its entire earnings for their living. To incorporate such a business is to invite an additional tax—the corporation tax. The fact that the corporate form may best meet the circumstances of the business and the personal affairs of the proprietors in all other respects except taxation is at once forced into the background of consideration.

The advantage of the corporate form, however, is a more serious matter. This does not accrue to the same class of corporations, arising only when earnings exceed the cash requirements (or demands) of proprietors, and may be retained in the business, exempted from personal surtax. In such cases the corporation tax is in effect a penalty tax, paid for the privilege of exempting the difference between earnings and dividends from the personal surtaxes of the owners.

When the excess-profits tax was repealed by the revenue act of 1921 it was believed by many of those who had defended it as a desirable agency of taxation that without it profits would be piled up in corporation treasuries instead of distributed to stockholders. The answer to this fear was section 220 of the present law. This section has since become famous, but as yet there has been no evidence that it is not as harmless as it appears threatening. It begins boldly enough: "If any corporation is formed or availed of for the purpose of preventing the imposition of the surtax upon its stockholders or members through the medium of permitting its gains and profits to accumulate instead of being divided or distributed—" Obviously stockholders do so avail themselves of corporate form whenever as individuals their total taxability will be less on account of not paying dividends than if their form of organization were personal ownership or partnership. The law, however, appears to possess a joker. It recites that the penalty of 25 per cent of corporation earnings attaches when in the opinion of the Commissioner of Internal Revenue the profits of a business remain undistributed "beyond the reasonable needs of the business," a factor which obviously has nothing whatever to do with the original reason for the provision, which was to prevent taxpayers from availing themselves of corporate form to earn profits without distributing them.

To illustrate, consider Ford Motor Co. Relief from excess-profits tax meant millions. It is generally understood that two men own practically all the stock. It is known that earnings have been huge, though no record of earnings or dividends is published. The published balance sheet, however, indicated an increase in surplus from 1922 to 1923 of approximately $124,000,000. However much in addition may have been paid out to stockholders, this item of $124,000,000 represents earnings plowed back into the business. It is fairly presumable that neither of the two principal stockholders requires a dividend from Ford Motor Co. for living expenses, certainly not of any sum comparable to $124,000,000. The stockholders may, if they desire—and to the extent of $124,000,000 in one year apparently do—permit their personal fortunes to accumulate through the medium of the Ford Motor Co. treasury, taxed only at the corporation rate of 12½ per cent and unsubjected to personal surtax except as they may be further assessable under section 220. But that section, instead of setting forth its original purpose and stopping with that, appears to have made the "reasonable needs of the business" the limit for reinvestment of earnings without penalty. Who in these days of vertical expansion can define the reasonable needs of any business except its board of directors? Would any court hold that it was unreasonable for Ford Motor Co., for example, to invest millions in coal lands to insure its source of supply of fuel? Would it be unreasonable for United States Steel Corporation to use its earnings to retire its funded debt? Or for a chain-store system to decide that it should buy instead of rent its locations? Or for any corporation which borrows money to accumulate sufficient cash so that it will never have to borrow? Or for any corporation to buy out its competitor?

There can be no doubt that the latitude permitted the Commissioner of Internal Revenue in enforcing section 220, if not a widespread belief that the section is in most cases unenforceable under the necessity of proving the holding of earnings "beyond reasonable needs," has brought about the incorporation of many hundreds of corporations to replace personal ownerships and activities. Real estate properties are being incorporated by thousands. So are business men, oil magnates, even actors, artists, writers, and doubtless pugilists. The individual's tax then becomes (except as section 220 may be enforced against him) the corporation tax of 12½ per cent of all earnings plus surtax (but no normal tax) on such dividends from the corporation as may be necessary for personal expenses. The remaining earnings accrue in the Treasury. Our law in such cases is not very different in effect from a sales tax in that the law reaches only received (and presumably expended) income, all other income being avoided.

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Here, then, is an advantage for the corporate form so great that it may be expected in such cases to overcome all other considerations. It can not be desirable that this should occur. There are risks involved in becoming a "limited liability" country for all great business. The situation of the New York Exchange is a case in point. The rules

of the exchange require that memberships may not be owned by corporations. The obligations of members are personal to themselves and their partners. The liability of stock-exchange firms to their customers is accordingly unlimited. It is a fiduciary relationship which should be unlimited; undoubtedly the exchange owes much of the large measure of public confidence it possesses to this rule. But if the present advantage of the corporate form shall be continued, even the New York Stock Exchange may reasonably be expected to ultimately yield its sound rule to the necessities of its members in this regard.

As for dividends, if cash dividend policies are being governed by the tax law, what of stock dividends? Why have they recently become so popular? The railroad financiers of the last century probably never thought of them, or if they did dismissed them from mind as a futile instrument. They were never suspected of constituting income until the Supreme Court decided they did not. Can it be that, nevertheless, they do in some way compensate the stockholder in lieu of cash? Is there any justification for the widespread belief that they should be the object of some special tax?

The plain answer is that they do not constitute income in any way, nor should they be taxed, but that they greatly facilitate the taking of profits in the only manner that escapes imposition of the surtax, namely, through the "capital-gains" provision of the tax law. This provision was an innovation of the revenue act of 1921. The theory, or at least the excuse for it, was that the surtax had prevented the "taking of capital gains," thereby discouraging transactions in property. Taxpayers would not sell properties which had advanced greatly in market value because of the high surtaxes they must pay.

The capital gains preferential was the frank and very helpful answer of Congress to the situation of such large potential taxpayers, placing them at once in a favored position, even as against earners of income by their own labor. Under this provision, the owner of property (that is, land, buildings, stocks, or what not) may sell and declare his profit as a "capital gain" (provided it has been owned for two years), to be taxed at 12½ per cent in lieu of normal tax and surtax.

THE FLIGHT OF TAX EXEMPTS

It may be well to digress at this point to consider another important effect of this preferential tax, which is, that it has greatly facilitated the flight of capital into tax-exempt investments. The Secretary of the Treasury has recently reiterated his opinion that it is the high surtax which has occasioned this flight. This can be true, however, only in regard to the investment of saved income. Indeed, the surtax prior to the enactment of the "capital gains" clause acted as a bar to flight. The owner of land, buildings, or stocks who was prevented from selling by the penalty of the surtax at least held his property for its income and paid surtax on that income. The "capital gain" law has permitted the sale of such properties at a maximum tax of 12½ per cent of the profit, thereby releasing large sums of principal for investment in municipals. It would seem that if the Treasury Department had to contend with the flight of only saved income, taking into consideration that only the remainder of income after subjection to surtax can be saved, it need not be greatly alarmed.

The flight of principal, however, facilitated by the capital gains preferential will become a far more serious matter. Moreover, to say that the property sold will continue to produce taxable income to a new owner is to beg the question. The new owner in thousands of instances will be found to be a corporation which either keeps its earnings in its business, or, if it distributes them, does so to a group of stockholders of modest average income who can afford to hold taxable income-paying investments. Thus it would appear that from the standpoint of revenue to the Government the inability to sell properties because of the high surtax involved possessed elements of advantage, and that the announced purpose of the capital-gains provision, to facilitate such sales, while it has produced taxable income for the present, has undoubtedly reduced it tremendously for the future.

In December, 1922, the Secretary of the Treasury in explaining the reduction in the amount of income subject to taxation, called attention to the fact that "capital gains" were not "realized," whereas "capital losses" were invariably taken and offset against income. But "capital gains" did not have preferential treatment until the taxable year 1922, and at the date of the Secretary's statement the returns for that year were not available. Certainly "capital gains" have been taken eagerly enough and in great volume in 1922 and 1923. We have witnessed a great bull market for stocks and real estate. There have been innumerable sales to the public of interests in successful enterprises. It has been a profit-taking period for many men who have held capital assets they have wanted to sell since 1917 and have grasped this first opportunity. It is to be regretted that the Secretary of the Treausry, having called attention in 1922 to the fact that "capital gains" were not realized, should be silent in his recent report as to the extent to which they have been realized since their preferential treatment became operative.

USE OF STOCK DIVIDENDS

In the case of incorporated businesses the stock dividend has been a natural accompaniment of this opportunity. Here is a legitimate instrument of finance which has two proper purposes, and only two: (1) To capitalize surplus, which announces that the accrued earnings represented will be kept permanently in the business; and (2) to reduce the market value of shares to a more merchantable figure. There has been great confusion regarding this instrument both in and out of Congress, the reasons for the confusion, however, being plain enough.

One of the reasons is that a stock dividend reaches exactly the same result as a cash dividend accompanied by subscription to new stock at par in an amount equal to the dividend. The two are identical as to both corporation and stockholder, yet the former is an exempt and the latter a taxable operation. This is because our tax law does not tax the accrual on earning of income within corporation treasuries to the stockholder, but only its distribution.

A taxpayer subscribes to 10,000 shares of stock in a $10,000,000 corporation, paying par value of $100 per share. The corporation earns, we will say, 15 per cent per annum above corporation taxes for two years. It does not pay any dividend the first year but, at the end of the second year, pays a 30 per cent stock dividend. Our subscriber receives new shares of $300,000 par value. He is in exactly the same position as if he had received $300,000 in cash dividends and had subscribed a similar amount for new shares, except that in that case he would have been assessed for normal tax and surtax on an income of $300,000.

He now has 13,000 shares worth $100 per share (at book value), eliminating the factor of speculative profit or loss. Is it difficult to believe, notwithstanding the Supreme Court, that there has been no income in his case? It would be except for two facts: First, that the Supreme Court was determining what the law is and not what it should be; and, second (to repeat), that the law does not tax the earnings or accrual of income to the stockholder, but only its distribution in cash. In the above case there has been no distribution in cash.

A SAMPLE "GET-AWAY"

But to return to the relation between stock dividends and the capital-gains tax; assume that our stockholder sells his 3,000 shares dividend at its book value, or for $300,000 cash. Having held his stock for two years his profit is eligible as a capital gain. The law will consider the cost of the stock to have been $1,000,000 divided by 13,000 shares, or about $77 per share. His profit will be considered to be $100 minus $77 multiplied by 3,000 shares, or $69,000, and his total tax on the transaction at 12½ per cent will be $8,633. He will then have $300,000 cash, minus his tax, and will continue to hold intact his original 10,000 shares possessing their original book value of $1,000,000 (though they must now be carried on his books at about $770,000).

What possible justification can there be for the constantly reiterated contention that the high surtax discourages investment in productive industry when the get-away under the present law is so exceedingly simple and so modestly taxed?

It should be said that the same result could be accomplished without a stock dividend, assuming a market at which three-thirteenths of his investment could be sold at its book value. But the stock dividend is an invaluable device in creating such a market. Stock dividends continue to stimulate the imagination of investors, and no effort has ever been made by financiers to discourage the widespread belief that after all they do constitute income of a sort. They do at least serve to call attention to any prosperity which a company may have enjoyed, though it may not have been recent.

CASH OR STOCK DIVIDENDS

In either event, the combination of the capital gains tax with the privilege of permitting earnings to accrue within corporation treasuries, assisted by the provision of the law governing reorganizations under which stockholders may receive stock for stock without taxation, enables proprietors to obtain their fortunes in cash without exposure to surtax at any point.

One well-known corporation now pays its dividends in cash or stock at the election of each stockholder. This policy recognizes the fact that the taxable circumstances of its stockholders vary, that some require cash for living expenses, while others are glad to reinvest. To declare cash dividends accompanied by the privilege of subscription (the company is growing and apparently can use new capital to advantage) would be to tax not only the stockholder who requires cash and will not subscribe but also those who do not want cash and will subscribe. The device of giving stockholders their choice makes everybody happy, but only the needed income has been taxed.

That a situation which calls for correction exists can not be doubted, but most of the remedies suggested are quite as unsound as the present law. Some would reenact an excess profits tax, which was always an

unfair law in that it penalized the stockholder of small means equally with the stockholder of large means and the small corporation more severely than the large. Other suggestions include a tax on undistributed surplus or undistributed earnings, or on the declaration of stock dividends. To do any of these would be only further to substitute abnormal for normal considerations. Some industries ought to carry their profits to surplus, should be encouraged to do so. The stock dividend is a legitimate and desirable instrument of finance.

It would appear inevitable, though it may be long delayed, if it shall be the desire of the country to enact a permanent tax law based on the principle of the graduated surtax and equally on a resolve to restore sound methods and principles of finance to the industrial life, that the corporation tax must be repealed and the normal tax and surtax coincidentally extended to include the distributive or accrued shares of stockholders in the same manner that partners and owners are now taxed. It would appear that such a revision indeed not only would vastly simplify the law and make it equitable but would, at a single stroke, remove both privilege and burden from the corporate form, restore the individual's opportunities to a basis fairly competitive with those of corporations, estop all the interference with corporation policies of long-proved value, and finally permit reduction in the surtax rates and such preferential treatment for earned incomes as might seem desirable.

The Bulletin of the National City Bank above referred to called for abolition of the corporation tax, on the ground of double taxation. But the Bulletin was arguing to the point which heads this paper, that the corporate form should not be penalized, and not to its corollary, that it should not be privileged. To consider also the latter point is to conclude that all forms of business organizations will not receive the "like consideration and similar treatment" which the Bulletin demands until stockholders and partners and private owners are taxed alike on their accrued shares.

A TRANSFER OF ACCOUNTS

Quite the plainest fact in connection with the entire tax matter is that collection at the source and the graduated surtax do not mix. The corporation tax is in effect collection at the source. It penalizes each stockholder an equal amount regardless of his surtax class, which is not equitable if the graduated surtax is equitable. It was by trying to mix surtax and corporation tax that we acquired the inaccurate concept which considers a cash dividend to be income, instead of a mere distribution of income.

It is worthy of thought that much of the argument presented to the court in support of the position that a stock dividend was not income has equal application to the cash dividend. The declaration of any dividend is the affair of an instant; income, however, to an individual is a matter of a year or any other period which the law may set up. If a dividend is in stock, the stockholder has two shares instead of one, each, however, worth half as much as before in book value. If it is in cash, the book value of his remaining share has been depleted by the amount of the dividend. It is quite as difficult to believe that the latter as the former constitutes true income. The cash distribution of a partnership or the money an individual takes out of his private business is not considered to be a true measure of income, partner and owner being required to pay on 100 per cent of the amounts earned for their accounts. In what respect does a cash dividend from a corporation differ as a measure of income from a similar distribution by a partnership? Neither is a true measure of income, yet we treat it so in one case and not in the other. The cash dividend from a corporation is nothing more or less than the distribution of previously earned income, a mere transfer from one's corporate to his personal pocket.

One of the new recommendations of the Secretary of the Treasury appears to recognize the substance of this fact.

This recommendation would admit dividends which are in liquidation of capital invested in a business to the capital gains preferential. This were well enough in itself, but it seems to be only further struggling with an unsound structure, trying to patch it up here and there, only increasing, however, its intricacies and inequalities. The holes in the present law are too wide and many for effective plugging. It were far better to tear down and build anew.

As for stockholders, the proper moment for their taxation arises when, for any given period, earnings have accrued in a corporation treasury for their accounts, rather than when some portion of them is distributed. Earnings not declared in dividends are reinvested for stockholders' accounts, constituting an addition to their wealth, which must be taxable if the law is to reach the vast volume of accruing but unreceived incomes which can stand taxation with least hardships. Could there well be a more absurd system than to erect as we have done a graduated surtax, to be applied to only that part of income which is needed in cash for expenditures?

Practically, a tax to include accrued incomes within corporation treasuries (to the stockholder) need not be difficult of execution. All corporations are now required to make a return of net income. The accrued income of preferred-stock holders would not be considered to exceed the preferred dividends paid. The accrued income of common-stock holders would equal net earnings per share. The objection would be raised that such a method would disturb the expansion of corporations by forcing more liberal cash-dividend policies in order that stockholders might have sufficient cash to pay their taxes. Doubtless many readjustments would follow, but desirable as corporation expansion may be, it can not be more desirable than the support of the Government and the gradual reduction of its funded debt. Corporations would doubtless become somewhat more responsive to the needs of their stockholders, and treasuries would be kept somewhat more liquid. There would remain adequate devices and means for such corporations as can afford expansion; but expansion would no longer be forced by the present invitation to exemption, but would once again be determined by the sound reasons of pre-war days, the opportunity presented and the means at hand. There would no longer exist the open invitation to incorporate all activities, including real-estate proprietorships which produce beyond the owner's requirements for living expenses, nor the penalty on incorporation for activities which do not. Cash-dividend policies would again be determined by the old and tried rules instead of by the willingness of stockholders to receive taxable cash. Stock dividends would lose some of their magic, their power over the minds of the gullible, but could be paid without penalty whenever sound finance should so dictate.

Application of this method of taxation to the affairs of Ford Motor Co. would free that corporation from the present 12½ per cent tax—at least one-seventh of $124,000,000, or $17,700,000—but would tax the stockholders for normal tax and surtax on income of at least $142,000,000—eight-sevenths of $124,000,000—in addition to what they now pay. Desirable as is the expansion of Ford Motor Co. even for private account, it would appear that $124,000,000 for expansion against $17,700,000 for taxes—plus the present stockholders' tax on whatever cash dividends are now paid and received—is a division which from the Government's standpoint overlooks the fact that there is no more efficient tax-gathering agency in the United States than this business and its stockholders.

Moreover, when an individual is in business for his own account at manufacturing, merchandising, or farming he can not expand his business with any part of its earned profits except as such profits have first been subjected to normal tax and surtax. The same is true of partners. Why not stockholders?

The loss of revenue from repeal of the corporation tax would be made up by greatly increased surtax collections. Though the Ford case is exceptional, a 25 per cent surtax in this case would yield an amount approximately double the present corporation tax. The amount of income which is now thus avoiding surtax is so prodigious that its taxation would in all probability not only compensate the Treasury for the loss of the corporation tax, but permit substantial reduction in surtax rates.

The "capital gains" preferential would no longer be required. It is recognized that if any kind of income deserves preferential treatment it is earned income, for the reasons recently stated by the Secretary of the Treasury. To repeal it would be no longer to encourage the flight of capital into municipals and to restore the normal methods of profit taking. Nor under such a tax system would there be any demand for this preferential.

The absurdity of the present "capital gains" law is nowhere better shown, perhaps, than in the recently suggested amendments to limit deductions for capital losses as an offset to the "capital gains" preferential. What of the taxpayer who has never had any capital gains to receive preferential treatment but suffers a severe capital loss? He may lose in a capital transaction every dollar he possesses and yet be taxable on a substantial income. To such non sequiturs and extremes of plugging are we forced by a law which begins with a wrong concept of what constitutes income.

Some administrative difficulties would doubtless arise in connection with the ownership of stock for brief periods. It would appear, however, that they would be inconsequential compared with those of the present law, and, in any event, there are more important considerations involved than making simple the tax returns of stock speculators.

We shall have high taxes for several decades. It were exceedingly unwise to attempt to bolster the provisions of an unsatisfactory law which encourages avoidances, the flight of capital into exempt investment, and unsound finance generally. It is exceedingly desirable that a new structure should be built which by its fairness and productivity will be entitled to endure. We need a law impartial, scientific, not more burdensome than revenue requirements necessitate, and, above all, so written that finance and industry may hark back to normal considerations in the conduct of their affairs. If they shall not be permitted to do so, we may be sure that the ultimate reckoning will be painful.

Senator Jones's corporation tax

Corporation, $100,000 capital; net income and surtax net income, $10,000. Tax, Finance Committee bill, $1,400; House bill, $1,250, plus stock tax; Senate bill, normal tax, $900.

Per cent actually undistributed of surtax net income	Dividends	Amount not subject to surtax including $10,000 flat exemption	Amount subject to surtax	Rate of tax (per cent)	Undistributed, or surtax	Total tax	Corresponding flat tax (per cent)
91		$10,900				$900	9
81	$1,000	11,900				900	9
71	2,000	12,900				900	9
61	3,000	13,900				900	9
51	4,000	14,900				900	9
46	4,500	15,400				900	9
42	4,900	15,800				900	9
41	5,000	15,900				900	9
31	6,000	16,900				900	9
21	7,000	17,900				900	9
11	8,000	18,900				900	9
0	9,100	20,000				900	9

Corporation, $100,000 capital, net income and net surtax income, $100,000. Tax: Finance Committee bill, $14,000; House bill, $12,500, plus stock tax; Senate bill, normal tax, $9,000.

Per cent actually undistributed of surtax net income	Dividends	Amount not subject to surtax, including $10,000 flat exemption	Amount subject to surtax	Rate of tax (per cent)	Undistributed surtax	Total tax	Corresponding flat tax rate (per cent)	Surtax paid on dividends by stockholders	Total tax on corporate net income	Corresponding flat rate of tax (per cent)
91		$19,000.00	$81,000.00	40	$32,400.00	$41,400.00	41.40		$41,400.00	41.40
81	$10,000.00	29,000.00	71,000.00	40	28,400.00	37,400.00	37.40	$1,000.00	38,400.00	38.40
71	20,000.00	39,000.00	61,000.00	40	24,400.00	33,400.00	33.40	2,000.00	35,400.00	35.40
61	30,000.00	49,000.00	51,000.00	22	11,220.00	20,220.00	20.22	3,000.00	23,220.00	23.22
51	40,000.00	59,000.00	41,000.00	11	4,510.00	13,510.00	13.51	4,000.00	17,510.00	17.51
46	45,000.00	64,000.00	36,000.00	8	2,880.00	11,880.00	11.88	4,500.00	16,380.00	16.38
42	49,000.00	68,000.00	32,000.00	6	1,920.00	10,920.00	10.92	4,900.00	15,820.00	15.82
41	50,000.00	69,000.00	31,000.00	5½	1,705.00	10,705.00	10.71	5,000.00	15,705.00	15.71
31	60,000.00	79,000.00	21,000.00	2¾	577.50	9,577.50	9.58	6,000.00	15,577.50	15.58
21	70,000.00	89,000.00	11,000.00	½	27.50	9,027.50	9.03	7,000.00	16,027.50	16.03
11	80,000.00	99,000.00	1,000.00			9,000.00	9.00	8,000.00	17,000.00	17.00
0	91,000.00	110,000.00				9,000.00	9.00	9,000.00	18,100.00	17.00

Corporation, $5,000,000 capital; net income and surtax net income, $1,000,000. Tax: Finance Committee bill, $140,000; House bill, $125,000, plus stock tax; Senate bill, normal tax, $90,000.

Per cent actually undistributed of surtax net income	Dividends	Amount not subject to surtax, including $10,000 flat exemption	Amount subject to surtax	Rate of tax (per cent)	Undistributed surtax	Total tax	Corresponding flat tax rate (per cent)	Surtax paid on dividends by stockholders	Total tax on corporate net income	Corresponding flat rate of tax (per cent)
91		$100,000	$900,000	40	$360,000	$450,000	45.00		$450,000	45.00
81	$100,000	200,000	800,000	40	320,000	410,000	41.00	$10,000	420,000	42.00
71	200,000	300,000	700,000	40	280,000	370,000	37.00	20,000	390,000	39.00
61	300,000	400,000	600,000	40	240,000	330,000	33.00	30,000	360,000	36.00
51	400,000	500,000	500,000	20	100,000	190,000	19.00	40,000	230,000	23.00
46	450,000	550,000	450,000	15	67,500	157,500	15.75	45,000	202,500	20.25
42	490,000	590,000	410,000	11	45,100	135,100	13.51	49,000	184,100	18.41
41	500,000	600,000	400,000	10	40,000	130,000	13.00	50,000	180,000	18.00
31	600,000	700,000	300,000	5	15,000	105,000	10.50	60,000	165,000	16.50
21	700,000	800,000	200,000	2½	5,500	95,500	9.55	70,000	165,500	16.55
11	800,000	900,000	100,000			90,000	9.00	80,000	170,000	17.00
0	910,000	1,010,000				90,000	9.00	91,000	181,000	18.10

Corporation, $5,000,000 capital; surtax net income, $1,100,000; ordinary income, $1,000,000. Tax: Finance Committee bill, $140,000; House bill, plus stock tax, $125,000; and Senate bill, normal tax, $90,000.

Per cent actually undistributed of surtax net income	Dividends	Amount not subject to surtax, including $10,000 flat exemption	Amount subject to surtax	Rate of tax (per cent)	Undistributed surtax	Total tax	Corresponding flat tax rate (per cent)	Surtax paid on dividends by stockholders	Total tax on corporate net income	Corresponding flat rate of tax (per cent)
91.9		$100,000	$1,000,000	40	$400,000	$490,000	49.00		$490,000	49.00
82.7	$100,000	200,000	900,000	40	360,000	450,000	45.00	$10,000	460,000	46.00
73.6	200,000	300,000	800,000	40	320,000	410,000	41.00	20,000	430,000	43.00
64.5	300,000	400,000	700,000	40	280,000	370,000	37.00	30,000	400,000	40.00
55.5	400,000	500,000	600,000	30	180,000	270,000	27.00	40,000	310,000	31.00
50.9	450,000	550,000	550,000	20	110,000	200,000	20.00	45,000	245,000	24.50
41.3	500,000	600,000	500,000	16	80,000	170,000	17.00	50,000	220,000	22.00
32.1	600,000	700,000	400,000	8½	34,000	124,000	12.40	60,000	184,000	18.40
28.2	700,000	800,000	300,000	4½	13,500	103,500	10.35	70,000	173,500	17.35
19.1	800,000	900,000	200,000	2¼	4,500	94,500	9.45	80,000	174,500	17.45
10.0	900,000	1,000,000	100,000			90,000	9.00	90,000	180,000	18.00
0	1,010,000	1,110,000				90,000	9.00	101,000	191,100	19.11

SEC. 228. (a) The shareholders of any corporation which is subject to the tax imposed by subdivision (a) or (b) of section 230 shall, if they all agree thereto in respect of any taxable year of the corporation, be taxed in the same manner as the members of a partnership. All the provisions of this title relating to partnerships and the members thereof shall so far as practicable apply to such corporation and the shareholders thereof. If all the shareholders are so taxed, the corporation shall be exempt from tax under section 230 for such taxable year.

(b) For the purposes of this section amounts distributed by such corporation during its taxable year shall be accounted for by the distributees; and any portion of the surtax net income (as defined in

subdivision (c) of section 230) remaining undistributed at the close of its taxable year shall be accounted for by the shareholders of such corporation at the close of its taxable year in proportion to their respective shares.

(c) Any undistributed portion of the surtax net income (as defined in subdivision (c) of section 230) which is taxed to the shareholders under this section shall, when distributed, be exempt from tax to the distributees.

TAX ON CORPORATIONS

SEC. 230. In lieu of the tax imposed by section 230 of the revenue act of 1921 there shall be levied, collected, and paid for each taxable year upon the net income of every corporation a tax of 12½ per cent of the amount of the net income in excess of the credits provided in sections 236 and 263.

(a) In lieu of the tax imposed by section 230 of the revenue act of 1921, there shall be levied, collected, and paid for each taxable year upon the net income of every corporation a normal tax of 9 per cent of the amount of the net income in excess of the credits provided in sections 236 and 263.

(b) In addition to the normal tax imposed by subdivision (a) of this section, there shall be levied, collected, and paid upon the surtax net income (as defined in subdivision (c) of this section) of every corporation a surtax equal to the following percentage of the undistributed net income as defined in subdivision (c) of this section:

One-fourth of 1 per cent, if the undistributed net income is more than 10 per cent, but not more than 11 per cent, of the surtax net income;

One-half of 1 per cent, if the undistributed net income is more than 11 per cent, but not more than 12 per cent, of the surtax net income;

Three-fourths of 1 per cent, if the undistributed net income is more than 12 per cent, but not more than 13 per cent, of the surtax net income;

One per cent, if the undistributed net income is more than 13 per cent, but not more than 14 per cent, of the surtax net income;

One and one-fourth per cent, if the undistributed net income is more than 14 per cent, but not more than 15 per cent, of the surtax net income;

One and one-half per cent, if the undistributed net income is more than 15 per cent, but not more than 16 per cent, of the surtax net income;

One and three-fourths per cent, if the undistributed net income is more than 16 per cent, but not more than 17 per cent, of the surtax net income;

Two per cent if the undistributed net income is more than 17 per cent, but not more than 18 per cent, of the surtax net income;

Two and one-fourth per cent, if the undistributed net income is more than 18 per cent, but not more than 19 per cent, of the surtax net income;

Two and one-half per cent, if the undistributed net income is more than 19 per cent, but not more than 20 per cent, of the surtax net income;

Two and three-fourths per cent, if the undistributed net income is more than 20 per cent, but not more than 21 per cent, of the surtax net income;

Three per cent, if the undistributed net income is more than 21 per cent, but not more than 22 per cent, of the surtax net income;

Three and one-fourth per cent, if the undistributed net income is more than 22 per cent, but not more than 23 per cent, of the surtax net income;

Three and one-half per cent, if the undistributed net income is more than 23 per cent, but not more than 24 per cent, of the surtax net income;

Three and three-fourths per cent, if the undistributed net income is more than 24 per cent, but not more than 25 per cent, of the surtax net income;

Four per cent, if the undistributed net income is more than 25 per cent, but not more than 26 per cent, of the surtax net income;

Four and one-fourth per cent, if the undistributed net income is more than 26 per cent, but not more than 27 per cent, of the surtax net income;

Four and one-half per cent, if the undistributed net income is more than 27 per cent, but not more than 28 per cent, of the surtax net income;

Four and three-fourths per cent, if the undistributed net income is more than 28 per cent, but not more than 29 per cent, of the surtax net income;

Five per cent, if the undistributed net income is more than 29 per cent, but not more than 30 per cent, of the surtax net income;

Five and one-half per cent, if the undistributed net income is more than 30 per cent, but not more than 31 per cent, of the surtax net income;

Six per cent, if the undistributed net income is more than 31 per cent, but not more than 32 per cent, of the surtax net income;

Six and one-half per cent, if the undistributed net income is more than 32 per cent, but not more than 33 per cent, of the surtax net income;

Seven per cent, if the undistributed net income is more than 33 per cent, but not more than 34 per cent, of the surtax net income;

Seven and one-half per cent, if the undistributed net income is more than 34 per cent, but not more than 35 per cent, of the surtax net income;

Eight per cent, if the undistributed net income is more than 35 per cent, but not more than 36 per cent, of the surtax net income;

Eight and one-half per cent, if the undistributed net income is more than 36 per cent, but not more than 37 per cent, of the surtax net income;

Nine per cent, if the undistributed net income is more than 37 per cent, but not more than 38 per cent, of the surtax net income;

Nine and one-half per cent, if the undistributed net income is more than 38 per cent, but not more than 39 per cent, of the surtax net income;

Ten per cent, if the undistributed net income is more than 39 per cent, but not more than 40 per cent, of the surtax net income;

Eleven per cent, if the undistributed net income is more than 40 per cent, but not more than 41 per cent, of the surtax net income;

Twelve per cent, if the undistributed net income is more than 41 per cent, but not more than 42 per cent, of the surtax net income;

Thirteen per cent, if the undistributed net income is more than 42 per cent, but not more than 43 per cent, of the surtax net income;

Fourteen per cent, if the undistributed net income is more than 43 per cent, but not more than 44 per cent, of the surtax net income;

Fifteen per cent, if the undistributed net income is more than 44 per cent, but not more than 45 per cent, of the surtax net income;

Sixteen per cent, if the undistributed net income is more than 45 per cent, but not more than 46 per cent, of the surtax net income;

Seventeen per cent, if the undistributed net income is more than 46 per cent, but not more than 47 per cent, of the surtax net income;

Eighteen per cent, if the undistributed net income is more than 47 per cent, but not more than 48 per cent, of the surtax net income;

Nineteen per cent, if the undistributed net income is more than 48 per cent, but not more than 49 per cent, of the surtax net income;

Twenty per cent, if the undistributed net income is more than 49 per per cent, but not more than 50 per cent, of the surtax net income;

Twenty-two per cent, if the undistributed net income is more than 50 per cent, but not more than 51 per cent, of the surtax net income;

Twenty-four per cent, if the undistributed net income is more than 51 per cent, but not more than 52 per cent, of the surtax net income;

Twenty-six per cent, if the undistributed net income is more than 52 per cent, but not more than 53 per cent, of the surtax net income;

Twenty-eight per cent, if the undistributed net income is more than 53 per cent, but not more than 54 per cent, of the surtax net income;

Thirty per cent, if the undistributed net income is more than 54 per cent, but not more than 55 per cent, of the surtax net income;

Thirty-two per cent, if the undistributed net income is more than 55 per cent, but not more than 56 per cent, of the surtax net income;

Thirty-four per cent, if the undistributed net income is more than 56 per cent, but not more than 57 per cent, of the surtax net income;

Thirty-six per cent, if the undistributed net income is more than 57 per cent, but not more than 58 per cent, of the surtax net income;

Thirty-eight per cent, if the undistributed net income is more than 58 per cent, but not more than 59 per cent, of the surtax net income;

Forty per cent, if the undistributed net income is more than 59 per cent of the surtax net income.

(c) For the purposes of subdivision (b) of this section—

(1) The term "surtax net income" means the net income as defined in section 232, increased by the amount of the deduction allowed under paragraph (6) of subdivision (a) of section 234;

(2) The term "undistributed net income" means the amount by which the surtax net income exceeds the sum of (1) the amount of the tax imposed by subdivision (a) of this section for the taxable year, plus (2) the amount of cash dividends paid during the 12 months preceding the 15th day of the third month following the close of the taxable year, plus (3) amounts retained to replace capital losses sustained after the enactment of this act, plus (4) amounts retained in compliance with law and the distribution of which is prohibited by law, plus (5) $10,000;

(3) The term "cash dividends" includes dividends paid in interest-bearing scrip, if subject to tax in the hands of the distributees to the same extent as a dividend paid in cash.

CORPORATION RETURNS, DISTRIBUTED BY SIZE OF NET INCOME

The following table exhibits the distribution of corporation returns by income classes based on net incomes, the returns being taken in their entirety for the United States:

TABLE D.—*Corporation returns distributed by size of net income, calendar year 1921*

Income classes	Number	Net income	Income tax	War-profits and excess-profits tax	Total tax	Average amount of tax	Per cent of total tax to net income
Reporting net income:							
$0 to $2,000	75,451	$61,895,581					
$2,000 to $5,000	40,402	124,049,405	$4,529,891	$387,697	$4,917,588	$122	3.96
$5,000 to $10,000	20,134	142,168,065	9,616,492	2,945,722	12,562,214	624	8.84
$10,000 to $50,000	25,327	547,473,491	46,116,863	33,210,703	79,327,566	3,132	14.49
$50,000 to $100,000	4,595	320,442,399	28,176,329	28,061,749	56,238,078	12,239	17.55
$100,000 to $250,000	3,108	478,376,439	41,993,090	44,942,158	86,935,248	27,971	18.17
$250,000 to $500,000	1,136	391,713,873	33,930,213	35,468,645	69,398,858	61,091	17.71
$500,000 to $1,000,000	555	380,316,893	33,033,759	35,785,658	68,819,417	123,999	18.09
$1,000,000 to $5,000,000	461	918,041,802	81,338,894	80,887,600	162,226,494	351,901	17.67
$5,000,000 and over	70	971,569,865	87,708,090	73,441,879	161,149,969	2,302,142	16.58
Total	171,239	4,336,047,813	366,443,621	335,131,811	701,575,432	[1] 7,324	[1] 16.41
Reporting no net income	185,158	[2] 3,878,219,134					
Grand total	356,397	457,828,679	366,443,621	335,131,811	701,575,432		

[1] Average for returns reporting net income of $2,000 and over.

[2] Deficit.

Mr. HARRIS. Mr. President, I think the Senator from North Carolina [Mr. SIMMONS] and his coworkers have rendered the country a great service in the conference report which we have before us. I am going to support the conference report with pleasure. The Senator from North Carolina [Mr. SIMMONS], in my judgment, understands legislation of this kind better than any other man in public life, and the other members of the minority on the committee have cooperated with him earnestly. The bill is for the benefit of all the people and not a few.

I ask the privilege of placing in the RECORD my amendment raising the exemptions under this bill, an explanation of it, and, by the consent of the Secretary of the Treasury, a letter he wrote me in regard to his objection to my amendment, which explains itself. The greatest objection I have to this splendid bill is that it does not raise the exemptions, and, as Senators know, I have tried to raise them to $2,000 for single men and $3,000 for married men. If I had my way, no married man with an income of less than $5,000 would be compelled to pay any tax on his income.

The Secretary of the Treasury opposes that, and takes the position that a man loses interest in his Government unless he pays, as he says, at least a few cents a week in direct taxes upon his income. He believes and urges that taxes of the rich, with large incomes, should be reduced more relatively than the man with small income.

I take the position that he already pays indirectly, through the tariff and special taxes, a great deal more than he should, and that it is not fair to tax him on his income when it is small. It was never intended when the sixteenth amendment was passed that persons with small incomes would be taxed. The burden of taxation placed on them through the protective tariff is already greater than can be borne.

The Secretary of the Treasury is a very able man, and I regret that he differs with me in my efforts to exempt from any and all taxes those whose incomes are not over $2,000 for single persons and $3,000 for married ones. He is spending many millions to collect the taxes on about 3,000,000 persons whose incomes are less than the amount I have tried to get exemption for. The Government, he says, does not collect from these small incomes more than $25,000,000, and the reports show it is costing the Government about half that to collect the taxes and check the returns of these 3,000,000 taxpayers. I think it is a waste of time and a great injustice to tax the man who must labor to earn a small income not sufficient to support a family, when the Government has to spend millions of dollars in collecting taxes on small incomes which amount to from one and a half cents to a few dollars. If my amendment could be adopted, it would relieve, as the Secretary of the Treasury says, three million of the four and one-half million taxpayers in the United States of paying any taxes whatever. The Government would lose in taxes less than $25,000,000 and it would require many millions to pay the employees of the Government who work on these tax returns.

Mr. President, about two years ago I offered an amendment to the revenue bill placing a smaller tax on the first few thousands earned by labor. I did not think a person whose income came from bonds should pay no more than a person who must earn a living for his family by hard work. Secretary Mellon opposed my measure then and the Republican Members of the Senate defeated it, though every Democrat supported my amendment. Now, in this bill Secretary Mellon recommends a reduction in taxes on earned incomes, and I am glad he has come around to my views. I hope and believe that next year, after he hears the views of the people of the country on my amendment, he will agree to exempt from taxation all single persons whose incomes are not over $2,000 and all married men with incomes not exceeding $3,000. Our people, three million of four and a half million who pay income tax, will not be willing to pay this small tax, from a few cents to a few dollars, when nearly all is spent in collecting it.

I ask to place in the RECORD my amendment and explanatory statement and the letter from the Secretary of the Treasury.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. HARRIS to the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, viz: On page 55, line 3, after the figures "$2,000," insert the following proviso: "*Provided*, That single persons whose net incomes do not exceed $2,000 each and heads of families or married persons living with husbands or wives whose net incomes do not exceed $3,000 each shall be exempt from payment of income tax and from rendering income-tax returns: *Provided further*, That in determining their net incomes such persons shall deduct the credits for dependents by paragraph (a) of this section."

AMENDMENT OF SENATOR HARRIS

Senator HARRIS'S amendment exempts all single persons whose net incomes do not exceed $2,000 each and all heads of families and married persons whose net incomes do not exceed $3,000 each from payment of any income tax whatever.

The effect of this amendment will be to relieve 2,500,000 men and women with small incomes from paying income tax; 2,500,000 is 57 per cent of all the taxpayers.

Based upon the income-tax statistics for 1921, Mr. McCoy, the Government actuary, estimates that the reduction in revenue receipts under this amendment would be about $18,000,000.

This loss of revenue will be largely offset by the great reduction in appropriations for salaries of employees and other operating expenses of the Income Tax Division of the Internal Revenue Bureau resulting from the decrease of 2,500,000, or 57 per cent, in the number of taxpayers.

The collection of income taxes is now costing the Government in the vicinity of $25,000,000, or an average of about $6 for each taxpayer.

Several hundred thousand of the taxpayers exempted by Senator HARRIS'S amendment now pay less than a dollar each, and many of them pay only a few cents. For instance, the income tax of a single man with an income of $1,001 or of a married man with an income of $2,501 is just 1½ cents under the tax rates in the revenue bill as it passed the House. The taxes range from 1½ cents to $15 for single persons and from 1½ cents to $7.50 for heads of families and married persons. The average is $7.50 for single persons and $3.75 for heads of families and married persons.

The difference in the effect of the amendment upon the tax of heads of families (including married persons) and upon single persons is due to the fact that the personal exemption is now $2,500 for the former (unless their incomes exceed $5,000 each), while it is only $1,000 for single persons.

For the vast majority of the 2,500,000 taxpayers exempted by the amendment the tax will be less than the average cost of collecting income taxes. For the Government to force a man to pay tax when

it will cost more to collect it than the tax amounts to is uneconomical, to say the least, if it is not really absurd.

The 2,500,000 taxpayers exempted by the amendment of Senator HARRIS belong to the large class of laboring people whose small incomes are completely absorbed in providing the necessities of life. They are therefore entitled to special consideration by the Congress.

THE SECRETARY OF THE TREASURY,
Washington, May 19, 1924.

MY DEAR SENATOR: I have your letter of May 7 with reference to the speech you made in the Senate on that day in support of your amendment. I think the principal objection to the increase in the exemptions on the smaller incomes is the fact that it removes so many individuals from any direct payment of tax, and, therefore, from any direct interest in their Government. In every other country having income taxes, the exemption is much smaller than in ours. I think in England it is £150. The amount that each person would save by the adoption of your amendment is entirely out of proportion to the public benefit of having many individuals contributing to the support of the Government, if only a few cents.

A single person with a net income of $30 a week—a good income for a young man or woman just starting life, with no one but himself to take care of—will pay, under the provisions of the House bill, and of the Senate bill as it now stands, in income tax to the Government, 16 cents per week. Under the present law he would pay 42⅞ cents per week. Under the Mellon plan he would pay a trifle less than 20½ cents per week, and under the Harris plan he would pay nothing.

A newly married man living with his wife, without other dependents, with a net income of $50 per week, would pay an income tax to the Government, under the pending bill, of less than 3 cents per week; under the present law, of less than 8 cents per week; and under the Mellon plan, of less than 4½ cents per week, while under the Harris plan he would pay nothing.

A head of a family with five dependents, receiving a net income of $80 per week, would pay income tax to the Government, under the pending bill, at the rate of a trifle less than 4⅝ cents per week; under the present law, at the rate of 12½ cents per week; under the Mellon plan, at the rate of a trifle less than 7 cents per week; and under the Harris plan, nothing.

The saving in cost of administration to the Government would more than likely be offset by the loss in revenue through failure of those to make returns who include in their deductions amounts which would not be allowed by the department.

Had the Harris proposal been in effect in 1921, the following would have been the result:

Number that would not have made returns that actually paid tax for that year	2,257,000
Tax paid by these taxpayers	$50,914,000
Average tax paid	$22.56
Estimated number that would not make returns, who otherwise would pay tax for 1924	3,000,000
Average tax under pending bill	$8.50
Loss in tax under pending bill, direct	$25,500,000
Loss in tax through failure to make returns	$15,000,000
Total loss	$40,500,000

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

Hon. WILLIAM J. HARRIS,
United States Senator, Washington, D. C.

Mr. JOHNSON of California. Mr. President, I am quite sympathetic with what has been said by the Senator from Nebraska [Mr. NORRIS]. For his publicity amendment I voted when it was before the Senate, and if the opportunity presented itself, I would vote for it again. I am by no means certain that the plan he suggests, to send this bill back to conference, is the one which ought to be adopted at this time, in view of the important provisions of this measure, and in view, too, of the work that has been accomplished by the conferees.

The bill which has been presented by the conferees in my opinion is an infinitely better bill than that which was designated as the "Mellon plan." Not only is it infinitely better, but, what is more important, it is infinitely more just. The Mellon plan proceeded upon a particular philosophy concerning taxation. The plan which has just been agreed upon by the conferees of the two Houses proceeds upon an entirely different philosophy, and nothing will better illustrate this than the reading in juxtaposition of the amounts of taxation in a very few cases under the plan which has now been adopted by the conferees of the two Houses and the amounts levied under the Mellon plan and under that now in existence, and then the amounts under the three systems upon smaller incomes and a few of the larger incomes. Allow me to recall that under the present tax system an income of $3,000 pays $20. Under the Mellon plan it would have paid $11.25. Under the plan adopted by the conferees of the two Houses it will pay $7.50.

An income of $5,000 under the present system pays a tax of $100. Under the Mellon plan a tax would have been paid of $56.25. Under the Simmons plan, the plan just adopted, the tax will be $37.50.

An income of $10,000 under the present law pays a tax of $520 per annum. Under the Mellon plan it would have paid $337.50. Under the plan just adopted it will pay $207.50.

Turn now to the larger incomes and the difference in theory is at once obvious. Under an income of $100,000, taxes to-day are paid of $30,140. Under the Mellon plan there would have been paid $19,817.50. Under the plan adopted by the conferees of the two Houses the tax will be $22,617.50.

An income of $300,000 to-day pays $144,640. Under the Mellon plan it would have paid $81,817.50. Under the plan the conferees of the two Houses have adopted the tax will be $109,617.50.

An income of a million dollars under the present system pays $550,640. Under the Mellon plan it would have paid $298,817.50. Under the plan adopted by the conferees of the two Houses it will be required to pay $429,617.50.

So, if we read the incomes that are $10,000 and less, and the incomes that are $100,000 and more, and compare the amounts which would have been paid under the Mellon plan and the amounts that will be paid under the plan adopted by the conferees of the two Houses, we observe that the first desideratum of the Mellon plan was to aid those incomes which are very high, and the recipients of which are most able to pay taxes, while the theory upon which the conferees of the two Houses have acted is that we should deal first with those who are down on the ground, who are least able to pay taxes, and it is this theory which the conferees of the two Houses of Congress have now happily adopted.

It will be recalled that the Mellon plan, when presented to the country, was so sacrosanct that it was proclaimed far and wide it could not be profaned by amendment or by modification. You remember how the propaganda went forth in this land when first the Mellon plan was promulgated. What was demanded was not really tax reduction at all, but only tax reduction as commanded by Mr. Mellon, and the adoption of his plan without the dotting of an "i" or the crossing of a "t"; a particular plan, which is now demonstrated by the action of the conference of the two Houses of Congress of the United States to have had for its first consideration the large incomes and for its minor consideration the smaller incomes in this land.

Propaganda such as never before had been seen in the United States was indulged in in behalf of this plan. Indeed, if I recollect correctly, two official communications from the White House were published in the press, that the Congress must not touch the sacred Mellon plan; that if it dared to amend it, or if it dared to modify it, forthwith it would receive the disapproval of those in high places, and could never become a law.

Then our people were frightened by repeated statements—some officially made and some by subservient echoes—that the only way by which we could accord tax reduction to a tax-burdened people was through the adoption of this one system, and this one system alone; and that if any other were attempted great deficits would occur in the Treasury; deficits which could not be met except by additional and larger burdens of taxation. Not only have stories such as that gone forth day after day, and been published in the great metropolitan journals week after week and month after month, not only have we seen the greatest conspiracy that was ever entered into for the dissemination of propaganda in this country in behalf of a particular plan, but in the last few weeks it has been declared again and again by the spokesmen for power that if we dared pass the soldiers' adjusted compensation bill we could not have tax reduction at all.

I call to the attention of Members of the Senate the estimates which have been presented here this morning, the estimates presented by the very able Senator from Utah [Mr. SMOOT] and the estimates presented by the very able Senator from North Carolina [Mr. SIMMONS], which demonstrate beyond cavil that all the statements that have been made about the inability to have tax reduction and adjusted compensation are utterly without foundation in fact. Both are now accomplished. I recall those estimates, because I remember that some of us indulged in animadversions, very mild, of course, upon the original estimates made when the Mellon plan was first presented to us, and we met the fate of all who are guilty of lese majesty. The Mellon plan is now demonstrated to have

been founded first upon an economic fallacy, and secondly upon absolutely inaccurate estimates emanating from the Treasury Department. The Mellon plan, I am very glad to say, was shot to pieces in the House of Representatives, and now finds itself buried beyond resurrection by the trump of the archangel Gabriel in the Senate of the United States.

I congratulate the Senate and I congratulate the House. I congratulate the conferees who have rendered the service they have rendered in bringing back these rates of taxation and giving to this country true tax reductions.

They have given to the country not Mellon-plan tax reduction, it is true, but they have given the country just tax reduction, tax reduction which deals most generously with those least able to pay taxes, which deals generously with those most able to pay taxes; but which does not first concern itself with the latter. The burden is first lightened of those least able to bear that burden, and justice is done to all.

I ask leave to print the figures as to seven incomes of $10,000 and under, and of seven incomes of $100,000 and over, with the taxes paid under the present system, what they would be under the Mellon plan, and what they will be under the Simmons plan.

The PRESIDING OFFICER (Mr. SPENCER in the chair). Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

INCOMES $10,000 AND UNDER

Amount	Present tax	Mellon plan	Simmons plan
$3,000	$20.00	$11.25	$7.50
$4,000	60.00	33.75	22.50
$5,000	100.00	56.25	37.50
$6,000	160.00	97.50	57.50
$7,000	240.00	157.50	87.50
$9,000	430.00	277.50	167.50
$10,000	520.00	337.50	207.50

INCOMES $100,000 AND OVER

$160,000	$30,140.00	$19,817.50	$22,617.50
$150,000	68,140.00	35,817.50	44,117.50
$200,000	86,640.00	50,817.50	65,617.50
$300,000	144,640.00	81,817.50	109,617.50
$500,000	260,640.00	143,817.50	198,617.50
$1,000,000	550,640.00	298,817.50	429,617.50

Mr. BROOKHART. Mr. President, the question of tax reduction has two phases. Everybody, of course, would be for tax reduction, but at the same time, if the taxes are reduced, the payments on the national debts are reduced. So I feel that a good part of the propaganda for tax reduction has been for the purpose of avoiding the payments for the war. The farther we can get away from the war in the levying of taxes, the safer will be the war profiteers. I presume Mr. Mellon himself was one of the great war profiteers, and I presume his plan was fixed with a view to protecting those gentlemen throughout. I am quite sure it was.

As for myself, I am in favor of increasing certain taxes. That is why I am opposed to this conference report. The original bill was amended by the Senate through the adoption of the corporation tax amendment offered by the Senator from New Mexico [Mr. JONES], which increased the taxes on certain corporations. The smaller corporations got a reduction, but the larger corporations got an increase, bringing them up somewhere near parallel with the individual incomes.

I am for that kind of an increase in taxation. In fact, during the last Congress there was a reduction of the surtaxes from 65 to 50 per cent, making a reduction on the 65 per cent paid by the big income-tax payer of 23 per cent of all his taxes.

With a view to equalizing these matters somewhat, I offered the excess-profits tax as an amendment to this bill when it was before the Senate. I offered that amendment, raising the exemption from $3,000 up to $6,000. I withdrew it when the corporation tax amendment was adopted, because in a large measure that tax covered the same ground, and it was just and reasonable, as I felt.

The bill went to conference, and the conferees dropped the corporation tax entirely, and it is out of order for me to offer my excess-profits tax amendment at this time. Therefore it will be impossible to get a direct vote upon that.

I am sorry the conferees did not insist upon the corporation tax. I am sorry they did not insist upon complete publicity, and I shall vote against the report because they did not do those two things.

That, however, does not mean that I would not vote to override a presidential veto, which in this case seems to be a Mellon veto, because we are informed that Mr. Mellon intends to have this bill vetoed. When that stage comes I may vote to pass it over the veto, if he succeeds in having it vetoed, because then it would be a question of comparing it with the old law. If it is better for the common people than the old law, I shall vote for it, but at this time it is a question of sending it back to conference to restore the corporation tax and to restore the publicity feature. For those reasons I oppose the conference report.

Mr. WALSH of Massachusetts. Mr. President, the Senator from Utah [Mr. SMOOT] presented a very able statement of the differences between this bill, the bill as it passed the Senate, and the bill as it passed the House. I do not think any statement has been presented showing the differences between the present law and the conference bill. I believe the public would be interested in knowing the differences.

I therefore offer a statement in tabloid form setting forth all the changes made by the conferees in the present law. Senators having inquiries as to what changes have been made in the law will be able to get some assistance from the tabloid statement which I submit showing some 30 changes.

The PRESIDING OFFICER. Without objection, the statement presented by the Senator from Massachusetts will be printed in the RECORD.

The statement is as follows:

STATEMENT BY SENATOR WALSH OF MASSACHUSETTS ON IMPORTANT CHANGES IN THE EXISTING LAW BY THE PROPOSED REVENUE BILL, AS AGREED UPON BY THE CONFERENCE COMMITTEE, AND AS IT WILL BE PRESENTED TO THE PRESIDENT FOR HIS SIGNATURE

1. The bill contains a provision for a reduction of 25 per cent in the tax payable in 1924 on the incomes of 1923.

2. The tax upon corporations remains as under the present law; to wit, a flat tax of 12½ per cent upon the net income of corporations. The present capital stock tax is retained.

3. The rates of the estate tax which in the existing law range from 1 per cent of the amount of the net estate not in excess of $50,000 to 25 per cent of the amount by which the net estate exceeds $10,000,000 have been altered to range from 1 per cent of the net estate not in excess of $50,000, to 40 per cent of the amount by which the net estate exceeds $10,000,000.

4. For the calendar year 1924 and each calendar year thereafter a tax is imposed upon transfers by gift of any property whether made directly or indirectly. The rate of the gift tax ranges from 1 per cent of the amount of taxable gifts not in excess of $50,000 to 40 per cent of the amount by which the taxable gifts exceed $10,000,000.

5. The existing law provides for a normal tax upon the first $4,000 of net income of 4 per cent, and upon the remainder of the net income of 8 per cent. The bill provides for a normal tax rate of (1) 2 per cent upon the first $4,000 of net income; (2) 4 per cent upon the next $4,000 of net income; and (3) 6 per cent upon the amount of net income in excess of the amounts taxed under (1) and (2). The amount of the personal exemption of a married person living with spouse or the head of a family has been made $2,500 in all cases.

6. The surtax rates are reduced so as to begin at 1 per cent on the net income from $10,000 to $14,000; and reach a maximum of 40 per cent of the amount of the net income in excess of $500,000. The existing law provides for surtaxes beginning at 1 per cent upon the net income between $6,000 and $10,000, and reaching a maximum of 50 per cent of the amount by which the net income exceeds $200,000.

7. In the case of an individual, the tax is to be credited with 25 per cent of the amount of the tax which would be payable if his earned net income constituted his entire net income, but not in excess of 25 per cent of his normal tax. Earned income is defined as wages, salaries, professional fees, and other amounts received as compensation for personal services actually rendered, including in the case of a taxpayer engaged in a trade or business in which both personal services and capital are material income-producing factors, a reasonable allowance as compensation for personal services, not in excess of 20 per cent of the taxpayer's share of the net proceeds of the trade or business. It is provided that net incomes of $5,000 and less shall be considered as earned, and that at least $5,000 of net incomes in excess of that amount shall be considered as earned. It is further provided that the amount of the net income shall not be considered to be in excess of $10,000.

8. It is provided that the amount by which the tax is reduced on account of losses from the sale of capital assets shall not exceed 12½ per cent of the loss. There is no such limit in the present law.

9. The principle contained in the revenue act of 1918 that liquidating dividends constitute a sale of the stock instead of a distribution

of earnings has been restored. This puts liquidating dividends within the capital gains section of the bill and recognizes the real effect of such dividends.

10. The section with reference to reorganization of corporations has been rewritten to eliminate existing uncertainties in the present act and to include other usual forms of corporate reorganization in aid of business, such as the splitting of one corporation into two or more corporations.

11. Provisions have been inserted to prevent the use of the reorganization section to escape proper taxation by increasing the basis for depreciation or depletion, or by increasing the basis for determining gain or decreasing the basis for determining loss from the sale of assets transferred in connection with the reorganization, or by distributing as capital gains what are, in effect, dividends out of earnings.

12. The deduction for discovery depletion is limited to 50 per cent of the net income from the property depleted.

13. In the case of a trust where the trustee has the discretion to distribute the income or not the income is taxed to the beneficiary if distributed and to the trustee if not distributed.

14. Where the grantor of a trust reserves the right to change the trust in favor of himself the income of the trust is taxed to the grantor.

15. The tax under section 220 which seeks to penalize corporate forms used to avoid imposition of the surtaxes on the stockholders is now based on all of the income of the corporation which will be taxed in the hands of an individual. The rate of tax has been changed from 25 per cent to 50 per cent in the bill as reported.

16. The application of the present law requiring income for a fractional part of a year to be placed on an annual basis is restricted to cases where a return is made for part of a year as the result of voluntary act of the taxpayer in making a change in his taxable year.

17. A Board of Tax Appeals, the members to be appointed by the President with the advice and consent of the Senate, is created to hear appeals from the assessment of additional income and estate taxes. The board will sit locally in the various judicial circuits throughout the country. The cases of both the Government and the taxpayer will be presented before the board, and the practice will be similar to that before the Interstate Commerce Commission. Upon a decision in favor of the Government the additional tax can be assessed by the Commissioner of Internal Revenue, and the taxpayer is left to his remedy in the courts for a recovery of the tax. If the decision is in favor of the taxpayer, the commissioner may not assess the tax, but is left to his remedy in the courts in a suit to collect it. In any court proceedings the findings of the board shall be taken as prima facie evidence of the facts contained therein.

18. The tax on telephone and telegraph messages is repealed.

19. Title VI of the existing law imposing a tax on beverages and the constituent parts thereof is repealed.

20. The excise tax upon automobiles and trucks is retained with a provision exempting from the tax chassis of trucks sold for less than $1,000 and truck bodies sold for less than $200. Under the present law there are no similar exemptions. The tax on tires, inner tubes, parts, and accessories sold to any person other than manufacturer is reduced from 5 to 2½ per cent.

21. The tax imposed upon admissions by Title VIII of the existing law is changed to apply only to admissions in excess of 50 cents.

22. The taxes imposed upon candy, knives, dirks, livery and hunting garments, and yachts, by paragraphs (6), (8), (9), (12), (13), and (14) of section 900 of Title IX of the existing law are repealed.

23. The taxes imposed upon carpets, trunks, valises, purses, lighting fixtures, and fans by section 904 of Title IX of the existing law are repealed.

24. A tax of 10 per cent is imposed upon sales by manufacturer of mah jong and similar tile sets.

25. The tax upon the sale of jewelry has been amended so that it will not apply to articles used for religious purposes or to articles sold for an amount not in excess of $30.

26. The taxes imposed upon proprietors of theaters, circuses, and other public exhibitions by paragraphs (5), (6), and (7) of section 1001 are repealed.

27. Brokers exclusively engaged in negotiating purchases and sales of produce and merchandise are exempted from the occupational tax of $50 imposed upon brokers.

28. The tax imposed upon sales of produce by paragraph (4) of Schedule A of Title XI (stamp taxes) is reduced from 2 cents per $100 to 1 cent.

29. The stamp tax of 2 cents for each $100 imposed upon drafts, checks, and promissory notes, is repealed.

30. Publicity—

(a) It is provided that returns shall be open for inspection to the Ways and Means Committee, the Finance Committee, or a special committee of either House. The amount of income tax paid by any individual within the district will be available for inspection in each collector's office.

(b) It is provided that all hearings in contested cases before the Board of Tax Appeals shall be open to the public, and that all evidence before the board taken down in writing and the record of the board shall be open to public inspection.

Mr. McLEAN. Mr. President, the Statistics of Income, issued by the Treasury Department, showing the income-tax returns for each year, together with the tax paid, segregated by the size of the net income into brackets, should be studied and understood by everybody who has bills to pay. It is true that this document is a dry skeleton of facts, but within the tables contained therein is buried all necessary information for the conscientious student or intelligent voter. For example, the Statistics for 1921, the latest issued, covering the returns of income earned in the calendar year 1921, the tax on which was paid in 1922, shows that that year 6,662,176 returns of personal income were made, reporting net income of $19,577,212,528. Of these, only 3,589,985 reported tax due the Government, amounting to $719,387,106. The exemptions and personal credits of the other 3,072,191 individuals more than equaled their net income, leaving nothing upon which to pay tax.

This means that the total income tax was paid by about 3¼ per cent of the total population, the other 96¾ per cent paying no direct tax to the United States. Of the 24,500,000 families of the United States as of that year, only some 3,500,000 had any tax to pay; about 14½ per cent of the total families, or about 7 families out of every 50, paid direct tax to the United States.

The net income of all individuals in the United States was over $40,000,000,000 for that year. The income tax—$719,000,000—was therefore about 1.8 per cent of the total income, and about 3.6 per cent of the income returned by the 6,990,000 individuals.

There were 172,359 individuals with net income in excess of $10,000, whose tax amounted to $557,726,000, based upon a net income of $3,983,019,000. That is, forty-two two hundred and seventy-fifths of 1 per cent of the entire population paid over 77 per cent of the entire income tax, or less than 10 per cent of the total income pays over 77 per cent of the total tax.

There were with incomes in excess of $50,000, 11,089 individuals, with net income of $1,045,234,000, whose tax amounted to $317,929,000. That is, one one-hundredth of 1 per cent of the total population paid over 44 per cent of the total income tax, or about 2½ per cent of the total income pays over 44 per cent of the total tax.

There were with incomes in excess of $100,000, 2,352 individuals, with net income of $463,003,000, whose tax amounted to $202,217,000. That is, one four hundred and fortieth of 1 per cent of the total population pays over 28 per cent of the total income tax, or about 1⅛ per cent of the total income pays over 28 per cent of the total tax.

There were with net income in excess of $150,000, 985 individuals with net income of $299,582,000, whose tax amounted to $149,887,000. That is, one eleven-hundredth of 1 per cent of the total population paid about 21 per cent of the total income tax, or three-fourths of 1 per cent of the income paid 21 per cent of the total tax.

The present system of income tax began March 1, 1913. When the World War began and we needed large additional revenue both for our own use and for the aid of our allies the rates of this original income tax were very much increased, especially the higher rates, purely as a war measure. The original normal tax of 1 per cent was increased to 4 per cent and 8 per cent. The maximum surtax rate was increased from 6 per cent to 65 per cent. The lower brackets, beginning at $5,000, were only increased 1 per cent. The oppressively high rates of this war tax were reduced by the 1921 revenue act. Business was so demoralized that the receipts from the income tax fell off alarmingly. In 1921 the returns were $1,420,000,000, or only 41 per cent of the returns for 1919, a falling off in revenue of over two billions of dollars. This condition gave great concern to the Treasury. The 1921 revenue act eliminated the excess-profits tax on corporations and substituted in place of this tax and the flat 10 per cent tax on the balance of the net income of the corporation as imposed by the 1918 law a flat tax of 12½ per cent. The individual income tax was reduced from a maximum of 65 per cent at a $1,000,000 income to a maximum of 50 per cent at an income of $200,000. The tax on the lower brackets was also reduced. For example, the 1 per cent surtax on income in excess of $5,000 and not in excess of $6,000 was eliminated. The tax on the bracket from $8,000 to $10,000 of 3 per cent was reduced to 1 per cent. That is, the act of 1921 reduced the taxes on the small incomes as well as on the larger. It reduced the maximum surtax on the million-dollar man 23 per cent and that on the $6,000 man 100 per cent and on the

$10,000 man 67 per cent. The 1924 revenue act still further reduces these surtax rates. On all incomes up to and including $10,000 it reduces the surtax 100 per cent. On the million-dollar man, however, it reduces the maximum rate only 20 per cent.

Under the provision of the present law the tax on a married man without dependents, with a net income of $5,000, is 2 per cent of his net income. Secretary Mellon recommended that it be reduced to 1.125 per cent of his net income. The pending act actually reduces the tax to three-fourths of 1 per cent of the net income. Upon a like taxpayer with an income of $10,000 these rates are as follows: Present law, 5.20 per cent; Mellon recommendation, 3.38 per cent; pending act, 2.08 per cent. Upon a like taxpayer with a net income of $3,000 the rates of tax are as follows: Present law, two-thirds of 1 per cent; Mellon plan, thirty-eight one-hundredths of 1 per cent; pending act, one-fourth of 1 per cent.

Taxpayers returning net incomes of less than $10,000 constitute over 97 per cent of all those that make returns for income tax, while about fifteen one-hundredths of 1 per cent of our total population have net incomes in excess of $10,000. A similar taxpayer with a net income of $100,000 would pay the following rates of tax upon his net income: Present law, 30.14 per cent; Mellon plan, 19.82 per cent; pending act, 22.62 per cent.

This shows that while the Mellon plan reduced the tax on the $500,000 man 34 per cent, and the pending act about 25 per cent, the Mellon plan reduced the tax on the $3,000 man fully 43 per cent; on the $5,000 man, 43⅓ per cent; and on the $10,000 man 35 per cent, while the pending act reduced these taxes on the $3,000 man 62 per cent; on the $5,000 man 62½ per cent; and on the $10,000 man 60 per cent.

What do these reductions mean? The $3,000-a-year man receives wages at the rate of $57.70 a week. Under the present law his total income tax is a little less than 39 cents a week; the Mellon proposal would have made it a little less than 22 cents a week; the pending bill will make it a little less than 14½ cents per week.

The $5,000 man receives a trifle over $96 a week. His total income tax under the present law is about $1.92½ per week. Under the Mellon plan it would be about $1.08 per week; and under the pending act, about 72 cents per week, a reduction from the Mellon plan of 36 cents per week.

Will these reductions to the man whose income is less than $5,000 benefit anyone?

The $100,000 man, most likely a business man, engaged in supplying or manufacturing necessities, pays income tax to the Government under the present law amounting to $30,140; under the Mellon plan he would pay $19,817.50; and under the pending act $22,617.50. The saving in his tax under the Mellon plan would be a little over $10,300. This saving, in order to meet competition, would have to be shared with his customers. More than likely part of it would go back into business enlargement, enabling him to take advantage of cash discounts, and so forth, and so enable him to produce and sell cheaper. The share to his customers, together with the lower cost of production, would consequently reduce the cost of living to his customers, and would finally result in a reduction in the price of all necessities of at least 10 per cent. To the $3,000 man this would mean a saving of over $5 per week; to the $5,000 man it means over $9 a week.

Compare the effect of this 34 per cent reduction in tax on the moderately large business income upon the $3,000 and $5,000 man with the effect of the reduction in their own income tax. By reducing the higher income-tax rates you save the $3,000 man $5 a week, or over twelve times the entire tax he pays under the present law, and the $5,000 man about five times his total income tax. The deception and fallacy in relieving from tax the smaller incomes while taxing heavily the larger is very evident. Under the present law less than 1.2 per cent of the entire net income of the people of this country pay over 28 per cent of the total income tax. If we should take their entire net income—that is, tax all incomes in excess of $100,000 100 per cent—we should have only a vanishing $463,000,000, or some $200,000,000 short of the amount necessary for the Government. This shows that it is impossible to raise the necessary revenue from a tax upon the large incomes only.

A business man must pay his income tax from his income. In addition to the profits necessary for his continuance in business he must add an amount sufficient to pay this tax. This must necessarily be obtained through larger profits—an increase in the cost of living. His tax must be paid by every consumer of his products, which must constitute a greater tax or higher price for the millions of consumers than the present law now imposes upon them directly.

This shows that it is impossible to tax the larger incomes without imposing a greater burden upon the wage earner. The entire theory of operating the Government by taxing about 1 per cent of the people, when probed is shown to be an economic fallacy and a physical and financial impossibility. If the reformers really want to benefit the small taxpayer they should reduce the tax upon the producer of his bread, his clothing, and of all his necessities. This will not only help the small taxpayer, but everyone else, and the final result will be a material reduction in the cost of living, together with every incentive to increase wages to the deserving.

I shall vote for this bill because it is an improvement over the existing law, but it is far, very far, from a wise disposition of the subject.

It seeks popularity at the expense of the people, and my hope is that the taxpayers and the wage earners will study this tax problem and insist upon an intelligent solution in the near future.

Mr. HARRIS. Mr. President, I ask unanimous consent to have printed in the RECORD an article from the Atlanta Journal of May 23, 1924, by Mr. David Lawrence, which explains the pending bill and refers to the splendid work which the Senator from North Carolina [Mr. SIMMONS] has done in connection with the measure.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The article is as follows:

REPUBLICAN LEADERS UNEQUAL TO THE STRATEGY OF SENATOR SIMMONS

[By David Lawrence]

(Copyright for Morning News)

WASHINGTON, D. C., May 22.—A little general from North Carolina, Senator FURNIFOLD MCLENDELL SIMMONS, has outmaneuvered the entire Republican leadership, including President Coolidge, Secretary Mellon, and the legislative managers of the Republican Party in Congress. For though the Republicans are in control of Congress a tax bill written by the minority—the Democrats—will become law.

Senator SIMMONS, perhaps the most experienced man on tax matters in the upper House and one who has served long on the Finance Committee in the preparation of the revenue acts of previous years, was assisted by the strategy of Representative GARNER, Democrat, of Texas, in the House.

Altogether they have put through a bill that President Coolidge will sign chiefly because he can not afford to veto it. The objectionable features—the publicity of tax returns and the undistributed-profits tax—have been eliminated, and one suspects now they were put in there in the first place for trading purposes, so as to insure the retention of the Simmons rates when the conference committee acted.

It is one of the most amazing legislative developments in a generation. The Democrats, of course, were aided by the insurgent Republicans, without whose votes the Simmons rates would not have prevailed; but the Republican leadership had the same opportunity as the Democrats did to win these insurgents. The regular Republican leaders privately are disappointed, for they could have written the type of the bill Senator SIMMONS offered, but they were restrained by the desire of the President and the Secretary of the Treasury that a record vote be obtained on the Mellon plan. The chief difference between the Mellon proposal and the Simmons rates is that persons with incomes running up to $66,000 a year will get a greater reduction in taxes under the Simmons plan than under the Mellon plan. Under $66,000 and running to $100,000 the reductions would have been greater under the Mellon plan, though there is really only a slight difference. Above $100,000, however, the differences are material.

The Mellon plan would have cut the taxes of the persons of larger income, the theory being that such a procedure would help business by stimulating capital to go into productive enterprises. Senator SIMMONS introduced as a counterproposal the idea that under his plan more individuals would benefit—some 6,600,000—and argued that the persons of larger income were not suffering now. As between the two ideas the insurgent Republican group chose to follow Senator SIMMONS.

All parties were agreed on the plan to give the taxpayers a flat 25 per cent reduction on taxes payable this year on 1923 incomes. It has been retained in the bill approved by the conference committee, which will become law. This provides that a taxpayer on June 15 next will not pay the same quarterly installment which he paid on March 15. Instead he will be obliged to pay much less. For instance, if his total tax bill for 1923 was $1,000 and, therefore, he paid a fourth on March 15, he will subtract the one-fourth reduction granted by the new law, which makes a final tax of $750, and he will credit himself with the $250 already paid in March, so that the balance due the Government will be $500, which can be paid in installments of $166.66 each on June 15, September 15, and December 15.

Here is a table which shows what taxes will be payable during 1925 on incomes received during 1924:

Taxes payable during 1925 on incomes received during 1924

Total income	Present law	Mellon plan	Simmons rates
$3,000	$30.00	$11.25	$7.50
$4,000	60.00	33.75	22.50
$5,000	100.00	56.25	37.50
$6,000	160.00	97.50	57.50
$7,000	250.00	157.50	87.50
$8,000	430.00	277.50	167.50
$10,000	520.00	337.50	207.50
$12,000	720.00	477.50	337.50
$14,000	940.00	637.50	477.50
$16,000	1,180.00	817.50	637.50
$18,000	1,720.00	1,237.50	1,017.50
$20,000	2,040.00	1,477.50	1,227.50
$22,000	2,380.00	1,737.50	1,477.50
$24,000	2,740.00	2,017.50	1,737.50
$26,000	3,120.00	2,317.50	2,017.50
$28,000	3,520.00	2,637.50	2,317.50
$30,000	3,940.00	2,977.50	2,637.50
$32,000	4,400.00	3,370.50	2,957.50
$34,000	4,860.00	3,717.50	3,297.50
$36,000	5,340.00	4,117.50	5,657.60
$38,000	5,840.00	4,417.50	4,037.50
$40,000	6,360.00	4,937.50	4,417.50
$42,500	7,460.00	5,777.50	5,237.50
$46,000	8,640.00	6,657.00	6,137.50
$50,000	11,940.00	8,957.50	8,677.50
$60,000	15,740.00	11,417.50	11,557.50
$70,000	22,040.00	14,057.50	14,877.50
$80,000	24,840.00	16,857.50	18,357.50
$90,000	30,140.00	19,817.50	22,617.50
$100,000	58,140.00	35,317.50	44,117.50
$150,000	86,640.00	50,817.50	66,617.60
$200,000	260,064.00	145,817.50	199,617.50
$500,000	550,640.00	298,817.50	429,617.50
$1,000,000			

The foregoing table is calculated on the return of a married man and no dependents.

Out of the 6,662,176 taxpayers in the United States approximately 6,109 would have been given greater reductions under the Mellon plan than the Simmons plan. This leaves 6,662,176 taxpayers who will receive a greater reduction under the Simmons plan, which will become law, than the original Mellon plan.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. SMOOT and Mr. ROBINSON asked for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. KING (when his name was called). I have a general pair with the senior Senator from New Jersey [Mr. EDGE]. I therefore withhold my vote.

Mr. LODGE (when his name was called). I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I understand that if present he would vote as I am about to vote. I therefore feel at liberty to vote and vote "yea."

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from Wyoming [Mr. WARREN]; but, understanding that he would vote as I propose to vote, I am at liberty to vote and vote "yea."

Mr. TRAMMELL (when his name was called). I have a pair with the senior Senator from Rhode Island [Mr. COLT]. He is absent; but I understand that if present he would vote as I propose to vote. Being therefore at liberty to vote, I vote "yea."

The roll call was concluded.

Mr. FESS. My colleague [Mr. WILLIS] is unavoidably detained from the Senate. Were he present he would vote "yea." He has a general pair with the Senator from Tennessee [Mr. MCKELLAR], who, I understand, if present, would also vote "yea."

Mr. BRANDEGEE (after having voted in the affirmative). I am paired with the senior Senator from Tennessee [Mr. SHIELDS]. I am informed by the pair clerk that if that Senator were present he would vote as I have already voted. So I will let my vote stand.

Mr. FLETCHER (after having voted in the affirmative). I have a general pair with the Senator from Delaware [Mr. BALL]. In his absence I transfer that pair to the Senator from West Virginia [Mr. NEELY] and let my vote stand.

Mr. CURTIS. I am requested to announce that the Senator from Indiana [Mr. WATSON] has a general pair with the Senator from Colorado [Mr. ADAMS]. If the Senator from Indiana were present, he would vote "yea."

Mr. ROBINSON. I desire to announce that the Senator from Colorado [Mr. ADAMS], if present, would vote "yea." I also wish to announce that, if present, the junior Senator from Tennessee [Mr. MCKELLAR], who is paired with the Senator from Ohio [Mr. WILLIS], and the senior Senator from Tennessee [Mr. SHIELDS], who is paired with the Senator from Connecticut [Mr. BRANDEGEE], would both vote "yea."

I wish further to announce that the Senator from Oklahoma [Mr. OWEN] is paired on this question with the Senator from West Virginia [Mr. ELKINS]. If present, the Senator from Oklahoma would vote "yea."

I also desire to announce that the Senator from Maryland [Mr. BRUCE], the Senator from New Jersey [Mr. EDWARDS], the Senator from Georgia [Mr. GEORGE], the Senator from Rhode Island [Mr. GERRY], the Senator from West Virginia [Mr. NEELY], the Senator from Missouri [Mr. REED], the Senator from Alabama [Mr. UNDERWOOD], and the Senator from Nevada [Mr. PITTMAN], if present, would vote "yea."

The result was announced—yeas 60, nays 6, as follows:

YEAS—60

Ashurst	Ferris	Lenroot	Simmons
Bayard	Fess	Lodge	Smith
Borah	Fletcher	McLean	Smoot
Brandegee	Glass	McNary	Spencer
Broussard	Gooding	Mayfield	Stanfield
Bursum	Hale	Oddie	Stanley
Cameron	Harreld	Overman	Stephens
Capper	Harris	Pepper	Sterling
Caraway	Harrison	Phipps	Swanson
Copeland	Heflin	Ralston	Trammell
Curtis	Howell	Ransdell	Wadsworth
Dale	Johnson, Calif.	Reed, Pa.	Walsh, Mass.
Dial	Jones, N. Mex.	Robinson	Walsh, Mont.
Dill	Jones, Wash.	Sheppard	Weller
Fernald	Kendrick	Shortridge	Wheeler

NAYS—6

Brookhart	Frazier	Moses	Norris
Ernst	Johnson, Minn.		

NOT VOTING—30

Adams	Elkins	McCormick	Shields
Ball	George	McKellar	Shipstead
Bruce	Gerry	McKinley	Underwood
Colt	Greene	Neely	Warren
Couzens	Keyes	Norbeck	Watson
Cummins	King	Owen	Willis
Edge	Ladd	Pittman	
Edwards	La Follette	Reed, Mo.	

So the conference report was agreed to.

APPROPRIATIONS FOR DEPARTMENTS OF STATE, JUSTICE, ETC.

The PRESIDING OFFICER laid before the Senate the concurrent resolution (H. Con. Res. 25), which was read as follows:

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House is authorized and directed, in enrolling the bill (H. R. 8350) entitled "An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes," to amend the language of the first paragraph of Title IV of said bill under the captions "Title IV, Department of Labor, Office of the Secretary," so as to read as follows: Salaries: Secretary of Labor, $12,000; Assistant Secretary, Second Assistant Secretary, and other personal services in the District of Columbia in accordance with the classification act of 1923, $171,900; in all, $183,900.

Mr. ROBINSON. What is the purpose of the resolution?

Mr. JONES of Washington. It is to correct a mistake in enrolling the appropriation bill.

Mr. ROBINSON. What is the mistake?

Mr. JONES of Washington. There was left out the aggregate of $171,900, which was the amount carried in the paragraph, exclusive of the Secretary's salary, but, including the Secretary's salary, the aggregate is $183,900.

Mr ROBINSON. Does it increase the appropriation intended to be carried in the bill?

Mr. JONES of Washington. It does not.

Mr. ROBINSON. It is merely a correction?

Mr. JONES of Washington. As a matter of fact, it shows a smaller appropriation than apparently the bill showed as enrolled. I ask for the immediate consideration of the resolution.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the question is on concurring in the resolution.

The resolution was concurred in.

EXECUTIVE SESSION

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 5 minutes spent in executive session the doors were reopened, and (at 4 o'clock and 38 minutes p. m.) the Senate, under the order previously made, adjourned until to-morrow, Sunday, May 25, 1924, at 11 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 24 (legislative day of May 20), 1924

PROMOTIONS IN THE ARMY

Joseph May Swing to be major, Field Artillery.
Rodney Campbell Jones to be captain, Coast Artillery Corps.
William Aloysius Murphy to be captain, Infantry.
Harold H. Elarth to be captain, Infantry.
Lester Joslyn Harris to be captain, Infantry.
Howard Foster Clark to be captain, Corps of Engineers.
Howard Clay Brenizer to be captain, Field Artillery.
Dwight Lyman Adams to be first lieutenant, Infantry.
Thomas Gordon Cranford, jr., to be first lieutenant, Coast Artillery Corps.
Lester George Degnan to be first lieutenant, Infantry.
Henry Bennett Sheets to be first lieutenant, Infantry.
Archie William Cooey to be first lieutenant, Infantry.
William Robert McMaster to be first lieutenant, Infantry.
Cornelius Emmett O'Connor to be first lieutenant, Air Service.
Jonathan Lane Holman to be first lieutenant, Ordnance Department.
Archibald Donald Fisken to be captain, Coast Artillery Corps.
Bernard Henry Sullivan to be second lieutenant, Coast Artillery Corps.
Roland Winfred Wittman to be captain, Air Service.
Arthur Cecil Ramsey to be second lieutenant, Infantry.

PROMOTIONS IN THE NAVY

To be ensigns

Everett W. Abdill.
Noble W. Abrahams.
Crutchfield Adair.
Joseph W. Adams, jr.
Reed M. B. Adams.
John F. Addoms.
John L. Allen.
Rae E. Arison.
Howell Armor.
Bernard L. Austin.
Leo A. Bachman.
Samuel M. Bailey.
William B. Bailey.
Roland V. Baillie.
Hanson W. Baldwin.
John A. Baldwin.
Frank H. Ball.
Thomas J. Ball.
Herbert R. Ballinger.
Stephen G. Barchet.
Arthur D. Barnes.
Richard S. Baron.
Arthur W. Bass.
Wallace M. Beakley.
Herbert P. Bearce.
Charles E. Beatty.
Stephen R. Bedford.
Adolph Bednar.
Frederick J. Bell.
Russell J. Bellerby.
Donald B. Bennett.
Elmer E. Berthold.
Robert S. Bertschy.
LeRoi B. Blaylock.
Brainerd N. Bock.
Alfred J. Bolton.
Phillip M. Boltz.
Richard J. Bourke, jr.
Maurice M. Bradley.
John W. C. Brand.
Wilkie H. Brereton.
William D. Brown.
Laurance L. Browning.
Paul K. Bryant.
George M. Brydon, jr.
Forrest R. Bunker.
Eugene C. Burchett.
Harry Burris.
Sherman E. Burroughs, jr.
Stone E. Bush.
John W. Buxton.
Joe M. Cabanillas.
Allston D. Calhoun, jr.
Joseph A. Callaghan.
Charles H. Callaway.
Allen P. Calvert.
Donald A. Cameron.
Thomas S. Cameron.
Lee F. Campbell.
Robert L. Campbell, jr.
Richard P. Carlson.
Arthur G. Carney.
Robert S. Carr.
Chester E. Carroll.
Ralph C. Carroll.
Robley W. Clark.
Albert J. Clausen.
Willis E. Cleaves.
Edward W. Clexton.
Forrest Close.
William P. Cochran, jr.
William M. Cole.
Lewis E. Coley.
Dewey H. Collins.
Howard L. Collins.
Stockton B. Colt, jr.
John F. Cooke.
Edward P. Creehan.
John P. Cromwell.
Charles B. Cross, jr.
Edward F. Crowe.
Carl E. Cullen.
Edmund A. Cunningham.
Shirley Y. Cutler.
Joseph F. Dahlgren.
James R. Dancy.
Henry C. Daniel.
John C. Daniel.
Tillman T. Dantzler.
Frederick A. L. Dartsch.
Edmund B. Dascomb.
Frank R. Davis.
William V. Davis, jr.
Douglas T. Day, jr.
Frank E. Deam.
Harold R. Demarest.
William V. Deutermann.
Maurice M. De Wolf.
Walter C. Dey.
Arthur B. Dickie.
Henry C. Doan.
Edward V. Dockweiler.
Burton L. Doggett.
William S. Domer.
Henry C. Drexler.
Hammond J. Dugan.
Irving T. Duke.
Peter H. H. Dunn.
William H. Duvall.
Thomas H. Dyer.
Kenneth Earl.
Walter T. Eckberg.
Harold B. Edgar.
Louis B. Edwards.
Clarence E. Ekstrom.
Arthur B. Elliott.
Ezra M. Ellis.
Normal W. Ellis.
John T. Engeman, jr.
William L. Erdmann.
Hampton M. Ericsson.
Robert W. Esmond.
George W. Evans, jr.
William A. Evans, jr.
Donald W. Fairbairn.
Joseph A. Farrell, jr.
Charles A. Ferriter.
Clifford A. Fines.
Howell C. Fish.
William G. Fisher.
Hickory C. Floed.
James M. Flynn.
Cinton H. F. Folger.
Joseph W. Fowler.
William C. France.
Dennis L. Francis.
Louis P. Frank.
Thomas E. Fraser.
Archie J. Freels.
Frederick R. Furth.
Edward F. Gallagher.
Wayne N. Gamet.
Richard G. Ganahl.
Francis H. Gardner.
Joseph H. Garvin.
Herbert K. Gates.
Edward E. Gminder.
Robert Goldthwaite.
Henry W. Goodall.
Tom Gore, jr.
Marcel E. A. Gouin.
Walter M. Graesser.
Paul Graf.
George M. Granbery.
Francis J. Grandfield.
Orville F. Gregor.
Arthur A. Griese.
Thomas R. Griffith, jr.
Louis H. Gwinn.
Harrell W. Hall.
Albert Handly.
Alvin B. Harmon.
Dale Harris.
John C. Harris.
Henry H. Harrison.
Frederick C. Hartman, jr.
Glenn R. Hartwig.
Warren W. Harvey.
Robert S. Hatcher.
Leslie H. Hawkinson.
John A. Hayes.
John D. Hayes.
William S. Hays.
Hubert M. Hayter.
Francis M. Heddens.
Truman J. Hedding.
Minor C. Heine.
Lee R. Herring.
Lewis B. Herrington, jr.
William A. Hickey.
Stuart W. Hill.
Charles M. E. Hoffman.
John T. Hogg.
James B. Hogle.
John A. Holbrook.
John S. Holtzclaw.
Francis M. Hook.
Arthur M. Hooper.
Howard V. Hopkins.
Halisted L. Hopping.
Donald F. Horne.
Charles S. Hough.
Henry P. Howard, jr.
George F. Howland.
Crichton N. Hubbard.
Thomas A. Huckins.
Edward N. W. Hunter.
Adrian M. Hurst.
John K. Hyatt.
Jere D. Hyde.
Frederick J. Iisemann.
Elijah W. Irish.
Joseph F. Johnson.
Richard F. Johnson, jr.
Robert H. G. Johnson.
Howell A. Jones.
William A. Kanakanui.
Michael I. Kearns.
Robert H. Keliher.
Samuel G. Kelly.
John M. Kennaday.
Harry G. Kent.
Robert A. Keyer, jr.
George C. King.
Sidney King.
Thomas J. Kirkland, jr.
Gordon D. Kissam.
Arnold R. Kline.
Wendell E. Kraft.
Alexander W. Kreiser, jr.
Alfred T. Krook.
James S. Laidlaw.
Hugh R. Lamberth.
James C. Landstreet.
Wilfred E. Lankenau.
Robert W. Larsen.
Samuel E. Latimer.
Frank C. Layne.
Edwin T. Layton.
Walter D. Leach, jr.
Charles L. Lee.
Charles A. Legg.
Harold K. Leslie.
Arthur R. Leberett.
Joseph S. Lillard.
Albert R. Linholm.
Theodoric C. Linthicum.
Roy W. Lishness.
Robert G. Lockhart.
William J. Longfellow.
James D. Lovejoy.
Frank W. MacDonald.
Sumner K. MacLean.
Austen V. Magly.
William N. Mansfield.
John A. Marsh.
Hugh J. Martin.
Bob O. Mathews.
William R. McCaleb.
Daniel J. McCallum.
Ralph T. McDaniel.
Charles C. McDonald.
Charles E. McDonald.
James F. McDonough.
Archibald G. W. McFadden.
James H. McIntosh.
Ira C. McKee.
Alonzo E. McLaughlin.
Donald F. McLean.
Ephraim R. McLean, jr.
Hugh B. McLean.
Lawrence J. McPeake.
Wilbur L. Mellon.
Preston V. Mercer.
William G. Michelet.
Harold B. Miller.
Ralph E. Mills.
Robert O. Minter.
William J. Mitchell.
George C. Montgomery.
Elliott M. Moore.
Armand M. Morgan.
John H. Morrill.
Richard S. Moss.
Elbert M. Murphy.
Thomas D. Napier.
Edgar T. Neale.
Clyde J. Nesser.
Bromfield B. Nichol.
Louis W. Nuesse.

Ira H. Nunn.
Solomon F. Oden.
Charles W. Oexle.
Gerald B. Ogle.
John N. Opie, 3d.
William R. Ostertag.
Adolph H. Oswald.
Herrmann G. Page.
James R. Pahl.
Elbert A. Palmer, jr.
Elton C. Parker.
George W. Patterson, jr.
Richard J. Penny.
Albert N. Perkins.
Roger E. Perry.
Wallis F. Petersen.
George Edmund Peterson.
George Edward Peterson.
Woodward Phelps.
Neill Phillips.
Roger D. Phillips.
Richard E. Playter.
Claiborne H. Price.
Arthur M. Quale.
Bertrand D. Quinn.
Thomas C. Ragan.
Donald J. Ramsey.
Andrew K. Randolph
Edward W. Rawlins.
Henry T. Read.
Claude B. Reese.
George Reith, jr.
Fitzhugh L. Rhea.
Lester K. Rice.
William L. Richards.
Henry E. Richter.
James B. Ricketts, jr.
Thomas C. Ritchie.
Virginius R. Roane.
Norman K. Roberts.
George N. Robillard.
Hunter R. Robinson.
Louis Roedel.
Eugene C. Rook.
John B. Rooney.
Rufus E. Rose, jr.
Milton H. Roths.
Colby G. Rucker.
John R. Ruhsenberger.
Burnice L. Rutt.
Herman Sall.
John R. Sanford, jr.
Merle A. Sawyer.
Robert E. Sayre.
John J. Scheibeler.
Charles A. Schenck, jr.
Max Schreiner.
Eugene T. Seaward.
Erskine A. Seay.
Elliott W. Shanklin.
John T. Shannon.
Louis D. Sharp, jr.
Herbert P. Sheldon.
Joshua C. Shively.
Wallace B. Short.
Theodore J. Shultz.
Paul W. Siegrist.
Walter W. Siegrist.
William F. Simmons.
George A. Sinclair.
Samuel J. Singer.
Thomas U. Sisson.
Harold P. Smith.
James W. Smith.
Thomas C. Southerland.
Harrison B. Southworth.
John E. Spahn.
Emory W. Stephens.
Gordon M. Stoddard.
William P. Stone.
Max C. Stormes.
George W. Stott.
Richard F. Stout.
Franklin A. Strohecker.
Charles J. Stuart.
James E. Sullivan.
Robert C. Sutliff.
Robert L. Swart.
John M. Sweeney.
Harold M. Sylvester.
William P. Tammany.
Edwin J. Taylor, jr.
Joseph I. Taylor, jr.
Myron S. Teller.
Harry B. Temple.
Thomas H. Templeton.
Joseph P. Thew.
Lloyd H. Thomas.
Arthur L. Thompson.
William B. Thompson.
Murray J. Tichenor.
Harold H. Tiemroth.
Charles T. Tonkin, jr.
James R. Topper.
George C. Towner.
Arthur M. Townsend.
Osgood V. Tracy.
Thomas A. Turner, jr.
William E. Verge.
Walter V. R. Vieweg.
Robert A. Vos.
Aurelius B. Vosseller.
Robert T. Waid.
John C. Waldron.
Raymond R. Waller.
Audley L. Warburton.
John T. Warren.
Ethelbert Watts.
Paul L. F. Weaver.
Richard C. Webb, jr.
William W. Weeden, jr.
Alan Weir.
Homer B. Wheeler.
Edmund W. Whitehead.
David D. Wright.
Warren D. Wilkin.
Charles W. Wilkins.
Edwin R. Wilkinson.
Jack B. Williams.
Roy D. Williams.
Stanley A. Williams.
Ralph E. Wilson.
Clarence L. Winecoff.
Cameron M. Winslow, jr.
Edgar L. Witmer.
Joseph E. Wolewsky.
Arthur C. Wood.
Chester C. Wood.
Joseph J. Woodward.
Edward L. Woodyard.
Joseph M. Worthington.
Joseph M. P. Wright.
Elmer E. Yeomans.
Edward W. Young.
Rufus C. Young, jr.
Bernard T. Zelenka.

To be assistant paymasters

Joe T. Davies.
George E. Hake.
Joseph L. Herlihy.
Malcolm A. Norcross.
William L. Patten.
Alfred P. Randolph.
John E. Wymond.

MARINE CORPS

To be second lieutenants

Raymond A. Anderson.
Robert O. Bare.
Herbert P. Becker.
George H. Bellinger, jr.
Theodore Blanchard.
Arthur G. Bliesener.
Charles F. Cresswell.
Lawrence W. Dalton.
Charles L. Fike.
Floyd M. Fletcher.
Walter H. French.
James H. N. Hudnall.
Alan T. Hunt.
Ralph D. McAfee.
Charles G. Meints.
William C. Purple.
Charles F. Replinger.
John R. Rhamstine.
Frank E. Seasions, jr.
Prentice A. Shiebler.
Perry K. Smith.
Gerald H. Steenberg.
Henry P. Stevens, jr.
Walter J. Stuart.
Donald G. Willis.

POSTMASTERS

ARIZONA

Robert B. Anderson, Clifton.

KANSAS

Charles F. Schafer, Jewell.

MICHIGAN

Earl Brown, Brighton.
John H. Ter Avest, Coopersville.
Ralph M. Powers, Jonesville.

NEW HAMPSHIRE

Maurice R. Wright, North Hampton.

OHIO

Jerome Goodhart, Brewster.

OKLAHOMA

John H. Durnil, Picher.

TEXAS

Hal M. Knight, Sterling City.

HOUSE OF REPRESENTATIVES

SATURDAY, *May 24, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, about Thy holy name cling and cluster all the abiding hopes that are dear and sacred to the human heart. Unto Thee we look for the fulfillment of all the desires and aspirations that make life worth while. Lead us by Thy Spirit and direct us in that pathway that preserves us from the regrets of a defeated life. Spare us from the loss of an undiscovered God. Bless us with a pure and upright heart, and give us the spiritual discernment that makes its way through the forces of this busy, burdened world. In the precious name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Welch, one of its clerks, announced that the Senate had passed with amendments bills of the following titles, in which the concurrence of the House of Representatives was requested:

H. R. 7220. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes; and

H. R. 9124. An act authorizing the sale of real property no longer required for military purposes.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to joint resolution and bill of the following titles:

S. 2450. An act to amend section 2 of the legislative, executive, and judicial appropriation act, approved July 31, 1894; and

S. J. Res. 105. Joint resolution authorizing the President to detail an officer of the Corps of Engineers as Director of the Bureau of Engraving and Printing, and for other purposes.

The message also announced that the Senate had passed without amendment bills of the following titles:

H. R. 4820. An act to amend the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved June 10, 1922; and

H. R. 3009. An act for the relief of Robert J. Kirk.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 976. An act for the relief of Lyn Lundquist.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Under clause 2, Rule XXIV, Senate bills and joint resolutions of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 1725. An act for the relief of Rubie M. Mosley; to the Committee on War Claims.

S. 2559. An act to establish an Alaska game commission to protect game animals, land fur-bearing animals, and birds in Alaska, and for other purposes; to the Committee on Agriculture.

S. 3187. An act granting permission to certain officers and men of the military forces of the United States to accept various decorations bestowed in recognition of services to the allied cause; to the Committee on Foreign Affairs.

S. 3276. An act authorizing the sale of real property no longer required for military purposes; to the Committee on Military Affairs.

S. 3111. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Stockbridge Indians may have against the United States, and for other purposes; to the Committee on Indian Affairs.

S. 3093. An act granting certain public lands to the city of Phoenix, Ariz., for municipal, park, and other purposes; to the Committee on Public Lands.

S. 2979. An act to extend the provisions of the homestead laws so as to allow certain credit, in lieu of permanent improvements, for the period of enlistment to soldiers, nurses, and officers of the Army, and the seamen, marines, nurses, and officers of the Navy and the Marine Corps of the United States; to the Committee on the Public Lands.

S. 2834. An act relating to the American Academy in Rome; to the Committee on the Library.

S. 2836. An act relating to the deposit of funds available for maintenance of reclamation projects; to the Committee on Irrigation and Reclamation.

S. 2519. An act to extend the benefits of the United States employees' compensation act of September 7, 1916, to Carol E. Reeves; to the Committee on Claims.

S. 2518. An act for the relief of Austin G. Tainter; to the Committee on Claims.

S. 2434. An act for the purchase of the Oldroyd collection of Lincoln relics; to the Committee on the Library.

S. 2124. An act for the relief of Perley Morse & Co.; to the Committee on Claims.

S. 1650. An act for the relief of William F. Brockschmidt; to the Committee on Claims.

S. 1051. An act to authorize and provide for the payment of the amounts expended in the construction of hangars and the maintenance of flying fields for the use of the Air Mail Service of the Post Office Department; to the Committee on the Post Office and Post Roads.

S. 697. An act providing for the disposal of certain lands on Crooked and Pickerel Lakes, Mich., and for other purposes; to the Committee on the Public Lands.

S. 483. An act to correct the status of certain commissioned officers of the Navy appointed thereto pursuant to the provisions of the act of Congress approved June 4, 1920; to the Committee on Naval Affairs.

S. J. Res. 73. Joint resolution providing for the appointment of a commission for the purpose of erecting in Potomac Park, in the District of Columbia, a memorial to those members of the armed forces of the United States from the District of Columbia who served in the Great War; to the Committee on the Library.

S. J. Res. 85. Joint resolution authorizing an appropriation for the participation of the United States in the preparation and completion of plans for the comprehensive observance of that greatest of all historic events, the bicentennial of the birthday of George Washington; to the Committee on Industrial Arts and Expositions.

S. J. Res. 124. Joint resolution to provide for the posthumous appointment to commissioned grades of certain enlisted men and the posthumous promotion of certain commissioned officers; to the Committee on Military Affairs.

S. 2719. An act to authorize the payment of an indemnity to the British Government on account of losses sustained by the owners of the British steamship *Baron Berwick* as the result of a collision between that vessel and the U. S. S. *Iroquois* (now *Freedom*) and a further collision with the U. S. destroyer *Truxtun;* to the Committee on Claims.

S. 3244. An act granting the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct a bridge across the Pearl River in the State of Mississippi; to the Committee on Interstate and Foreign Commerce.

S. 3241. An act for the relief of soldiers who were discharged from the Army during the World War because of misrepresentation of age; to the Committee on Military Affairs.

S. 3171. An act for the relief of sufferers from earthquake in Japan; to the Committee on Military Affairs.

S. 3170. An act for the relief of Edgar William Miller; to the Committee on Military Affairs.

S. 3077. An act to amend the act of Congress approved March 4, 1913, creating the Public Utilities Commission of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

S. 833. An act for the relief of Emma La Mee; to the Committee on Claims.

S. 3024. An act providing for the acquirement by the United States of privately owned lands within Rio Arriba and Taos Counties, N. Mex., known as the Las Trampas grant, by exchanging therefore timber within the exterior boundaries of any national forest situated in the State of New Mexico; to the Committee on the Public Lands.

S. 3047. An act authorizing joint investigations by the United States Geological Survey and the Bureau of Soils of the United States Department of Agriculture to determine the location and extent of potash deposits or occurrences in the United States and improved methods of recovering potash therefrom; to the Committee on Mines and Mining.

S. 3026. An act authorizing the Secretary of War to permit the city of Corinth, Miss., to construct, operate, and maintain water and sewer mains under and along the Government approach roadway to the Corinth National Cemetery; to the Committee on Military Affairs.

S. 3016. An act to enable the Rock Creek and Potomac Parkway Commission to improve the parkway entrance; to the Committee on the District of Columbia.

S. 2799. An act to provide for quarters, fuel, and light for employees of the Indian field service; to the Committee on Indian Affairs.

S. 2761. An act to authorize the withdrawal of lands for the protection of antelope and other game animals and birds; to the Committee on the Public Lands.

S. 2699. An act to amend an act creating the Custer State park game sanctuary in the State of South Dakota; to the Committee on the Public Lands.

S. 2232. An act to amend section 2 of the act approved February 15, 1893, entitled "An act granting additional quarantine powers and imposing additional duties upon the marine hospital service"; to the Committee on Interstate and Foreign Commerce.

S. 2172. An act to amend section 1 of the act of June 4, 1920 (41 Stat. L. p. 750), and to provide fees for executing applications for passports and for issuing the same; to the Committee on Foreign Affairs.

S. 2087. An act for the relief of Laura C., Ida E., Lulu P., and Esther P. Peterson; to the Committee on the Public Lands.

S. 1987. An act accepting certain tracts of land in the city of Medford, Jackson County, Oreg.; to the Committee on the Public Lands.

S. 1656. An act granting the consent and approval of Congress to the La Plata River compact; to the Committee on the Judiciary.

S. 1607. An act for the relief of Nellie Kildee; to the Committee on the Public Lands.

S. 1528. An act authorizing the Secretary of the Interior to accept the fee-simple title to a certain tract of land adjoining the Hot Springs National Park, Ariz., donated to the United States of America for use in connection with Hot Springs National Park; to the Committee on the Public Lands.

S. 1040. An act for the relief of the owners of the New York Sanitary Utilization Co. scow *No. 14;* to the Committee on Claims.

S. 1039. An act for the relief of the owner of the scow *W. T. C. No. 35;* to the Committee on Claims.

S. 1038. An act for the relief of the Brooklyn Eastern District Terminal; to the Committee on Claims.

S. 862. An act amending section 1 of the interstate commerce act; to the Committee on Interstate and Foreign Commerce.

S. 823. An act to authorize the acceptance of title to forest lands in the State of Florida and to create national forests therefrom, and for other purposes; to the Committee on Agriculture.

S. 863. An act for the protection of persons employed on railway baggage cars and railway express and baggage cars, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 785. An act for the relief of the Eastern Transportation Co.; to the Committee on Claims.

S. 367. An act for the relief of James W. Laxson; to the Committee on Claims.

S. 51. An act for the relief of the owner of the schooner *Itasca* and her master and crew; to the Committee on Claims.

S. 1574. An act for the relief of Alice E. O'Neil; to the Committee on Claims.

S. J. Res. 115. Joint resolution to provide for the free transmission through the mails of certain publications for the blind; to the Committee on the Post Office and Post Roads.

S. J. Res. 127. Joint resolution to provide that the powers and duties conferred upon the Governor of Alaska under existing law for the protection of wild game animals and wild birds in Alaska be transferred to and be exercised by the Secretary of Agriculture; to the Committee on Agriculture.

S. 976. An act for the relief of Lyn Lundquist; to the Committee on the Public Lands.

CORRECTING ENROLLMENT OF H. R. 8350

Mr. MADDEN. Mr. Speaker, I offer the following concurrent resolution and ask unanimous consent for its present consideration.

The SPEAKER. The gentleman from Illinois asks unanimous consent for the present consideration of the concurrent resolution, which the Clerk will report.

The Clerk read as follows:

House concurrent resolution

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House is authorized and directed in enrolling the bill (H. R. 8350), entitled "An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes," to amend the language of the first paragraph of Title IV of said bill under the caption "Title IV, Department of Labor, office of Secretary," so as to read as follows: "Salaries: Secretary of Labor, $12,000; Assistant Secretary, Second Assistant Secretary, and other personal services in the District of Columbia in accordance with the classification act of 1923, $171,900; in all, $183,900."

Mr. MADDEN. Mr. Speaker, if I may take just a minute to explain this resolution. When the bill was engrossed the engrossing clerk left out the figures $171,900 and made it appear that $183,900 was appropriated for clerical hire and Assistant Secretaries and $12,000 for the Secretary's salary. If this is not corrected it will appear to be appropriating $12,000 more than was appropriated by the act.

The SPEAKER. Is there objection to the present consideration of the resolution? [After a pause.] The Chair hears none.

The question was taken, and the resolution was agreed to.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill making appropriations for the Agricultural Department for the fiscal year 1925, disagree to the Senate amendments and ask for a conference.

The SPEAKER. Is there objection?

Mr. RUBEY. Mr. Speaker, reserving the right to object, what does the gentleman have to say as to the amendment put into the bill by the House to put some teeth into the packer legislation and to give the Secretary the right under certain circumstances to suspend commission men for violations of the law or rules and regulations, for instance, to bring on a boycott against the farmers' cooperative organizations? Is the gentleman willing to give the House an opportunity to vote on that proposition before he agrees to it?

Mr. MADDEN. I hope the gentleman from Missouri will not ask us to commit ourselves on a bill before we go into conference.

Mr. RUBEY. I feel like it in view of the action on that occasion. I believe I ought to insist on the gentleman agreeing to come back to the House before agreeing to it.

Mr. MADDEN. Well, I think the gentleman did me a great injustice on that occasion.

Mr. RUBEY. Which gentleman?

Mr. MADDEN. The gentleman from Missouri.

Mr. RUBEY. The gentleman from Chicago——

Mr. MADDEN. Did me the great injustice to which he refers. My business if I go to a conference will be as one of the conferees to represent the House. I hope that no embarrassment will be placed upon the conferees.

Mr. RUBEY. In view of the vote of the House passing that amendment, will the gentleman stand by it?

Mr. MADDEN. I will not agree to any embargo to be placed on us in the beginning. I think it is only fair to let us go to conference, and if there is anything in which the House is interested we will not violate any of the House's rights——

Mr. RUBEY. Well, I object, Mr. Speaker.

Mr. GARNER of Texas. If the gentleman from Illinois will remember, let me call his attention to the status of this matter at that time. It was put on by an almost unanimous vote of the House of Representatives and it was unanimously reported, but not wanting a special rule, it was merely attached as an amendment. It seems to me the gentleman from Illinois ought to assure the House that he will come back and let us have a vote because this is very important legislation in which every cattle man in the United States is interested. There is not a man in the United States who raises a cow who is not interested in that amendment. It seems to me the gentleman ought to be willing to come back and give the House a chance to vote upon it so that the Senate may know, if they decline to recede and concur in the House amendment, the House will have an opportunity to vote.

Mr. MADDEN. All right. I think the House is entitled to that.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Chair appoints the following conferees: Messrs. MAGEE of New York, WASON, MADDEN, BUCHANAN, and LEE of Georgia.

Mr. MAGEE of New York. Mr. Speaker, I would like to reverse the order of naming the conferees, changing it to Messrs. MADDEN, MAGEE of New York, WASON, BUCHANAN, and LEE of Georgia.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

HOUR OF MEETING MONDAY

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent that when the House adjourns to-night it adjourn to meet at 11 o'clock on Monday.

The SPEAKER. There is a session to-morrow. The gentleman from Ohio asks unanimous consent that when the House adjourns to-morrow it adjourn to meet at 11 o'clock on Monday. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, we are all having important committee meetings.

Mr. LONGWORTH. If the gentleman will permit, as I announced yesterday, in all probability the Senate will act upon the tax bill to-day.

Mr. BLANTON. I am not going to object, but it is working the Members very hard.

Mr. LONGWORTH. And Monday will probably be the last District day, so that I ask to meet at 11 o'clock for that reason.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

RELIEF OF THE HEIRS OF AGNES INGELS

Mr. EDMONDS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table Senate bill 365 and agree to the Senate request for a conference on the same.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to take the Senate bill referred to from the Speaker's table and agree to the conference requested by the Senate, which bill the Clerk will report by title.

The Clerk read as follows:

An act (S. 365) for the relief of Ellen B. Walker.

The SPEAKER. Is there objection?

Mr. CRAMTON. Mr. Speaker, I object.

DAM IN TALLAHATCHIE RIVER

Mr. LOWREY. Mr. Speaker, I rise to prefer a unanimous-consent request, namely, to take from the Speaker's table Senate bill 3272, have immediate consideration of the bill, and I ask just a moment to explain it.

The SPEAKER. The gentleman from Mississippi asks unanimous consent to take from the Speaker's table a bill, which the Clerk will report by title.

The Clerk read as follows:

An act (S. 3272) granting the consent of Congress to the Panola-Quitman Drainage District to construct, maintain, and operate a dam in Tallahatchie River.

Mr. LOWREY. Mr. Speaker, this is a real emergency in my district. The bonds have been issued and sold, the money is ready, the organization is ready, and they plan to do that drainage this summer. Right at the last it was found that they had to have the consent of Congress for a dam which they wanted to build. It was so important that they sent the county attorney and engineer here and kept them here a week at their expense in order to get this bill in shape so that they can go to

work at once. Now, the bill has been passed by the Senate, has been approved by the House committee, and it ought to take not more than a few minutes to pass it. It will relieve a very serious condition immediately in the district I represent, and it ought not to take three minutes.

The SPEAKER. Is there objection?

Mr. SUMMERS of Washington. Mr. Speaker, reserving the right to object, if there will be no delay by any speeches, and if the bill is acted on at once, I shall not object.

Mr. SANDERS of Indiana. Mr. Speaker, I reserve the right to object. Has this bill been referred to the Committee on Interstate and Foreign Commerce of the House?

Mr. LOWREY. Yes; and approved by that committee.

Mr. SANDERS of Indiana. The Senate bill?

Mr. LOWREY. The Senate bill. They approved my bill, which is the same—verbatim, literatim, and "punctuatim"—as the Senate bill, exactly the same; and I ask to substitute the Senate bill.

Mr. SANDERS of Indiana. Of course, there are many bills which other Members are holding on the Unanimous Consent Calendar; and if a matter like this is permitted to pass, there may be many other such requests.

Mr. GARNER of Texas. I take it, when the gentleman from Mississippi states that this is an emergency and the Speaker has recognized him, that a real emergency exists.

Mr. LOWREY. This is a very serious emergency. I have put it before the Speaker and he thought it was such an emergency as to warrant him in recognizing me for the purpose of having the bill considered.

Mr. SANDERS of Indiana. I shall not object.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted etc., That the consent of Congress is hereby granted to the Panola-Quitman Drainage District to construct, maintain, and operate a dam in Tallahatchie River, at or near Porters Ferry, Panola County, Miss.: *Provided*, That the work shall not be commenced until the plans therefor have been submitted to and approved by the Chief of Engineers, United States Army, and by the Secretary of War: *Provided further*, That this act shall not be construed to authorize the use of such dam to develop water power or generate hydroelectric energy.

SEC. 2. That the authority granted by this act shall cease and be null and void unless the actual construction of the dam hereby authorized is commenced within one year and completed within three years from the date of approval of this act: *Provided*, That from and after 30 days' notice from the Federal Power Commission, or other authorized agency of the United States, to said drainage district, or its successor, that desirable water-power development will be interfered with by the existence of said dam, the authority hereby granted to construct, maintain, and operate said dam shall terminate and be at an end; and any grantee or licensee of the United States proposing to develop a power project at or near said dam shall have authority to remove, submerge, or utilize said dam under such conditions as said commission or other agency may determine, but such conditions shall not include compensation for the removal, submergence, or utilization of said dam.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. LOWREY, a motion to reconsider the vote whereby the bill was passed was laid on the table.

A similar House bill was laid on the table.

ORDER OF BUSINESS

Mr. LONGWORTH. Mr. Speaker, after consultation with the chairman of the Committee on Claims, I ask unanimous consent that on next Thursday evening, between the hours of 8 and 11 o'clock, it shall be in order to consider bills on the Private Calendar unobjected to.

The SPEAKER. Commencing where we left off last time?

Mr. LONGWORTH. Yes; commencing where we left off last time. I understand that about half the bills were reached.

The SPEAKER. The gentleman from Ohio asks unanimous consent that there be a session of the House next Thursday evening from 8 to 11 o'clock for the consideration of bills on the Private Calendar unobjected to, commencing where we ended at the last session. Is there objection?

Mr. SEARS of Florida. Mr. Speaker, I shall not object, but after that request is granted, I should like to make a unanimous consent request to address the House for five minutes.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? [After a pause.] The Chair hears none.

AUTHORIZING EXAMINATIONS AND SURVEYS OF STREAMS

Mr. WILSON of Louisiana. Mr. Speaker, I call up the bill (H. R. 8070) authorizing preliminary examinations and surveys of sundry streams with a view to the control of their floods, and ask unanimous consent to agree to the Senate amendments.

The SPEAKER. The gentleman from Louisiana calls up a House bill with Senate amendments which the Clerk will report by title.

The Clerk read the title of the bill.

The Senate amendments were read.

The Senate amendments were agreed to.

PARCEL POST AND FOURTH-CLASS POSTAGE RATES

Mr. WILLIAMSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the proposed increase of parcel-post and fourth-class postage rates.

The SPEAKER. The gentleman from South Dakota asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. WILLIAMSON. Mr. Speaker, there have come to my office a great many protests against increases in parcel-post and fourth-class mail rates as embodied in the Paige bill, H. R. 7016, and the Kelly bill, H. R. 8437. Most of these protests come from farmers and community clubs. On inquiry I find that the same character of protests have come to Congressmen from all sections of the country.

In order to get accurate information in tabulated form showing just what the effect of these proposed increases would be, I asked the Third Assistant Postmaster General to submit an analysis of these two bills, showing the proposed increases and the percentage of such increases over the rates provided for in the present law. An examination of the table furnished will disclose that in some instances decreases are provided for, but in general, if the rates carried in either bill should be enacted into law, there would result a very large increase both in parcel-post and fourth-class rates.

In view of the very unfavorable economic condition now prevailing among the agricultural class and the further fact that farmers utilize the parcel post more than any other class, I do not believe it would be advisable at this time to increase the rates as suggested. It would only intensify their hardships and would be unjustifiable from any standpoint. If there must be an increase in postal revenues, such increase should be derived from some other source. Personally I believe that until the commission appointed for the purpose of studying parcel post and other rates has submitted its findings Congress should take no action whatever in changing postal rates. It will be time enough when all the facts are in its possession to take appropriate action.

Following is the communication of the Third Assistant Postmaster General:

POST OFFICE DEPARTMENT,
THIRD ASSISTANT POSTMASTER GENERAL,
Washington, May 11, 1924.

Hon. WILLIAM WILLIAMSON,
House of Representatives, Washington, D. C.

MY DEAR MR. WILLIAMSON: I have your letter of the 10th instant in regard to the present rates of postage on fourth-class or parcel-post mail as compared with those proposed in House bills 7016 and 8437, respectively, now pending in Congress.

The following tables show the difference between the rates contemplated by H. R. 7016 and the present rates applicable to fourth-class mail:

Books, seeds, bulbs, and plants

		Present rate	Proposed rate	Increase	Per cent of increase
		Cents	*Cents*	*Cents*	
1 ounce		1	1		
2 ounces		1	2	1	100
3 ounces		2	3	1	50
4 ounces		2	4	2	100
5 ounces		3	5	2	67
6 ounces		3	6	3	100
7 ounces		4	7	3	75
8 ounces		4	8	4	100
9 ounces	Local zone	5	9	4	80
	First and second zone	5	9	4	80
	Third zone	6	9	3	50
	Fourth zone	7	9	2	28
	Fifth zone	8	9	1	13
	Sixth zone	9	9		
	Seventh zone	11	9	[1] 2	[2] 18
	Eighth zone	12	9	[1] 3	[2] 25

[1] Decrease. [2] Per cent of decrease.

The present rate on fourth-class mail, other than books, seeds, bulbs, and plants, when sent in parcels weighing not more than 4 ounces, is 1 cent for each ounce or fraction of an ounce, the same as proposed in bill H. R. 7016.

All other parcel-post matter over 4 ounces but not exceeding 9 ounces

	Local	Present rates according to zones (cents)							Proposed rate, all zones (cents)
		1 and 2	3	4	5	6	7	8	
5 ounces	5	5	6	7	8	9	11	12	5
Increase									
Decrease			1	2	3	4	6	7	
Per cent			17	29	38	44	55	58	
6 ounces	5	5	6	7	8	9	11	12	6
Increase	1	1							
Decrease				1	2	3	5	6	
Per cent	20	20		14	25	33	45	50	
7 ounces	5	5	6	7	8	9	11	12	7
Increase	2	2	1						
Decrease					1	2	4	5	
Per cent	40	40	17		13	22	36	42	
8 ounces	5	5	6	7	8	9	11	12	8
Increase	3	3	2	1					
Decrease						1	3	4	
Per cent	60	60	33	14		11	27	33	
9 ounces	5	5	6	7	8	9	11	12	9
Increase	4	4	3	2	1				
Decrease							3	3	
Per cent	80	80	50	29	13		18	25	

The increase in postage on parcels of fourth-class or parcel-post matter subject to the pound rates as proposed by this bill for the various zones over the present parcel-post pound rates is set forth in the following tables:

First pound—Over 9 ounces

Zone	Present rate	Proposed rate	Increase	Per cent of increase
	Cents	*Cents*	*Cents*	
Local	5	10	5	100
First	5	15	10	200
Second	5	15	10	200
Third	6	15	9	150
Fourth	7	15	8	114
Fifth	8	15	7	88
Sixth	9	15	6	67
Seventh	11	15	4	36
Eighth	12	15	3	25

Additional pound or fraction thereof

Zones	Present rate	Proposed rate	Increase	Per cent of increase
	Cents	*Cents*	*Cents*	
Local	½	1	½	100
First	1	2	1	100
Second	1	3	2	200
Third	2	4	2	100
Fourth	4	5	1	25
Fifth	6	7	1	17
Sixth	8	9	1	13
Seventh	10	11	1	10
Eighth	12	13	1	8

Under H. R. 8437 the existing rate is retained for parcels weighing 8 ounces or less containing books, plants, seeds, bulbs, etc., while on all other fourth-class or parcel-post matter weighing 8 ounces or less 1 cent an ounce is proposed, larger parcels being subject to the present pound rates according to zones, plus a parcel fee of 5 cents on each parcel.

The same percentages of increases and decreases in the rates proposed in bill H. R. 8437 as compared with the present rate for parcels of fourth-class matter weighing 8 ounces or less, except books, plants, seeds, bulbs, etc., obtain as under the rates therefor in H. R. 7016, as set forth in the third table above. The charge of a 5-cent parcel fee on each parcel exceeding 8 ounces in weight would, in effect, be an increase of 5 cents on the initial pound on parcels sent to any zone, no increase over the present rate being contemplated for additional pounds or fractional parts thereof on parcels weighing over 1 pound.

Bill H. R. 8437 further provides that third and fourth class mail shall be consolidated into one class, to be designated as parcel-post mail. Under existing laws third-class matter includes miscellaneous printed matter (except books and newspapers and periodicals entered as second-class matter) and is subject to a flat rate of 1 cent for each 2 ounces or fraction thereof regardless of distance or zone. The limit of weight for third-class matter is 4 pounds, parcels weighing more than 4 pounds now being included in the fourth class. It may be seen, therefore, that if third-class mail were merged with fourth-class mail, as proposed, a decrease would be effected in some cases where parcels of the former are sent to the near-by zones, while in other instances, particularly on parcels sent to the farther zones, the postage would be increased.

Any further information with respect to the foregoing you may desire will be gladly furnished.

Sincerely yours,

W. IRVING GLOVER,
Third Assistant Postmaster General.

STATUS OF NAVAL ESTABLISHMENT

Mr. BRITTEN. Mr. Speaker, by direction of the Committee on Naval Affairs, I desire to prefer a unanimous-consent request to insert in the RECORD a report just received by that committee from the Secretary of the Navy on the status of the Naval Establishment.

The SPEAKER. The gentleman from Illinois asks unanimous consent to extend his remarks in the RECORD for the purpose indicated. Is there objection?

Mr. JOHNSON of Washington. Reserving the right to object, let me ask if that report has been printed in the RECORD.

Mr. BRITTEN. No; it has not.

Mr. JOHNSON of Washington. Has it been printed as a part of the proceedings of another body?

Mr. BRITTEN. No; it has no relation to the tables printed in to-day's RECORD.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. BRITTEN. Mr. Speaker, the following letter of May 21, 1924, from the Secretary of the Navy occasionally refers to a letter of May 8, 1924, so it will be necessary to insert both for the benefit of the House.

[No. 177]

REPLY OF THE NAVY DEPARTMENT TO CERTAIN QUESTIONS CONTAINED IN HOUSE RESOLUTION 286, AUTHORIZING AND DIRECTING THE SECRETARY OF THE NAVY TO FURNISH THE HOUSE OF REPRESENTATIVES CERTAIN DATA ON THE NAVAL STRENGTH OF THE AMERICAN NAVY, ETC.

NAVY DEPARTMENT,
Washington, May 21, 1924.

Hon. THOMAS S. BUTLER,
Chairman Committee on Naval Affairs,
House of Representatives.

MY DEAR MR. CHAIRMAN: Referring to your letter of May 6, 1924, there is forwarded herewith the reply of this department to the questions brought up in House Resolution 286, of May 5, 1924.

Sincerely yours, CURTIS D. WILBUR, *Secretary.*

Question 1. Is it a fact that as a fighting unit the American Navy is to-day in third place among the navies of the world?

Answer. No. Plans have been prepared for the complete modernization of our battleships, as recommended in the annual report of the Secretary of the Navy, to cost $30,000,000. Authority for modernization of the six coal-burning battleships has been requested of the present Congress. The department asked authority of the present Congress to build eight 10,000-ton light cruisers; also for funds to build three mine-laying submarines.

As to the last sentence, it is difficult to definitely state our exact strength due to the varying ratios in the different types. A fair approximation may be obtained by study of the ratios for the various types in paragraph 3. A fair comparison of the present fighting strength in ships of Great Britain, America, and Japan would appear to be 5–4–3. This ratio does not take into consideration strategically located and well-equipped naval bases which add greatly to the sea power of a nation, nor does it take into consideration the relative strength of the various merchant marines.

The Navy is in good shape with the exception of the above designated deficiencies, which should be remedied. The morale of the personnel, both commissioned and enlisted, is high. The appropriations furnished by Congress are being applied in such manner as to obtain the very best results.

Question 2. Is it a fact that America leads the world in the theory and science of aviation and yet trails Great Britain, France, and Japan in aviation preparedness for national defense?

Answer. America is on an equality with Great Britain and France in theory and science of aviation.

The United States is equal or ahead of any nation in the number of planes suitable for use in naval aviation but is behind Great Britain in plane carriers. This will give a 5–4–3 ratio when the two plane carriers now under construction are completed.

The United States has done more operating of aircraft with the fleet than any other country, and while the number of aircraft is far from adequate, the present state of efficiency of naval aviation is believed to be as high as that in any navy.

Question 3. Is it a fact that the Navy has less than three months' supply of fuel oil in reserve storage and that other powers signatory to the Washington treaty have from one to three years' reserve storage?

Answer. The amount of fuel oils in reserve storage on March 31, 1924, would supply the fleet at the 1923 peace-consumption rate for three and one-tenth months.

The amount of fuel oil in current use tankage on same date would supply the fleet at the same rate of consumption for a period of three and two-tenths months. The total oil on hand March 31, 1924, would supply the Navy for six and three-tenths months at the present rate of consumption.

The total supply on hand on March 31, 1924, however, is less than 10 per cent of the requirements of the Navy for one year under war conditions.

Exact information as to the fuel-oil reserves of other powers can not be obtained. It is not believed that any nation has as much as a three-year reserve.

Question 4. What steps are necessary for an adequate reserve storage of fuel oil?

Answer. The approved policy of the Navy Department requires the provision of 48,059,200 barrels reserve storage for fuel oil and other petroleum products located at various strategic points. Of this there is now constructed tankage for 4,162,389 barrels.

To construct the remaining tankage (43,896,811 barrels) would take $71,955,000. If funds were made available, it could be constructed over a number of years to take care of royalty oil as produced, where oil can not be kept in the ground in our oil reserves.

Question 5. Is it a fact that Great Britain's 22 first-line battleships have superior speed, greater radius of action, better torpedo and aircraft attack protection, and longer gun-range facilities than have our 18 first-line ships?

Answer. See Navy Department's letter 3809–959 : 283 of May 8, 1924, to the charman of the Committee on Naval Affairs of the House of Representatives.

It should be noted in addition that the radii of action of the United States battleship force and the British battleship force do not differ materially. In the newer ships the United States ships are believed to have an advantage, while in some older vessels the British are believed to have an advantage.

Question 6. What reconditioning and alteration is necessary in order to put all battleships at their highest efficiency, and where was each ship stationed on May 1, 1924?

Answer. (a) The modernization of the *New York, Texas, Florida, Utah, Arkansas,* and *Wyoming,* as previously recommended to Congress, comprising the provision of additional deck, torpedo, and mine protection, and conversion to oil burning, as provided for in H. R. 8687. These ships should also have some increased elevation of guns.

(b) The modernization of *New Mexico, Mississippi, Idaho, Pennsylvania, Arizona, Nevada,* and *Oklahoma,* including increasing angle of elevation of guns and additional torpedo protection.

(c) Various repairs and changes to the majority of ships, which can be made from the current appropriations when sufficient funds are made available.

The location and status of each ship on May 1, 1924, is indicated below:

Name	Location of, May 1, 1924
Arkansas	New York yard, fitting out for midshipman cruise.
Wyoming	Do
New York	Norfolk yard, fitting out for midshipman cruise.
Texas	Do.
Florida	North River, N. Y.
Utah	Tangier Sound.
California	San Pedro, target practice.
New Mexico	Do.
Pennsylvania	Do.
Nevada	Do.
Arizona	Do.
Idaho	Do.
Mississippi	Do.
Maryland	Do.
Tennessee	Do.
Oklahoma	Bremerton, annual overhaul.
Colorado	New York yard, fitting out.
West Virginia	Do.

Question 7. Is additional radio equipment necessary on ships, and if so, where and in what order should it be installed?

Answer. Additional radio equipment is necessary on certain ships of the fleet as replacements for obsolete equipment and to comply with communication requirements for modern warfare.

This modernization includes:

(1) Replacement of spark transmitters and arc transmitters with vacuum tube transmitters. This reduces interference, increases range, and permits of more economic operation. This has been partially accomplished in battleships.

(2) Provide for simultaneous transmission and reception by radio, by separating receivers and transmitters. This is necessary in order to permit rapidity in fire control and maneuvering signals without impairing communications regarding orders and information.

(3) Replace present obsolete receiving equipment with modern receivers. Modern receivers are essential in order to permit operation on several channels of communication without interference.

(4) The substitution of mechanical operation for manual operation in order to economize on personnel and in order to reduce the time now used for signals. Modern equipment should be installed in the following order:

1. Flagships.
2. Battleships.
3. Destroyers.
4. Cruisers.
5. Submarines.
6. Patrol vessels.
7. Auxiliaries.

The modernization plan above indicated has been prepared for some time and work thereon is proceeding as rapidly as appropriations permit. It is hoped that future appropriations may make it possible to work more rapidly.

Question 8. How does the American new construction program compare with that of other first-class powers?

Battleships

	Under construction or authorized	Date on which treaty allows first replacements of old battleships
Great Britain	[1] 2	1925
United States	0	1934
Japan	0	1934
France	0	1930

[1] These were agreed upon to balance the Colorado and the West Virginia, which were completed after the conference.

Cruisers building or authorized

	Number	Tons
Great Britain	9	[1] 84,600
United States	2	15,000
Japan	12	90,680
France	5	44,000

[1] Includes 5 provided in Navy estimates 1924–25.

United States requires 22 to equal Britain in tonnage. Navy Department is asking Congress this session for authority to build eight, as provided in H. R. 8687.

Destroyers building or authorized

	Number	Tons
Great Britain	4	[1] 6,200
United States	0	0
Japan	27	36,800
France	24	39,600

[1] 2 flotilla leaders and 2 destroyers, latter in Navy estimates 1924–25.

None asked for in United States Navy program, for we are far ahead in destroyers, though we lack destroyer leaders.

Submarines building or authorized

	Number	Tons
Great Britain	6	6,070
United States	11	[1] 13,519
Japan	37	41,165
France	23	20,100

[1] Six additional to these 11 were authorized in 1916, but construction held in abeyance; no appropriations.

Navy Department is asking Congress for funds to construct three mine-laying submarines of the six submarines already authorized. The appropriation bill as approved in conference carries the funds to commence one mine-laying submarine.

Aircraft carriers building or authorized

	Number	Tons
Great Britain	3	50,300
United States	2	66,000
Japan	2	53,900
France	1	24,830

Navy Department completing the two authorized above.

RIVER GUNBOATS

United States Navy program includes six small gunboats to replace old vessels in Chinese rivers; three were approved by Budget; Navy is asking Congress this session for six in all.

Japan completed four river gunboats in 1923.

Question 9. What auxiliary ships are necessary for a proper rounding out of the Battle Fleet?

Answer. The department assumes that this question refers to noncombatant auxiliaries. The approved policy of the Navy Department requires the construction of noncombatant auxiliaries enumerated in the table below to round out the fleet and to thoroughly prepare it to defend United States possessions.

Distilling ships	2
Destroyer tenders	2
Submarine tenders	5
Fleet repair ships	3
Aircraft tender	1
Mine layers, first line	10
Mine sweepers	20

A number of these could be taken over from the merchant marine and fitted out.

Question 10. Are American ships deficient in antiaircraft batteries and machine guns?

Answer. American ships are not deficient in antiaircraft batteries and machine guns when compared with the vessels of other navies. Improvement in these batteries is necessary. Considerable experimentation is going forward with this end in view. It is not desirable to replace the present batteries until a more satisfactory type of gun is developed. The problem is difficult and requires time and funds for development work.

Question 11. Have congressional appropriations been in accord with Navy Department and Budget Commission recommendations, and if not, wherein has Congress failed?

Answer. The Navy Department's estimates, as submitted to the Budget, have each year been considerably larger than the funds allowed by the Budget. Therefore, the congressional appropriations are not in accord with the Navy Department's recommendations. The congressional appropriations have, however, been substantially in accord with the recommendations of the Budget. There are certain minor reductions which Congress has made from the Budget figures, which need not be detailed. The important reductions for 1924 are:

Naval Reserve Force	$400,000
Engineering	325,000
Construction and repair	200,000
Ordnance and ordnance stores	479,000
Torpedoes and appliances	550,000
Fuel and transportation	500,000
Total 1924	2,454,000

The important reductions for 1925 are:

Bill in conference—Probable reductions

Improvements to channel and harbor, Pearl Harbor	$400,000
Relocating dry dock Dewey at Cavite	330,000
Two barrack buildings at San Diego, Calif	150,000
Elimination of provisions for beginning work on three submarines.	
Torpedoes and appliances	350,000
Total 1925	1,230,000

Question 12. Is it a fact that airplane carriers authorized in July, 1922, are not 50 per cent completed and that at their present rate of construction will not be completed until 1928?

Answer. The various steps in the building of airplane carriers authorized in July, 1922, are listed as follows:

	Lexington	Saratoga
Keel laid for original battle cruiser design	January, 1921	September, 1920.
Authorized for alteration and completion as airplane carrier.	July, 1922	July, 1922.
Present percentage of completion	47.6	44.6.
Probable date of completion	July, 1926	July, 1926.

Question 13. What steps are necessary for the promotion of proper naval aircraft to support the Battle Fleet?

Answer. Increase appropriation for naval aviation in order to keep up with the rapid and progressive development of this arm of the service and to insure the fleet being fully supplied with the most modern types of this important weapon.

Question 14. Is it a fact that we have not a single submarine capable of maneuvering with the fleet, and further, that our submarines are obsolete before their construction is completed?

Answer. We have no submarines capable of maneuvering with the fleet at battle speed nor at the usual fleet-cruising speed under all conditions of sea and weather. We have nearly completed the *V 1, 2,* and *3*, which will be able to keep up with the fleet. Our submarines, for the purpose for which they are designed, are not obsolete before their construction is completed. With the exception of the T class, they were not designed for maneuvering with the fleet and, within the limits of the purpose for which they were designed, are reasonably efficient and reliable.

Question 15. Is it a fact that our submarine engines do not compare in efficiency with those manufactured in Europe?

Answer. The Bureau of Engineering is now building submarine engines that are identical with the best now manufactured in Europe. Four of our submarines are equipped with these engines. In all remaining submarines the engines are not equal to best present European manufacture. In general, however, our submarines compare favorably with the corresponding units in the other navies.

Question 16. Is it a fact that we have but three fleet submarines in the Navy (built in 1920 and 1921) and that they already are out of commission?

Answer. Yes. This class (three ships, the T boats above referred to) was designed in 1914 and finished in 1920–21. They have proved to be unsatisfactory, as the tandem-type engine has failed to give the performance expected. They are out of commission. As stated in the answer to question 14 of this paper, we have, however, three building which will keep up with the fleet.

Question 17. Is it a fact that three fleet submarines authorized six years ago are but 60 per cent completed, and at present rate of construction in a Government yard will not be commissioned until 1928?

Answer. The steps in the building of these three fleet submarines are listed as follows:

	V-1	V-2	V-3
Authorized	July, 1918	July, 1918	July, 1918.
Keel laid [1]	October, 1921	October, 1921	November, 1921.
Percentage of completion (May 10, 1924).	71.5	58.8	51.4.
Probable date of completion	January, 1925	July, 1925	December, 1925.

[1] At the time the construction of these vessels was authorized, the Navy Department was engaged in the building of a large number of smaller submarines which were urgently needed for war service, and it was considered inadvisable to divert building facilities to the construction of vessels which could probably not be completed in time to be of use in the war. After the signing of the armistice, the Navy Department decided to defer the preparation of the plans for these vessels until such time as full information could be obtained relative to the designs of British and German submarines and their experience in the war.

Question 18. What is the present condition of each of our submarines, and where were they stationed on May 1, 1924?

Answer. H, K, and N classes—19 submarines. General reliability excellent; would be very useful in time of war for training purposes and for coast patrol. Out of commission to furnish personnel for S boats.

L class—eight submarines. Four of these recently reengined with satisfactory engines. The other four not considered sufficiently reliable to meet the latest requirements of coastwise work and will probably be sold. Out of commission to furnish personnel for S boats.

O and R classes—43 submarines. Thirty of these are satisfactory and their reliability excellent, both surface and submerged. The other 13, while not so good, are creditable enough to be retained in commission. Two of these have recently had damages to their hulls which will require extensive repairs to place them in commission.

These submarines are of great military value to the United States in defense of outlying stations, and are assigned to the Canal Zone and Pearl Harbor.

S class—50 submarines. These vessels were designed for independent operation of a gentral nature, similar to the *U–110* class, are practically 1,000 tons, with a radius of 4,000 miles. These boats were authorized in 1916. The last will be completed this year, and all will then be in commission; 41 are in fair to good condition. The material condition of nine is such as to require extensive repair to put in good condition. They were built with a 7-inch crank shaft, which was not satisfactory, and the contractors substituted 8-inch shafts, which had originally been planned for the boats by the department. The Bureau of Engineering expects that the new crank shaft will eliminate further crank-shaft trouble. Thus far they have been satisfactory.

T class—three submarines. Designed in 1914 and finished in 1920 and 1921; were not satisfactory, as the tandem type of engine has failed to give the performance expected. Out of commission; unsatisfactory.

V class—three submarines. These boats now under construction, 50 to 70 per cent completed.

Name	Location on May 1, 1924
H–2, 3, 4, 5, 6, 7, 8, 9 (8)	Submarine base, Hampton Roads, Va. (out of commission).
K–1, 2, 3, 4, 5, 6, 7, 8 (8)	Do.
L–2, 3, 5, 6, 7, 8, 9, 11 (8)	Do.
N–1, 2, 3 (3)	New London, Conn.
O–1, 2, 3, 4, 5, 6, 7, 8, 9, 10 (10)	Coco Solo, Canal Zone.
O–11, 12, 13, 14, 15, 16 (6)	Philadelphia Yard (being decommissioned).
R–1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20.	Pearl Harbor.

Name	Location on May 1, 1924
R-9	En route Pearl Harbor from Canal Zone.
R-21, R-25	Philadelphia Yard (being decommissioned).
R-24	Portsmouth Yard, N. H.
R-23, 26, 27	Coco Solo, Canal Zone.
R-22	New London, Conn.
S-1, S-3	Do.
S-2, 4, 6, 7, 8, 9, 14, 15, 16, 17	Cavite, P. I. (with Asiatic Fleet).
S-10, 11, 12, 13, 21, 23, 24, 25, 26, 27, 28	New York.
S-18	New London, Conn.
S-19, S-20	Portsmouth Yard, N. H.
S-22, 29 (building)	New London S. & E. Co., Groton, Conn.
S-30, 31, 32, 33, 34, 35, 36, 40	San Diego.
S-37, 38, 39, 41	Mare Island.
S-42, 43 (building)	New London S. & E. Co., Groton, Conn.
S-44, 45, 46, 47 (building)	Electric Boat Co., Quincy, Mass.
S-48	Portsmouth Yard, N. H.
S-49	En route New London to New York.
S-50	Portsmouth Yard, N. H.
S-51	New York.
T-1, 2, 3	Hampton Roads, Va. (out of commission).
V-1 2, 3 (building)	Navy yard, Portsmouth, N. H.

Question 19. Is the United States in third place in submarine strength?

Answer. See statement in paragraph 3 concerning submarines in the department's letter 3809–959–283 of May 8, 1924, to the chairman of the Committee on Naval Affairs.

SUBMARINES

Built and building, 485 tons and over, tonnage ratio is—

Great Britain	4.7
United States	7.6
Japan	7.3

Question 20. What steps are necessary to insure the construction of submarines that will function in accordance with specification requirements?

Answer. Continue present efforts to develop an improved Diesel engine which will meet latest submarine requirements, and continue progressive tests with the fleet. A type engine is now being tested at the navy yard, New York.

Question 21. Is it a fact that the United States ranks third in the number of light cruisers in commission?

Answer. Yes. See paragraphs 3 and 11 of the Department's letter 3809–959–283 of April 29, 1924, to the chairman of the Committee on Naval Affairs, House of Representatives.

CRUISERS

Cruisers built, building, or authorized since 1912 compared in ratio of the number of cruisers—

Great Britain	5
United States	1
Japan	3

And compared in tonnage ratio—

Great Britain	5
United States	1.5
Japan	3

LIGHT CRUISERS

Ships necessary to build to bring up to 5-5-3 ratio in displacement tonnage in addition to ships now built, building, or appropriated for:

	Number of ships	Tonnage
United States	[1] 21 [2] 22	[2] 210,000
Great Britain	None.	None.
Japan	None.	None.

[1] 10,000 tons.
[2] On basis of present Japanese tonnage.
[3] On basis of British tonnage, including 5 new ones in 1925 British estimates.

(This table shows that at the present date (April 8, 1924) we require twenty-one 10,000-ton cruisers to obtain a 5–5–3 ratio with Japan and need twenty-two 10,000-ton cruisers to obtain an equality or 5–5 ratio with England (on tonnage basis). As these ships would be larger and more modern than the majority of the corresponding units in the British and Japanese Navies this would give us a preponderance in cruiser strength if all were completed as of to-day. All nations, however, have cruiser-building programs, and this Nation should map out a program for the future with the end outlined above in view.)

Question 22. Are destroyer tenders in bad repair?

Answer. In general; no. The *Dencbola*, because of state of repair and as conversion to tender was not entirely completed, has been withdrawn from service in order to commission the new *Dobbin*. *Melville* (Battle Fleet) at next overhaul will be fitted with new furnace burners; otherwise good repair. *Altair* (Battle Fleet), conversion to tender nearly completed; good repair. *Rigel* (Battle Fleet), destroyer base tender; good repair. *Bridgeport* (Scouting Fleet) will eventually be relieved by the new *Whitney;* is a coal burner; good repair. *Black Hawk* (Asiatic Fleet), good repair.

[NOTE. All destroyer tenders now in commission are too slow, but compare favorably with those of the other great naval powers.]

Question 23. Is a proper surplus of mines and torpedoes being maintained?

Answer. A proper surplus of mines of the most modern type is now maintained. The surplus of torpedoes prescribed by the General Board is not maintained. The Navy Department has approximately 80 per cent of the number of torpedoes required and effort has been made for several years to fill existing deficiencies, but appropriations for this purpose have been insufficient to permit the reserve supply to be built up to the amount required by the plans of the General Board.

Question 24. How many additional mine sweepers are necessary?

Answer. The department's approved policy would require 20 additional mine sweepers, which would be met in time of war by taking over and fitting out ocean-going tugs.

Question 25. Is America in third place in the matter of naval bases in the Pacific?

Answer. In the western Pacific, yes; in third place. In the eastern Pacific, no; in first place.

Question 26. What is the most important naval-base requirement?

Answer. The most important base development on shore is the completion of the Pearl Harbor base development project.

Question 27. Have recent fleet maneuvers indicated that our ships are properly manned with an enlisted personnel of 86,000?

Answer. It has not been practicable to keep in commission the desired number of vessels of required types because of an insufficient allowed personnel. It is for this reason that we have laid up so many destroyers which could be profitably engaged in fleet maneuvers. The ships in commission can be manned with only 90 to 95 per cent of their required complements.

[No. 147]

COMMENTS ON ARTICLE IN THE NEW YORK TIMES OF APRIL 28, 1924, QUOTING MR. W. B. SHEARER

NAVY DEPARTMENT,
Washington, May 8, 1924.

Hon. THOMAS S. BUTLER,
Chairman Committee on Naval Affairs,
House of Representatives.

MY DEAR MR. CHAIRMAN: In reply to your letter of April 29, 1924, I am forwarding herewith a statement concerning the article by Mr. Shearer which appeared in the New York Times April 28.

I trust that this statement will fully cover the information which you have requested.

Sincerely yours,

THEODORE ROOSEVELT, *Acting.*

In the following pages Mr. Shearer's statements are placed in quotation marks. These are followed by the department's comments.

1. "Navy out of date."

In the items enumerated below, either the latest modern practice is not incorporated or the latest equipment or latest types of ships are not provided.

(a) Gun range of 13 battleships.
(b) Deck protection of 6 battleships.
(c) Underwater protection of 13 battleships.
(d) Kind of fuel on 6 battleships (oil).
(e) Submarine: No mine-laying or cruiser types.
(f) Cruisers: Shortage in numbers.
(g) Destroyer leaders: None.
(h) Fuel economy: Lack of certain up-to-date engineering equipment; between $1,000,000 and $2,000,000 being considered in Congress now.
(i) Material readiness of ships out of commission: Especially destroyers and submarines.
(j) Auxiliary ships: Speed and radius limited in certain auxiliary ships converted from merchant marine.

2. "Did not profit by lessons of war and is now outclassed."

We have profited by the lessons of the war and have in many cases given them effect. But there are other directions in which improvement has had to wait upon appropriations. (See paragraph 1, (b), (c), (d), (e), (f), above.)

3. "'Not only have we neglected the Navy so that the 5-5-3 treaty ratio is actually 5-3-1, with America 1,' Mr. Shearer said, 'but we have failed to modernize the fleet as well. That is in marked contrast with the British and the Japanese. They learned the lessons of the war. We paid no attention to them.'" * * *

(1) The positive statement that America is 1 in relation to Great Britain and Japan is not correct. It is impossible to make a mathematical ratio of naval strengths that will cover all factors. About the best we can truly say is that if 5 and 3 represent the present

fighting strengths of Great Britain and Japan, respectively, then the United States would appear to be approximately 4.

The ratio in the various types of ships is given below:

BATTLESHIPS

The battleships *Florida*, *Utah*, *Wyoming*, and *Arkansas* required boiler repairs in order to maintain their speed. Until this could be done the speed of these four ships was reduced and they had to drop out of the battle line. This reduced the ratio to 5–4–3.

All of these ships can now maintain their speed except the *Florida*, which would be able to make her speed after reconditioning.

The Navy Department has asked for funds to recondition these six oldest battleships and to give them new boilers for oil burning, because the life of these boilers has about reached the limit.

CRUISERS

Cruisers built, building, or authorized since 1912 compared in ratio of the number of cruisers—

Great Britain	5
United States	1
Japan	3

And compared in tonnage ratio—

Great Britain	5
United States	1.5
Japan	3

DESTROYERS

Comparing number of destroyers in commission with full or reduced crews as of October 1, 1923—

Great Britain	196
United States	109
Japan	63

Or ratio of about—

Great Britain	5
United States	3
Japan	1.5

Comparing actual numbers of first-line effective destroyers in and out of commission—

Great Britain	201
United States	283
Japan	92

Or ratio of 5–7–2.

SUBMARINES

Built and building, 485 tons and over, tonnage ratio is—

Great Britain	4.7
United States	7.6
Japan	7.3

AIRCRAFT CARRIERS

Built and building on tonnage basis—

Great Britain	5
United States	4
Japan	3

(2) For the positive statement that we have paid no attention to the lessons of the war, this is not correct. We have paid attention to these lessons, but it has not been practicable to apply them in several important particulars. (See par. 1, (b), (c), (d), (e), (f).)

4. "Perhaps the greatest lesson of the war was the effectiveness of the torpedo. Until 1914 no one in or out of the Navy dreamed of the power of the torpedo. No one dreamed it was a weapon of such importance that upon it might hang the success or failure not only of naval units but of military units as well. Within a month after the outbreak of hostilities, however, the torpedo had become one of the chief weapons of naval warfare. That came about when three British cruisers, the *Hogue*, the *Cressey*, and the *Aboukir*, were sunk in the North Sea."

This statement is controversial. The effectiveness of the torpedo as the greatest lesson of the war is open to doubt. It had great effect.

The last sentence is approximately correct.

5. "Efficacy of 'blistering.'"

"It was not long before the torpedo had made the seas unsafe for capital ships and the British turned around for some method of protection for their battleships. They decided to 'blister' them.

"Now a blister is, roughly speaking, an outside hull, put on both sides of the vessel below the water line, for it is below the water line that the torpedo strikes. They blistered such of their ships as they could during the war. They have blistered them all since the war.

"They have done more than give protection to the ship, however, in this process of blistering. They have utilized that space inside the blister to carry reserve oil. This not only adds to the protection and adds to the displacement of the ship, but it increases cruising radius up to perhaps 23,000 miles. Curiously the blister also adds to the speed of the ship."

First paragraph is correct, in so far as regards the British adopting blisters to minimize the effects of torpedo hits.

Second paragraph is correct, except for the last sentence. As far as our information goes, when the *Rodney* and *Nelson* are completed the British will have equipped 10 of their 20 battleships with blisters or their equivalent. England has 10 battleships that will need blisters. The United States has 5 ships of their 18 fitted with the equivalent of blisters and has 13 ships that need blisters.

Third paragraph. There is no reliable data on the points brought out in this paragraph. Blisters do add to the displacement of ships, but they decrease the speed. Oil carried inside a blister will give some protection.

6. "Japan is also blistering her big ships. She is to spend 50,000,000 yen for modernization of nine ships, and much of it is to go for this work of blistering. Her ships of the *Fuso* class are to be blistered. That means they will have protection against torpedo attack; they will have so much more reserve fuel oil and their cruising radius will run up to 23,000 miles.

"We have done nothing. None of our ships are blistered. None are to be blistered. The Navy wants it done, but what the Navy wants and what Congress gives it are two different things."

First paragraph. It is not definitely known what Japan is doing with regard to blisters. It is true that Japan intends to spend 50,000,000 yen for modernizing ships. But nothing definitely is known how this money will be spent. Press reports state that the Japanese ships are to be converted to oil burners and given increased deck protection.

Second paragraph. Statements as to blisters on the United States ships are incorrect. United States has 5 ships with equivalent of blisters and 13 ships that need them.

7. "Neglected lessons of war.

"We have not only failed to modernize our ships by blistering them but we have failed to learn the lesson of deck armor as well. Nowadays the angle of fire is so high and bombing so feasible that the vitals of a ship are unduly exposed to attack. These vitals are the machinery, fuel, and ammunition. To protect them the British have built as many as three armored decks. The *Nelson*, *Hood*, and *Rodney* have armored decks, and it is entirely probable that the two ships of the *Renown* class, the *Tiger*, the five *Royal Sovereigns*, and the five *Queen Elizabeths* also have three armored decks."

Twelve of our eighteen ships compare favorably with Japanese and British ships as regards deck protection. The remaining six ships have insufficient deck protection. The British provided some additional deck protection as a result of Jutland. Nothing definite is known of the Japanese in this respect. Second and third sentences are correct.

8. "The Japanese, too, have modernized their ships in this respect. Two of Japan's capital ships have three decks of armor; two others have two decks. We, however, have only one deck armored as protection against the long-range gun and the aerial bomb."

Nothing definite is known as regards the Japanese in this respect. (See comment under paragraph 7.)

9. "Even if we were on equal terms we could be destroyed by our failure to provide sufficient armored decks. But we are not even on equal gun terms. The average range of the 22 British ships is 24,967 yards, practically 25,000 yards; while the average range of our capital ships is 23,333 yards. We could be blown out of the water by the British without even hitting the target. They could stand off out of range and do it.

"Marked deficiency in speed.

"It is true that we have five ships of equal range with the British. These are the two ships of the *California* class and the three ships of the *Colorado* class. They have a range of 30,000 yards and they would have to do all the fighting, because every other ship in the British Navy—19 of them—outrange every other ship in the American Navy. And that is not all. While the *California* and the *Colorado* ships have the same range as the *Hood* and the two *Rodneys*, those ships could sail circles around ours, for the *Hood* makes 31 knots and the two *Rodneys* make 30. Against this none of our ships can do better than 21."

First paragraph. As to our needs in armored decks, see paragraph 7. As to equal gun terms the facts are: We have 5 ships which are superior in range to 18 British ships. These 5 are about equal in range to 2 new British ships (*Rodney* and *Nelson*, under construction).

The British capital-ship fleet enjoys a very marked superiority in the number of ships that may be brought into action at the moderate and decisive ranges between 21,000 and 24,000 yards. This superiority is shown in the following table:

Range, in yards	British ships in action	American ships in action
24,000	13	10
23,000	20	10
22,000	20	12
21,000	20	18

The statement as to average gun ranges means nothing, as a few ships with extreme ranges are averaged in with a greater number of ships with low ranges. The figures above give more information.

As to speed, the British have five battleships that make 4 knots greater speed than the fastest American battleship, and four battle cruisers than can make from 9 to 10½ knots greater speed than the fastest American battleship. Our lack of battle cruisers of high speeds

is because we have deemed it more prudent to place the money available in the more powerful battleships with less speed and heavier armor, hence greater vitality.

Mr. Shearer gives a table of ranges as follows:

British

Class	Number of ships	Speed	Caliber of guns	Range
			Inches	
Tiger	1	30	13.5	23,800
Iron Duke	4	22	13.5	23,800
Renown	2	30	15	24,300
Royal Sovereign	5	21	15	24,300
Queen Elizabeth	5	21	15	24,300
Glorius	2	30	15	24,300
Hood	1	31	15	30,000
Rodney	2	30	16	30,000

United States

Class	Number of ships	Speed	Caliber of guns	Range
			Inches	
Utah	2	21	12	20,000
Wyoming	2	21	12	22,000
Texas, Arizona, and Nevada	6	21	12	20,000
New Mexico	3	21	14	22,000
California	2	21	14	30,000
Colorado	3	21	16	30,000

"WOULD BLOW US OUT OF THE WATER

"You can see by those figures, * * * that it would be 5 ships against 22. They would blow us out of the water.

"Then consider the element of speed. The *Hood* makes 31 knots; the two *Rodneys*, the two *Glorious* class, the two *Renowns*, and the *Tiger* make 30; the five *Queen Elizabeths* make 25. In other words, one makes 31 knots, seven make 30 knots, and five make 25 knots. Against that what have we? Not one of our eighteen ships can make better than 21 knots. What is more, the British engines are built to make a knot or two more than their designed speed. Our ships are not. In fact, when they don't come up to the designed speed in their trials, Congress helps the contractors out and accepts them anyway. The shameful thing about it is that, while our eighteen capital ships have designed speed of 21 knots, four can do only 16 knots, and six can not make more than 12 knots. On paper the *Pennsylvania*, the *Arizona*, the *Oklahoma*, and the *Nevada* make 21 knots; actually they can do only 16. On paper the *New York*, the *Texas*, the *Utah*, the *Wyoming*, the *Arkansas*, and the *Florida* can make 21 knots; actually they are all coal burners and can make only 12 knots."

The above tables are incorrect in many places as to ranges. For comparison of ranges see statement under paragraph 9 above. The statements as to speed of four United States ships being reduced to 16 knots and six ships reduced to 12 knots are not correct. The speeds are as indicated below:

British

Class	Number of ships	Speed
Tiger	1	
Iron Duke	4	21
Renown	2	31.5
Royal Sovereign	5	23
Queen Elizabeth	5	25
Hood	1	31
Rodney	[1]2	[2]23

[1] Latest design. [2] Estimated.

United States

Name of ship:	Speed.
Colorado	[1]21.15
West Virginia	[2]21.00
Maryland	[1]20.84
Tennessee	[1]20.86
California	[3]20.87
Idaho	[1]21.26
New Mexico	[1]20.90
Mississippi	[1]21.01
Arizona	[1]21.30
Pennsylvania	[1]21.33
Nevada	[1]20.81
Oklahoma	[1]20.60
Texas	[1]20.46
New York	[1]20.91
Arkansas	[3]21.00
Wyoming	[3]21.00
Florida	[4]12.00
Utah	[3]21.00

[1] Last full power runs.
[2] Trial speed.
[3] Estimated when repairs are completed.
[4] Present speed. Awaiting funds for new boilers.

The statement that the British engines are built to make a knot or two more than their designed speed is not confirmed by our information.

All of our ships at present can make their designed speeds, or practically so, except the *Utah*, *Arkansas*, *Wyoming*, and *Florida*. The boilers of these ships have through long use become deteriorated. They have recently been sent to navy yards to undergo repairs, which will be completed, except for the *Florida*, by July 1, 1924. These repairs place these vessels again in the battle line for a time.

The following record of time spent by them in navy yards for repairs during the last two fiscal years is indicative of their condition:

Calendar days at yard for repairs

Ship	1922	1923	Total
Florida	49	267	316
Utah (abroad)	None.	126	126
Wyoming	110	109	219
Arkansas	110	193	303

The *Florida* can make now only 12 knots. Her repairs are held up pending the decision of Congress relative to her modernization.

The complete reconditioning of these four vessels is essential.

11. "Far below treaty strength.

"'Now, consider the light cruiser situation. The British are five to one better than us, and the Japanese two and one-half to one. An official memorandum of the Navy Department shows that the three navies stand this way:

Light cruisers necessary to bring up to 5–5–3 ratio

	Number of ships	Tonnage
United States	10	187,883
British Empire	7	72,093
Japan	None.	None.

"'That table shows that the Japanese are up to strength and we are 19 ships below strength. The Navy Department knows it can not get 19 fast light cruisers, however, so it has asked for 8. It expects to get none.

"'Back in 1916 we authorized 10 cruisers. That was the year before we entered the war. Of those 10, 7 have been built; 3 have not yet been completed, and before they are launched they are out of date. It is just that sort of thing that has turned the 5–5–3 ratio into a 5–3–1 ratio, with America 1.'"

For a comparison of cruiser ratio see comment under paragraph 3, page 3.

On the basis of comparing the displacement tonnage of light cruisers less than 12 years old and of 25 knots or greater speed Mr. Shearer's table is incorrect. It should read as follows:

LIGHT CRUISERS

Ships necessary to build to bring up to 5–5–3 ratio in displacement tonnage in addition to ships now built, building, or appropriated for:

	Number of ships	Tonnage
United States	[1]21 [2]22	[2]210,000
Great Britain	None.	None.
Japan	None.	None.

[1] 10,000 tons.
[2] On basis of present Japanese tonnage.
[3] On basis of British tonnage, including 5 new ones in 1925 British estimates.

This table shows that at the present date (April 8, 1924), we require twenty-one 10,000-ton cruisers to obtain a 5–5–5 ratio with Japan and need twenty-two 10,000-ton cruisers to obtain an equality or 5–5 ratio with England (on tonnage basis). As these ships would be larger and more modern than the majority of the corresponding units in the British and Japanese Navies, this would give us a preponderance in cruiser strength if all were completed as of to-day. All nations, however, have cruiser-building programs, and this Nation should map out a program for the future, with the end outlined above in view.

12. "Now consider the destroyer situation. The British have 170 destroyers in service. The Japanese have 69 destroyers in service. We have 107 or 108 destroyers in service. The rest of our destroyers, some 225 or 230 of them, are tied up, hull to hull, and bow to stern, in Philadelphia and other places, just like the Shipping Board vessels you can see up the Hudson, and you know what is happening to their machinery all this time."

For the comparative situation as to destroyers, as of data obtainable on October 1, 1923, see paragraph 3, page 3.

13. "Personnel drops off.

"'To illustrate the condition of the destroyer fleet let me go back to just after the war. We had a great number of destroyers at Newport then. It was announced that they would be taken to Charleston, S. C., for winter quarters. Do you know how that was done? Six officers and about 40 men boarded a destroyer and made a daylight run to Charleston. Then they tied her up, came back by train and took another destroyer down. That is how the entire lot was moved, but the public never knew it.

"'And the reason for this is that we have let our personnel drop off.'"

This method of moving destroyers was employed because there was not sufficient personnel to man all of them. Whether or not the exact number of men stated took destroyers from Newport to Charleston just after the war in the manner stated is not known.

14. "In personnel we are nowhere near the 5–5–3 figures. We have 7,500 officers and 86,000 men; we should have 12,585 officers and 97,125 men. The British are practically up to strength and the Japanese are up to strength with 7,550 officers and 58,274 men."

The situation as to personnel is as follows:

	Great Britain	United States	Japan
Active Navy:			
Enlisted men	91,397	86,000	58,274
Officers	8,571	7,821	7,550
Enrolled reserves and retired Navy:			
Enlisted men	62,626	24,173	[1] 31,419
Officers	9,843	6,193	

[1] Total officers and men.

As to Mr. Shearer's statement as to the number of men we should have, the Navy Department has frequently recommended to Congress the numbers necessary to carry out our plans and to maintain our policies.

15. "We have no bases of operations and virtually no fuel oil in reserve. Actually all the fuel oil stored above current needs is 1,500,000 barrels at Pearl Harbor, Hawaii. Our Navy uses about 8,000,000 barrels a year, and in war we use about 40,000,000 barrels. And all we have is an infinitesimal amount at a point 2,100 miles off our shores."

This statement is not strictly correct. We have no operating bases in the Pacific that are adequate. The Atlantic bases are better, but are not nearly all adequate. As regards petroleum reserves, we have a deficiency of 68 per cent in the reserves required in the Pacific, i. e., 32 per cent only of the necessary reserves is on hand. The Atlantic reserve deficiencies are still greater. The reserve at Oahu on January 1, 1924, was about 1,759,667 barrels. In a Pacific war the Navy will use about 70,000,000 barrels during the first year of war.

16. "Fleet in poor condition.

"'Finally, the fleet is in poor condition. Congress has failed to provide funds to keep it in shape. The Atlantic Fleet is practically out of commission. The recent maneuvers had to be broken off because the *Wyoming* (flagship), *Arkansas*, *Utah*, and *Florida* needed to undergo repairs. They are tied up now. Their boilers are in bad shape and there is no money to do the work.'"

It is a fact that the matériel of the fleet is generally deteriorating, due to age and lack of funds to make all current repairs required. The bill as reported to the House this year carried an increase in the appropriation under engineering, to be applied to remedy in part this deficiency. Also the bill reported by the House Naval Affairs Committee authorizing certain modernization in the older battleships has this end in view.

17. "So that the situation is just this: Not only are we outgunned and outmanned, as I pointed out in yesterday's article, but we have failed to modernize our ships as well. England and Japan have blistered their battleships. That means they have given them further protection against torpedo attack, added to their fuel capacity, and greatly increased their cruising radius. We have done nothing."

These statements have been commented upon, separately, in the foregoing paragraphs. As to the last sentence, authority for the modernization of six battleships has been asked for in this Congress. The Secretary of the Navy in his annual report for 1923 recommended an appropriation of $30,000,000 for complete modernization of battleships.

18. "England outranges us 2 miles. When the Japanese have finished elevating their guns they will in some classes outrange us 5 miles. England has provided adequate deck armor against long-range guns and aerial bombs. We have done practically nothing."

See comments on paragraphs 7 and 9.

19. "Japan is up to the treaty's equivalent standard on light cruisers, England nearly so, while we are far behind, and those that we are building are out of date before they are launched."

See comparisons of cruisers, page 3.

20. "Japan is up to the treaty's equivalent standard in destroyers, England is behind but better than we, and we have two-thirds of our destroyers tied up and falling to pieces."

England has 196 destroyers manned with full or reduced crews, the United States has 109, and Japan 63. For comparison as to total number and ratios see page 3.

21. "In personnel Japan is right up to strength, to the last officer and the last man; England is nearly up to strength, while we are 5,085 officers and 18,525 men under strength. Actually it is more than that, because our Navy, besides being a fighting force, has to maintain a thousand and one things, from a radio communications service to looking after lepers."

See comment on paragraph 14.

22. "It all shapes up this way: We have scrapped our ships, we have scrapped our treaty, and we have failed to modernize. The naval ratio to-day instead of being 5–5–3 is 5–5–1 and we are 1."

This statement is greatly exaggerated. Plans have been prepared for the complete modernization of our battleships, as recommended in the Annual Report of the Secretary of the Navy, to cost $30,000,000. Authority for modernization of the six coal-burning battleships has been requested of the present Congress. The department asked authority of the present Congress to build eight 10,000-ton light cruisers; also for funds to build three mine-laying submarines.

As to the last sentence, it is difficult to definitely state our exact strength due to the varying ratios in the different types. A fair approximation may be obtained by study of the ratios for the various types in paragraph 3. A fair comparison of the present fighting strength in ships of Great Britain, America, and Japan would appear to be 5–4–3. This ratio does not take into consideration strategically located and well-equipped naval bases, which add greatly to the sea power of a nation; nor does it take into consideration the relative strength of the various merchant marines.

The Navy is in good shape with the exception of the above-designated deficiencies, which should be remedied. The morale of the personnel, both commissioned and enlisted, is high. The appropriations furnished by Congress are being applied in such manner as to obtain the very best results.

Mr. BRITTEN. Mr. Speaker, I ask unanimous consent that I may proceed for a moment.

The SPEAKER. The gentleman from Illinois asks unanimous consent to address the House. Is there objection? [After a pause.] The Chair hears none.

Mr. BRITTEN. I desire to say to the House that this report from the Secretary of the Navy shows the Naval Establishment to be in a deplorable condition, irrespective of what has been said by others. The Secretary of the Navy himself admits many deficiencies, and the reason for the Committee on Naval Affairs directing me to submit this unanimous-consent request is that the House may be informed on the true status of the Naval Establishment. On next Wednesday legislation will probably be presented to the House to remedy some of these defects and to put our Navy at least in a 5–4–3 status and not a 5–3–2 status with the United States as the 2 end, which it now may be.

Mr. GARNER of Texas. Will the gentleman yield?

Mr. BRITTEN. Yes.

Mr. GARNER of Texas. Would the gentleman mind putting in the RECORD at the same time the amount of money spent in the last three years on the different navies of the world whereby ours has come to occupy the relation of 5–3–2 and yet we have spent more money than any of the others? Will the gentleman explain why that is?

Mr. BRITTEN. Yes; I will be glad to put that information in the RECORD. The truth of the matter is that both England and Japan are spending much more money relatively, per annum, than we are, and particularly on aviation for the Navy.

In the past two years we have appropriated $14,647,000 and $15,150,000, respectively, for naval aviation, while England in the past three years, on aviation alone (England having a combined Royal Air Force), spent £10,895,000 in 1923; £12,000,000 in 1924; and is authorizing £14,511,000 for the year 1925, which is almost five times what we are appropriating for the Navy.

My good friend from Texas has an idea that we are spending proportionately more than other countries on our Navy. Let me give him the following figures:

United States

1922	$416,574,437
1923	284,054,767
1924	320,204,550
1925	288,151,050

Great Britain

1923	$314,000,000
1924	280,000,000
1925	270,000,000

Japan	Yens
1922	483, 589, 712
1923	397, 406, 782
1924	278, 692, 422
1925	238, 000, 000

Mr. Speaker, the United States figures do not include the Marine Corps appropriations because neither Great Britain nor Japan have that kind of a service attached to their Navy. Marines in the British Navy are seamen like our Navy enlisted man.

In arriving at the figures for Great Britain I have figured the British pound sterling at approximately $4.85.

A glance at these figures will immediately impress one with the economy attempted in our appropriations, where I fear that the cuts have been too severe.

In the year 1921 we appropriated $664,000,000 for our Navy and have been reducing this amount very heavily each succeeding year, even below the lowest figures of the Director of the Budget.

In the bill which has just passed the House we cut the Navy $1,330,000 below the Budget figures, and in last year's bill we cut it $2,454,000.

When one realizes that the Japanese yen has a much greater actual purchasing power than the dollar, it is quite evident that Japan is doing more for her navy than we are for ours.

From fifteen to twenty million dollars a year should be added to the figures of Great Britain for naval aviation.

The SPEAKER. The time of the gentleman has expired.

Mr. BRITTEN. Mr. Speaker, I ask unanimous consent for one minute more.

Mr. JOHNSON of Washington. Reserving the right to object, Mr. Speaker——

Mr. CRAMTON. Mr. Speaker, reserving the right to object, I do not believe this day should be taken away from consideration of the proposed farm-relief legislation, and I shall have to object. Wednesday will be time enough.

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent to address the House for one minute.

Mr. CRAMTON. I object.

ORDER OF BUSINESS

Mr. LONGWORTH. Mr. Speaker, I desire to modify my request. After consultation with the leader of the minority, I ask unanimous consent to fix Wednesday instead of Thursday for the consideration of claims.

Mr. BLANTON. Mr. Speaker, Wednesday is calendar day, and we will be busy here all day, and I object.

I withdraw my objection at the request of the minority leader.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

TO AMEND THE NATIONAL DEFENSE ACT OF JUNE 3, 1916

Mr. McKENZIE. Mr. Speaker, I call up the conference report on S. 2169, a bill to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes.

The SPEAKER. The gentleman from Illinois calls up a conference report, which the Clerk will report.

The Clerk read the title of the bill.

Mr. SEARS of Florida. Mr. Speaker, I make the point of no quorum.

The SPEAKER. It is evident there is no quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

Abernethy	Fish	Mead	Stengle
Anderson	Fisher	Merritt	Sullivan
Bacharach	Fleetwood	Miller, Ill.	Taber
Begg	Frothingham	Mooney	Taylor, Colo.
Boies	Geran	Moore, Ill.	Taylor, Tenn.
Bowling	Gibson	Morin	Temple
Boylan	Glatfelter	Mudd	Tydings
Byrnes, S. C.	Graham, Pa.	Nelson, Wis.	Valle
Cable	Graham, Ill.	Newton, Mo.	Vare
Celler	Howard, Okla.	O'Brien	Ward, N. Y.
Clark, Fla.	Kahn	O'Connor, La.	Wason
Cleary	Kent	Park, Ga.	Watson
Connolly, Pa.	Kiess	Patterson	Weller
Curry	Kuns	Perkins	Welsh
Dallinger	Langley	Perlman	Werts
Davey	Lehlbach	Porter	White, Me.
Davis, Minn.	Lilly	Quayle	Williams, Tex.
Dempsey	Lineberger	Ransley	Winslow
Dickstein	Linthicum	Reed, W. Va.	Wyant
Dominick	Little	Reid, Ill.	Zihlman
Drane	McDuffie	Rogers, N. H.	
Drewry	McFadden	Rosenbloom	
Eagan	McSwain	Stalker	

The SPEAKER. Three hundred and forty-four Members have answered to their names. A quorum is present.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were reopened.

DESIGNATION OF SPEAKER PRO TEMPORE TO-MORROW

The SPEAKER. The Chair designates to preside to-morrow at the memorial services of Hon. JOHN R. TYSON, the gentleman from Alabama, Mr. ALMON.

LEGISLATIVE APPROPRIATION BILL

Mr. DICKINSON of Iowa, from the Committee on Appropriations, by direction of that committee, reported the bill (H. R. 9429) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1925, and for other purposes, which was referred to the Committee of the Whole House on the state of the Union.

Mr. GARRETT of Tennessee reserved all points of order.

TO AMEND THE NATIONAL DEFENSE ACT OF JUNE 3, 1916

The SPEAKER. The Clerk will read the conference report.

The Clerk read the conference report, as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2169) to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 6 and 11.

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 3, 4, 7, 8, 9, 10, and 12, and agree to the same.

Amendment numbered 5: That the Senate recede from its disagreement to the amendment of the House numbered 5, and agree to the same with an amendment as follows: Strike out the language proposed to be inserted by the House and in lieu thereof insert the following:

"SEC. 2. Add at the end of section 4c of the national defense act of June 3, 1916, as amended, the following: 'When in his judgment efficiency demands such action, the President is authorized to except officers of the Medical Corps, Ordnance Department, and Chemical Warfare Service from the provisions of this section requiring duty with troops of one or more of the combatant arms. The President is further authorized to except from the provisions of this section requiring duty with troops of one or more of the combatant arms such officers of the Judge Advocate General's Department as are now engaged in patent litigation in which the Government is involved.'"

And the House agree to the same.

JOHN C. McKENZIE,
HARRY E. HULL,
PERCY E. QUIN,
Managers on the part of the House.

J. W. WADSWORTH, Jr.,
RALPH H. CAMERON,
DUNCAN U. FLETCHER,
Managers on the part of the Senate.

Mr. McKENZIE. Mr. Speaker, it is not my purpose to occupy any of the time of the House in the discussion of this conference report further than to yield five minutes to the gentleman from Ohio, General SPEAKS, who feels that a mistake was made in striking out one amendment. After the conclusion of his remarks I will move the previous question.

Mr. SPEAKS. Mr. Speaker, when this bill was up on the 14th of May I offered the following amendment:

Amendment by Mr. SPEAKS: Page 11, line 15, after the period add the following: That section 9 of the act of June 10, 1922, is hereby amended by adding at the end of said section the following:

"The Secretary of War is hereby authorized in execution of the preceding provision to fix the pay grades hereunder of all enlisted men of the Army, retired prior to the inception on July 1, 1920, of the operation of section 4 (b) of the national defense act as amended."

I said in explanation of that amendment:

Mr. Speaker, this amendment is offered with the consent of the chairman of the committee. The language is that of the War Department. The amendment in no wise affects any commissioned officer of the Army. It relates solely to enlisted men of the Army with 30 years of

service, upon which they retired. When the pay bill was enacted the language in one particular was such that the comptroller held that these men could not occupy a classification which it had been intended they should have.

The language of this bill simply authorizes the Secretary of War to so classify.

Now, I might add that the men affected are all old soldiers who enlisted in the Army 40 or 50 years ago at $13 a month. After serving in the ranks at $13 for some time they would be promoted to the grade of corporal with slight increase in pay, and after six or eight years in the grade of corporal they would be elevated to a sergeancy, and probably spend many years in this position. They were encouraged to remain in the Army with the hope that continuous service and an excellent record might enable them to attain the rank of post noncommissioned officer. The old fellows have been retired, and always after 30 years of uninterrupted and efficient service. When the pay bill was enacted in 1922 on the claim that all officers, noncommissioned officers, and enlisted men were entitled to increased compensation, these old men were given consideration, and the bill enacted July 1, 1922, provided that retired enlisted men of the Army and Marine Corps shall have their retired pay computed as now authorized by law on the basis of pay provided in this act; that is, the bill you were then enacting.

It was clearly the intention of Congress in revising the entire pay schedule that these faithful old enlisted men should be recognized and included in the benefits conferred by its provisions. The object of this amendment is merely to clarify the language so that the comptroller will find no occasion for questioning its meaning and withholding the increased pay intended by Congress. I ask the House to defer approval of this conference report until I have an opportunity to present the matter, because I feel that the committee action results, in part at least, from a misunderstanding of the facts. I have reason to believe that if opportunity is granted to take the report up with the committee the matter can be made satisfactory to everybody and thus prevent doing an injustice to anyone. Therefore I ask the House not to vote upon this conference report.

Mr. HOWARD of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. SPEAKS. Yes.

Mr. HOWARD of Nebraska. Will the gentleman tell me whether or not this bill will readjust the compensation of these soldiers after they have been retired?

Mr. SPEAKS. Yes. That was the intention of the law.

Mr. HOWARD of Nebraska. It does not adjust their compensation while they are alive?

Mr. SPEAKS. Oh, they are living. It is now that we want the intention of Congress carried out, so that these faithful old veterans may receive the benefits granted by an appreciative and generous people.

Mr. HOWARD of Nebraska. I think that is hardly in keeping with the presidential program, is it?

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. McKENZIE. Mr. Speaker, just a word. I am not certain, but I am rather inclined to believe that there is some merit in the contention of the gentleman from Ohio [Mr. SPEAKS], but the conferees felt that it is a matter that is too involved to include in this bill without further consideration and investigation. Therefore they excluded it.

Mr. SPEAKS. Mr. Speaker, will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. SPEAKS. This amendment was offered at the only place in that bill or any other bill pending where it would be entirely germane, the place being not only appropriate but it seemed to be the exact place it should be offered.

Mr. McKENZIE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken; and on a division (demanded by Mr. SPEAKS) there were—ayes 119, noes 21.

So the conference report was agreed to.

M'NARY-HAUGEN BILL

Mr. HAUGEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9033) declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9033, with Mr. SANDERS of Indiana in the chair.

The Clerk reported the title of the bill.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc.—

TITLE I.—AGRICULTURAL EXPORT CORPORATION

PART 1.—EMERGENCIES

GENERAL EMERGENCY

SECTION 1. (a) It is hereby declared that there exists a general emergency in respect of agricultural commodities by reason of—

(1) The continued economic depression in agriculture.

(2) Inequalities in prices between agricultural commodities and other commodities, resulting in a relatively inadequate return to the farmer for his labor and upon his investment.

(3) The existence of surpluses available for export in agricultural commodities.

(4) The necessity in part for the existence of such surpluses in order to safeguard the domestic market against uncertainties of yield, and the economic impracticability of immediately preventing the continued production of such surpluses.

(5) The dependence of the prices of such surplus commodities upon the lower prices in foreign markets due to unsettled world conditions and lower costs of production.

(b) The President shall by proclamation terminate the emergency declared by this section whenever the corporation (created in section 21) determines that the emergency conditions have ceased to exist or are no longer controlling; but in no event shall the emergency be held to exist later than five years from June 30 next following the date of the passage of this act.

Mr. ASWELL. Mr. Speaker, I move to strike out the section just read and insert the following matter, with notice that if the motion prevails a motion will be made to strike out the other sections of the bill.

The CHAIRMAN. The gentleman from Louisiana offers an amendment by way of substitute, which the Clerk will report.

Mr. BLANTON rose.

The CHAIRMAN. For what purpose does the gentleman from Texas rise?

Mr. BLANTON. To offer a preferential amendment. This amendment which the gentleman from Louisiana has just offered is in the nature of a substitute. I have an amendment to perfect the section, which takes precedence over the amendment of the gentleman from Louisiana.

The CHAIRMAN. Is the gentleman's amendment simply a perfecting amendment to this section?

Mr. BLANTON. A perfecting amendment to the first section, and I offer it as a perfecting amendment.

The CHAIRMAN. The Chair thinks the gentleman from Louisiana is entitled to have the amendment reported.

Mr. BLANTON. But I should be permitted to have a vote upon mine first.

The CHAIRMAN. The Chair will determine that later. The Clerk will read.

Mr. BLANTON. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. The point of order is that under the rules of the House, which control the committee, perfecting amendments are preferential and take precedence over substitute amendments. An amendment to a paragraph read in the committee which perfects that paragraph takes precedence over an amendment offered as a substitute. The Chair has seemingly ruled to the contrary, and I do not think the Chair wants to make a ruling that could be used as a precedent in the future that is not sound. The amendment of the gentleman from Louisiana is a substitute not only for the paragraph but for the entire bill, and I insist upon the point of order.

The CHAIRMAN. The rule is that a perfecting amendment takes precedence over a substitute amendment, but if the amendment by way of substitute has been offered, the Member obtaining recognition, and then some one else subsequently obtains recognition and says he has a preferential amendment to offer, the preference relates only to the action by the committee upon the amendment and not to the method of offering it. The Chair will later recognize the gentleman from Texas to offer his amendment, but at the present time the amendment of the gentleman from Louisiana may be reported.

Mr. RUBEY. Mr. Chairman, a parliamentay inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RUBEY. Is it necessary to reserve all points of order upon the amendment before it is read?

Mr. BLANTON. Mr. Chairman, I make the point of order that that comes too late, because there has been argument upon it.

The CHAIRMAN. Oh, the amendment has not yet been reported.

Mr. ASWELL. Mr. Chairman, I would like, if it is practicable, to have the amendment that I have offered read and then submitted to the Chair without discussion now of the point of order.

The CHAIRMAN. The Chair will determine that later. The amendment will be reported.

The Clerk read as follows:

Amendment by Mr. ASWELL: Strike out the section and insert:

Be it enacted, etc.—

TITLE I.—INTERSTATE FARM MARKETING ASSOCIATION

ORGANIZATION

SECTION 1. For the purpose of (a) promoting and stimulating the orderly flow of agricultural commodities in interstate and foreign commerce, (b) removing direct burdens and undue restraint upon such commerce in such commodities, and (c) providing for the processing, preparation for market, handling, pooling, storing, and marketing in such commerce of agricultural commodities through cooperative marketing associations, the following 11 individuals, E. L. Harrison, Lexington, Ky.; J. H. Kimble, Port Deposit, Md.; C. S. Barrett, Union City, Ga.; Frank O. Lowden, Oregon, Ill.; George Gordon Battle, New York; B. F. Yoakum, Farmingdale, N. Y.; J. W. Batcheller, Mission Hill, S. Dak.; Peter Ten Eyck, Albany, N. Y.; Ike T. Prior, San Antonio, Tex.; A. C. Thomas, New Harmony, Ind.; H. R. Green, Moline, Kans.; and their successors, are hereby incorporated and declared to be a body corporate under the name of the Interstate Farm Marketing Association (referred to in this act as the interstate association). The incorporation shall be held effected upon the passage of this act.

GENERAL POWERS

SEC. 2. The interstate association—

(a) Shall have perpetual succession;

(b) May sue and be sued in its corporate name;

(c) May adopt a corporate seal, which shall be judicially noticed, and may alter it at pleasure;

(d) Shall have its principal office in the District of Columbia;

(e) May make contracts;

(f) May acquire, hold, and dispose of property necessary for carrying out the purposes of the association;

(g) May appoint, fix the compensation of, and remove without prejudice to contract rights, such officers, employees, and agents as are necessary for the conduct of the affairs of the interstate association. Such officers, employees, and agents may be either individuals, partnerships, corporations, or associations. Each such officer, employee, or agent responsible for the handling of money or the custody of agricultural commodities shall give bond in such amount, with such penalties and upon such terms as the interstate association shall determine;

(h) May accept the services of any person without compensation;

(i) May adopt, amend, and repeal regulations;

(j) Shall have such powers not specifically denied by law as are necessary and proper to conduct, under this act and in accordance with approved business methods, the business of cooperatively processing, preparing for market, handling, storing, and marketing agricultural commodities, or such further business as is necessary and incidental thereto.

SPECIAL POWERS

SEC. 3. The interstate association is authorized—

(a) To provide or approve systems of accounting for local and State organizations organized under Title II;

(b) To provide a system of reporting and disseminating crop and marketing information for the benefit of such organizations;

(c) To advise the members of such organizations as to the diversification of production of agricultural commodities and as to the increase or decrease of production necessary to provide an adequate supply of the commodity without causing either an undue surplus or shortage of production;

(d) To determine, subject to the approval of the members, upon the annual budget and necessary supplements thereto, of the receipts and expenditures of the association;

(e) To provide for the commodity assessment against State associations of fees sufficient (1) to meet the expenditures of the interstate association authorized in any approved budget, (2) to repay all loans and interest thereon provided for in section 301, and (3) to establish a reserve fund in such amount as the members of the interstate association determine to be necessary to enable it most effectively to execute the functions vested in it by this act;

(f) To acquire, construct, maintain, and dispose of or acquire the rights of operation of (1) storage warehouses for agricultural commodities, (2) facilities for transportation (otherwise than as a common carrier) in connection with the storage of such commodities, and (3) facilities for processing such commodities.

BOARD OF DIRECTORS

SEC. 4. (a) Except as otherwise specifically provided the board of directors (referred to in this act as the "interstate board") to be composed as hereinafter provided in this section, shall direct the exercise of the functions vested in the interstate association.

(b) The first board of directors shall be composed of four members, one of whom shall be a fiduciary officer of the United States designated by the President, and three of whom shall, within one month after the enactment of this act, be elected from their own number by the incorporators named in section 1. Of the three elected members of the board of directors, one shall be elected for a term of one year, one for two years, and one for three years. A successor to the director designated by the President shall be likewise designated by him. Successors to the elected directors, except those elected to fill unexpired terms of directors, shall be elected for a term of three years by the members of the interstate association in the manner provided in section 7.

(c) A vacancy in the office of an elected director may be filled by the remaining directors until, at the next annual meeting of the members of the interstate association, a successor is elected to fill the unexpired term of such office and is qualified. Any such vacancy shall not impair the powers of the remaining directors to execute the functions of the interstate board. A majority of the directors shall constitute a quorum for the transaction of the business of the interstate board.

(d) Each elected director shall receive a salary to be fixed by such members and shall hold office until his successor is elected and qualified.

(e) The director designated by the President shall not receive compensation from the association for his services as director, other than pay for expenses incurred by him while acting as a director, and upon repayment by the interstate association of the loan and interest thereon provided in section 301, his term of office as director shall be terminated.

(f) There shall be but three elected directors, unless by a two-thirds vote of the charter members of the interstate association such number is increased, but at no time shall the number of directors exceed 11.

MEMBERS OF INTERSTATE ASSOCIATION

SEC. 5. (a) The incorporators named in section 1 shall be the first members of the interstate association. The three incorporators first listed in section 1 shall be members for a period of three years; the next three listed for a period of two years; and the five last listed for a period of one year, beginning from the date of incorporation of the association. Successors to the original members, except those elected to fill unexpired terms of members, shall be elected as provided in section 208 for periods of three years.

(b) A vacancy in the office of any member may be filled for the unexpired term of such office by election as provided in section 203.

COMMENCEMENT OF OPERATIONS

SEC. 6. The interstate association (1) shall begin its operations under this act in respect of such agricultural commodities as it considers best adapted to national cooperative marketing, and (2) shall, so far as it deems practicable, utilize such existing cooperative associations and other marketing agencies as are immediately available and capable of use for the purpose of this act.

DUTIES OF MEMBERS OF INTERSTATE ASSOCIATION

SEC. 7. It shall be the duty of the members of the interstate association—

(a) To convene as provided by regulations at the call of the interstate board and at a place to be selected by it;

(b) To elect annually directors to the interstate board;

(c) To act as an advisory group on behalf of the associations and to supervise generally the operations of the interstate board;

(d) To fix the salaries of the directors of the interstate board, and approve with or without modifications, or disapprove the annual budget of the association and necessary supplements thereto;

(e) To prepare a schedule of commodity assessments which, when approved by the interstate board, may be levied by the State associations upon their member associations.

BRANCH OFFICES

SEC. 8. (a) The interstate association may establish such agencies or branch offices at such places as it deems advisable.

(b) The interstate association shall be held an inhabitant and resident of the District of Columbia within the meaning of laws of the United States relating to venue of civil suits and of offenses against the United States.

BOOKS

SEC. 9. The interstate association shall keep, at its principal office in the custody of its secretary, correct books, showing the original or a transcript of the minutes of the interstate board's members' meetings, and showing the accounts of the association's business transactions.

ANNUAL REPORT

SEC. 10. The interstate association shall make an annual report to the Congress in respect of all loans made under authority of section 302 until such loans are repaid in full with interest.

TITLE II.—STATE COOPERATIVE MARKETING ASSOCIATIONS

ORGANIZATION

SEC. 201. In order to carry out the functions vested in it by this act, the interstate association is authorized to provide for the organization of State cooperative marketing associations (referred to in this act as "State associations") in the several States. The interstate association shall by regulation, not in conflict with the laws of the State, prescribe the form of organization in each State, whether by incorporation, contractual agreement, or otherwise.

DUTIES OF STATE ASSOCIATIONS

SEC. 202. Each State association shall—

(a) Annually select a board of directors which shall direct the operations of the association;

(b) By its board of directors annually select an individual as its representative to an annual convention of representatives of State associations;

(c) Organize as members of, or admit to membership in, such association any local cooperative association included within the provisions of the act entitled "An act to authorize association of producers of agricultural products," approved February 18, 1922.

ELECTION OF MEMBERS

SEC. 203. The individuals selected in accordance with section 202 as representatives of the State associations shall convene annually, at a place designated by the interstate board, and shall elect the members of the interstate association. Each representative shall have but one vote, which shall be cast in person.

REGULATION OF STATE AND LOCAL ASSOCIATIONS

SEC. 204. (a) The interstate association is authorized to prescribe regulations requiring—

(1) The adoption by local and State associations of systems of accounting approved by the interstate association;

(2) The use by the local and State associations of systems of reporting and disseminating crop and marketing information provided by the interstate association;

(3) The use by local and State associations of approved forms of agreement under the terms of which a local association is admitted to membership in a State association;

(4) The use by local associations of approved forms of marketing contracts to be subscribed to by the members of local associations;

(5) The use by local and State associations of grades and standards, not in conflict with law, of the commodities to be marketed through the State association and the interstate association, and the use of methods of packing and storing such commodities, that have been approved by the interstate association;

(6) The payment by the State association of the commodity assessments fixed by the interstate association under section 3;

(7) If the interstate association finds by a vote of two-thirds of its members that any State association, or any local association which is a member of a State association, has failed to comply with any regulation prescribed under this section, the interstate association shall adopt a resolution publishing such finding. Upon the adoption of any such resolution the State association shall be ineligible, for such period of time as the interstate association may designate in the resolution, to obtain any loan provided in section 302, to be represented at an annual convention of representatives of State associations, or to obtain the exemptions accruing to it by reason of the benefits of section 302, except that if the violation is that of a local association the State association shall not be held ineligible under this subdivision if, within 30 days after the adoption of the resolution, the membership of the local assocation in the State association is terminated or suspended for such period of time as the interstate association may designate in its resolution.

OPERATING ZONES

SEC. 205. For the purpose of facilitating the marketing of any agricultural commodity, State associations engaged in the marketing of such commodity, within such zones as the interstate association may designate, may consolidate their marketing operations in respect of such commodity. For the purposes of carrying out such consolidated marketing operations the State associations may jointly contract with or establish such organization as they deem advisable.

TITLE III.—MISCELLANEOUS PROVISIONS

LOAN FUND FOR ORGANIZATION PURPOSES

SEC. 301. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $10,000,000, which, as appropriated, shall be set aside and reserved as a revolving loan fund in the Treasury, available to the interstate association until December 31, 1935. Payments shall be made from such fund at the direction of the director designated by the President, upon application therefor by the interstate board, and shall bear interest at the rate of 4½ per cent per annum until repaid from commodity assessments fixed by the interstate association.

USE OF FUND

SEC. 302. (a) The moneys in such fund shall be available for loans (1) to the interstate association for administration expenses of such association, including expenditures for the organization of State associations, and (2) to a State association for expenses incurred by it in its organization, or in the organization by it of local associations which are members of the State association.

(b) The interstate association shall prescribe regulations in respect of the repayment to or collection by the interstate association of all loans made under subdivision (a). All moneys repaid to or collected by such association shall be covered into such fund.

APPLICATION OF ANTITRUST LAWS

SEC. 303. The interstate association and State associations shall, for the purposes of this act, be deemed marketing agencies within the meaning of that term as used in the provisions of the first section of the act entitled "An act to authorize association of producers of agricultural products," approved February 18, 1922, and in the same manner and to the same extent as associations included in such act, shall be subject to the provisions of section 2 thereof.

COOPERATION WITH EXECUTIVE DEPARTMENTS

SEC. 304. To foster, encourage, and promote the cooperative processing, preparing for market, handling, storing, and marketing of agricultural commodities under this act and to assist in the establishment and maintenance of State and local associations, any Government establishment in the executive branch of the Government shall, in accordance with the written request of the interstate association to the head of such Government establishment, cooperate with such association or with any State association to such extent as the head of such Government establishment deems compatible with the interests of the Government.

SEPARABILITY OF PROVISIONS

SEC. 305. If any provision of this act is declared unconstitutional or the applicability thereof to any person or circumstances is held invalid, the validity of the remainder of the act and the applicability thereof to other persons and circumstances shall not be affected thereby.

RESERVATION OF RIGHT TO AMEND

SEC. 306. The Congress of the United States reserves the right to alter, amend, or repeal the provisions of this act.

During the reading of the amendment the following occurred:

Mr. CANNON (interrupting the reading when the Clerk had concluded the reading of section 1). Mr. Chairman, I make the point of order that enough of the substitute has been read to show that it is not germane to the bill, and is therefore out of order.

The CHAIRMAN. The Chair is inclined to think that enough has not yet been read for the Chair to determine. The Clerk will continue the reading.

The Clerk continued the reading to the bottom of page 3.

Mr. CANNON (interrupting the reading). Mr. Chairman, I am satisfied that the Chairman has heard sufficient of this amendment to be convinced that it is not germane to the proposition before the House. There are many precedents for the Chairman's taking the matter under consideration before the reading is completed. This is a very long, involved, detailed substitute. Its reading in full will consume considerable of the time of the House; time which would be wasted when the point might as well be decided now. The very clause that has just been read indicates that it is not germane. It has been decided repeatedly that cooperation with the States is not germane to any proposition confined to proposed activities on the part of the Federal Government.

The CHAIRMAN. The Chair states that the question of whether the amendment will be read in full is largely in the discretion of the Chair, and the Chair is inclined to think that an important amendment like this should be read in full.

The gentleman's point is right on the proposition that when enough has been read and the Chair is convinced it is out of order the entire amendment does not have to be read. The Chair recognizes the rule as stated, but in this case the Chair, in his discretion, is going to have more read.

Mr. SINNOTT. Mr. Chairman, I do not want to interfere with the desire of the Chair, but it does seem to me line 11, page 3, shows that this amendment or substitute is not germane and is out of order. It touches upon nothing in this bill; it amends existing law on other matters.

The CHAIRMAN. The Clerk will continue reading.

The Clerk continued the reading.

Just before the conclusion of the reading of the entire amendment—

The CHAIRMAN. The Clerk will cease reading. The Chair thinks enough has been read to present the parliamentary point. The Chair will hear—who made the point of order?

Mr. CANNON. I make the point of order.

Mr. BANKHEAD. In order that there may not be a fragmentary showing in the RECORD as to the purposes of the substitute, I ask——

The CHAIRMAN. Without objection, the entire amendment will be inserted in the RECORD. The Clerk had almost finished the reading.

There was no objection.

The CHAIRMAN. The gentleman from Missouri makes the point of order that the substitute amendment is not in order.

Mr. CANNON. Mr. Chairman, I make the point of order that the proposed substitute is not germane to the bill. The lack of germaneness is so obvious that I shall not impose upon the Chair with a lengthy discussion of the question. For that reason I shall merely call attention to two items in the substitute which are particularly notable in their introduction of new and unrelated matter. In the first place, the substitute provides an entirely different agency. Of course it is a fundamental principle of germaneness that one individual proposition can not be amended by another individual proposition, even though it belongs to the same class, and it necessarily follows that one agency is not germane to another agency, even though their duties may be somewhat related. The bill pending before the House provides for an agency appointed by the President, of which certain Secretaries shall be constituent members. The proposed substitute provides for the appointment of certain men designated by name. Again, in the second section of the bill, and one of its principal features, is a section providing for the cooperation of the Federal Government with the States. It has been repeatedly held, and has been so decided by the present Speaker of the House, that any proposition to cooperate with the States when offered as a substitute to a proposition confined to activities on the part of the Federal Government is not germane and is not admissible as an amendment.

We might go further and specify a dozen provisions proffered by the substitute, all of which are wholly foreign to the bill and therefore subject to the point of order. But if one item in a substitute is subject to a point of order, then the entire substitute is out of order and it is hardly necessary to further impose on the chairman or needlessly consume the time of the House when those designated are sufficient to decide the question.

Mr. SNELL. Mr. Speaker, it seems to me it is not necessary to go any further than the title of the two bills to show that they do not pertain to the same thing. In the first place, H. R. 9033 declares an emergency to exist. That is the principal point of the whole bill, and it proposes to deal with that emergency by making an equality between agricultural commodities and other commodities, while the bill H. R. 8108 has for its purpose to encourage agricultural cooperative associations, an entirely different object than the original bill and in no way germane to it. The only similarity between the two bills is that they both deal with agriculture, but each in a different way, and one is in no way germane to the other.

The CHAIRMAN. Does the gentleman from Alabama desire to be heard?

Mr. BANKHEAD. I desire to make one suggestion in reference to the point of order. An examination of the substitute offered by the gentleman from Louisiana clearly shows that in many essential particulars it sets up a different character of machinery to carry out the purposes sought to be effectuated. I must candidly admit that the only condition on which the substitute as a whole can be properly submitted to the committee for consideration would be on the broad principle that the object sought to be effectuated by the two bills are identical. In other words, a reading of both of them clearly shows the purpose of this legislation is to meet an emergency in our agricultural conditions, and while it is true that different methods and machinery are set up to carry into effect the purposes by each bill, it seems to me that considering that a substitute is not necessarily construed when it is offered in this way with the same strict degree of construction as an ordinary amendment, looking at it from the broad purposes sought to be accomplished by both bills, the substitute might well be submitted to the committee for its consideration.

Mr. PURNELL. Mr. Chairman, may I say a word on this? I do not profess to have any parliamentary ability, but it strikes me a mere casual reading of these two bills clearly demonstrates the fact that their purposes are in no particular identical. This substitute which is sought to be offered for the McNary-Haugen bill is clearly for the purpose of encouraging agricultural cooperative associations. Section 1 of the substitute clearly states the purposes. It is to promote and stimulate the orderly flow of agricultural commodities in interstate and foreign commerce. Its purpose is to remove direct burdens and undue restraint upon such commerce in such commodities and also provide for the processing, preparation for market, handling, pooling, storing, and marketing such commerce of agricultural commodities through cooperative marketing associations.

This is a cooperative association bill. The McNary-Haugen bill, to which this committee has given months of hard, laborious study, seeks to promote an equality between agricultural commodities and restore a parity that has heretofore existed, checking back to the farmer the loss that is sustained in marketing abroad or elsewhere the surplus which we have for exportation. I hope the Chair will sustain the point of order.

The CHAIRMAN. The Chair is ready to rule. The amendment offered by the gentleman from Louisiana [Mr. ASWELL] by way of a substitute undertakes to deal with the agricultural problem. However, the mere fact that it tackles the same problem does not necessarily make it a germane amendment. The gentleman from Missouri [Mr. CANNON] calls attention to some of the details of the bill offered by the gentleman from Louisiana which make it, it seems to the Chair, not germane.

The bill under consideration by the committee creates a Government corporation, and through the agency of that corporation—by the aid of other agencies—undertakes to artificially provide a means of taking care of the surplus exports in such way as to raise the price of agricultural commodities up to the point where the ratio will be the same on agricultural commodities as on other commodities over a fixed period of time, and it carries out that plan. Now, this proposition, while it undertakes to relieve agriculture, undertakes to do it in an entirely different way and in such manner as would not be proper by way of a substitute, because the committee would then have to vote upon the adoption of an entire bill, which would have to be rewritten on the floor and which has never been reported by any committee. The Chair will sustain the point of order.

Mr. BLANTON. Mr. Chairman, I offer my perfecting amendment.

The CHAIRMAN. The gentleman from Texas announced that he had an amendment to offer, and the Chair said he would recognize him. The Clerk will report the amendment offered by the gentleman from Texas.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 2, lines 14 and 15, strike out the words "the corporation (created in section 21)" and insert in lieu thereof the words "the President."

Mr. BLANTON. Mr. Chairman, under the provisions of the bill these emergencies would exist for five years unless in the meantime the directors of the corporation should declare them to have ceased to exist. My amendment would place that duty in the hands of the President.

Did you ever see a salary drawer on the pay roll of the Government make a declaration that would stop his salary? No. And you never will see one.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. JOHNSON of Washington. The gentleman desires to imply that this $10,000 agent will not want to quit of his own volition.

Mr. BLANTON. Why, of course, he will not.

Mr. JOHNSON of Washington. I do not think he would.

Mr. BLANTON. He will not, and he will never declare these emergencies at an end. So you ought to leave this in the hands of the President. The President is the man responsible to the country, so let him assume the responsibility.

I want to show you how much divergence of opinion there is right here on the floor of this House about facts that are easily ascertained. For instance, we have heard four or five gentlemen, members of this committee, get up here and say that during the year 1923 there were $40,000,000 worth of meats imported more than those exported, $40,000,000 worth. Then, on the other hand, we have heard one or two of our friends deny that and say, as to exports and imports on meat, that the meat exported was $19,000,000 as against $3,000,000 of imports. So you see there is a tremendous divergence of opinion right here among the Members of this House. So how could you expect the five directors of this Government corporation to reach a conclusion that would conclude them out of a job—a $10,000 a year job? They are not going to do it, because whenever they conclude themselves out of a job, at the same time they are going to conclude about 50,000 other employees under them on the pay roll, out of jobs. That is

what our friend from Louisiana [Mr. ASWELL] tells us is going to result from this bill. He says it is going to put 50,000 extra employees on the pay roll. That is what our friend from Kentucky [Mr. KINCHELOE] says, and he is on the committee. That is what other members of the committee tell us, that if we pass this bill it will put 50,000 extra employees on the Government pay roll.

It is, after all, to be on the Government pay roll, and I will tell you why. This $1,000,000,000 of bonds which we authorize this Government corporation to issue—debts which they may contract to that extent—is claimed not to be a Government obligation. It is not, legally, because you are so writing it in the bill, but when that money is expended and those bonds are held by innocent purchasers scattered all over this country in our districts and they come to you and say, "Here is a bond issued by the Government; here is a bond that was issued by a Government corporation; here is a bond that was printed in your Bureau of Engraving and Printing, and I bought it because I had confidence in my Government," you, every one of you, know that you will vote to hold that a moral obligation on the part of the United States Government, and you will make that bond good. So, after all, these employees are employees of the United States, and you will have them on the pay roll of the United States Government.

The $200,000,000 which is taken as an initial appropriation out of the Treasury is just the beginning of it, but it is the $1,000,000,000 worth of bonds that should confront us, should make us pause, and make us carefully consider this matter. Therefore I say this amendment of mine ought to be adopted because it would leave it to the discretion of the President of the United States and not to this board of directors.

The CHAIRMAN. The time of the gentleman from Texas has expired.

MESSAGE FROM THE SENATE

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had insisted upon its amendments to the bill (H. R. 6202) to amend sections 11 and 12 of the merchant marine act, 1920, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. JONES of Washington, Mr. FERNALD, and Mr. FLETCHER as the conferees on the part of the Senate.

M'NARY-HAUGEN BILL

The committee resumed its session.

Mr. RAINEY rose.

The CHAIRMAN. For what purpose does the gentleman from Illinois rise?

Mr. RAINEY. To offer an amendment.

The CHAIRMAN. There is an amendment pending. Is the gentleman's amendment an amendment to the pending amendment?

Mr. RAINEY. No.

The CHAIRMAN. There is an amendment pending, and the gentleman's amendment would not be in order now.

Mr. SINNOTT and Mr. MOORE of Virginia rose.

Mr. MOORE of Virginia. Mr. Chairman, I rise in opposition to the amendment.

Mr. SINNOTT. Mr. Chairman, I rise in opposition to the amendment, and ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. The gentleman from Oregon asks unanimous consent to proceed for 10 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. SINNOTT. Mr. Chairman, while speaking to the amendment, I really desire to cover in a very general way the merits and principles of the McNary-Haugen bill. Members of the Agriculture Committee have discussed it in detail.

Gentlemen of the committee, in the preamble to the Constitution of the United States, setting forth the reasons why it was ordained and established, we find one of the six great features of that preamble and one of the important reasons for ordaining and establishing the Constitution was to "promote the general welfare." The very first proposition in the Constitution, declaring the powers of Congress, authorizes collection of taxes to "provide for the general welfare." President Washington, in his final message to Congress, said:

> It will not be doubted that with reference either to individual or national welfare agriculture is of primary importance.

President Coolidge in his New York address, with his usual sagacity and almost epigrammatic succinctness, stated:

> Agriculture is an interest on which it is estimated that more than 40,000,000 of our people are directly or indirectly dependent. It represents an investment several times as large as that of all the railroads of the country. It has an aggregate production of over $8,000,000,000 each year. * * *
>
> You can not long prosper with that great population and great area in distress. * * * This problem is not merely the problem of the agricultural sections of our country. It is the problem likewise of industry, of transportation, of commerce, and of banking.

Into our hands, gentlemen, under the Constitution, is committed the welfare of our country. The welfare of 40,000,000 of our people is now at stake; in fact, indeed, the welfare of the whole Nation is threatened by a grave economic crisis on account of agricultural depression.

Why is the welfare of the whole Nation threatened on account of agricultural depression? Agriculture, let me inform you members from manufacturing sections, buys 40 per cent of your manufactured products. Agriculture to-day is buying 50 per cent less than it normally buys. Already we have heard upon this floor indications that agricultural distress is having its baneful influence in your manufacturing sections, and why is that so? Take my own district. Six farmers in Umatilla County, Oreg., four years ago paid an income tax to the United States of $26,205. This year one of those farmers pays $284. The other five show a loss of $35,000. Those farmers four years ago paid 80 bushels of wheat for a two-bottom plow, 21 bushels of wheat for a suit of clothes. To-day they pay for that plow 140 bushels of wheat and pay 31 bushels of wheat for that suit of clothes. For a pair of shoes they paid 6 bushels of wheat, and now they pay 12 bushels of wheat; and those farmers are the men—I will say those wheat farmers, because I am more acquainted with conditions in wheat sections than in others—those very wheat farmers of this country contributed $2,000,000,000 toward winning the war when they patriotically and cheerfully submitted to the reduction in the price of their wheat under what they would have gotten but for governmental agencies limiting that price.

The farmer, President Wilson told us, is "the servant of the seasons." He is more than that under present conditions. He is not only the servant but he is the subject; he is the slave; he is the serf of his surplus when that surplus must be sold in foreign countries and the reflex or the repercussion from that foreign price fixes or lowers his domestic price below the cost of production.

He is asking this Congress for some legislation to remedy that intolerable situation—that incubus on his business.

The farmer is appealing to this Congress not with some new-fangled proposition thought out overnight. The fundamental principles of this bill he has been studying for nearly two years. He has brought it to the Agriculture Committee of the House and it has been in the crucible, subjected to the fiery criticism of that committee for four months, and is now brought out on the floor of the House with the approval of that great committee. All the farmer asks, through the medium of this bill, is that you may help him to do exactly what the manufacturer is doing to-day, and that is, sell his surplus in foreign countries and not allow the foreign price to control the domestic market. The manufacturer is enjoying that privilege now. He can do it without the help of legislation except the tariff wall that prevents the reflex action of the foreign price controlling the domestic price. The farmer, on account of his great numbers and on account of the great magnitude of his business, must have legislation to enable him to cooperate one with the other.

The manufacturer can do this through his sales agency. It is impossible on account of the magnitude and the great number of the farmers to do the very thing that the manufacturer is doing. The manufacturer to-day is selling his surplus in foreign countries and the price of that surplus in foreign countries does not control or establish the price of his domestic sale. Why? He is protected by the tariff. Give us similar and analogous legislation. The farmer wants to see whether he can get his protection at the breech as well as the muzzle of the protective tariff gun and ordnance. All he is asking is that he may sell his product in this country not at the price you are selling your own commodities, because he is willing to pay the entire expense of this organization provided for in the bill. Therefore he is willing to sell his product in this country at a price 10 or 20 per cent below what you are getting for your manufactured commodities.

I am told a motion will be made to strike out the enacting clause of this bill. Under our parliamentary rules that means the death of the bill on the threshold of its reading for amendment. I tell you, gentlemen of the House, the farmers of the country were never more serious than they are to-day in support of this bill.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. SINNOTT. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SINNOTT. Gentlemen, if you strike out the enacting clause, if you spurn the farmers' petition as King George spurned the petitions of our forefathers, the farmer will feel hurt; he will feel aggrieved; he will feel insulted; he will feel outraged; and he will have a right to so feel. Some Members laugh and scoff at this bill. It is a difficult matter to refute a sneer. They say this bill is socialistic, bolshevistic. That was also said of the first homestead bill which Buchanan vetoed; but when Lincoln came in he signed the bill which has given us the great and magnificent development of the West—the granary of the Nation.

What answer do the farmers of the West and Northwest get from New England? New England, smug, condescending, and patronizing—I will not say Pecksniffian. [Laughter.] From the pinnacle of her prosperity she looks down from the top of the protection ladder to the farmer trying to climb up, and what does she tell him through Mr. LUCE? O Luceat perpetua. He tells the farmer to stay down there; "I am coming down myself." The farmer does not want the gentleman from Waltham, where Waltham watches are made, to come down the ladder; the farmer merely asks the privilege of climbing up to you on the underside of the same ladder. [Laughter and applause.]

The poet tells us—

> He raised a mortal to the skies
> She drew an angel down.

The farmer wants to raise a mortal to the skies; he does not want to draw an angel down.

Then Mr. LUCE tells us that we must not set aside natural and economic laws; that this bill may cost his city $80,000 a year more. Why the price of wheat was up over $2 during the war, it has now fallen way below a dollar. Has there been any appreciable difference or reduction in the price of bread where Waltham watches are made? Not at all. But admit that it will cost them $80,000 more, who is paying that $80,000 to-day. It is the farmers in my district and your district who are not getting the cost of production for their wheat and agricultural products. He wants us to continue to do it. It makes me think of the song:

> I wonder who is kissing her brow
> I wonder who is paying it now,
> I wonder who is kissing her brow
> In Waltham.

[Laughter.]

Oh, I do not think that the people in Waltham are pikers. They surely don't want my farmers to go down into their own pockets for $80,000; I do not think they will refuse to go 50–50 with the farmers.

Waltham does not want—

> To deal out a charity scrimped and iced
> Like a cautious statistical Christ.

The gentleman from Massachusetts may offer us the consolation that perhaps when Cape Cod Canal is completed our farmers will get a little cheaper freight rate through that canal. Smugly he tells these farmers that they are cultivating worthless lands. You go and tell that to the farmers in my district, to those men who paid $26,000 to the Government in income taxes in 1920, that they are farming worthless lands, and that they should discontinue such improvidence. Why, that county—Umatilla County—is one of the richest wheat counties in the world. It raises 45 to 50 bushels of wheat to the acre under the summer fallow system, and some yields, exceptional ones, have gone as high as 60 bushels to the acre. Then he admonishes us to discontinue raising wheat in such a county. He wants us to cut out our surplus farm products that have brought to the commerce of this country in foreign trade over $1,800,000,000. He would have that all discarded. Gentlemen, it is absurd. When he admonishes us to discontinue cultivating the fields that we have been cultivating for 50 years, I commend him to the Bible, to Proverbs:

> He that tilleth his land shall be satisfied with bread. He that followeth vain persons shall be void of understanding.

[Applause.]

Some Members tell us with a sneer that this is a packers' bill, a millers' bill. I want to say that the packers and millers and the grain exporters appeared before the committee and denounced the bill. I think they were mistaken on their views on the bill.

Your office and mine have been filled with propaganda from day to day from these very sources—the miller, the packer, the big exporter—yet critics on the floor have the audacity to tell us that it is a packer's bill. The bill was drafted and thought out in its fundamental principles by our hard-headed farmers.

Then we have Mr. VOIGT, with all of his ridicule of this bill. After listening to Mr. SHALLENBERGER, Mr. HUDSPETH, Mr. CLAGUE, and to Mr. RUBEY, and a few others who dissected and puverized Mr. VOIGT's fantastic tale about the handling of that hog and that cow which the farmer is going to handle in such a grotesque fantastic manner, I thought—

> In hog logic he's a great critic,
> Profoundly skilled and analytic;
> He could sever and divide
> The tail 'twixt north and northwest side.

Mr. VOIGT must, indeed, have gotten inspiration for his argument from the nursery rhyme:

> Tom, Tom, the piper's son,
> Stole a pig and away he run;
> The pig was eat and Tom was beat,
> And Tom ran crying down the street.

Then take the tone of voice of the gentleman from Kentucky [Mr. KINCHELOE]. In his very tone of voice he endeavored to strike awe into you as to the horrible things and possibilities in this bill. He predicted everything direful and foreboding in a tone—

> * * * whose lightest word
> Would harrow up thy soul, freeze thy young blood,
> Make thy two eyes, like stars, start from their spheres.

That is the sort of stuff you have been fed upon. He says in the equalization fee or receipt the farmer will get only a rain check. Well, the farmers in my district would sooner have a rain check than the mere chance of seeing the next ball game through a knot hole in the fence. They would sooner have a rain check than a notice of an overdraft from the bank. Gentlemen, in deliberating on this bill, I want to commend to you what Bacon, the great philosopher and scientist, once had to say about those who are always inclined to take the negative side:

> Generally, such men in all deliberations find ease to be of the negative side and affect a credit to object and foretell difficulties, for when propositions are denied there is an end to them, but if they be allowed it requireth a new work, which false point of wisdom is the bane of business.

Gentlemen, do not listen to the tale, the sophistry, that this bill comes from anywhere but from the very heart, the soul, the fiber of our agricultural sections. They are praying for its passage, and they want to know if this Congress, into whose hands is consigned the welfare of the Nation, is unwilling or impotent to grant them relief which you would grant if there was the same unanimity behind proposed labor, railroad, or banking legislation as the farmers undoubtedly manifest for the McNary-Haugen bill. [Applause.]

Mr. MOORE of Virginia. Mr. Chairman, I have listened to the very able debate which has taken place on this bill with deep interest and with a great deal of profit, so far as the development of the facts is concerned. The gentleman who preceded me spoke of the stress which the first President laid upon the importance of agriculture. Nobody can dissent from the view which General Washington expressed, or which has been expressed by those who have followed him in that great office, to the same effect; but Washington said another thing in his Farewell Address which my friend from Oregon [Mr. SINNOTT] seems to have forgotten, namely, that nothing is so likely to breed trouble in the country as an excess of partisan spirit and an excess of sectional spirit. We ought to consider measures that are presented here for the relief of agriculture without any particular reference to the effect upon party and without any sectional feeling, because they relate to a problem admitted to be of the utmost importance, which it is incumbent upon us to attempt to solve to any extent that may be possible—a problem of more consequence perhaps than any other. It seems to me, however, that there are two reasons, if I may make bold to say so, for the conviction that we waste our time in the discussion of this particular measure. In the first place, I do not believe there is a thoroughly competent lawyer who will take this bill and upon its analysis conclude that it will stand an attack in the courts, and that is a point that I

hope to discuss for a few minutes later on. That is one reason why it seems to me we are wasting time in considering this bill. It is a case of "dropping buckets into empty wells and growing old in drawing nothing up."

This is only one of several pending measures which may be considered, and that being the condition I am astonished at gentlemen who insist that the Congress ought to adjourn on June 7. The farmer works the year around. He works every day, and he works without any day of complete rest. We have been here for only six months, and if this bill will not serve the purpose, then we should stay here for the months to come and determine what can be done. [Applause.] If we stay here a little longer, we will have the benefit of the announcements of the two great parties upon this subject, and I would like to know what they are to be. I would like to look at the platforms of the two parties to see whether anybody has been playing politics with the agricultural interests; and you know some one has remarked that the field of agricultural legislation is a field in which cold-blooded politics is most likely to operate.

But, in the second place, aside from any question of the validity of the bill, there is another reason that constrains me to believe that we are now spending our time uselessly. It may pass the House, and it may pass the Senate, but it will never pass over the President's veto, as gentlemen have every ground for believing.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. MOORE of Virginia. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MOORE of Virginia. If there is one thing settled so far as the attitude of the President is concerned it is that he will veto this measure if it should reach him in anything like its present form. Of course, it may be replied that nevertheless Congress can proceed to act as it thinks proper and trust the future of the bill to him; but why should Congress be dealing with this one measure instead of some other measure which he might be expected to sign, when it is known that he will veto this measure?

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Virginia. No; not right now. One thing is clear beyond doubt, namely, that this is a price-fixing measure. You can consult the dictionaries and consult writers who have discussed the meaning of the term "price fixing," and the more you investigate the less doubt you will have that it is a price-fixing, price-determining measure. The revenue law prescribes income taxes without actually naming the figures that will represent the income tax of any particular individual; but the income tax law is an income fixing law, and that illustration applies to this bill. However gentlemen may try to escape that conclusion, this bill provides for price fixing, and I submit that if the statements of the President of the United States can be accepted at their face value it is beyond question that he is committed to its disapproval. Let me go a little further than some of the gentlemen have gone in showing what the President has said. His statements are not remote in point of time nor do they lack emphasis. He came before Congress on December 6 last and used this language:

> No complicated scheme of relief, no plan for Government fixing of prices, no resort to the Public Treasury will be of any permanent value in establishing agriculture.

Then he sent a special message to the Congress on January 23, 1924, in which there was no modification of his December view indicated. He said that he would concur in direct appropriations to assist agriculturists, and that is what many of us are prepared to do. But as I have said, there is nothing in the January message to show that he had receded from his view in respect to price fixing.

In New York in his February address before the National Republican Club—and I am talking now to a sort of national Republican club when I look at you gentlemen on the other side of the House—the President said, after describing the condition of agriculture:

> I do not mean by that any unsound device like price fixing, which I oppose.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOORE of Virginia. May I ask for three minutes longer?

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. MOORE of Virginia. The President has taken a definite position against price fixing, and we are now considering a bill that proposes, in its essence, nothing but price fixing. Now, can you assume he will sign this bill? I do not defer to him in all things, but I have supported him perhaps more frequently than any man on my side of the House and more frequently than many of you gentlemen on the other side of the House. [Applause.] I have enough confidence in his exalted station, I have respect enough for him as an individual, I have sufficient respect for his statesmanship to believe that he is not going to change his mind overnight and give his indorsement to a measure which he has condemned in advance. Does anybody dream that the chairman of the Committee on Agriculture, my friend from Iowa [Mr. HAUGEN], will turn and oppose this bill which he has so strongly advocated? If he did, it would be impossible for him to do such a thing; he would be called a weakling and coward. And, correspondingly, am I to believe that the President, after having taken just as strong a position against the object of this bill as our friend from Iowa has taken in favor of it, is going to face about suddenly and approve the principle of price fixing? I do not believe it.

If we are to adjourn on June 7 we are consuming valuable time. If the time is uselessly employed, then do not allow political or personal considerations to draw you away from here on the 7th of June or any other date in June. Let us remain here and exert ourselves to the utmost to promote legislation that will be signed by the Executive and will afford relief to the agricultural interests. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HOWARD of Nebraska. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman is recognized.

Mr. HOWARD of Nebraska. Mr. Chairman and gentlemen of the committee, I have discovered that I must proceed here a good deal after the plan of a serial story. I am going to speak five minutes now, and I want you to understand that at the conclusion of my talk there will appear the words "Continued in my next." I had no opportunity to speak to this bill while it was under general discussion. I put forth the most pleading solicitations to the distinguished gentlemen of the committee in charge of it, but could not make them yield at all, so here I am now, coming to speak piecemeal on this subject, five minutes at a time, and I am going to get those five minutes every time I get a chance while this discussion shall last. First, instead of taking up some other branch of the story right now, I think I ought to touch just a little upon the gospel as laid down by the distinguished gentleman from Virginia [Mr. MOORE], at whose feet I like to sit when he preaches true Democratic doctrine. But when he comes to me this evening and hands me a gospel out of all harmony with the teachings of the fathers in the party I must repudiate it utterly. [Applause.] I claim that my distinguished friend, Judge MOORE, is not preaching the gospel of true Democracy when he comes here and asks you to consider whether or not the legislation which we propose to frame will or will not meet a presidential veto. Gentlemen of the committee, that is none of our business. Our business is to legislate. [Applause.] The present Executive has opportunity to wield his veto if he shall be pleased to do so, nor will I assume to deny him that right. I particularly was distressed to hear my friend from Virginia—from old Virginia, if you please—come here and preach a gospel of a very different tune from the gospel of the principle urged by the fathers of Democracy in the Old Dominion.

I very much fear that my friend has not studied the gospel of Democracy at the feet of that one greatest constructive statesman of any age, our own Thomas Jefferson, or else he would be here this morning pleading, as Thomas Jefferson would plead, not for the cause of the farmers as a class, but for the cause of the American farm. And what did Thomas Jefferson say with reference to the American farm? Oh, my Democratic friends, will you not listen closely while I tell you what Thomas Jefferson said about the American farm? I can not recall the exact language, nor shall I try to employ it, but will you not let me put what he said in my own language and take my word for it that I will find his exact language for you in the books, if you so command? Thomas Jefferson said:

> The American farm is the best stone in the foundation underneath the house of the Republic, and if you impair the foundation the house is never safe.

Ah, my Republican friends, do you not remember how it was that Abraham Lincoln came on in after years and quoted the language of Thomas Jefferson, emphasized it, and declared that

it was the true gospel of the Republic—that always we should legislate in the interest of the farm.

Now, I do not ask you to legislate in the interest of the farmer, because that would be something personal. I am almost a farmer, and so I dare not ask for any legislation especially in my behalf.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. HOWARD of Nebraska. Concluded in my next. [Applause.]

Mr. Chairman, I made a mistake. I did not mean to say "concluded in my next," but "continued in my next."

MESSAGE FROM THE SENATE

The committee informally rose; and the Speaker having taken the chair, a message from the Senate by Mr. Craven, its Chief Clerk, announced that the Senate had insisted upon its amendments to the bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. McNARY, Mr. JONES of Washington, Mr. CAPPER, Mr. SMITH, and Mr. HARRIS as the conferees on the part of the Senate.

M'NARY-HAUGEN BILL

The committee resumed its session.

Mr. ROACH. Mr. Chairman, I ask to be recognized in opposition to the pending amendment.

The CHAIRMAN. The gentleman from Missouri is recognized.

Mr. ROACH. Mr. Chairman and gentlemen of the committee, I imagine that there are a great many Members of this House who find themselves in the same frame of mind in regard to this bill that I am, or, rather, who found themselves in the same frame of mind in which I found myself at the time this bill was first introduced and brought up for consideration. I shall not attempt to deceive myself or you by saying that I had any clear-cut or well-defined opinion as to the soudness or unsoundness of the legislation, for I did not. However, after attending some of the hearings, and attending a number of conferences of both proponents and opponents of the bill, reading everything that I could get hold of upon the subject, and otherwise obtaining all possible information, I came to the conclusion—and it seems to me to be the wise thing for those of us who actually favor legislation in the interest of the agricultural interests of this country to do—was to resolve any existing doubts I had upon the subject in favor of this proposed legislation. I was largely influenced to do this by reason of the fact that I do not regard my own judgment upon these matters as infallible or above mistakes, although I have always undertaken, in the best way I could, to give study to the farmers' problems and to the agricultural conditions of our country. I feel it is only right and proper that I should give great weight and consideration, in a matter of this kind to some of the witnesses who have been called to give testimony in regard to the soundness, the practicability and the workability of the legislation now under consideration. [Applause].

I want to very frankly say that I have been greatly influenced in my own judgment in this particular instance by reason of the character and ability of these witnesses, of their means of knowledge, and of their indorsement given to the Committee on Agriculture that this legislation is sound, that it is workable, and that it will afford a substantial degree of material relief to the agricultural interests of the country.

It should be remembered that this bill has been indorsed by the Secretary of Agriculture; that this bill has received the careful consideration, attention, and scrutiny and scientific study of the great Committee on Agriculture of this House. That this bill has been indorsed by practically all, if not all, of the leading farm organizations of the country; it has received the sanction and approval of the leading farm journals of the country and of the editorial writers for such publications, all of these persons of whom I have made mention being men who have given many years of study to farm problems and to the agricultural interests of the country. I, as a legislator, feel it is my duty to show great deference to the opinion of men of this type and character who are well qualified to give opinions upon this subject, particularly so when our own judgment is probably not as clear and conclusive as we would like it to be. For that and other reasons I will support this legislation, and furthermore, oppose any amendments or substitutes which in my judgment are inimical to carrying out the true purposes of the bill as reported from the Committee on Agriculture and now here before us this afternoon. [Applause.]

This means, of course, that the proposed amendment now under consideration should be defeated, as well as all subsequent amendments or substitutes which will defeat or destroy the real and true purposes of this proposed legislation. [Applause.]

In conclusion, let me say in answer to the gentleman who just preceded me it has occurred to me more than once during debates on this floor that if I permitted myself to be too greatly influenced by predictions made here on the floor by Members as to what the attitude of the President of the United States would be with reference to legislation under consideration I would find myself in difficulty and be unable to reach any very definite conclusion upon any legislation, because there are always those prophets upon both sides of every question before us. [Applause.] We have our own responsibility; the President has his; let us exercise our best judgment and then pass the problem on to him.

Mr. Chairman, when a man is sick he wants relief, not excuses. The farmers of America are wanting this legislation, not excuses, and I shall vote to give it to them. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLACK of New York. Mr. Chairman, may I be heard on this amendment?

The CHAIRMAN. The Chair will state to the gentleman from New York that all time has expired for debate upon this amendment. The gentleman can get recognition on another amendment.

The question is on the amendment offered by the gentleman from Texas, which, without objection, will be read again.

There was no objection.

The amendment was again read by the Clerk.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 13, noes 82.

So the amendment was rejected.

The CHAIRMAN. The gentleman from Illinois [Mr. RAINEY] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. RAINEY: Strike out the section and insert the following:

"SECTION 1. (a) It is hereby declared that there exists an emergency in respect of agricultural commodities by reason of the continued economic depression in agriculture; inequalities in prices between agricultural commodities and other commodities, resulting in a relatively inadequate return to the farmer for his labor and upon his investment; and the dependence of prices of such commodities upon the lower prices in foreign markets due to unsettled world conditions and lower costs of production.

"(b) The President shall by proclamation terminate the emergency declared by this section whenever the commission (created in section 3) determines that the emergency conditions have ceased to exist or are no longer controlling; but in no event shall the emergency be held to exist later than one year from the date of the passage of this act.

"DEFINITIONS

"SEC. 2. As used in this act—

"(a) The term 'export deficiency price' means the difference between the probable average selling price in world markets outside of the United States of wheat or swine, and the probable average cost of producing wheat or swine on farms in the United States plus 10 per cent.

"(b) The term 'customs scrip' means such scrip as may be ordered printed at the Bureau of Engraving and Printing by the commission provided for in section 3 of this act, in such amount and in such denominations as the commission may determine. Said scrip shall be accepted in the payment of all customs dues and shall be legal tender for no other purpose, and after its acceptance for customs dues it shall be returned to the said commission for cancellation in such manner as the commission may by regulations determine, the cost of printing the same to be paid for by the commission.

"COMMISSION

"SEC. 3. (a) There is hereby established as an emergency measure a temporary commission to be known as the United States Agricultural Export Commission (hereinafter in this act referred to as the 'commission'), to be composed of the Secretary of Commerce, who shall be chairman of the commission; the Secretary of Agriculture, who shall be vice chairman of the commission; the chairman of the United States Tariff Commission; and an administrative commissioner to be appointed by the President from not less than three individuals recommended to the President by the Secretary of Agriculture.

"(b) The administrative commissioner shall receive a salary of $1,000 a month during the period of his service as such commissioner, and he shall not actively engage in any other business, vocation, or employment than that of serving as such commissioner during the period he so serves.

"(c) The commission may appoint a secretary who shall receive a salary at the rate of $500 a month during the period he so serves. The commission shall maintain its principal office in the District of Columbia, in such room or rooms at the disposal of the Secretary of Commerce as shall be designated by him, and may employ such other persons as may be necessary, and fix their compensation.

"(d) For the expenses of said commission there is hereby authorized to be appropriated the sum of $50,000, to be immediately available.

"(e) The commissioners and the employees of the commission shall take the oath of office provided in section 1757 of the Revised Statutes.

"(f) The commission shall make an annual report to Congress, and may make such regulations as are necessary to execute the functions vested in it by this act, and it may accept the services of any person without compensation.

"(g) The commission may adopt a seal which shall be judicially noticed and may alter it at pleasure.

"(h) The commission may make contracts.

"POWERS OF COMMISSION

"SEC. 4. (a) The commission shall estimate and publish in such manner as it may by regulations determine the export deficiency price on the first day of each month during the period of the emergency provided for herein, and said export deficiency price may be changed on the first day of any month during the emergency period.

"(b) Whenever during the emergency period wheat or flour or products of swine are exported, the exporter shall be paid in emergency scrip the export deficiency price entering into such shipment in such manner as the commission may by regulation determine: *Provided*, That no customs scrip payment shall be allowed on such exportations of stocks of wheat, flour, or food products of swine as may be in primary market or in the possession or ownership of grain dealers, millers, or packers at the time of the passage of this act.

"TARIFFS AND PENALTIES

"SEC. 5. (a) During said emergency period the President shall by proclamation add to the existing rate of duty on said products or their derivative or substitutes for them such amounts as may be requested by the commission in order to make effective the provisions of this act.

"(b) Any person who knowingly counterfeits or alters or falsely makes any customs scrip shall be fined not more than $10,000 or imprisoned for not more than five years, or both.

"COOPERATION WITH EXECUTIVE DEPARTMENTS

"SEC. 6. (a) Any governmental establishment in the executive branch of the Government is authorized to act as agent of the corporation in the administration of functions vested in them by this act. The corporation may, in cooperation with any such Government establishment, avail itself of the services and facilities of such Government establishment in order to avoid preventable expense or duplication of effort.

"(b) The President may by Executive order direct any such Government establishment to furnish the corporation with such information and data pertaining to the functions of the corporation as may be contained in the records of such Government establishment. The order of the President may provide such limitations as to the use of the information and data as he deems desirable.

"(c) The corporation may cooperate with any State or Territory, or department, agency, or political subdivision thereof, or with any person.

"SEPARABILITY OF PROVISIONS

"SEC. 7. If any provision of this act is declared unconstitutional, or the applicability thereof to any person, commodity, or circumstance is held invalid, the validity of the remainder of the act and the applicability thereof to other persons, commodities, and circumstances shall not be affected thereby.

"RESERVATION OF RIGHT TO AMEND

"SEC. 8. The Congress of the United States reserves the right to alter, amend, or repeal the provisions of this act."

During the reading of the amendment the following occurred:

Mr. CANNON. Mr. Chairman, I make the point of order that the substitute is not germane to the bill, and suggest to the Chairman that sufficient of the substitute has been read to demonstrate its lack of germaneness and that the time of the House would be conserved if the point of order could be passed upon at once without waiting for the reading of the entire substitute. If the Chair desires to hear a discussion of the question, the section which has just been read by the clerk provides in effect for the coinage of the money. It establishes a circulating medium. It authorizes the issuance of a scrip which shall be accepted as legal tender. Certainly, that can not be said to be germane to any section of the pending bill, and if any one item in the substitute is not germane, then, of course, the entire substitute is subject to the point of order. I can not conceive of any section in the bill to which this could be properly attached or to which it could be said to be germane. It is therefore clearly out of order.

Mr. RAINEY. Mr. Chairman, the bill we are considering depends entirely for its operation upon the issuing of scrip, and my amendment in its terms has exactly the same object in view as the bill we are considering. The emergency is declared in my amendment in almost the identical language as the emergency is declared in the bill we are considering except that there is not so much of it.

Mr. CANNON. Mr. Chairman. Will the gentleman yield?

Mr. RAINEY. Yes.

Mr. CANNON. It is true that the scrip is provided for in the pending bill, but does the pending bill provide that that scrip shall be made legal tender for any purpose whatever; if so, in what section?

Mr. RAINEY. There is scrip provided for in the pending bill. It is legal tender provided it is not destroyed by the amount of losses the commission sustains at the conclusion of a period, an indefinite period, when certain losses are charged back against this scrip or these "emergency receipts" provided for in this bill; whatever remains of that particular scrip is redeemable and is redeemable in legal tender money of the United States.

Mr. CANNON. But is it anywhere made negotiable?

Mr. RAINEY. No; and this is not made negotiable.

Mr. CANNON. Or is it anywhere provided that it shall be legal tender for any purposes?

Mr. RAINEY. Neither do I make this scrip negotiable. There is not a particle of difference between this bill and the objects it expects to attain, and the methods of attaining them, and the bill I am trying to substitute now.

The CHAIRMAN. The Chair is of the opinion that on the preliminary question enough has been read, but it is a short bill, and the Chair thinks it might as well be read in full.

The Clerk concluded the reading of the amendment.

Mr. PURNELL. Mr. Chairman, if I understand this substitute correctly that is offered by the gentleman from Illinois, it is in the nature of an export bounty to exporters rather than a proposal to aid the farmers, and the bounty comes from the Treasury rather than having it assessed back to the farmers, who, under the McNary-Haugen bill, pay in a very large measure, if not entirely, the cost of operation. This substitute provides also, if I understand it correctly, for buying these commodities and paying these bounties, the basis for payment being cost of production plus 10 per cent, whereas the McNary-Haugen bill, which is under consideration, provides for the establishment of a ratio price brought about by certain mathematical calculations based upon figures of the Department of Labor, putting the producer and his products to-day in the same identical position in which he found himself in the 10-year period 1905 to 1914. In addition to that, Mr. Chairman, this substitute is open to the same criticism that applied to the substitute previously offered and ruled out of order, namely, that to take the McNary-Haugen bill away from this committee and substitute this bill means that its details must be worked out on the floor by the committee rather than in the Agricultural Committee. For those reasons and for others that have already been suggested, I sincerely hope the point of order will be sustained.

Mr. CANNON. In addition to the point of order which I have already presented to the Chair and the point of order already so ably presented by the gentleman from Indiana, it is to be noted that in deciding a question of germaneness it is not the purpose of the bill which governs but the text. There is in this bill, for instance, on page 4, paragraph (f), a provision under which the proposed agency may accept the services of any person without compensation. That identical point of order was presented when the legislation creating the War Finance Corporation was under consideration. In that bill there was a provision authorizing the employment of men with compensation at the rate of $1 a year. An amendment was proposed authorizing the corporation to accept the services of such men without compensation. A point of order was made and sustained that an amendment permitting them to serve gratis was not germane to the proposition that they serve with salary. In the pending bill every officer and every employee for whom provision is made is to serve with salary, and the salary is specifically provided for. Here is a proposition, offered as a

substitute, providing they shall serve without pay. It is, of course, not germane. The substitute as a whole provides for the creation of an agency similar in some respects to that created under the pending bill and, to some extent, with the same purpose in view, but it provides an entirely different method whereby that purpose is to be effectuated.

I trust the Chairman will sustain the point of order and confine the consideration to the bill before the House and germane amendments.

Mr. RAINEY. If these arguments to sustain the point of order are entitled to consideration and are conclusive, then it would be impossible to prepare a germane amendment to the bill unless you drafted it in the exact terms of the original bill. I undertake to say that an amendment which attempts to accomplish the results the bill attempts to accomplish, even in almost the same way, is germane. What are the essential elements of the bill we are considering now? In the first place, it is an attempt to raise the price of certain basic farm commodities to a certain level in order, as the bill announces—not in these words perhaps—to make farming a profitable enterprise, to restore the exchange value of farm products.

The bill or amendment I offer tries to accomplish the same purpose by issuing scrip which I call customs scrip, and also includes a tariff embargo. Those are the essential items in the bill and that is all there is in the bill we are considering, and all there is in this amendment. They both make appropriations from the Treasury.

My proposed amendment and the bill we are considering both authorize an appropriation from the Treasury in order to accomplish the same result. The bill we are considering authorizes an appropriation of $200,000,000 and this amendment of mine authorizes an appropriation of $50,000. There is some difference in the personnel of the commission. The emergency I have provided for in exactly the same language used in declaring the emergency in the bill we are considering. I copied it from the bill. There may be some slight changes in the interest of brevity. This amendment establishes an export deficiency price. My amendment contemplates that the commission shall estimate certain cost elements with reference to the sale of basic commodities. The bill we are considering does the same thing.

The CHAIRMAN. Does the gentleman say that the present bill authorizes a consideration of the cost of production?

Mr. RAINEY. Yes; under this bill you must consider the foreign selling price and foreign production in order to determine the amount you are going to charge back against certain emergency certificates. It is the same proposition I provide for in my scrip issue—you can call it receipt, but it is the same proposition embraced in this bill. I provide for a commission which shall be an emergency commission. The bill we are considering provides for an emergency commission, and in the bill under consideration it is an export commission.

The commission provided for in my amendment is an export commission to be comprised of certain Cabinet members and others. It fixes the salaries just as the bill under consideration fixes salaries. It provides for employees, as does the bill under consideration. It gives the commission the powers that are provided for in this bill under consideration—not so many powers, but the powers in my commission are germane to the powers conferred by the bill under consideration. The bill we are considering provides for a tariff embargo on basic articles considered in the bill. My amendment provides for the same thing, in the practical operation of the bill, in almost the identical language. The bill under consideration provides all sorts of penalties. It bristles with penalties, but the only penalty in my bill is for counterfeiting, a fine of $10,000 and imprisonment for five years. My bill provides for the cooperation of executive departments. My amendment provides that the President can direct the governmental departments to cooperate in the same manner as does the bill under consideration. It authorizes the cooperation of States and Territories, as does the bill we are considering. The reservation clause is copied from the bill under consideration.

Now, there is no difference; it is germane to the bill; it seeks to accomplish the same purpose by the same kind of machinery.

Mr. PURNELL. Will the gentleman yield?

Mr. RAINEY. Yes.

Mr. PURNELL. Who pays the bills under the gentleman's substitute?

Mr. RAINEY. It provides an appropriation from the Treasury of the United States of $50,000.

Mr. PURNELL. All the people pay for it.

Mr. RAINEY. Yes; and you provide for an appropriation of $200,000,000, and all the people pay it. The difference between the appropriations authorized in this bill and the bill under consideration is the difference between $50,000 and $200,000,000.

Mr. PURNELL. Is it not true that the producers share a large part of the expense in the McNary-Haugen bill? I do not mean indirectly but I mean directly.

Mr. RAINEY. I am talking about the appropriations from the Treasury.

Mr. PURNELL. And I am talking about who pays the bills in the gentleman's substitute?

Mr. RAINEY. The expenses of his commission come out of the Federal Treasury in the gentleman's bill, and they come out of the Federal Treasury under my bill.

Mr. PURNELL. Does the gentleman's authorize an appropriation of $50,000?

Mr. RAINEY. Yes; and the McNary-Haugen bill authorizes an appropriation of $200,000,000.

Mr. PURNELL. Will the gentleman kindly tell me what can be accomplished with $50,000 toward marketing the surplus?

Mr. RAINEY. I would be very glad to discuss that, but that has nothing to do with the point of order.

The CHAIRMAN. The Chair is ready to rule. The amendment offered by the gentleman from Illinois [Mr. RAINEY] as a substitute for the entire bill is more nearly germane than the former amendment, but the Chair is of opinion that it does not come within the rule of germaneness. The object sought, of course, is farm relief, but that does not necessarily make the bill germane. The method is so entirely different in the bill offered by the gentleman from Illinois from the method of the bill under consideration that it seems to the Chair that it is not germane. Both bills recognize that the question of price is determined somewhat upon the exportable surplus, but the bill which the Chair has rather hastily read, offered by the gentleman from Illinois by way of substitute, proposes to deal with this question of exportable surplus by giving a bounty to the exporter, evidently with the view that if the export brings a fair price, a fair price would result in the domestic market; but that is such a departure from the plan of the bill which creates a Government corporation, giving it power and authority to export, that it would not come within the rules of the House to hold it germane. The Chair therefore sustains the point of order.

Mr. RAINEY. Mr. Chairman, I move to strike out the last two words. The bill I have offered as an amendment is the only solution there is of this question. It is the only proposition submitted to this House or to the Committee on Agriculture which accomplishes just what the farmers want to accomplish without resorting to the cumbersome machinery and the expense involved in the bill we are now considering. It contemplates no appropriation of $200,000,000 from the Treasury of the United States. It contemplates no bond issue of a million dollars nor of any amount. It appoints a commission, but it gives that commission no authority to enter into any kind of competitive business or any kind of business whatever. It does not overnight increase the holdings of the grain dealers who have now 200,000,000 bushels of grain in storage, or of the packers who have enormous amounts of meat packed in their cold-storage warehouses. It will not increase their holding $500,000,000, or perhaps more than that, in a single night if it goes into operation. It does not have a single objection that I have urged to the McNary-Haugen bill, nor that anyone else has ever urged to it. It contemplates an appropriation of $50,000 to pay the expense of the commission, and that is all. The way in which it operates is simplicity itself. If the bill we are now considering is defeated or if it fails to work—and it will not work if it ever becomes a law—I am going to propose and press before the committee for its consideration this bill which I have now offered as a substitute. The committee has given most careful consideration to the complicated provisions of the McNary-Haugen bill. The committee has conducted investigations most carefully. The hearings furnish an encyclopedia upon the subject of the farmer's difficulties. The reports prepared by the minority and the majority are veritable encyclopedias upon the subject. The committee need not have another five minutes of hearings in order to determine whether it, after the disposal of this bill, desire to consider or report out the bill that I am offering.

All of the members of the committee are experts on this particular subject, or ought to be by this time. They have been considering these matters for days and weeks and months, and I am willing to submit my bill to that committee, if this bills fails, and abide by their decision. My bill is the only bill that will produce the desired results. It applies only to wheat and flour and to the products of swine. It does not apply to corn, because the price of corn goes up as the price of hogs go up on the American farm. It does not ap-

ply to wool, because wool is already selling at an ample price, and we do not export wool.

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. RAINEY. I do not want to yield to anybody just at present. I will later, if I get time, and then I shall be very glad to yield to the gentleman from Kansas, who is a member of the committee, and I shall be very glad to answer his question.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. RAINEY. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RAINEY. My bill does not suspend any economic law. It recognizes simply this fundamental fact: That we are exporters of swine products and of wheat and flour, and the farmer being a large exporter of these basic products that his price at the farm depends upon what he gets for them abroad. Does any member of the committee deny that fundamental economic proposition?

Mr. TINCHER. Will the gentleman yield?

Mr. RAINEY. In just a moment. Now, my proposition provides for customs scrip to be printed by the Bureau of Engraving and Printing, just about as the printing of these receipts is provided for in the McNary-Haugen bill. An emergency under my bill can not last over a year. The object of that is to prevent overproduction. If you provide for an emergency to last five years you are going to have the farmers who think they are going to get higher prices overproduce, and the more overproduction the more loss, and therefore the more difficulty there is in operating the bill—the more impossible it is. If at the end of the year the emergency is not over Congress can take such action as it pleases with reference to extending it. There is no implied promise to the farmers that for five years they can keep on producing and for five years get more money for their products. My bill allows the farmer a profit of 10 per cent over cost of production, and that is not too much, because nobody takes as many chances as a farmer takes in producing a crop. He is a gambler. The farmer takes the chances of rain, wind, hail, drought, insect pests. No business man takes so many and such great chances.

Mr. BURTNESS. Will the gentleman yield?

Mr. RAINEY. In a moment. He takes all sorts of chances. No business is conducted on a smaller margin than I propose in my bill, and a profit to the farmer of 10 per cent is not too much. My bill directs the commission to estimate the average foreign cost price and the average cost on the American farm and add 10 per cent for profits to the average price of production on an American farm. My bill does not mean we are going to dump anything on the foreign markets at all.

It is not open to that objection or to the countervailing duty which other countries can establish against our products, because most of them have a law authorizing the establishment of countervailing duties if we try to sell cheaper there than here. There is nothing of that kind possible under this bill. There is no price fixing in my bill, nothing unconstitutional. There is nothing in my bill that keeps the farmer from selling his basic products at any price he wants to sell. Of course, he will sell at the highest price he can get. He has the right to do that. The bill we are considering authorizes the corporation to fix the price at which the farmer can sell, and if he sells for less he is liable to be imprisoned in the penitentiary for a year and fined $10,000. Tell me that is constitutional, that he can not do as he pleases with his own property. If this bill which you are considering should go into operation the efforts of the corporation to establish a ratio price, which would result in putting men in the penitentiary who charge a less price for their products than the corporation fixes, would result at once in a restraining order. The operation of this commission under the bill you are considering would be restrained in less than 30 days, and that would be the end of all operations under the McNary-Haugen bill.

Mr. RUBEY. Will the gentleman yield?

Mr. RAINEY. I am going to yield to everybody in just a moment if I can get the time. My bill provides for payment in customs scrip when the products we are discussing are exported during the emergency period to the exporter of the export price difference described in my bill. That is all there is to it. You can not use the emergency scrip for any other purpose except to pay import duties at our ports. What would the loss be? The loss at our ports in customs duties, according to my computation, would be less than $60,000,000 a year.

If there is no recouping or set-offs against the losses. There are opportunities for set-offs. If my emergency bill is put in operation, it gives to the farmers of this country every year five or six hundred million dollars more for their basic products. It restores their buying power and restores it completely. If you restore their buying power, they can buy more things, and therefore increase the customs receipts. In addition to restoring the farmer's buying power, my bill also puts him back in the income-tax-paying class. So, taking all of these elements into consideration, the loss will not be $60,000,000. The loss will be absolutely negligible. What if the loss is $60,000,000? That is only one-fifth of the amount you are this year giving back as a bonus to the very rich of the country in their tax rebates.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAINEY. May I ask for five minutes more?

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for five minutes. Is there objection?

Mr. RUBEY. Reserving the right to object, I am not going to spend all the afternoon waiting to hear the gentleman talk unless I have the opportunity to ask him a question.

Mr. RAINEY. I have asked for the time for the purpose of answering questions.

Mr. RUBEY. Will the gentleman yield to me?

Mr. RAINEY. Yes, sir.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. RUBEY. I want to call the attention of the gentleman to this fact. First, in this article I have from a Chicago paper, dated May 15, it says we have arrived at a new process, of a new substitute for the McNary-Haugen bill, and it says, "Negotiable Federal certificates of a specific value would be issued for every bushel of American wheat," and so forth.

Mr. RAINEY. I have read that.

Mr. RUBEY. I want to ask the gentleman where this money is going to come from? Does it not come out of the receipts of the customhouse? Do you not by that amount keep that same amount of money out of the Treasury of the United States?

Mr. RAINEY. I tried to explain that in my remarks.

Mr. RUBEY. The gentleman says it is a matter of bookkeeping.

Mr. RAINEY. I will state it again.

The object is to keep up the domestic price of these articles. My bill recognizes the fundamental economic law that the domestic price of these surplus products of the American farmers depends upon what they get abroad. The gentleman from Missouri recognizes that and the committee recognizes that in the studies it has made. My bill gives to exporters customhouse scrip when they export, enough scrip to equal the difference in the export price which enters into that particular shipment, which is the difference between the cost of production abroad and the cost of production here plus 10 per cent. Now, as I said——

Mr. RUBEY. Does the gentleman mean to say that no money will be kept out of the Treasury. Answer that question yes or no.

Mr. RAINEY. I will explain it to the gentleman.

Mr. RUBEY. You can not explain it except by answering yes or no.

Mr. RAINEY. I will not answer by yes or no. I do not have to answer by yes or no. I am not on the witness stand But I will answer the gentleman. I have already explained it to the House, but I will explain it again to the gentleman from Missouri.

Mr. RUBEY. The gentleman need not do that. I know how it is going to operate, but I want that question to come before this House.

Mr. RAINEY. I will be glad to answer the gentleman and bring it before the House. As I say, I have already explained it to the House, but I will now explain it to the gentleman from Missouri so that even he can understand it. We exported last year $116,000,000 worth of wheat, and we are exporting an average of $200,000,000 worth of pork products. We are not going to export as much this year, because there is a falling off, as the gentleman knows, in the breeding stock of hogs to the extent of 12 per cent.

Mr. RUBEY. I do not care about that. I want to ask the gentleman another question.

Mr. RAINEY. The gentleman wants an answer to his question, I take it?

Mr. RUBEY. Will the gentleman answer one more question?

Mr. RAINEY. I will answer this, and then I will answer any other question. I take it the gentleman is asking his questions in as good faith as I am attempting to discuss them, and I am sure he is.

Mr. RUBEY. I will agree with the gentleman on that absolutely.

Mr. RAINEY. And the gentleman will accord me the same consideration. So I want to answer the gentleman fully, and I know he wants me to do that. There will not be as much wheat produced this year, because in my country—and I live in a wheat-growing district—they have already plowed up half of the winter wheat, and the lack of production as to swine and wheat will be reflected in the exports. It will not affect the amount we consume here at home, and so taking those things into consideration——

Mr. RUBEY. Just one more question for information.

Mr. RAINEY. Wait until I get through with this. If the gentleman does not want his questions answered I will be glad to stop my attempts to answer. Now, taking those things into consideration, the amount of this scrip tendered at customhouses, will be between $50,000,000 and $60,000,000 a year. I said that before. Now, when this scrip is tendered it does not represent a loss, because there are offsets against it. If the gentleman from Missouri will give me his attention while I explain this I think he will recognize this, because he is, or ought to be by this time, an expert on this subject, and the committee of which he is a member has given close attention to this subject. Now, when you restore the buying power of the farmers—and you are going to do it under my proposition—you are going to give the farmers $500,000,000 or $600,000,000 more for their crops this year and he will then again be in the income-tax paying class, and this amount of income taxes he will pay will entirely meet and overcome this apparent loss at the customhouse.

The CHAIRMAN (Mr. MAPES). The time of the gentleman has again expired.

Mr. RAINEY. For the purpose of answering questions, may I have five minutes more?

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for five additional minutes. Is there objection?

Mr. WILLIAMSON. Mr. Chairman, reserving the right to object——

Mr. RAINEY. I will recognize gentlemen in order who ask questions.

Mr. WILLIAMSON. The gentleman has discussed this for nearly half an hour.

Mr. SABATH. But this is an important subject and we should have some information on it. This is a new subject.

Mr. BLACK of New York. Mr. Chairman, I regret that I feel forced to object to further time on this provision. I think we shall come to a time in this bill when we can properly discuss this.

Mr. RAINEY. I can not answer these questions unless I have the time.

Mr. BLACK of New York. Mr. Chairman, I withdraw my objection.

Mr. O'SULLIVAN. I renew it; I object.

Mr. SUMMERS of Washington. Will the gentleman permit a question?

The CHAIRMAN. The gentleman's time has expired.

Mr. FRENCH. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Idaho is recognized.

Mr. BLACK of New York. Mr. Chairman, a motion is pending to strike out the last two words, and I must raise a point of order against the gentleman's motion.

Mr. RAINEY. I withdraw the motion.

Mr. BLACK of New York. Then, Mr. Chairman, I wish to offer an amendment.

The CHAIRMAN. The Chair has already recognized the gentleman from Idaho.

Mr. BLACK of New York. I think I have a preferential amendment which goes to perfecting the preamble of the bill.

The CHAIRMAN. But the Chair has already recognized the gentleman from Idaho.

THE MAN AT THE CROSSROADS

Mr. FRENCH. Mr. Chairman, there came to my desk the other day a letter which referred to the farmer as "the man at the crossroads," and primarily, in considering the McNary-Haugen bill, it is the man at the crossroads whose interests are immediately concerned, though in a large sense nothing either for good or for ill can affect the man at the crossroads that does not affect likewise peoples living in our populous centers, peoples engaged in all lines of activities, business interests, great and small everywhere.

It is not necessary for me to stress the reasons for the consideration of a measure designed primarily for the relief of agriculture.

If the effects of war could end with the signing of an armistice, this world of ours would to-day be a happy place within which to dwell, but the effects of war carry on, and while they will never cease to modify the destinies of humankind, certain it is that for some years after the havoc of war it is not a difficult matter to point the finger to results here and results there which war has caused.

In a normal economic world the price of labor and the price of commodities have a way of adjusting themselves to an approximately equitable basis without the interference of government; but when conditions are not normal, when conditions have been made abnormal, and have been modified violently in some respects by government itself, and have not been modified correspondingly in other respects, then there must be hardship upon those people or those interests that have suffered through modification.

To-day the farmer finds himself buying in world markets where the costs of commodities have increased enormously, and he is required to sell in the same markets where the price of products that he has to sell is but little above the price of the pre-war period.

Some time ago a representative of the Bethlehem Steel Co. was in my office, and he told me that this manufacturing concern is required to pay as much for its raw materials as it sold its finished products for before the war. What is true of the Bethlehem Steel Co. is doubtless true of manufacturing plants that manufacture farm implements, wagons, building material, in large part, and a multitude of commodities that the man at the crossroads must buy.

The wages of men working upon the railroads of the United States are to-day more than 100 per cent higher than they were before the World War. Freight rates that the farmer must pay are between 50 and 60 per cent higher than pre-war freight rates. Metals and metal products that railroads must buy for the maintenance of rolling stock and tracks and equipment have increased 41 per cent. Fuel necessary for the operation of the railroads has increased 67 per cent in the last 10 years.

For the quantity of clothing that the farmer could purchase with 100 bushels of wheat in 1913 he is required now to pay nearly 200 bushels of wheat. If he desires to build a barn or granary or house, he must pay something like 170 bushels of wheat for the material for which he would have paid about 100 bushels 10 years ago. And when his wife goes to the near-by town to do her shopping, she is required to pay nearly three-fourths as much again for household goods that she was asked to pay in 1914.

Measured by conditions as they were before the World War, the condition of the American farmer to-day is most deplorable.

I live in an agricultural section of the country that was built up on the basis of transportation, freight rates, prices of commodities, price of labor as they were prior to 1914, and in that section of country the economic condition to which I have called attention has become desperate. Many banks in my State have failed during the last two or three years. Many business houses on the same capital investment are transacting but 50 per cent of the business that they were transacting in 1920; and I believe that what is true there is true in greater or less degree throughout the agricultural sections of the United States.

The gentleman from Massachusetts [Mr. LUCE] in his able address on the subject said that the depressed conditions in farming sections do not find their limits there, but that his own section of country is experiencing depression as well. He said that the spindles in the mills of cities in his district are running four days instead of six during every week.

This suggestion emphasizes my statement a moment ago that in the well-being of the farmer is wrapped up the well-being of people in other lines of industry, in other walks of life.

During the last year I have attended conference after conference of farmers and have listened and had a part in discussing conditions and ways and means through which relief might be obtained in an earnest endeavor to be helpful in working out a solution. I am compelled to recognize that an emergency exists that must be corrected by team work on the part of all our people in order that further havoc may be spared.

Six months ago there met in Washington representatives of farming organizations from every part of the United States. They came here after many local conferences, much publicity, and advocacy of various relief measures that had been urged, and they were here to compare notes and to see if somehow there could not be worked out a plan by which relief could be attained. These representatives of agricultural communities were the most level-headed, the most far-seeing men

who could be chosen from their respective communities for the consideration of the problem of farmers. They not only represented others but they represented themselves. In many instances the whole work of a lifetime was bound up in the wisdom or unwisdom of the solution of the problem before them. They considered numerous relief proposals, and finally as a result of all their study they came to the conclusion almost unanimously that the principle embodied in what is known as the McNary-Haugen bill is the principle that affords the greatest promise of relief.

The Department of Agriculture has been a sort of clearing house of all proposals that have been made and it has come to this same conclusion. The Committee on Agriculture of the House, after months of hearings and consideration, by an overwhelming vote has reported this bill to the Congress; and in my judgment this is the measure that must be passed by the Congress if any relief is to be extended.

WHAT DOES THE M'NARY-HAUGEN BILL DO

When the various proposals were brought to my attention the first question that I asked was—what do they do? That is the question that I asked touching the McNary-Haugen bill.

And here is what it proposes to do:

First. It creates an agricultural export commission through which there is organized a corporation to engage in buying and exporting certain defined farm commodities.

Second. It is provided that this commission may establish a price ratio to be paid for these commodities based upon the relative price of commodities recognized in the bill to commodities for a period of 10 years before the World War.

Third. It provides for limiting the sale in the home market of the United States of the normal amount of the several commodities produced through the purchase of the surplus product and through the inhibition of imports from foreign countries.

Fourth. It provides for part payment in cash, and to meet the balance for the issuance of what may be called credit—and what was called scrip in the original bill—for the purpose of distributing the profits or losses and expenses of conducting the business of the corporation.

Fifth. It provides that all buyers shall use this scrip or credit receipt, buying it for their own transactions from the export commission, and that the same shall be redeemed at the end of the year in the amount that may be received from the export surplus, less operating expenses.

If I could define the work of the export corporation in brief space, I would say that it is intended to be a sort of board of directors to represent the millions of producers of a given commodity, in handling the products of these millions of producers in disposing of the commodity at home and upon the world market.

IS IT PRACTICABLE?

The second question I asked when the measure was brought to my attention was—is it practicable?

In endeavoring to answer this question, I said: Suppose, as applied to wheat, that 100 men in the United States at the beginning of the wheat harvest of 1923 had owned and controlled the 800,000,000 (plus) bushels of wheat that the United States produced, would these 100 men have sold and be selling their wheat at 90 cents or $1 a bushel when they should be receiving $1.50 a bushel, upon the basis of other commodities and labor prices? I said, no.

Suppose that this group of 100 men consisted of John Pierpont Morgan, Elbert Gary, Cudahy, and Swift, Henry Ford, Julius Barnes, Barney Baruch, and other men accustomed to large enterprises, what would they have done? I will tell you what they would have done. Assuming that a tariff or embargo could prevent foreign importation, they would have withdrawn 200,000,000 bushels of wheat from the home market; they would have let it be definitely known that they did not propose to sell this 200,000,000 bushels in the home market.

They would have said, "You may purchase the balance or any of the balance of the 600,000,000 bushels at $1.50 per bushel," and mills and other consumers of wheat would immediately have been compelled to accede to the proposition and pass on whatever adjustments might need to be made to the consumers of our country. This same group of 100 men would have taken the extra 200,000,000 plus bushels of wheat and they would have sold it on the world markets. They would not have given it away, and they would not have received $1.50 per bushel for it. They would have sold it at the price of wheat in Liverpool, and whatever they received for it they would have regarded as just so much additional profit to be added to the price that they had received for the wheat they had sold at home.

Mr. JACOBSTEIN. Will the gentleman yield for a question there?

Mr. FRENCH. Not right now.

In other words, they would have applied to the handling of the wheat of the United States, if they had owned it, precisely the same principle that for 25 years, we have been told, have been applied by manufacturers in the sale of surplus farm implements, in the sale of meat products, in the sale of manufactured articles of various kinds.

You then ask, if 100 men, owning the wheat, can do this thing, why can not the same thing be done by three or four million farmers who have raised the wheat? My answer is, because there are three or four million instead of 100; because the farmers of one county or State are not doing teamwork with the farmers of the adjacent county or State; in other words, because the farmers are so great in numbers that it is an exceedingly difficult thing for them to function as a limited number of men can function in the meeting and handling of situations such as this.

The McNary-Haugen bill provides a way by which an export corporation created by the measure, functioning under the authority of the Government, can do precisely for the farmers as to a given commodity what the 100 men referred to would do if they had charge of the proposition.

WILL THIS BILL ENCOURAGE OVERPRODUCTION?

The third question that I asked was, Will this bill encourage overproduction?

In answering this question I must rely largely upon the experts of the Department of Agriculture and the experts of different farm organizations who have discussed the situation with me personally and before the Committee on Agriculture.

They tell me that the bill will not encourage overproduction. They tell me—

First. That during the war, referring to wheat, with all the encouragement that could be given, with a basic price of $2.25 a bushel, the maximum yield was approximately 962,000,000 bushels within the United States. They tell me that with the cost of production approximately the same as at that period, it is altogether unreasonable that that figure could ever be attained again.

Second. They tell me that it would not be economical to attempt to raise wheat on lands that are not already used for wheat-growing purposes.

Third. They tell me that the measure contains within itself the cure for any overproduction, and that the cure lies in the fact that the larger the yield the smaller would be the price received for the surplus in foreign countries, and consequently there would be the constant tendency to drive down (1) the quantity of production and (2) the total price received for the commodity; that is, the home price plus the price for the surplus.

IS THERE A PRECEDENT?

Gentlemen, I want to bring to your attention the thought that it is the duty of our country to meet an emergency if a way can be found. I believe that the Members of this House desire to find a way.

Most of the activities that are carried forward under our Government are not activities that are essential to government itself, but are activities that are carried forward for the convenience or for the economic advantage of all of our people or for a considerable number of our people.

More than that, our Government is performing the function of an agency that has its existence for the benefit of all when it meets emergency conditions by emergency measures.

Much has been said of the advantage of the passage of the immigration laws to those engaged in industry, and because the immigration law will limit the labor supply, it is pointed out that thereby it will enable the labor of the United States to command a higher wage. There is merit in that argument.

It is pointed out that the tariff redounds to the benefit of groups in different industries, employers and employed; and there is merit in the argument that if the Government can give benefit through tariff to those who will profit under it, a way should be found to meet the present crisis touching agriculture.

Gentlemen, let me bring home to you instances where the Government has come to the relief of groups of our people that are more striking still and where the action taken is more nearly akin to the action that it is proposed shall be taken by the enactment of the McNary-Haugen bill.

The World War was brought upon civilization in the summer of 1914. The ships engaged in raiding commerce, mines that were laid by one enemy nation or another, constituted such hazards that caused marine insurance companies to limit

the field of their activities and to refuse to assume the risks that in times of peace would be bid for by competing insurance companies. An appeal was made to the Government of the United States, and, in 1914, the war risk insurance act was passed providing that the Federal Government insure vessels and cargoes of the United States engaged in commerce upon the high seas. Our Government, through the agency that was then established, conducted an insurance business until January 4, 1919, or for a period of between four and five years, and during that time wrote insurance premiums on vessels and cargoes that aggregated the enormous total of $2,067,273,293. Not only that, but during that period the Government paid losses that aggregated $29,220,613.42.

The Government set up an establishment to handle this business. It received in premiums more than $46,000,000. I do not know whether the cost of maintaining the war-risk insurance established for marine insurance was wholly compensated by the premiums paid or whether part of the cost was charged to profit and loss of our Government.

I do know that a crisis was reached in 1914. Our country was not at war, but a world war had disturbed economic conditions—the freedom of the seas—to such an extent that the individual insurance companies were no longer willing to assume the hazards of an insurance, upon which depended the owners of shipping and the importers of goods into the United States and the exporters of goods that we were producing in our country—and the result was that the Federal Government measured up to the responsibility and met an emergency that has now passed.

Suppose that in 1910 any Member of this Congress had been told that within five years the Government of the United States would be engaged in marine-insurance business; that within five more years the Government would have assumed risks in excess of two billions of dollars; and he would have said that such a situation was impossible. Yet it was possible, and it is now history.

Draw a parallel with this bill, and what do you find? The risk that was assumed then is the risk that will be assumed here. The premium that was paid then will correspond to what you may call the scrip or the credit that is held back here. Then, when the wheat is sold in the foreign markets, the balance is distributed to the owners of the wheat, just as the premiums for insurance would be returned if they were not used in handling the business.

Or again, who would have said in 1910 that within a period of 10 years the United States Government would have invested a gigantic sum of more than $3,000,000,000 in merchant ships, and would be the proprietor of the greatest marine transportation system that had ever been brought under one organization in the history of the world? There is not a Member in this Chamber who would have believed in 1910 that such a thing was possible; yet it happened. And why did it happen? It happened because a world war disturbed the lanes of the seas that had been opened to the commerce of our country to such an extent that ships were not available to take from our shores the produce that we had to sell to the markets of the world. We were not engaged in war when the United States entered upon this enterprise.

The United States Shipping Board was created by an act of Congress September 7, 1916. Under that act the United States Shipping Board Emergency Fleet Corporation was organized on April 16, 1917, given a capital of $50,000,000, raised through the sale of Panama Canal bonds, and invited to buy ships, to build ships, to engage in the navigation of ships, and to carry on this enormous marine establishment of gigantic magnitude. This was done to meet a crisis. The people of our country did not desire this program. Yet the program was carried forward with the heartiest approval of our people. It was new; it was novel; it was untried by our country; but it was believed to be an essential program for the protection not only of our Nation but of industries, that business might not be disturbed, that markets might be available for the products of our factory and mine and farm.

But that is not all we did. We provided in the shipping act, as it was modified in 1920, for the loan of funds not to exceed $25,000,000 to private concerns to aid in the construction of vessels for steamship lines deemed necessary and desirable.

Here was the Government not only engaging itself in an unusual enterprise, the merchant-marine business, but it was engaging in the enterprise of loaning money out of the Treasury of the United States to private citizens who were willing to engage in maritime commerce.

Let me make another illustration: The War Finance Corporation came into being as a result of the act of Congress of April 5, 1918. The war was then on and the United States had become involved. The purpose of the creation of the War Finance Corporation was to extend aid to banking institutions in financing such industries as were necessary or contributory to the prosecution of the war. Loans were authorized to be made to savings banks and building loan associations. The War Finance Corporation was authorized to buy and to sell obligations of the United States and to issue bonds.

In 1919 the war had come to an end but the powers of the War Finance Corporation were extended and not withdrawn. It was called upon to undertake the burden of financing the railroads then under Federal control; but that was not all.

By the act of March 3, 1919, the powers of the corporation were still further extended. The war was over but the effects of the war were not over. Upon the theory that the Federal Government ought to assist in the transition from conditions of war to conditions of peace, the War Finance Corporation was given authority to make advances to the extent of $1,000,000,000 to American exporters and American banking institutions for the purpose of extending credit to foreign buyers. Millions of dollars were advanced through this corporation for the purpose to which I have referred. Then it was thought that there was no longer need for this institution and an effort was made to abandon the activity. But conditions that followed the World War continued to press heavily upon our country and the act of August 24, 1921, known as the agricultural credits act, extended still further the corporation's power and the organization was authorized to make loans for agricultural purposes to banks and financial institutions, including livestock loan companies and to cooperative marketing associations.

Here was an organization that in 1918 was given a capital stock of $500,000,000, and on November 30, 1919, the entire authorized capital stock had been subscribed. Here was an organization that was authorized to issue bonds to provide still further means for carrying on the purposes for which it was established.

Is there an analogy between the projects to which I have referred that have been undertaken by the Federal Government and the project that we are urging in the McNary-Haugen bill?

What was the attitude of business organizations throughout the United States on the question, in 1914, of the Federal Government engaging in a marine-insurance business that meant the writing of more than $2,000,000,000 of liabilities against the Government to protect ships and shipping upon the seas? Business organizations generally supported the administration in this emergency. The Government was doing that which was quite similar to that which we are asking in the pending bill.

What was the attitude of the banks, chambers of commerce, and business establishments generally throughout the United States when it was proposed that the United States consider engaging in the shipping business? We were not at war but we were facing World War conditions. We were facing a crisis just as we are to-day. Let me say the administration had the support of the great financial institutions and organizations through our country. Here was a project that is stupendous in comparison with what we are asking the Government to undertake in the pending measure.

What was the attitude of the business centers of our country when the administration proposed that the War Finance Corporation be established, to extend credit to shippers, and to banking institutions engaged in furnishing credit to houses that were in the export market business of our country during the war and after the war?

Gentlemen, again, let me say the most responsible business men of the United States recognized it as a solemn duty of the country to come to the relief of situations that it was felt were beyond the power of the banking institutions if left to their own means of financing to sustain.

I could go much further than I have gone in drawing the parallel of what the Government has done and what we are asking that the Government do here.

When the railroads were turned back to private management the Government had not only through the War Finance Corporation extended millions upon millions of dollars in credit, but the Congress itself wrote into the law a guaranty of 6 per cent profit to the railroads for a period of six months after private control would be resumed. The soundest business men of the United States urged upon Congress that this action be taken. The most responsible chambers of commerce and business organizations urged that it was the duty of Congress to guarantee the railroads against loss, and, in fact, to insure them profit for at least six months after private management had taken charge.

More than that, when the Government in the railroad administration act assumes to control the general policy of the

interstate commerce this very undertaking presupposes that the railroads shall return reasonable profits upon the capital invested to the owners of the stock. This presupposes that the Government through the agency established, the Interstate Commerce Commission, shall work out rates for freight and passenger and other service that are charged up against the public that will compensate the railroads in their business.

I am bringing these things to the attention of the Members of this House for the purpose of challenging your good judgment in the face of the present crisis that confronts the agricultural interests of our Nation.

The farmers of our country are no more anxious than are bankers and other business men for the Government to engage in business or lend the strength of its approval to business enterprises that are normally carried on by private citizens, but the World War brought crises from which, try as we may, we can not immediately escape.

The one large group of our people that to-day is suffering more than any other group is that group that is engaged in agriculture.

Do you not see in the activities to which the Government has addressed itself for the relief of our country and institutions under our country during the last 10 years not only precedents to follow but precedents of such nature as to impel you to act with the same thought, the same regard for our common interest in extending, for the time being, the relief that is proposed in the pending bill?

WILL THE BILL HURT COOPERATION AMONG THE FARMERS?

In my judgment cooperation will not be injured by the McNary-Haugen bill. On the other hand, I believe the measure will help cooperation.

This measure, more than any measure that has been before the Congress, will show to the farmers of the country the advantage of team work, the advantage of cooperation.

Already in agricultural lines where the producers are numerically small cooperation has demonstrated and is demonstrating its value for the farmers, as manufacturers years ago learned it was of value to them. More than that, the burden of the testimony of those who are representatives of the cooperative organizations throughout the United States sustains this same conclusion.

Let me at this point refer briefly to an illustration touching team work. Do you remember that after the World War broke out in Europe purchasers for the different nations were combing the United States for commodities? Not only was Germany bidding against Great Britain and France, but Great Britain and France, fighting in a common cause, were bidding against each other. After awhile, through the sweeping from the seas of the German ships, Germany ceased to be a competing factor. But France and Great Britain and Italy were in the market; and they, fighting a common battle in Europe, were engaged in a commerce war among themselves as they competed for the products that America had to sell. Then what happened? These nations recognized the folly of such procedure and they worked out a sort of purchasing arrangement by which commodities that we had to sell and that peoples of other nations had to sell were purchased at a flat price, regardless of whether they were to be used in Great Britain or in France or in Italy or in Belgium. They set up a common purchasing agency.

The converse of this is precisely what cooperation will do for the American farmer.

WHAT DID WE DO FOLLOWING THE CIVIL WAR?

A few moments ago I referred to outstanding performances of the Federal Government to ward off disasters of the World War even before the United States was involved as a combatant. Now, let me refer briefly to some of the things that we did following the great War between the States.

A moment's reflection is sufficient to recall the history of that period, the dreadful economic conditions that existed in the North and South alike, and the fact that it took some years to accomplish readjustment.

First of all, from the Mississippi Valley on to the Pacific Ocean there was a vast expanse of land, including millions upon millions of acres that was made available for the establishment of homes with the minimum cost to the settler. Undoubtedly, in my judgment, the opportunity that the United States then had of furnishing homes to our people served as a factor of tremendous import in helping to relieve the people of all parts of our country from the burden of a terrific war.

Second, the Government extended aid to railroads some years later that the settlements of the West could be brought into touch with the markets of the East and the world.

Third, while the United States had been involved in war the great nations of the world beyond our shores had for the most part enjoyed peace; their peoples were prosperous; they furnished the buyers in a world market for that which we had to produce.

Fourth, taking advantage of that situation, it became the policy of our Government, through a protective tariff, to build up home industries, thereby to furnish markets at home and to produce commodities at fair wages to be sold both at home and in foreign lands.

TWO COURSES OPEN

To-day it has been said our Government has the opportunity of lifting the farmers up to the level of the standard of prices that obtain in other things or the opportunity of pulling down the standards that the war has fixed for labor, for fuel, for commodities of all kinds that the farmer must buy.

We can open the floodgates to the immigration of the world and by that act 3,000,000 or maybe 5,000,000 people can be brought to the United States within the coming 12 months to smash down the wages of those in our country who toil in the mills in Massachusetts, in the mines of Pennsylvania, and in industry everywhere. More skilled employees who are now here would take the places of many who are now employed upon the railroads of the United States, and the wages of railroad workmen would swing back to the wage before the World War.

This is not all we could do. We could repeal our tariff laws, and by so doing paralyze our industries, close up our factories, mills, and mines, throw millions of people out of employment, but at the same time smash the prices of commodities that our people must have in order that they may live.

But, gentlemen, either course that I have suggested is unthinkable. A man with the brute strength of Samson can pull down the pillars of the temple whose construction was attained only through profound wisdom. We do not stand for destruction; rather, we stand for a policy that will lift to the level of the average conditions throughout our country the condition of those engaged in agriculture.

Mr. BLACK of New York. Mr. Chairman, I offer the amendment which I send to the desk.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will read.

The Clerk read as follows:

Amendment by Mr. BLACK of New York: Page 2, line 9, strike out the period after the word "surpluses" and insert: "and the lack of a domestic demand for quantities of certain agricultural commodities."

Mr. BLACK of New York. Mr. Chairman and gentlemen of the committee, I have sat through the large part of this debate, and it seems to me there is such a serious division of thought between the men from the agricultural districts that it behooves the men from the consuming districts to step in now and have something to say about this situation.

I confess I am always very jealous of the standing and integrity of legislative bodies, and I want to see this bill, if we enact a bill, in such form that the courts will have to stand by it. I do not want the courts to have any excuse to turn down this bill if we finally pass it, and I must confess to the gentlemen on this side of the Chamber, who seem to oppose this bill, that they are divided into two camps. There seems to be a camp over here that tries to tell us that this is a bolshevistic bill and there is a camp over here that tries to tell us that the packers want this bill. Now, when those two camps can go into conference and come out and convince me that the packers are bolshevistic, I may be more sympathetic to that view; but at the present time I think this is an excellent piece of legislative draftsmanship. I think you have a fine skeleton of a structure here, but I think you need a few things to fill in and make it a real workable bill.

This is an emergency bill. An emergency bill depends on its standing in court for the existence of the emergency properly stated that the bill is designed to meet. You have stated the emergency here, and you have advanced a preamble, and what is your preamble? Your preamble, friends, is nothing but a paraphrase of the words "agricultural emergency." There is not a real reason in your preamble for the agricultural emergency. There has got to be some casual connection between your preamble and your statement of the emergency to satisfy the courts.

Now, the courts are not going to be satisfied with the mere statement; you have got to prove it to the court. I want this bill strengthened. My amendment is for this purpose—I am trying to indicate to the court under the present conditions that there is not a sufficient domestic market for the products of agricultural fields. True, the courts may say that you did not have to go to the extent of passing emergency legislation. The courts may look into the thing and make further investigation

to find out if there is an agricultural emergency and if we farmers could not cure it in any other way than by emergency legislation. My thought is this, that this agricultural emergency grew out of the war. Everybody concedes that. There is no doubt about it; it came from abnormal conditions. But there was something else that grew out of the war, and that was prohibition. Prohibition came into the country by the way of an agricultural bill.

The United States Department of Agriculture issued a circular bearing upon this, and they say—

The United States is exporting about 20,000,000 bushels of barley each year, and the price of barley is therefore affected by the world price.

Notwithstanding that production has been maintained, market receipts during the past five years have been less than one-half as large as formerly.

Notwithstanding the production has been kept up the market receipts have gone down. Barley was used in large quantities in preprohibition days. Now see what the Yearbook of the Department of Agriculture says. It devotes a paragraph to the subject of prohibition. You will find it in the Yearbook, Department of Agriculture, for 1922.

It says:

The most recent factor affecting the production of barley has been the prohibition of brewing. The brewers of the United States were using slightly more than 50,000,000 bushels of barley each year at the time when brewing was prohibited. This 50,000,000 bushels, while constituting only about 30 per cent or less of the crop, did cause a premium to be paid for the highest grade of barley.

I have here statistics compiled by witnesses before the Judiciary Committee.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BLACK of New York. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN (Mr. MAPES). The gentleman from New York asks unanimous consent to continue for five minutes. Is there objection?

Mr. BLANTON. Reserving the right to object, and I shall not object, will the gentleman tell us where he got his figures?

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLACK of New York. These are figures not from an official source. The gentleman from Texas offered an amendment providing that the President of the United States might terminate the emergency by official proclamation. I think there the gentleman from Texas made a serious mistake, because the gentleman knows that the President might issue a proclamation terminating it the day after election. I heard the President speak over the radio Lincoln's Birthday on the farmers, and the tears that he shed were crocodile tears that fell on the heads of the interests before him.

I heard him cry over the farmer in a metallic way. The President can cry in a metallic way. This is a concession to the gentlemen of the majority. I have not heard a word from the President until the gentleman put him in here in his amendment.

As I said, these witnesses were before the Judiciary Committee. They state prohibition destroyed the market for three and a half billion pounds of farm products.

Mr. FOSTER. Will the gentleman yield?

Mr. BLACK of New York. Yes.

Mr. FOSTER. Will the gentleman give the name of any witness before the Judiciary Committee who testified to that?

Mr. BLACK of New York. I am giving the gentleman the figures. Does the gentleman doubt that the farmers who grow barley have been deprived of a market?

Mr. FOSTER. I asked the gentleman to name one of the witnesses.

Mr. BLACK of New York. I am telling you that the witnesses who testified to this before the Judiciary Committee were produced by the Association Against the Prohibition Amendment. I do not want to conceal that, and I have not the names here.

Mr. FOSTER. But the gentleman can not give the name now.

Mr. BLACK of New York. No; but what I am saying is that the farmer lost his market for barley due to prohibition, and barley farmers have lost about $1,000,000,000. Corn used in moonshine sold higher than wheat last year on the Chicago Board of Trade for the first time in history. When the brewers were using barley in 1916 and 1917 there were 67,981,577 bushels of barley used in beer. These figures were available because the Internal Revenue Department collected a tax on beer.

Moreover, they state that there were 125,000,000 pounds of rice used in beer during the years 1915, 1916, and 1917, and in the very next section of this bill you gentlemen have incorporated a provision taking care of the rice situation. I say this as a lawyer, regardless of the prohibition situation. Unless you accept this amendment that I have offered in this preamble, this bill will never stand the test of the courts on the emergency question. You have to do more for the courts than simply to say that there is an emergency and then describe the emergency. You have to show the effect following the cause, and the courts are doing their best these days to put down the power of the legislature to abridge the Constitution and meet emergencies. I submit this amendment in good faith. I do not take the position that the gentleman from Massachusetts [Mr. LUCE] takes toward the farmers. I believe we ought to reduce that spread between the farmer and the city man. We can reduce that by a mutual understanding. The farmer thinks that the city man is some kind of a burglar who is stealing what he has, and the city man thinks the farmer is some kind of a tyrant who is trying to force laws down his throat that he does not want. The city man is a poor man, just as poor as the farmer. I have many poor people in my district, much poorer than the farmer. These people seldom get the benefits of God's sunshine. The city man leaves his home to-day in the congested streets of the city and he does not know when he gets back at night whether or not his children will all be there with all of the automobiles running up and down the streets. You gentlemen on the farms have an ideal life—you love it—and I beg of you to so amend this bill that we city men can be with you men who are on the farm; and that can be done only if we can go back to the city people and say that we have done something for them, that we have incorporated some revenue in the bill to avoid the high prices. I want to say to you that no court has ever held that a legislature can fix prices so that they can be higher than they ought to be.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended for two minutes.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that the gentleman from New York be permitted to proceed for two additional minutes.

Mr. UPSHAW. I ask that it be made five minutes.

The CHAIRMAN. What is the desire of the gentleman from New York?

Mr. BLACK of New York. I will take four minutes. I do not want to be with either of the gentlemen.

The CHAIRMAN. The gentleman from New York asks unanimous consent to proceed for four minutes. Is there objection?

Mr. SHALLENBERGER. I reserve the right to object.

Mr. BLANTON. Mr. Chairman, will the gentleman from New York yield?

Mr. BLACK of New York. Oh, just a moment. I do not want to deal with any of you gentlemen just now. I will yield to the gentleman from Texas in about two minutes.

Mr. GALLIVAN. By all means yield to the gentleman from Texas. You can answer him.

Mr. SHALLENBERGER. But I reserve the right to object. Does the gentleman intend to confine his remarks to the bill and to his amendment?

The CHAIRMAN. Is there objection to the gentleman proceeding for four additional minutes?

Mr. BLANTON. I object.

Mr. BLACK of New York. Then I ask unanimous consent that I be allowed to proceed for two additional minutes.

The CHAIRMAN. The gentleman from New York asks unanimous consent to proceed for two additional minutes. Is there objection?

Mr. BLANTON. I object.

MESSAGE FROM THE SENATE

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

M'NARY-HAUGEN BILL

The committee resumed its session.

Mr. TINCHER rose.

The CHAIRMAN. The gentleman from Kansas is recognized.

Mr. RAKER. Is it possible that no man in this House outside of a member of the committee is entitled to be heard at all?

The CHAIRMAN. The gentleman from California will be in order. The gentleman from Kansas [Mr. TINCHER] is recognized.

Mr. TINCHER. Mr. Chairman, I simply rise in opposition to the amendment, and I am sure that I do not want to take time that other gentlemen may want. I think this section is quite clear as it is:

The necessity in part for the existence of such surpluses in order to safeguard the domestic market against uncertainities of yield, and the economic impracticability of immediately preventing the continued production of such surpluses.

I said the other day on the floor that I did not think any greater calamity could come to the people of this country than to be forced to produce a shortage and to starve so many people in order to get a big price for what we produce.

It is absolutely impossible to tell exactly how many bushels of wheat will be consumed in America or to tell how many bushels of wheat you can produce in a given acreage in America, and for the happiness of the people of the country there must be a surplus of wheat and a surplus of meat produced in America every year. We can not produce very much more than was produced under war conditions, because then we used up all of the wheat land and a lot that was not wheat land in the production of wheat. I hope this amendment will not be adopted. I do not think that it adds anything to the bill. The section is clear as it is, and I do not want the American farmer at any place in this bill put in the attitude of being willing to go back into the liquor business for any relief. He deserves relief without any such exigency as that, and I hope every Member here will vote against the amendment. [Applause.]

Mr. RAKER. Mr. Chairman and gentlemen of the committee, I have inquired at least five or six times from members of the committee in regard to how this bill would affect livestock and the products of livestock. There has not been a single member of the committee, for some reason better known to himself than to anyone else, who has given any answer to that question.

Mr. VOIGT. Mr. Chairman, will the gentleman yield?

Mr. RAKER. In a moment. The cattle business is a part of agriculture, and we ought to know how this bill will affect the cattle business. It is just as much a part of agriculture as wheat.

Mr. SHALLENBERGER. Mr. Chairman, will the gentleman yield?

Mr. RAKER. In a moment. The cattleman is just as much interested as the man who raises hogs and hogs alone. So far there have been only two items discussed, wheat and hogs. We have consumed 15 hours of debate and used up this afternoon on the first section of the bill, and no one has had an opportunity to receive information upon that question.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. RAKER. Yes.

Mr. SHALLENBERGER. Under the operation of this bill the corporation having determined a fair ratio price for cattle, which is higher than the price now, the corporation stands ready to maintain that price to the cattle growers of America, and the President is empowered to raise if necessary the tariff high enough to protect the cattlemen of America so that the cattlemen will receive the benefit of the bill as well as the wheat man and the hog man and everyone else.

Mr. RAKER. Well, Governor, I want to tell you you are the first man whom I have asked who has attempted to answer, and these thousands of people scattered over the United States are much interested in the raising of livestock—cattle—and in the raising of hogs and——

Mr. SHALLENBERGER. I have all my money invested in cattle.

Mr. RUBEY. Will the gentleman yield?

Mr. RAKER. I want to read—I will yield.

Mr. RUBEY. Is it not a fact that I took the gentleman out in the lobby yesterday afternoon and gave him the same explanation? [Laughter and applause.]

Mr. RAKER. All right. The gentleman read me some figures, and when he got through making his explanation I understood just about as much as I did when he started. [Laughter.]

Mr. RUBEY. I will read those figures right now.

Mr. RAKER. I yield to the gentleman from Kansas.

Mr. TINCHER. On page 9204 of the RECORD I tried to say the same thing that the gentleman from Nebraska just said, perhaps not quite as clearly and——

Mr. RAKER. I yield to the gentleman from Illinois.

Mr. MADDEN. I just wanted to ask, What is it the gentleman wanted to know?

Mr. RAKER. Now we are going to get light from the leader of the Committee on Appropriations. I greatly appreciate this, as he well knows. I enjoy his explanations.

Mr. MADDEN. I desire to know what the gentleman wants to know.

Mr. RAKER. What would be the ratio price upon cattle this last year under the proposal in this bill?

Mr. WHITE of Kansas. Will the gentleman yield?

Mr. TINCHER. Will the gentleman yield?

Mr. RAKER. One at a time.

Mr. TINCHER. With beef cattle all the way from $2.50, according to weight, to $3 more than they are selling them on the market.

Mr. RAKER. Now, I am going to read something. A gentleman left in my office this morning this paper, and he said he knew more about it than anybody, and I want to read it for what it is worth:

Total beef and veal produced in the United States for 1923, in pounds, 7,787,000,000.

Total beef and veal produce exported in 1923, in pounds, 18,335,289.

Total beef and veal produce imported in 1923, in pounds, 7,402,941.

Exports over imports in 1923, in pounds, 10,932,340.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAKER. May I have five minutes more?

The CHAIRMAN. The gentleman from California asks to proceed for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. RAKER. I want to ask my distinguished friend from Kansas, if that statement is correct, is it sufficient for the President to declare an emergency?

Mr. TINCHER. Oh, yes; because we always have an exportable surplus on both hogs and cattle in the United States.

Mr. RAKER. This statement goes on——

Mr. VOIGT. Will the gentleman yield?

Mr. RAKER. I will.

Mr. VOIGT. I want to say in that connection that the United States Tariff Commission in its report on this bill says that in the last year we imported more beef than we exported, and consequently the President could not put an emergency into effect on beef.

Mr. RAKER. Now, gentlemen, we have two distinguished members of the Committee on Agriculture presenting the bill, and one says there is an excess of exports over imports and the other says there is an excess of imports over exports. It leaves us in a very unsatisfactory position. I am going to read the statement of my friend:

Thus you will observe that the world price for the 10,932,340 net pounds exported fixed the domestic price on the entire 7,787,000,000 pounds of beef and veal produced in 1923.

You will observe that only about 1 per cent of our entire beef and veal produce is exported, and this 1 per cent fixes the price on the entire American produce.

You inquired several times during the debate on the McNary-Haugen bill how this bill would benefit cattle raisers.

The bill is more workable in respect to cattle than any other produce and would do more good to the cattle raisers than any other branch of the farming industry for the amount of money necessarily employed in the handling of the commodity.

Now, that statement I am taking to be true, and the committee, after all this time and after investigation and after inquiry for four days, have been unable even up to this time to give the ratio price that would be declared.

In view of the limited export of beef and veal, substantially all that would have to be done in order to make the bill applicable to cattle would be to declare the emergency, fix the ratio price, and raise the tariff as provided in the bill.

If we figure the entire net exportable surplus at 7 cents per pound, you will observe that less than $1,000,000 would be necessary to buy this entire exportable surplus.

Practically no machinery would be necessary in order to handle this commodity, and but little money employed. The purchase of the ordinary exportable surplus in process meats could be done as the occasion required at any time throughout the year and the market thereby supported.

It is amazing the amount of misinformation in respect to this branch of the bill. It is as simple as two and two are four. I felt as though your questions were repeatedly asked during the debate and were not answered to your satisfaction, and I hope that this will be a complete explanation of the subject. It will not be necessary for the governmental agency to go into the market. The establishment of the ratio price and readiness of the agency to buy this small exportable surplus at any time to stabilize the market is all that is necessary; and, of course, if you were a member of the board to administer this law you

would immediately come to this conclusion, namely: All that it would be necessary to do would be to process meats as the amount of surplus was arrived at throughout the year.

The expert clerk has given this information, that if the ratio price is about 1 cent, therefore on a beef steer weighing a thousand pounds there would be an increase in value of $10; if 1.2 cents, it would be $12. On a 1,500-pound steer on foot at 1 cent it would increase $15, and another 1,500-pound steer at 1.2 cents would increase $18. I want to submit if the committee are able to say if that is true. If that is the condition of this bill, irrespective of the criticism against it, it is my duty as a Representative to stand before this Congress and present those facts, whether these people who have given their very life and existence for the last 25 or 30 years might have an opportunity to exist instead of starving to death. [Applause.]

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. RAKER. I will.

Mr. SHALLENBERGER. I do not care what the gentleman says, I will tell the gentleman from California it is the truth. The gentleman took my word before, and I will tell the gentleman why this thing is hovering on the verge of importation, and it is because in Argentina, the greatest competitive market in the cattle business, to-day they are about as near ruined as we are here.

If the tariff is lowered the least bit, or if our price rises, they are ready to rush in their beef, so that we have got to have this.

Mr. RAKER. I always try to ascertain whether or not I can support a measure and use my judgment on it, and taking the statement of the gentleman from Nebraska——

The CHAIRMAN. The time of the gentleman has again expired.

Mr. RAKER. May I have just one minute more?

The CHAIRMAN. The gentleman from California asks unanimous consent to proceed for one additional minute. Is there objection? [After a pause.] The Chair hears none.

Mr. RAKER. As I say, taking the statement of the gentleman from Nebraska [Mr. SHALLENBERGER] and taking the views of the committee as presented here to-day, it seems to me I could do no more benefit to the great country west of the Mississippi River, as well as to the country that is not within that territory, than to support this measure. The people in that territory have been raising cattle, and for the last 35 years they gave of their substance to build up their homes, beautiful houses, beautiful lawns, and great barns, as well as everything that goes to make up a home; but during the last three years they have been compelled to take from their reserve because of the depressed condition with regard to the price of cattle. So if I can vote and if I can raise my voice in favor of these men, whom I have known for 25 or 30 years, so that in the future they may get a reasonably fair price for their products, I want to tell you it is my duty to do so, and I now think I see my way clear to do it. [Applause.]

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. UPSHAW. Mr. Chairman——

The CHAIRMAN. The question is on the amendment proposed by the gentleman from New York [Mr. BLACK].

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. BLACK of New York. Mr. Chairman, I demand a division.

Mr. BLANTON. Mr. Chairman, the gentleman from Georgia was on his feet trying to get recognition, and he is entitled to it.

Mr. BLACK of New York. Mr. Chairman, I ask unanimous consent that the gentleman from Georgia have five minutes to speak on this amendment.

The CHAIRMAN. All time on this amendment has been exhausted. The gentleman from New York demands a division.

The question was taken; and on a division (demanded by Mr. BLACK of New York) there were—ayes 23, noes 84.

So the amendment was rejected.

Mr. DENISON and Mr. JONES rose.

Mr. JONES. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Illinois [Mr. DENISON] has been on his feet for a long time, and will be recognized.

Mr. DENISON. Mr. Chairman, I move to strike out the last two words. I am rising not because I think I can give the committee any information, but because I want to use this means of getting some information for myself.

The gentleman from Kansas [Mr. TINCHER] just made the statement, in a colloquy with one of the other gentlemen, that we have an exportable surplus of hogs and cattle. Now, I have received statements from various sources to the effect that exactly the contrary of that is true, and it does seem to me that somebody on the committee should be able to give us the information. I am not disputing the gentleman from Kansas, and I do not want him to take it that way. What I want to get at is reliable facts. I have a statement here issued by the Chamber of Commerce of the United States. I do not know what value to give to it, but the chamber of commerce is pretty well known. This statement was sent to the Members of the House with this information in it:

Cattle and hogs we do not export as cattle and hogs and consequently producers of them can not have ratio prices fixed as to their products.

Mr. TINCHER. Will the gentleman let me answer him right there?

Mr. DENISON. I will, because what I want is information.

Mr. TINCHER. Here are the exact figures as to the food products of cattle.

Mr. DENISON. I am talking about cattle and hogs and not the food products of them.

Mr. TINCHER. The gentleman means live cattle and hogs?

Mr. DENISON. Yes. The gentleman stated a while ago—as he will see when he looks at the report of his remarks—that we have an exportable surplus of cattle and hogs.

Mr. TINCHER. Certainly we have, because out of cattle and hogs we make pork and beef, and no matter whether we kill them here or after exporting them, we produce an exportable surplus of cattle and hogs.

Mr. DENISON. That is what I want to get at. I want to ascertain the meaning of this bill. Are cattle and hogs to be considered exactly the same as their processed products?

Mr. TINCHER. Certainly.

Mr. DENISON. The bill makes a clear difference between cattle and hogs and the food products made from them. You will find that the bill clearly makes a difference, and I want to ascertain whether it is true, as stated by the chamber of commerce, that there is no exportable surplus of cattle and hogs as such.

Mr. TINCHER. Oh, no; that is not true, because, if we did not butcher our cattle and hogs, of course we would have to export them alive, because we have an exportable surplus of them here.

Mr. DENISON. The question to my mind is what determines whether we have an exportable surplus; is it whether or not we export them? That is the question.

Mr. SHALLENBERGER. If the gentleman will permit, the quarantine laws of European nations prevent us from shipping our stock upon foot, either hogs or cattle, to Europe, so we have to slaughter them here; and this measure applies to the cattle and hogs and to the products of cattle and hogs the same as it applies to the wheat and to the flour.

Mr. DENISON. Where is the provision in the bill which provides that they mean the same—that the two terms mean the same? The bill provides, if I read it correctly, that an emergency shall be declared whenever there is an exportable surplus of the particular agricultural products referred to. Now, then, will the surplus be declared as to the pork products or as to the hogs?

Mr. FUNK. Will the gentleman yield?

Mr. DENISON. Yes.

Mr. FUNK. The proposed law also provides in section 2, subsection 2:

That according to estimates made by it the ratio prices, as defined in section 4, in respect of the commodity, would be in excess of the domestic price thereof, it shall immediately notify the President in writing of its findings.

That means that if the ratio price of these articles is higher than the domestic price, or, putting it the other way around, if the domestic price is lower than the ratio price, then the emergency occurs automatically.

Mr. DENISON. I understand that.

Mr. FUNK. So you do not have to go to the point as to whether there is an exportable surplus in cattle or hogs or their products. An emergency may be declared upon a comparison of the ratio price and the domestic price, so why raise the question?

Mr. DENISON. I am raising the question for information, because I want to get information. On the contrary, an emergency can not be declared merely upon a comparison of the ratio price and the domestic price. Two facts must be found to concur before an emergency could be lawfully declared under the present language of the bill. First, there must be found to be an export surplus of the particular commodity, and

second, the domestic price must be found to be less than the ratio price of that commodity.

If there is no export surplus of live cattle and hogs, then the corporation could not legally declare an emergency and a ratio price as to them. So it seems to me that the farmers who produce the live cattle and hogs would not get the direct benefit of this act, but rather it would be the packers and others who handle the food products of cattle and hogs, of which, admittedly, there would be an exportable surplus.

Mr. BURTNESS. I am sure if the gentleman will read section 2 he will find that this commission will have the discretion to report these facts, whether it be upon live hogs, upon live cattle, or upon any food product of such cattle or hogs—that is, upon pork or upon beef—and I want to ask the gentleman whether, after all, he does not feel that the chamber of commerce had rather a low estimate of Members of Congress when it presumed that the Members did not know that cattle and hogs intended for slaughter were not shipped across the Atlantic Ocean as living animals.

Mr. DENISON. I do not want to get into any controversy as to what the chamber of commerce knows. They have some considerable reputation through the country; they are doing business as a live concern, and are composed of pretty high-class individuals, and I felt I could afford to quote their statement and call it to the attention of the committee.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. JONES. Mr. Chairman, in view of the discussions that have arisen with reference to the exportation and importation of cattle and cattle products, I have compiled a little statement from the figures of the Department of Commerce. I want to read this and I want to state that the Department of Commerce is the department which compiles the original figures. The figures given by the other departments are, for the most part, taken from the statistics furnished by the Census Bureau:

Cattle

	Head
Exports:	
1922	111,000
1923	37,000
Imports:	
1922	237,000
1923	137,000
Beef and veal, fresh—	Pounds
Exports—	
1922	3,890,000
1923	3,385,000
Imports—	
1922	36,693,000
1923	19,356,000
Beef and veal, pickled, cured, or preserved—	
Exports—	
1922	26,210,000
1923	23,041,000
Imports—	
1922	6,794,000
1923	11,176,000

It may be noted here that in these tables the export meats are classed as "pickled" or "cured." The imports are classed as "prepared" or "preserved."

On the pickled or preserved variety the exports exceeded the imports.

In this connection, according to the United States Tariff Commission report of cattle and cattle products, in 1923 we imported $65,377,000 worth and exported $25,000,000 worth. The different items are as follows:

Imports and exports of cattle

[Calendar year 1923]

	Unit	Imports		Exports	
		Quantity	Value	Quantity	Value
Cattle	Number	138,481	$4,272,775	37,194	$1,878,010
Beef and veal, fresh	Pounds	19,356,470	2,250,999	3,385,978	530,205
Beef, pickled or cured	do			23,041,039	2,340,349
Canned	do			1,733,968	473,182
Oleo oil and oleo stock	do			109,255,504	13,013,757
Tallow—					
Edible	do			1,204,303	99,786
Inedible	do			34,671,935	2,632,904
Cattle hides	do	291,908,888	46,605,360	23,897,200	2,932,539
Calf and kip skins	do	48,092,070	11,309,878	3,982,384	863,693
Beef and hog fats	do	11,873,792	879,167		
Total value			65,377,876		25,024,425

It will be seen from this table that on cattle and cattle products for 1923 the value of imports was $65,000,000 and the value of exports $25,000,000. This includes, of course, cattle hides. If these be eliminated, the value of imports still exceeds the exports by $554,000. If the inedible portions of the tallow are also excluded, the exports would exceed the imports by about $2,000,000 in value. I also desire to quote in this connection the following paragraph from the Bureau of Animal Industry in a report on meat production, consumption, and foreign trade, 1907–1923:

> Exports of beef at one time formed a large and important branch of our foreign trade, but by 1912 they had largely disappeared and foreign beef began to come in. The exports were large from 1915 to 1918 solely because of the war needs and have since almost disappeared. * * * Imports of beef in 1914, however, were quite considerable. At this period the sources of cheap beef in the Southern Hemisphere, especially Argentina, had developed enormously, and they had, in fact, supplanted the United States in the overseas trade with Europe.

Thus it will be seen from the various figures that it is difficult to tell just when we are on an exporting and when we are on an importing basis, so far as cattle products are concerned. Unquestionably, for the past few years we have been on an importing basis with reference to cattle. The figures would undoubtedly show that we have been on an importing basis, for the last two years, at least, with respect to cattle products; also with respect to fresh beef and veal, but with reference to all of the edible products from cattle we have for a portion of the time, at least, been on an exporting basis.

If both cattle and cattle products are combined, even though all of the inedible parts are excluded, we are still on an importing basis.

In view of the various questions that may be raised in this manner, it would seem advisable to amend the law so as to give the corporation the power, in its discretion, to declare an emergency, even though at the exact time we may not be on a strictly exporting basis. Whether such an amendment is necessary or not, it would at least be advisable, as it would remove all doubt as to the power of the corporation to act under the circumstances.

Mr. HUDSPETH. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Texas.

Mr. HUDSPETH. It seems that down in that department they are somewhat like the old country school-teacher was when he was asked whether he taught that the world was round or square and he replied that he taught it both ways. I want to say to my colleague that I have some figures which I placed in the RECORD from the same department, showing that in 1923 we exported 39,000,000 pounds of beef and veal and that we imported only 19,000,000, giving us an export surplusage over imports of about 20,000,000 pounds.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. HUDSPETH. I ask that my colleague may have three minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. HUDSPETH. Of course we only export a very few cattle and hogs because we have not any place to send them except to Mexico and Canada.

Mr. JONES. Yes; that is true.

Mr. HUDSPETH. But, as I understand this law, it applies to beef and veal and pork.

Mr. JONES. Yes; it does apply to beef and veal and pork. I will say that my figures are taken from the original census figures which were printed, and they were rechecked and are taken from the original figures. But whether the figures furnished my colleague are correct, or whether those furnished me are correct, the fact that remains with reference to this matter is that this bill, if those administering it have the power to declare the emergency, will cover cattle and cattle products; but as it is worded, there is at least some doubt as to whether they could declare the emergency on those commodities regardless of what the price might be, unless we were at the very time on an exporting basis; that is, unless we were exporting more than we were importing. There is some ground for argument they could act anyway, but I have prepared an amendment, which I will offer when we come to that point, to the effect that if we are on an exporting basis or if, in the judgment of those in charge of the corporation, it would materially enhance the price to export a portion of the commodity—in either event, if the price is below the ratio price—the emergency can be declared. If the bill is going to be passed, I think it ought to carry that amendment, because I do not think there ought to be any chance of some export company coming in after the corporation has gone to work and knocking the thing out on the ground that there was no authority to declare the emergency.

Mr. DENISON. I would like to ask the gentleman a question on that very point so that I may understand his viewpoint. Suppose we were not exporting a pound of cattle or a pound

of hogs—I am talking about live hogs and live cattle—but were exporting some of their products; could this corporation then under the law declare an emergency as to live cattle and live hogs?

Mr. JONES. I do not think so as the bill is worded now; at least, there is considerable doubt as to that. They could declare it on the food products.

Mr. DENISON. Yes; I understand that.

Mr. JONES. But I think not on the live animal. I think that is the more plausible construction. That is the reason I expect to offer an amendment.

Mr. DENISON. If they could only declare it as to the food products and not as to the live animals, then the ratio price would be fixed for those who handle the food products and not for the farmer, is not that true?

Mr. JONES. Yes; that is what I am trying to cure.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. BRAND of Ohio. Mr. Chairman and gentlemen of the committee, I think this discussion has proceeded until we have agreed upon one point—that the farmers need relief. We are all agreed on that. I think, too, we have gone so far in this discussion as to agree to another point, and that is that the principle underlying the McNary-Haugen bill is fair; that it simply puts agriculture on the same basis as other lines of industry in the country.

The next point is, is the plan in the McNary-Haugen bill practical and is it workable? That is where we are, and some of you are on the fence. I am sure of that from the discussion that I have had with some of the Members. I think the greatest difficulty that we have encountered in the debate was from the speech of the gentleman from Wisconsin on the first evening when he raised the question about the hogs. I have been able to answer his argument in my own mind to my perfect satisfaction. I think some Members would like to have me state how I explain that to myself.

The gentleman from Wisconsin stated that this bill would work all right with wheat. I understood him to make that statement, but he said it would not work with hogs. He said if the bill went into effect it would raise the price of hogs from 7 cents to 11 cents; he was a farmer raising hogs and he would immediately increase the number of hogs that he would raise four times, and, therefore, we would have an enormous oversupply of hogs. Now, let us see if he could do that. I do not know how big his farm is, but it does not make any difference. He could not increase the number of hogs unless he increased the feed in the same proportion. Any farmer knows that. He might go out and buy the feed, but if he does he reduces the raising of the hogs by somebody else.

During the war we had a higher price on hogs than we had on milk, and we had a higher price on hogs than we had on wheat; we had a higher price on hogs than we had on anything, because they wanted hogs. And, gentlemen, you never got as many hogs as you wanted. Why? Because you could not get the feed. The price of feed went higher than the price of hogs. All of you know that you could not buy corn, put it into hogs, and make a profit. The corn was on a basis of 21 cents a pound for hogs, and hogs were worth 17 cents. Therefore there was a loss, and it stood that way for a long time. So I say that if the gentleman from Wisconsin increased his hogs four times, he would have to increase the feed in proportion, and that is impossible.

Mr. BURTNESS. What about the buildings?

Mr. BRAND of Ohio. Yes; at the same time he would have to increase his buildings on the farm. Another thing, and I know from experience, for I handle a good many farms and have hogs on all of them——

Mr. MURPHY. Will the gentleman yield?

Mr. BRAND of Ohio. I will.

Mr. MURPHY. I am curious to know when there is no market, when there are no hogs exported on foot, how will this corporation fix the price that will be of any benefit. I can readily see where it will be for the benefit of the packer or the man that manufactures hog products, but my mind does not grasp the situation where if he raises four times as many hogs, where he is going to get off. Hogs and cattle are supposed to be benefited under the bill, and if we do not export hogs and cattle as hogs and cattle, where are we going to get any benefit for hogs and cattle raised in Ohio?

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BRAND of Ohio. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BRAND of Ohio. Mr. Chairman, I think I will come to an answer to the gentleman as I proceed; I want to continue what I was saying. In raising hogs you have to put the amount of stock on a farm that fits the farm. I think all of you farmers will agree with me on that. The ordinary farm has about one man and nine sows on a diversified farm.

Mr. ROACH. Will the gentleman yield?

Mr. BRAND of Ohio. Yes.

Mr. ROACH. If I understand the bill correctly, there has got to be an exporting surplus before the bill can be applied. That is only one of the conditions on which the provisions of the bill may be applied, but it is not the only provision. The other provision is that the price of the article has got below the ratio price.

Mr. NEWTON of Missouri. And the word "and" is in there and not the word "or," so that both of the provisions must apply.

Mr. BRAND of Ohio. I will come to that directly. As I say, an ordinary man will handle about nine sows successfully. If you multiply it by 4 or by 2, I find by actual experience that you do not raise much more swine than you would with 9 or 10 sows on the farm.

Now we come to the next point—and perhaps we shall answer the gentleman from Ohio—made by the gentleman from Wisconsin [Mr. VOIGT]. He said there was a time when 85,000 hogs came into the Chicago market in one day. He had a hypothetical case, one which was entirely imaginary, in which the packers would only use 50,000 hogs out of the 85,000, and he imagined that 35,000 would be left for export, with the five packers in Chicago taking this position with the corporation: That they would not allow over 4 cents a pound for these surplus hogs. I want to say, in the first place, that what would really happen in this case was what did actually happen. All the hogs were taken. That is what will happen again; but suppose this ridiculous situation of his does occur, and the packers say that they will not pay more than 4 cents a pound. Do you not know that the farmers of the country would send in wires for carloads of those hogs at 4 cents a pound and that the packers would not be able to get a hog? There is not anyone here who would not take them at 4 cents and then 30 days later sell them at 11 cents.

Mr. SHALLENBERGER. Mr. Chairman, will the gentleman yield?

Mr. BRAND of Ohio. Yes.

Mr. SHALLENBERGER. Every day the packers are competing in Chicago and other places against buyers who are just as numerous as they are.

Mr. BRAND of Ohio. The gentleman from Wisconsin gave the House the impression that there were but five packers, and that there was not anybody else buying hogs and packing them for export. There are 267 packers in the United States who handle 60 per cent of the products, and there are 1,700 other packers in the United States who handle the other 40 per cent. We are not yet down to the place where we have to get on our knees to four or five packers. Only 10 per cent of the hog products of the United States is exported. And I want to say to you that in Ohio we can take that 10 per cent of all of the pork produced and pack it in Ohio ready for export with the facilities that we have there now, if there is a corporation of the Government that comes to us and says, "Here is a profitable business; you can make a profit in this and we want you to do it." I believe that covers the point that I had in mind.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. HASTINGS. Mr. Chairman, a parliamentary inquiry?

The CHAIRMAN. The gentleman will state it.

Mr. HASTINGS. Has general authority been given to print and extend remarks on this bill?

The CHAIRMAN. Yes.

Mr. HASTINGS. I want to know whether that will include an extension of remarks in opposition to the so-called Black amendment?

The CHAIRMAN. The Chair understands that unanimous consent has been granted to extend remarks in relation to the bill or any germane amendment thereto, and no question was raised as to the germaneness of the amendment offered by the gentleman from New York [Mr. BLACK].

Mr. SANDERS of Texas. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk proceeded to read the amendment.

Mr. CHINDBLOM (interrupting the reading). Mr. Chairman, I rise to a point of order. Can more than one section be offered at this time?

Mr. SANDERS of Texas. Mr. Chairman, this strikes out all after the word "assembled" in the first section, and it is a substitute for the first section.

The CHAIRMAN. Is it a substitute for the entire bill?

Mr. SANDERS of Texas. It is; and if it should be adopted, then it would be in order to move to strike out the other paragraphs of the bill.

The CHAIRMAN. And the gentleman's motion is to strike out the first section and substitute this in its place?

Mr. SANDERS of Texas. Yes. It is the same proposition that was passed on here once this afternoon. It is just like the motion offered by the gentleman from Illinois [Mr. RAINEY].

The CHAIRMAN. The gentleman from Texas offers an amendment to strike out the first section, a substitute for the bill, and gives notice that if his substitute is agreed to he will afterwards move to strike out the subsequent sections of the bill.

Mr. TINCHER. Mr. Chairman, I understood the gentleman to state that it is the Rainey amendment which was offered a while ago.

Mr. BLANTON. Oh, no; he just announced that it was the same parliamentary situation.

The CHAIRMAN. The Chair understood that the gentleman is adopting the same procedure that the gentleman from Illinois did, not that it is the same amendment. The Clerk will report the amendment.

The Clerk read as follows:

Mr. SANDERS of Texas offers the following amendment: Page 1, line 2, after the word "assembled," strike out the remainder of the section and insert the following:

"That the short title of this act shall be 'The agricultural export corporation and trading act.'

"SEC. 2. When used in this act the term 'person' includes partnerships, corporations, associations, cooperative organizations of producers, cooperative organizations of consumers, and municipal corporations, as well as individuals.

"SEC. 3. A board of directors, consisting of three members appointed as hereinafter provided, are hereby created a body corporate by the name, style, and title of 'The farmers' and consumers' financing corporation' (herein called the corporation), and shall have succession until dissolved by act of Congress.

"SEC. 4. That the capital stock of the corporation shall be $100,000,000, all of which shall be subscribed by the United States of America, and such subscription shall be subject to call upon the vote of two-thirds of the board of directors of the corporation at such time or times as may be deemed advisable; and there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $100,000,000, or so much thereof as may be necessary, for the purpose of making payment upon such subscriptions when and as called. Receipts for payments by the United States of America for or on account of such stock shall be issued by the corporation to the Secretary of the Treasury and shall be evidence of stock ownership.

"SEC. 5. That the management of the corporation shall be vested in a board of directors, consisting of three members, to be appointed by the President, by and with the advice and consent of the Senate. The term of office of members of said board shall be eight years, but in the first appointments made under this act, one director shall be appointed for four years, one for six years, and one for eight years, and thereafter appointments shall be made for eight years: *Provided*, That in case of the appointment of any member of said board to fill a vacancy the appointment shall be made for the unexpired term. The member of said board, except in appointments made to fill a vacancy, having the shortest term to serve shall be the chairman thereof. No director, officer, attorney, agent, or employee of the corporation shall in any manner, directly or indirectly, participate in the determination of any question affecting his personal interests or the interest of any corporation, partnership, or association in which he is directly or indirectly interested; and each director shall devote his time to the business of the corporation. Before entering upon his duties each of the directors so appointed and each officer shall take oath faithfully to discharge the duties of his office. Any member of said board of directors can be removed from office at any time by concurrent resolution of the Senate and House of Representatives.

"SEC. 6. That the directors of the corporation appointed as hereinbefore provided shall receive annual salaries, payable monthly, of $10,000.

"SEC. 7. That the principal office of the corporation shall be located in the District of Columbia, but the board of directors shall have power to establish agencies or branch offices in any place in the United States and in foreign countries.

"SEC. 8. That the corporation shall be empowered and authorized to adopt, alter, and use a corporate seal; to make contracts; to purchase or lease and hold or dispose of such real estate as may be necessary for the prosecution of its business; to sue and be sued; to complain and defend in any court of competent jurisdiction, State or Federal; to appoint, by its board of directors, and fix the compensation of such officers, employees, attorneys, and agents as are necessary for the transaction of the business of the corporation, to define their duties, require bonds of them, and fix the penalties thereof and to dismiss at pleasure such officers, employees, attorneys, and agents; and to prescribe, amend, and repeal, by its board of directors, by-laws regulating the manner in which its general business may be conducted and the privileges granted to it by law may be exercised: *Provided*, That in the appointment or promotion of any such officers and employees, attorneys, or agents, the board shall give no consideration whatever to the politics of such persons, but all such appointments and promotions, as well as all other business of the corporation, shall be conducted and transacted entirely on a nonpartisan basis.

"SEC. 9. That the corporation shall be empowered and authorized (1) to lease and operate elevators and storage warehouses; (2) to buy agricultural products from any person within the United States, and to sell such products to any person within the United States, and to any person or to any government or subdivision of government without the United States; (3) to act as agent of any person producing or dealing in agricultural products, either in their natural or prepared state, within the United States, in the sale of such products either within or without the United States; and (4) to make advances for the purpose of assisting any person in financing the sale, or exportation and sale, of such agricultural products, but in no case shall any of the money so advanced be expended without the United States. Every such advance, and any sale of such products made on time, shall be secured by adequate security of such character as shall be prescribed by the board of directors. It is hereby declared to be the object and purpose of this act to provide a market for the sale of agricultural products, and to eliminate as far as possible the commissions and charges that are exacted upon agricultural products from the time such products leave the producer until the same reach the consumer, and to thereby increase the price which the producer receives and decrease the price which the consumer pays.

"SEC. 10. That the corporation shall be empowered and authorized to issue and have outstanding at any one time its bonds in an amount aggregating not more than five times its paid-in capital. Such bonds shall mature not more than 10 years from the respective dates of issue, and shall bear such rate of interest as shall be fixed by the board of directors with the approval of the Secretary of the Treasury. The bonds may be offered for sale publicly or to any person at such price or prices as the board of directors, with the approval of the Secretary of the Treasury, may determine.

"SEC. 11. That the net earnings of the corporation not required for its operation shall be accumulated as a reserve until such time as such reserve amounts to $100,000,000; and thereafter all the net earnings of the corporation not required for the redemption of any of its bonds shall be paid into the Treasury of the United States until such payments equal the amount advanced by the United States for the capital stock of the corporation.

"SEC. 12. That any and all bonds issued by the corporation shall be exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, and (b) graduated additional income taxes, commonly known as surtaxes, and excess-profits and war-profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, corporations, or associations. The interest on an amount of such bonds the principal of which does not exceed in the aggregate $5,000 owned by any individual, partnership, corporation, or association, shall be exempt from the taxes referred to in clause (b). The corporation, including its franchise and the capital and reserve or surplus thereof, and the income derived therefrom, shall be exempt from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or any local taxing authority, except that any real property of the corporation shall be subject to State, county, or municipal taxes to the same extent, according to its value, as other real property is taxed.

"SEC. 13. That whoever makes any statement, knowing it to be false, for the purpose of obtaining for himself or for any other person any advance under this act, shall be punished by a fine of not more than $10,000 or by imprisonment for not more than two years, or both.

"Whoever willfully overvalues any security by which any such advance is secured shall be punished by a fine of not more than $5,000 or by imprisonment for not more than two years, or both.

"Whoever (1) falsely makes, forges, or counterfeits any bond, coupon, or paper in imitation of or purporting to be in imitation of a bond or coupon issued by the corporation; or (2) passes, utters, or publishes, or attempts to pass, utter, or publish any false, forged, or counterfeited bond, coupon, or paper purporting to be issued by the corporation, knowing the same to be falsely made, forged, or counterfeited; or (3) falsely alters any such bond, coupon, or paper; or (4) passes, utters, or publishes as true any falsely altered or spurious bond, coupon, or paper issued or purporting to have been issued by the corporation, knowing the same to be falsely altered or

spurious, shall be punished by a fine of not more than $10,000 or by imprisonment for not more than five years, or both.

"SEC. 14. That whoever, being connected in any capacity with the corporation, (1) embezzles, abstracts, or willfully misapplies any moneys, funds, or credits thereof, or (2) with intent to defraud the corporation or any person, or to deceive any officer of the corporation (a) makes any false entry in any book, report, or statement of the corporation, or (b) without authority from the directors, draws any order or assigns any note, bond, draft, mortgage, judgment, or decree thereof, shall be punished by a fine of not more than $10,000 or by imprisonment for not more than five years, or both.

"The Secretary of the Treasury is authorized to direct and use the Secret Service Division of the Treasury Department to detect, arrest, and deliver into the custody of the United States marshal having jurisdiction any person committing any of the offenses punishable under this section.

"SEC. 15. In case of war, or when in the judgment of the President of the United States there is danger of war, any such vessel or vessels so turned over to the corporation shall, upon the demand of the President of the United States, be immediately returned to the Government of the United States."

Mr. PURNELL. Mr. Chairman, I make the point of order against the amendment that it is not germane. This substitute is open to the same objections that were lodged against the substitute offered by the gentleman from Louisiana [Mr. ASWELL]. In the first place, this substitute is not for the purpose of meeting the present emergency, as is clearly the purpose of the McNary-Haugen bill, but it is permanent legislation. In the second place, it is clearly a marketing bill, as is shown on page 5, beginning at line 13, in which it is declared to be the object and purpose of the act to provide a market for the sale of agricultural products, and so forth, with the avowed purpose of increasing the price which the producer receives and decreasing the price which the consumer pays. Certainly that is a very laudable purpose, but it clearly demonstrates that it is a marketing bill. Section 12 also provides for tax-exempt securities, which is contrary to the McNary-Haugen bill, which provides that these securities shall not be exempt. Section 15 authorizes the President to turn over vessels without charge for the use of the corporation.

Mr. RAKER. As I understand it that is not included in the amendment.

The CHAIRMAN. Section 15 is not a part of the amendment.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. PURNELL. Yes.

Mr. BURTNESS. I did not follow the reading of the bill. If any loss is incurred, does this amendment contemplate a recovery from the Treasury or by means as is suggested in the McNary-Haugen bill through the producers themselves?

Mr. TINCHER. This is the Norris-Sinclair bill, and it makes the Treasury stand all of the loss.

Mr. PURNELL. Mr. Chairman, my understanding is that whatever losses are incurred would come out of the Federal Treasury.

Mr. TINCHER. Well, the Clerk read on page 9 "in case of war or when in the judgment of the President of the United States there was danger of war, any such vessel or vessels turned over to the corporation," and so forth.

Mr. SANDERS of Texas. In the amendment—I do not know whether the Clerk read it or not—section 15, page 9, I had it marked out. If it is not stricken out, I intend to do so.

The CHAIRMAN. The Chair will hear the gentleman from Texas on the point of order.

Mr. SANDERS of Texas. Mr. Chairman, I yield to the gentleman from Texas [Mr. JONES].

Mr. JONES. Mr. Chairman, both these bills are marketing bills. Both of them deal in large measure with the exportable surplus of basic farm products. Both of them provide for organizing a corporation to handle such products.

It is true that the plan by which they go about it is a little different. But the main purposes of the two bills are practically the same, or at least strike at the same problems. As to the question in reference to section 15, that section has been eliminated. The question as to tax-free bonds is not an important question. On the question of the parliamentary status of the two bills it is an incidental question whether the bonds shall be tax free or tax exempt. As a matter of fact in this bill the bonds are not tax free; they are subject only to certain taxes. But that is not an important matter. The main purposes of the bill, as set out here in section 9, are:

To lease and operate elevators and storage warehouses.

That is practically the same as the bill which is under discussion.

To buy agricultural products from any person within the United States, and to sell such products to any person within the United States and to any person or to any government or subdivision of government without the United States.

Now, this bill under consideration has the same purposes. They have authority to buy these products and sell them abroad at world prices or to sell them within this country at not less than the ratio price. Those powers are in both bills. I read further.

To act as agent of any person producing or dealing in agricultural products, either in their natural or prepared state—

And so forth.

As I remember the bill under consideration it authorized the corporation to assist persons or organizations, as this one does, under subdivision 4, which says:

To make advances for the purpose of assisting any person in financing the sale or exportation and sale of such agricultural products.

And so forth.

And it seems to me, the main purpose of the bill that we are now considering being the same as the main purpose of the measure my colleague offers, that it would be in order as a substitute. Of course, it has not exactly the same provisions because if they were there would be no point in offering a substitute. I am not now discussing the merits of either bill. But it seems to me that the question of whether one is germane to the other depends almost altogether upon the main purposes of the two bills, and no man can gainsay the fact that the bills have the same main purposes.

Mr. PURNELL. Mr. Chairman, it is clearly permanent legislation and section 9 contemplates building, buying, leasing, and operating elevators and storage warehouses and to put the Government in the business as a permanent policy, which is not in line with the purpose of the McNary-Haugen bill.

Mr. BLACK of New York. If the Chair will hear me, it seems to me this substitute is out of order, because it is a substitute not only for the McNary-Haugen bill as an original proposition but for that portion of the McNary-Haugen bill that purports to be a preamble. Now, the first section of the McNary-Haugen bill is divided into two parts. The first part is the preamble. I understand a preamble legislatively is a compilation of the evidence before the final deliberative body on which it predicates its action. But here you substitute legislation for a statement of facts, and I believe that on that ground alone that this proposition offered as a substitute for the bill containing a statement of facts is clearly out of order.

The CHAIRMAN. The Chair is ready to rule. The amendment offered by the gentleman from Texas [Mr. SANDERS] seeks to effect the same general purpose as the bill in question—that is, to relieve the agricultural situation. It is true, as suggested by the gentleman from Texas [Mr. JONES], that the mere fact that there is to an extent a departure from the bill under consideration does not make it out of order because otherwise there would be no necessity of offering a substitute or amendment of any kind. However, it is not possible to offer a substitute for a bill which undertakes to give the same relief and yet departs entirely from the method of the bill under consideration. The Haugen bill, under consideration, is an emergency measure and merely gives power to investigate and determine when a special emergency exists with reference to any one of the enumerated agricultural products, and then the corporation having certain definite powers comes into action and by means of control of exportable surplus relieves the situation. This substitute is permanent legislation, giving the Government power to buy and sell farm products. While the ultimate object is to relieve agriculture, it embraces a method that does not come within the rules of the House in reference to germaneness to the bill under consideration, and the point of order is sustained.

Mr. BURTNESS. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

Mr. HAUGEN. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Iowa rise?

Mr. HAUGEN. May we have another section read?

Mr. BURTNESS. If I may have recognition on the other section.

The CHAIRMAN. What is the request of the gentleman from North Dakota?

Mr. BURTNESS. My request is to proceed for 10 minutes.

The CHAIRMAN. The gentleman from North Dakota asks unanimous consent to proceed for 10 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. BURTNESS. Mr. Chairman and gentlemen of the committee, a day or two ago the gentleman from Kansas [Mr. TINCHER] called your attention to a very important chart, a graph which you will find in the RECORD on page 9204, and which shows conclusively the present relationship of the price of agricultural products now as compared with 1913 with various forms of labor. This is important, for it indicates not only the trend in the increased cost of producing farm products, but it also shows the ability of labor in general to pay fair prices for them.

Starting with all items covered by the graph at a normal basis of 100 in the year 1913, we find that the price of agricultural products is now on a basis of about 118, while farm labor is on a basis of about 152. In other words, farm labor has increased 52 per cent, but agricultural prices only 18 per cent, since 1913.

But what about other wages entering into the cost of commodities or service which farmers must buy? On the same basis, railroad labor stands to-day at about 186, union labor outside of railroad labor at about 200, and labor in the factories of New York at about 220.

I desire now to call your attention to another chart, and it is one which depicts graphically the purchasing power of farm products and of nonagricultural products:



Starting out with 1913 again as the pre-war normal basis [indicating on chart], you will note that the black line indicates the purchasing power of agricultural products in terms of nonfarm products; the dotted red line indicates the purchasing power of nonagricultural products in terms of farm products. In 1913 you note farm products commenced to rise as compared with others, so that there was some difference there for about two years; that is, farm products in the terms of other products had during that time a slight advantage as compared with the 1913 normal. Then the lines crossed in 1915—toward the latter part of 1915—and for a while, as compared with 1913 conditions, the products which were nonagricultural had an advantage over agricultural products as compared with 1913. In any event, from 1913 to 1919. The lines crossed and recrossed, as they ought to do under normal conditions, until we reached the latter part of the year 1919. During this time, from 1913 to 1919, I submit, gentlemen, that the economic laws operated in such a way that there was no advantage to one of these classes of commodities as against the other, but that they did just exactly what you expect to happen in normal times through the ups and downs of the various markets.

But then what happened? In 1919 agricultural products took an enormous drop not only in price but also in their purchasing power of nonagricultural products, with the result that in 1921, as shown by this graph, nonagricultural products were up to the basis of approximately 150 while agricultural products had fallen to a basis less than 70; in other words, a difference there of about 80 points. And what has been the result since then? Why, if times had been somewhere nearly normal you would have seen these lines recross again. That is what they did back in 1913, 1914, 1915, 1916, 1917, and 1918. Of course, there was not the great variance during those years that developed in 1919. Since then, however, one year has gone by, two, three, and four years have passed, and you still find a difference between the lines of from 60 to 70 points, with practically no indication whatsoever that these lines are going to converge or get together again. Why, if you will extend the lines as set out here on the basis of the almost imperceptible convergence that has taken place during the last four years you will find that you would probably reach 1935 or possibly 1940 before these two lines would get together or recross.

Now, that is the exact situation; and what has happened under these conditions? Why, there is not anything peculiar about what has happened in the agricultural section when this is the situation with which they have been confronted for almost five years.

Of course, we have had hard times, bank failures, and general distress throughout those vast portions of the country dependent upon agricultural products. But let me remind you of this: That this graph indicates the situation with reference to agricultural prices in general, including such crops as cotton and wool, which have been selling above the

ratio price. When this [indicating] is the situation with reference to the average of agricultural products, including those I have already suggested and others which have fortunately received fair prices, such as dairy products, then what do you suppose could have happened to those communities throughout this country which are engaged primarily in the raising of such agricultural products as wheat, hogs, and livestock, the prices for which are not even anywhere nearly up to the basis of the price of agricultural products in general?

Mr. CHINDBLOM. Will the gentleman yield?

Mr. BURTNESS. Gladly.

Mr. CHINDBLOM. Who prepared that chart? Where did the chart come from?

Mr. BURTNESS. This chart was prepared from figures furnished by the Department of Agriculture. It was prepared by the Bureau of Agricultural Economics in that department. It is based upon official figures.

Mr. HUDSPETH. Will the gentleman yield?

Mr. BURTNESS. I prefer not to yield now.

Mr. HUDSPETH. I wanted to know whether the gentleman had the consent of the gentleman from Texas [Mr. BLANTON] to bring the chart into the House.

Mr. BURTNESS. He made no objection to it. But let us proceed to the facts as to some of the results.

Now, gentlemen, we have talked about bank failures more or less during this debate and some have suggested that the bank failures have all taken place in two or three States, such as Montana and the Dakotas. That is not the fact at all. I will insert in my remarks a table showing the bank failures, both national and State, from 1870 up to the fiscal year ending July 1, 1923.

I want, however, to call your attention to the fact that in 1917, for instance, there were only 7 national bank failures; in 1918, 2; in 1919, 1; in 1920, 5; in 1921, 28; in 1922, 33; and in 1923, 37. The ratio of State bank failures is about the same, although greater in number.

Now, what has happened since July 1, 1923? During the present fiscal year I find we have had a total of 123 national bank failures. In the State of Minnesota—and that is a highly diversified State, with the exception of about 2 congressional districts out of the 10—there were 6 bank failures and they were large banks, as well as being national banks. In Kansas there were 4; in New Mexico, 12; South Dakota, 15; Nebraska, 7; North Dakota, 18; Oklahoma, 16; Montana, 22, and so on. The list, which I trust you will all read, will show that these failures have occurred in other portions of the country also, but not to the same extent that they have occurred in the great plains section. From the information which the Comptroller of the Currency possesses as to State bank failures, not claimed to be complete, it appears that the number of State bank failures since July 1, last, is 311.

The history of this country has never shown a situation of that sort. Prior to this time the greatest number of bank failures occurred in the fiscal year ending July 1, 1893, but even during that year the total was but a fraction of those of this fiscal year, or, to be exact, 65 national banks and 261 State banks. The tables referred to are as follows:

Year	Number of national bank failures	Number of State bank failures
1870	1	1
1871	None.	7
1872	5	10
1873	4	33
1874	9	40
1875	3	14
1876	8	37
1877	9	63
1878	11	70
1879	9	20
1880	5	10
1881	None.	9
1882	3	19
1883	1	27
1884	6	84
1885	9	32
1886	6	13
1887	5	19
1888	12	17
1889	4	15
1890	6	30
1891	16	44
1892	17	27
1893	65	261
1894	21	71
1895	30	116
1896	27	78
1897	38	122
1898	7	53
1899	12	26
1900	6	32
1901	11	56
1902	2	43
1903	12	36
1904	20	102
1905	22	87
1906	8	37
1907	7	34
1908	24	132
1909	9	60
1910	6	28
1911	3	56
1912	8	55
1913	6	40
1914	21	96
1915	14	110
1916	13	41
1917	7	35
1918	2	25
1919	1	42
1920	5	44
1921	28	330
1922	33	364
1923	37	237

Number of national banks failed since July 1, 1923, to May 21, 1924

	1923						1924					
	July	August	September	October	November	December	January	February	March	April	May	Total
North Carolina	2											2
Montana	2	1	1	2	2	3	1	5	3	1	1	22
Oklahoma	3			1	4	4		3		1		16
North Dakota	1			1	5	3	3	1	2	2		18
Nebraska		1			1			2	2	1		7
Georgia		1										1
Iowa		1							1			2
South Dakota			1	1	1		2	5	5			15
New Mexico				1	1			4	2	2	2	12
Minnesota				1	2			2	1			6
Kansas					1				1	1	1	4
Arizona					1							1
Ohio					1							1
Alabama						1						1
Wyoming						1		1	3			5
Oregon						1						1
Utah							1					1
Washington								2				2
Wisconsin								1	1			2
Idaho									1			1
Colorado										2		2
Texas											1	1
Total	8	4	2	7	19	13	7	26	22	10	5	123

State banks failed from June 30, 1923, to January 31, 1924

Arizona	4
Idaho	1
Minnesota	40
Montana	62
Nebraska	7
New Mexico	13
North Dakota	90
Oklahoma	29
South Dakota	53
Texas	7
Utah	2
Wyoming	3
Total	311

Let me give you a little illustration of what happens under such conditions as indicated in the graph. I have here the daily record put out by an abstractor in Bottineau County, N. Dak., showing the transfers filed on one day, April 5, 1924, and what does it show? Nine sheriff's deeds issued upon foreclosure of mortgages and in our State a sheriff's deed is not issued until after the period of the year of redemption has gone by. Let me read one or two typical items:

Albert Martin, by sheriff, to Capital Trust & Savings Bank, sheriff's certificate, $2,797.20.

David Lundy, by sheriff, to Fidelity Mutual Life Insurance Co., sheriff's certificate, $8,279.41—

And so on. What story do these tell?

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. BURTNESS. Mr. Chairman, I ask unanimous consent to proceed for five more minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BURTNESS. The items read and others indicate that the grantees in these sheriff's deeds are life insurance companies, banks in the East, and concerns of that sort. What does that mean? It means that three or four or five years prior to the issuance of these sheriff's deeds the amount represented by the mortgage did not exceed 30 or 40 per cent of the value of the land, and it means that within this period of time the equity of from 60 to 70 per cent of the farmers who owned the land has been wiped out. It means that these families who lived upon these nine farms in that one county alone were forced on one day during the first part of April of this year to move away from their home. There are countless others in like condition.

Is there any wonder that we get telegrams such as this one which I received a couple of days ago:

Nelson County Old Settlers' Association, having as its membership 75 per cent of the farmers of the county, 50 per cent of whom are the original settlers of this county, urge that the Congress, regardless of party, get solidly behind the McNary-Haugen bill and see to it that it is passed before Congress adjourns. These pioneers of the Northwest wish to convey to the Members of Congress from the East the sad fact that after 40 years of labor and hardships in opening up this country they are now fighting with their backs to the wall trying to redeem their homesteads. The defeat of this bill will be an official notice from Congress to these old-timers that they have served their usefulness on this side of the Canadian line and that the Peace River country is still open.

Now, are you, by your acts, going to contribute to the sending out of the United States of America and to foreign soil, up into the Peace River country in Canada, a large number of the people who have tried to build up this country? I can not for the life of me believe that you are going to do so.

Mr. BLACK of Texas. Will the gentleman yield?

Mr. BURTNESS. I yield.

Mr. BLACK of Texas. The Dominion of Canada does not have any guarantee of prices such as sought to be established by this bill.

Mr. BURTNESS. No; but they have a considerable amount of free land, land still virgin soil, and they offer, as the gentleman knows or ought to know, all sorts of inducements to the immigrant and they have agents scattered all over the Northwestern States giving prospects the lowest kind of immigrant rates and easy settlement terms, telling them of low freight rates on grain because of Government subsidy and everything of that sort, so as to induce them to come in, and many of them will be led away by these promises even though they may not fare so well after they get up there.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. BURTNESS. Yes.

Mr. CHINDBLOM. But the price of wheat is lower in Canada than in the United States.

Mr. BURTNESS. That is not correct——

Mr. CHINDBLOM. Oh, yes.

Mr. BURTNESS. Except in part. On certain kinds of wheat it is lower than it is in the United States, but not lower than the American price of winter wheat. But gentlemen ought to realize that the cost of production up there, with practically no taxes to pay, with no interest items to pay, and with larger yields, will, of course, be considerably less per bushel. But we will have an opportunity to hear from the Chicago Board of Trade a little later.

Mr. CHINDBLOM. Oh, no.

Mr. BURTNESS. So I do not expect to yield to the gentleman much more just now.

Mr. CHINDBLOM. Will the gentleman yield for a correction of his own statement?

Mr. BURTNESS. I will when I have made a few more observations on this bill.

Mr. CHINDBLOM. You want to let that statement stand as correct?

Mr. BURTNESS. Oh, if the gentleman is so particular about it, I will be glad to have him make his correction.

Mr. CHINDBLOM. I will say to the gentleman that I offered what I considered a proper inquiry, and I am a Member of this House, and I can see no occasion for any observation that the gentleman from Illinois represents anybody particularly any more than does the gentleman from North Dakota, who, of course, understands the situation.

Mr. BURTNESS. I recognize that the gentleman from Illinois is one of the valuable Members of this House, but I also recognize the fact that we note here that every person representing such places as Minneapolis, Duluth, Baltimore, and Chicago, where the organized grain and milling interests and exporters are gathered together—at least we see most of such representatives pretty active in trying to defeat this bill in spite of the contention of the men who seem to be working with them, such as the gentleman from Kentucky [Mr. KINCHELOE] and the gentleman from Louisiana [Mr. ASWELL] and others who are trying to tell us that this happens to be a millers' bill or a packers' bill or the elevator companies' bill.

The CHAIRMAN. The time of the gentleman from North Dakota has again expired.

Mr. CHINDBLOM. Mr. Chairman, I ask for the floor.

Mr. WATKINS. Mr. Chairman, I ask unanimous consent that the time of the gentleman from North Dakota be extended five minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BURTNESS. Let us now see just what this bill is in effect. I contend that we, the proponents of the bill, are standing here upon the principle that it is absolutely nothing more than a converse application of the protective tariff, and that the only difference between the protective tariff and the application of this bill, or rather the legislative guide set out in this bill, is that the protective tariff takes into consideration the difference in the cost of production in the United States and abroad, whereas this bill has for practical convenience adopted, because it is an easier way to get at it, the ratio price several times explained to you in this discussion. The Tariff Commission, and upon its recommendation the President, just recently found, as a matter of fact, that the difference in the cost of production of wheat in the United States and abroad over a three-year period is 42 cents per bushel. The ratio price that will be paid on wheat upon the adoption of this bill is substantially that same amount above the world's market, taking into consideration transportation costs to such market. Congress itself in granting a tariff on wheat has in effect said that the American producer is entitled to protection in our domestic markets against competition from abroad; that the American wheat farmer ought to receive the world's market price plus the tariff duty. The same is true in a general way as to other farm products, and particularly as to other products specifically mentioned in this bill. The tariff on cattle ranges from 1½ cents to 2 cents per pound. The approximate amount of present prices must be increased at the Chicago market to reach the ratio price as contemplated in the bill.

True, the increase on hogs would be some greater than the tariff rate, but on the whole contemplated increases conform very nearly to present tariff schedules. So after all while a little different guide has been adopted in this bill, namely, the ratio price, yet the result is the same. It took the Tariff Commission six months to investigate and find out what the difference is in the cost of producing just one commodity—wheat—here and in Canada. How much more practical, therefore, in an emergency is the adoption of the ratio price? The gentleman from Illinois [Mr. RAINEY] brings in an emergency bill as a substitute for this one that would make it necessary for somebody to find out the difference in cost of production accurately before his bill could go into effect, and he limits the operation thereof to one year. While I am not opposed to the principles of the Rainey bill it is plainly impractical as compared with the Haugen bill. Now, why do I say this bill is the converse application of the tariff? You all admit that the determining factor in the price of crops or commodities, of which we have an exportable surplus, is the price in the world's market. There are, however, exceptions; and what are they? Any business that is properly organized, a private concern, or many private concerns organized together, producing farm machinery or anything else within this country, can maintain a domestic price upon its products and sell their surplus output at a lower price in the foreign markets without in any way interfering with the price here. Permit me to make the application of this bill plain: If you or I, or any private corporation or a cooperative association owned all the wheat or all the pork in this country, what could we do? We could do exactly the same thing as organized industry can do in spite of the exportable surplus. We would sell the exportable surplus abroad at the world's price, and then we would say that the difference established by the tariff is so much and that the American consumers would have to pay us the world price

plus the tariff, plus the cost of transporting the crops of products over here, and, of course, we would get such price. It would be simply good business to do so.

Now, with all the wheat of the United States scattered over 40 States and all the hogs scattered over the 48 States, the farmers can not organize to that degree, no matter how many bills you pass to encourage cooperative market associations. So, what are we asking you in this emergency? We are simply asking the Government to establish for the farmers what they can not do for themselves, so they may accomplish what they could do for themselves if it was possible for them to organize; that is, to establish at their expense a governmental agency, a corporation by which they can get rid of the exportable surplus for the world's price, that surplus we can not sell in the United States, and then get the full benefit of the tariff on that portion sold for domestic consumption. In other words, make the tariff schedule on crops with exportable surpluses a tariff duty which you, in your legislative wisdom, have said we are entitled to; make that duty fully operative in the same sense and to the same effect that the tariff on wool, on flax, on textiles, on cutlery, and on hundreds of other articles is operative. By operative I mean, of course, reflected in the price. Yet there are men here whom we find in the Halls of Congress usually working so hard to get high tariff rates on articles produced or manufactured in their States but refusing to go with us on this proposition. [Applause.]

The CHAIRMAN. The time of the gentleman from North Dakota has again expired.

Mr. BURTNESS. Under the right to extend my remarks, I desire to reply to the argument made by many on the floor to the effect that the enactment of this bill will grant colossal profits overnight to the packers, the flour mills, and elevator concerns. No further argument should be needed than to mention what all of you know, that the organized grain and flour trade and the packers are bitterly fighting the measure, presumably for the reason that its enactment will interfere with some of their present profits. Be that as it may, let us ascertain what the actual facts are.

It is inevitable that legislation elevating prices should give a profit that is unearned to holders of any commodity favorably affected by legislation. This is not confined to the McNary-Haugen bill. Every tariff bill that the Congress of the United States has ever passed has had important price effects. Anyone desiring to discover the true extent of price elevation need only consult the records of the hearings before the Committee on Ways and Means and data from other sources to find that the McKinley tariff bill, the Payne Act, the Underwood law, and the Fordney-McCumber Act of 1922 all produced similar effects, except that in the case of the Underwood law instead of prices advancing and instead of importers rushing in supplies in advance of the taking effect of the tariff imports tended to fall off.

Such efforts are not confined to tariff bills. There is under consideration an amendment to the Constitution that would do away with tax-exempt securities. Undoubtedly when, if ever, this amendment is on the point of adoption investors will load up with these tax-exempt securities, thus doing exactly the similar thing that happens when the tariff law is passed and what will happen in the case of the enactment of the McNary-Haugen bill.

The minority of the Committee on Agriculture of the House states:

> Every merchant or wholesaler who has flour on hand will find himself enriched overnight and under the terms of the bill no equalization fee can be collected.

This sounds like a terrible indictment of the bill, but what are the facts as to wheat flour? The stocks reported on hand as of April 1 were only 2,186,000 barrels, and these are scattered in tens of thousands of ownerships. If a ratio price increase in value were applied to this quantity of flour these tens of thousands of holders would be enriched to the extent of considerably less than $4,000,000.

The minority further says:

> Hundreds of millions worth of pork, beef, and mutton in the hands of the Big Five and about 200 smaller packers would instantly rise in value.

The picture is likewise overpainted with respect to beef and mutton. These move constantly and currently into consumption. In the case of beef, the amount in cold storage on May 1 was approximately 7,800,000 pounds, which, had the ratio increased in value, would have advanced about $1,500,000.

The minority report goes on to state with reference to the colossal profits of the Big Five and the small packers:

> On this item alone there would be a sheer gift to the meat packers of this country of from $150,000,000 to $200,000,000, to be paid for by the consumers of the country.

This statement is made with a certainty that would seem to brook no contradiction. As a matter of fact it is more than likely that only a fraction of any increase in the price of raw material will be transmitted as far as the consumer. A large part of any increase in the price of hogs, beef, or in other products named in this bill should be absorbed without being passed on to the consumer. The receding cost of raw material was not passed on to the consumer; why should all of any new increase be passed on? Only in the cost of two products will there be an unearned price increase worthy of note.

These two cases are wheat and pork. Based on the amount of pork in storage in all of its forms on May 1, and assuming that with one stroke all prices would advance to the ratio price—which, of course, is not admitted—the addition to the value of the 905,000,000 pounds of pork reported would have been $54,000,000. In other words, instead of an increase of from $150,000,000 to $200,000,000, to be paid for by the consumers of the country, as the minority report says, if every penny of the advances were passed on the additional cost would be from one-third to one-fourth what the minority states.

There are at least two points to be borne in mind in this connection. In the first place, later, when the emergency is over, the enterprises that show profit at the beginning of the operation of the law may lose some of that profit when it ceases to operate. Furthermore, on January 1, 1924, the farmers of the United States had 65,500,000 swine on their farms, according to the estimate of the Department of Agriculture. It is the farmer that this bill is trying to help, and not the packer. If some relatively small benefit should come to the packer because of its passage, it should not be permitted to be an argument of any force whatsoever against extending the relief to the farmer. It will do no harm to remember, likewise, that in the year 1921 alone the Big Five, who, according to the minority, are to benefit so enormously from this bill, in spite of their opposition to it, lost $61,000,000.

In the case of wheat the stock is constantly diminishing, and should Congress pass this legislation at this session it will go in force at that time of the year when the wheat stocks are at their very lowest—in other words, the best time of the year, all things considered.

The amount of wheat in country mills and elevators on March 1, which has been constantly diminishing, plus the visible supply usually reported as of May 10, was 131,500,000 bushels. Estimating an average increase of value for all grades of 40 cents per bushel, the increase on the whole would be approximately $52,500,000.

It is a mistake to assume that all of this benefit is going to accrue to millers holding country wheat and elevator owners. Large quantities of this wheat are owned by growers who actually hold the warehouse receipts for it. Furthermore, nearly 20 per cent of the stock is estimated to be in the hands or ownership of farmers' cooperative grain organizations, and, still further, there is back on American farms possibly as much as 60,000,000 bushels that will participate immediately in the benefit of the advance in value, and in less than a month—in fact, before this bill can possibly be put into effect—the new crop will begin to move.

Assume an average crop of 750,000,000 bushels over the next five years. This will mean that the farmer, during the life of the bill as written, will market approximately 3,750,000,000 bushels of wheat. Shall we deny him the common justice of a fair exchange value merely because there is a small advantage, relatively speaking, to present holders of grain?

Finally, the minority has stated in order to make the picture as black as possible:

> The total gift to nonproducers would easily amount to $500,000,000. There has been no such gift "since salvation was made free to the human race."

This estimate is wholly unjustified. Applying a carefully estimated increase in value per unit to wheat, wheat flour, beef, pork, miscellaneous meats, and corn on hand for various days the total estimated increase is slightly more than $121,000,000. The total for the six commodities will be less than the minimum that would accrue to the meat packers alone as claimed in the minority report.

A study of the table submitted will show how the opposition to this measure is grasping at straws. The table has been prepared by the Bureau of Economics of the Department of Agriculture and gives the source of the estimates, as well as the reasons for certain calculations.

Estimated increase in value of stated commodities in dealers' hands under provisions of the McNary-Haugen bill

Commodity	Amount reported	Estimated increase in value per unit [1]	Estimated increase in value
Wheat [2] ..... bushels	131, 516, 000	$0.40	$52, 606, 400
Wheat flour [3] ..... barrels	2, 186, 000	1.72	3, 759, 000
Beef [4] ..... pounds	78, 177, 000	[5] .02	1, 565, 640
Pork [6] ..... do	905, 270, 000	[6] .06	54, 316, 200
Miscellaneous meats [4] ..... do	74, 757, 000	[7] .06	4, 475, 420
Corn [8] ..... bushels	24, 298, 060	.18	4, 362, 840
Total			121, 085, 400

[1] Increase necessary to make actual prices for March, 1924, equal ratio prices.
[2] Amount in country mills and elevators Mar. 1, 1924, plus Chicago visible supply on May 10, 1924.
[3] Stocks reported by Chicago Daily Trade Bulletin as of Apr. 1, 1924.
[4] Amount in cold storage May 1, 1924, report of cold storage holdings, U. S. D. A.
[5] Approximate increase in price of steers doubled to allow for shrinkage in dressing.
[6] Approximate increase in price of hogs multiplied by 1½ to allow for shrinkage in dressing.
[7] Arbitrarily taken to equal increase in pork.
[8] Bradstreets visible supply reported Apr. 26, 1924.

The benefits the act will confer upon American agriculture are, however, more material and may well be compared to the incidental benefits to others. Careful computations, based on the best available information, and covering only 19 of the States in the Union—Ohio, Indiana, Illinois, Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, Kansas, Texas, Oklahoma, Kentucky, Tennessee, Montana, Idaho, Washington, Oregon, and California—indicate that had the bill been an act during 1923 it would have added approximately $1,000,000,000 to the income of the farmers of these States. That income would have increased their purchasing power to that extent and would have been in turn distributed to almost every portion of this great Nation. Rehabilitate agriculture in these States where depression now exists and you will benefit every section of the country.

Mr. CHINDBLOM. Mr. Chairman, I move to strike out the word "emergency" in line 8 of the section that has been read. Mr. Chairman, every member of the committee knows that I have taken no time and no part in the discussion up to this moment. I do not pretend to be an expert on this subject or, in fact, upon any other subject; there are some things I know something about. I know something about the cost of living to the consumer. I know something about the 400,000 people living in my district who have to buy every pound of food they eat. I know something about the requirements of the working men in the city who have to buy the products of the farm.

Now, my very good friend from North Dakota [Mr. BURTNESS], who just left the floor, seemed to take umbrage because I suggested that if his farmer friends moved from the United States to Canada and they were there at this moment they would get a less price for their products in Canada than they do in the United States. He answered by saying that we would later hear from the Chicago Board of Trade. Did that answer anything?

Mr. BLANTON. Will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. BLANTON. From the history we have had of the financial conditions and the economic conditions in North and South Dakota I think I would rather follow the Chicago Board of Trade than the two Dakotas.

Mr. CHINDBLOM. I am not speaking for the Chicago Board of Trade. I would not object to doing that, however, for such exchanges have a right to exist and have important functions to perform and are very important institutions in the marketing of the products of the farm.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. CHINDBLOM. If I do not lose all my time.

Mr. NEWTON of Minnesota. If it was not for the mills in Minneapolis and the West, the price of grain in the United States would not be in excess of the price in Canada.

Mr. WEFALD. And the farmers could not live, could they? [Laughter.]

Mr. NEWTON of Minnesota. Those mills are the best customers that the farmers have.

Mr. CHINDBLOM. Mr. Chairman, I can not yield further. I have not yet asked for any time in the discussion of this bill. I have attended all the sessions of the committee as constantly as possible. I have been here for the purpose of getting information, because I realize that such gentlemen as the gentleman from North Dakota [Mr. BURTNESS] and the gentleman from Iowa [Mr. HAUGEN], the distinguished chairman of the committee, and others are experts on agricultural matters and know more about the subject than a man born, unfortunately, in the city of Chicago and compelled to live there all his life.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. BURTNESS. Does the gentleman believe that his consumers in Chicago eat anything on their table that is quite as cheap as their bread, unless, possibly, it is potatoes, which we send down there and get 20 cents a bushel for?

Mr. CHINDBLOM. My constituents in Chicago pay a great deal more for their bread than the farmers up in the gentleman's State receive for their grain or for their flour; but that is another subject.

Mr. BURTNESS. In spite of the conditions, is not the bread they eat the cheapest food that they have on their table, considering the value of it?

Mr. CHINDBLOM. I think not.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. SABATH. The gentleman from North Dakota says that his people are receiving only 20 cents a bushel for their potatoes. Will this bill help them any to secure a higher price?

Mr. CHINDBLOM. Oh, I can not yield all of my time in order that the gentleman from North Dakota may continue his address. Let us not permit this discussion to degenerate into an attack upon various interests, various sections, and various localities. [Applause.] Let us discuss the principle of the thing, let us discuss its economic effect.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CHINDBLOM. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CHINDBLOM. You are introducing in this bill a new system of national finance and of political economy in the history of the United States. You are putting the Government more into business than has ever been done before upon any single proposition. You are proposing that the Government shall take hold of one of the great industries of the country, and you will have to have patience with some of us, who have some of the old-fashioned ideas that the law of supply and demand counts for something, that as the law of gravity can not be abrogated by an act of Congress, neither can the law of supply and demand. You will have to forgive us if we are not able to follow you in your proposition that the Government can help the farmer lift himself up by his own boot straps.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. CHINDBLOM. Oh, I am going to lose all of my time.

Mr. WILLIAMSON. I think the House will give the gentleman all the time that he wants. Does not the gentleman recognize the fact that the tariff interferes with the law of supply and demand and that the farmers have been paying tribute to the laboring man and the manufacturer for a hundred years?

Mr. CHINDBLOM. My understanding of the tariff is that it gives just as much protection to the farmer as it does to the city man. Our present tariff protects the prices of the farmer to a greater extent than any tariff law we have ever had heretofore.

Mr. WILLIAMSON. That is true; because it is the first tariff that we have ever had that protected the farmer, but it can not protect him on surplus products.

Mr. CHINDBLOM. It can not protect him on surplus products; no. The application of the rule of supply and demand can, however. But I rose primarily to move to strike out this word "emergency" as it appears in section 1, and I would like to discuss the section that is before the committee for just a moment. Let me ask the chairman of the committee what is the purpose of the declaration of the emergency? I notice there are two emergencies here, a general emergency and a special emergency. Congress first declares that a general emergency exists, and then the corporation may afterwards declare that a special emergency exists. What is the theory of the committee? Is it that this legislation rests upon an emergency, that declaring an emergency gives Congress jurisdiction?

Mr. HAUGEN. If the gentleman has read the reports, he knows that an emergency exists.

Mr. CHINDBLOM. Then if there were no emergency, is it the theory of the gentleman that Congress would not have authority to pass this legislation?

Mr. HAUGEN. If there was no emergency, there would be no necessity to declare an emergency.

Mr. CHINDBLOM. Oh, the gentleman can not get out of it by evading the question. I am asking him whether he thinks the declaration of an emergency is necessary for the jurisdiction of the Congress to pass this legislation.

Mr. HAUGEN. Not entirely.

Mr. CHINDBLOM. Then is the declaration of an emergency merely for the purpose of——

Mr. HAUGEN. Simply stating a fact that exists.

Mr. CHINDBLOM. Oh, then you are reciting a bit of current history?

Mr. HAUGEN. Well, it is a fact.

Mr. CHINDBLOM. What is the purpose of the declaration of a special emergency by the corporation? Is that necessary in the opinion of the distinguished chairman of the committee in order to give Congress jurisdiction to pass this legislation?

Mr. HAUGEN. Oh!

Mr. CHINDBLOM. I believe I am speaking to the point, because this first section I am now discussing refers entirely to the different kinds of emergencies. The heading of part 1 is "Emergencies." The heading of this particular section is "General emergency." I find a little later on that the heading of section 2 is "Special emergencies."

Mr. SUMMERS of Washington. Mr. Chairman, will the gentleman yield to me for an answer to this question?

Mr. CHINDBLOM. Yes.

Mr. SUMMERS of Washington. A general emergency is one following the general condition that exists, a special——

Mr. CHINDBLOM. Oh, I believe I understand the difference between general and special, but I want to know the purpose of the declaration of an emergency in this legislation for the RECORD, because it may be important hereafter.

Mr. SUMMERS of Washington. Does the gentleman mean the special emergencies referred to?

Mr. CHINDBLOM. Certainly.

Mr. SUMMERS of Washington. Then that is the period during which the law is to be operated.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CHINDBLOM. Mr. Chairman, I ask unanimous consent to proceed for one minute more, so that I may yield to some one, if there is any gentleman in the House, representing the committee, who can answer the question.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. CHINDBLOM. I yield to the distinguished ex-governor of Nebraska.

Mr. SHALLENBERGER. The gentleman recalls that all the legislation that empowered the President to carry on the war was based upon the proposition that an emergency existed.

Mr. CHINDBLOM. Is this a war emergency?

Mr. SHALLENBERGER. No; it is a peace emergency. But the emergency is exactly the same with which the President is empowered to deal.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. CHINDBLOM. Will my friend from South Dakota answer the question?

Mr. WILLIAMSON. I will try to answer the question. This bill is bottomed, of course, upon an emergency, and the reason an emergency is set up in this bill in the preamble is because it is believed that would assist in making it constitutional. In my judgment, however, there is no necessity of declaring an emergency of this character in order to make the bill constitutional. It is simply a method of cooperative marketing through Government agency by which the farmer can protect himself. I do not think it is necessary to carry the emergency feature at all. I believe the bill is constitutional without such a provision.

Mr. CHINDBLOM. I am glad to have the gentleman's opinion.

Mr. CRAMTON. Will the gentleman yield for a question?

Mr. CHINDBLOM. Yes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CRAMTON. I ask that the gentleman have one minute.

Mr. CHINDBLOM. I did not want to take more time, but I will yield to the gentleman.

The CHAIRMAN. The gentleman is recognized for one minute.

Mr. CRAMTON. Does the gentleman from Illinois base his argument at all upon any question as to the existence of an emergency?

Mr. CHINDBLOM. I will say to the gentleman frankly that if this bill is based upon an emergency I would like to know whether it is an emergency growing out of the war or whether it is an emergency which may occur at any time in time of peace, because I think if this bill is passed——

Mr. CRAMTON. Then why gum up the RECORD? Why not frankly answer the question? Does not the gentleman from Illinois recognize that there exists an emergency that is very clear, the continuous economic depression in agriculture, and will not the gentleman frankly answer that question, yes or no?

Mr. CHINDBLOM. I have not any doubt there is an economic depression in agriculture; I know there is. I want to know whether this legislation is based upon that.

Mr. CRAMTON. And is it not serious enough to constitute an emergency?

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that we may read another section, and after the section is read I shall move that the committee rise unless there are further requests for time.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that all debate on this section and all amendments thereto close. Is there objection?

Mr. SABATH. I object.

Mr. HAUGEN. I move to close debate on the section and all amendments thereto.

The question was taken, and the Chair announced that the "ayes" seemed to have it.

Mr. SABATH. A division.

The committee again divided; and there were—ayes 97, noes 7.

So the motion was agreed to.

The CHAIRMAN. The question is on the amendment offered——

Mr. CHINDBLOM. Mr. Chairman, I ask to withdraw the pro forma motion.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

SPECIAL EMERGENCIES

SEC. 2. (a) If the corporation finds (1) that there is a surplus for export of wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine, and (2) that, according to estimates made by it, the ratio prices, as defined in section 4, in respect of the commodity would be in excess of the domestic price thereof, it shall immediately notify the President in writing of its findings. Upon such notification from the corporation, it shall be the duty of the President by proclamation to declare that a special emergency exists as to such agricultural commodity.

(b) Whenever the corporation finds that the special emergency conditions no longer exist or are no longer controlling in respect of the agricultural commodity, it shall notify the President in writing of its finding, and it shall be the duty of the President by proclamation to declare that such special emergency is terminated.

Mr. HAUGEN. Mr. Chairman, I move that the committee do now rise.

Mr. RUBEY. Let me offer this amendment and put it in the RECORD. I will not discuss it but I desire to offer it and let it be pending.

Mr. JONES. I want to offer mine and let it go in the RECORD.

Mr. RUBEY. I will not offer my amendment now.

The CHAIRMAN. The gentleman from Iowa moves that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SANDERS of Indiana, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 9033, had come to no resolution thereon.

ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 5855. An act to fix the salaries of officers and members of the Metropolitan police force and the fire department of the District of Columbia.

S. 2431. An act conveying to the State of Delaware certain land in the county of Sussex, in that State.

S. J. Res. 89. Joint resolution authorizing and permitting the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., as are necessary for the use and benefit of the National Guard of the State of Arkansas.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bills:

H. R. 9192. An act making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes.

H. R. 6820. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes.

LEAVE OF ABSENCE

By unanimous consent, Mr. WERTZ was granted leave of absence for two days on account of important business.

REVENUE BILL

Mr. GREEN of Iowa. Mr. Speaker, I present and send to the desk for printing under the rule the conference report on the revenue bill.

The SPEAKER. The gentleman from Iowa presents a conference report on the bill which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

The SPEAKER. Ordered printed under the rule.

OPPOSITION TO BLACK AMENDMENT—PROHIBITION ENFORCEMENT

Mr. HASTINGS. Mr. Speaker, there have been many bills introduced by Members of Congress which, I understand, are now pending before the Judiciary Committee, all either in the same language or of a like tenor, which have for their purpose the modification of the Volstead Act, providing for an increase of the alcoholic content of any beverage to not more than 2.75 per cent and that it may be manufactured, sold, or transported for sale in original packages.

I am opposed to the increase of this alcoholic content and am in favor of prohibition. I have always favored prohibition. I have lived in what was formerly the Indian Territory, now the eastern part of the State of Oklahoma, all of my life. The Federal law, prior to the admission of Oklahoma to Statehood on November 16, 1907, prohibited the manufacture, introduction, or sale of intoxicating liquor into the Indian Territory. I favored that law, and from time to time opposed any changes which liberalized its provisions.

As a member of the Indian Committee I voted for increased appropriations to enable the Indian Service to assist in the enforcement of this law. When the question of admitting Oklahoma to statehood was up before the House committee for consideration, I appeared before the committee and advocated the insertion of a provision in the enabling act which would require prohibition in that part of Oklahoma which was formerly occupied by the Five Civilized Tribes for a period of 21 years.

I voted for state-wide prohibition and I voted for the adoption of the State constitution prior to the admission of Oklahoma to statehood on November 16, 1907.

As a Member of Congress I voted for the eighteenth amendment to the Constitution prohibiting the manufacture, sale, and transportation of intoxicating liquor and gave Congress power to enforce the same by appropriate legislation. I voted for all appropriations recommended as necessary for the enforcement of the Volstead Act.

The Supreme Court of the United States, in the recent decision of Kennedy *v.* the United States appealed from Osage County, Okla., sustained an amendment which I caused to be added to the Indian appropriation bill approved May 25, 1918, providing that the "possession by a person of intoxicating liquors in the Indian country where the introduction is *or* was prohibited by treaty or Federal statute shall be an offense and punished in accordance with" said act. This amendment substituted the word "or" for "and." It put teeth into the law. It made the possession of intoxicating liquors in the Indian country a criminal offense. It made the law enforceable. Theretofore the proof must show that the person was in possession of intoxicating liquor upon a restricted Indian's allotment. This amendment did away with the necessity for that proof. The Supreme Court, in the Kennedy decision, sustains the above amendment and holds that it is yet in force and that it was not repealed by the Volstead Act.

During the years that I have been privileged to represent the second congressional district of Oklahoma in the House I have not only voted for the laws hereinabove referred to, but every vote of mine has been in favor of prohibition.

I believe that prohibition can be enforced in every county throughout the United States where honest, efficient officers are elected who are in sympathy with the law, and I have no patience with the argument that the law is unenforceable.

I favored the law because I believe that it is best for the individual himself to abstain from the use of alcoholic beverages, and in proportion as you make it more difficult to secure, the less amount, of course, will be consumed. Persons addicted to the use of alcoholic liquor, who drink occasionally, will at times, unfortunately, drink to excess, and this leads to a loss in efficiency and earning power of the individual. It is an economic waste.

I favor prohibition because I believe alcoholic liquor destroys, in a large measure, the happiness and contentment of the home; wages are spent upon drink which should be used to clothe, feed, educate, and otherwise maintain the family; and I think no one will gainsay that the excessive use of alcohol does not tend to destroy the happiness of the home.

I favor prohibition for the reason that, in my judgment, alcoholic liquor is directly or indirectly the cause of a very large percentage of the crimes committed and is responsible for the very great cost of our criminal courts. Most of the serious criminal cases in my district, involving assault with intent to kill, murder, or manslaughter, are directly traceable to the excessive use of intoxicating liquor. I am sure the same is true in a large measure in every section of the country. These trials are a very heavy burden upon the taxpayers of the country.

The Volstead law enacted to vitalize the eighteenth amendment to the Constitution should receive the support of every officer, municipal, county, State, and Federal, from coast to coast.

Alcohol tends to blunt the moral sensibilities, weakens the mental powers and lessens personal efficiency. I think no one can successfully controvert that statement. It does not bring sunshine and happiness to the home, but distress and misery. Its use leads to excessive indulgence, and this does not increase the attendance at Sunday schools or churches. The day of the corrupting influence of liquor and saloons has gone never to return. We must educate our children, not debase them. Let us give them the advantage of our full earning power instead of dissipating our earnings in the purchase of alcohol and passing our time in idleness.

I have never heard or read a satisfactory defense of the use of liquor. The following are usually urged:

The first defense is that it interferes with our personal liberty, which of course is unsound if not for our best interest, and no one contends that the use of liquor is; and second, that it can not be enforced, and this, I repeat by way of emphasis, I emphatically deny; and third, the question of the expense in the enforcement of prohibition is urged, which of course is nothing as compared with the expense of our criminal courts added to the economic waste due to loss of efficiency and earning power of the individual; and fourth, the loss of revenue to the Government, and if we are correct in our belief that alcohol tends to debase instead of uplift the individual, the Government should not be maintained through revenue derived from this source.

It is being advertised in speeches made on the floor of the House that there is much sentiment among the Members of Congress for the modification or repeal of the Volstead Act, and some 60 bills have been introduced by Members of Congress and are pending before the Committee on the Judiciary. In my judgment, this represents practically all of the sentiment in the House of Representatives out of the 435 Members favoring a repeal or modification of the Volstead Act. I think that the Committee on the Judiciary should make a report, either adverse or favorable, on these bills during the present session of Congress, so that the sentiment of the House of Representatives may be tested out by a record vote upon this important question at an early date. Unless this is done the sentiment of the Members of the House will continue to be misrepresented on the floor of the House, through the public press, by letters, and by individual conversations. In my judgment, there would be an end to the efforts for the repeal or modification of this law if a report were made by the Judiciary Committee and a record vote had in the House before adjournment.

SALARIES OF TEACHERS

Mr. KENT. Mr. Speaker, as a member of the Committee on the District of Columbia, two matters of paramount importance have been brought to my attention. They may be considered matters of legislation affecting the essential welfare of practically every home in the District, which is the Nation's Capital. They are the bills providing for a graduated scale of increased salaries for school-teachers and compensation for the workmen of the District injured in the course of industrial occupations.

The eyes of the Nation turn toward the District of Columbia, and the popular impression has gone out that from the standpoint of cleanliness, health, education, and enlightenment this is the model city of the world. Yet it is not generally known that salaries for school-teachers in this District are inadequate,

and that, aside from an enactment of Congress protecting governmental employees in their occupations, there is no workmen's compensation law here protecting workmen in the prosecution of the industries and business of the District other than governmental business.

What a terrible indictment this constitutes, not against our form of government or our Government but against the laxity of this administration along modern and humanitarian lines.

I shall discuss to-day the question of salaries for school-teachers in this District and shall ask your indulgence at a later date to discuss workmen's compensation here.

In fixing salaries for a public official, or quasi public official, in which latter class school-teachers may properly be placed, we are rapidly approaching the time these salaries must be fixed and governed according to the rules which govern salaries in industrial life. If we fail to adopt this course, practically the very best talent in the country which should find its way into the schoolroom will unquestionably pass to other lines of activity.

We regard it as important for one intellectual and administrative giant to preside over the destiny of one of our largest industries and receive a million dollars a year as his salary. We know that it is highly important to pay a reasonable wage to the railroad engineer who conducts the giant locomotive over our hills and valleys with the fate of human lives in his hands. It is important to pay good salaries to those who are engaged in the railroad, automobile, and banking industries, because those industries are important as a fundamental part of our national economic structure. But there is nothing more important than the training of the human mind, and particularly the youthful mind. The boys and girls of to-day are the future Americans of to-morrow.

Shall we become an intellectual nation? If so, the next generation must be intellectual. Is it not true that every means of national defense and possible war-time aggression in the future will have as their chief weapons devices conceived by the human mind and the intelligence of this and the following generations? If so, it becomes necessary that we raise the next generation as a scientifically intellectual generation, capable of commandeering the very elements themselves. The final test of every civilization comes when it asserts its right to existence when in conflict with the forces which seek to deter and destroy civilization by war. And yet, the wars in the future for the defense of civilization will have as their chief characteristics struggles in the air, beneath the sea, with all the consequent death-dealing devices composed of gases and electric currents, the latter conducted through the air, through the seven seas, and through portions of the earth itself. When such a test comes in the future—and come it probably will before many generations have passed into history—we must meet it with an intellectual and scientifically trained citizenship. Clubs wielded by brute force were once considered magnificent implements of warfare, shouts in the air were considered effective means of communication in times of war. To-day we have the poison gas, the submarine, the airplane, the seaplane, the Zeppelin, the mighty guns which throw implements of destruction miles from their bases, and many other death-dealing devices. The mastery of the air, of the sea, and of electric currents unquestionably will control the progress of civilization when civilization is again outlawed by the forces of might. Communication through the air, through the earth, and through the water, in control of the waves and impressions of sound, are now considered to be ordinary incidents by the men, women, and even the children of the country. Truly, our present-day civilization rests in our ability to progress along intellectual lines.

No work is more important than the molding of the human intellect by the teacher in the schoolroom, and yet, here in the Nation's Capital, with inflated prices following the greatest war in history, we pay some teachers as small an amount as $1,200 per year. We quibble about paying from $8,000 to $10,000 a year to the superintendent of schools in the city of Washington with its population of approximately 500,000 souls. An enterprise similar to the public-school system of this city, if conducted as a private enterprise would be manned by a manager receiving at least $100,000 a year. Every subordinate official having work to do in this private enterprise, as important as the work of any school-teacher in this city would receive at least $2,400 per year. We believe that this city should have the model school system of the world, and yet we spend hours of debate quibbling about a few dollars to be paid to a teacher doing the most important work in our national life to-day. I am reminded of a discussion I once heard in a meeting of a certain board of school directors in which certain prospective teachers participated. The question before the house was whether the board should pay a certain teacher $40 or $42 per month for a school term of seven months. One gentleman, who had argued strenuously for an hour that the teacher be paid $40 a month, finally agreed upon $42 upon condition that the teacher should "find" the coal to be burned in the large circular stove in the middle of the schoolroom. We expect our school-teachers to dress neatly and well, so that they may present a dignified appearance in the schoolroom and upon our highways. We expect them to live in the best part of our towns and cities. We impose upon them the obligation of appearing at all official, religious, and educational functions. We expect them to be leaders of thought in the community. We impose upon them all the penalties of leadership, and when they do not meet our standards of leadership, we are unsparing in criticizing them.

I recall with pleasure the two terms I spent as a teacher in the schoolroom—one term at $36 per month, and the other at $45 per month. I would not trade that experience for any other two years of my life, because I learned then something about the working of the human mind, the method of leading minds along the same line of thought as my own, and I acquired some ability in handling pupils and some of their troublesome parents, who conceived ideas that they could manage my school a little better than I did. But the school-teaching profession in those days, as now, did not hold out for me any hope for future advancement such as I entertained. The teaching profession being the most important in our national life, must be so compensated and must find such a place in our national economic establishment. Every school-teacher must be paid a salary which will enable all teachers to live reasonably well, to carry themselves in a dignified manner in our most intellectual society, to maintain an educational and social standing in the community, to keep up religious and fraternal affiliations, to educate their own children, and to conserve a reasonable amount of resources against old age. Until we pay salaries to bring that condition to pass, we have not done our duty in this generation.

I regret that the salaries provided for in this bill are not better. I would like to add a certain amount to each item in the scale provided for in this bill for every teacher to take some kind of an educational course during every school vacation to keep up with modern methods of advanced teaching and education, but we can hardly expect any teacher to spend any substantial amount of money upon self-improvement during vacation time, even along the salaries provided for in this bill.

I shall support the bill because it provides for an increase. As a member of the Committee on the District of Columbia I shall be pleased to lend my efforts further along the lines upon which I have just addressed you.

ADJOURNMENT

Mr. SNELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 10 minutes p. m.) the House adjourned to meet to-morrow, Sunday, May 25, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

510. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Treasury Department for the fiscal year ending June 30, 1924, for expenses in connection with the handling of the public moneys, $10,000 (H. Doc. No. 307); to the Committee on Appropriations and ordered to be printed.

511. A communication from the President of the United States, transmitting deficiency estimates of appropriations for the Department of the Interior for 1923 and prior fiscal years, $33.20, and supplemental estimates of appropriations for the fiscal years 1924 and 1925, $1,252,871; in all, $1,252,904.20 (H. Doc. No. 308); to the Committee on Appropriations and ordered to be printed.

512. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the fiscal year 1925, required to provide for employees of the field services of the several departments and establishments at compensation rates comparable to those provided by the classification act of 1923 for employees within the District of Columbia, amounting in all to $26,314,827.84 (H. Doc. No. 309); to the Committee on Appropriations and ordered to be printed.

513. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Navy Department for the fiscal year ending June 30, 1925, for the purpose of enabling the Secretary of the Navy to perform the duties required of him by the World War adjusted compensation act of May 19, 1924, $450,000 (H. Doc.

No. 310); to the Committee on Appropriations and ordered to be printed.

514. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the War Department for the fiscal year ending June 30, 1924, to remain available until June 30, 1925, for the purpose of enabling the Secretary of War to perform the duties required of him by the World War adjusted compensation act of May 19, 1924, $3,600,000 (H. Doc. No. 311); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. DICKINSON of Iowa: Committee on Appropriations. H. R. 9429. A bill making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1925, and for other purposes; without amendment (Rept. No. 841). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILLIAMS of Michigan: Committee on the Public Lands. H. R. 4482. A bill providing for the disposal of certain lands on Crooked and Pickerel Lakes, Mich., and for other purposes; with an amendment (Rept. No. 842). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WILLIAMS of Michigan: Committee on the Public Lands. H. R. 7780. A bill for the relief of Fred J. La May; without amendment (Rept. No. 843). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. WINGO: A bill (H. R. 9426) to establish the Mena National Park in the State of Arkansas; to the Committee on the Public Lands.

By Mr. HUDSPETH: A bill (H. R. 9427) to amend and modify the war risk insurance act; to the Committee on World War Veterans' Legislation.

By Mr. LYON: A bill (H. R. 9428) authorizing and directing the Secretary of War to investigate the feasibility and to ascertain and report the cost of establishing a national military park at the site of Fort Fisher, N. C., commemorative of battle fought there January 13, 14, and 15, 1865; to the Committee on Military Affairs.

By Mr. DICKINSON of Iowa: A bill (H. R. 9429) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1925, and for other purposes; committed to the Committee of the Whole House on the state of the Union.

By Mr. CONNERY: A bill (H. R. 9430) to amend the World War adjusted compensation act; to the Committee on Ways and Means.

By Mr. MANLOVE: A bill (H. R. 9431) to amend section 301 of the war risk insurance act, as amended; to the Committee on World War Veterans' Legislation.

By Mr. REED of West Virginia: A bill (H. R. 9432) to establish a bureau for children's aid in and for the District of Columbia, to determine its functions, and for other purposes; to the Committee on the District of Columbia.

By Mr. CANFIELD: A bill (H. R. 9433) to repeal schedule 5 of the act entitled "An act to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes," approved September 21, 1922, and for other purposes; to the Committee on Ways and Means.

By Mr. LANKFORD: A bill (H. R. 9434) granting the consent of Congress to the States of Georgia and Florida, through their respective highway departments, to construct a bridge across the St. Marys River; to the Committee on Interstate and Foreign Commerce.

By Mr. CRAMTON: A bill (H. R. 9435) to provide for commitments to, maintenance in, and discharges from, the District Training School, and for other purposes; to the Committee on the District of Columbia.

By Mr. SNYDER: A bill (H. R. 9436) to amend section 26 of the interstate commerce act as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. ZIHLMAN: A bill (H. R. 9437) to provide for the widening of Park Road between Thirteenth and Sixteenth Streets NW., and for other purposes; to the Committee on the District of Columbia.

By Mr. BERGER: A joint resolution (H. J. Res. 269) providing for the reacquisition and conservation of the natural resources of the United States and for their operation by the Government of the United States; to the Committee on the Judiciary.

By Mr. MacGREGOR: Resolution (H. Res. 326) authorizing the Doorkeeper of the House to detail a page to the House press gallery; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARBOUR: A bill (H. R. 9438) authorizing the Secretary of War to donate to Lindsay Post, No. 128, American Legion, Lindsay, Calif., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. BEGG: A bill (H. R. 9439) granting an increase of pension to Emma J. Dunn; to the Committee on Invalid Pensions.

By Mr. CELLER: A bill (H. R. 9440) granting a pension to Josephine Mussot; to the Committee on Pensions.

By Mr. CROWTHER: A bill (H. R. 9441) granting a pension to Anna Peck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9442) granting a pension to Charlotte A. Brownell; to the Committee on Invalid Pensions.

By Mr. HICKEY: A bill (H. R. 9443) granting a pension to Marcus C. Barton; to the Committee on Invalid Pensions.

By Mr. MANLOVE: A bill (H. R. 9444) for the relief of William Samuel Steward; to the Committee on Claims.

By Mr. SPEAKS: A bill (H. R. 9445) granting an increase of pension to Martha A. Culbertson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9446) granting an increase of pension to Rebecca Murphy; to the Committee on Invalid Pensions.

By Mr. THOMPSON: A bill (H. R. 9447) granting an increase of pension to Margaret E. Reisch; to the Committee on Invalid Pensions.

By Mr. UNDERWOOD: A bill (H. R. 9448) granting an increase of pension to Elizabeth Thoman; to the Committee on Invalid Pensions.

By Mr. WARD of North Carolina: A bill (H. R. 9449) for the relief of Miles L. Clark; to the Committee on Claims.

By Mr. WURZBACH: A bill (H. R. 9450) to reinstate Charles McKee Krausse as a lieutenant, first class, in the Marine Corps; to the Committee on Naval Affairs.

By Mr. ZILHMAN: A bill (H. R. 9451) granting a pension to Rachel B. Platter; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2878. By Mr. ANDREW: Petition of Massachusetts Council of Republican Women, favoring passage of child labor amendment and opposing passage of "equal rights" amendment; to the Committee on the Judiciary.

2879. By Mr. CELLER: Petition of Maritime Exchange, favoring adequate appropriations for the Navy Department; to the Committee on Naval Affairs.

2880. Also, petition of Maritime Association of the Port of New York, favoring House bill 8580; to the Committee on the Judiciary.

2881. By Mr. GALLIVAN: Petition of Boston Typographical Union No. 13, Boston, Mass., recommending early and favorable consideration of the Fitzgerald accident compensation bill (H. R. 487); to the Committee on the District of Columbia.

2882. Also, petition of Washington Central Labor Union, Washington, D. C., recommending early and favorable action on the Fitzgerald accident compensation bill (H. R. 487); to the Committee on the District of Columbia.

2883. By Mr. KVALE: Petition of David A. Mittelstad and 10 other rural letter carriers of Lac qui Parle County, Minn., asking support for House bill 9035 and its early passage; to the Committee on the Post Office and Post Roads.

2884. By Mr. MacGREGOR: Petition of board of directors of the Maritime Association of the Port of New York, favoring the prompt enactment of House bill 8580; to the Committee on the Judiciary.

2885. By Mr. MOORE of Illinois: Petition of residents of Proviso Township, Cook County, Ill., indorsing House bill 4088, a bill for the upper Mississippi refuge and preserve; to the Committee on Agriculture.

2886. By Mr. SPEAKS: Papers to accompany House bill 9418, granting an increase of pension to Kate Crookes; to the Committee on Invalid Pensions.

2887. Also, papers to accompany House bill 9419, granting an increase of pension to Eliza J. Karns; to the Committee on Invalid Pensions.

2888. Also, papers to accompany House bill 9420, granting an increase of pension to Nettie McDowell; to the Committee on Invalid Pensions.

2889. Also, papers to accompany House bill 9421, granting an increase of pension to Frances E. Taylor; to the Committee on Invalid Pensions.

2890. Also, papers to accompany House bill 9422, granting an increase of pension to Rilia J. White; to the Committee on Invalid Pensions.

2891. Also, papers to accompany House bill 9423, granting an increase of pension to Paulina Whitehead; to the Committee on Invalid Pensions.

2892. By Mr. TAGUE: Petition of Cigarmakers' International Union, No. 97, of Boston, Mass., indorsing House Joint Resolution 131, providing an independent form of government for the Philippine Islands; to the Committee on Insular Affairs.

2893. By Mr. TINKHAM: Petition of National League of Women Voters, favoring strict law enforcement; to the Committee on the Judiciary.

2894. Also, petition of Boston Central Labor Union, opposing any plan that would permit convict labor to compete with free labor; to the Committee on the Judiciary.

2895. By Mr. WHITE of Kansas: Papers to accompany House bill 9245, granting a pension to Della Work Cherry; to the Committee on Invalid Pensions.

SENATE

SUNDAY, *May 25, 1924*

The Senate met at 11 o'clock a. m.

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, we recognize Thy hand in all the blessings of life. We recognize the same hand when sorrow gathers and our hearts are bleeding because of the loneliness experienced. We pray Thee that at this time, when words of testimony are uttered and we speak of those who have passed on, we may realize always that while there may be the cry for the touch of the vanished hand and the sound of the voice that is still there is infinite comfort in Thyself, sweetly consoling the sorrowing and helping us the better to understand the duties and the responsibilities of life. We ask in Jesus Christ's name. Amen.

NAMING A PRESIDING OFFICER

The principal clerk, Harvey A. Welsh, read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., May 25, 1924.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. JOSEPH E. RANSDELL, a Senator from the State of Louisiana, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. RANSDELL thereupon took the chair as Presiding Officer.

THE JOURNAL

The PRESIDING OFFICER. If there be no objection, the reading of the Journal of the proceedings of the legislative day of Tuesday, May 20, will be dispensed with and the Journal will be approved.

MEMORIAL ADDRESSES ON THE LATE REPRESENTATIVE DUPRÉ

The PRESIDING OFFICER. The Chair lays before the Senate resolutions of the House of Representatives, which will be read.

The principal clerk read the resolutions (H. Res. 309), as follows:

IN THE HOUSE OF REPRESENATIVES,
May 11, 1924.

Resolved, That the business of the House be now suspended that opportunity may be given for tributes to the memory of Hon. H. GARLAND DUPRÉ, late a Member of this House from the State of Louisiana.

Resolved, That as a particular mark of respect to the memory of the deceased and in recognition of his distinguished public career the House at the conclusion of these exercises shall stand adjourned.

Resolved, That Members be permitted to extend their remarks in the RECORD on the life, character, and public service of the deceased.

Resolved, That the Clerk communicate these resolutions to the Senate.

Resolved, That the Clerk send a copy of these resolutions to the family of the deceased.

Mr. RANSDELL. Mr. President, I submit the following resolutions.

The PRESIDING OFFICER (Mr. BROUSSARD in the chair). The resolutions will be read.

The principal clerk read the resolutions (S. Res. 236), as follows:

Resolved, That the Senate has heard with deep sorrow of the death of Hon. H. GARLAND DUPRÉ, late a Representative from the State of Louisiana.

Resolved, That the business of the Senate be now suspended in order that fitting tribute may be paid to his high character and distinguished public services.

Resolved, That the Secretary communicate these resolutions to the House of Representatives, and transmit a copy thereof to the family of the deceased.

Mr. RANSDELL. Mr. President, we have assembled to-day to pay tribute to the memory of HENRY GARLAND DUPRÉ, who for the past 14 years brilliantly represented the State of Louisiana and faithfully served the people of its second congressional district in the House of Representatives.

GARLAND DUPRÉ was born in Opelousas, La., July 28, 1873. His family had been prominent for generations. On the paternal side his grandfather was Judge Lucius L. Dupré, and his mother was the daughter of that "grand old man" of St. Landry Parish, Henry L. Garland, for whom he was named.

He received his early education in the public schools of his native city, and in later years enrolled as a student of Tulane University at New Orleans. In 1892 he graduated from that university and received the degree of A. B. Two years later, in 1894, he was awarded his legal degree of LL. B. From 1895 to 1910 he practiced law in the city of New Orleans and was active in Louisiana politics. He was elected to the Sixty-first Congress on November 8, 1910, to fill the unexpired term occasioned by the death of Hon. Samuel L. Gilmore, and at the same election was elected to the Sixty-second Congress. He represented the second congressional district from then to his death, February 21, 1924.

Gilmore came to Congress in March, 1909, resigning his office of city attorney of New Orleans, to which he had been elected for the fourth consecutive term in 1908. He served but a short time, however, and death came to him on July 18, 1910. It was a remarkable coincidence that GARLAND DUPRÉ, more than nine years assistant city attorney, was selected by the people of the second district to take the place in the House made vacant by the death of his friend and former associate.

POLITICAL CAREER

GARLAND DUPRÉ really won his spurs in the Louisiana Legislature. As a member of its house of representatives and its speaker for several years, he gained the experience which later served him so well and made him such a valuable member of the Louisiana delegation in Congress.

Mr. DUPRÉ was a young lawyer, just getting into practice, in 1903–4, when the first Democratic primary campaign in Louisiana was held. Justice Blanchard and Gen. Leon Jastremski, of Baton Rouge, ran for governor. The primary for the nomination of all State offices, breaking away from the old convention system, had the effect of inspiring many young men of brains and talent to launch their fortunes in the political arena. He was one of them. He became a candidate for the State legislature from the fourteenth ward. He was nominated and elected. He served four years with ability and distinction in Baton Rouge.

GARLAND DUPRÉ and James C. Henriques, member from the thirteenth ward, formed a close attachment, which was evidenced four years later when J. Y. Sanders was elected governor. Mr. DUPRÉ was returned to the house, and he had the ambition to be speaker. He entered the race despite the fact that politicians understood that Governor Sanders had indorsed Lee E. Thomas, of Shreveport, a man of great ability. Mr. Thomas had the backing of the old Sanders guard behind him.

It proved one of the most memorable battles over the speakership ever fought out at Baton Rouge. Mr. DUPRÉ, with his colleague, Mr. Henriques, and a group of young, active, aggressive friends went to Baton Rouge on the Saturday prior to the open-

ing on Monday. They opened headquarters at the Istrouma Hotel. They met every train. Every new member was canvassed. They rounded up the country districts. The New Orleans regulars were in a quandary. They had to serve the incoming governor if patronage was expected. But they were unable to keep their forces from supporting DUPRÉ for speaker, if they ever tried. How much effort was made to draw the lines no one ever knew. There were breaks right and left, and Orleanians went to DUPRÉ despite pressure.

When the house was convened DUPRÉ won a brilliant and spectacular victory. He governed the house with exceptional ability. His committee selections were often referred to in the future.

Four years later he was talked of for governor. At one time there was a "GARLAND DUPRÉ boom" for governor, but just then came a turn of affairs which decided his fortunes lay along legislative lines. Samuel L. Gilmore, the former brilliant city attorney, and then Congressman, died. The district elected DUPRÉ and he went to Washington, surrendering whatever ambition he may have had to be governor.

SERVICE IN CONGRESS

GARLAND DUPRÉ'S service in the House of Representatives was marked by extreme loyalty to his State and district. In my long experience of 25 years in House and Senate I have never known a Member of either body who followed up more persistently than GARLAND DUPRÉ the measures of interest to his constituents.

The most striking instance of this devotion was manifested in the following incident which took place some time after he had taken his seat. He had been assigned to the Judiciary Committee in fulfillment of his ambition to serve on that committee, which was very congenial to him as a lawyer. By the rule of seniority he had risen until very near the top of this committee, and it was only a matter of time when he would become its chairman. A situation arose in Louisiana, however, in which he felt he could be of more service by becoming a member of the Committee on Rivers and Harbors. For this purpose he sacrificed his high place on the Judiciary to accept the last place on Rivers and Harbors.

DUPRÉ was one of the most intellectual and best educated men in the House of Representatives. He was a close student of public questions and grasped quickly their meaning. It is related by a Member of the House that he could not recall having ever heard DUPRÉ inquire, "How shall I vote?" His inquiry would be, "What is the question before us?" and knowing that, he knew exactly what he wished to do and voted as his judgment dictated.

He possessed a thorough knowledge of parliamentary law. His strenuous experience as speaker of the house in the Louisiana Legislature served him in good stead while a Member of Congress. He followed closely parliamentary tangles on the floor of the House and often engaged in them when he had no direct interest in the outcome of the controversy. In testimony of his ability in this respect, let me quote from an editorial in the New Orleans States of February 22, 1924:

> It has been said that former Speaker Cannon, Republican, voluntarily in retirement, expressed the opinion that GARLAND DUPRÉ had the brightest mind of any man who had reached the lower House of Congress from Louisiana in many years.
>
> That may or may not be true. But no one will deny the keen intellect of the late Representative from the second district whose engaging personality along with his outstanding ability and experience had carried him to prominence both on the floor and in the committee.

I was personally very fond of GARLAND DUPRÉ and regarded him as one of my closest friends. We became acquainted when he entered Congress in 1910 and soon formed an intimacy which grew with years and had become very strong when GARLAND was called to his eternal home. It is said that "Love begets love," and I believe it. GARLAND and I were devoted to each other, and there was never the slightest rift between us.

The most beautiful trait of GARLAND'S character was his chivalric devotion to his mother and sisters. I have never seen a more marked instance of this than he constantly displayed, and his family seemed to idolize him. No son could have loved and honored a good mother better than GARLAND, and to his sisters, especially Miss Belle, he was always a kind, sweet brother.

It seemed too sad that a man of such fine parts, capable of doing so much for State and country, should be summoned while barely in the zenith of his powers; but God knoweth best; His holy will be done!

Mr. FESS. Mr. President and Members of the Senate, my acquaintanceship with Mr. DUPRÉ began when I entered the House of Representatives one year after he had become a Member of that body. Coming to the House of Representatives, as a student of its procedure quite naturally its personnel was of interest to me; and among the great number of men on both sides of the aisle who impressed me was GARLAND DUPRÉ. After learning of his early training I could easily understand why he so impressed the new Members. To a native ability that was somewhat rare, due to a fine ancestry, he had the acquired ability obtained from a course of training in a great university; and having served in the State legislature he came to the House of Representatives already a well-trained man.

I note that he was first assigned to the Committee on the District of Columbia. There is where he got his fine comprehension of what the Capital of the great Nation should be, and I have never known during his entire career a time when he had lost interest in the city beautiful and the Capital distinguished. He seemed to be one of the strong men in the other House who always stood for those measures designed to enhance the beauty of the Capital and its advancement, not so much as a place of residence but rather as the seat of power of the entire Nation. GARLAND DUPRÉ was one of the Members who gave expression to the thought that the Capital should be a place of beauty for all the people rather than merely for those who happened to be residents of the city.

I note that after a short service there he was assigned to the Committee on the Judiciary. That will explain the advanced position he took upon all legislation affecting legal procedure. Mr. DUPRÉ impressed himself on the Members of the House as a man who had a keen comprehension of the law, and I am sure that much of the legislation that has come from that committee during the last dozen years has the impress of this distinguished citizen.

As I recall my relationship with him, my mind reverts especially to his ardent support of every measure having for its object the improvement of waterways and harbors. Coming myself from Ohio, an inland State, bordering, however, a great water route, I was quite naturally interested in that particular problem, and having myself been a teacher of the history of our common country my attention naturally would be attracted to men like Henry Clay and other great advocates of the improvement of the waterways of the country. Consequently, when I became a Member of Congress it was with a predisposition in favor of that character of legislation. GARLAND DUPRÉ was one of the men in the House of Representatives, as the distinguished Senator now presiding [Mr. RANSDELL in the chair] is one of the men in the Senate, who impressed me with the possibilities of this newer field of transportation. While sometimes some of us may think that the agitation for the improvement of waterways has gone beyond bounds, yet the activities of Mr. DUPRÉ showed the intense devotion of a leading statesman in the development of what must yet come to be a very important agency in our business life, if not in our civilization.

I was always impressed also with this man's general ability. He had the comprehensive vision of the statesman who does not confine his interests to any particular locality. While he was greatly devoted to those things which were of peculiar interest to his own locality and was a fine representative of that type, yet he was always, as it appeared to me, quite independent. He never seemed to take any dictation; he did his own thinking, and always gave a reason for his position on legislation. In other words, he could not be classed as one of those who merely follow along, but he impressed me as a man who did what he thought was right, although it might at times require him to vote against what would appear to be the popular thing to do; and, if I may be permitted the remark, I will say that I believe that is the type of statesman that ultimately will give the greatest and best results to the country.

Mr. DUPRÉ and I had the privilege to serve through probably the greatest period or the greatest decade in the life of our Nation. We served previous to and during the World War; we voted together on the resolution declaring war; we participated in all the legislation made necessary by the trying circumstances of that tremendous convulsion that so shook the world, and as I look back over his activities I regard him as one of the staunch supporters of the honor of this Nation in that hour of stress and peril. I believe that those of us who were privileged to sit in the Halls of Congress during the period preceding and immediately following the war will in the future be regarded as having served the Nation in one of the greatest periods in the history of the world. Mr. DUPRÉ was a Member of Congress when some of the most outstanding

pieces of legislation that have ever been enacted in the history of any country were placed upon the statute books. The opportunity thus afforded he embraced with the ardor of a patriot; he served well his day; and I think that his career, when measured by its value in history, will be regarded as that of an outstanding public servant.

Mr. President, I join the colleagues and friends of Mr. DUPRÉ, in his State and elsewhere, in mourning his loss, but bow, as we all must do, to the will of Him who has the lives of men and their destinies in His hands.

Mr. DALE. Mr. President and Senators, with others who were colleagues of the late GARLAND DUPRÉ, I offer the tribute which my recollection suggests.

One of the interesting features of the American Congress is the diversity in character of its Members. Then it is observed how naturally something of a kindred nature draws individuals into a group of friendly relationship independent of party lines and the interests of places separated by long distance. This often most peculiar something which draws men into closer social relations than general association is one of the gentler and most pleasing strains in the composition of our congressional existence.

The reasons for a lively common interest between GARLAND DUPRÉ and myself were sufficient to create it between a southern Democrat and a northern Republican, whose widely separated local influences came from the Gulf of Mexico and the Canadian border. But there is a peculiar relationship between that far South and that far North. In fact, there is an existent similarity which, running away back through the years, finds the same source in personality and nativity and religion.

GARLAND DUPRÉ was of French ancestry, of the same native stock as the discoverers and explorers who sailed up the St. Lawrence and later went down the Ohio and the Mississippi to the Gulf. Three centuries ago the explorers who christened my State Vermont, and who called the Gulf region Louisiana, were subjects of the Bourbon kings of France. The old trails that the explorer and the missionary blazed just north of my home lead from Quebec to New Orleans. I met men in the Dominion Parliament at Ottawa who, because of these facts, were like in character and ancestry to GARLAND DUPRÉ long before I knew him here in the American Congress. While I can understand how he could be in traits of character one of an unknown group to some, he was to me the representative of an intellectual, emotional, vivacious type, familiar and attractive, especially in the days of the brilliant Laurier.

GARLAND DUPRÉ was a native of Opelousas, St. Landry Parish, La. Long ago, before this American Republic had its creation, that land of scenic beauty became somewhat of a little empire. Just when and how this came about we do not know. That the transformation was fraught with many perils and much sacrifice, there is no doubt. Sometime back in the misty past all this was done by brave men and women who left their homes in sunny France, and, following pious fathers bearing aloft the cross, they established the community and the Christian religion where now is the parish of St. Landry, the pioneer settlement in all that southern region of present-day industry. It is a marvelous history, filled with adventure, hardships, tragedies, and achievements. But this is the remarkable fact which attracts our attention as we assemble today. Through all this drama of human existence, going back a century and a half or more, until there are no records, the Dupré family have played important parts, as have, through much of it, the Garland family.

It is a hundred and twelve years since Louisiana was admitted to the Union of States; but before that time Jacques Dupré, born on his father's plantation in St. Landry Parish, had grown to maturity. He was one of the early governors of the State about 100 years ago. GARLAND DUPRÉ was of the fourth generation in direct line of distinguished lawyers, whose ancestor was Gov. Jacques Dupré.

The mother of GARLAND DUPRÉ, Marie Celeste, a most attractive little woman, is still living, and is a direct descendant in the Garland family of honored lawyers, who for more than a century have been residents of the same homestead in St. Landry Parish.

These remarkable facts are fascinating, especially when one thinks how uncommon they are in this country. The separation of families from generation to generation is all too common with our people. Not only does the going of our children to distant places bring immediate grief, but long periods of separation from each other inevitably lessens the gentler emotions of family solicitude. I do not wonder that devotion to his mother and his sisters was so marked a quality in the nature of GARLAND DUPRÉ, and that he possessed a proud and reverent respect for his family and his home community is in no sense surprising. That quality in him was an inheritance from the centuries, grown rare and beautiful as the color of ancient abbeys about which successive generations dwell in the old France of his race, and which went on unchanged in the new France, to which it was transferred and where the customs and the sensibilities and the habitations of the family are still revered.

GARLAND DUPRÉ was an uncommon man. I have heard it said that he was peculiar and not easily understood on brief acquaintance. It is natural that some should take such impressions from him. His character was not made up of a multitude of attributes quickly adaptable to many different individuals and transient conditions. His character was a type. In a multitude he was as one in whom old emotions and influences survived to a greater degree than is common. His were the incentives and passions and convictions which centuries have neither exhausted nor explained, and which still continue in strength and beauty because they can never be understood. They were transmitted from an old land and came down unchecked through many generations and were highly developed in him. They all centered at last in his religion, which he held supreme. They were of the immortal soul of the man, which we commit to his Creator through the faith which passeth understanding and which he kept to the end.

Mr. HARRISON. Mr. President, Louisiana and Mississippi are sisters. They are bound together by every tie that makes for the progress of each. Both hold dear to the same sentiments and prize highly the same traditions. Their sons fought side by side on the battle fields of Chalmette, at Monterey, and in the fierce struggles of every succeeding war.

I attended school as a young man at the State university in Louisiana. I learned to love her people more devotedly and to revere her traditions more highly. They are a big hearted, sentimental, historic, generous, hospitable people; they hate hypocrisy and shun sham; they think straight and fight bravely.

GARLAND DUPRÉ personified the highest qualities of Louisiana citizenship. True to the interests of his district and people, zealous of their rights, proud of their history, he was ever ready to champion their cause or to promote their progress. Few men possessed a keener intellect and a richer store of information than he. He was a gentleman in every sense of the word, and reverenced the superb qualities of woman.

If he were loyal to his friends, and he was; if he were faithful to his constituents, and he was; if he measured up full stature as a worthy representative of a great State, and he did; it was the constant attention and undivided devotion that he manifested toward his dear mother and beloved sisters that exhibited his finest qualities and won for him the highest praise. No trait is a finer and surer index into the true character of a man than his devotion and interest and care for his mother. No problem was too important, no question too urgent, to divert him from his ministration toward his mother when needed. And he was the apple of her eye—her only son, the one in whom she had visualized the future. She had seen him grow from success to success until he had impressed the Nation's history with his high character and exceptional ability.

Mr. BROUSSARD. Mr. President, we are called in open session to commemorate the memory of one of our colleagues of the other branch of Congress.

It is a beautiful custom, that of holding memorial exercises for our dead, for, as we believe in a hereafter, our dead should be remembered and the memory of their good deeds kept fresh and green.

Only two weeks ago similar exercises were held at the other end of the Capitol, in the Chamber in which he rendered such signal service to his Nation, State, and constituency. I attended those services, and was deeply touched by the many kindly expressions by Members from various sections of this great country of the many really great qualities of heart and mind of our dearly beloved GARLAND DUPRÉ.

Others who have preceded me have dwelt upon his career from the time he was a barefooted boy in the old town of Opelousas, touching his school life, his early achievements as a young lawyer, and his elevation to the high office of, and of his services as, speaker of the Louisiana Legislature before his election to the Congress of the United States. I shall, therefore, make no further reference to those important events

and incidents in GARLAND DUPRÉ's life, which presents a series of victories and accomplishments worthy of our praise and commendation.

These deserved successes should be ample proof to those who knew him not intimately that he was a strong and capable man. But to those of us who knew and were close to him, that record was the inevitable result of the natural and cultivated sterling qualities which he possessed. GARLAND had an incisive mind. His grasp of complicated and intricate situations was marvelous. If one stated to him any proposition, no matter how interwoven the facts, GARLAND needed no repetition to seize, instantly separate the relevant from the irrelevant, and that minute draw a correct conclusion as to what should be done.

In deciding what was best for his country, State, and constituency, GARLAND had no thought of self, and having arrived at a conclusion his personal sacrifice could never be so great as to induce him to alter his course. In other words, he was a well-balanced, forceful, intelligent, capable man, using the powers which God had so liberally bestowed upon him, not for his own good or advancement but, as God intended, for the good of humanity.

All who knew him well know that he had the courage to stand by and defend his convictions. In other words, he was morally strong and honest. But he was, be it said to his great credit, intellectually honest. If he disagreed with anyone, he so stated then and there. To him it was intellectual dishonesty to fail to express any view but one his good judgment prompted. Mr. President, frequently men of that temperament offend until one learns to know their true character and honest motive; then one admires them.

One of the qualities which helped GARLAND in life was his promptness in meeting his appointments. On every occasion of which I have knowledge when he had engagements on official business GARLAND was always on time. I never knew him to be late or to fail to be present when he had made an engagement. When he had official matters to present to an official of the Government GARLAND always knew all about his case, and no one could present that case more forcibly than could he.

Mr. President, I could speak for many hours about GARLAND. He was a good, loyal friend of mine, and it was always a pleasure for me to meet him. I recall how almost daily he visited this Chamber, always having some witty, smart thing to say. He had plenty of humor, and enjoyed the exchange of pleasantries as much as any man. He was a real human being. I have missed him.

We all are familiar with the great love he had for his good mother and his sisters. But, Mr. President, GARLAND also loved his friends and his people.

GARLAND was the descendant of two of the greatest families of Louisiana. They before him had won high place in the history of Louisiana. For generations their services have been gratefully recognized by our people. GARLAND lived true to the traditions of those illustrious families—the Garland and the Dupré families. They are, and should be, proud of him, because we who were merely friends are proud of his wonderful career. We understand not the plan of the Father at all. We have been taught that all happens for the best; but we may here, with due deference to God's plans, express regret that our dear friend GARLAND should not have been spared for longer service to Nation, State, and constituents.

Mr. President, the Louisiana delegation will miss his genial disposition and his wise counsel and advice; for his wide experience in legislative procedure and his thorough understanding of our problems always furnished good and sound advice. Whenever our delegation meets hereafter we shall miss and think of him.

May his soul rest in peace.

The PRESIDING OFFICER. Without objection, the resolutions are unanimously agreed to.

MEMORIAL ADDRESSES ON THE LATE REPRESENTATIVE HUMPHREYS

The PRESIDING OFFICER (Mr. RANSDELL in the chair). The Chair lays before the Senate resolutions of the House of Representatives, which will be read.

The principal clerk read the resolutions (H. Res. 248), as follows:

IN THE HOUSE OF REPRESENTATIVES,
April 16, 1924.

Resolved, That the business of the House be now suspended, that opportunity may be given for tributes to the memory of Hon. BENJAMIN GRUBB HUMPHREYS, late a Member of this House from the State of Mississippi.

Resolved, That as a particular mark of respect to the memory of the deceased, and in recognition of his distinguished public career, the House, at the conclusion of these exercises, shall stand adjourned.

Resolved, That the Clerk communicate these resolutions to the Senate.

Resolved, That the Clerk send a copy of these resolutions to the family of the deceased.

Mr. HARRISON. Mr. President, I offer the following resolutions, and ask for their adoption.

The PRESIDING OFFICER. The resolutions will be read.

The principal clerk read the resolutions (S. Res. 237), as follows:

Resolved, That the Senate has heard with deep sorrow of the death of Hon. BENJAMIN G. HUMPHREYS, late a Representative from the State of Mississippi.

Resolved, That the business of the Senate be now suspended in order that fitting tribute may be paid to his high character and distinguished public services.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Mr. HARRISON. Mr. President, Mississippi has furnished her full quota of distinguished statesmen. In the House and in the Senate she has measured up with the great men of other States. I would not pluck a single jewel from the records of the many distinguished statesmen who have represented Mississippi in the House of Representatives, but when the long history is told none will have surpassed the record of Hon. BENJAMIN G. HUMPHREYS.

An indefatigable worker, with a keen sense of humor, a high educational training, a personality that was as attractive as it was charming, and an unexcelled natural ability, it was destined the he should forge to the front among the really great statesmen of the day. While I shall always remember him for his lovable human traits and his unswerving loyalty, history will know him for his tireless persistence and unyielding devotion to river and harbor improvements. Without minimizing the splendid services of those who helped to mold and crystallize public opinion for flood protection, it was due more to his remarkable genius than any other person. It was his big brain that conceived and his unerring finger that pointed the way, and an incomparable popularity that carried through successfully the organization of the Flood Control Committee in the House. Surrendering his ranking, commanding position on the Rivers and Harbors Committee, he accepted the chairmanship of the Flood Control Committee and carved from its considerations the present flood control law. The people of the Mississippi Valley owe to his memory a debt of gratitude that time can not repay. There is not a community in the whole country interested in river and harbor improvements that has not received benefits from his wise counsel and exceptional efforts.

He possessed more sentiment and the most unselfish heart of any person with whom I have come in contact. For a friend, no request went unanswered, no demand unheeded.

How often, Mr. President, have I basked in the sunshine of his genial company and listened for hours to his quaint and witty expressions, his stirring stories, his old-fashioned negro dialect. His imagery was never quite so captivating as when he recalled the old days of steamboating on the Mississippi and the race between the *Natchez* and the *Robert E. Lee*. He reflected the history, the legends, the poetry, and the aspirations of the people of the Mississippi Delta.

He never failed to get what he wanted. There was no let-up in the thing he set out to do. Some years ago he came to me and requested that I accompany him to see the Secretary of War. I accepted his requests always as commands. We went. The War Department was about to complete some service boat to be placed on the Mississippi River at or near Greenville. He suggested to the Secretary that the boat be christened and named the *Ben Humphreys*. In explanation of his desire, in the most eloquent and striking expressions, he drew a word picture of the plantation life in the Delta of the Mississippi. He spoke of its traditions and its sentiments; he pictured this river boat slowly moving downstream upon the bosom of the mighty Mississippi, and how, as it would pass along plantation after plantation, and its sharp whistle would announce its approach, the negroes even would say, "There comes the *Ben Humphreys*."

The Secretary was moved by his simple suggestion, but expressed regrets that because of a statute no Government boat could be named after a living man. Quicker than a flash the wit of our departed friend exerted itself and replied, "Then I

want you to name it after my departed father, who was a general in the Confederate Army and at one time Governor of Mississippi."

The Secretary of War said, "I will be glad to do so. What was his name?"

The reply was, "Benjamin G. Humphreys."

As a statesman he possessed that remarkable quality now so often lacking in the present-day American politician. He formed his own conclusions, and no popular gust could move him. He took his congressional duties seriously, and always voted from the highest sense of conscientious convictions. Great as he was as a statesman, devoted as a friend, popular as a citizen, witty and humorous and eloquent as an orator, quick and ever ready as a debater, the most outstanding quality of his being was his devotion to his family. He loved them with a devotion that bordered upon idolatry. His place in his city, his State, and his Nation can not be filled; his services are now a memory, but will ever be an inspiration to the youth of the land.

I saw our departed friend just two weeks before his death at the home of a mutual friend. It was at Winona, Miss., and the occasion was the burial of our former colleague, Thomas U. Sisson. I was to meet him the day following his death, and we were to journey through his district to mingle and meet friends together. His death to me, his death to all, was so sudden and such a shock. My heart is heavy, Mr. President, for in the death of BEN HUMPHREYS I lost my dearest friend, my most trusted adviser, my wisest counselor.

They laid him to rest in the beautiful cemetery, beneath a bed of flowers, close by the waters he had done so much to harness. And just as his thousands of friends, with heavy hearts and bowed heads, were paying their last tribute, the heavens seemed to unfold and add their tears to the sorrowful occasion. Sleep on, good man; thy spirit will live forever.

Mr. JONES of Washington. Mr. President, the membership of Congress changes with amazing rapidity. There is but one Member in the House of Representatives now who entered it when I did 25 years ago who has served continuously since that time. There are but four in the House now who entered before I did, and only two of these have continued in service since. There are but two in the Senate who were here when I entered the House. Death has had no small part in these changes. I have had no time to look into the matter, but my impression is that the mortality in Congress is as great proportionately as in our armies during war. Of course, the average age of the membership is greater, but the intensity of the work and its confining character are in no small degree responsible for this great mortality. There may be a popular notion that Members of Congress have a life of ease and idleness, but the fact is that, take them as a whole, they work longer hours and more intensely than any other class of men, and this has much to do with the great mortality.

I was greatly shocked when the news came to me that Congressman HUMPHREYS had passed away. The last time I had seen him he seemed to be strong and healthy and good for many years yet in the service of his country.

I first became acquainted with him in the Fifty-eighth Congress. Not long afterwards he became a member of the Rivers and Harbors Committee, of which I was a member, and I got to know him quite well. My respect and regard for him grew with the years, and it was a real grief to me to learn of his passing over the river we must all cross.

He and I were of a different political faith, but I could have respected him no more if he had belonged to my party. He was tenacious of his own beliefs and principles, but most tolerant of the views of others.

He was a gallant soldier in the war with Spain, and was first lieutenant of a company which he raised at the outbreak of the war. He offered his life to his country on the battle field, and I have no doubt that his intense and loyal service to his country in peace shortened his life many years.

He was a clean-speaking, clean-living man. He had a manner and way about him that drew one to him and made one look forward with pleasure to his companionship. I have no recollection of any unpleasant impression from any word or act of his. His was an influence that brought out the best in those with whom he came in contact. It was a good thing for any man to know "BEN" HUMPHREYS. One could not associate with him long without feeling better, living better, and having more confidence in the integrity and patriotism of our public servants. It is through lives like his that partisanship controls less and patriotism influences more the lives and acts of public men. Congressman BENJAMIN HUMPHREYS was a good man, a gallant soldier, a faithful representative of the people, and a proved patriot whose private and public life will inspire our young men to a better and loftier citizenship.

Mr. CARAWAY. Mr. President, in keeping with the custom, as old as life, we have met to-day to pay tribute to a departed friend. While each of us realizes that words, mere words, however feelingly spoken, can lend nothing to the character and achievements of those who have laid aside the burdens of living, yet, mayhap, our appraisement of their virtues may give heart to us who carry on when they have ceased from their toils.

With that purpose, and the further desire also to leave a record of the esteem in which this our departed friend and fellow worker was held by us who labored with him, to-day we are assembled to bear testimony to the character and worth of that noble Mississippian, the Hon. BEN HUMPHREYS.

Among the first to welcome me to the House of Representatives when I became a Member of that body was he, now dead, but then the embodiment of life, of laughter, and of hope.

In all the years of our association, and they were many and close, I never heard him give utterance to an unkind or an ungenerous expression, and better, far better than that, no one's cares and no one's sorrows were added to by word or act of his. No one's burdens were made heavier by either action or failure of action by him. On the contrary, he sought to be helpful wherever assistance could be rendered. He was sympathetic whenever sorrow came to others. In partial repayment for all these acts of kindness and thoughtfulness on his part we exclaim, as sang the poet:

> How many a poor one's blessings with him went
> Underneath that low green tent
> Whose curtain never outward swings.

The recital of our friend's achievements, his hardships and triumphs, I shall leave to those of his own State who have preceded me to-day.

Born of a distinguished family, formerly wealthy but impoverished by the War between the States, he preserved and exemplified all of that family's fine traditions. He faced undaunted poverty and misfortune and wore the laurels of his successes with modesty.

BEN HUMPHREYS, living, worked hard, laughed merrily; he played when the day's tasks were accomplished with zest, with the same zest that he bestowed upon the duties which were his to perform.

This, our friend, was a many-sided man. Each phase of his character, as he unfolded them to view, brought both admiration and delight.

His heart was with his own people. Their needs were his constant care. The great river which through the ages had builded up the magnificent Delta in which was his home had turned to destroy that which it had created. To prevent this he labored both day and night. The curbing of that river's flood by a thousand miles of sinuous dikes is his monument. He needs no other. In fact, no other would be appropriate. Generations of children yet unborn will play and men that are to be will toil in safety from the river's ravage, and as they play or as they toil they will point to these long lines of heaped-up earth which protect them from the river's flood and say, "To these we owe our safety, and for these we are indebted to the man who to-day sleeps upon that river's brink," the man to whose memory these feeble words seek to pay tribute, the Hon. BEN HUMPHREYS! For truly he was the master builder. To rear the levees and bring safety to his people he strove with such unrelenting toil that death came earlier than otherwise it would. And to this task likewise he sacrificed his earthly ambition, which was to have been governor of his native State. His father, whom he loved and devoutly honored, had faithfully and well before him filled that exalted station, and he, that father's son, longed to follow in his footsteps. This honor was denied him. Denied him not by his people's unwillingness to bestow it but by the necessity to accomplish the task to the doing of which he had dedicated his every effort and in the achievement of which finally he laid down life itself. His success was worthy of a whole heart's giving, and he gave freely; he gave time, he gave strength, he gave ambition, he gave health, and he gave life! We who are the beneficiaries of his sacrifices seek to repay in the only coin which can reach him in that realm which lies beyond, in gratitude, in renewed respect, in a loftier ambition, and, we hope, in a better and purer living for the example which his unselfish life affords.

Mr. RANSDELL (Mr. HARRISON in the chair). Mr. President, it is said that a fellow feeling makes us wondrous kind in this world. BEN HUMPHREYS spent most of his life on the

banks of the Mississippi River in the great overflow section of the lower Yazoo Delta in the city of Greenville. I have spent 40 years of my life in the little city of Lake Providence in the upper end, the fifth Louisiana levee district, in the extreme northeast portion of my State. My home is only a few miles below that of BEN HUMPHREYS, his being on the east bank of the great river, mine on the west bank. Our constituents and friends have identically the same interests. Our labors were the same.

We entered Congress at nearly the same time. We were members of the same committee—Rivers and Harbors—for a great many years. We devoted our lives to aiding in controlling the floods of that great river, the Mississippi. Senators, that problem has confronted the people of the valley for more than 200 years—ever since Bienville constructed the first levee in front of the city of New Orleans in 1718, when the great city of to-day was only a little hamlet.

From that time to this moment levees have been built, extended into new places, made stronger and better, until now more than 1,500 miles of great dikes bar out the waters of the river from the adjacent lands. And what are these lands that are protected? They constitute 28,000 square miles of the finest soil in America; 18,000,000 acres of as rich land as there is on this continent; an area sufficiently great to produce more than one-half of all the cotton grown in this country, if all of these lands were cleared, protected, and placed under cultivation, together with a very large percentage of the sugar needed for our people, of the corn needed, of the oats needed, of the rice needed, for all of those great crops are produced in abundance in the vast area of this mighty valley. It was to the task of protecting these very fertile lands that BEN HUMPHREYS devoted his life.

He was preceded in that task by a number of eminent men in both Houses of Congress. It would be invidious for me to give much praise to any of them unless I could mention all; yet, Senators, I do not believe anyone can complain if I refer to the honored names of Randall Lee Gibson and Newton C. Blanchard, of Louisiana; of James H. Berry, of Arkansas; and of Thomas C. Catchings, of Mississippi. Those four men surely earned especial praise from the people of the Mississippi Valley for the wonderful services rendered by them in extending levees and having laws passed to control the floods of the great river.

As far back as 1879 a statute was passed which created the Mississippi River Commission and charged it with the duty of guarding the lands adjacent to the river from flood and also with certain responsibilities in connection with navigation; but the principal task of that commission was to protect the valley lands from overflow. Marked progress has been made during the 45 years since the commission was created, and to no man is greater credit due for that progress, especially during recent years, than to BEN HUMPHREYS. Unfortunately the task is not as yet completed; many years of labor lie before us and many millions of dollars must be expended before the task shall be finished and the valley be entirely safe from occasional damage by flood waters. Relatively we are safe, and our people are prosperous and happy in most places, though in some localities great anxiety is still felt.

Again I trust that I may not be considered invidious when I say that RILEY J. WILSON, of Louisiana, and WILLIAM J. DRIVER, of Arkansas, are entitled to very great credit in the legislative work of flood control. They cooperated splendidly with Representative HUMPHREYS in his mighty task. And, oh, Senators, it is a mighty task, for when the accumulated waters of the Mississippi River, gathered from the rain that falls in 31 States of this imperial Nation, send down an angry flood to the Gulf a battle array is created which it is extremely difficult for the puny forces of man to combat, and when the efforts of man succeed in fighting those floods successfully there is much glory due to all who have any part in the battle. As Schley said to Sampson after the Battle of Santiago, "There is glory enough for all"; so it is a proud tribute to the memory of BEN HUMPHREYS that he was leader in the House of Representatives during the last 10 years in the effort to secure flood-control legislation. It is a great honor to the memory of BEN HUMPHREYS that his name is attached, and always will be attached, to the two great acts of flood-control legislation passed in 1917 and 1923.

I have never known a man, Mr. President and Senators, who more whole-heartedly devoted himself to one great cause, to the practical exclusion of everything else, than BEN HUMPHREYS devoted himself during his entire career to measures of flood relief on the Mississippi, and, withal, he was a man of brilliant intellect, of varied resources, extremely popular, and exceedingly magnetic in his personality. It is said of him that there was no more popular man in the House of Representatives than he; but all of his intellect, all of his popularity, all of the hard work of which he was capable were devoted to the one task of doing everything possible to protect his constituents of the Yazoo Delta of the Mississippi from overflow; and in doing that he also protected the people of Missouri, of Illinois, of Arkansas, and of Louisiana, because all of them had the same problem, all of them had the same hard struggle to make. It was a cooperative effort of many strong, true men, and because of that fine cooperation under able leaders there followed at least reasonable success, with ultimate victory in sight.

In the death of Mr. HUMPHREYS the people of the Mississippi Valley, not alone those of the State of Mississippi but of the entire overflow area, the entire 28,000 square miles, the entire 18,000,000 acres of that wonderful valley, have lost one of the best friends they ever had.

Mr. ROBINSON. Mr. President, some one has said that while a man is yet living his fellow men judge him by his worst deeds and when dead by his best. BENJAMIN G. HUMPHREYS, judged by his worst deeds, would measure up to an exalted standard of citizenship and of private character. He was possessed of a striking and impressive personality. Looking back over a protracted period of service in the Congress one may recall Members of days long past whose appearance and personal characteristics have grown confused and indistinct in memory, but this is not true, it will never be true, of Mr. HUMPHREYS. His individuality will stand out, and the attributes of his character will remain distinct in the memories of all Representatives and Senators who were fortunate enough to be associated with him. Cordiality of manner, geniality of disposition, sympathy with the troubles of others, and good fellowship, added to other distinctive personal characteristics, made Mr. HUMPHREYS one of the most striking figures in the American Congress of his time.

His service demonstrated unusual ability as a legislator. He was familiar in its every detail with parliamentary law and with legislative procedure. He possessed a thorough comprehension of constitutional provisions and limitations.

Few men in either branch of Congress during the last 20 years have demonstrated more reliable information respecting the large issues before Congress than Mr. HUMPHREYS. He was in close touch with local problems. Others have referred to the great measure with which his name is inseparably associated. Some public men whom we have known are illustrative, their names are suggestive, of movements with which they have been connected, of measures which they have cooperated to enact. In the present Congress there are some whose services have marked them as prominently connected with important reforms.

The senior Senator from Louisiana [Mr. RANSDELL] has led the movement in behalf of waterway transportation, and particularly for the improvement of the rivers and harbors of the Nation; and when his name is mentioned one thinks of that phase of his public service. The names of other Senators are suggestive of movements in which they have led, of measures which they have helped to formulate, of reforms which they have suggested; and this has been true in every period of our country's history. Moreover, some public men so embody the spirit of the section from which they come that to mention their names is to arouse appreciation for the characteristics of the people who dwell in those communities.

Fortunately for the Nation, there are some names glorified by services so important and so enduring that the mention of them is suggestive of the national spirit, of the large events and far-reaching movements which are a part of the heritage of all our people. One can not think of Washington, of Jefferson, of Lincoln, or of Wilson without being thrilled with a recollection of the patriotic principles and motives, the exalted purposes and resolute achievements, which make them representative of the whole Republic.

While Mr. HUMPHREYS was in no sense provincial in his views, or narrow in his sympathies, or prejudiced in his policies, he is, in a very important way, to all who knew him well, illustrative of that peculiar type of citizenship which predominates in influence in the Mississippi Delta. Courageous, aggressive, endowed with tenderness of feeling and refined sympathies, capable of many sacrifices and of useful services, it is not surprising that his name should be inseparably connected, as has been stated by the senior Senator from Missis-

sippi [Mr. HARRISON] and the senior Senator from Louisiana [Mr. RANSDELL], with a measure which, while national in an important sense, is yet of peculiar importance to the Mississippi Delta and to the Mississippi Valley as a whole.

No one who has not lived in or visited and observed conditions in the Mississippi Valley can quickly have a full appreciation of the importance of the flood control measure from an economic standpoint. Gathering its volume in northern snows and glaciers, this mighty Father of Waters at periodical times in the past sent its yellow floods over vast areas of the richest lands on earth; and when these floods came they carried with them to destruction the results of the labors and efforts of thousands of citizens. They swept away the accumulations of years. They deprived the Nation of the products of fertile lands, of products essential to the happiness and comfort of the people as a whole. Mr. HUMPHREYS, combining his efforts with those of the Senator from Louisiana [Mr. RANSDELL] and of others who had a somewhat local, and therefore intimate, interest in securing the legislation, cooperated in the preparation and the enactment of the flood control act, which may be regarded as one of the most important and effective measures enacted by the Congress during recent years.

While his labors and his thought were devoted for a long period to the passage of flood-control legislation, his attention and his efforts were by no means confined to that important measure. He demonstrated a knowledge of general legislation and a familiarity with legislative processes which made him one of the influential factors in the House of Representatives.

By sincerity of purpose, devotion to sound principles of government, prompt and efficient performance of duty, Mr. HUMPHREYS illustrated the best standards of official life. He exemplified the highest attributes of human character, strong friendships, sincere motives, charity toward the faults and frailties of others, helpfulness, and an abiding faith in the spirit of the social and political institutions of our country.

There is universal grief among the Members of Congress; there is widespread regret at the departure of this useful public servant.

Mr. STEPHENS. Mr. President, Mississippi has never been without great and good men. They have entered all the walks of life and have made names for themselves that reflected honor and glory on the State.

If we call the roll of lawyers, orators, and statesmen in the Nation, the names of Mississippians will be heard; and they will be found high on the list. The very reference to this fact causes the mind to be flooded with the names of great men and the records of their splendid achievements. Their lives and their greatness are a substantial part of the life and greatness of the State and Nation.

Many of these great Mississippians, each in his particular sphere, were the equal of any man the Nation has produced. BENJAMIN G. HUMPHREYS, in whose memory these exercises are being held, possessed in a large measure every element that contributed to the greatness of these men, and at the same time he had some other characteristics of true greatness that all of them did not have.

A great character is often marred by some small vice, by egotism and vanity, by an unpleasing mannerism, by lack of cordiality, by selfishness. It was not so with him.

Whatever faults he may have had were small. His character, like a splendid diamond whose brilliance is increased by the number and shape of its facets, was the composite of so many various elements that he stood among us as one who was truly great, and any weakness that he may have had was unnoticed.

In the House of Representatives, where he served for more than 20 years, he was very popular. Perhaps no more popular man ever served in that body. Every one was his friend, and he was the friend of every one.

In talking with his former colleague I have been impressed by the fact that every mention of him was a eulogy. Tributes of praise, of respect, of admiration were paid by each one, and they came from the fullness of the hearts of friends.

Mr. President, I shall attempt, very briefly, to mention some of his most prominent characteristics—those outstanding qualities that attracted men to him and that endeared him to men.

His personality was pleasing. His was a happy disposition. He possessed the power to please and of being pleased. No one ever enjoyed the association of friends more than he.

In every crowd he added something to the pleasure of the occasion. His conviviality, always restrained within proper bounds, made him an attractive and congenial companion. His jests, his bright quips, his humorous raillery, his large fund of striking and entertaining anecdotes made him welcome in any assemblage where good fellowship had its sway.

Immortality implies than man will be identically the same through all eternity; that death does not rob him of any of those attributes which are necessary to that identity.

If that be true, it is very probable that he has often looked down on his friends of former days and has enjoyed their meeting together—that he has smiled at every jest and chuckled over every good story, just as we remember him doing when he was with us.

There was also a serious side to his nature. He was a thoughtful man, a student. He was familiar with good literature. History was a favorite study. He had a strong touch of the poetic in him, and he could speak the language of the great poets. His knowledge of the science of government and the underlying principles of our Republic was profound.

Thus he was able, both in his conversation and in his speeches, to attract attention, to entertain, and to instruct his hearers.

His devotion to the fundamental principles of the Government was unfaltering. He was always ready to do battle for them, fighting alone if necessary. The shiftings of public opinion that sometimes threaten the foundations upon which our Nation rests never caused him to waver. No man ever gave as little attention to the effect his vote might have on his own political fortunes. The only question with him was this, What is right?

Not only was he always ready to defend these principles but he was always able to make a good defense. He was a good debater, prompt in attack, ready in defense, full of resources gained by long experience and careful study of the subject. He had quickness and clearness of perception, the power of discrimination, the ability to detect sophistry, a love of fairness, rectitude, and truth, the power of sly sarcasm and stinging satire.

He was admired and respected because of his ability, but no more for that than for his courage. One of the needs of the hour is the courage of conviction. Popular clamor, often unreasoning, seems to be supreme.

The only safe leader is one whose judgment is inspired by convictions of principle and duty. Our friend had physical, intellectual, and moral courage. It was a part of his very nature, and it was developed by constant exercise. He had that courage that enabled him to stand alone without being wedged in a crowd.

> Courage—the highest gift, that scorns to bend
> To mean devices for a sordid end.
> Courage—an independent spark from heaven's bright throne,
> By which the soul stands raised, triumphant, high, alone.

Few men are heroes. For one soul who has this high courage there are scores who have a passion for self-interest that oftimes makes cowards of them. No man can become a leader of men and retain that leadership very long who does not possess that high courage that will cause him to do right without regard to his own selfish interest.

His courage did not lead to recklessness. He had a perpetual serenity and sunshine of spirit, though always firm and positive in his positions. Moderate and candid, he was always unyielding with regard to principle.

He was an effective champion of any cause that met his approval. Men listened to him not only because they recognized his ability but because they had confidence in him.

They knew that he had built ethics into his nature and that he was swift to obey the voice of conscience. When he spoke, his character testified for him. Integrity was as inseparable from his character as fragrance from the rose or music from running water. Men knew that he was free from artifice and disguise and sophistry, and they were willing to follow his leadership.

He had an unyielding spirit of honor and integrity and a moral purpose that never faltered. If it be true that "the man of absolute integrity and of supreme devotion to duty will not be denied a place among the great," he is entitled to high rank.

Mr. President, I shall not tell of his early life and history before he became a Member of Congress, except to say that he was the son of Gen. Benjamin G. Humphreys, a gallant Confederate soldier and Governor of Mississippi, and that when the Spanish-American War began, inspired by the martial spirit

of his father as well as by patriotic impulses, he enlisted in that war.

Governor Humphreys was removed from office during the reconstruction period by Federal soldiers, and this act was witnessed by his son, and was perhaps one of his earliest recollections. It is probably true that one of his unfulfilled ambitions was to be governor of his State, and I may say that I earnestly urged him to run for that office, believing in his fitness and qualifications for it.

BEN HUMPHREYS has left us, but countless monuments remain erected to his memory in the hearts of those who knew him. But there is another monument that will last after these friends shall depart. In the laws of the Nation his impress has been fixed. In the great Delta, whose people he loved so much and whom he served so ably and faithfully, there will remain as long as time shall last a monument to him in the work that he did as a member of the Rivers and Harbors Committee and as chairman of the Committee on Flood Control.

May I say this: That it gives us, his old friends and colleagues here, great pleasure to see his son, Hon. W. Y. HUMPHREYS, occupying the position held so long by his father, and succeeding so splendidly in that work.

I shall not attempt to review the great work that Mr. HUMPHREYS did while a Member of the House. That has been done very fully and splendidly by other Senators. What they have said has my hearty indorsement.

Mr. HUMPHREYS was very devoted to his family. His wife, son, daughter, little grandchildren, were sources of pride and joy to him. He lavished his affection on them. Their sorrow, no doubt, was increased by the suddenness of his death.

But I believe that he died as he wished, without much warning. The last time that I saw him was at Winona, Miss., where we had gone to attend the funeral of Hon. Thomas Upton Sisson, a former colleague of ours and himself one of the State's greatest sons.

Mr. Sisson had died very suddenly. As we were going out to the cemetery, sitting in the same car, Mr. HUMPHREYS and I were discussing the unexpected death of our friend. In the course of our conversation he said:

I used to pray, "Deliver us from sudden death," but I have about decided that is the best way to die.

Nothing that can be said or done will entirely relieve their grief, but it is, I am sure, great comfort to them to recall his many evidences of love and affection, the splendid heritage that he left in the life that he had lived, his almost unexampled record that he made as a public official, and the high esteem in which he was held by all who knew him.

Of course, they need no assurance from me, but as an intimate friend and as one who had known, admired, and loved him for more than a quarter of a century, I want to say that he was a true and faithful man and friend; that he believed in those things that are good, pure, and holy; that he was always anxious to render service to those who needed assistance; that his heart was filled with sympathy for the poor, the wronged, the fetter-galled; and that he left a more lasting impression on human hearts and on the life of his State and Nation than can be accredited to but few men.

We say that BEN HUMPHREYS is dead. The Christian religion has taken away from the grave's brink the thorns and briars of despair and planted in their stead the beautiful flowers of hope and trust and love. It teaches that men live forever. Though dead in the flesh, they are alive in the spirit. They are ever present with us in the examples they have set, the truths they have uttered, and the lives they have lived.

If this be true, BEN HUMPHREYS, as a result of the labors that he wrought, of the example that he set, of the influences that he exerted, will live through the ages.

We shall miss him greatly, but we can only—

Wait the great teacher, death,
And God adore.

The PRESIDING OFFICER (Mr. RANSDELL in the chair). Without objection, the resolutions will be unanimously agreed to.

Mr. STEPHENS. Mr. President, as a further mark of respect to the memory of the deceased Representatives, I move that the Senate do now adjourn.

The motion was unanimously agreed to; and the Senate (at 1 o'clock p. m.) adjourned until to-morrow, Monday, May 26, 1924, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

SUNDAY, *May 25, 1924*

The House met at 12 o'clock noon, and was called to order by Mr. ALMON, Speaker pro tempore.

The following prayer was offered by Rev. William James Seelye, of Washington, D. C.:

O Thou in whom we live and move and have our being, we recognize Thee as the giver of every good and perfect gift. One of Thy best gifts to us is this great and good land of ours. Help us to love her with all our hearts, with true patriotism, and as we plan our national and international program of policies grant that we may never forget that Thou art the source of all wisdom and power. Give us that constant view and realizing sense of the best spiritual traditions. Surround us with a realizing sense of a bright spiritual horizon and keep our eyes fixed steadily forward on those high spiritual ideals which make a country what it is, and as we celebrate now in this season of surrender and the sacrifice of thousands and tens of thousands of precious lives for the love of our country, help us to realize that unfading glory that attaches to the living for her. And all shall be to the praise of Thy glory and Thy grace. Amen.

By unanimous consent the reading of the Journal of yesterday's proceedings was omitted.

EULOGIES ON THE LATE REPRESENTATIVE JOHN R. TYSON

The SPEAKER pro tempore. The Clerk will read the special order for to-day.

The Clerk read as follows:

On motion of Mr. HILL of Alabama, by unanimous consent—

Ordered, That Sunday, May 25, 1924, be set apart for memorial services on the life, character, and public services of Hon. JOHN R. TYSON, late a Representative from the State of Alabama.

Mr. HUDDLESTON. Mr. Speaker, I offer the following resolutions.

The Clerk read as follows:

House Resolution 327

Resolved, That the business of the House be now suspended that opportunity may be given for tributes to the memory of Hon. JOHN R. TYSON, late a Member of this House from the State of Alabama.

Resolved, That as a particular mark of respect to the memory of the deceased and in recognition of his distinguished public career the House, at the conclusion of these exercises, shall stand adjourned.

Resolved, That all Members be granted leave to extend their remarks in the RECORD on the life, character, and public service of the deceased.

Resolved, That the Clerk communicate these resolutions to the Senate.

Resolved, That the Clerk send a copy of these resolutions to the family of the deceased.

The resolutions were unanimously agreed to.

Mr. HILL of Alabama. Mr. Speaker, as I came to the Capitol this morning, and beheld the beauty of the day, the warmth of the sunshine, the sweet fragrance of the flowers, and the soft green of the turf, all nature proclaiming that eternal verity, the doctrine of the resurrection, I could not but feel that God himself had joined with us in paying tribute to JOHN R. TYSON. On the 27th day of March of last year, far from home, far from the land of his birth, far from the people he loved and who loved him, in the distant city of Rochester, Minn., JOHN R. TYSON was touched by the death angel and carried home to his God. In the full strength of years, while yet in love with life and raptured with the world, the mighty tribune of the people, the valiant warrior, spent in the fight, passed out of the company of living men. Despite the warning of friends and physicians, he had labored on, and he fell beneath the weight of his burdens.

JOHN R. TYSON was of the heroic line; his was the arm for battle, his the soul to dare, his the will to the end. He knew no fear. He defied the storm. He asked no favors. He scorned to do wrong. He hated those who bent the knee in servile submission. He took his stand where his clear and comprehensive judgment directed him.

Having once taken his position he was as firm in the cause he advocated and espoused as the granite hills. When others winced, he cried "Forward"; when others hesitated, he marched on; when others retreated, he advanced; when others

placed their trembling hands upon the altar of compromise, he stood defiant. His was the courage of Sir Andrew Barton—

"Fight on, my men," says Sir Andrew Barton,
"I am hurt, but I am not slaine;
I'll lie me down and bleed a-while,
And then I'll rise and fight againe."

The great and proud Commonwealth of Alabama has claimed many brilliant stars in the galaxy of her genius, but none more refulgent than JOHN R. TYSON.

Born on the 28th day of November, 1856, in Lowndes County, Ala., JOHN R. TYSON was ushered into a civilization of culture and of attainment. His father, John A. Tyson, belonged to the slave-holding class of the South, a class that dedicated its sons to intellectual and political life, a class that gave to the country so much of its brilliant statesmanship before the War between the States. Young JOHN R. TYSON early gave promise of the remarkable career which was to crown his life. He first went to Alabama College, now known as Howard College, where he increased his fund of knowledge and made friends among the people of the State which he was to serve so long and so well. After graduation at Howard College he took up the study of law and became proficient in his chosen profession at Washington and Lee University in Virginia, an institution still redolent of the memory of Robert E. Lee, who only a few years before had been its president.

In the days of his youth JOHN R. TYSON began the habits of industry and the training of that acute intellect which in later years were destined to achieve so much triumph. Power and conquest and leadership slumbered in his rugged arms and steadfast heart. He resolutely set his heart on success, and concentrated every faculty of his mind and body on the attainment of his darling point. He was ever relentless in his energy and enthusiasm to accomplish the things he set out to do. He brought to support his ambition courage, industry, and patience, and he trampled on genius. He rose above his fellows as steadily and as surely as the sun climbs above the mountains.

After his graduation in law he returned home to the people who knew him and modestly offered his services as a lawyer in the county seat of his native county. His indomitable courage, his untiring industry, his fine ability soon won the admiration of his people, and they called him to leadership in their fight to recapture their government from the hands of the scalawag and the carpetbagger. He entered the race for the State legislature against a negro and won the election. He was in the forefront in the restoration in the State of Anglo-Saxon supremacy and of constitutional government and order. He became one of that gallant band who in the valley of defeat turned the South from the graves of her dead and the ruins of her hearthstones and in a single generation raised her from dust and ashes, from desolation and darkness, and led her into the light of a new glory and the dawn of a better day.

After four years in his native county the call came to JOHN R. TYSON to enter the practice of law at Montgomery, the capital of the State. He accepted the call and became a member of the Montgomery bar, a bar as distinguished as any at that time in the country. It was the bar of William L. Yancey, once a distinguished Member of this House, the Patrick Henry of the Southern Confederacy, whose burning eloquence in Faneuil Hall temporarily transformed the fanatical Lloyd Garrisons and Harriet Beecher Stowes into southern sympathizers; of John A. Elmore, the constitutional lawyer, building fortresses of reason by the force of his logic; of Samuel F. Rice, "with his quaint thoughts and sayings filled with the pert and nimble spirit of mirth," chief justice of the Supreme Court of Alabama before reaching the age of 32; of George W. Stone, whose name for 40 years was written broad and clear on the pages of great decisions; of Thomas H. Watts, war Governor of Alabama and Attorney General of the Confederacy, the ardent and enthusiastic advocate, the magic of whose eloquence moved men and melted the hearts of judge and jury. It was the bar of Thomas G. Jones, the author of the present Code of Ethics of the American Bar Association, who as a beardless boy returning from Appomattox uttered those immortal words on the "lost cause," "I shall not injure the cause by arguing its justice," those words which electrified a dissevered Nation and joined the hands of Kansas, the State of John Brown, and of South Carolina, the Hotspur of the Union, for the successive reelection of a Democratic President for the first time since Andrew Jackson.

It was the bar of William A. Gunter, the golden link between the past and the present, "A man of perception keen and mind undimmed, and whose arms are filled with gathered sheaves." JOHN R. TYSON'S success at this bar was made manifest by the fact that at the age of 36 he was chosen to preside over it in the position of judge of the second or Montgomery circuit. For seven years he filled the position with honor and with distinction. So learned was he in the law, so fair in decision, so expeditious in the discharge of the business of the court, so faithful in duty that his name and fame spread throughout the confines of the State, and the people called him to a place on the Supreme Court. There he served for nearly 20 years and became chief justice of the court, defeating for that honored position an able and popular opponent in a hotly contested primary. He voluntarily retired from the bench to again enter the practice of the law in Montgomery. But he was not to remain out of the public service long. His services had been too distinguished, his ability was too marked. He was drafted by his friends to make the race for Congress from the second district, and was elected over a strong and capable opponent. Other gentlemen, who were his colleagues in this House, will testify this day to his services in this body. Permit me to call to memory what to my mind was the crowning service of his long and great career. I refer to his magnificent argument against the Dyer antilynching bill, in which he marshaled all the acumen of his wonderful intellect, all the store of his legal knowledge, all the wealth of his vast experience, and showed conclusively the unconstitutionality of that nefarious measure and sounded its death knell. As his friend and constituent, let me say that his services in this House were such as to quicken the admiration of his former foes for him and to increase the pride of his friends in him.

JOHN R. TYSON was a great jurist. He had drunk deep drafts of liberty from the commentaries of the fathers. He believed in his country. He understood its institutions and he knew its laws. He had faith in its mission. The Constitution was his chart and compass. It was his companion, his guide, and friend. As he went about his daily pursuits he always carried a copy of it with him. To the day of his death a worn and much-used volume of the great document was ever to be found on his person. His decisions on the court were usually short, terse, and compact. His power of analysis enabled him to go directly to the heart of the question and make his opinion clear in a few sentences. His decisions will go down through the years as guideposts along the highway of constitutional government and law. He was a man whom Daniel Webster fittingly described in his tribute to John C. Calhoun:

> He was calculated to be a leader in whatever association of political friends he was thrown. He was a man of undoubted genius and of commanding talent. His mind was both perceptive and vigorous. It was clear, quick, and strong.
>
> The eloquence of Mr. Calhoun, or the manner of his exhibition of his sentiments in public bodies, was part of his intellectual character. It grew out of the qualities of his mind. It was plain, strong, terse, condensed, concise, sometimes impassioned; still always severe. Rejecting ornament, not often seeking far for illustration, his power consisted in the plainness of his propositions, in the closeness of his logic, and in the earnestness and energy of his manner.

No man in public or in private life was more assiduous in the discharge of his appropriate duties than was Judge TYSON. No man wasted less of life in what is called recreation or employed less of it in any pursuits not connected with the immediate discharge of his duty. His was a dynamic personality, ever in action, ever moving on to the goal. He was an indefatigable worker. He toiled without respite, he labored without stint. He seemed to have no recreation but the pleasure of conversation with his friends. Out of the Chambers of Congress he was either devoting himself to the acquisition of knowledge pertaining to the subject of the duty before him, or else he was indulging in those social interviews in which he so much delighted. He was vigorous in conversation, and yet most gracious and charming among friends. His words were ever enlightening and carried conclusion in their sincerity. JOHN R. TYSON loved his friends. He not only sympathized with their aspirations, but he fostered them. He not only comprehended their hopes, but he labored for their realization. He not only partook of their joys, but he shared their sorrows. He had many friends, many among the great common people who ask nothing, who make no demands, need no assurances, and who never falter. They believed in him and they loved him. They loved him for his frank and manly dealings, for his modest and unassuming mode of life. They placed their trust in him, and he proved worthy of their confidence. For them he spent and was spent. He labored for their cause to the end. He kept the faith.

Years after the celebrated Battle of Thermopylæ, a traveler on visiting the spot found a monument with the simple inscription, "Stranger, go tell at Lacedæmon that we died in obedience to

her laws." "Why is it," he asked, "that the names of those who fell are not inscribed on the stone?" "Because," was the proud reply, "it is impossible that any Greek should ever forget them." Even so it is with him of whom I speak. No State ever had a truer friend, no people a more affectionate champion, no cause a finer advocate, no principle a nobler defender. His acts are graven on the hearts of his people, and time has no power to obliterate the characters. Great men stand like solitary towers in the city of God. JOHN R. TYSON was one of these men.

Know ye not that there is a prince and a great man fallen this day in Israel?

Mr. ASWELL. Mr. Speaker and gentlemen of the House, when Judge TYSON came to Congress a new Member, on account of his strong personality, on account of his charming spirit, I was immediately attracted to him. We very soon became intimate and confidential friends. I was with him every day. He impressed me from the beginning as a man in every sense of the word of strong convictions and courageous conduct. My association with him was intimate, perhaps more intimate than it has been with any other Member of this House. My association with him was delightful and most profitable to me. He hated sham and he hated demagogy. I have seen him on this floor when some remarks were made that seemed to him to have a tinge of demagogy or insincerity when he would immediately rise and walk erectly from the Chamber. In the cloakroom he would denounce the sham an insincerity in unmeasured terms.

Judge TYSON had the courage of his convictions and never hesitated to express himself and to act as he thought to be right. He has often stated to me that a Member of Congress should not cringe and trail public sentiment; that it was the duty of a Member of Congress to inform the public and mold public sentiment. He not only had that independent courageous attitude, but as I knew him he was a most lovable man. Almost every day in our quiet conversations he would speak with affection and pride of his family. He was so proud of them and loyal to them.

I remember the last day of the session he sat for a long time and discussed public questions and public men, and as the day drew to a close he said to me, "I am not well. I am going away as soon as the session closes to-day and find out what my trouble is."

Gentlemen, his loss to me personally is grievous. I think of him almost every day as I come into this Chamber and especially in the cloakroom.

To his devoted and bereaved family I extend my personal, earnest, sympathetic condolence and remind them that their consolation is to be found in the fact that he left a distinguished and honorable career, one that points the way to finer and better things. What a glorious thought it is to them, the splendid achievements and the high character of the man. Gentlemen, Judge TYSON, of course, was no demigod, though a divinity encompassed his acts. Human weakness was present in him, yet the divine inspiration of duty so lifted him out of self as to make him the mighty champion of truth and right. He was in every sense of the term a man. He was my friend and I loved him.

Mr. STEAGALL took the chair as Speaker pro tempore.

Mr. BANKHEAD. Mr. Speaker, we have, according to a long and desirable custom, set apart this hour to pay fitting tribute to the life, character, and service of our late honored colleague the Hon. JOHN R. TYSON, a Representative from the second congressional district of Alabama. The mortality among the Members of the House for the last two years has been extremely shocking. It is evidence of the fact that the exactions of an arduous service takes its heavy toll in the lives of useful men.

I was profoundly shocked when upon an extended western trip last spring I learned of the death of Judge TYSON. It was known that during the closing days of the last Congress he was not in robust health, but none of us apprehended any serious culmination, and his passing away was not only a great surprise but the cause of genuine grief to those who admired and loved him.

Judge TYSON only served a little over one term in the House, but even that short tenure was sufficient to give him the opportunity to demonstrate that high order of ability and courage of conviction already so well known to the people of Alabama and the constituency he represented. He delivered in this forum only one or two extended arguments on pending legislation, but those who heard them were deeply impressed with his forceful and logical analysis and his profound convictions upon the subject he was discussing. For the rounding out of a long and honorable career it is to be very deeply regretted that his congressional service was so curtailed.

It was as a great jurist and advocate that our late colleague will be most remembered. His was inherently a great legal mind. Both as a practitioner of his profession and as a judge upon the nisi prius and supreme benches he was an assiduous and methodical student, which made it possible for him not only to understand legal principles with clarity of analysis but also to expound them with dextrous precision.

For a number of years he occupied the very responsible position of circuit judge, one which calls for the exercise of tact, patience, common sense, and learning. All of these attributes our deceased colleague possessed to a marked degree. His recognized judicial ability later won for him a place of high distinction as associate justice of the Supreme Court of Alabama. My State has long had the enviable distinction of producing judges on its highest tribunal whose legal opinions take very high place in the jurisprudence of the Nation. While serving as associate and for many years as chief justice of the supreme court Judge TYSON contributed to and amply sustained the exalted standard of his predecessors.

He was a man of courageous convictions. What he thought, he spoke. When he reached a definite and well-considered conclusion on a controversial matter he did not hesitate to declare it in positive and unreserved terms. He was not prodigal in his intimacies, but with cordial and dignified fidelity paid every debt of friendship which he owed.

That he was personally a popular man and preserved the loyalty of his admirers is proved by his unvarying success in his political contests. He represented here a district with many unusual historic legacies and proud traditions. He had as a constituency people of high purposes and honorable aspirations, and it is my privilege here to assert that in the person of Judge JOHN R. TYSON they had a Representative who measured up to the character and attainments of those whom he so capably served.

I do not desire to convey the impression by what I have just said that Judge TYSON was of the spirit of an aristocrat. His devotion to the plain people, to the rank and file of his fellows, was paramount and consistent. He believed in the aristocracy of intellect but always in the democracy of people, and I am sure that it was in the hearts of the toilers of his district that the grief over his departure was most poignant. He had learned too much of the real principles of equity to believe that there was any place either in society or government for the bestowal of special privileges.

To the surviving members of his family I desire to extend the expression of profound sympathy. They should find some measure of comfort in the reflection that the one for whom they grieve played a man's part in all the changing scenes in the drama of life, of one who wrought most worthily at the forge of events and left on the printed page of jurisprudence and in the annals of constitutional government a record of worthy and enduring achievement.

Mr. BULWINKLE. Mr. Speaker, it is well that the House has convened to-day in order that we may lay upon the altar of memory our tributes of love, respect, and admiration for our deceased colleague, Hon. JOHN R. TYSON, a Representative in Congress from the second district of Alabama, who died on Tuesday, March 27, 1923.

During the four sessions of the Sixty-seventh Congress it was my privilege to be brought into most intimate relations of friendship with Judge TYSON almost daily. Living at the Driscoll Hotel, we were together in many a walk and ride. Each day that I was with him brought to me a fuller realization of his ability as a lawyer, of his high and honorable character, of his fearlessness, and of his intellectual honesty. No one could know him without being impressed with the greatness of the man.

Judge TYSON was a devoted husband and father. In his attitude toward his family he displayed the highest type of love and affection of a father and husband.

Judge TYSON was born in Alabama. His life was spent in the South. He loved the glorious traditions of the South. But the love for his State and the South was only excelled by his love for the Nation. No act or word of his would have ever caused one to doubt his patriotism.

His was a life of service to his State and country. His life was a record of accomplishment. Born in Lowndes County November 28, 1856, educated at Howard College, Marion, Ala., and Washington and Lee, Lexington, Va., at the age of 23 he commenced the practice of law at Haynesville, Ala. From this time until elected to Congress he was a successful and honorable

practitioner at the bar, a member of the legislature, a circuit judge, an associate justice of the supreme court, then the chief justice of the supreme court. Retiring as chief justice, he again engaged in the practice of his chosen profession until elected to the Sixty-seventh Congress and then reelected to the Sixty-eighth Congress.

May I not be permitted to say that Judge TYSON was very fond of my State, North Carolina. His father was born in Pitt County, N. C., and moved to Alabama in the forties. Many times he expressed the desire to go to North Carolina on a visit to look up his relatives.

If he had lived, the State and the Nation would have continued to honor him. But dying, he left to Alabama a heritage for all time to come.

Mr. ALMON. Mr. Speaker, the late Representative JOHN RUSSELL TYSON was born in Lowndes County, Ala., November 28, 1856; graduate of Howard College, Marion, Ala., and of Washington and Lee University, Lexington, Va.; represented Lowndes County in the Legislature of Alabama in 1880; circuit court judge from 1892 to 1898; associate justice of the Supreme Court of Alabama from 1898 to 1906 and chief justice of that court from 1906 to February, 1909, when he resigned to resume the practice of his profession; was elected to the Sixty-seventh and Sixty-eighth Congresses from the second congressional district of Alabama, and died at Mayo Brothers' Hospital, Rochester, Minn., on the 27th day of March, 1923.

He was a faithful and consistent member and officer of the First Baptist Church of Montgomery, Ala., for more than 30 years, and maintained this relation to the end.

He was married to Mary Jordan, a daughter of Dr. James Jordan, of Lexington, Va., and is survived by his widow and the following children: George B. Tyson, of Barberton, Ohio; James J. Tyson, of Jacksonville, Fla.; Miss Martha J. Tyson, of Montgomery, Ala.; Mrs. B. Frank Noble, of Montgomery, Ala.; Mrs. Kenneth Murphy, of Washington, D. C.

Our late colleague, Judge JOHN RUSSELL TYSON, was a man among men—one of Alabama's most distinguished citizens—known of all for his native ability, his learning in the law, his splendid judicial mind, his patriotic fervor, his firmness of conviction, and devotion to duty. He never asked the people for an office that they did not give him. He was a man of deep convictions, never entertained half views of anything; whatever he did he did with his whole soul, and this was true of him in his religion as in other things.

For more than 30 years the people of Alabama honored him with their love and confidence by electing him to State and Federal offices, and if his life had been spared, he would have, in a short time, stood out in bold relief as a national figure; a leader in all that made for the welfare and good of his country and his fellow men. He also possessed, to a remarkable degree, the noble qualities as a family man, a faithful, tender, and devoted husband and father. His wife is a woman of culture, refinement, and great strength of character. Judge TYSON, like many other men in public life called upon from time to time to face perplexities and difficulties, was strengthened by the moral support and sympathy of his good wife at home. Her high ideals of life and public service were a constant inspiration to him.

It was well known to Judge TYSON's colleagues, for some time before his death, that he was in poor health and he was a great sufferer, but was never heard to complain.

As a member of the committee from the House I attended the funeral ceremonies in Judge TYSON's home city, Montgomery, Ala., the capital, and was profoundly impressed by the sincere evidence of sorrow, love, and respect manifested by the vast throng of people from every part of Alabama gathered there to honor him on that occasion, representing as they did every plane of social life. His remains, after arriving from Rochester, lay in state in the supreme court chamber at the capitol during the afternoon and night, and a special military guard of honor was posted in the chamber by order of the Governor of Alabama. The funeral services were held in the First Baptist Church, of which he was a member. About the casket were banked masses of beautiful, fragrant flowers, tributes from sorrowing neighbors and friends and his former associates of the supreme court and his colleagues, the Members of Congress from Alabama.

All in all JOHN RUSSELL TYSON was one of nature's great men. The effect of such a life, character, works, and faith will make its impression not only on the present generation but the generations to follow.

Mr. FAIRFIELD. Mr. Speaker and gentlemen of the House, perhaps no experience in public life is more interesting or profitable than that which comes to us in being brought into contact with men not only widely separated in physical distance but in the meeting of men whose traditions, whose political philosophy, whose social life have been ordered under entirely different conditions.

I could not but think, as a Member was recounting the struggles of JOHN R. TYSON against the forces that depressed the South immediately after the Civil War, of the atmosphere in which, as a young man, I myself was being molded in antagonism. Perhaps it is not improper to state here that even as a boy I never had any confidence either in the wisdom or the justice or the success of what was known as the force bill. I can understand how a sincere and honest man with every fiber of body and soul would battle among his fellows for what he conceived to be their rights.

It was not my privilege to be intimately associated with Mr. TYSON. He was a member of the committee to which I belonged. His clear, forcible analytical statements attracted the attention of every member of the committee. I saw him only now and then in the committee meetings. But no man could meet him without being impressed with the dignity, the honesty, the power of analysis, and the effective manner in which he made one understand that he had convictions and was able to state them.

I deem it fortunate for the State and the Nation that men of such mentality, wealth of experience, and splendid ability are drafted into public life.

Of the elements of leadership the first is wisdom. The long experience of his life upon the bench and in the practice of law gave him a very wide knowledge of institutional life. A man must not only have the knowledge but he must be strong. I judge from what those who knew Mr. TYSON intimately have said, that he was rugged, ever fearless, and strong. If one could add to that integrity, then leadership is perfect.

My own experience in the House has led me to believe that above all else we need the character and quality of men who know, who are strong, and who are honest.

I was particularly impressed with the statement of one Member to-day, that when the demagogue spoke JOHN R. TYSON resented it. Would to God there were more men who would resent it in the days that are to come. There is but one sad thing on an occasion of this kind, and that is too frequently men of the character of JOHN R. TYSON do not get the headlines, but the demagogue and not the statesman is made the measure of the character of men of Congress.

I learned to have the highest regard for Mr. TYSON in the very brief way I came in contact with him, and I am glad to-day to bear him this tribute of confidence and respect.

Mr. RAKER. Mr. Speaker and gentlemen of the House, this is a body of men active in their work, intent, and hard to get acquainted with. I say that from an experience of some 13 years and more. Therefore, when you do become really acquainted with a man it is the exception. I say that advisedly, and not in any discouragement or disparagement of the activities of the men who compose this body. It is the young man friendship, the boyhood friendship that lasts, and it is hard to get acquainted with and know a man after he has passed the 40 or 45 year period. Judge TYSON came from the most eastern part of this great Nation, and I come from the West. Our homes were separated by some 3,500 miles. Just what I do not know, but something brought Judge TYSON and myself together. I believe there was no man in the House during the length of time that Judge TYSON was here with whom I became more intimately acquainted, who knew more of me and I of him than was the case with Judge TYSON. I learned of his long and successful record as a public man. I knew what it stood for. I saw him here, I heard him speak individually, in the cloakroom, socially, and I heard him speak from the floor of the House. I learned to a greater or less degree what this distinguished man stood for. He stood for home and what was right. He stood for his city and his county. He stood for his State and all that it means. He represented and stood for what this Nation stands for. He was in favor of constitutional government. He believed in law and order. He was a strong advocate of the enforcement of our laws. He believed in equality. He believed in the right kind of living and advocated it by his words and his conduct. He was the kind of man for whom we are looking and longing.

While Judge TYSON passed away at a ripe age, yet it was in the zenith of his power. His family and his friends sustained a great loss, but it must be a satisfaction to his family, as it is to those of us who knew him well, that he left us, as I say, in the very zenith of his power, so that we may look back and remember him as he was.

In the death of Judge TYSON I felt a great personal loss. I know that his State felt the loss, and I know that my State felt the loss. Our Government has suffered a loss in the death of this man who stood for what we need now—courage and fortitude to stand for our convictions. Judge TYSON'S life ought to be known to all young men, as I believe it will be. They are the ones who are coming up soon to assume the responsibilities of our States and Nation, and they should follow the example of his life and ideas. His life and character should be an inspiration to all young men. It will show them that it is the right thing to be honest; that it is the right thing to be just; that it pays at all times to be courageous and stand for what is right, to be loyal and faithful to your family and to your friends, and, if necessary, at the sacrifice of your own life maintain the principles and the doctrines upon which this great country is founded.

Our sympathies go out to the family in their deep sorrow. We have lost a man who was of great service, and it is my prayer that what he stood for will make a lasting impression upon us all, so that his thoughts and ideas may be brought to their full fruition.

Mr. HERSEY. Mr. Speaker, "What is the secret of your life?" asked Mrs. Browning of Charles Kingsley. "Tell me, that I may make mine beautiful, too." He replied, "I had a friend."

In every age and country of the civilized world honor and homage have ever been paid to the illustrious dead. From palace halls and the walls of the humble cabin home look down the eyes long since turned to dust. In cathedral wall and niche, in college room and legislative hall, in private park and public square stand the sculptured forms of earth's chosen dead. Everywhere we find the love-inscribed slab, the rock-hewn tomb, the marble shaft, the granite monument, and here and there scattered over all the earth like forest leaves are graves without a stone, where love comes so oft to plant sweet flowers within its hallowed mold and water them with the tears of fond remembrance.

I first met Judge TYSON in the Sixty-seventh Congress. For a short time we were members of the same committee and we at once became warm friends. I was drawn to Brother TYSON by reason of his knowledge of the law, his experience as a judge, and his excellent legal mind. I found him a delightful companion, a lover of the law, a sincere and faithful friend, who had deep convictions of duty and the courage to follow the path of duty.

The sons of the blue and of the gray have not personal recollections of the Civil War. Judge TYSON was 5 years of age and I was 3 in 1861, and whatever we know of those tragic days is largely from the reading of history. I have not found, since I have been here in Congress, anything remaining of the old war spirit, any waving of the bloody flag, no personal recollections of the aftermath of the war, only the utmost kindliness and friendliness between the boys of the fathers in blue and the sons of the fathers in gray.

When I came to Congress in 1916 I had certain ideas about the South and the southern people—ideas influenced by my northern environment, by the prejudices growing out of the Civil War and the struggle of many years of the solid North against the solid South.

My seven years in Congress have disabused my mind of many false impressions. I have lost my ancient prejudices against the southern people. I have a new conception of the Members in Congress from the Southland. I have found my fellow Members south of the old Mason and Dixon line to be men of brains, broad minded, honest, with a love of home and country, and, above all, warm and valuable friends and delightful companions.

The events of the last few years in this Nation have obliterated the old lines of separation between the North and the South. The old war veterans, the blue and the gray, have nearly all passed over to the other side.

An artist has drawn a wonderful picture of an old Confederate soldier, with gray hair, tottering limbs, and bowed frame, watching with dim and aged vision a parade of old soldiers of both armies on Memorial Day, on their way to deck with flowers the common graves of both the blue and the gray, and the poet has put into the mouth of this old veteran these words of reminiscence:

When he had played the game, had laid
Our last lone stake, and all was through;
When those four years of blood and tears
Were done, we boys in gray were blue.

The years have passed, and now, at last,
I stand and watch the lines to-day,
And think how strange to see the change,
For all the boys in blue are gray.

Ah! blue relents and gray repents,
And fiercest passions seem but mean,
When blue and gray both pass away
And God blends over both his green.

I wish I had known more of JOHN TYSON. His unexpected passing out has taken something out of my own life. These words of mine seem almost cold and meaningless when he is not here to listen. We do not appreciate our friends while they mingle among us. They receive very few flowers from our hands while in life, and it seems so poor a tribute that I can lay upon JOHN TYSON'S grave to-day.

If I should die to-night,
My friends would call to mind with loving thought
Some kindly deed the icy hand had wrought;
Some kindly word the frozen lips had said,
Errands on which the willing feet had sped;
The memory of my selfishness and pride,
My hasty words, would all be put aside,
And so I should be loved and mourned to-night.

If I should die to-night,
Even hearts estranged would turn once more to me,
Recalling other days remorsefully;
The eyes that chill me with averted glance
Would look upon me as of yore, perchance,
And soften in the old familiar way.
For who could war with dumb unconscious clay?
So I might rest forgiven of all, to-night.

Oh, friends, I pray to-night
Keep not your kisses for my dead cold brow;
The way is lonely, let me feel them now;
Think gently of me; I am travel worn,
My faltering feet are pierced with many a thorn;
Forgive, oh, hearts estranged, forgive I plead;
When dreamless sleep is mine I shall not need
The tenderness for which I long to-night.

Mr. BYRNS of Tennessee. Mr. Speaker, I listened with the deepest interest to the brilliant and very eloquent address upon the life and character of Judge TYSON by the gentleman from Alabama [Mr. HILL], his able and very worthy successor. He spoke with an intimate knowledge of the notable career of our lamented colleague, and he and his other colleagues from Alabama have given us a very true and a very pleasing picture of the splendid life and the record of achievement of Judge TYSON.

It was not my privilege to know our deceased colleague, Hon. JOHN R. TYSON, until he became a Member of the Sixty-seventh Congress. But living in a State adjoining his I had long known something of his reputation as a lawyer and a jurist, for he had a long judicial career on the circuit bench and as associate justice and chief justice of the highest court of Alabama before he came to Congress. After he entered Congress it was my good fortune to be more or less closely associated with him, and we often discussed public matters, and particularly the legal and constitutional questions involved in measures pending before the House and upon which he was so splendidly qualified to speak. I formed a very high admiration for him, not only for his great legal learning and ability but also because of the innate honesty of the man and his very earnest desire to be right in the light of the obligations he had assumed and his duty to the people whom he represented.

His service here was cut short by his death, which occurred just as he was beginning his second term. But during his short career he impressed his colleagues with his great worth. Perhaps his most notable effort as a Member of the House was his speech attacking the constitutionality of the so-called Dyer antilynching bill. He was unavoidably absent on the day the measure was up for general debate, but his carefully prepared speech was presented to the House and printed in the RECORD. It was one of the ablest of the many able arguments made on the measure and attracted wide attention.

Judge TYSON abhorred lynching and all forms of lawlessness as much as any man I ever knew; but having been born and reared in the South, he had an intimate knowledge of its problems and difficulties, and he was very firmly convinced that the enactment of the bill into law would have the very opposite effect, not only in the South but throughout the country, from that which its sponsors professed to desire. He was

accordingly very much agitated when it became apparent that the bill was likely to be passed by the House. He made a close study of its constitutionality, and became convinced that if passed it would be held unconstitutional by the Supreme Court. The measure passed the House but failed in the Senate. If, unfortunately, it should ever be pressed for passage again, his speech will again serve a most useful purpose and prove a distinct service to his State and the country in exposing and emphasizing the unconstitutional features of that measure, which would increase the difficulty in controlling this lessening evil, and which is confined to no particular section of the country.

Judge TYSON was distinctly a friend of the masses of the people. He was familiar with their problems and sympathized with their difficulties, and he never hesitated to espouse their cause. He was a man of firm convictions; honest with himself and with others; positive in his own views and ready always to defend them. He despised sham and hypocrisy and never hesitated to condemn it. It is not surprising, Mr. Speaker, that a man of such high character and one so dependable should have been honored with the highest judicial position in his State and that he should have been chosen by his people as their Representative in Washington to enact laws for the protection and benefit of the Nation.

I last saw Judge TYSON a few days after the adjournment of Congress in March, 1923. I was leaving for home on that day and bade him good-by, expressing the hope that we would see each other again at the December session. He had been in ill health and said he was going to a hospital for a short period on the advice of his physicians and would then return to his home and friends in Montgomery.

I was very much shocked and grieved a few weeks later when I read in my home papers that Judge TYSON had been operated on and was in a critical condition. A day or so later, on March 27, 1923, the news came that he had passed over to that bourn from which no traveler ever returns—"God's finger touched him and he slept."

Judge TYSON died in harness. And for one who has long and honorably served his people, as Judge TYSON had served his, I can conceive of no more desirable way to lay down life's burdens.

Servant of God well done;
Rest from thy loved employ;
Enter the Master's joy.

After all, Mr. Speaker, for those who have done their duty here death is but a transition into a larger, better, and more glorious life where our opportunities will be greater and where we may fully enjoy the fruits of a well-spent life on earth. Judge TYSON is removed visibly from the outward eye, but the example he set and the service he rendered are engraved on the tablets of memory. He yet speaks eloquently and in the midst of us. Our souls tell us, in the language of the poet:

There is no death! The stars go down
To rise upon some fairer shore,
And bright in Heaven's jeweled crown
They shine forevermore.

Mr. OLIVER of Alabama assumed the chair as Speaker pro tempore.

Mr. STEAGALL. Mr. Speaker, the death of our distinguished colleague, Congressman JOHN R. TYSON, was a distinct loss to his State and to the Nation. It was a great personal loss to me. I had known and loved him since my early manhood. My first acquaintance with him began when as a young lawyer I practiced before him during a term of circuit court over which he presided in my home county of Dale. He was the judge of another circuit, but was sent to preside for one term of the circuit court for Dale County. His reputation had preceded him, and I was prepared for the high character of his work and the splendid impression which he made upon me and upon the people of the community. From that time on the people of Dale County were loyal friends and devoted admirers of Judge TYSON. He possessed not alone deep learning in the law and a wide range of general information but he had also in rare degree the qualities of common sense, courage, and honesty combined with an innate devotion to justice and fairness. The people, without regard to class or rank, recognized that in him there was always to be found one not only competent to pass upon the law but one devoted to essential justice and determined that justice should be administered to all. Everyone felt that when his rights were submitted for adjudication in the court over which Judge TYSON presided there could remain no cause for resentment or complaint.

Judge TYSON was born of aristocratic environment and of wealthy parents, as wealth is counted in Alabama. Yet nature had so molded his mind and heart that his sympathy was always first for the common man. He enjoyed educational opportunities very uncommon among the people of our State during the years following the Civil War, which constituted the period of his youth, and he availed himself to the utmost of his opportunities. He manifested in early youth the habits of industry that characterized his entire life. He attended primary school in Lowndes County and later the public schools in the city of Selma, and then graduated at Howard College. To prepare himself more completely and extensively for a career as a lawyer he attended Washington and Lee University, in which institution he maintained the splendid record which had marked his course in school theretofore. Upon the completion of his education he went back home and began life as a young lawyer in the little town of Haynesville, the county seat of Lowndes County, the home of his boyhood. Soon he was elected to the legislature, in which body he served with distinction and gave wide impression of his rare capabilities and character. A little later he moved to Montgomery, the capital of the State, and entered upon the practice of law in that city. He soon won high place as a member of the bar in Montgomery, a bar that had enviable standing throughout the country at that time. Soon after his removal to the city of Montgomery he was called to the office of circuit judge, in which position he served for a term of six years.

His service as circuit judge gained for him such wide esteem throughout the State that as a result he was summoned to the office of chief justice of the supreme court. His service as chief justice was highly gratifying to the bar and pleasing to the people of the State. He won high rank among the judges of the country and his opinions were held in high regard far and wide. He was reelected chief justice of the supreme court. He won a handsome victory over a very able and beloved lawyer of our State in a Democratic primary election, being the first chief justice of the supreme court of the State to be nominated in a primary. Judge TYSON was not an office seeker in the ordinary sense of the term. His candidacy for office was always in response to the appeals of his friends. He was of positive, courageous, aggressive temperament. He had strong convictions and had no desire to conceal them. No one was ever in doubt as to how he stood on any live question. His strong personality rebelled at the restraints of judicial office. For this reason he resigned the office of chief justice of the supreme court when it was well recognized on all hands that no one could have defeated him for the honor. It was not of his seeking, nor in pursuit of any mature purpose of his life, that he entered the contest for congressional honors. Such an undertaking was entirely out of line with his life's plans. Conditions arose in the midst of which he felt the call of his friends was such that it was his duty to become an aspirant. He entered the contest against a very able and highly esteemed Member of Congress whose service had received national recognition and won a handsome victory in the primary election and was, of course, elected in the general election which followed. Two years later he won an overwhelming victory against a worthy and highly esteemed opponent.

Judge TYSON'S brief career as a Member of Congress reflected the same fidelity, courage, and devotion to principles that had marked his prior public life. His great learning, wonderful energy, and strong personality soon made deep impression among his associates here. He endeared himself to all of us by his kindly and kingly qualities of heart and mind. His hold upon the people of his district was such that no prudent politician would have expected to accomplish his defeat under any ordinary circumstances. His growth and promotion were gradual. Every step forward in his career was founded upon previous service and a growing acquaintance with the people of the State. He was never elected to any office as the result of abnormal political developments or temporary political excitement. The foundation of his successful career was laid during the early years of his service as circuit judge in the district embracing the counties of the second congressional district. It was this service which gave the people an opportunity to know him intimately, to understand his sympathies, to learn the promptings of his heart, and to test the quality of his character and courage. It was then that he made the acquaintance and formed the friendships upon which he relied for the remarkable success which crowned the later years of his life. He was never defeated. There was no office within the gift of the people of Alabama which he might not with reasonable hope

have aspired to fill, and there was no honor within their gift which they would not have been glad to bestow upon him.

Judge TYSON was one of the great Alabamians of his day. He loved his State; he loved her people; he was proud of their history and happy in prophetic faith in their future achievements and glory. He stood for all that was best. He was grounded in the fundamental faith of the fathers. He was proud of our Government. He understood its laws and institutions. He loved courage and character and despised hypocrisy and cowardice. He never stopped to count the cost before taking position on any great question or when any moral issue was involved. He was no timeserver. He was a leader who always sought and found a place at the front. His work will live long after those who sit here to-day shall have passed away.

He sleeps in the soil of his native State in the beautiful cemetery at Montgomery on the banks of the Alabama. His grave will long be a shrine to his friends and fellow Alabamians who loved him, and who will keep his memory green through the passing years:

Not gold, but only man can make
A people great and strong;
Brave men who, for truth and honor's sake,
Stand fast and suffer long;
Brave men who work while others sleep—
Who dare when others fly—
These build the nation's temple deep
And lift its pillars to the sky.

Mr. ALMON, Speaker pro tempore, resumed the chair.

Mr. DEAL. Mr. Speaker, it is with profound reverence that I stand here to-day to express my encomiums to the memory of a friend. Among the first with whom I became acquainted when I entered the House of Representatives was Congressman JOHN R. TYSON. The casual acquaintance was destined to ripen into a warm and strong friendship. There were thoughts and ideals in common, hopes and aspirations for service upon which we were agreed, and last but not least there were recollections and associations of youth that were familiar to each though not contemporaneous. He completed his education at Washington and Lee University, I at the Virginia Military Institute, each being located in the town of Lexington, Va., situated in a peaceful and prosperous valley, with the Allegheny Mountains ranging to the west and the Blue Ridge to the east. We had known the same fields and hills and valleys and brooks. We had bathed in the same streams. We had known the same people and visited the same homes. We had attended the same churches and heard the gospel of our Lord expounded by the same ministers. It was but natural, therefore, that we should have at once become close friends.

To the town of Lexington, incident to the two great and historical educational institutions, there had been gathered together an unusual number of intellectuals, and thus there was a culture and refinement reflected to a large degree in a society not interrupted by the vulgarity and urge of a money-crazed center. His alma mater bore the name of the Father of his Country. To this, after the great war between the States, was added the illustrious name of Lee, whose mortal remains make sacred its soil. To some known as the West Point of the South, the name of Francis H. Smith, its founder and director for half a century, is indelibly linked, an intellectual giant who towered above his fellows even as House Mountain rises above the range of which it is a part. Stonewall Jackson, the right arm of Robert E. Lee, was of its faculty and here, likewise, rest his mortal remains near to those of his chief.

John Letcher, the war Governor of Virginia, who led his State to cast its lot with the Confederacy, lived and died within this hallowed spot, as did General Pendleton, whose name is upon the honor roll of Confederate fame. Randolph Tucker, for many years a Member of this body, immortalized his name as an expounder of our Constitution, lived and died an honored and beloved citizen of Lexington. No town, no city, no soil in the State, in the South, in the Nation, holds such a wealth of illustrious makers of history as does this peaceful city in the valley of Virginia. In the shadow of this environment, around which was built so largely the traditions of the South, the youth, JOHN R. TYSON, closed the first era of his career and entered the second clothed with a loyalty, a patriotism, a culture, a refinement, that was destined to lead him into positions of the greatest trust, highest honor, an unadulterated faith and affection of his countrymen. This is not an idle statement or praise for a departed friend. History will record the fact that never did he fail to respond to the call for service in his party, his State, or his Nation. That he did not fail in his duty to his neighbor is evidenced in the loyalty and confidence with which they followed his lead, and may I add as an additional proof of this unsullied record that never, never was he denied any position of public trust for which he offered himself. Serving first in the general assembly of his State and later as president of the Montgomery city council, he laid the foundation for the highest honor in the judicial branch of his Government within the gift of his people. In 1906 he became chief justice of the supreme court of his State and later resigned to become division counsel for the Atlantic Coast Line Railroad. He was not permitted, however, to remain in private life. In 1920 he was drafted to represent his State in the National Congress, and here he served till the end. Never did he depart from the paths of rectitude or betray the trust of those whom he served. Next to the State of his nativity he loved Virginia and her people, and I think that this manifest devotion was inspired largely by the atmosphere of his alma mater, but more particularly to the fact that he married into one of Virginia's most illustrious families. A kind and affectionate husband and father, the vacant chair is to his loved ones a daily reminder of an irreparable loss. My sympathies are with those of his fireside who will grieve most at his loss.

Amidst the duties faithfully performed to his family, his friends, and his State he failed not in the service of his God. A member of the Baptist Church he was judged and not found wanting. So when the Master beckoned and the bugle sounded the last call without a murmur he surrendered his service and went down into the river of eternity.

Mr. OLIVER of Alabama. Mr. Speaker, the home friends of the lamented Judge JOHN RUSSELL TYSON deeply appreciate the beautiful tributes paid him to-day by his colleagues from other States who early learned to know his value and worth. All of us have listened with interest to the remarkably eloquent and just tribute paid him by his distinguished successor, Mr. HILL, who, better than any other Member, is qualified to speak, not only because of his intimate acquaintance with Judge TYSON but because of his intimate acquaintance with so many men and women who have known Judge TYSON from earliest boyhood. I wish only to emphasize some deductions that follow from Mr. HILL'S address.

We know that the record of a generous, serviceable life runs like a vine of evergreen round the memory of our departed friend. He lived his life fully, faithfully, and greatly, and has made a rich offering to all future time. He knew the game of life as few men did, and he played that game with fairness to himself and fellows, with a rare courage, fortitude, faith, and confidence. He learned early, with patience, the art of directing his life to noble ends and purposes, and always with a due regard for the privacy, rights, and opinions of others. While he always strove for the highest legitimate reward of merit, ambition, and opportunity in his sphere of activities, yet he was ever ready to lend a kind and helpful hand to all who needed encouragement in life's struggle. He was modest and humble in success, never unduly egotistical, nor, on the other hand, did he make the mistake of disparaging self.

He was a true, loyal friend, a genial, helpful companion, with a broad, honest charity, born of an accurate understanding of the shortcomings of himself, as well as of others.

In conversation with him just after he came to Congress, after referring to his remarkable career on the bench, his popularity in the State, and especially in the judicial circuit over which he presided before his elevation to the Supreme Court, I remarked that this popularity was, in my opinion, due to his broad, accurate, sympathetic knowledge of men. He modestly replied that if what I said of him was even partly true, credit was due to a sincere effort on his part to recognize and apply the old common-sense truth, which Seneca long ago uttered:

> If we wish to be just judges of all things, we must at least understand that no man is without fault; that no man is found who can acquit himself, and if any claim to be innocent, he speaks in reference to a witness and not to his conscience.

As you study his public career, whether as a citizen, lawyer, judge, or legislator, you will find that in his dealings with his fellows he has recognized and practiced the charity which that truth so strongly enjoins.

Some one to-day has referred to him as a man of strong convictions, and that when once he determined what his course should be he was unwavering in following it to the end. While that is absolutely true, yet he was a most approachable man,

willing always to hear those with whom he differed. I think we can say of him what Watterson said of another great American:

He would compromise war, he would compromise glory, he would compromise everything at the point where hate comes in, where misery comes in, where life begins its descent into the valley of the shadow, but he would not compromise the right, he would not compromise the truth.

When once he felt that he knew the right, that he knew the truth, he was, indeed, unbending, yet ever willing to grant a respectful hearing to those who differed.

Truly then can it be said of him that his life and his character are an enduring treasure, and that the memory and influence of men of his type constitute the towers of strength in our civilization. My colleague Mr. STEAGALL has well said that Judge TYSON believed in the fundamentals on which our Government is founded. Let me add he also believed that a Republic like ours is not only the best but the only form of human society; that the common individual, willing to render helpful service, is the best asset of the Nation; that all power should rest on fitness to rule; and that the sole object of all power should be the public good. To him service to community, to State, and Nation was indeed not only a duty but a glory quite sufficient in itself.

While his body has gone from us, yet the actualities of his life and his dreams of high service and of human duty will ever remain.

He will be forever an influence,
A memory, a goal, a high example,
A thought of honor in some noble heart,
Part of his country's treasure and renown,
Oft giving courage unto souls that strive.

Mr. LARSEN of Georgia. Mr. Speaker, it has long been a custom of Congress when death has claimed one of its Members, to pause from daily activity and give friends of the deceased an opportunity to speak a word of eulogy in his memory. In the discharge of that solemn duty we have met to-day, and I am indebted to the Alabama delegation in Congress for this opportunity, as the friend of our late colleague, Judge JOHN RUSSELL TYSON, to pay his memory a sincere and modest tribute.

It was not my privilege to know Judge TYSON until he became a Member of the Sixty-seventh Congress, but during his brief service in this body it was my pleasure to be rather closely associated with him. In addition to our daily contact in this Chamber, we were members of the same committee; we generally sat side by side in its deliberations, and were frequently associated together in other places.

I shall not dwell at length nor in detail upon his life or public service. This has been done and more will be said by others far more eloquent and better qualified than I am to do it. But it gives me pleasure to testify to his splendid service while in Congress. He possessed moral and political courage in a marked and high degree, and combined with it both virtue and energy, so necessary in public life.

As a Member of the Congress he was not disposed to talk much, but his position regarding any matter and upon which he spoke could never be misunderstood. He never misled anyone, and he always took a position on great public issues. In the language of the poet it may well be said of him:

He was a friend of truth, of soul sincere;
In action faithful, and in honor clear;
Who broke no promise, served no private end;
Sought no title and forsook no friend.

He was that type of man who would have impressed himself upon any community, in any day or generation. His influence will live to bless those with whom he came in contact, and the lives of many yet unborn will be shaped by his influence left upon this world. For such an individual there is no death. For him it may be truly said:

There is no night; the stars go down
To rise upon another shore,
And bright in heaven's jeweled crown
They shine forevermore.

In conclusion, may I express a word of sympathy to the bereaved family and say to them that I, too, have lost a valued friend?

Mr. McDUFFIE. Mr. Speaker, it is difficult, indeed, to properly describe the loss we have sustained in the death of our lamented colleague, Judge JOHN R. TYSON. It is impossible by the use of mere words to fully express for loved ones he has left behind our tender regard and deep sympathy. I can not, however, forego the privilege of joining the Members of the House of Representatives in paying tribute to the life and character of one of Alabama's most distinguished sons. On November 28, 1856, JOHN RUSSELL TYSON was born of that splendid cavalier stock which came from the Carolinas to Alabama in the early days and there laid the foundation of a great civilization. His father, a man of wealth, culture, and great intellectual power, a large land and slave owner, settled in Lowndes County soon after Alabama was admitted to the Union. Born of refined and highly intellectual parentage, Judge TYSON inherited those traits which characterized the southern gentleman of the old school. He loved the old South with all of its noble traditions, and in his early years played a conspicuous part in maintaining the integrity of our civilization during those trying times which followed in the wake of the War between the States, when the best blood of the South was put to its bitterest test.

Judge TYSON was probably more fortunate than many young men of his day and generation in that, despite the gloom and conditions of poverty which hung like a pall over our section of the South, he was able to seek the advantages of an education at Washington and Lee University. He not only seized these opportunities, but by his constant application, his energy, and ambition to be of service he developed even in youthful years into a splendid lawyer, a most useful man, and an outstanding figure in public affairs in Alabama.

At the early age of 24 years he was a member of the Alabama Legislature. Soon after moving to the city of Montgomery its people recognized his ability and called him to serve as one of its governing officers for many years. In 1892 he was elected judge of the second judicial circuit, where his service was characterized by his eminent fairness and sound judicial decisions for a period of six years. From 1898 to 1906 he was associate justice of the Supreme Court of Alabama, and in 1906 was elected by the people of Alabama chief justice of the supreme court. From this high position he voluntarily retired in 1909 to enter the practice of his chosen profession. In 1920 he was again called into public service and elected a Member of the House of Representatives.

While to-day our hearts are bowed in grief over his death, we can find some consolation in the fact that the record of his earthly pilgrimage is replete with honor and attainment, with good deeds well done. It may be truly said of him that he was one of those who—

Lived well, laughed often, and loved much; who gained the respect of intelligent men and the love of little children; who filled his niche and accomplished his task.

Judge TYSON was easily one of the really great jurists of his day. His opinions during a period of almost a quarter of a century abound with the soundness of his reason and originality, the keenness of his intellect, and the logic of his conclusions. He loved the law, and no man ever had greater respect for constituted authority. No man cherished a firmer faith in our constitutional form of government. His speech in the House on January 18, 1922, upon the constitutional questions involved in the so-called antilynching bill was a masterpiece of matchless ability, a profound study, and a careful analysis of stupendous, intricate legal questions.

On June 11, 1922, Judge TYSON delivered a lecture in the First Baptist Church of Montgomery upon "Obedience to law," which was printed in the CONGRESSIONAL RECORD of June 23, 1922. A reading of this lecture gives us an insight into his love of the law, his recognition of its supremacy, his intelligent understanding of its orderly processes, and his reverence for that field in which the principal activities of his life were centered. I quote a few sentences of that lecture in order that you may know what I mean when I say he loved the law:

There can be no observance of and obedience to law unless there is a recognition of its supremacy and a reverence for it. All beings have their law, the Deity has His law, the material world has its law, superior intelligences have their law, the beasts of the field have their laws, and man has his laws. They emanate from God and radiate from the sun to the circling edge of creation. Indeed, the mighty law giver has subjected himself unto the law. The virtue of nature is obedience to law. Burke has said, "There is but one law for all, namely, that law which governs all laws—the law of our Creator, the law of humanity, justice, equity—the law of nature and of nations." Let us understand and appreciate that in forming the Union sanctified by the adoption of the Constitution of the United States our fathers recognized and sought to establish and promote man's relation to God, to himself and his fellow man to ordain and

establish that liberty secured by governmental power, under which each citizen shall be forced to so conduct himself and so use his own property as not necessarily to injure another.

The death of this distinguished Alabamian has deprived his State and Nation of a most valuable public servant. He was a tender and loving father, a kind and faithful husband, an upright and God-fearing man. He was brave and courageous in his private and public life. I know he was not afraid to answer the last roll call. I believe he could say with Tennyson:

Sunset and evening star,
And one clear call for me!
And may there be no moaning of the bar,
When I put out to sea,

But such a tide as moving seems asleep,
Too full for sound and foam,
When that which drew from out the boundless deep
Turns again home.

Twilight and evening bell,
And after that the dark!
And may there be no sadness of farewell,
When I embark;

For tho' from out our bourne of Time and Place
The flood may bear me far,
I hope to see my Pilot face to face
When I have crost the bar.

Mr. JEFFERS. Mr. Speaker, the Congress of the United States is in the midst of the busiest period of the session. The end of the session is fast approaching, and every Member is fully occupied with the various matters in which he is especially interested for his constituents and busily engaged every day with pressing legislative business before the committees or here upon the floor of the House of Representatives.

But it is fitting, my friends, that in the midst of the performance of important duties we turn aside for a time from the consideration of business and pause to-day to pay our respectful and loving tribute to the memory of our departed friend and colleague, Hon. JOHN RUSSELL TYSON.

As a friend of his who has had the pleasure of having been closely associated with him here in Congress, I wish to say that I deem it a great privilege now to be permitted to add my humble, though heartfelt, word to the sentiments that have been so ably and beautifully expressed by my colleagues upon this occasion.

Judge TYSON was a fearless man; he was an honest man; his was an admirable and a lovable character. One thing about him that always impressed me forcibly was his way of looking quickly through the form and to the substance of any matter, his way of looking for the real truth in any situation, and his unhesitating way of arriving directly at his decision when once he did grasp the substantial facts of anything which was before him for his consideration. And, furthermore, he was not only a man of strong convictions but he had the courage of his convictions to a marked degree. As I think of this courageous man I think of the lines of Babcock's beautiful poem:

Be strong!
We are not here to play, to dream, to drift;
We have hard work to do and loads to lift.
Shun not the struggle, face it; 'tis God's gift.

Be strong!
Say not the days are evil—who's to blame?
And fold the hands and acquiesce. O shame!
Stand up, speak out bravely, in God's name.

Be strong!
It matters not how deep intrenched the wrong,
How hard the battle goes, the day how long;
Faint not; fight on! To-morrow comes the song.

As a younger man who was his stanch admirer and who looked to him with full confidence for good advice and friendly counsel, I say without hesitation that his honesty of purpose, his earnestness of effort, and his fearless thoroughness of action were the characteristics that seemed to me to stand out most prominently in his life as he labored here, consistently and conscientiously, for his people whom he loved so well and whom he served so ably.

Now, to the relatives of our departed friend and brother, let me say that I realize full well how inadequate are mere spoken words and phrases at a time like this. But I do want to say that my heart goes out to them in tenderest sympathy in their hour of grief, and I want them to know that I do feel deeply for them.

While we realize that the loved ones in Judge TYSON's family circle have, of course, suffered the greatest loss, we know that in the passing of this good man we, too, have sustained a great loss in that we have lost a friend. And while we mourn the loss of this devoted husband, this kind father, and this good friend, it is good to know that the bereaved relatives, and we, as friends, may find highest consolation in the knowledge that when to the brave spirit of JOHN R. TYSON came the summons to join the innumerable caravan that moves to that mysterious realm where each shall take his chamber in the silent halls of death he went not like the quarry slave at night, scourged to his dungeon, but, sustained and soothed by an unfaltering trust, approached his grave like one who wraps the drapery of his couch about him and lies down to pleasant dreams.

Mr. ALLGOOD. Mr. Speaker, I rise to pay a tribute of respect to the memory of JOHN R. TYSON, of Alabama. It was my good fortune for eight years to reside in Montgomery, Ala., which was the home of Judge TYSON. There I had opportunity to see him as a public man and in private life, and it was there that I came to know him, and to know him was to admire him, was to love him, and is to-day to cherish his memory. As it is with me so is it with tens of thousands of people in Alabama, because Judge TYSON was a man among men. He was chosen by the people of Alabama to high stations in life, and he filled them all with distinction. He voluntarily gave up a high position, a position which doubtless he could have held as long as he lived, and retired to the practice of his chosen profession. That in itself shows that he was not a timeserver; that he was not a self-seeking man. You could not characterize him in the terms of a politician, and thus he was so looked upon by the people of his State. In time of war men of certain characteristics are chosen by their fellow men to lead our armies to victory, and so, in times of reconstruction, men of peculiar genius and distinction are chosen by their fellow men to help right the ship of state, and JOHN R. TYSON was so chosen by his fellow men to represent them in the Halls on Congress in 1920. Those were fearful times in the history of our country, and the people of the second district of Alabama knew what type of man Judge TYSON was. You had but to come in contact with him; you had but to look him face to face; you had but to look into his eyes to see emanating from his soul the vision that springs from a strong, positive character. He was a man of marked personality. He stood for truth, he stood for courage, he stood for candor, and when he came to Congress as a Representative of his people he came here to work; he came here to serve.

He came here to serve, and he gave all that there was in him for his people and his country. Look at it from whatever standpoint you may, and if a man gives his all, then he has given the most that a man can give, and that is what JOHN R. TYSON did. He gave his life for his country; and I am glad to-day to stand as his friend, as one whom he welcomed here in this Chamber. Well do I remember with what delight he introduced me here to his comrades, and he took special care in talking to me as a father talks to his son, telling me, as a new Congressman, of some of the duties which were before me, and I remember that after I had gone away for a short visit and returned how sad I was that my friend had gone. But his spirit still lives. There is nothing lost in this universe, and to-day his spirit is keeping vigil with us in this Chamber, and his spirit will ever live and shine in eternity.

Mr. ROUSE. Mr. Speaker, it was my pleasure to meet and know Judge JOHN R. TYSON soon after he assumed his duties as a Member of the Sixty-seventh Congress. To me he was a man of interesting character and of strong and pleasing personality. In agreement or in disagreement he always commanded respect and confidence. His long and honorable service on the bench of his State no doubt was responsible for the peculiar judicial mold of mind that stamped his every act and utterance. He thought judicially and he acted judicially, and his utterances always seemed marked by high judicial attainment.

While I was thus the more impressed with the legal and judicial distinction to which he seemed to be so clearly entitled, I fully expected to see him rise to the command of an equal distinction as the chosen Representative of his people in this House. Had his life been spared, no doubt he would. His was the training, his was the maturity of judgment, his was the character that preeminently qualified him for the new field of public service upon which he had entered. His brief

service here gained for him the confidence, love, and esteem of many friends, and in his death the country lost a strong and worthy man.

While the legislative capabilities which Judge TYSON may have possessed were not afforded the opportunity of fully revealing themselves, nevertheless the effect of his very presence here upon his colleagues and associates was in the right direction. It was serious, earnest, and inspiring; and if a long service here had revealed in him any lack of legislative capacity whereby he should have been kept from the very forward ranks of legislative distinction, it would have been compensafed for by the influence of his presence and its inspiration to his colleagues to make the most of their respective talents in the interest of the public good.

The opportunities of his brief service here were curtailed somewhat by failing health; and his service was rendered brief by the hand of death. The spirit of our friend still lives and the potency of its influence for good can not perish.

Mr. OLIVER of Alabama. Mr. Speaker, Mr. BOWLING is unavoidably absent to-day through illness and I understand Members have the right to extend their remarks.

Mr. RANKIN. Mr. Speaker, if the element of friendship might be considered a just reason for imposing myself upon the House at this time, I should feel amply justified in arising to pay my tribute of respect to my distinguished friend, the late lamented JOHN R. TYSON, of Alabama.

We entered Congress at the same time and served together on the same committee, where we sat side by side for more than two years, and my association with him confirmed the high estimate which I had already placed upon him by reading his opinions rendered while he was chief justice of the supreme court of his State.

He possessed those sterling qualities of mind and heart which make up the true American. He believed in orderly government and in orderly procedure in legislation, and maintained a profound reverence for the precedents, laws, traditions, and institutions which have contributed so largely to the upbuilding of this great Republic, as well as to the development of our Anglo-Saxon civilization.

After listening to the eloquent and forceful speech of my distinguished friend, Mr. HILL of Alabama, who succeeded Judge TYSON in the House, I feel like following the judicial course, and merely submitting my concurrence in that splendid address.

But my intimate association with Judge TYSON, which developed a most intimate friendship between us, prompts me to go further, not to extol his great achievements as a lawyer, jurist, and statesman, but to register my appreciation of those splendid qualities which rendered Judge TYSON among the foremost citizens the State of Alabama has produced.

It has been pointed out here that Judge TYSON died far from home and among strangers. That fact kindles within us a feeling of profound sympathy, not only for our departed friend, but for his loved ones as well. But I have often remarked that three of the least things to be considered in summing up the life of a man are where he was born, where he died, and where he was buried. One of these is just as important as the other.

Abraham Lincoln was born in abject poverty in an interior county of Kentucky, died at the hands of an assassin in the District of Columbia, and his body lies buried in the State of Illinois. Yet he occupies a position of supreme preeminence in the world's estimate and in the Nation's love.

Jefferson Davis, the great chieftain of the Confederacy, was born in the same county of Kentucky as was Lincoln, died on the shores of the Gulf of Mexico in the bosom of the sunny South, and his body lies buried in the city of Richmond, the capitol of the ill-fated Confederacy, of which he was the only president. His name and his fame are growing brighter as time goes by, and as one distinguished orator has said:

> When another hundred years have passed away, no intelligent voice will fail to praise him, and no patriotic hand will refuse to place a laurel wreath upon his radiant brow.

Alexander the Great, who is said to have become a world conqueror at the age of 22, and to have died at 30 lamenting that there were no more worlds to be subdued, was born in Europe, died in Asia, and was buried in Africa. He stands out to-day as one of the most powerful personalities of all times.

Napoleon Bonaparte, the most fascinating figure of all history, that invincible son of genius who trampled with colossal strides the very map of Europe under his imperial heel, was born on the island of Corsica in the Mediterranean Sea, died in exile on the Isle of St. Helena, and his body rests to-day beneath the soil of sunny France; while he occupies the first place in the hearts of the French people, as well as the highest rank among the military leaders of the world.

The Savior of Mankind was born in a manger in Bethlehem, died on the Cross of Calvary, his body arose from the dead, and his name became a world-conquering power.

It is the life that counts!

The mere fact that Judge TYSON died among strangers, while exciting our sympathy, does not distract our thoughts from his great achievements or his splendid qualities as a citizen, a jurist, a statesman, and a man.

In his death the Nation lost one of its most valuable citizens, and the State of Alabama lost one of her worthiest and most distinguished sons, whose work will live as long as the Nation shall endure.

Mr. BOWLING. Mr. Speaker, the honored name of Judge JOHN R. TYSON will live long in the history of Alabama, for he combined those elements of high character, strong individuality, and intellect which make men great. His public career extended over many years, as judge of the circuit court, associate justice and chief justice of the Supreme Court of Alabama, and as a Member of Congress. In all these places of honor and trust he added luster to his own fame and made a splendid contribution of service to his native State.

Judge TYSON was a native Alabamian, born and reared to manhood in the famous and cultured county of Lowndes, educated at Howard College, then and now one of the leading educational institutions of the State. He early chose the law for his profession, and, realizing that the law is a jealous mistress, he devoted all his energy to the study of jurisprudence, and thus became a recognized leader at the bar.

While a member of the supreme court he wrote many opinions, some of them leading cases in our State, and upon these his fame will chiefly rest. His opinions are characterized by a thorough grasp of the principles involved, a logical process of thought in reaching his conclusions, and all of them written in a pleasing and expressive literary style, attractive to read as well as being sound in exposition of his views. His service in Congress was short, death overtook him when he was but upon the threshold of what promised to be a great congressional career. His chief contribution to national legislation was his speech on the antilynching bill which passed the House but failed in the Senate. This speech is really more than a speech, it is a carefully prepared opinion of the constitutional phases of the bill written by a great constitutional lawyer. If this bill is ever again presented to Congress the name of Judge TYSON will be often recalled, for in his analysis of the bill he touched every phase of it and with such profound thought, resistless logic, and inexorable analysis he has left nothing to be said.

In his personal and private relations Judge TYSON was a prince among men. He had a noble character; he was a true friend; he had a profound contempt for everything that was low, mean, and wrong; the beautiful things of life attracted him; he had an aspiration for the true and the good and all of his efforts in an active life were given to the firmer establishment of the best things of our civilization. He left behind him a host of friends who will keep his memory green, who will cherish their recollections of the friends now gone, and who will draw courage and inspiration from a contemplation of his many virtues.

My personal acquaintance with him really began during the campaign of 1906, when he was nominated as the Democratic candidate for the chief justiceship. That was a memorable battle in the history of Alabama politics; it was waged by two great men, the then chief justice seeking reelection, and Judge TYSON, an associate justice, who was asking advancement to the chief place. Each of these men was a worthy opponent of the other; both learned in the law, both noble in character, both fighters by instinct, and both of tremendous energy. That Judge TYSON emerged as the victor in this contest was highly complimentary to him and stamped him for all time as one who held a secure place in the hearts of his people. As a friend of the aspirations of Judge TYSON in this campaign I took a deep interest in his cause, was often thrown with him, and there began a friendship between us which lasted until his untimely death and which I shall ever cherish. I remember the last conversation I had with Judge TYSON. It was on Saturday night, the 3d of March, 1923. We had a long night session that evening preparatory to the adjournment of Congress on the following day at noon; the judge had not been in good health for some time and for that reason had been unable regularly to

attend the sessions. On this night we sat together for quite a while, and he talked very interestingly of his boyhood days, his struggle at the bar, and various experiences of his busy life. He told me a number of interesting stories of some of the great men with whom he had been associated—Henry Clay Thompkins, Judge Thomas G. Jones, Governor Watts—and other great lawyers with whom he struggled for the mastery. Finally he adverted to his health, speaking of his continued illness, but looking forward hopefully to recovery. He evidently did not realize that his end was so near, for he spoke of his plans for the summer and how he expected to recuperate his health by a trip to the seashore. We parted late at night, and that was the last time I saw my friend. Leaving Washington on the 5th of March for a trip to Panama, I heard no more from him until the news came of his death about three weeks afterwards.

In common with all his friends, I deeply mourn his departure. He is gone from us, but that great intellect is shining on the farther shore where all the good meet again. We will never hear his voice again nor see his face, but his example lives, calling us to higher and better things and nobler and more glorious aspirations. Peace to his ashes.

Mr. HUDDLESTON. Mr. Speaker, in the passing of Judge TYSON I feel a deep sense of personal loss.

I first became acquainted with Judge TYSON when he became associate justice of the Supreme Court of Alabama in 1898. At that time I was in active practice as a lawyer and had frequent occasion to appear before the supreme court. From the beginning I was impressed with his high character, judicial temperament, and his strong intelligence. His decisions were vigorous, direct, and clear. They showed a natural love of right and justice, an avoidance of technicalities, sophistry, and evasiveness, and displayed admirable qualities of both mind and heart. Led by my admiration for his qualities, I soon found myself seeking a personal intimacy with him. A friendship was formed which continued through his elevation to chief justice of the court and until he retired from the bench.

After Judge TYSON'S resignation as chief justice I did not see him frequently until he entered the House as a Representative in the Sixty-seventh Congress. Our former friendship was at once renewed. I found myself almost daily seeking a seat at his side and counseling with him upon the business before the House. As a legislator, I found in him certain traits which I had not recognized in him as a judge. There was always a clear perception of the principle involved and an unfailing adherence to fundamental democracy. In Judge TYSON I was reminded of the attitude of Jefferson, Madison, Henry, and the other champions of popular government who labored together in founding the Republic. There was in him a strong and instinctive love of fair play, of the political equality which constitutes justice, and of fundamental Americanism as expressed in the preamble to the Declaration of Independence. He was an ardent believer in personal liberty and of the fundamental rights of free speech, trial by jury, local self-government, and of the rights of human beings as superior to property rights.

It was this aspect of Judge TYSON'S character that had not previously been fully disclosed to me. As I saw it clearer each day in our intimate association in the House, the affection in which I had held him deepened and he became my best-loved friend among all the Members. I knew the environment from which he came—a scion of the old slave-holding class, a people proud, brave, generous, and intelligent, but not marked in their recognition of the need for progress and for social reform. I had not expected that he would be different from others of his class in these respects, and as his instinctive democracy was more and more disclosed I marveled while I loved him for it.

During the latter months of the Sixty-seventh Congress I noted that Judge TYSON was in failing health, but in response to solicitude he made but little complaint. I last saw him alive a few days after the close of the session. He remarked that he was about to go to a hospital for examination and treatment. I had no thought of the seriousness of his condition and apparently he did not realize it. When next I heard of him he was dead.

His dead body lay in state in the supreme court chamber in the capitol at Montgomery. The bier was heaped with flowers from a multitude of sorrowing friends, and hundreds came for a last look at the face of the friend and public servant whom they had loved, honored, and admired.

If I were called upon to name the predominant quality which adorned the life of our departed friend, I should without hesitation say "courage." His was, indeed, a courage of the highest order, a courage both physical and moral. He dared to live his life. He dared to think. He dared to be a man. He was not afraid to live. I know that he was not afraid to die. Peace to his ashes.

ADJOURNMENT

The SPEAKER pro tempore. They have that right. In accordance with the resolution heretofore adopted the House stands adjourned until to-morrow at 11 o'clock a. m.

Accordingly (at 2 o'clock and 20 minutes p. m.) the House adjourned until to-morrow, Monday, May 26, 1924, at 11 o'clock a. m.

SENATE

MONDAY, *May 26, 1924*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, we give Thee thanks for the brightness of the morning. Surely day after day passeth from us, the record made, and we stand before Thee asking this morning for the guidance and the help of Thy Spirit, that whatever is done may meet with Thine approval. Lead us constantly in paths of truth and of righteousness and crown us Thine. Through Christ our Lord. Amen.

NAMING A PRESIDING OFFICER

The Secretary, George A. Sanderson, read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., May 26, 1924.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. GEORGE H. MOSES, a Senator from the State of New Hampshire, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. MOSES thereupon took the chair as Presiding Officer.

THE JOURNAL

The reading clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed a bill (H. R. 9246) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker of the House had signed the following enrolled bills and a joint resolution, and they were thereupon signed by the Presiding Officer (Mr. MOSES) as Acting President pro tempore.

S. 2431. An act conveying to the State of Delaware certain land in the county of Sussex, in that State;

H. R. 5855. An act to fix the salaries of officers and members of the Metropolitan police force, the United States park police force, and the fire department of the District of Columbia; and

S. J. Res. 89. Joint resolution authorizing and permitting the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., as are necessary for the use and benefit of the National Guard of the State of Arkansas.

CALL OF THE ROLL

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Ashurst	Capper	Ernst	Harreld
Ball	Caraway	Fernald	Harris
Bayard	Copeland	Ferris	Heflin
Borah	Curtis	Fess	Howell
Brandegee	Dale	Fletcher	Johnson, Calif.
Brookhart	Dial	Frazier	Johnson, Minn.
Broussard	Dill	George	Jones, N. Mex.
Bursum	Edge	Gooding	Jones, Wash.
Cameron	Edwards	Hale	Kendrick

Keyes	Norris	Robinson	Swanson
King	Oddie	Sheppard	Trammell
Ladd	Overman	Shortridge	Wadsworth
Lenroot	Owen	Simmons	Walsh, Mass.
Lodge	Pepper	Smith	Walsh, Mont.
McKellar	Phipps	Smoot	Warren
McKinley	Pittman	Spencer	Watson
McLean	Ralston	Stanfield	Weller
McNary	Ransdell	Stephens	
Moses	Reed, Pa.	Sterling	

Mr. WALSH of Montana. I wish to announce that my colleague, the junior Senator from Montana [Mr. WHEELER], is necessarily detained on business of the Senate.

The PRESIDING OFFICER. Seventy-four Senators having answered to their names, a quorum is present.

REPORT OF THE PERSONNEL CLASSIFICATION BOARD ON THE FIELD SERVICE

The PRESIDING OFFICER. The Chair lays before the Senate the report of the Personnel Classification Board, covering the field service of the Government. The letter of transmittal will be printed in the RECORD, and the letter and accompanying documents will be referred to the Committee on Appropriations.

The letter of transmittal is as follows:

PERSONNEL CLASSIFICATION BOARD,
Washington, May 24, 1924.

The PRESIDENT,
The United States Senate, Washington, D. C.

SIR: In compliance with the requirement of section 5 of the classification act of 1923, the board has made a survey of the field services, and transmits herewith the following documents:

1. A schedule of grades and salaries for field service positions, together with the copy of the instructions under which it was applied.

2. Schedules of positions in the several field services, showing the grade to which the positions have been allocated by the heads of the respective departments and the present and the proposed rate of compensation for each employee except those holding positions in a recognized trade or craft, and skilled and semiskilled laborers, who are not under the direction and control of the custodian of a public building.

3. Tabulations showing, by services and in the aggregate, the difference between the present and proposed rates of compensation.

The schedules covering positions in the United States Veterans' Bureau are incomplete, due to unavoidable delay on the part of that bureau. A supplemental list will be submitted within the next few days, covering the positions not reported in the accompanying schedules.

Respectfully,

F. J. BAILEY, *Chairman.*
HAROLD N. GRAVES, *Member.*

PETITIONS AND MEMORIALS

Mr. WALSH of Montana. I present the petition of Frank B. Safford, of Havre, Mont., and numerous other homesteaders on the abandoned Fort Assiniboine Military Reservation in the State of Montana. I ask that the petition be printed in the RECORD, without the names, and referred to the Committee on Agriculture and Forestry.

There being no objection, the petition was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, without the signatures, as follows:

Petition for relief of the homesteaders on the abandoned Fort Assiniboine Military Reservation, Mont.

To the Senate and House of Representatives of the United States of America in Congress assembled:

Whereas we, the undersigned homesteaders on the abandoned Fort Assiniboine Military Reservation, Mont., by reason of drought of extraordinary duration and severity—hail, grasshoppers, insect pests, and depreciation of farm commodities, agricultural paralysis, and financial depression—finding it impossible, except through grievous hardship, to comply with the provisions for payments for those said lands, as provided under the acts of February 11, 1915, September 7, 1916, and December 29, 1916:

Now, therefore, we, the undersigned, respectfully petition your honorable bodies as follows: That all entrymen upon these lands shall be relieved of further payments under said acts, and where payments have been made in whole or in part pursuant to said acts the same shall be refunded to those who have perfected their entries.

Mr. FRAZIER presented the petition of Dan Radke and 39 other citizens of Cathay, N. Dak., praying an appropriation for the purchase of food supplies for the famine-stricken people in Germany, which was referred to the Committee on Foreign Relations.

Mr. WADSWORTH presented a resolution of the Common Council of the City of Troy, N. Y., protesting against the passage of the so-called McNary-Haugen export corporation bill, which was referred to the Committee on Agriculture and Forestry.

RESOLUTION OF SOUTH CAROLINA DEMOCRATIC CONVENTION

Mr. DIAL. I present and ask to have printed in the RECORD and referred to the Committee on Foreign Relations a resolution passed by the South Carolina Democratic convention some days ago.

There being no objection, the resolution was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Resolution for the holding of a commercial world's congress at Washington, by J. S. Wannamaker, St. Matthews, S. C.

Whereas it is universally admitted that general depression in agriculture, trade, and commerce are everywhere apparent; that the disturbed and depressed condition of industry at home and abroad are known of all men; that the usual methods of diplomatic intercourse have proven entirely impotent to restore industrial peace to the world and render normal the regular commercial relations of the nations of the earth; that a longer continuance of the interruption and disturbance of our trade relations with foreign markets will inevitably greatly accentuate the evils from which we now suffer; that prosperity will not return to our fields, our factories, and our mines until confidence is restored and real peace is established; that commercial intercourse, conducted to mutual advantage under equitable and stabilized conditions, is the most powerful of human incentives to personal and public peace among men; that business can best be done in a business way and by business men dealing one with the other in the regular, straightforward, and well-recognized methods known to themselves; that men are everywhere becoming restive, dissatisfied, and rebellious because of the restraints thus unnecessarily imposed upon their industrial energies, and because of the privations and sufferings they are called upon to endure because of these restraints; that methods more specific, simple, and direct of correcting the evils of which complaint is made and which are universally admitted to exist in menacing measure, may and should be restored by going outside of ordinary diplomatic usage: Therefore be it

Resolved, That the Democratic Party of South Carolina, in convention assembled, places itself upon record as demanding that a commercial congress of all nations be assembled at Washington to devise ways and means for bringing peace, prosperity, and stability to the agriculture, trade, and commerce of this and other nations; that the Democratic Party pledges itself to such a course; and that a plank to that effect be suitably drawn and incorporated in the platform of the National Democratic Convention to be held in the city of New York on the 24th day of June, 1924.

CENTENNIAL OF LEGISLATIVE COUNCIL OF FLORIDA

Mr. FLETCHER. Mr. President, I present and ask to have printed in the RECORD and referred to the Commerce Committee resolutions adopted by the Tallahassee (Fla.) Chamber of Commerce and the Florida Press Association with respect to providing a suitable celebration in November, 1924, of the centennial of the first meeting of the Legislative Council of the Territory of Florida.

There being no objection, the resolutions were referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

TALLAHASSEE CHAMBER OF COMMERCE,
Tallahassee, Fla.

Whereas the people of Tallahassee, in cooperation with their fellow citizens in all parts of Florida, are planning a suitable celebration in November, 1924, of the centennial of the first meeting in this city of the Legislative Council of the Territory of Florida; and

Whereas it is deemed appropriate and desirable that the United States Government should give official recognition of this auspicious anniversary: Therefore be it

Resolved, That the Senators and Representatives from Florida be requested to secure the passage of a congressional resolution authorizing the President of the United States to appoint a commissioner to represent the Government of the United States at such celebration in the city of Tallahassee and elsewhere in this State and to cooperate in such other manner as the President may deem proper, no appropriation of funds by the United States Government being contemplated in this request for Federal recognition of the proposed centennial celebration.

Resolutions adopted by the Florida Press Association at its meeting held in Cocoa, April, 1924

Whereas in November, 1823, the First Legislative Council of the State of Florida met in Tallahassee; and

Whereas the one hundredth anniversary of the meeting of this legislative council marked the beginning of what is now the fastest-growing State of the Union; and

Whereas the citizens of Tallahassee, by its chamber of commerce and civic clubs, are making preparations to properly celebrate the centenary of this important event: Therefore be it

Resolved by the Florida Press Association, in annual meeting assembled, That all the newspapers of the State be urged to throw their

columns open to centennial suggestions from their readers, so that in each county or important city rapid progress can be made in arranging for a proper commemoration.

2. *Resolved*, That the Florida Press Association will do all in its power to give publicity to the proper celebration in Tallahassee of the one hundredth anniversary of the first session of the first legislative council of this State in that city.

3. *Resolved*, That through the newspapers each city and town be called upon to impress upon those in educational positions, the churches, etc., the importance of forming centennial committees at once, so as to give the children an understanding of the significance of the century just ended, and the fact that upon their shoulders will rest the affairs of the State of Florida during the second century.

4. *Resolved*, That Gov. Cary A. Hardee be requested to issue a proclamation that will adequately sum up the history of a century's progress as a means of stimulating the people of Florida to do honor to the founders and guides of the State, to the accomplishments of the century, and to pledge the State to the greater Florida that is destined to arise upon the foundation work already done.

5. *Resolved*, That the State superintendent of public instruction, Hon. W. S. Cawthon, be requested to arrange a program for use in all the public schools of the State to the end that the date agreed on as the proper one may be set apart and celebrated in all institutions of learning all over Florida.

———, *President Florida Press Association.*

REPORTS OF COMMITTEES

Mr. JOHNSON of Minnesota, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 1648) for the relief of José Louzau (Rept. No. 620); and

A bill (H. R. 2806) for the relief of Emil L. Flaten (Rept. No. 621).

Mr. STEPHENS, from the Committee on Claims, to which was referred the bill (S. 2520) to give the Court of Claims jurisdiction to hear and adjudge the claims of the estate of John Frazer, deceased, and others, reported it with an amendment and submitted a report (No. 622) thereon.

Mr. BAYARD, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 2478) to carry out the findings of the Court of Claims in the case of Kate Reaney Zeiss, administratrix of William B. Reaney, survivor of Thomas Reaney and Samuel Archbold, against the United States (Rept. No. 623);

A bill (S. 2879) for the relief of James E. Jenkins (Rept. No. 624); and

A bill (H. R. 5762) for the relief of Julius Jonas (Rept. No. 625).

Mr. STANFIELD, from the Committee on Claims, to which was referred the bill (S. 2794) for the relief of Margaret B. Knapp, reported it without amendment and submitted a report (No. 626) thereon.

He also, from the same committee, to which was referred the bill (S. 1016) for the relief of Augusta Reiter, reported it with amendments and submitted a report (No. 627) thereon.

Mr. ERNST, from the Committee on Privileges and Elections, to which was referred the bill (S. 300) to provide for election contests in the Senate of the United States, reported it without amendment.

Mr. SPENCER, from the Committee on the Judiciary, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 2173) to provide fees to be charged by clerks of the district courts of the United States (Rept. No. 628);

A bill (S. 2174) to provide for accounting by clerks of United States district courts of fees received by them in naturalization proceedings (Rept. No. 629);

A bill (S. 2175) to provide for reporting and accounting of fines, fees, forfeitures, and penalties, and all moneys paid to or received by clerks of the United States courts (Rept. No. 630);

A bill (S. 2176) to amend section 2 of the act of August 1, 1888 (25 Stat. L. p. 357) (Rept. No. 631);

A bill (S. 2177) to provide for the disposition of moneys paid to or received by any official as a bribe, which may be used as evidence in any case growing out of any such transaction (Rept. No. 632); and

A bill (S. 2179) to provide for the rendition of accounts by United States attorneys, United States marshals, clerks of United States courts, and United States commissioners (Rept. No. 633).

Mr. BRANDEGEE, from the Committee on the Judiciary, to which were referred the following bills, reported them severally without amendment:

A bill (S. 2061) to give the Supreme Court of the United States authority to make and publish rules in common-law actions;

A bill (S. 3300) to fix the salaries of officers and employees of the Court of Appeals of the District of Columbia, the Supreme Court of the District of Columbia, the United States Court of Claims, and the United States Court of Customs Appeals;

A bill (H. R. 162) to amend the act establishing the eastern judicial district of Oklahoma, to establish a term of the United States District Court for the Eastern Judicial District of Oklahoma at Pauls Valley, Okla.;

A bill (H. R. 644) providing for the holding of the United States district and circuit courts at Poteau, Okla.;

A bill (H. R. 704) to authorize the court of appeals for the first circuit to hold sittings at San Juan, P. R.;

A bill (H. R. 4526) to incorporate the United States Blind Veterans of the World War; and

A bill (H. R. 7399) to amend section 4 of the act entitled "An act to incorporate the National Society of the Sons of the American Revolution," approved June 9, 1906.

The PRESIDING OFFICER (Mr. MOSES), from the Committee on Printing, to which was referred the bill (S. 2935) for the publication of official papers of the Territories of the United States now in the national archives, reported it with an amendment.

He also, from the Committee on Printing, to which were referred the following bill and concurrent resolution, reported them each without amendment:

A bill (S. 685) to authorize the Secretary of Commerce to sell certain department publications and to provide for crediting the department's printing allotment with the proceeds; and

A concurrent resolution (S. Con. Res. 3) providing for the printing of the report of the United States Coal Commission.

THE DISTINCTION BETWEEN LEGAL AND POLITICAL QUESTIONS (S. DOC. NO. 118)

The PRESIDING OFFICER (Mr. MOSES). From the Committee on Printing the present occupant of the chair reports a resolution (S. Res. 238) to print a manuscript entitled "The Distinction Between Legal and Political Questions," and asks for the present consideration of the resolution. Is there objection?

There being no objection, the resolution was considered by unanimous consent and agreed to, as follows:

Resolved, That the manuscript entitled "The Distinction Between Legal and Political Questions," by Prof. Edwin M. Borchard, be printed as a Senate document.

CREATION OF THE AMERICAN GENERAL STAFF (S. DOC. NO. 119)

The PRESIDING OFFICER (Mr. MOSES), from the Committee on Printing, reported a resolution (S. Res. 239), which was considered by unanimous consent and agreed to, as follows:

Resolved, That the manuscript entitled "Creation of the American General Staff" be printed as a Senate document.

PROCEEDINGS OF THE FORESTRY, RECLAMATION, AND HOME-MAKING CONFERENCE (S. DOC. NO. 120)

The PRESIDING OFFICER (Mr. MOSES), from the Committee on Printing, to which was referred Senate resolution 156, submitted by Mr. RANSDELL, February 13, 1923, reported it with amendments, so as to make the resolution read:

Resolved, That the proceedings of the Forestry, Reclamation, and Home-Making Conference, held at New Orleans, La., November 19 to 22, inclusive, 1923, be printed as a Senate document.

The amendments were agreed to.

The resolution as amended was agreed to.

BILLS RECOMMITTED

Mr. JOHNSON of Minnesota. Mr. President, by mistake on Saturday I reported from the Committee on Claims the bill (S. 927) for the relief of the widow and minor children of Raymond C. Hanford and the bill (S. 3115) for the relief of Rosa B. Smolik. I move that the bills be recommitted to the Committee on Claims.

The motion was agreed to.

ADDITION TO HARRINGTON HOTEL

Mr. EDWARDS. From the Committee on the District of Columbia I report back favorably without amendment the

bill (S. 3269) to amend an act to regulate the height of buildings in the District of Columbia, approved June 1, 1910, and I submit a report (No. 619) thereon. I ask unanimous consent for the present consideration of the bill.

Mr. SMOOT. I ask the Senator from New Jersey if there is a report accompanying the bill?

Mr. EDWARDS. There is. The bill applies to only one building in the city of Washington.

Mr. SMOOT. Let the bill be read.

The PRESIDING OFFICER. The bill will be read for the information of the Senate.

The reading clerk read the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. KING. Mr. President, I shall not object to the consideration of it, but I hope it will not be regarded as a precedent by the commissioners or by the people of the District to authorize the construction of buildings of this height. I think we ought to restrict the height of buildings to 70 feet, and certainly not to exceed 90 feet. We are going to destroy the harmony of the city in any architectural beauty the city may finally attain if we permit the erection of buildings at varying heights and to such extreme heights as is proposed.

Mr. BALL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Delaware?

Mr. KING. I yield.

Mr. BALL. The object of this bill is to prevent precisely what the Senator from Utah has stated he objects to. It permits the erection of an addition to the building at the same height as the building itself.

Mr. KING. I am familiar with that.

Mr. BALL. That is all the bill proposes to do.

Mr. PHIPPS. Mr. President, for information, I should like to know the name of the hotel to which the proposed addition is to be made.

Mr. BALL. The name of the hotel, I think, is the Hotel Harrington.

Mr. EDWARDS. It is the Harrington Hotel.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Jersey for the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, as follows:

Be it enacted, etc., That an act entitled "An act to regulate the height of buildings in the District of Columbia," approved June 1, 1910, be, and it is hereby, amended by adding at the end of paragraph 5 of said act the following proviso:

"*And provided further*, That a building be permitted to be erected to a height not to exceed 130 feet on lots 15, 804, and 805, square 322, located on the southeast corner of Twelfth and E Streets NW., said building to conform in height and to be used as an addition to the hotel building located to the east thereof on lot 18, square 322."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LODGE:

A bill (S. 3386) providing for the conveyance to the town of Fairhaven, in the Commonwealth of Massachusetts, of the tract of land known as Fort Phoenix for public use; to the Committee on Military Affairs.

By Mr. WATSON:

A bill (S. 3387) to provide for the abatement and refund of excise taxes where the taxes have been collected and thereafter refunded and subsequently reassessed by the Commissioner of Internal Revenue; to the Committee on Finance.

By Mr. DALE:

A bill (S. 3388) granting a pension to Charles W. Carlisle; and

A bill (S. 3389) granting an increase of pension to Christiana L. Chick (with accompanying papers); to the Committee on Pensions.

By Mr. JONES of Washington:

A bill (S. 3390) for the relief of Charles A. Mayo; to the Committee on Claims.

By Mr. BURSUM:

A joint resolution (S. J. Res. 131) authorizing the Director of the United States Veterans' Bureau to take assignments of certain claims of officers, employees, and patients of General Hospital No. 55, Fort Bayard, N. Mex.; to the Committee on Finance.

CHANGE OF REFERENCE

Mr. STERLING. I desire to call attention to the bill (S. 3251) for the relief of Elizabeth W. Kieffer, which was referred to the Committee on Post Offices and Post Roads. Similar bills have heretofore been referred to the Committee on Claims. I therefore move that the Committee on Post Offices and Post Roads be discharged from the further consideration of the bill and that it be referred to the Committee on Claims.

The motion was agreed to.

AMENDMENT TO GENERAL DEFICIENCY APPROPRIATION BILL

Mr. KING submitted an amendment proposing to appropriate $1,500,000 for continued investigations, continuation of construction, and incidental operations at the Strawberry Valley project, Utah, intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Irrigation and Reclamation and ordered to be printed.

POST-OFFICE INSPECTORS

Mr. DILL submitted an amendment intended to be proposed by him to the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service, which was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 15, at the end of line 11, insert the following:

"And provided that post-office inspectors shall not be eligible for transfer or appointment to any executive or supervisory position in the Postal Service other than in the inspection division and within two years after they have ceased to be inspectors.

CONDITIONS IN RUSSIA (S. DOC. 121)

Mr. LODGE. Mr. President, I ask unanimous consent that the speech of the Senator from Utah [Mr. KING] with regard to Russia, which appears in the CONGRESSIONAL RECORD beginning on page 7018 of the RECORD of Saturday, May 24, 1924, may be printed as a Senate document.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it so ordered.

HOUSE BILL REFERRED

H. R. 9246. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, was read twice by its title and referred to the Committee on Pensions.

PRESIDENTIAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on the 24th instant the President approved and signed bills of the following titles:

S. 105. An act for the relief of Arthur Frost; and

S. 2922. An act to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army.

HOWARD UNIVERSITY ATHLETIC FIELD AND GYMNASIUM

The PRESIDING OFFICER. Morning business is closed.

Mr. BALL. I ask unanimous consent for the immediate consideration of the bill (S. 2694) to enable the trustees of Howard University to develop an athletic field and gymnasium project, and for other purposes.

The PRESIDING OFFICER. The calendar under Rule VIII being in order, the Senator from Delaware asks unanimous consent for the immediate consideration of the bill named by him.

Mr. BALL. I should like briefly to explain just what the bill proposes.

Mr. JONES of Washington. Let us have the bill read, Mr. President.

The PRESIDING OFFICER. The bill will be read for the information of the Senate.

The reading clerk read the bill, which had been reported from the Committee on the District of Columbia with an amendment, on page 2, after line 20, to insert:

SEC. 4. *Provided*, That no street shall be closed until all of the property abutting on the portion to be closed shall have been acquired by the trustees of Howard University.

SEC. 5. *Provided*, That no street shall be closed until the trustees of Howard University shall have secured the necessary title to, and

shall have dedicated to the District of Columbia, the land necessary to provide the following streets, to wit:

"An extension of Sixth Street, with a width of 50 feet, north for 194 feet from its present terminus at Girard Street; also a street, with a width of 44 feet, from the terminus of Sixth Street as above extended eastwardly to Fifth Street."

SEC. 6. *Provided further*, That an easement in the areas of the streets hereby closed shall remain in the District of Columbia for all except highway purposes, and that no structures shall be erected thereon except with the permission of the Commissioners of the District of Columbia.

So as to make the bill read:

Be it enacted etc., That for the purpose of developing an athletic field and gymnasium project, the trustees of the Howard University are hereby authorized to acquire by gift, purchase, condemnation or otherwise so much of square 3059 formerly block 6, Howard University Subdivision as the university does not already own, also 45,000 square feet of land, being that portion of square 3057, formerly block 7, Howard University Subdivision, which lies south of the 15-foot alley running east and west in said square, also known as the east 300 feet front on Euclid Street: *Provided*, That no special appropriation of funds of the United States shall be made for this purpose and that no liability on the part of the United States shall be involved in said acquisition.

SEC. 2. That those portions of Fairmont and Girard Streets lying within the area to be acquired and between the said area and the present grounds of Howard University, together with all alley space not subject to the terms of the Code of Laws for the District of Columbia, shall and are hereby declared to be closed and abandoned as public ways and shall be subject to acquisition under section 1 hereof.

SEC. 3. That the Secretary of War is hereby authorized and directed to reconvey to the trustees of the Howard University a triangular plot of land now included in McMillan Park and situated between Fairmont Street, Fifth Street and the McMillan Park Reservoir at the price per foot formerly paid to the said university by the United States for the said property, subject to such terms and conditions as may be prescribed by the Secretary of War.

SEC. 4. *Provided*, That no street shall be closed until all of the property abutting on the portion to be closed shall have been acquired by the trustees of Howard University.

SEC. 5. *Provided*, That no street shall be closed until the trustees of Howard University shall have secured the necessary title to, and shall have dedicated to the District of Columbia, the land necessary to provide the following streets, to wit:

An extension of Sixth Street, with a width of 50 feet, north for 194 feet from its present terminus at Girard Street; also a street, with a width of 44 feet, from the terminus of Sixth Street as above extended eastwardly to Fifth Street.

SEC. 6. *Provided further*, That an easement in the areas of the streets hereby closed shall remain in the District of Columbia for all except highway purposes, and that no structures shall be erected thereon except with the permission of the Commissioners of the District of Columbia.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SMOOT. Mr. President, the bill is so long and involves so many pieces of property that I can not follow its reading from the desk nor can I understand it from the report which the Senator from Delaware [Mr. BALL] has filed with the bill. I will ask the Senator from Delaware is there any direct appropriation involved in the bill?

Mr. BALL. A considerable appropriation, amounting to eight hundred and some odd thousand dollars, has been in an appropriation bill which has heretofore passed. The extension of the grounds of Howard University for athletic fields and for buildings is held up until they can at least have an alley closed. The bill also provides for the university purchasing some additional land, but Congress is called on to make no appropriation. The expense will be paid by gifts or other funds secured by the university. The bill will permit them to go ahead with their project for an athletic field and to use the appropriation which Congress has already made to the university.

Mr. SMOOT. When did Congress make an appropriation for this purpose?

Mr. BALL. The appropriation was carried in the first appropriation bill which was passed at this session of Congress.

Mr. OVERMAN. That proposed appropriation for over $800,000 was put in the bill by the Senate, but it went out in conference.

Mr. BALL. The appropriation was made for this purpose in House bill 3078.

Mr. SMOOT. I think the Senator is mistaken about that.

Mr. BALL. In the bill making appropriations for the Department of the Interior $812,000 was appropriated for Howard University.

Mr. OVERMAN. But, I repeat, that that item went out in conference between the two Houses.

Mr. SMOOT. The appropriation to which the Senator from Delaware refers was not made but was stricken out in conference. The two items were offered as amendments on the floor of the Senate, and a special rule was brought in in order to keep them in the bill, but the House conferees would not yield their opposition to the two items which were involved, and therefore the conferees on the part of the Senate had to recede.

Mr. BALL. Then the university authorities have themselves raised the funds for this purpose from other sources and are ready to proceed with their building.

Mr. SMOOT. But that is not what the bill provides.

The PRESIDING OFFICER. Is there objection to the request which has been made by the Senator from Delaware [Mr. BALL].

Mr. SMOOT. Until we may know more about the bill, I ask that it go over.

The PRESIDING OFFICER. Objection is made, and the calendar under Rule VIII is in order.

THE CALENDAR

Mr. JONES of Washington. Mr. President, I had intended to ask for the consideration of a bill on the calendar, but the Senator from Utah thinks we had better commence at the beginning of the calendar, and I will accede to his suggestion.

The PRESIDING OFFICER. The Secretary will state the first bill on the calendar.

BILLS AND RESOLUTIONS PASSED OVER

The bill (S. 55) making an appropriation to pay the State of Massachusetts for expenses incurred and paid, at the request of the President, in protecting the harbors and fortifying the coast during the Civil War, in accordance with the findings of the Court of Claims and Senate Report No. 764, Sixty-sixth Congress, third session, was announced as first in order.

Mr. KING, Mr. OVERMAN, and Mr. DIAL asked that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1181) naming the seat of Government of the United States was announced as next in order.

Mr. SMOOT. I ask that that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 23) making eligible for retirement under certain conditions officers of the Army of the United States, other than officers of the Regular Army, who incurred physical disability in line of duty while in the service of the United States during the World War was announced as next in order.

Mr. KING. I ask that that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (S. J. Res. 46) for the relief of Capt. Ramon B. Harrison was announced as next in order.

Mr. EDGE. I ask that the joint resolution be passed over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The joint resolution (S. J. Res. 60) to stimulate crop production in the United States was announced as next in order.

Mr. KING and Mr. SMOOT asked that the joint resolution go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

INVESTIGATION OF RAILROAD PROPAGANDA

The resolution (S. Res. 124) directing the Interstate Commerce Commission to secure information relative to amount of money expended for the purpose of creating public interest favorable to railroad sentiment was announced as next in order.

Mr. GOODING. Mr. President, I offer an amendment to the resolution.

The PRESIDING OFFICER. It will be necessary, first, to determine whether the resolution is to be considered by the Senate. The Secretary will state the resolution.

The READING CLERK. The committee proposes to strike out all after the resolving clause and in lieu thereof to insert an amendment in the nature of a substitute, to which amendment the Senator from Idaho offers an amendment, on page 4, line 15, after the word "within," to strike out "60 days" and insert in lieu thereof the words "seven months."

The PRESIDING OFFICER. Without objection——

Mr. KING. Let the resolution be read.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The READING CLERK. The committee proposes to strike out all after the resolving clause and to insert:

That the Interstate Commerce Commission is directed to investigate, along such lines and with such detail as to reveal clearly and accurately the amounts expended for propaganda, as defined in this resolution, during the calendar year 1923, by each common carrier by railroad, or partly by railroad and partly by water, subject to the interstate commerce act, as amended, and designated by the commission as a Class I carrier. The term "propaganda" means (a) the preparation, publication, or distribution of advertising matter, magazines, books, pamphlets, newspaper articles and editorials, or other forms of literature, the engaging of speakers, or other forms of publicity, oral, written, or printed; (b) the payment of compensation, or travel, subsistence, or other expenses, in connection with services rendered by any person; (c) the making of contributions to any association, bureau, institute, committee, chamber of commerce, or similar organization; or (d) any other method of propaganda, if such publicity, service, contribution, or other method of propaganda is designed—

(1) To mold public sentiment so as to be favorable to the railroads or with regard to any State or Federal legislative matter;

(2) To influence acts or decisions of any legislative administrative, of judicial officer or agency, whether State or Federal, or of any member, officer, or employee of any such agency; or

(3) To secure the election, appointment, or removal of public officers or employees or the creation or abolishment of public agencies, whether State or Federal.

In its investigation the commission—

(a) Shall require of each carrier subject to this resolution a special report, under oath, in such detail as the commission may specify, stating the amounts of the expenditures required to be investigated by the commission under this resolution and the accounts to which such expenditures were charged.

(b) Shall, to such extent as it deems necessary to carry out the purposes of this resolution, obtain information by field investigation, and by requiring the attendance and testimony of witnesses and the production of books, papers, and documents.

(c) May avail itself of any other powers vested in it by law.

The commission is further directed to transmit its report to the Senate within 60 days after adoption of this resolution.

For the purposes of this resolution an amount shall be deemed expended by a carrier if expended by it directly or through an officer, employee, or agent of the carrier, or through a corporation affiliated with it, or through any other agency.

Any report by a carrier under this resolution of a contribution to an association, bureau, institute, committee, chamber of commerce, or other organization shall include the name and address of the organization and the purpose for which the contribution was made.

Resolved further, That the Committee on Interstate Commerce is directed, either as a whole or by subcommittee, to investigate the extent, character, methods, and purposes of propaganda emanating directly or indirectly from common carriers by railroad, or from associations, bureaus, institutes, committees, chambers of commerce, or similar organizations receiving contributions or dues, fees, assessments, or other payments from such carriers.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Idaho to the amendment proposed by the committee.

Mr. GOODING. Mr. President, I send to the desk a short letter, which I ask to have read.

The PRESIDING OFFICER. The Secretary will read as requested.

The reading clerk read as follows:

THE STATE OF UTAH,
PUBLIC UTILITIES COMMISSION,
Salt Lake City, April 1, 1924.

Hon. F. R. GOODING,
United States Senator, Washington, D. C.

MY DEAR SENATOR GOODING: I was very much pleased to receive your letter March 19 indicating favorable progress for your bill regulating long-and-short-haul rates of the carriers.

The situation in the intermountain States is being made exceedingly difficult for those supporting the bill for the reason that the carriers are very busy among commercial clubs and are advertising in daily papers with the object of convincing the public that no legislation of any kind bearing upon the railroad question should be passed at this session of Congress.

Recently the carriers have prevailed upon some of the commercial clubs in this section to send "official observers" to Washington to complete their education upon matters affecting the carriers. These gentlemen apparently have not as yet received their diplomas, for they have not thus far told the public of the wisdom they have acquired.

I recently had the pleasure of appearing before a committee of the Salt Lake Commercial Club and succeeded in getting them to rescind action which they had previously taken supporting the contention that the transportation act be not amended. I understand since some other committee of the club, before whom I was not invited to appear, took some sort of action which resulted, as I have heretofore indicated, in sending a student to Washington.

If there is anything I can do, or data that I can furnish, do not hesitate to call upon me.

With best wishes,

Very truly yours,

WARREN STROUTNOR, *Commissioner.*

Mr. GOODING. Mr. President, I am sure the Senators all understand the propaganda by the railroads that is saturating the whole country at the present time. All of this expense is charged up to the operating expense of the railroads. The people pay the bill; and I am quite sure that the people and Congress are entitled to know how this money is spent, and what agencies are created for the purpose of influencing legislation.

In my State, all at once, the railroads are advertising in every little local newspaper that there is in the State of Idaho. They are controlling many of our commercial clubs by sending out special agents to wait upon them. Men are employed in different lines of activity for the influence they may have, not only in the State but nationally, in legislation; and as long as the people are taxed for it in freight rates it seems to me it is time that the Interstate Commerce Commission should make this investigation so that we may know just how far the railroads are going, because under the Esch-Cummins Act they can spend as much as they please for any purpose, and it is all charged up to operating expenses.

Something like $7,000,000 is spent at the present time, which the railroads report, in advertising. During the time that the tax bill was up the Pennsylvania Railroad on their menu cards were advertising the Mellon tax plan, and urged everybody, of course, to support the Mellon tax plan. They go beyond the legitimate business of railroads, all of which the people must pay in freight rates.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Pennsylvania?

Mr. GOODING. I yield.

Mr. REED of Pennsylvania. Have any estimates been made of the cost to the railroads of furnishing the information that is asked for in this resolution?

Mr. GOODING. It should not be very great. That matter was taken up. It will be done largely, as I understand, through questionnaires and field work where necessary. They must have a record of it all. There should not be any great expense to the railroads, it seems to me.

Mr. REED of Pennsylvania. Have not some estimates been made by the commission as to what it would cost the railroads to go through all their accounts and report on this matter?

Mr. GOODING. I think not.

Mr. REED of Pennsylvania. I was told that it would cost approximately half a million dollars for all the railroads to make this report.

Mr. GOODING. Regardless of the expense, it seems to me that if the railroads are going to tax the people to mold public opinion it is very dangerous to the best interests of the Government, and the people have a right to know how much they expend and how far they go.

Mr. REED of Pennsylvania. Yes; but we make them report at a cost to them of half a million dollars, and that is added to the rates that they charge the people for the service they render.

Mr. GOODING. I think this will eliminate a lot of expense after we find out what channels they are spending the money in, and save the railroads a great many millions of dollars.

Mr. REED of Pennsylvania. Suppose the Senator were in charge of the Pennsylvania Railroad, does he not think it would take him a good deal of time to calculate what it costs to print advertisements on the backs of menus, instead of printing statistics about ham and eggs?

Mr. GOODING. I think it was an improper place for such an advertisement, and I do not think the people should be expected to pay for such advertising, although that is what they do. I think the matter of time and expense is a minor matter compared with the importance of this legislation to the people and to the Government.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. GOODING. I yield to the Senator from Nebraska.

Mr. NORRIS. I should like to ask the Senator a question right along the lines of the question asked by the Senator from Pennsylvania about the time it is going to take to do this. Does not the Senator think that if the railroads would temporarily call off the men who are engaged in the propaganda and put them at work to find out how much it has cost up to date in this year the railroads probably would not be put to any extra expense at all, although it might interfere with the propaganda that is going on?

Mr. GOODING. That is the only thing it would stop; and I do not think it would take half the men they have employed in that kind of work to get the information, without any expense.

Mr. EDGE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from New Jersey?

Mr. GOODING. I yield.

Mr. EDGE. It seems to me that while there is unquestionably a laudable purpose in one angle of this resolution, yet it is very apt——

The PRESIDING OFFICER. The time of the Senator from Idaho under the rule has expired. The Senator from New Jersey is recognized in his own right.

Mr. EDGE. Mr. President, in my own time I started to call attention to the fact that it seems to me the advertising referred to in the resolution is very apt to overlap a perfectly legitimate type of advertising in which railroads and transportation companies do indulge, and in my judgment should indulge. In other words, the railroads are big business enterprises. They run all kinds of tours. They run to all the resorts of the country. They advertise not only resort facilities, but agricultural facilities through the sections they cover, and undoubtedly they are spending in the newspapers of the land millions of dollars which the newspapers are very glad to have them spend, and which is entirely legitimate from the standpoint of popularizing their service. If this resolution would in a way discourage that perfectly legitimate enterprise it seems to me it would be rather unfortunate.

Mr. GOODING. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Idaho?

Mr. EDGE. I yield.

Mr. GOODING. There is no thought of curtailing legitimate advertising. I feel that that should be encouraged. We all agree to that. That is not the intention of the resolution at all. It will not curtail anything, but it will give the commission and Congress information as to how much was spent and along what lines it was expended.

Mr. EDGE. It may not be the intention, but a reading of the title of the resolution itself indicates very plainly that such an investigation must include expenditures to create favorable public sentiment. Of course every line they put in a newspaper or a magazine is to create favorable public sentiment, to induce the public to use their lines, to lead people to settle in their sections, and naturally to patronize their system, just the same as the owner of a grocery store would advertise to get people to patronize his store. It seems to me this is a pretty dangerous attempt at demarcation.

Mr. BROOKHART. Mr. President, I am quite strongly in favor of this resolution. I have had occasion to know something about this propaganda class of advertising in which the railroads indulge. I think the president of about every railroad that runs through Iowa has come out in his private car at big expense to make speeches against me, and put out his propaganda to the different commercial clubs in my State.

This morning I received a letter which shows that the railroads, utilities, and Wall Street brokers have just paid the Cedar Rapids Republican $5,000 for four pages of political advertising against me in the primary that occurs a week from to-day. I should like to have this investigation made, and find out which railroads paid it. If they are paying all of the papers at that rate, there will be a considerable sum spent out in that State for propaganda to defeat me in the primary.

I have seen my name mentioned, too, in some of these menu-card advertisements. The particular grievance the railroads have against me is in reference to this $12,000,000,000 valuation that I have figured out; and the Wall Street Journal, in a recent issue, gave me a full column of editorial attention, but did not dispute the $12,000,000,000 conclusion.

Mr. EDGE. Mr. President, will the Senator yield?

Mr. BROOKHART. Yes; I yield.

Mr. EDGE. Does not the Senator believe in the old Barnum policy, that it does not make any difference what they say about you; so long as they say something about you, it is good advertising?

Mr. BROOKHART. It is not put out for that purpose.

Mr. BORAH. Mr. President, Barnum paid for his own advertising; did he not?

Mr. BROOKHART. Yes; Barnum paid his own bill.

Mr. EDGE. Then the Senator from Iowa should be all the more pleased, if somebody else is paying for his advertising.

Mr. BROOKHART. Unfortunately, my friends and I are paying the cost of the advertising that is done against me, and it is not quite a square deal. I ought to have something to say about what goes in the advertisements; but I have nothing whatever to say. It is cooked up by a Wall Street broker by the name of Winthrop; I believe he is the commanding general in charge of this campaign at the present time; and I want the people of my State and of all the States to know that there is a gang of financial pirates down here in New York at the headquarters of the railroads that is trying to control the elections and the primaries and the conventions everywhere in this country. They succeed quite often in doing it, too, because the people do not know the origin of this propaganda, and at the same time, through the rates charged by the railroads, they are collecting the pay for these advertisements from the very people they want to deceive.

Therefore I am for this resolution.

Mr. NORRIS. Mr. President, it seems to me there is nothing unfair about letting the people know how much is being spent for propaganda purposes, especially where the people themselves have to pay the bill.

I put into the RECORD a week or so ago, in discussing this question, letters from representatives of different railroads, sent, for instance, to all their local attorneys and to all their local surgeons, calling upon them to go out and get business men, and particularly farmers, to write letters to their Congressmen asking them to vote against any change in the Esch-Cummins law. We have received thousands and hundreds of thousands of letters as a result of that propaganda that has been going on all over the United States. I could fill the CONGRESSIONAL RECORD with them from my own office alone.

Whether it is right or whether it is wrong, to my mind is not so material as the fact that the people who wear clothes and eat food, all the people of the United States, are paying that bill. They are paying that expense when they pay their freight, which they must do, on everything they use and everything they wear and everything they eat.

So it is their money that is being used in this case. It is our money that is being used to fool us. We are paying for our own deception, and the object of this resolution is to find out how much we are being mulcted for the deception being practiced upon us.

Whatever the roads are doing that is legitimate along the line indicated would be disclosed by the investigation which this resolution would require the Interstate Commerce Commission to make, but it seems to me that we have a right to know how much they have spent to have Congress enact the Mellon plan into a law; how much they have spent to prevent any change in the Esch-Cummins law; how much they have spent to prevent the election or bring about the defeat of somebody for public office. This is propaganda which, I submit, Mr. President, it is not fair for the railroads to engage in when they are using the money of the people themselves to do it. We are complaining of high freight rates. Here is one item that goes into the freight rates. An army of expensive men are traveling over the country, I think wrongfully, but whether what they are trying to do is good for the people or not is not involved. They are using our money. We ought to say how and in what manner our money should be used when they are practicing a deception upon us, or carrying out an educational program, if you want to put it that way. In other words, if we are to be influenced by the use of our money, we ought to know how we are being influenced, how much it takes to fool us, how much it takes to educate us and give us some information along this line. That is all this resolution would require, a fair statement of what the railroads are doing with our money.

Mr. SIMMONS. Why confine it to railroads? Why not extend it to all public utilities?

Mr. NORRIS. I would be glad to have it extended to every public utility, but this information is to be gotten by the Interstate Commerce Commission, which, as a matter of fact, under the law, does not have jurisdiction over all public utilities. The same reason applies to every public utility, municipal, State, county, or national. As I understand it,

this resolution applies to the power of the Interstate Commerce Commission to investigate under its authority, and does not attempt to apply any further.

Mr. PITTMAN obtained the floor.

Mr. REED of Pennsylvania. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Pennsylvania?

Mr. PITTMAN. I yield.

Mr. REED of Pennsylvania. I object to the further consideration of the resolution at this time.

The PRESIDING OFFICER. Objection being made, the resolution will go over.

Mr. GOODING. Mr. President, I move that the Senate now proceed to consider Senate Resolution 124.

Mr. PITTMAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. PITTMAN. Mr. President, I am not discussing the ethics of the proposition, but the Senator from Nevada rose and complied with the rule in addressing the Chair, and was recognized. The Senator from Pennsylvania asked the Senator to yield to him, supposedly, of course, for a question. I yielded to the Senator, as I always yield to any Senator. I am not going to discuss the ethics of the action of the Senator——

Mr. REED of Pennsylvania. Does the Senator mean——

Mr. PITTMAN. Just a moment; but I do not believe a Senator can be taken off his feet by that kind of a procedure.

The PRESIDING OFFICER. An objection may be interposed at any stage in the proceedings. The Senator from Nevada yielded to the Senator from Pennsylvania.

Mr. PITTMAN. I understand, but a Senator can not be taken off his feet by that character of an objection.

Mr. REED of Pennsylvania. Will the Senator yield again.

Mr. PITTMAN. I yield.

Mr. REED of Pennsylvania. I beg the Senator's pardon for the apparent discourtesy. I understood that it was the practice in the Senate for a Senator to interpose an objection at any time during the consideration of the calendar. I certainly had no intention of taking the Senator off the floor, and I withhold my objection for the present.

Mr. PITTMAN. I thank the Senator.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. PITTMAN. Mr. President, this resolution does not confer any additional powers upon the Interstate Commerce Commission. Under the transportation act of 1920, the Interstate Commerce Commission are authorized to ascertain the expenses of the railroads. This resolution simply directs them to report to Congress. I do not see any objection to it.

Under the commerce act, by which there is a reasonable and just return assured to the railroads, it is expressly provided that that is to be based upon the operating costs in an economical conduct of the roads. How can the railroads determine what is a fair return upon their property unless they know whether or not there is extravagance in the operating costs?

As I have said, the interstate commerce act of 1920 provides that it is the duty of the Interstate Commerce Commission to ascertain whether or not railroads are economically operated, so that they may determine what rate will be required to make a fair return on the property.

This is nothing unusual. The only thing additional in the resolution is that the Interstate Commerce Commission are directed to do what they are authorized to do under another act, and, in addition to that, they are directed to report their findings to the Congress.

There is no doubt but what railroads have a right to advertise. There is no doubt that they have a right to conduct a propaganda which is not legitimate advertising, just as much as anybody else has a right to conduct propaganda. The only proposition is as to what portion of that advertising is legitimate expense. Whatever portion of the advertising is a legitimate expense to be charged against operating costs will be charged into operating costs in determining a fair return on the property. Whatever is not a legitimate advertising cost should be charged to the stockholders of the railroad in the form of deductions from their dividends. That is all there is to the proposition.

There is no use discussing whether railroads have a right to advertise. They have, as any other business institution has; but it is the duty of the Interstate Commerce Commission to find out what is legitimate advertising, so that that may be charged to operating costs, and what is advertising which is not to be included in operating costs. If the stockholders desire to advertise for the purpose of creating public sentiment, there is no law against it, but it is not a part of the essential operating costs, and it should not be charged to operating costs, but it should be deducted from the dividends. It should be deducted from the net profits.

Why should objection be made to the resolution? It does nothing except to carry out the interstate commerce act of 1920. It says to the Interstate Commerce Commission, "You are already authorized to inquire into these expenses. Now, we ask you to proceed with an inquiry and report your findings and recommendations to the Congress."

It seems to me the resolution should be agreed to.

Mr. REED of Pennsylvania. Mr. President, I am objecting to this resolution for the same reason that I am objecting to all of these investigations which get nowhere. For years we have been piling up subjects of investigation on the Interstate Commerce Commission and on the Federal Trade Commission, until the quantity of reports reaching Washington each month is measured only by trainloads, and nobody ever reads them. They cost millions of dollars a year to the companies which make those reports, and the expense of preparing them and sending them all goes into the cost of railway service.

We have established an elaborate, complicated system of railway regulation, all to avoid two or three simple crimes which could much better have been avoided by simple penal laws properly enforced. We have a regulatory system that was originated in order to keep rates down, and to-day it is keeping rates up. We all know, if we will admit our honest belief, that railway rates would go down overnight if we would take out from under them the stilts which we have built in this interstate-commerce regulation. We have created a multitude of Federal jobs; we have created an army of Federal investigators; we have immensely complicated the mechanism of government, and the net result of it has been that we are doing exactly what we started out not to do, to keep rates up. What we are doing to-day is preventing the rate reductions that economic causes would bring to pass if we would get rid of this whole machinery, which clutters up this railroad business.

I do not object to everybody knowing what the railroads pay to put the name of the Senator from Iowa [Mr. BROOKHART] on their menus. I hope they will put it on in half portions and full portions and keep it on. That is all right. They have a right to do it. They have a right to criticize every one of us, and I hope they will keep on criticizing all of us, because they are American citizens, and any American citizen has the right to say what he thinks of any of us, especially when we are up for reelection.

But, Mr. President, this resolution goes further. What does it ask the Interstate Commerce Commission to do? If Senators will look at page 5 of the resolution, they will see that not only is the Committee on Interstate Commerce of the Senate directed—

to investigate the extent, character, methods, and purposes of propaganda emanating directly or indirectly from common carriers by railroad—

But our Committee on Interstate Commerce is also—

to investigate the extent, character, methods, and purposes of propaganda emanating * * * from associations, bureaus, institutes, committees, chambers of commerce, or similar organizations receiving contributions or dues, fees, assessments, or other payments from such carriers.

We are asked to charter an investigation into all creation, and when it is all over and done with it will be like the rest of these investigations, it will not have found anything, it will have gotten a few headlines until the people and the newspapers get tired of it, and it will end by spending a lot of public money and doing nobody any good at all.

Therefore, Mr. President, I object to the further consideration of the resolution.

The PRESIDING OFFICER. Objection is made.

Mr. GOODING. Mr. President, I move that the Senate proceed to the consideration of Senate Resolution 124.

The PRESIDING OFFICER. The question is on agreeing to the motion.

Mr. SMOOT. Mr. President, I would have no objection after 1 o'clock to the Senator making the motion, but under the rule that motion can not be made until after 1 o'clock.

The PRESIDING OFFICER. The Chair will call the attention of the Senator from Utah to the fact that the morning business has been closed.

Mr. SMOOT. Does not the rule say "morning business or 1 o'clock"?

The PRESIDING OFFICER. Rule VII, paragraph 3, provides that—

Until the morning business shall have been concluded, and so announced from the Chair, or until the hour of 1 o'clock has arrived, no motion to proceed to the consideration of any bill, resolution, report of a committee, or other subject upon the calendar shall be entertained by the Presiding Officer, unless by unanimous consent.

Mr. SMOOT. I asked the Chair if the word "or" is not used.

The PRESIDING OFFICER. Yes; it says "or"; but morning business has been closed. Therefore, the motion of the Senator from Idaho is in order.

Mr. FLETCHER. I understand the motion is in order, but it is not debatable.

The PRESIDING OFFICER. It must be decided without debate.

The question is on agreeing to the motion of the Senator from Idaho that the Senate proceed to the consideration of Senate Resolution 124.

Mr. PITTMAN. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. JONES of New Mexico (when his name was called). I transfer my general pair with the Senator from Maine [Mr. FERNALD] to the Senator from West Virginia [Mr. NEELY] and vote "yea."

Mr. McKELLAR (when his name was called). I have a pair with the senior Senator from Ohio [Mr. WILLIS]. In his absence, I withhold my vote.

Mr. TRAMMELL (when his name was called). I transfer my pair with the senior Senator from Rhode Island [Mr. COLT] to the junior Senator from Washington [Mr. DILL] and vote "yea."

The roll call was concluded.

Mr. JONES of Washington. Has the senior Senator from Virginia [Mr. SWANSON] voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. JONES of Washington. He is necessarily absent, and I have promised to take care of him with a pair. Being unable to obtain a transfer, I withhold my vote.

Mr. McLEAN (after having voted in the negative). I transfer my pair with the Senator from Virginia [Mr. GLASS] to the Senator from Vermont [Mr. GREENE] and allow my vote to stand.

Mr. CURTIS. I wish to announce the following general pairs:

The Senator from Connecticut [Mr. BRANDEGEE] with the Senator from Tennessee [Mr. SHIELDS];

The Senator from West Virginia [Mr. ELKINS] with the Senator from Oklahoma [Mr. OWEN]; and

The Senator from Indiana [Mr. WATSON] with the Senator from Colorado [Mr. ADAMS].

The result was announced—yeas 41, nays 19, as follows:

YEAS—41

Ashurst	Fletcher	Ladd	Smith
Bayard	Frazier	McNary	Spencer
Borah	George	Norris	Stanfield
Brookhart	Gooding	Oddie	Stephens
Broussard	Harreld	Overman	Trammell
Cameron	Harrison	Pittman	Walsh, Mass.
Capper	Heflin	Ransdell	Walsh, Mont.
Copeland	Howell	Robinson	Wheeler
Curtis	Johnson, Minn.	Sheppard	
Edwards	Jones, N. Mex.	Shipstead	
Ferris	Kendrick	Simmons	

NAYS—19

Ball	Ernst	Moses	Sterling
Bursum	Keyes	Pepper	Underwood
Dale	Lodge	Phipps	Wadsworth
Dial	McKinley	Reed, Pa.	Warren
Edge	McLean	Smoot	

NOT VOTING—36

Adams	Fernald	King	Ralston
Brandegee	Fess	La Follette	Reed, Mo.
Bruce	Gerry	Lenroot	Shields
Caraway	Glass	McCormick	Shortridge
Colt	Greene	McKellar	Stanley
Couzens	Hale	Mayfield	Swanson
Cummins	Harris	Neely	Watson
Dill	Johnson, Calif.	Norbeck	Weller
Elkins	Jones, Wash.	Owen	Willis

So Mr. GOODING's motion that the Senate proceed to the consideration of Senate Resolution 124 was agreed to.

The PRESIDING OFFICER. The pending question is upon agreeing to the amendment proposed by the Senator from Idaho [Mr. GOODING] to the amendment of the committee.

Mr. BROOKHART obtained the floor.

Mr. SIMMONS. Mr. President, I wish to make an inquiry.

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from North Carolina?

Mr. BROOKHART. I yield.

Mr. SIMMONS. I desire the attention of the Senator from Idaho [Mr. GOODING]. A few moments ago, while the Senator from Nebraska [Mr. NORRIS] was addressing the Senate, I interrupted him and asked why not include all public utilities in the amendment. He stated that the reason why they should not be included was the fact that the Interstate Commerce Commission had jurisdiction to act only in the case of railroads. I desire to ask the Senator from Idaho, who I believe is the author of the amendment to the committee amendment, if he would not be willing to strike out of the resolution all except that part which relates to railroads?

Mr. GOODING. Which particular language would the Senator from North Carolina suggest eliminating?

Mr. SIMMONS. I have not examined the resolution very carefully, but the Senator from Pennsylvania [Mr. REED] read it a few moments ago and it appeared from his reading that the Senator from Idaho has included not only railroads but chambers of commerce and other similar associations. I am asking if he would not be willing to strike out all those things so as to leave the resolution applicable only to political advertising on the part of railroads?

Mr. GOODING. I shall not object to that.

The PRESIDING OFFICER. The Chair will inform the Senator from North Carolina that that will have to be done in the form of an amendment; as the pending question is an amendment to the amendment proposed by the committee.

Mr. SMITH and Mr. SIMMONS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho has the floor. Does he yield; and if so, to whom?

Mr. BROOKHART. I yield to the Senator from North Carolina.

Mr. SIMMONS. I have not had time to examine the resolution carefully, but I shall do so and unless some other Senator offers the amendment in the meantime, I will offer it a little later.

Mr. BROOKHART. Mr. President, I want to say a few words in reply to the suggestions of the Senator from Pennsylvania [Mr. REED]. He announced with a great deal of assurance that we would have lower railroad rates if the management and regulation of the roads were turned back to their private owners. Of course he has entirely ignored the long American history when they had their own way. It was a long time before we gave the Interstate Commerce Commission any power to regulate rates whatever, and after we did try to give it to them, 10 years later the Supreme Court found out we had not done it, so, I believe, it was about 1906 when they first actually had that power. From 1887 up until that time I want to describe something about what happened to railroad rates in my part of the country as a result of that untrammeled control by the railroad managements themselves.

It cost during all of that period 5 cents a hundred extra on first class and 5 per cent over the Chicago rate to cross the Mississippi River into the State of Iowa more than it did to cross the same river a few miles below Keokuk, at Hannibal, Mo., though the distance was almost that much greater down to Hannibal than it was to Keokuk. That discrimination in rates built up under this untrammeled system was almost the ruination of Keokuk. Hugh L. Cooper, who built the Keokuk Dam, which was at that time the greatest water power in all the world, testified in one of our hearings that a manufacturer could better afford to locate in Quincy, Ill., and pay for his power than he could to locate at Keokuk, Iowa, and pay that extra freight and get his power absolutely free. That is how the discrimination was used against the whole State of Iowa, and that continued up until about 1915, when, after a long series of years of fighting, we succeeded in removing the discrimination.

Not only that, but one other illustration of private management of the railroads without any Government regulation is that in the early days the Standard Oil Co. not only succeeded in getting rebates for itself from what it shipped upon the railroads but it succeeded in compelling the railroads to pay to the Standard a part of the freight that was actually collected from its competitors. That is private management without any governmental supervision whatever.

Therefore, when we come to consider the facts and the history of the situation, the suggestion of the Senator from Pennsylvania is the usual suggestion of all great capitalists who have organized themselves for the purpose of taking these unlawful and unjust tolls from the rest of the people of the United States.

Mr. BURSUM. Mr. President, I do not understand that the resolution has anything to do with the fixing of rates, but it is a resolution designed to control propaganda and publicity. It seems to me that if we are going into the proposition of con-

trolling publicity or propaganda we are entering a pretty wide field.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Iowa?

Mr. BURSUM. I feel that we ought to be strong enough to resist propaganda. I am in sympathy with the Gooding bill and voted for it. I think it is all right and along proper lines. I now yield to the Senator from Iowa.

Mr. BROOKHART. The situation I have just described was brought about largely by propaganda, and the Senator from Pennsylvania [Mr. REED], in his discussion, brought up the matter of accepting that propaganda as true when it was not in fact true in any sense.

Mr. BURSUM. But we as representatives of the people must be sufficiently strong and sufficiently advised to hear both sides of a question and be in a position to discern propaganda from facts.

Mr. BROOKHART. That is the purpose of the resolution.

Mr. BURSUM. This is a free country and one of the great principles upon which the Government was formed is free speech, free publicity. There is such a thing as carrying the matter of control too far.

Mr. BROOKHART. That is exactly the purpose of the resolution, so that we can be advised of the propaganda. We all believe in free speech, but we do not believe in a secret scheme of propaganda that is not free because it is charged up in railroad rates to us when it is put out against us.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Nebraska?

Mr. BURSUM. I yield.

Mr. NORRIS. The Senator made the statement that it has not anything to do with rates. All of this expense is included in the freight bill and the passenger rates. There is no question about that. So it does have something to do with rates. It is all in the rates. But the real object is not to stop free speech nor anything like it, but to find out how much of our money is being used to fool us. That is all the resolution proposes to do. The propaganda is carried on with money that is added to the expense of the railroads, of which those who live anywhere within 1,000 miles of the railroads have to pay their proportionate share. It not only goes into the rates, but we pay for it. All the resolution does is to give publicity. It is to disclose the true state of facts and not to suppress anything.

Mr. BURSUM. I have never found it difficult to identify propaganda.

Mr. NORRIS. But if the Senator had a propaganda directed at him and had to pay for the matter, would he not like to find out how much it cost to fool him?

Mr. BURSUM. We pay for all the cost of propaganda; it is part of the cost of living. Propaganda is carried on through the daily press, through the weekly press, and by almost every kind of organization, official, unofficial, or semiofficial. It is a part of the American life, and I think it would hardly be fair to undertake to put the brakes on one concern unless we put them on all classes of industry and all classes of interests which might seek to influence legislation.

Mr. EDGE. Mr. President, will the Senator from New Mexico yield to me?

Mr. BURSUM. I yield.

Mr. EDGE. Is it not true that the expenditure for some of this so-called propaganda may, and undoubtedly does—and that is the object of it—increase the business of the railroads and thus lower rates? General advertising, general propaganda, is not carried on for the purpose of adding to expense; the expenditure is made for the purpose of increasing business and thus increasing profits.

Mr. BROOKHART. But the usual result is to increase profits and not to lower rates.

Mr. EDGE. But there must be an increase of profits before rates may be lowered. We have not yet gotten on a socialistic basis.

Mr. SIMMONS. Mr. President, will the Senator from New Mexico pardon an interruption?

Mr. BURSUM. Yes.

Mr. SIMMONS. The resolution defines the kind of propaganda at which it is aimed. Plainly it is not propaganda of the character about which the Senator from New Jersey [Mr. EDGE] has just spoken. If the Senator from New Mexico will permit me, I should like to read the propaganda to which the resolution applies and which is defined in the resolution itself.

Mr. BURSUM. Mr. President——

Mr. SIMMONS. However, of course, I can point that out in my own time.

Mr. BURSUM. I appreciate that the resolution is designed to control propaganda relating to railroad matters, railroad policies, railroad legislation, and things of that kind.

Mr. SIMMONS. It includes legislation?

Mr. BURSUM. Certainly; but when we go into such a field, if we are going to be fair, we ought to pursue the same policy with reference to all kinds of industries and all kinds of interests which are constantly advocating various measures through propaganda and otherwise by a multitude of associations all over the country. It seems to me that we ought to be strong enough to resist any kind of publicity. I am willing to give the other fellow a chance; I am willing to let him show his case as best he can in any legitimate way that he can. Then, if I am not sufficiently strong to judge the true facts and the true situation, I would say that I was not competent to hold the position which I now occupy.

Mr. SIMMONS. Mr. President, will the Senator from New Mexico pardon an interruption?

Mr. BURSUM. Certainly.

Mr. SIMMONS. There would be no disagreement between the Senator and myself as to the right of any corporation or any agency to indulge in any propaganda that is legitimate and proper, provided the expense of that propaganda is to be paid out of the pocketbook of the corporation or the agency and not to be paid by the taxpayers—the farmers and business people of the country. That is the very gravamen of this resolution, as I understand it. This remedy is proposed because the expense of this political advertisement in this instance is paid by the people. Now, it is perfectly legitimate that the people should pay the reasonable expense of advertising for the purpose of promoting the business of a corporation and facilitating the business of the people who resort to that corporation for the purpose of distributing their products; but——

Mr. BURSUM. Mr. President——

Mr. SIMMONS. If the Senator will pardon me, this propaganda is here defined, and I should like very much if the Senator would permit me to read the definition, for I think it will probably help him in the discussion of the matter.

Mr. BURSUM. I think I understand the purpose, and I fully appreciate the statement of the Senator that the cost is a burden laid upon the people; but in that respect it is not unlike any kind of propaganda or any kind of publicity, all of which is added to the general cost of living in this country. It is a part of American life, and, in my opinion, the general public believes in giving free and ample opportunity to hear all sides of a question. It would be hard to segregate inadvisable publicity and that which the Senator will admit is now carried on for the welfare of the country with no selfish purpose; it would be hard to segregate the kind of publicity that we would admit and the kind that we would not admit.

For my part, I am willing that railroads or industrial plants or any institution—a factory, a stock grower, a woolgrower, a farmer, or any element of industry—should come to Congress with their representations in such manner as they deem proper and present their case. Let us hear all sides of every question.

Mr. SIMMONS. If the Senator will pardon me, there can not possibly be any difficulty in properly segregating that class of propaganda which is perfectly legitimate for railroads to indulge in and that class of propaganda which it is not legitimate for them to indulge in; and this resolution attempts to do that very thing.

Mr. BURSUM. But would the Senator deny free speech? Would he deny any element of industry the right to present its claims?

Mr. SIMMONS. There is no purpose to deny free speech, but the purpose is if the railroads wish to express themselves with regard to legislation, if they wish to express themselves with a view to influencing the decisions of courts, they should do it out of their own money and not out of the people's money.

Mr. BURSUM. Yes; but in order to investigate all these things the chances are that it will cost more than the cost involved in the advertising itself. It seems to me that we are going too far in this matter, at least, and therefore I am opposed to the resolution.

Mr. SIMMONS and Mr. SMITH addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New Mexico yield; and if so, to whom?

Mr. SIMMONS. I thought the Senator had yielded the floor.

Mr. BURSUM. I yield the floor.

Mr. SIMMONS. Mr. President, I do not desire to discuss the question, but I do desire, if the Senator from South Carolina will pardon me just a moment, to put into the RECORD in connection with the speech the Senator from New Mexico has just delivered and the interruptions that I made during its

delivery exactly the kind of propaganda at which the resolution is aimed and to which it is confined. I think that will clarify the discussion very much, because I assume that many Senators, like myself, had not read the resolution until they came into the Chamber this morning. I did not read it until the Senator from Idaho made the motion to take it up. I quote from the resolution:

That the Interstate Commerce Commission is directed to investigate, along such lines and with such detail as to reveal clearly and accurately, the amounts expended for propaganda, as defined in this resolution—

I quote further—

The term "propaganda" means (a) the preparation, publication, or distribution of advertising matter, magazines, books, pamphlets, newspaper articles and editorials, or other forms of literature, the engaging of speakers, or other forms of publicity, oral, written, or printed; (b) the payment of compensation, or travel, subsistence, or other expenses, in connection with services rendered by any person; (c) the making of contributions—

Referring, of course, to contributions by the railroads—

to any association, bureau, institute, committee, chamber of commerce, or similar organization; or (d) any other method of propaganda, if such publicity, service, contribution, or other method of propaganda is designed—

(1) To mold public sentiment so as to be favorable to the railroads—

Not for the purpose of securing business for the railroads, but "to mold public sentiment so as to be favorable to the railroads"—

or with regard to any State or Federal legislative matter;

(2) To influence acts or decisions of any legislative, administrative, or judicial officer or agency, whether State or Federal, or of any member, officer, or employee of any such agency; or

(3) To secure the election, appointment, or removal of public officers or employees or the creation or abolishment of public agencies, whether State or Federal.

Those are the questions to which the propaganda must be directed in order to come within the inhibition of this resolution. What Senator is there in the Chamber who will say that it is legitimate for a railroad to spend money which it collects through freight charges and passenger charges, and which, therefore, is paid by the public, with a view to securing legislation favorable to the railroad, with a view to influencing the decisions of the courts in favor of the railroad, with a view to influencing the action of the officials charged with the administration of the law, even the Interstate Commerce Commission itself, or with a view to influencing the election, appointment, or removal of public officers? It seems to me, Mr. President, that it can not be said that it is legitimate for the railroads to tax the people for that purpose and to be allowed such expenditures in connection with ascertaining what they may under the present law charge and what they may not charge or what amount of net income they may receive or they may not receive without deduction.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from New York?

Mr. SIMMONS. I yield the floor to the Senator. I have said all I wish to say.

Mr. COPELAND. I merely wish to ask the Senator from North Carolina a question. Let me call his attention to line 16. Ought not the language to read, beginning in line 15?—

To mold public sentiment so as to be favorable to the railroads with regard to any State or Federal legislative matter.

Mr. SIMMONS. I think the conjunction "or" ought to be stricken out. I think the Senator's criticism is absolutely correct.

Mr COPELAND. I think so, because there certainly will be a misapprehension of the sentiment of the resolution if the word "or" shall not be stricken out, because it would do away with the privilege of the railroads to advertise their lines and their advantages. It would seem to me that the conjunction "or," therefore, ought to be stricken out.

Mr. SIMMONS. Mr. President, I stated a little while ago that unless some other Senator should do so I would offer an amendment to strike out the provision with reference to chambers of commerce, and so on. The Senator from South Carolina, as I understand, has prepared an amendment to that effect, and, therefore, I shall not offer it.

Mr. SMITH. Mr. President, before beginning the remarks I have to make on this resolution, I move to strike out the last paragraph, beginning on page 5, line 1, down to the end. That includes chambers of commerce.

Mr. GOODING. Mr. President——

The PRESIDING OFFICER. The Chair will state to the Senator from South Carolina that there is now pending an amendment offered by the Senator from Idaho to the amendment proposed by the committee.

Mr. SMITH. Before the vote is taken on that amendment, then, I should like to call the attention of the Senate to the fact that under the new transportation act we have departed entirely and very radically from the old order of rate making. It is not necessary for me to go into the particulars of the divergence from the old order. It is sufficient for me to say that the Interstate Commerce Commission are instructed to take the railroad property as a whole, or in such groups as they may in their judgment think necessary for rate-making purposes, and lay such a tax in the way of rates and fares as in their judgment may most nearly effect a return to the roads up to a point that they themselves determine is a fair return.

In the present instance they have decided that 5½ per cent upon the property devoted to public use would be a fair return. The provisions of the transportation act require as precedent to this fair return that the roads shall be economically and efficiently administered. Upon inquiry by the committee, it was disclosed that the Interstate Commerce Commission is practically without working means of ascertaining whether or not the roads are economically administered. As a matter of course, the expenditures of these roads all enter into the account and must be provided for before the net amount of 5½ per cent is apportioned. Therefore, the matter of advertising—propaganda looking toward affecting the things set forth in this bill—becomes a charge that enters into the tax upon the people.

This resolution simply directs the Interstate Commerce Commission to do what it has under the present law the power to do but has not been specifically directed by Congress to do; namely, to ascertain what are the factors that enter into an economic administration of the railroad property.

As soon as the amendment offered by the author of the resolution [Mr. GOODING] shall have been disposed of I am going to move to strike out the last paragraph, which does not pertain per se to the railroads' advertising propaganda.

I shall not attempt to reflect on the wisdom or the common sense of this body by indicating that we have a right to know whether or not a public utility which by law has a monopoly of the transportation business in this country so far as rail carriage is concerned is flooding the country with propaganda, with advertising, with speakers if necessary, and charging it to the public, and letting it be reflected in the rates that we have to pay.

The Senator from North Carolina [Mr. SIMMONS] has very clearly defined what is the purpose and object of the resolution, and how legitimate and necessary it is. I do not think we ought to go into extraneous matter, and burden the commission with the investigation of things that are merely intangible and indirect.

Mr. President, in reporting out this resolution the committee did not attach any more importance to it than it proposes to attach to another proposition that will be brought before this body at the first opportunity; namely, that the commission shall be given ample means and clothed with the necessary power to investigate and report to this body the expenditures of the railroads in discharging the duty laid upon them by virtue of the franchises that we give them, in order that the public may be advised as to whether the roads are economically and efficiently administered. As the matter now stands, it is practically a cost-plus proposition. Whatever the costs of the railroads may be, whether wise or unwise, whether efficient or inefficient, they have to be taken entirely ex parte by the commission, or practically so. So, under the new law, if it is to remain the law of the land, it is our duty to see that the expense accounts of the roads shall be checked up, as well as that provision shall be made that they may earn 5½ per cent; and this is but a resolution looking toward having the commission investigate this proposition.

Mr. President, as soon as the amendment proposed by the Senator from Idaho [Mr. GOODING] is disposed of, I desire to offer the amendment to which I have already called attention.

Mr. FRAZIER. Mr. President, I am very much in favor of this resolution. It is not so much that the people are opposed to propaganda, but I believe they are entitled to know where the propaganda comes from, and what it costs, and who pays for it. It makes a great deal of difference in our estimation of propaganda if we know who is back of it.

During the past few months I have received a great many resolutions passed by various commercial clubs of the cities

of North Dakota. They have been especially opposed, according to these resolutions, to any change in the existing railroad legislation at the present session of Congress. I was rather interested to find out where that propaganda was coming from, and why the commercial clubs, the business men of the towns of North Dakota, should be opposed to amendments to the existing railroad legislation, because they must have realized that the high freight rates were one of the things that were helping to put the farmers out of business in North Dakota.

After some correspondence, one of the members of a commercial club wrote me that the local railroad attorney of the Great Northern Railroad Co. was the one that put through this resolution in his commercial club. That explained the matter; and undoubtedly it was the railroad attorneys of the various towns throughout the State that got these resolutions passed and sent in.

It seems to me that publicity is a mighty good thing, and that we should have more of it. The more I watch and observe the votes of Senators, the more I am convinced that the joint resolution I introduced—Senate Joint Resolution No. 74, introduced some time ago and referred to the Committee on Finance—should be passed by Congress, giving publicity to the standing of every Member of Congress. This particular joint resolution has not been reported out by the Committee on Finance, and up to date we have failed even to get a hearing upon it. The Secretary of the Treasury, Mr. Mellon, has opposed the joint resolution by letter, and perhaps that accounts for it; but I believe the joint resolution is a good thing and should be put across.

There is a lot of propaganda coming in on various subjects, especially during the last week or so, propaganda for adjournment of Congress on the 7th of June. It may be easy to tell where this propaganda comes from, and yet in my estimation we must have some legislation for the relief of the agricultural districts before adjournment is taken. It seems to me that if the present administration is going before the public in this campaign on its record it is absolutely necessary to pass some farm relief legislation, such as the Norris-Sinclair bill or the McNary-Haugen bill. I for one am opposed to any adjournment until such legislation is passed, and I am strongly in favor of the resolution that is now pending to give more publicity, more real facts, to the people as to where the propaganda is coming from, and who pays for it, and all the information we can get on this propaganda that is being put out so largely to the people and the Members of Congress at the present time.

The PRESIDING OFFICER. The question is upon agreeing to the amendment proposed by the Senator from Idaho [Mr. GOODING] to the amendment proposed by the committee.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now recurs upon the amendment of the committee as amended.

Mr. TRAMMELL. Mr. President, I offer an amendment to the committee amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The READING CLERK. On page 3, line 11, after the word "organization" and before the semicolon, it is proposed to insert a comma and the following words:

> Or the expense of the publication of a newspaper or the contribution of financial support, directly or indirectly, toward the expense for the publication of a newspaper.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida to the amendment of the committee.

Mr. TRAMMELL. Mr. President, on account of the remarks made by some of the Senators it is probable that those who have not read the resolution would have been deceived as to its purport unless that erroneous idea had been corrected by Senators who have preceded me in discussing this question. I desire to reiterate and make it plain that this resolution does not deal with the question of legitimate and proper publicity on the part of a railroad in connection with its legitimate operation. That is made very plain in the definition clause of the resolution, which clause defines the character of propaganda to which the investigation is directed—propaganda intended to influence legislative action, the decision of courts, and the conduct of other public officials.

In my opinion the measure in its present form does not reach another kind of propaganda which is carried on by some railroad companies; that is, the ownership of newspapers or contribution to the support of newspapers. In some sections railroads have acquired the ownership of newspapers and had the stocks held by some one else, and those newspapers have been nothing in the world except the mouthpieces of the corporate interests and the railroad interests of the country.

I believe that we should allow freedom of speech. We want freedom of speech, but what we desire is to let the public know the methods employed in the expression of opinion on the part of those who are circulating propaganda and trying to have an influence on public opinion or upon the opinion of officers dealing with legislative or with other problems.

That is the reason I proposed this amendment. I believe in being perfectly fair with the railroad interests of the country. I realize that when their interests are attacked they should have the right to represent their interests in a legitimate, proper way and to expend reasonable sums of money for that purpose. I do not think it would be right to say that they have no right to place their side of a case before the public, and I would not take from them that right. But the object of this legislation is to ascertain their practice in regard to improper propaganda, the deceptive kind, the using of funds exacted from the public in divers ways to try to bring before the public certain positions and certain contentions made on their part, and at the same time not let the public know of the authenticity of the particular publication or information which they are giving to the public. That is where the harm comes. Of course, they have no right to exact revenue, as the railroads can of the public, in the nature of freight rates and other expenses that are imposed upon the public, to carry on this kind of maneuvering.

Some newspapers are published just as though they were owned by private ownership and supported by private funds, when, as a matter of fact, they are owned or maintained by railroads or by their stockholders for the purpose of molding public opinion. Yet they give publicity to all kinds of supposed news and information affecting the action of Congress and of other governmental activities. They frequently publish statements which mislead the public.

Allowing the railroads to maintain newspapers and support them financially affects the other newspapers of the country and frequently interferes to quite an extent with the legitimate press, the press that is supported by private capital and private individuals, which has to stand upon its own merits and maintain itself upon its own industry.

They have a barrel of money to support newspapers they own or control. They do not care whether they make or lose money. It is just merely a matter of influencing public opinion on questions affecting railroad interests and questions affecting other large corporate interests. I have found that this character of newspaper is usually in sympathy in every respect with the big interests of the country.

Of course, I do not mean the railroads own newspapers scattered all around over the country, but they own a sufficient number of the large dailies, or contribute to the expenses or maintenance and support of those papers, to give them quite an influence in molding public opinion. Publishing of newspapers by a railroad does not come within the legitimate operation of railroads and should not be permitted.

It has been suggested by Senators that of course the people ought to be able to take care of the situation regardless of what might be published. That is all right, but people want to know the source of the ownership, they want to know who is speaking when they see in one of these newspapers certain utterances, and when they fail to see certain public information which may have a bearing upon the subject because the railroad-owned newspapers have suppressed that information.

I offer the amendment with no antagonism whatever toward railroads carrying on their legitimate publicity. I think they ought to be allowed to do that. I offer it with no antagonism toward railroads presenting in a proper way their side of the case on public questions. They have a right to do that, and this right should not be interfered with. I offer the amendment because I desire to have the public know if railroads are expending money for the purpose of maintaining newspapers and giving out information to the public as though it were coming from some disinterested source.

I hope the amendment I have offered to the amendment will be agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

TRADE IN COTTON

Mr. DIAL. Mr. President, I had permission a while ago to have printed in the CONGRESSIONAL RECORD a resolution passed by the Democratic convention in my State last week looking to the calling of a world economic conference with a view to opening up the markets of the world and extending our trade, particularly trade in agricultural products. I want to commend that thought to the Senate.

I have always been interested in the proposition, and I am glad to state that last fall a delegation came to Washington from Russia, headed by Mr. Victor P. Nogin, representing the All-Russian Textile Syndicate.

The object of that delegation was to purchase cotton. They got into communication with some of us, and we sent them down South. Russia had not been in the market for purchasing our cotton, at least directly, for several years. I watched the development of the negotiations of that commission with great interest.

They stated to me that they wanted a large quantity of cotton and at first I was a little bit doubtful as to the result of their efforts; but I thought they were working along the right line, and I introduced them to the Cooperative Marketing Association of the South.

I am glad to state that up to this time they have purchased directly in the United States 120,000 bales of cotton and shipped it to Russia. Also, at this moment they are loading another shipment of 20,000 bales at New Orleans and are loading two shipments at Savannah, Ga., one of 8,000 and one of 8,500 bales, and they are in the market for considerably more of our cotton. I look upon that as a splendid outlet for our produce, and I hope that trade will continue to grow.

I was sorry to hear on last Saturday that Mr. Nogin, the head of this delegation which came to the United States, had died suddenly. He was a man of very great influence in Russia, a man of splendid personality, a charming individual. I look upon his death as a great loss to our agriculture.

We want to open up other markets of this kind, and I have a bill pending now—the Alien Property Custodian bill—which I hope to have taken up this afternoon and passed. It will encourage our people very much and it will encourage the people of Germany, Austria, and Hungary to buy our raw agricultural products.

By passing that bill we would enable the Germans, who have the mills and who have the labor and who have the demand for the goods, to convert their labor into cash. That is true also of the people of Austria and Hungary. There is great demand for our raw agricultural products, and we have been debating measures since this session has convened looking toward aid to agriculture; but I confess that I do not think we have passed very many practical measures along that line. I hope that we will pass at least one before the session ends. I am one who thinks the session will end pretty soon. I do not need any propaganda to convince me that the business interests of this country will be pretty thankful the day we adjourn. We ought to get right down to business and pass some of the needful legislation and adjourn at an early date.

I hope the resolution passed by the Democratic convention in my State will receive favorable attention at the hands of the country at large, and that before we meet here again some conference will be held whereby we can enlarge our trade, whereby the markets of the world will be opened up, and whereby the producers of agricultural products will feel encouraged to make renewed efforts and feel that they are beginning to get just compensation for what they produce.

INVESTIGATION OF RAILROAD PROPAGANDA

The Senate resumed the consideration of Senate Resolution 124, relating to railroad propaganda.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Florida [Mr. TRAMMELL] to the amendment reported by the committee as amended.

Mr. KING. Mr. President, may we not have the amendment to the amendment stated?

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 3, line 11, before the semicolon, insert a comma and the following words:

or the expense of the publication of a newspaper or the contribution of financial support, directly or indirectly, toward the expense for the publication of a newspaper.

Mr. KING. May I inquire of the Senator from Idaho if the amendment just read, or the substance of it, is not already comprised within the resolution as reported by the committee?

Mr. GOODING. I think the amendment makes it a little clearer and more definite. I believe the amendment rather improves the resolution.

Mr. KING. May I inquire also of the Senator whether the provision still remains calling for an investigation of chambers of commerce and clubs and civic organizations?

Mr. GOODING. The chairman of the Committee on Interstate Commerce will offer an amendment to eliminate that provision on page 5, line 5.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Florida to the committee amendment.

On a division the amendment to the amendment was rejected.

Mr. TRAMMELL subsequently submitted an amendment to the resolution (S. Res. 134), which was ordered to be printed and to lie on the table.

POSTMASTERS AND POSTAL EMPLOYEES

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is Senate bill 1898.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service.

The PRESIDING OFFICER. The Clerk will read the amendment in the nature of a substitute reported by the Committee on Post Offices and Post Roads.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Edwards	Ladd	Shipstead
Ball	Ferris	Lodge	Shortridge
Bayard	Fess	McKellar	Simmons
Borah	Fletcher	McKinley	Smith
Brandegee	Frazier	McLean	Smoot
Brookhart	George	McNary	Stanley
Broussard	Gooding	Mayfield	Sterling
Bursum	Hale	Moses	Swanson
Cameron	Harreld	Norris	Trammell
Capper	Harris	Oddie	Underwood
Caraway	Harrison	Overman	Wadsworth
Copeland	Heflin	Pepper	Walsh, Mass.
Couzens	Howell	Phipps	Walsh, Mont.
Cummins	Johnson, Calif.	Pittman	Warren
Curtis	Johnson, Minn.	Ralston	Watson
Dale	Jones, N. Mex.	Ransdell	Weller
Dial	Jones, Wash.	Reed, Pa.	Wheeler
Dill	Kendrick	Robinson	
Edge	King	Sheppard	

The PRESIDING OFFICER. Seventy-four Senators having answered to their names, there is a quorum present.

CONDITIONS RESPECTING RECLAMATION PROJECTS

Mr. BORAH. Mr. President, before we formally take up the bill for reading I want to call attention to a matter which ought to engage our attention if arrangements are being made, as I understand they are, for final adjournment. It is contemplated, so it is said, that we will adjourn about the 7th of June. If that is the program I trust that those who have in charge the arrangement for adjournment will take into consideration that it is absolutely necessary that some legislation be had with reference to our reclamation projects before adjournment takes place. The conditions with reference to agriculture are serious enough in different parts of the country, but the conditions are even more serious in many respects upon the reclamation projects. They have not only had to meet the burdens and face the conditions which agriculturists generally have had to meet, but in addition to that they have had to meet the expense of maintenance charges and construction charges which have created a real crisis with reference to the projects.

Some time ago the President appointed what is known as a fact-finding commission to look into conditions on these projects. That fact-finding commission has now reported and there is a bill pending in the House and also now one in the Senate designed to carry out the program as outlined by the fact-finding commission. It is in the nature of relief to the projects and also involves in a measure a reconstruction or redrafting, as it were, of the reclamation law. It is a very important piece of legislation, and unless there is enacted that legislation or some similar legislation, legislation in the way of relief, there will be thousands of settlers lose their homes before the Congress comes into session next December.

It is in every sense, therefore, a situation which demands that the Congress act before it adjourns. It is not a subject which calls into consideration many different phases of the

economic and industrial and agricultural situation, like other bills which are pending with reference to general agricultural relief. It is, in a sense, a very simple proposition. It is a case where the United States Government is the creditor and the people upon the lands are the debtors. It is a simple proposition of whether the Government will readjust the situation so as to enable these people to retain the homes which they have been striving to open up and maintain for the last 10 or 15 years.

I call attention to this only briefly to-day, because it is not my purpose to take up the time of the Senate while another bill is pending and go into detail in regard to the matter, but for the reason that it is practically impossible and to my mind inconceivable that the Congress would attempt to adjourn until that legislation is taken care of. I trust that those who have in charge the situation will not contemplate any such program. I should be compelled to oppose it in every way at my command.

Mr. STERLING. Mr. President——

The PRESIDING OFFICER (Mr. LADD in the chair). Does the Senator from Idaho yield to the Senator from South Dakota?

Mr. BORAH. I yield.

Mr. STERLING. May I ask the Senator from Idaho if he knows the status of the legislation in the House?

Mr. BORAH. The bill now seems to be upon the verge of being reported out of the committee, and it is believed that a rule will be reported for the purpose of having it considered in the House. It may take some little time. We are simply using our time against the settlers' homes, and I imagine we have plenty of time for that purpose.

Mr. DIAL. May I ask the Senator if it is contemplated to cancel the debt?

Mr. BORAH. I myself have not any such program in contemplation, but I understand there was a provision in the Smith bill as it was originally introduced contemplating marking off part of the debt.

Mr. SMOOT. But that has no reference whatever to the six projects to which the Senator from Idaho has referred at the present time.

Mr. DIAL. How much is contemplated wiping off?

Mr. BORAH. I do not recall the exact figures. I am not asking at this time to mark off any of the debt. We are simply asking an opportunity under the circumstances to pay the debt; we are asking for time.

Mr. DIAL. The Senator merely wants an extension of time?

Mr. BORAH. That is the first consideration. But the bill deals with the whole subject.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Florida?

Mr. BORAH. I yield.

Mr. FLETCHER. May I ask the Senator whether this is contemplated? From a statement in the Washington Post of April 11 it appears that "a comprehensive overhauling of the Government reclamation program, involving the charging off as a total loss of $27,391,146 of the approximately $150,000,000 invested, and providing measures of relief to thousands of farmers and permission for further Federal expenditures on irrigation of the arid wastes of the West is urged in the report submitted by Secretary Work."

The article further said there are 3 projects pronounced as failures and 28 more in danger. I am wondering if the bill contemplates a remedy for that situation?

Mr. BORAH. The bill, as I recall, as it was originally introduced from the House—I do not know its terms at this time, because they have been working on it—did contemplate marking off a part of the debt. I did not give very much consideration to that because I have not been an advocate of marking off the debt at this time. I have felt that could be dealt with later. We are not asking for relief from any part of the debt, but if that is objectionable and when the bill comes here it has in it any such provision, we can soon dispose of it, because that is not the thing with which we are now immediately concerned. We are now immediately concerned with such relief legislation as will give more time to pay the debt, so far as we are concerned, speaking now for my State. These people have given every evidence of good faith. But under the circumstances they must have relief and they must have it before this session closes. What I desire and what I shall insist upon is that the bill be taken up; the details we can discuss when the bill is before us.

Mr. UNDERWOOD obtained the floor.

Mr. EDGE. Mr. President, will the Senator from Alabama yield?

Mr. UNDERWOOD. For what purpose?

Mr. EDGE. Merely to make a statement with reference to the unanimous-consent agreement now in effect. It will take me only about a minute to make the statement.

Mr. UNDERWOOD. I will say to the Senator that I want to speak on the subject that is now before the Senate as presented by the remarks of the Senator from Idaho [Mr. BORAH] and I do not want the discussion to get beyond that matter. If it is merely for a one-minute statement, of course I will yield to the Senator, but if he desires to make a speech on some subject, I can not yield.

Mr. EDGE. I merely desire to call the attention of the Senate to the fact, in all fairness to the Senate, that under the unanimous-consent agreement after 4 o'clock this afternoon the debate on the pending unfinished business will be limited to 10 minutes on amendments and 10 minutes on the bill. Of course, I appreciate that any subject may be discussed in the meantime, but I repeat that at 4 o'clock we are limited in the discussion of the postal bill to 20 minutes.

Mr. UNDERWOOD. I thank the Senator for his suggestion, and it is a wise one. It is unfortunate that the Senate does not pursue a policy of discussing the issue before the Senate on all questions.

Mr. EDGE. I agree with the Senator as to that.

Mr. UNDERWOOD. I rarely speak, and I do not intend to occupy any great length of time now.

The Senator from Idaho [Mr. BORAH] has called the attention of the Senate to a matter of grave importance to his people and to the people of the adjoining States which requires attention before final adjournment; and I wish to say to that Senator, that so far as I am concerned, I am in entire sympathy with him, although I live in a different section of the country, where irrigation has no part whatever in our life as a State or in the pursuits of our people. I recall many years ago when the first irrigation bill was introduced, I was then a member of the committee, in the House of Representatives, having charge of the measure. The bill was reported out of the committee by one vote, and I cast my vote in favor of giving an opportunity to the western people to assemble the rain water of their States and use it in order to make the land produce and to enable the people to prosper. I have never changed my mind on that subject. I have always supported the irrigation projects of the West; and so far as concerns the suggestion that is made here that possibly some of the indebtedness that is due the Government from settlers on irrigation projects shall be marked off, I am not adverse to that suggestion.

Without intending to reflect on anybody, I know that through the shifting of the political sands, the natural drift of political sentiment, we probably have gone into some irrigation projects in the West which will not pay on the basis of the cost of irrigation; and yet we have invited people to go upon those lands, to settle upon them, and to make their homes there, and their homes are now involved.

Mr. KENDRICK. Mr. President——

Mr. UNDERWOOD. Just a moment until I finish this thought.

Unless the Government of the United States is going to look the question in the face, acknowledge its own mistake, and readjust the charges on those lands in such a way that the men living on them can earn a livelihood, the question will never be solved and we shall have bankrupt people there fighting for their homes. I think the problem should be adjusted, and I am in thorough accord with the sentiment which has been expressed by the Senator from Idaho in favor of an adjustment before this session of Congress shall finally adjourn.

I now yield to the Senator from Wyoming, if he desires that I shall do so.

Mr. KENDRICK. Mr. President, I merely wish to call the attention of the Senator from Alabama to the fact that in the initiation of a reclamation project there is a dual responsibility between the Government and the settler whereby they attempt together to reclaim an otherwise desolate section of country. Even though it should be found necessary to write off a part of the original cost of irrigation as to one or more projects, it does not follow that the responsibility of the resulting loss should fall altogether on the settler.

Mr. UNDERWOOD. That is what I stated.

Mr. KENDRICK. That is true because, as the irrigation service is a new branch of governmental activity, it is only natural that that service should make mistakes, and they have made mistakes. It is not only unfair to impose the burden of those mistakes altogether upon the settlers but it is uneconomical to the Government for the Government to insist upon payments which the settler can not make.

Mr. UNDERWOOD. I agree with the Senator as to that.

Mr. KENDRICK. It is in the interest of good business judgment that the Government shall not insist upon such payments.

Mr. UNDERWOOD. If the Government could continue to allow the settlers to stay on the land and the settlers living on the land could make the money with which to pay the Government back, of course the Government would be entitled to its money; but if a situation has arisen on some of these irrigation projects where it is absolutely impossible for the settlers to make such a return as will enable them to pay the Government back, should the Government insist on such payment, we should be destroying homesteads and accomplish nothing for the Government.

Mr. KENDRICK. In other words, the Government would be merely indulging in a fruitless effort to wear out two or three sets of settlers in order to take care of the responsibilities of one set.

Mr. UNDERWOOD. I agree with the Senator.

Mr. PITTMAN. Mr. President, before the Senator from Alabama proceeds to discuss the other subject on which he intends to address the Senate, I wish to say that I agree with the Senator from Idaho [Mr. BORAH] that the most important thing is to get action in reference to this matter. In what shape the bill shall be finally passed is far less material than passing some remedial legislation, which is essential.

The Senator from South Carolina [Mr. DIAL] has asked if the bill does not contemplate writing off a part of this indebtedness. I say that it does. The only indebtedness, however, that I know of which it intends to write is the increased indebtedness over that which was represented to be the cost originally of irrigation by reason of the mistakes of the Government. I am not blaming the Government for those mistakes, however. For instance, in one case the Reclamation Service estimated that they could get so much water from a certain water supply. That water, it was estimated, would irrigate 150,000 acres of land. It turned out, however, that the water available would irrigate only 80,000 acres of land, so the total cost of the reservoir site had to be divided amongst 80,000 acres of land instead of 150,000 acres.

Mr. UNDERWOOD. It was an engineering mistake.

Mr. PITTMAN. It was an engineering mistake. The one who should stand any loss occurring through the mistake is the one who is responsible for it; that is fundamental; but in the long run there will be no loss to the Government. Why? Because the money that has gone into these projects, whether it be a part of it that is written off or not paid back by the settler, has not come from taxation of the people of this country. It has come from the disposal of the public lands and from the royalties derived from the natural resources of the public lands of the Western States. So it does not lie in the mouth of anyone to make complaint.

Mr. KENDRICK. Mr. President——

Mr. UNDERWOOD. I should be glad to yield to my friend, but I really rose to discuss another subject, and I should like to get to it.

Mr. KENDRICK. I will interrupt the Senator for only a moment. I wish to say that I indorse all that the Senator from Idaho [Mr. BORAH] has said in connection with the necessity of action on the particular measure referred to. Moreover, relief from the present situation is so vitally important to our people that I for one shall vote against final adjournment unless action can be had upon this and other farm legislation.

Mr. DIAL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from South Carolina?

Mr. UNDERWOOD. I yield.

Mr. DIAL. I do not want to impose upon the good nature of my friend from Alabama, but at the proper time some of us will have something to say about this matter. The resources to which reference has been made belong to the people of the United States and not to the people of particular States, and I am not in favor of cancellation.

Mr. UNDERWOOD. Mr. President, if my friends will allow me, I do not like to interfere with the debate on the subject which has been discussed, but there is something that I rose to say which I think is pertinent to the question of adjournment and pertinent to the desire that our western friends have in asking that the people who live in the West shall be treated fairly. So far as I know, Members of the House and Senate from the section of the Union from which I come have almost uniformly and unanimously voted with the people of the West to develop their irrigation projects and build their homesteads. We have, however, before Congress a problem that came from the war, a problem that has been knocking at the doors here so long that a great many Members of the House and of the Senate are disposed to treat it in a light vein, as if it were not a matter of importance. Nevertheless, it is a problem that is of vital interest not only to the Government but to the people particularly of the section of the country which I in part represent. It is a problem that is here to be solved; and yet we mark time from day to day. I will say to the Members of the Senate who ask us to see that they shall have an opportunity for the consideration of measures affecting the great irrigation projects in their section that when the time comes for the consideration of the problem to which I refer, which is of vital importance to us, we who give you our support are relegated to the rear; we are held in committee; we are driven away from the front line and not given an opportunity for the consideration of that problem which is pressing the Government at this hour.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Idaho?

Mr. UNDERWOOD. I yield.

Mr. BORAH. I will say to the Senator that if he has reference to the Senator from Idaho standing in its way, I am perfectly willing to take up the Muscle Shoals legislation to-day.

Mr. UNDERWOOD. I am glad to hear the Senator say that.

Mr. BORAH. I have never voted against taking it up.

Mr. UNDERWOOD. I will say to the Senator that I am in accord with the statement he has made to-day because I think it is just, but I think it is equally just that before an adjournment is had the Members of the Senate shall be given an opportunity for a fair vote on the Muscle Shoals project.

Mr. BORAH. I will cooperate with the Senator.

Mr. UNDERWOOD. I thank the Senator for his cooperation.

Mr. KING. I will help the Senator, also.

Mr. UNDERWOOD. I thank the Senator from Utah.

Mr. President, I wish to call the attention of the Senate to the fact that a great dam was projected during the war and was half completed when the Congress of the United States scrapped it and left it idle for more than a year. Then it was taken up again, and an appropriation was made to go on with the work. That work to-day is nearing completion, and within a year from this time the greatest dam in the United States will be completed, and not only will the dam be completed, but the hydraulic power machinery will be in place, and it will merely be necessary to attach the wires to enable the people of the United States to enjoy the industrial and economic development that will come from the completion of this great work.

We have taken up the matter several times. Some years ago I aided in passing a bill through the Senate for the disposition of Muscle Shoals when completed. The bill failed. The Secretary of War, acting under the direction of the then President of the United States, said that the present administration would not lend itself to the operation of this great plant by the Government; that it must be done by private enterprise, and he asked for bids. Then Mr. Henry Ford, a competent man and capable financially, submitted a bid. I have always contended that when Mr. Ford was invited by the Government to submit a bid on a project, and it was properly laid before the Congress by the Secretary of War, he was entitled either to the acceptance or rejection of his bid. We have met our fate in committees; we have been kept out on the side lines; and everybody who knows anything knows that the final disposition of this power question can not be had until a vote on the Ford proposal is had in the Senate.

Senators from the West appeal to us to help them in what is a natural desire to take care of their constituencies, and yet when it comes to a proposition that means putting into operation within a year a completed plant, or deciding whether it is wiser to dispose of this great power for the making of fertilizer for the farmers of America, or to dispose of it in some other way, we are not given an opportunity to consider it; and that result is brought about by their votes, because the committee having the matter in charge to-day is dominated by the votes of this very western country. I do not say that they have a majority, but they have the dominating votes, which up to this hour have prevented this matter from being considered by the United States Senate.

I am not saying how any man shall vote. My own mind is made up. I believe that the Ford proposal is the best that has come before the Government; but I am not quarreling with any other man as to how he should vote. I do say, however, that our friends from the West, who have received our help, who have accomplished great results in that western country by the power of our votes, are not in a position to stand in the Senate and say that we ought not to adjourn because there is pending legislation of vital need to their constituents, when they sit in

the committee and on the skirmish lines of the Senate and delay and prevent an honest and a straight vote on this problem, which must be determined. It must be determined not only in the interest of the people who will receive the benefit of this development but in the interest of the Government.

Everybody knows that we can not dispose of this matter at the short session of Congress. Everybody knows that if we are going to distribute this electricity from the wheels that will be ready to turn within a year, it will take time and money to lay the great lines of wire that will distribute it to the country. Everybody knows that if we are going to use it off the wheels at the place where it is generated, we must prepare the plants to use it. We are approaching that hour; it will arrive within a year and it will take all of the year to prepare for it; and yet, when we say "Vote!" we are locked in a committee by the very men who ask our help.

I want to say that I do not believe in legislation by revenge. I do not believe in voting against a good legislative proposition because you receive bad treatment at the hands of its advocates. I do say, however, that I should not be properly representing the constituency from whom I hold a commission or properly representing the Government of the United States, when you say you desire a vote on a great and meritorious project in your country, if I did not say to you that justice also demands that this Muscle Shoals proposition should be disposed of before this session of Congress adjourns.

I say that not by way of a threat—because I will say to the Senator that no matter how he or his friends vote on the proposition it will not deter me from doing justice to his people—but I say it by way of appeal. Regardless of how you may feel on the final vote, I think we are entitled to your help in seeing that consideration of this question is granted before adjournment takes place.

Mr. BORAH. I quite agree with the Senator.

Mr. WARREN. Mr. President, I shall take only a moment; but I want very heartily to thank the Senators who have preceded me for their good intentions concerning irrigation. There is no question but that there is an emergency along that line that ought to receive our attention before we adjourn.

I want to say further to my friend, the Senator from Birmingham (Alabama)—I say "Birmingham" because that is known the world over—that I stand ready to vote at any moment upon the matter in which he is so much interested, first because it is one of the things that we ought to dispose of, and second because, as the Senator has stated, his help has always been ours in these matters of irrigation, and we have no right to ignore the wishes of one State more than another. We are all together, North, South, East, and West.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the Speaker of the House had signed enrolled bills of the following titles, and they were thereupon signed by the Presiding Officer (Mr. MOSES) as Acting President pro tempore:

H. R. 169. An act to amend an act entitled "An act to amend section 73 of an act entitled 'An act to codify, revise, and amend the laws relating to the judiciary,' approved June 12, 1916," and for other purposes;

H. R. 498. An act providing for a recreational area within the Crook National Forest, Ariz.;

H. R. 656. An act to add certain lands to the Plumas and to the Lassen National Forests in California;

H. R. 1442. An act authorizing issuance of patent to Charles Swanson;

H. R. 1475. An act for the relief of Luke Ratigan;

H. R. 2713. An act to transfer certain lands of the United States from the Rocky Mountain National Park to the Colorado National Forest, Colo.;

H. R. 2875. An act to provide for the addition of the names of certain persons to the final roll of the Indians of the Flathead Indian Reservation, Mont.;

H. R. 2882. An act to provide for the reservation of certain land in Utah as a school site for Ute Indians;

H. R. 2884. An act providing for the reservation of certain lands in Utah for certain bands of Paiute Indians;

H. R. 4981. An act to authorize the Secretary of War to grant permission to the city of Philadelphia, Pa., to widen Haines Street in front of the national cemetery, Philadelphia, Pa.;

H. R. 5416. An act to authorize the setting aside of certain tribal lands within the Quinaielt Indian Reservation in Washington for lighthouse purposes;

H. R. 6355. An act to authorize the Secretary of the Interior to issue certificates of citizenship to Indians;

H. R. 6628. An act to change the name of Jewett Street west of Wisconsin Avenue to Cathedral Avenue;

H. R. 6715. An act to reduce and equalize taxation, to provide revenue, and for other purposes;

H. R. 7113. An act to establish a dairy bureau in the Department of Agriculture, and for other purposes;

H. R. 8050. An act to detach Reagan County, in the State of Texas, from the El Paso division of the western judicial district of Texas and attach said county to the San Angelo division of the northern judicial district of said State; and

H. R. 8350. An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes.

POSTMASTERS AND POSTAL EMPLOYEES

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment of the committee.

Mr. EDGE. Mr. President, I request that the bill be read. It has not yet been read.

Mr. FLETCHER. Mr. President, the amendment proposed by the committee is to be now read.

The PRESIDENT pro tempore. The amendment offered by the committee is a substitute for the entire bill.

Mr. EDGE. For the entire bill? It has not been read.

Mr. FLETCHER. It has not been read.

The PRESIDENT pro tempore. At this parliamentary stage an amendment may be offered either to the text of the original bill or to the substitute proposed by the committee.

Mr. EDGE. That is as I understand it.

The PRESIDENT pro tempore. The Secretary will read the amendment in the nature of a substitute.

The PRINCIPAL CLERK. The committee proposes to strike all after the enacting clause, and to insert:

That on and after July 1, 1924, postmasters and employees of the Postal Service shall be reclassified and their salaries and compensation readjusted, except as otherwise provided, as follows:

CLASSIFICATION OF POSTMASTERS

That postmasters shall be divided into four classes, as follows:

The first class shall embrace all those whose annual salaries are $3,200 or more.

The second class shall embrace all those whose annual salaries are less than $3,200, but not less than $2,400.

The third class shall embrace all those whose annual salaries are less than $2,400, but not less than $1,100.

The fourth class shall embrace all postmasters whose annual compensation amounts to less than $1,100, exclusive of commissions on money orders issued.

SALARIES OF POSTMASTERS

The respective compensation of postmasters of the first, second, and third classes shall be annual salaries, graded in even hundreds of dollars, and payable in semimonthly payments to be ascertained and fixed by the Postmaster General from their respective quarterly returns to the General Accounting Office, or copies or duplicates thereof to the First Assistant Postmaster General, for the calendar year immediately preceding the adjustment, based on gross postal receipts at the following rates, namely:

First class—$40,000, but less than $50,000, $3,200; $50,000, but less than $60,000, $3,000; $60,000, but less than $75,000, $3,400; $75,000, but less than $90,000, $3,500; $90,000, but less than $120,000, $3,600; $120,000, but less than $150,000, $3,700; $150,000, but less than $200,000, $3,800; $200,000, but less than $250,000, $3,900; $250,000, but less than $300,000, $4,000; $300,000, but less than $400,000, $4,200; $400,000, but less than $500,000, $4,500; $500,000, but less than $600,000, $5,000; $600,000, but less than $7,000,000, $6,000; $7,000,000 and upward, $8,000.

Second class—$8,000, but less than $12,000, $2,400; $12,000, but less than $15,000, $2,500; $15,000, but less than $18,000, $2,600; $18,000, but less than $22,000, $2,700; $22,000, but less than $27,000, $2,800; $27,000, but less than $33,000, $2,900; $33,000, but less than $40,000, $3,000.

SALARIES AND ALLOWANCES TO THIRD-CLASS POSTMASTERS.

Third class—$1,500, but less than $1,600, $1,100; $1,600, but less than $1,700, $1,200; $1,700, but less than $1,900, $1,300; $1,900, but less than $2,100, $1,400; $2,100, but less than $2,400, $1,500; $2,400, but less than $2,700, $1,600; $2,700, but less than $3,000, $1,700; $3,000, but less than $3,500, $1,800; $3,500, but less than $4,200, $1,900; $4,200, but less than $5,000, $2,000; $5,000, but less than $6,000, $2,100; $6,000, but less than $7,000, $2,200; $7,000, but less than $8,000, $2,300: *Provided*, That when the gross postal receipts of a post office of the third class for each of two con-

secutive calendar years are less than $1,500, or when in any calendar year the gross postal receipts are less than $1,400, it shall be relegated to the fourth class: *Provided*, That postmasters at offices of the third class may be granted for clerk hire an allowance not to exceed $450 per annum where the salary of the postmaster is $1,100, $1,200, or $1,300; nor in excess of $700 per annum where the salary of the postmaster is $1,400, $1,500, or $1,600; nor in excess of $800 per annum where the salary of the postmaster is $1,700, $1,800, or $1,900; nor in excess of $1,100 per annum where the salary of the postmaster is $2,000 or $2,100; nor in excess of $1,400 where the salary of the postmaster is $2,200 or $2,300: *Provided further*, That the Postmaster General may in the disbursement of the appropriation for this purpose and within its limitation provide for the employment at a maximum salary of $900 per annum of assistant postmasters at post offices of the third class where the salary of the postmaster is $2,200 or $2,300 per annum.

SALARIES AND ALLOWANCES TO FOURTH-CLASS POSTMASTERS

Fourth class—The compensation of postmasters of the fourth class shall be fixed upon the basis of the whole of the box rents collected at their offices and commissions upon the amount of canceled postage-due stamps and on postage stamps, stamped envelopes, and postal cards canceled, on matter actually mailed at their offices, and on the amount of newspaper and periodical postage collected in money, and on the postage collected in money on identical pieces of third and fourth class matter mailed under the provisions of the act of April 28, 1904, without postage stamps affixed, and on postage collected in money on matter of the first class mailed under provisions of the act of April 24, 1920, without postage stamps affixed, and on amounts received from waste paper, dead newspapers, printed matter, and twine sold, at the following rates, namely:

On the first $75 or less per quarter the postmaster shall be allowed 155 per cent on the amount; on the next $100 or less per quarter, 80 per cent; and on all the balance, 70 per cent, the same to be ascertained and allowed by the General Accounting Office in the settlement of the accounts of such postmasters upon their sworn quarterly returns: *Provided*, That when the total compensation of any postmaster at a post office of the fourth class for the calendar year shall amount to $1,100, exclusive of commissions on money orders issued, and the receipts of such post office for the same period shall aggregate as much as $1,500, the office shall be assigned to its proper class on July 1 following, and the salary of the postmaster fixed according to the receipts: *Provided further*, That in no case shall there be allowed any postmaster of this class a compensation greater than $300 in any one of the first three quarters of the fiscal year, exclusive of money-order commissions, and in the last quarter of each fiscal year there shall be allowed such further sums as he may be entitled to under the provisions of this act, not exceeding for the whole fiscal year the sum of $1,100, exclusive of money-order commissions: *And provided further*, That whenever unusual conditions prevail the Postmaster General, in his discretion, may advance any post office from the fourth class to the appropriate class indicated by the receipts of the preceding quarter, notwithstanding the proviso which requires the compensation of fourth-class postmasters to reach $1,100 for the calendar year, exclusive of commissions on money-order business, and that the receipts of such post office for the same period shall aggregate as much as $1,500 before such advancement is made: *And provided further*, That when the Postmaster General has exercised the authority herein granted, he shall, whenever the receipts are no longer sufficient to justify retaining such post office in the class to which it has been advanced, reduce the grade of such office to the appropriate class indicated by its receipts for the last preceding quarter.

SALARIES OF POST-OFFICE INSPECTORS

SEC. 2. That post-office inspectors shall be divided into six grades, as follows: Grade 1—salary, $2,800; grade 2—salary, $3,000; grade 3—salary, $3,200; grade 4—salary, $3,500; grade 5—salary, $3,800; grade 6—salary, $4,000, and there shall be 15 inspectors in charge at $4,500: *Provided*, That in the readjustment of grades for inspectors to conform to the grades herein provided, inspectors who are now in present grades 1 and 2 shall be included in grade 1; inspectors who are now in present grade 3 shall be included in grade 2; inspectors who are now in present grade 4 shall be included in grade 3; inspectors who are now in present grade 5 shall be included in grade 4; inspectors who are now in present grade 6 shall be included in grade 5; and inspectors who are now in present grade 7 shall be included in grade 6: *Provided further*, That inspectors shall be promoted successively to grade 5 at the beginning of the quarter following a year's satisfactory service in the next lower grade, and not to exceed 35 per cent of the force to grade 6 for meritorious service after not less than one year's service in grade 5; and the time served by inspectors in their present grade shall be included in the year's service required for promotion in the grades provided herein, except as to inspectors in present grade 1.

Inspectors and supervisory employees of the Railway Mail Service and post offices shall be paid their actual expenses not to exceed $7 per day while engaged on official business away from their homes and official domiciles.

That clerks at division headquarters of post-office inspectors shall be divided into six grades, as follows:

Grade 1—salary, $1,900; grade 2—salary, $2,000; grade 3—salary, $2,150; grade 4—salary, $2,300; grade 5—salary, $2,450; grade 6—salary, $2,600; and there shall be one chief clerk at each division headquarters at a salary of $3,000: *Provided*, That in the readjustment of grades for clerks at division headquarters to conform to the grades herein provided, clerks who are now in present grade 1 shall be included in grade 1; clerks who are now in present grade 2 shall be included in grade 2; clerks who are now in present grade 3 shall be included in grade 3; clerks who are now in present grade 4 shall be included in grade 4; clerks who are now in present grade 5 shall be included in grade 5; and clerks who are now in present grade 6 shall be included in grade 6: *Provided further*, That clerks at division headquarters shall be promoted successively to grade 5 at the beginning of the quarter following a year's satisfactory service in the next lower grade and not to exceed 35 per cent of the force to grade 6 for meritorious service after not less than one year's service in grade 5, and the time served by clerks in their present grades shall be included in the year's service required for promotion in the grades provided herein: *And provided further*, That whenever in the discretion of the Postmaster General the needs of the service require such action, he is authorized to transfer clerks from post offices at which division headquarters of post-office inspectors are located to the position of clerk at such division headquarters after passing a noncompetitive examination at a salary not to exceed $2,300. After such transfer is made effective clerks so transferred shall be eligible for promotion to the grades of salary provided for clerks at division headquarters of post-office inspectors. Hereafter when any clerk in the office of division headquarters in the post-office inspection service is absent from duty for any cause other than leave with pay allowed by law, the Postmaster General, under such regulations as he may prescribe, may authorize the employment of a substitute for such work, and payment therefor from the lapsed salary of such absent clerk at the rate not to exceed the grade of pay of the clerk absent without pay.

SALARIES OF ASSISTANT POSTMASTERS AND OTHER POST-OFFICE SUPERVISORS

SEC. 3. That at offices of the second class the annual salaries of assistant postmasters shall be in even hundreds of dollars, based on the gross postal receipts for the preceeding calendar year, as follows: $8,000, but less than $10,000, $2,200; $10,000, but less than $12,000, $2,200; $12,000, but less than $15,000, $2,200; $15,000, but less than $18,000, $2,300; $18,000, but less than $22,000, $2,300; $22,000, but less than $27,000, $2,400; $27,000, but less than $33,000, $2,400; $33,000, but less than $40,000, $2,500.

That at offices of the first class the annual salaries of the employees, other than those in the automatic grades, shall be in even hundreds of dollars, based on the gross postal receipts for the preceding calendar year, as follows:

Receipts $40,000, but less than $50,000—assistant postmaster, $2,600; superintendent of mails, $2,400. Receipts $50,000, but less than $60,000—assistant postmaster, $2,600; superintendent of mails, $2,400. Receipts $60,000, but less than $75,000—assistant postmaster, $2,600; superintendent of mails, $2,400. Receipts $75,000, but less than $90,000—assistant postmaster, $2,700; superintendent of mails, $2,500. Receipts $90,000, but less than $120,000—assistant postmaster, $2,700; superintendent of mails, $2,600; foremen, $2,500; Receipts $120,000, but less than $150,000—assistant postmaster, $2,800; superintendent of mails, $2,700; foremen, $2,500. Receipts $150,000, but less than $200,000—assistant postmaster, $2,900; superintendent of mails, $2,800; foremen, $2,500. Receipts $200,000, but less than $250,000—assistant postmaster, $3,000; superintendent of mails, $2,900; foremen, $2,500. Receipts $250,000, but less than $300,000—assistant postmaster, $3,100; superintendent of mails, $3,000; assistant superintendent of mails, $2,600; foremen, $2,500. Receipts $300,000, but less than $400,000—assistant postmaster, $3,200; superintendent of mails, $3,100; assistant superintendent of mails, $2,600; foremen, $2,500. Receipts $400,000, but less than $500,000—assistant postmaster, $3,300; superintendent of mails, $3,200; assistant superintendent of mails, $2,600; foremen, $2,500. Receipts $500,000, but less than $600,000—assistant postmaster, $3,500; superintendent of mails, $3,300; assistant superintendent of mails, $2,600; foremen, $2,500; postal cashier, $2,900; money-order cashier, $2,600. Receipts $600,000, but less than $1,000,000—assistant postmaster, $3,700; superintendent of mails, $3,500; assistant superintendent of mails, $2,800; foremen, $2,500; postal cashier, $3,100; money-order cashier, $2,800. Receipts, $1,000,000, but less than $2,000,000—assistant postmaster, $3,900; superintendent of mails, $3,700; assistant superintendents of mails, $2,700, $2,800, and $3,100; foremen, $2,500 and $2,600; postal cashier, $3,300; assistant cashiers, $2,600; money-order cashier, $3,000; bookkeepers, $2,400; station examiners, $2,400. Receipts $2,000,000, but less than $3,000,000—assistant postmaster, $4,000; superintendent of mails,

$3,800; assistant superintendents of mails, $2,700, $2,800, $3,000, and $3,300; foremen, $2,500 and $2,600; postal cashier, $3,400; assistant cashiers, $2,600 and $2,900; money-order cashier, $3,100; bookkeepers, $2,400 and $2,500; station examiners, $2,600. Receipts $3,000,000, but less than $5,000,000—assistant postmaster, $4,100; superintendent of mails, $3,900; assistant superintendents of mails, $2,700, $2,800, $3,100, and $3,500; foremen, $2,500 and $2,600; postal cashier, $3,600; assistant cashiers, $2,600, $2,800, and $3,100; money-order cashier, $3,300; bookkeepers, $2,400 and $2,500; station examiners, $2,600 and $2,800. Receipts $5,000,000, but less than $7,000,000—assistant postmaster, $4,300; superintendent of mails, $4,100; assistant superintendents of mails, $2,700, $2,800, $3,100, $3,300, and $3,700; foremen, $2,500 and $2,600; postal cashier, $3,800; assistant cashiers, $2,600, $2,900, and $3,100; money-order cashier, $3,500; bookkeepers, $2,400, $2,500, and $2,600; station examiners, $2,600 and $2,800. Receipts $7,000,000, but less than $9,000,000—assistant postmaster, $4,600; superintendent of mails $4,300; assistant superintendents of mails, $2,700, $2,800, $3,100, $3,500, and $3,900; foremen, $2,500 and $2,600; postal cashier, $4,000; assistant cashiers, $2,600, $2,800, $3,100, and $3,400; money-order cashier, $3,600; bookkeepers, $2,400, $2,500, and $2,600; station examiners, $2,600 and $2,800. Receipts $9,000,000, but less than $20,000,000—assistant postmasters, $4,700 and $4,800; superintendent of mails, $4,500; assistant superintendent of mails, $2,800, $2,900, $3,100, $3,500, $3,700, and $4,100; foremen, $2,500, $2,600, and $2,700; postal cashier, $4,100; assistant cashiers, $2,600, $2,800, $3,200, and $3,600; money-order cashier, $3,700; bookkeepers, $2,400, $2,500, $2,600, and $2,800; station examiners, $2,600 and $2,800. Receipts $20,000,000 and upward—assistant postmasters, $4,800 and $4,900; superintendent of mails, $4,700; assistant superintendent of mails, $2,800, $2,900, $3,100, $3,500, $3,900, and $4,100; superintendent of delivery, $4,700; assistant superintendents of delivery, $2,800, $2,900, $3,100, $3,500, $3,900, and $4,100; foremen, $2,500, $2,600, and $2,700; superintendent of registry, $4,300; assistant superintendents of registry, $2,800, $2,900, $3,100, $3,500, and $4,100; superintendent of money order, $4,300; assistant superintendent of money order, $4,100; auditor, $4,000; postal cashier, $4,300; assistant cashiers, $2,600, $2,800, $3,100, $3,300, and $3,800; money-order cashier, $3,900; bookkeepers, $2,400, $2,600, $2,800, and $3,300; station examiners, $2,600, $2,800, and $3,000.

The salary of superintendents of classified stations shall be based on the number of employees assigned thereto and the annual postal receipts. No allowance shall be made for sales of stamps to patrons residing outside of the territory of the stations. At classified stations each $25,000 of postal receipts shall be considered equal to one additional employee.

At classified stations the salary of the superintendent shall be as follows: 1 and not exceeding 5 employees, $2,400; 6 and not exceeding 18 employees, $2,500; 19 and not exceeding 32 employees, $2,600; 33 and not exceeding 44 employees, $2,700; 45 and not exceeding 64 employees, $2,800; 65 and not exceeding 90 employees, $2,900; 91 and not exceeding 120 employees, $3,000; 121 and not exceeding 150 employees, $3,100; 151 and not exceeding 350 employees, $3,300; 351 and not exceeding 500 employees, $3,500; 501 or more employees, $3,800.

At classified stations having 45 or more employees there shall be assistant superintendents of stations with salaries as follows: 45 and not exceeding 64 employees, $2,400; 65 and not exceeding 90 employees, $2,500; 91 and not exceeding 120 employees, $2,600; 121 and not exceeding 150 employees, $2,700; 151 and not exceeding 350 employees, $2,900; 351 and not exceeding 500 employees, $3,100; 501 employees and upward, $3,400: *Provided,* That not more than two assistant postmasters shall be employed at offices where the receipts are $9,000,000 and upward: *Provided further,* That at post offices where the receipts are $14,000,000 but less than $20,000,000, there shall be a superintendent of delivery whose salary shall be the same as that provided for the superintendent of mails, and assistant superintendents of delivery at the salaries provided for assistant superintendents of mails: *Provided further,* That in fixing the salaries of the postmaster and supervisory employees in the post office at Washington, D. C., the Postmaster General may, in his discretion, add not to exceed 75 per cent to the gross receipts of that office: *Provided further,* That not more than one assistant superintendent of mails, one assistant superintendent of delivery, one assistant superintendent of registry, and one assistant cashier shall be paid the maximum salary provided for these positions, except where receipts are $9,000,000 and less than $14,000,000, to which offices two assistant superintendents of mails shall be assigned at the maximum salary, one to be in charge of city delivery: *And provided further,* That State depositories for surplus postal funds and central accounting offices, where the gross receipts are less than $500,000, and no postal cashier is provided, the employee in charge of such records and adjustments of the accounts shall be allowed an increase of $200 per annum; if receipts are $500,000 and less than $5,000,000, the postal cashier shall be allowed an increase of $200 per annum: *And provided further,* That at all central accounting offices where the bookkeeper in charge performs the duties of auditor, he shall be designated chief bookkeeper, at a salary equal to that of the assistant cashier of the highest grade at that office: *And provided further,* That when an office advances to a higher grade because of increased gross postal receipts for a calendar year, promotion of all supervisory employees shall be made to the corresponding grade at the higher salary provided for the same titles or designations under the higher classification of the office based on its postal receipts: *And provided further,* That no employee in the supervisory grades shall receive a salary less than $100 more than that paid to the highest grade of clerk or special clerk: *Provided further,* That in the readjustment of salaries of all employees above the highest grade for special clerks, those at present designated by titles for which more than one grade of salary is provided shall be placed in the same relative grade and designation and receive the increased salary provided in this act.

CLERKS AND CITY LETTER CARRIERS

SEC. 4. That clerks in first and second class post offices and letter carriers in the City Delivery Service shall be divided into five grades, as follows: First grade—salary, $1,700; second grade—salary, $1,800; third grade—salary, $1,900; fourth grade—salary, $2,000; fifth grade—salary, $2,100: *Provided,* That in the readjustment of grades for clerks at first and second class post offices and letter carriers in the City Delivery Service to conform to the grades herein provided, grade 1 shall include present grade 1, grade 2 shall include present grade 2, grade 3 shall include present grade 3, grade 4 shall include present grade 4, and grade 5 shall include present grade 5: *Provided further,* That hereafter substitute clerks in first and second class post offices and substitute letter carriers in the City Delivery Service when appointed regular clerks or carriers shall have credit for actual time served on a basis of one year for each 306 days of eight hours served as substitute, and appointed to the grade to which such clerk or carrier would have progressed had his original appointment as substitute been to grade 1: *And provided further,* That clerks in first and second class post offices and letter carriers in the City Delivery Service shall be promoted successively after one year's satisfactory service in each grade to the next higher grade until they reach the fifth grade. All promotions shall be made at the beginning of the quarter following one year's satisfactory service in the grade: *And provided further,* That there shall be two grades of special clerks as follows: First grade—salary, $2,200; second grade—salary, $2,300: *Provided,* That in the adjustment of grades for special clerks to conform to the grades herein provided special clerk grade 1 shall include present grade 1, and special clerk grade 2 shall include present grade 2: *Provided further,* That printers, mechanics, and skilled laborers, employees of the United States stamped-envelope agency at Dayton, Ohio, shall for the purpose of promotion and compensation be deemed a part of the clerical force.

That the pay of substitute, temporary, or auxiliary clerks at first and second class post offices and substitute letter carriers in the City Delivery Service shall be at the rate of 65 cents per hour: *Provided,* That marine carriers assigned to the Detroit River Marine Service shall be paid annual salary of $300 in excess of the highest salary paid carriers in the City Delivery Service: *Provided further,* That hereafter special clerks, clerks, and laborers in first and second class post offices and carriers in the City Delivery Service shall be required to work not more than eight hours a day: *Provided further,* That the eight hours of service shall not extend over a longer period than 10 consecutive hours, and the schedules of duty of the employees shall be regulated accordingly: *Provided further,* That in cases of emergency, or if the needs of the service require, and it is not practicable to employ substitutes, special clerks, clerks, and laborers, in the first and second class post offices and carriers in the City Delivery Service can be required to work in excess of eight hours per day, and for such overtime service they shall be paid on the basis of the annual pay received by such employees: *And provided further,* That in computing the compensation for such overtime the annual salary or compensation for such employees shall be divided by 306, the number of working days in the year less all Sundays and legal holidays enumerated in the act of July 28, 1916; the quotient thus obtained will be the daily compensation which divided by eight will give the hourly compensation for such overtime service: *And provided further,* That when the needs of the service require the employment on Sundays and holidays of foremen, special clerks, clerks, carriers, watchmen, messengers, or laborers, at first and second class post offices, they shall be allowed compensatory time on 1 day within 6 days next succeeding the Sunday, except the last 3 Sundays in the calendar year, and on 1 day within 30 days next succeeding the holiday and the last 3 Sundays in the year on which service is performed: *Provided, however,* That the Postmaster General may, if the exigencies of the service require it, authorize the payment of overtime for service on the last three Sundays in the calendar year or on Christmas Day in lieu of compensatory time.

WATCHMEN, MESSENGERS, AND LABORERS

SEC. 5. That messengers, watchmen, and laborers in first and second class post offices shall be divided into two grades, as follows: First grade, salary $1,450; second grade, salary $1,550: *Provided,* That

watchmen, messengers, and laborers shall be promoted to the second grade after one year's satisfactory service in grade 1: *Provided further*, That watchmen, messengers, and laborers, after three years in the Postal Service as regular employees, shall be eligible for promotion to first grade clerical and carrier positions, upon passing a noncompetitive examination, on recommendation of the Post Office Department: *And provided further*, That the pay of substitute watchmen, messengers, and laborers shall be at the rate of 55 cents per hour.

MOTOR-VEHICLE SERVICE

SEC. 6. That employees in the motor-vehicle service shall be classified as follows: Superintendents, $2,400, $2,600, $2,800, $3,000, $3,400, $3,600, $3,800, $4,000, and $5,000 per annum; assistant superintendents, $2,500, $2,600, and $2,800 per annum; chiefs of records, $2,200, $2,300, $2,400, $2,500, $2,600, $2,800, and $3,000; chiefs of supplies, $2,200, $2,300, and $2,400; chief dispatchers, $2,300 and $2,500; route supervisors, $2,400, $2,500, and $2,600; dispatchers, $2,100, $2,200, and $2,300; chief mechanics, $2,400, $2,500, $2,600, $2,800, and $3,000; mechanics in charge, $2,200, $2,300, and $2,400; and special mechanics, $2,000, $2,100, and $2,200: *Provided*, That assistant superintendents shall not be authorized at offices where the salary of the superintendent is less that $3,000 per annum.

That general mechanics employed in the motor-vehicle service shall be divided into three grades: First grade, salary $1,900; second grade, salary $2,000; third grade, salary $2,100; and clerks employed in the motor-vehicle service shall be divided into five grades as follows: First grade, salary $1,700; second grade, salary $1,800; third grade, salary $1,900; fourth grade, salary $2,000; fifth grade, salary $2,100: *Provided*, That in the readjustment of grades for clerks in the motor-vehicle service to conform to the grades above provided, grade 1 shall include present grade 1, grade 2 shall include present grade 2, grade 3 shall include present grade 3, grade 4 shall include present grade 4, and grade 5 shall include present grade 5: *Provided*, That general mechanics employed in the motor-vehicle service shall be promoted successively after one year's satisfactory service in each grade to the next higher grade until they reach the third grade, and clerks employed in the motor-vehicle service shall be promoted successively after one year's satisfactory service in each grade to the next higher grade until they reach the fifth grade, at the respective offices where employed, and promotion shall be made at the beginning of the quarter following one year's satisfactory service in the grade: *Provided further*, That at first-class post offices there shall be two grades of special clerks in the motor-vehicle service—grade 1, salary $2,200; grade 2, salary $2,300: *Provided further*, That in the readjustment of grades for special clerks to conform to the grades herein provided, special clerk, grade 1, shall include present special clerk, grade 1, and special clerk, grade 2, shall include present special clerk, grade 2.

Mechanics' helpers employed in the motor-vehicle service shall receive a salary of $1,600 per annum: *Provided*, That on satisfactory evidence of their qualifications after one year's service mechanics' helpers shall be promoted to the first grade of general mechanics as vacancies may occur.

That driver-mechanics employed in the motor-vehicle service shall be divided into five grades: First grade, salary $1,600; second grade, salary $1,700; third grade, salary $1,800; fourth grade, salary $1,900; fifth grade, salary $2,000; and garagemen-drivers employed in the motor-vehicle service shall be divided into two grades: First grade, salary $1,450; second grade, salary $1,550: *Provided*, That in the readjustment of salaries provided for in this act all driver-mechanics shall be classified in the respective grades, as follows: Those with less than one year's service shall be placed in grade 1; those with more than one year's service and less than two years' service shall be placed in grade 2; those with more than two years' service and less than three years' service shall be placed in grade 3; those with more than three years' service and less than four years' service shall be placed in grade 4; those with more than four years' service shall be placed in grade 5: *Provided further*, That driver-mechanics employed in the motor-vehicle service shall be promoted successively after one year's satisfactory service in each grade to the next higher grade until they reach the fifth grade at the respective offices where employed: *Provided further*, That garagemen-drivers in the motor-vehicle service shall be promoted after one year's satisfactory service in the first grade to the second grade at the respective offices where employed, and promotions of driver-mechanics and garagemen-drivers shall be made at the beginning of the quarter following one year's satisfactory service in the grade.

That the pay of substitute, temporary, or auxiliary employees in the motor-vehicle service shall be as follows: Special mechanics at the rate of 75 cents per hour; general mechanics at the rate of 70 cents per hour; clerks and driver-mechanics at the rate of 65 cents per hour; and garagemen-drivers at the rate of 55 cents per hour.

That special mechanics, general mechanics, mechanics' helpers, driver-mechanics, and garagemen-drivers in the motor-vehicle service shall be required to work not more than eight hours a day: *Provided*, That the eight hours of service shall not extend over a longer period than 10 consecutive hours, and the schedules of duties of the employees shall be regulated accordingly: *Provided further*, That in cases of emergency, or if the needs of the service require, special clerks, clerks, special mechanics, general mechanics, mechanics' helpers, driver-mechanics, and garagemen-drivers in the motor-vehicle service can be required to work in excess of eight hours per day, and for such overtime service they shall be paid on the basis of the annual pay received by such employees: *Provided further*, That in computing the compensation for such overtime the annual salary or compensation for such employees shall be divided by 306, the number of working days in the year less all Sundays and legal holidays enumerated in the act of July 28, 1916; the quotient thus obtained will be the daily compensation which divided by eight will give the hourly compensation for such overtime service: *Provided further*, That when the needs of the service require the employment on Sundays and holidays of route supervisors, special clerks, clerks, dispatchers, mechanics in charge, special mechanics, general mechanics, mechanics' helpers, driver-mechanics, and garagemen-drivers in the motor-vehicle service, they shall be allowed compensatory time on one day within six days next succeeding the Sunday, except the last three Sundays in the calendar year, and on one day within 30 days next succeeding the holiday and the last three Sundays in the year on which service is performed: *Provided, however*, That the Postmaster General may, if the exigencies of the service require it, authorize the payment of overtime in lieu of compensatory time for service on Sundays and holidays.

RAILWAY MAIL SERVICE

SEC. 7. That the annual salaries of employees of the Railway Mail Service shall be as follows: Division superintendents, $4,500; assistant division superintendents and assistant superintendents at large, $3,900; assistant superintendent in charge of car construction, $3,300; chief clerks, $3,300; assistant chief clerks, $2,800: *Provided*, That the clerks in charge of sections in the offices of the division superintendents shall be rated as assistant chief clerks at $2,800 salary.

That railway postal clerks shall be divided into two classes, class A and class B, and into seven grades with annual salaries as follows: Grade 1, salary $1,900; grade 2, salary $2,000; grade 3, salary $2,150; grade 4, salary $2,300; grade 5, salary $2,450; grade 6, salary $2,600; grade 7, salary $2,700.

Laborers in the Railway Mail Service shall be divided into two grades with annual salaries as follows: Grade 1, salary $1,450; grade 2, $1,550.

Laborers shall be promoted to grade 2 after one year's satisfactory service in grade 1: *Provided*, That in the readjustment of the service to conform to the grades herein provided for laborers, grade 1 shall include laborers in present grade 1, and grade 2 shall include laborers in present grade 2.

Substitute railway postal clerks shall be paid for services actually performed at the rate of $1,850 per annum, the first year of service to constitute a probationary period, and when appointed regular clerks shall receive credit on the basis of one year of actual service performed as a substitute and be appointed to the grade to which such clerk would have progressed had his original appointment as a substitute been to grade 1. Any fractional part of a year's substitute service will be included with his service as a regular clerk in determining eligibility for promotion to the next higher grade following appointment to a regular position.

All original appointments shall be made to the rank of substitute clerk and promotions in the grade of clerks and laborers in the Railway Mail Service shall be made at the beginning of the quarter following a year of satisfactory service in the next lower grade except as herein provided.

Promotions shall be made successively at the beginning of the quarter following a year's satisfactory service in the next lower grade.

In the readjustment of the service to conform to the grades herein provided, grade 1 shall include clerks in present grade 1, grade 2 shall include clerks in present grade 2, grade 3 shall include clerks in present grade 3, grade 4 shall include clerks in present grade 4, grade 5 shall include clerks in present grade 5, and grade 6 shall include clerks in present grade 6.

That the act approved February 28, 1919, be amended to read as follows:

"*Provided*, That the act of August 24, 1912 (37 Stat. p. 548), amended by the act approved March 3, 1917, be further amended to read as follows:

"'That hereafter in addition to the salaries provided by law the Postmaster General is hereby authorized to make travel allowances in lieu of actual expenses, at fixed rates per annum, not exceeding in the aggregate the sum annually appropriated, to railway postal clerks, acting railway postal clerks, and substitute railway postal clerks, including substitute railway postal clerks for railway postal clerks granted leave with pay on account of sickness, assigned to duty in railway post-office cars, while on duty, after 10 hours from the time of beginning their initial run, under such regulations as he may prescribe, and in no case shall such an allowance exceed $3 per day.'"

Substitute railway postal clerks shall be credited with full time while traveling under orders of the department to and from their designated headquarters to take up an assignment, together with actual and necessary travel expenses, not to exceed $3 per day, while on duty away from such headquarters. When a substitute clerk performs service in a railway post office starting from his official headquarters he shall be allowed travel expenses under the law applying to clerks regularly assigned to the run.

Railway post-office lines shall be divided into two classes, class A and class B, and clerks assigned to class A lines shall be promoted successively to grade 4 and clerks in charge to grade 5. Clerks assigned to class B lines shall be promoted successively to grade 5 and clerks in charge to grade 6: *Provided*, That lines in present class A shall be continued in class A and lines in present class B shall be continued in class B.

Terminal railway post offices shall be divided into two classes—class A and class B—those having less than 10 employees shall be assigned to class A and those having 10 or more employees shall be assigned to class B. Clerks in class A terminals shall be promoted successively to grade 3, distributors to grade 4, and clerks in charge of tours to grade 5. Clerks in class B terminals shall be promoted successively to grade 3, distributors to grade 4, and clerks in charge of crews within a tour to grade 5, nad clerks in charge of tours to grade 6.

In terminals having more than 75 employees there may be a clerk in charge of the entire terminal of grade 7.

Transfer offices shall be divided into two classes—class A and class B; those having less than five employees shall be assigned to class A and those having five or more employees to class B. Clerks in class A shall be promoted successively to grade 3, distributors to grade 4, and clerks in charge to grade 5. Clerks in class B shall be promoted successively to grade 3, distributors to grade 4, clerks in charge of crews to grade 5, and clerks in charge of tours to grade 6.

Clerks assigned to the office of division superintendent or chief clerk shall be promoted successively to grade 4, and in the office of division superintendent four clerks may be promoted to grade 5 and eight clerks to grade 6, and in the office of chief clerk one clerk may be promoted to grade 5 and two clerks to grade 6.

Examiners shall be promoted successively to grade 6 and assistant examiners to grade 5, whether assigned to the office of division superintendent or chief clerk: *Provided*, That service of clerks shall be based on an average of not exceeding 8 hours daily for 306 days per annum, including proper allowance for all service required on lay-off periods. Clerks required to perform service in excess of 8 hours daily, as herein provided, shall be paid in cash at the annual rate of pay or granted compensatory time at their option for such overtime. Railway postal clerks assigned to terminal railway post offices and transfer offices and laborers in the Railway Mail Service shall be required to work not more than 8 hours a day, and that the 8 hours of service shall not extend over a longer period than 10 consecutive hours, and that in cases of emergency or if the needs of the service require they may be required to work in excess of 8 hours a day, and for such additional service they shall be paid in proportion to their salaries as fixed by law.

That section 3 of the act approved June 19, 1922 (41 Stat. p. 660), providing for leaves of absence of employees in the Postal Service be amended by adding the following proviso: "*Provided*, That hereafter not exceeding 5 days of the 15 days' annual leave with pay, exclusive of Sundays and holidays, granted to railway postal clerks assigned to road duty each fiscal year, may be carried over to the succeeding fiscal year."

RURAL MAIL DELIVERY SERVICE

SEC. 8. That the salary of carriers in the Rural Mail Delivery Service for serving a rural route of 24 miles six days in the week shall be $1,800; on routes 22 miles and less than 24 miles, $1,728; on routes 20 miles and less than 22 miles, $1,620; on routes 18 miles and less than 20 miles, $1,440; on routes 16 miles and less than 18 miles, $1,260; on routes 14 miles and less than 16 miles, $1,080; on routes 12 miles and less than 14 miles, $1,008; on routes 10 miles and less than 12 miles, $936; on routes 8 miles and less than 10 miles, $864; on routes 6 miles and less than 8 miles, $792; on routes 4 miles and less than 6 miles, $720. Each rural carrier assigned to a route on which daily service is preformed shall receive $30 per mile per annum for each mile said route is in excess of 24 miles or major fraction thereof, based on actual mileage, and each rural carrier assigned to a route on which triweekly service is performed shall receive $15 per mile for each mile said route is in excess of 24 miles or major fraction thereof, based on actual mileage.

Deductions for failure to perform service on a standard rural delivery route for 24 miles and less shall not exceed the rate of pay per mile for service for 24 miles and less, and deductions for failure to perform service on mileage in excess of 24 miles shall not exceed the rate of compensation allowed for such excess mileage.

In addition to the salary herein provided, each carrier in Rural Mail Delivery Service shall be paid for equipment maintenance a sum equal to 3 cents per mile per day for each mile or major fraction of a mile scheduled. Payments for equipment maintenance as provided herein shall be at the same periods and in the same manner as payments for regular compensation to rural carriers.

A rural carrier serving one triweekly route shall be paid a salary and equipment allowance on the basis of a route one-half the length of the route served by him. A rural carrier serving two triweekly routes shall be paid a salary and equipment allowance on the basis of a route one-half of the combined length of the two routes.

REQUISITION FILLERS AND PACKERS

SEC. 9. That the salary of requisition fillers and packers in the division of equipment and supplies shall be as follows: One foreman, $2,100 per annum; 10 requisition fillers and 9 packers, at $1,800 each per annum.

VILLAGE CARRIER-DELIVERY SERVICE

SEC. 10. That the pay of carriers in the village delivery service, under such rules and regulations as the Postmaster General may prescribe, shall be from $1,100 to $1,300 per annum. The pay of substitute letter carriers in the village delivery service shall be at the rate of 45 cents per hour.

ANNUAL AND SICK LEAVE

SEC. 11. Employees in the Postal Service shall be granted 15 days' leave of absence with pay, exclusive of Sundays and holidays, each fiscal year, and sick leave with pay at the rate of 10 days a year, exclusive of Sundays and holidays, to be cumulative, but no sick leave with pay in excess of 30 days shall be granted during any one fiscal year. Sick leave shall be granted only upon satisfactory evidence of illness, and if more than two days the application therefor shall be accompanied by a physician's certificate.

The 15 days' leave shall be credited at the rate of 1¼ days for each month of actual service.

Whenever an employee herein provided for shall have been reduced in salary for any cause, he may be restored to his former grade or advanced to an intermediate grade at the beginning of any quarter following the reduction, and a restoration to a former grade or advancement to an intermediate grade shall not be construed as a promotion within the meaning of the law prohibiting advancement of more than one grade within one year.

Whenever the promotion of an employee herein provided for is withheld because of unsatisfactory service, such employee may be promoted at the beginning of the second quarter thereafter, or of any subsequent quarter, on evidence that his record has been satisfactory during the intervening period.

Hereafter when the needs of the service require the employment on Sundays or holidays of laborers or railway postal clerks at terminal railway post offices and transfer offices, they shall be allowed compensatory time on one day within six days next succeeding the Sunday, except the last three Sundays in the calendar year, and on one day within 30 days next succeeding the holiday and the last three Sundays in the year on which service is performed: *Provided, however*, That the Postmaster General may, if the exigencies of the service require it, authorize the payment of overtime for service on the last three Sundays in the calendar year or on Christmas Day in lieu of compensatory time.

All employees herein provided for in automatic grades who have not reached the maximum grades to which they are entitled to progress automatically shall be promoted at the beginning of the quarter following the completion of one year's satisfactory service since their last promotion, regardless of any increases in salaries granted them by the provisions of this act.

The Postmaster General may, when the interest of the service requires, transfer any clerk to the position of carrier or any carrier to the position of clerk and interchange the clerical force between the post office and the motor-vehicle service, such transfer or interchange to be made to the corresponding grade and salary of the clerk or carrier transferred or interchanged.

Substitute clerks in first and second class post offices and the Railway Mail Service and substitute letter carriers in the City Delivery Service when appointed regular clerks, railway postal clerks, or carriers shall have credit for actual time served on a basis of one year for each 306 days of eight hours served as substitute, and appointed to the grade to which such clerk or carrier would have progressed had his original appointment as substitute been to grade 1.

Postal employees and substitute postal employees who served in the military, marine, or naval service of the United States during the World War and have not reached the maximum grade of salary shall receive credit for all time served in the military, marine, or naval service on the basis of one day's credit of eight hours in the Postal Service for each day served in the military, marine, or naval service, and be promoted to the grade to which such postal employee or substitute postal employee would have progressed had his original appointment as substitute been to grade 1. This provision shall apply to such postal employees and substitute postal employees who were in the Postal Service on October 1, 1920.

No employee in the Postal Service shall be reduced in rank or salary as the result of the provisions of this act.

APPROPRIATIONS

SEC. 12. That the sums appropriated for salaries and compensation of postmasters and employees of the Postal Service in the act making appropriations for the fiscal year ending June 30, 1925, approved April 4, 1924, shall be available for the payment of salaries and compensation of postmasters and postal employees at the rates of pay herein provided; and such additional sums as may be necessary are hereby authorized to be appropriated to carry out the provisions of this act.

INCONSISTENT ACTS REPEALED

SEC. 13. All acts and parts of acts inconsistent or in conflict with this act are hereby amended or repealed.

Mr. DIAL. Mr. President, on page 39, line 22, I move to strike out "3" and insert "4," so as to make it read "4 cents" instead of "3 cents."

The PRESIDENT pro tempore. The Senator from South Carolina moves that in line 22, page 39, the numeral "3" be stricken out and the numeral "4" be inserted.

Mr. DIAL. This just brings the compensation of this class of officials up to the average pay of the other employees. These people have to travel over all kinds of roads in various parts of our country, in all kinds of weather, and it seems to me just that they should receive this increase.

Mr. EDGE. Mr. President, I want to say a word on the proposed amendment. The committee's suggestion, which has been read, is to allow the rural mail carriers 3 cents per mile per day for each mile or major fraction of a mile scheduled on their routes. As Senators know, the star route is a route of 24 miles, approximately. The committee gave very careful consideration to this particular question, and they felt that 3 cents a mile, which will aggregate approximately $230 for a star route, was a very substantial increase, and quite sufficient. In other words, this bill, as I take it the Senate understands, is a compromise bill, made up from the consideration of a number of bills introduced in both the House and the Senate.

The original bills, covering all branches of the service, called for increases in salary of $600 for clerks and carriers, and relative increases all along the line. At the same time those bills proposed a mileage of 6 cents per mile for the rural mail carriers.

Our final decision, the bill before the Senate, was a compromise of 50 per cent. In other words, we are providing in the bill for a raise of $300 in the entrance salary of clerks and carriers, and relative raises all along the line. In the case of the rural mail carriers, following the same policy and theory, we provided for 50 per cent of the 6 cents per mile, or 3 cents, as the bill reads.

It will be recalled that the rural mail carriers already have salaries of $1,800, where the ordinary carrier under existing law has a salary of $1,400, going up $100 per year for five years, until his highest possible salary is $1,800. We are raising that to $1,700 as the entrance salary, going up to $2,100 after a service of five years. But even then, under the bill, if it should be enacted into law, the entrance salary will be $1,700, while the salary of the rural carrier is $1,800 under existing law. There are almost 50,000 rural carriers in the United States, and this rate of 3 cents per mile which we have fixed in the bill will make their salaries approximately $2,030 a year.

True, the rural mail carrier has certain equipment to maintain, usually a Ford car, and it is in consideration of that that this extra salary is given. He has enjoyed the salary of $1,800 as compared to $1,400 paid the city carrier, who has no such equipment to maintain.

I thoroughly appreciate the great service the rural carriers render, and I think they are justly entitled to a substantial raise, but the committee felt and unanimously decided that 3 cents was an adequate salary, which, in view of all the circumstances, would be satisfactory to the carriers.

As a matter of fact, although we have had public hearings extending over 10 days, there has been no request brought before our committee for more than 3 cents. The Government can afford to give them 4 or 5 or 6 cents, of course, and they would no doubt be glad to have it, but it appeals to me as a business proposition that in view of all the surrounding circumstances this 3 cents affords a very substantial increase and is all the Government should give at this time.

Mr. FLETCHER. The provision for these increases seems to me to be justified and very wise, but it has been suggested that the Government may, in order to meet these increases, be obliged to raise postal rates on parcel post. Is there any plan of that sort in contemplation? I am opposed to an increase in the rates on parcel post.

Mr. EDGE. There is no provision in the bill now before the Senate for an increase in the rates on any class of postage. The matter was given very careful consideration, and I will be glad to advise the Senator what contributed to our final decision, if he desires to have me do so. There is nothing in this bill touching the subject of revenue.

Mr. FLETCHER. I know there is nothing in this bill along that line; but does the Senator estimate that we can take care of these increases without increasing the rates on parcel post?

Mr. EDGE. Yes; I do; and I figure we can take care of this very handily, judging by our experience in the past. There have been four distinct raises in the last 30 or 35 years, I think, and in no case was the raise accompanied by any change in the rates. The raises were absorbed by the increased business, the natural increase that came on from year to year, and in no case was the Government in any way embarrassed in meeting any of its obligations. However, the existing law provides that the Post Office Department may, without legislation, as the Senator probably knows, increase the rates if it sees fit to do so, and if the Interstate Commerce Commission approves of such increases as shall be stipulated. At the present time there is in progress an investigation called a cost ascertainment, which will be completed in a few months, as to the cost of maintaining the various branches of the department. A year ago we appropriated half a million dollars for that specific purpose. They have been working on that for several months, and, as I said, it is nearing completion. We felt that even though some increases might be justified we were not justified in stipulating them to-day without that full information.

If that information develops that the parcel-post rates should be and can be raised and still be below express rates, as I have said, the Post Office Department have full power to raise the rates, if the Interstate Commerce Commission agree. It is not necessary, in the judgment of the committee, in absorbing this increased expense, to make any specific changes in postal rates at this time.

Mr. BORAH. How much additional expense to the Government will this bill create?

Mr. EDGE. According to the department's figures, which practically agree with the committee's figures, a little less than $60,000,000.

Mr. BORAH. Does the Senator expect that that will be taken care of by increased business in the Post Office Department?

Mr. EDGE. If the Senator is interested in what has happened before, I can give him the figures in a few moments.

Mr. BORAH. I just want to know if that is the way the Senator expects it will be taken care of?

Mr. EDGE. This is what has happened: The last general increase in salary occurred in 1921; that is, by the law approved June 5, 1920. The deficit that year amounted to $80,000,000. It was reduced in the following year to $67,000,000, and to $37,000,000 in the fiscal year 1923. As a matter of fact, the actual deficit for the fiscal year 1923, as reported by the Postmaster General, was only $28,000,000. The postal receipts of 1923 were approximately $48,000,000 in excess of the revenue for 1922, while the operating expenses for 1923 were but $18,000,000 in excess of the operating expenses for 1922, showing a gain of approximately $30,000,000.

Mr. BORAH. What is the deficit this year?

Mr. EDGE. About $20,000,000.

Mr. BORAH. If we add $60,000,000 to that, we will have a deficit of about $80,000,000.

Mr. EDGE. I do not mean to give the impression that we can absorb it all in a year, but it will be gradually absorbed, as it has been done before.

Mr. BORAH. In the meantime, we have to have the money.

Mr. EDGE. The appropriations given to the Post Office Department have permitted them in the past to meet their obligations and their bills regularly.

Mr. FESS. Mr. President, is it the policy of the committee to proceed with increases without reference to the income? Is it the policy to ignore the income from postal rates and proceed to take care of the deficit from the Treasury?

Mr. EDGE. The Senator has asked me that question, and, speaking personally, I consider that this should be decided on this basis: Either these men are entitled to the increase in salary or they are not. It does not make a particle of difference, in my judgment, in considering the merits of this bill, whether the income of the Post Office Department is sufficient to meet the increases or not. I believe they are entitled to the increases specified under the bill, and if it creates a deficit of $100,000,000 then the income in the General Treasury should meet it. That is my personal view.

Mr. FESS. That is precisely what I wanted to know. If we open up that sluiceway for pouring out the money, where is our protection? It seems to me that the Postal Service

ought to be self-sustaining. That has been the policy of the country from the beginning. If we are going to increase salaries, why not revise the postal rates so as to meet the increase?

Mr. EDGE. It is my understanding, though I have not the figures before me, that the Post Office Department has usually shown a deficit at the end of each year. There may have been some years that it made its expenses, but it has shown a deficit recently.

Mr. FESS. But nothing like the deficit the Senator is proposing now.

Mr. EDGE. I just read to the Senator about the deficit of $80,000,000 in 1921.

Mr. FESS. That was immediately following the repeal of the 3-cent postage rate.

Mr. EDGE. It was immediately following the increase in salaries of June 5, 1920.

Mr. FESS. Yes; and the repeal of the 3-cent postage, which probably was a mistake.

Mr. EDGE. I think it was about that time.

Mr. FESS. Does not the Senator believe that we ought to have all the facts from the survey that is now being conducted before we launch upon this general policy?

Mr. EDGE. The Senator does believe that we should have the facts that are now being obtained before we make an effort to revise the postal rates, but he does not believe that the ascertainment of those facts has the slightest relationship, in his judgment, to the merit of the salary increase at this time.

Mr. FESS. There are agencies of the Government that will not be self-sustaining, and that is very apparent; but the Postal Service is one that touches every citizen, and it seems to me the citizen using the Postal Service should pay for the service. That sounds to me like a rational policy to pursue.

Mr. EDGE. That policy possibly has considerable logic. I am not going to argue that. After the commission has ascertained all the facts, the next session of Congress in December can consider a revision of the postal rates, but that, to my mind, is no justification to continue the present standard of salaries until some other department of the Government has been taken care of.

Mr. FRAZIER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Jersey yield to the Senator from North Dakota?

Mr. EDGE. I yield.

Mr. FRAZIER. I would like to ask the Senator from Ohio if he is in favor of starving the employees of the Postal Service in the meantime until those facts can be reported and Congress determine whether the postal rates shall be increased?

Mr. FESS. The Senator from North Dakota knows there are any number of people who would be very glad to accept service with the Government in the Postal Service on the salaries that are now being paid.

Mr. FRAZIER. And the Senator from Ohio knows that employees there now have to live and keep their families.

Mr. FESS. That is true; and other people have to do the same thing. I have understood that in comparison of the incomes of persons who are employed in other industries outside of the Government with those of the postal clerks they are paid less than our postal clerks draw.

Mr. EDGE. In that connection I draw attention without taking the time——

Mr. DALE. Mr. President, will the Senator yield to me just a moment?

Mr. EDGE. As soon as I answer the question of the Senator from Ohio which he has just presented. If the Senator from Ohio will look over the report submitted by the committee on the pending bill, he will find that we have reprinted there tables covering a number of different types of service which, so far as we could determine, were comparable to this type of service and efficiency and the necessity for knowledge along various lines. He will find in most of the comparisons that the other types of employment are much better paid than the Postal Service.

Mr. FESS. But does the Senator include the 30 days' sick leave and 30 days' vacation and the legal holidays in the comparison?

Mr. EDGE. I am not sufficiently familiar with all the privileges given in other lines of business to go into complete detail in that respect.

Mr. FESS. Does not the Senator know that few if any of them give two months in that way?

Mr. EDGE. I think most of the large corporations and large industrial enterprises in these days permit fairly liberal vacations and sick leave. They have all types of new progressive innovations to take care of their employees. Some have one form and some have another.

Mr. FESS. I know of no great corporation that gives two months, as the Federal Government does.

Mr. EDGE. I do not know that they give two months, but I know they do many things for their employees, and so does the Senator from Ohio know it.

Mr. OVERMAN. Did I understand the Senator from New Jersey to say in response to a question of the Senator from Florida that there is a general law authorizing the Postmaster General to increase rates on mail matter?

Mr. EDGE. No; but on parcel-post matter.

Mr. OVERMAN. He has that general power?

Mr. EDGE. He has the power on second-class matter to regulate the rate and change the rate with the consent of the Interstate Commerce Commission.

Mr. OVERMAN. Where will that be found and when was that power granted?

Mr. EDGE. I can not answer the Senator's question as to when the law was passed.

Mr. OVERMAN. Was it in a general post office bill?

Mr. EDGE. Perhaps the chairman of the Committee on Post Offices and Post Roads will be able to answer the Senator's question.

Mr. STERLING. I am not able to say when the law was enacted, but I understand that it is the general law.

Mr. OVERMAN. Yes; I understand it is general law, but I am wondering when the power was delegated to the head of the department to increase postal rates.

Mr. STERLING. He was given that power in conjunction with the Interstate Commerce Commission.

Mr. EDGE. I think it is a part of the parcel post law. It was enacted before I came to the Senate.

Mr. SMOOT. Does the Senator have reference to the $100 increase per annum beginning some six or seven years ago?

Mr. OVERMAN. No; I am asking about the right of the Postmaster General to increase rates on parcel post mail matter.

Mr. SMOOT. I thought the Senator was asking about the increase in salary.

Mr. OVERMAN. The Senator from New Jersey told me there is that authority granted to the Postmaster General himself.

Mr. EDGE. Authority is granted to the Post Office Department, which means the Postmaster General, to file with the Interstate Commerce Commission a schedule or revision of rates covering the Parcel Post Service. If it receives their approval, it is promulgated and goes into effect.

Mr. OVERMAN. It is authority given to the Interstate Commerce Commission, then?

Mr. EDGE. The law was enacted several years ago. I am not at all familiar with its details, but that is my general information.

Mr. OVERMAN. Does the Senator think we had authority to grant to the head of the department the right to raise postal rates?

Mr. EDGE. I will have to refer that question to Senators with legal knowledge.

Mr. STERLING. I have asked the clerk of the committee to bring a copy of the law to me so I can read it to the Senator.

Mr. OVERMAN. I would like to know how that was done. I think it is very doubtful. If the Senator will pardon me, the Senator was telling what the increase would be as to rural carriers. I would like to know now what increase the city carriers will receive.

Mr. EDGE. The increase to city carriers is $300 from the present minimum of $1,400 to a new minimum of $1,700. The increase to rural carriers is by adding to the $1,800 an additional 3 cents a mile, which is computed to aggregate about $230 a year, which would be a total of $2,030.

Mr. OVERMAN. Suppose we have a maximum salary for city carriers; what increase do they get?

Mr. EDGE. They are increased $100 per year for five years, and they reach their maximum at the end of five years. Seventeen hundred dollars is the entrance salary and $2,200 is the maximum.

Mr. OVERMAN. But some of them get $2,000 now, I think.

Mr. EDGE. Oh, no. The city carrier's minimum now is $1,400 and the maximum $1,800.

Mr. OVERMAN. They will get a $100 increase every year until the end of five years?

Mr. EDGE. One hundred dollars increase each year up to the end of five years, when they reach the maximum.

Mr. OVERMAN. In considering the bill in the committee, was the question of increasing parcel-post rates taken into consideration?

Mr. EDGE. Yes. The department had, at the suggestion of the committee, submitted various methods through which an increase in revenue could be obtained. One of the methods was to increase the parcel-post rates on a gradual graded basis, which I can not repeat to the Senator, but the estimated increased income on that basis would have been about $30,000,000.

Mr. OVERMAN. I know they had that under consideration. I am opposed to increasing the parcel-post rates myself, but I want to understand whether or not the bill was framed and reported with the understanding that the department would increase the rates?

Mr. EDGE. Absolutely not.

Mr. BORAH. Mr. President——

Mr. EDGE. I yield to the Senator from Idaho.

Mr. BORAH. As I understand it, there is no scheme connected with this legislation which proposes to take care of the increased expenditure through any increase in rates in the Post Office Department with reference to the parcel post.

Mr. EDGE. There is no scheme, even including parcel post, so far as the committee is concerned.

Mr. BORAH. That is what I said. In other words, the increased expenditure has to be taken care of by simply going and taking it out of the Treasury?

Mr. EDGE. Or by the increased business which we believe will gradually absorb it as it has in the past.

Mr. ROBINSON. May I ask the Senator in that connection what will be the deficit in postal revenues as compared to the expenditures the first year if this measure should go into effect?

Mr. EDGE. The increased expenditure or income, which did the Senator say?

Mr. ROBINSON. My question was as to what deficit, if any, would arise?

Mr. EDGE. Of course, that is problematical; but the bill itself will require approximately a $60,000,000 greater expenditure.

Mr. ROBINSON. I heard that statement made a few moments ago in answer to a question propounded by the Senator from Idaho.

Mr. EDGE. We are adding $60,000,000 to the expense. That is reasonable to assume, judging from the fact that the income of the department, business being normal, as it seems to be, would be approximately $40,000,000. Of course, that is problematical. The deficit will unquestionably have to be made up and ought to be made up out of the General Treasury.

Mr. BORAH. How much does the Senator think the deficit will be in round figures?

Mr. EDGE. The Senator can figure that just as readily as I. If they now have a deficit of $20,000,000 and we add $60,000,000 to their expenses, that would be $80,000,000, but with an increase of $40,000,000 in receipts there would be apparently a deficit of $40,000,000, if my figures are correct.

Mr. SMOOT. The Senator should admit that appropriations have been increased for the coming year to take care of the growing business, so that he can not take the increase that is already given in the appropriation bill and deduct it from the deficit. I have not any doubt in the world that the deficit would be $65,000,000 at least, if not more.

Mr. EDGE. It was $80,000,000 two years ago.

Mr. SMOOT. We are not providing for that now. There was a deficit the year before that, and we are not counting now, in the receipts and expenditures of the Government, on any deficit from the Post Office Department. Whatever deficit there may be, we have provided no means of meeting it.

Mr. EDGE. We do not provide a deficit that would probably be developed or brought about in passing the soldiers' bonus law. We went through with the tax bill irrespective of whether it would provide money for that or not.

Mr. BORAH. Yes; that is a habit we have.

Mr. EDGE. Then do not entirely consider this as an innovation.

Mr. BORAH. We do not break the habit, it seems.

Mr. EDGE. We should not consider this an innovation where we are trying to look after 300,000 postal employees.

Mr. BORAH. I have not any doubt that all the salaries ought in some respects and in some instances to be increased, of the carriers in particular, but it does seem to me that the Post Office Service ought to pay for it, either out of increased parcel-post rates or in some other way.

Mr. SMOOT. I will say to the Senator from Idaho, with the permission of the Senator from New Jersey, that I have had many, many protests from all over the country against increased parcel-post rates. I do not think there is a farmers' organization in the West that has not sent a protest to me against any increase in parcel-post rates. They claim that it would simply mean an added burden upon the farmers in the West, and of course those in the East as well. I do not think there is a State in the East, too, that has not protested.

Mr. BORAH. Yes; the farmers would also send petitions here and protest against an increase in taxes by the Government, but the farmer must understand and the citizen must understand that he has to pay this at last. There is nobody else to pay it. We have not any money except what we collect from the gentleman who is protesting.

Mr. DALE. Mr. President, will the Senator yield?

Mr. EDGE. I yield.

Mr. DALE. This matter of increase in parcel-post rates has come particularly to my attention. The protests from the farmers against the increase are largely the result of propaganda. Now, the fact is that the farmer does not send 1 per cent of the parcel-post mail, and he receives only about 8 per cent, so that of all the parcel-post business that comes to and goes from the farmer he does not receive to exceed 9 per cent. I am inclined to agree with the Senator that the parcel-post rates ought to be raised to meet this apparent deficit, but the protest does not come from the farmer by any means.

Mr. BORAH. I think the bill ought to provide in some way to take care of the expenditures.

Mr. EDGE. That is a matter of policy.

Mr. STERLING. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Jersey yield to the Senator from South Dakota?

Mr. EDGE. I yield.

Mr. STERLING. I merely wish to cite the law which gives the Interstate Commerce Commission some power in this regard. I read from the law of 1912, as follows:

> The classification of articles mailable as well as the weight limit, the rates of postage, zone or zones, and other conditions of mailability under this act, if the Postmaster General shall find on experience that they or any of them are such as to prevent the shipment of articles desirable, or to permanently render the cost of the service greater than the receipts of the revenue therefrom, he is hereby authorized, subject to the consent of the Interstate Commerce Commission after investigation, to re-form from time to time such classification, weight limit, rates, zone or zones or conditions, or either, in order to promote the service to the public or to insure the receipt of revenue from such service adequate to pay the cost thereof.

Mr. EDGE. Mr. President, I have spoken on the amendment which has been offered and said all that I care to say. With the view of trying to keep the bill down as far as possible and still do full justice I oppose the amendment increasing the allowance. I believe that the committee after giving careful consideration to the question have equitably and fairly divided the increases. One cent a mile will add to the bill, as I recall the figures, something over $3,500,000. I feel that we would be doing justice without increasing the allowance 1 cent a mile above the amount provided in the bill.

Mr. FRAZIER. I believe, Mr. President, that rural carriers are entitled to 4 cents a mile. The salaries of the city carriers have been increased $300. Three cents per mile would be an increase of $230.32 a year while 4 cents a mile would be but $293.76 per year. That is less than the $300 advance given to the city carriers. This increase would go to help enable the rural carriers to keep up their equipment. Most rural carriers are compelled not only to own a team of horses but a car as well; and the cost of their equipment amounts to three or four times at least what 4 cents a mile would yield them. I think they are entitled to 4 cents a mile.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from South Carolina [Mr. DIAL] to the amendment of the committee.

The amendment to the amendment was rejected.

Mr. FRAZIER. I offer an amendment on page 15, line 14, to strike out the numerals "$7" and insert "$5."

The PRESIDENT pro tempore. The amendment to the amendment will be stated.

The PRINCIPAL CLERK. On page 15, line 14, after the word "exceed," it is proposed to strike out "$7" and insert "$5," so as to read, "not to exceed $5 per day."

Mr. FRAZIER. Mr. President, $5 is the amount allowed by law at the present time, as I understand. I wish to say that while the $7 maximum may not be too much, yet any postal employee who receives $2,500 a year or less receives less than

$7 per day for salary to cover board and everything else. It costs something to board even at home, and I believe the inspectors can live upon $5 a day when they are out on the road. So I think the per diem allowance should be cut down from $7 to $5.

Mr. SMOOT. Mr. President, what ought to be done is to change this per diem allowance to $4. That is the allowance made in the case of most of the other departments. In the revenue bill that has just been agreed to by the House of Representatives a per diem allowance of $4 is provided for certain employees who will be required to travel in connection with the administration of that law. We felt that we should like to make it $5, but we came to the conclusion that the amount ought to be made uniform as to all the departments of the Government. It is true that a $7 maximum applies to officers in the Department of State and, perhaps, to one or two of the other departments of the Government whose officials serve outside of the United States; but the allowance in all other cases practically is but $4 per diem. I was talking to the chairman of the Appropriations Committee to-day, who thought that in connection with the next deficiency appropriation bill we ought to enact a provision of law making the allowance $5 per diem instead of $4.

Mr. OVERMAN. Mr. President, if the Senator will yield to me, I wish to say that I agree with him fully. The Senator will recall the appeals which have come to us in considering practically all the appropriation bills to increase the allowance from $4 to $7 a day, but we have uniformly held it down to $4. I am in favor of the pending bill, but these inspectors ought not to have any greater per diem allowance than have other Government officials.

Mr. SMOOT. I will say that if the Senator from North Dakota will modify his amendment so as to make the allowance $4 a day and let that go in the bill, in case the per diem allowance for other employees of the Government is later increased to $5 we will include in the increased allowance the employees covered by this bill.

Mr. EDGE. Mr. President, if the Senator will yield, do I understand that employees in other branches of the service who are compelled to travel are given an allowance of $4 a day, or does the law stipulate not exceeding $4?

Mr. SMOOT. Not exceeding $4.

Mr. EDGE. Is that the language of the law as applied to all other departments?

Mr. SMOOT. That is the language used with the exceptions I have stated. It is true, as the Senator from North Dakota has said, that while the employees are away they have no expenses at home, but I do not believe, even taking that into consideration, and considering also the manner in which living expenses have increased, that $4 will be sufficient; but I am quite sure that $5 will be.

Mr. EDGE. The present law gives them a per diem of $5.

Mr. SMOOT. I should like the Senator having the bill in charge to accept the amendment providing for $4. Then, if any change shall be made in the next deficiency appropriation bill, we will cover all of the departments alike.

Mr. EDGE. I can not accept the amendment providing for a per diem of $4. I was prepared to accept the present rate, which is $5 per day. That is the present law, and it has been so, as I understand, for a long time. The department recommended the increase from $5 to $7, as I recall. This increased allowance only covers inspectors of the Post Office Department, as I understand. It does not refer to railway mail clerks and other employees. They are allowed very much less—50 cents a meal, or $2 a day. They are not supposed to sleep away from home. The inspectors, on the other hand, are away from their homes almost continually. They are engaged in ferreting out crime and various infractions of the postal laws. We all know that in large cities they are compelled to keep up on an average certainly a better appearance than most men; they must go to pretty good hotels, and certainly $4 a day in these times for a man acting in the capacity of a post-office inspector would seem to be entirely too little. I am prepared to accept the amendment as originally offered at $5 and to put the per diem back where it now is.

Mr. SMOOT. Mr. President, all that the Senator from New Jersey has said in reference to certain inspectors in the Post Office Department may be said about the inspectors in all of the departments of our Government. I know that as the revenue bill, which has just passed, was reported to the House it provided a per diem of $7 per day for certain inspectors and employees of the Board of Tax Appeals. That was cut to $4 a day, and it was promised the conferees, as I have already stated, that we would try to secure the passage of a law covering the matter and providing a uniform allowance of $5.

I want a vote on the amendment, and if the Senator from North Dakota does not wish to change his amendment providing a per diem of $4 a day, taking into consideration the statements which I have made, then I shall move an amendment making the per diem allowance $4 a day instead of $5.

Mr. STERLING. Mr. President, I merely wish to say a word or two. I hope under the conditions that the amendment of the Senator from Utah [Mr. SMOOT] will not prevail. I think that $5 per day is little enough for men occupying positions as inspectors and supervisory employees in the Postal Service. Considering their station in life, the business they have to perform, the kind of hotels at which they must stop, and so forth, I think $5 per day is not excessive. I think the compensation ought at least to be that much.

The Senator from Utah has referred to the deficiency bill which will yet be before the Senate. I think if we fix this allowance at $5 per day, where it ought to be, it might be some inducement to the committee to fix the same allowance in the deficiency bill.

Mr. WARREN and Mr. OVERMAN addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from South Dakota yield, and, if so, to whom?

Mr. STERLING. I yield first to the Senator from Wyoming [Mr. WARREN], who first addressed the Chair.

Mr. WARREN. I wish to say that I agree with my colleague on the Appropriations Committee, the Senator from Utah [Mr. SMOOT], that we have neglected too long to adjust the per diem allowance of $4 per day; but I do not agree with the chairman of the Committee on Post Offices and Post Roads that to make the allowance $5 in this instance will help to bring about that adjustment. I think, on the other hand, to make the allowance $4 instead of $5 per day will cause us to have help from the quarter immediately affected as well as from others; so that we will be more apt to secure a uniform provision, because the appropriation bills, of course, must pass before the end of the session.

Mr. SMOOT. All should be treated alike.

Mr. OVERMAN. Are not these inspectors paid large salaries?

Mr. STERLING. They are paid an annual salary.

Mr. OVERMAN. What salaries do they get?

Mr. STERLING. By referring to the bill I find that for grade 1 the salary is $2,800 per annum, for grade 2 the salary is $3,000 per annum, and on up to grade 6, with a salary of $4,000 per annum, and there are 15 inspectors in charge with a salary $4,500 per annum. Those are the salaries which are provided for in the bill.

Mr. OVERMAN. They are getting a larger salary than are other employees.

Mr. FRAZIER. Mr. President, a per diem of $4 for these inspectors for 365 days will amount to $1,460. I am willing to accept the amendment proposed by the Senator from Utah [Mr. SMOOT].

The PRESIDENT pro tempore. The Senator from North Dakota modifies his amendment in the manner suggested by the Senator from Utah. The question now is upon the amendment of the Senator from North Dakota as modified.

The amendment as modified was agreed to.

Mr. EDGE. Mr. President, I should like to call up an amendment which I sent to the desk a few moments ago.

The PRESIDENT pro tempore. The Senator from New Jersey offers an amendment to the committee amendment, which will be stated.

The PRINCIPAL CLERK. On page 10, line 9, it is proposed to strike out "$3,000" and to insert in lieu thereof "$3,300."

Mr. EDGE. That is simply to correct a printer's error, and in no way increases the intended salary.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from New Jersey to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. BORAH. Mr. President, I offer as an amendment to the committee amendment two additional sections, which I send to the desk and ask to have read.

The PRESIDENT pro tempore. The Senator from Idaho offers an amendment to the amendment of the committee, which will be stated.

The PRINCIPAL CLERK. It is proposed to add to the bill the following additional sections:

SEC. —. That all committees, local, State or national, and all persons or parties having any part or share in the election or in the campaign for the election of Members of Congress and all officers or officials of the Government of the United States shall publish at the end of each 10 days a financial report of the contributions received by, or for the account of, the committee, or person, or party, or candidate, directly or indirectly, with the name of each contributor and the amount of his

contribution, directly or indirectly, and at the end of each campaign for the election of such Members of Congress, or officers, or officials of the Government of the United States shall publish a complete and detailed financial statement, giving the name of each contributor and the amount of his contribution, together with the amount of any deficit incurred in the campaign; and such committee, or party, shall thereafter publish at the end of each month the amounts received by it from each contributor, directly or indirectly, to make up the deficit. Such reports and financial statements shall also be opened to inspection by the public.

SEC. —. Every person, including every member of the committee, offending against the foregoing section shall be deemed guilty of a misdemeanor and shall upon conviction thereof be imprisoned not more than one year or fined not to exceed $5,000, or by both such fine and imprisonment.

Mr. BORAH. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Dial	Jones, N. Mex.	Ransdell
Ball	Dill	Jones, Wash.	Robinson
Bayard	Edge	Kendrick	Sheppard
Borah	Edwards	Keyes	Shipstead
Brookhart	Ferris	Ladd	Simmons
Broussard	Fess	Lodge	Smith
Bursum	Frazier	McKellar	Smoot
Cameron	George	McKinley	Stanley
Capper	Gooding	McNary	Stephens
Caraway	Hale	Norris	Sterling
Copeland	Harris	Oddie	Trammell
Couzens	Heflin	Overman	Walsh, Mass.
Cummins	Howell	Phipps	Walsh, Mont.
Curtis	Johnson, Calif.	Pittman	Warren
Dale	Johnson, Minn.	Ralston	Wheeler

The PRESIDENT pro tempore. Sixty Senators have answered to the roll call. There is a quorum present.

Mr. BORAH obtained the floor.

Mr. DIAL. Mr. President, does the Senator's amendment require the appointees to specify how much they paid for the offices?

Mr. BORAH. No.

Mr. DIAL. The Senator ought to modify his amendment and put that in. It is a good, thriving business all over the South.

Mr. BORAH. Mr. President, the last few months have disclosed more pronouncedly than ever before, in my opinion, the necessity of the utmost publicity with reference to campaign funds. In my opinion, the real remedy for the abuse of the use of money in campaigns is that of publicity, rather than to undertake to control the matter through statutes which simply provide for punishment in case parties violating the law are arrested and convicted. In other words, I prefer to depend upon publicity for the purity of elections rather than criminal law.

I have therefore provided in this amendment that the committee having in charge the election of any candidate for office under the National Government, or any individual or party connected with his campaign, shall publish each 10 days during the campaign, a full account of all contributions, from whom received, the amount received, and so forth.

It has been suggested that it would be sufficient to make publication of the campaign funds at the close of the campaign; but, in my opinion, that would not meet the situation. The contributions ought to be known as the campaign progresses, and the information ought to be fairly had and as fully as possible before the voters who are called upon to pass on the question, as it were, in voting for candidates upon the day of the election.

I think, therefore, that the publicity ought to accompany the progress of the campaign, and as nearly as it can be made to do so as a practical proposition I desire to see that incorporated in the law.

Then I have provided further in the amendment that at the end of the campaign, if there shall be a deficit, the amount of the deficit shall be made known, and that all contributions taken for the purpose of making up the deficit shall be made public from time to time as they are taken.

I then provide, in the second section, that any committee or individual violating the first section of the amendment shall be punished by imprisonment or by fine, or by both imprisonment and fine. The amendment does not undertake to limit the amount of subscriptions which anyone may make. It does not undertake to say that any particular class shall not make contributions. It only places upon those receiving the contributions, or the party, the obligation of making known with whom they are doing business, from whom they have received their contributions, giving it the utmost publicity, and putting it in the minds of the voters in sufficient time to enable them to pass judgment upon the matter at the election.

I have tried to eliminate the evil of postponing these matters and running into a deficit by obligating the committee to publish the amount of the deficit and those who shall take care of it.

Mr. President, we have only a limited time in which to discuss this matter. I have no desire to occupy the time to the exclusion of others, and I shall not go further than simply to explain the amendment.

Mr. WALSH of Montana. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Montana?

Mr. BORAH. I do.

Mr. WALSH of Montana. The Senator may remember that four years ago the committee, of which the then Senator from Iowa, Mr. Kenyon, was the chairman, was appointed to take testimony concerning contributions made in the preconvention campaign. That inquiry developed information of very great value, and, I have no doubt, exercised an influence upon the result of the election.

There will be no contest, as it is understood, in the Republican convention this year, but doubtless there will be in the Democratic convention; and so a similar inquiry might furnish some considerable information of value, although no suggestion has been made, so far as I know, of any impropriety in the expenditures made thus far in the preconvention campaign. But, Mr. President, I hope the Senator will feel the necessity of the Senate passing some resolution looking to the appointment of a committee that will sit during the entire campaign to gather this information.

I know the course taken by the Senator will be helpful, but I am sure he will understand that it would produce nowhere near the satisfactory information that an investigation would. I hope it will not be considered as taking the place of an inquiry by the appropriate committee of Congress.

Mr. BORAH. Mr. President, I quite agree with the Senator from Montana as to the advisability of that. There is another measure before a subcommittee of which I have the honor to be chairman, introduced by the Senator from Tennessee [Mr. McKELLAR], a more comprehensive and complete proposition than the one which I am now presenting. I hope to see that reported out and passed during the session, and I should be very glad to see a committee appointed. We know from observation and from experience four years ago the great value of an investigating committee sitting during the time a campaign is on. The Kenyon committee was sitting during the time the preconvention campaign of the Republican candidates was on, and I have not the slightest doubt that the publicity which arose out of that investigation changed the result at Chicago, and I therefore naturally have a friendly feeling to the suggestion of the Senator from Montana.

Mr. ROBINSON. Will the Senator yield to a question, coupled with a brief statement?

Mr. BORAH. I yield.

Mr. ROBINSON. The Senator's amendment has not been printed, and no opportunity has been afforded Senators to study it. How is it proposed to enforce publicity if any political committee seeks to evade it?

Mr. BORAH. The second section provides punishment for failure to comply with the law.

Mr. ROBINSON. What is the punishment?

Mr. BORAH. One year's imprisonment, or $5,000 fine, or both.

Mr. ROBINSON. So that there is apparently adequate penalty attached.

Mr. BORAH. I think so.

Mr. ROBINSON. The suggestion that full publicity respecting campaign contributions be required has value. It would penalize the candidate or the political party inviting or receiving contributions from questionable sources. It would have the effect of producing a reaction in public sentiment, which would reflect itself in election results.

We all know—and I do not express this from any partisan standpoint—that one of the great political evils of the time is the apparent hold on political parties which business interests and certain organizations seek and sometimes obtain by reason of liberal campaign contributions. Many believe that when an individual or association of individuals makes large contributions for the purpose of aiding candidates of political parties in winning the elections, they expect, and sometimes demand, and occasionally, at least, receive, consideration by the beneficiaries of their contributions which not infrequently is harmful to the general public interest. It is un-

questionably an evil which ought to be dealt with, and dealt with intelligently and effectively.

One of the great difficulties, as was pointed out the other day on the occasion when the Senator from Massachusetts [Mr. WALSH] brought a related subject before this body, is the ease with which statutory provisions affecting campaign contributions are evaded. A limitation on the amount of a contribution which anyone is permitted by statute to make is easily avoided by simply dividing up the contribution and having it recorded in the names of a number of individuals. So I am inclined to think that the most effective way of preventing corrupt practices growing out of campaign contributions is to pursue a legislative policy that is calculated to require absolute publicity respecting time. If the Senator's amendment accomplishes that result, it has very substantial value.

Mr. WALSH of Massachusetts. Mr. President, I note that the amendment offered by the Senator from Idaho only requires a publication of the contribution. There is no provision requiring that contributions be listed and filed with some official of the Government. I suggest to the Senator that he consider the advisability of doing more than merely provide for the publication, but that he provide for the filing of the list of contributors with some department of the Government, the Clerk of the House, the Secretary of the Senate, or some other official.

Mr. BORAH. I have no objection to that; but I do provide that in addition to the publicity, the facts shall always be open to investigation by the public. Anybody can go and get them who wants them.

Mr. WALSH of Massachusetts. I observe that.

Mr. BORAH. I have no objection to having the list filed, but I found some difficulty in designating with whom they should be filed, so as to give the information additional publicity to what is already provided for. But if the Senator has in mind an amendment, I would accept it.

Mr. WALSH of Massachusetts. May I suggest also to the Senator that I think his amendment could be perfected by requiring the committee to file a copy of the circular or circulars used, and also the names of the collectors. In the case we discussed the other night the attempts now being made to collect a large campaign fund in Massachusetts, the language of the circular was in the teeth of the law, if not in exact violation of the law, and the circulars indicated that there was an attempt being made to corral various groups of business organizations to contribute to a large campaign fund.

It seems to me that the Senator's amendment can be broadened by including a requirement for the publication of a list of the solicitors, with the contributions, and a copy of the circulars used. I think the Senator has made a very good contribution to the discussion on the subject.

Mr. FESS. Mr. President, I would like to ask the Senator from Idaho whether his amendment would repeal the present law. If it does not, the listing of the contributions will still be required.

Mr. BORAH. It would not repeal it.

Mr. FESS. The existing law requires a listing.

Mr. WALSH of Massachusetts. I suppose the Senator from Idaho is of the same opinion now as when we discussed the matter the other night, that there is a serious question as to whether we have any law or not. The corrupt practices act was passed in 1912, and since that time a portion of it has been declared unconstitutional by the Supreme Court in the decision in the Newberry case and the other portion of the law is probably unconstitutional, because it was passed before the adoption of the amendment providing for the election of Senators by popular vote. In other words, the corrupt practices act we have now is a law which was enacted when Members of the Senate were elected by the legislatures of the various States, and it is my opinion and that of others who have studied the question that we have no corrupt practices act which would be held constitutional by the Supreme Court at the present time.

Mr. FESS. Mr. President, I recall that a committee was appointed to investigate the necessity of candidates for the Senate filing after the Supreme Court decision was rendered in the Newberry case, and my memory now is that the advice was that legally they were not required to do it, but the recommendation was that they should do it. The Senator from Massachusetts, having refreshed my memory upon that item, I think he has made a wise suggestion. At first I thought it was not necessary to list, because under the present law there is supposed to be a list filed.

Mr. WALSH of Massachusetts. In the Newberry case the Supreme Court said that Congress had no right to regulate the matter of conducting primary elections; that whatever authority they had was limited to the election itself and not to the primary election.

Mr. FESS. Mr. President, I have some knowledge of the requirements as to contributions under the law, and also as to the expenditures. Under the present law no responsible committee would accept any contribution from a corporation, for that is forbidden under the law.

Mr. WALSH of Massachusetts. Will the Senator yield?

Mr. FESS. Certainly.

Mr. WALSH of Massachusetts. Did the Senator state that even under the present law contributions from corporations are forbidden?

Mr. FESS. Yes.

Mr. WALSH of Massachusetts. I understand that under the present Federal law contributions from national banks and corporations organized under the general laws of the National Government are forbidden, but I do not understand that contributions by all corporations are forbidden, though in the several States there are provisions forbidding contributions by corporations. My own State has such a law, but my recollection is that the Federal law only forbids contributions from corporations organized under Federal laws.

Mr. FESS. My understanding is that no corporation, State or National, is permitted to make a contribution to a political committee. As the chairman of one of the committees, I frequently had such contributions returned, thinking they were unlawful.

I have sympathy with what the Senator from Idaho has in mind, the effect of publicity, but I have wondered whether it is not easy to evade that provision. Suppose I am conducting a campaign, and have some knowledge of the necessity of money for organization and educational purposes, and recognizing that it must be used in the early period of the campaign rather than waiting until the latter days, when it would be corruptly used, what would hinder me or a committee borrowing the money and soliciting the contributions just before the election?

Mr. BORAH. I think perhaps men with less ingenuity than the Senator from Ohio could evade to some extent almost any law; nevertheless, if that condition were presented under a provision such as this which I am now proposing, if it should become a part of the law, it might be very difficult for the gentleman to escape the jury's verdict, because it would be manifestly an attempt to evade the law by indirect methods, and in all probability the Senator would not be successful in doing it. I can not conceive of any law which might not be in some way evaded, of course; but this much is true, that if this becomes the law, every committee and every individual receiving money for campaign purposes, or to be used in connection with the election of an official, must report it. It has not any purpose other than that of enforcing absolutely publicity of the campaign funds and of the sources from which they come.

As I said a moment ago, there is a bill before a subcommittee of which I am the chairman, a more complete measure, dealing with the entire subject matter, but this amendment covers a feature that is not covered by that measure, and I think it is the surest remedy we can possibly have.

Mr. FESS. The use of money in our modern elections under the primary system I am sure has been abused, but at the same time I know that a certain amount of expenditure is absolutely inevitable, and just how to limit it to what is regular and to avoid all semblance of corruption is a big problem.

Mr. BORAH. I quite agree with the Senator that it is the big problem. I do not undertake here to say that certain classes of people shall not contribute nor that they shall be limited in their contributions. Under this statute if an individual candidate or party wants to assume the responsibility of collecting a large fund he or it may do so, but must take the chances with the voting public when it comes to the day of voting as to whether it will be gotten away with or not. The candidate is simply responsible to those who are electing him to office.

Mr. FESS. The Senator will recognize that under our modern primary system, with two elections in almost every State, and always two elections in congressional matters every second year, it involves a tremendous amount of expense in organization. When we use the newspapers and use the halls which must be rented and paid for when such distinguished men as the Senator from Idaho, for example, are asked to go out on the platform and make an address at any time, it can not be done on love nor good will. It costs to ride on the railroads and to live at the hotels and to rent buildings. It is inevitable. How to limit it to what is legiti-

mate is our problem. The most legitimate use of it is going to be quite large, as the Senator must know.

Mr. BORAH. All these things cost and all these things are quite proper. The amendment will not interfere with any proper conduct of a campaign of that kind in that way.

Mr. FESS. I think the Senator's idea of the publication monthly of the money to take care of the deficit is splendid. The deficit is supposed to have been a legitimate deficit and nobody ought to hesitate to make public what is being collected and for what purpose. I have wondered, however, whether the publication every 10 days preceding an election is workable, and whether it will get what the Senator desires.

Mr. ROBINSON. Mr. President, will the Senator from Ohio yield for a question?

Mr. FESS. I yield.

Mr. ROBINSON. The amendment of the Senator from Idaho does not specify any method of publicity. It merely requires the contributions to be published and apparently leaves the plan of publication to the committee itself. If it is desired—and I take it that all Senators agree that that is the case—that a full measure of publicity shall be attached to campaign contributions, why not require political committees to furnish at the times stated the information directly to rival political organizations? For instance, why not require the Democratic political committee to furnish the Republican political committee with the amount of its contributions and the names of the contributors, so as to accomplish in a practical way the object of publicity? If we are in earnest about this matter, by giving the party which is presumed to be detrimentally affected by the contribution full information regarding it, we will invite public scrutiny of the contributions themselves. In all probability we would secure very practical results.

To illustrate, if some one thinks he is going to be benefited by the policies of the Republican Party and sees fit to contribute a very large sum to its campaign, and that fact were furnished to the Democratic political committee or to the Farmer-Labor political committee, if one is organized, it would make certain that the full benefits of publicity would accrue.

Mr. BROOKHART. Would not all of the parties go and endeavor to get contributions out of him, because the fact that he contributed would be known to each of them?

Mr. ROBINSON. There is one thing certain, that it would prove, as suggested by a Senator near me a few moments ago, a practical way of securing publicity for campaign contributions. It would make certain that the public would know who were making the campaign contributions and the amount of them and have an opportunity of looking into the motives behind them.

Now, another suggestion. The amendment requires the name——

Mr. FESS. Will the Senator permit me to interrupt him a second?

Mr. ROBINSON. I think the Senator from Ohio himself has the floor.

Mr. FESS. The Senator is aware that every committee must now make a list and submit it to the Clerk of the House—I am not speaking of the Senate, but the Clerk of the House—of all the contributions received, individually listed.

Mr. ROBINSON. Yes; but there is rarely any actual publicity regarding it. In the first place, very few know of the existence of the statute. In the next place it has not operated effectively to give publicity concerning campaign contributions. But the Senator may be sure if he, as a representative of the Republican National Committee, is required to furnish to the Senator from Massachusetts [Mr. WALSH], for instance, as a representative of the Democratic National Committee, a list of his contributors and the amounts, the people will be advised if the contributions have any sinister aspect.

Mr. FESS. He can get them at any time he calls at the office of the Clerk of the House, because they are there for public inspection.

Mr. ROBINSON. No; I do not think that is true.

Mr. WALSH of Massachusetts. Mr. President, will the Senator from Arkansas yield to me?

Mr. ROBINSON. I yield, though the Senator from Ohio has the floor.

Mr. WALSH of Massachusetts. I do not think there is any question as to the fact that one may contribute all the money he desires to the election of a President and the committee or candidate would not be required to make any return to anybody. The returns under the present Federal law apply only to contributions made for the election of Senators and Representatives. In my opinion, a committee may collect campaign contributions to the election of a President or Vice President or both, and not make any return at all.

Mr. ROBINSON. Yes; I think that is true. Of course he can contribute it for one purpose and it frequently may be used for a different purpose. I do not know whether any practical method has yet been devised to prevent the evasion of the corrupt practices act, although I concede that the object is of very great importance from the standpoint of public morals and good government.

Mr. FESS. I want to make the observation that I think my friend the Senator from Massachusetts is mistaken in saying that the publication of contributions must apply only to the election of Senators and Congressmen. I believe that it applies to the election of a President just as well.

Mr. WALSH of Massachusetts. Under our Constitution the election of President is by the States and not universal national suffrage. Each State chooses electors to a convention or Electoral College and these delegates elect the President. There is a serious constitutional question as to whether we can enact a Federal corrupt practice law regulating the manner in which the several States shall elect their presidential electors. I doubt if we could do it any more than for the election of a governor. If the Senator will look at the Federal statutes he will observe that there are no references to contributions for the election of a President or Vice President. Of course, it is true that the national committee of both parties have apparently recognized the Federal corrupt practices law as binding upon them and, I believe, have usually made the returns of funds collected as required.

Mr. ROBINSON. The Senator from Massachusetts is correct about that. The statute which the Senator from Ohio has in mind relates to the elections of Members of Congress. There is another suggestion I want to make.

Mr. FESS. Before I have to sit down——

Mr. ROBINSON. I yield to the Senator from Ohio.

Mr. FESS. I thought I had the floor. However, the question is, when we are conducting an election at which there is a candidate for President and a candidate for election to the Senate and a candidate for election to the House we do not differentiate, as I happen to know that committees feel under the force of the law the necessity of making public every contribution made to them.

Mr. ROBINSON. I do not believe that is true as a matter of fact. I challenge the accuracy of that statement. I think if the facts were known or disclosed, very large or considerable sums of money have been actually used in elections in the States that have never been accounted for by the national committees, and I very much doubt whether the system of accounting which has usually been employed by the national committees themselves has been above question as to its accuracy.

The PRESIDING OFFICER. The Chair will call to the attention of the Senator from Ohio that his time has expired under the 10-minute limit.

Mr. ROBINSON. I yield to the Senator from Ohio.

Mr. FESS. I thank the Senator for his courtesy. I ask unanimous consent that the laws, which are very brief, may be read at the desk.

Mr. ROBINSON. No; I do not think the Senator should consume all of my 10 minutes by having the statutes read.

Mr. FESS. Then I ask unanimous consent that they be printed without reading, because I want to make certain that the situation is correctly understood.

Mr. ROBINSON. I have no objection to them being printed, but I would not like to have my time occupied by having them read.

The PRESIDING OFFICER. Without objection, the request of the Senator from Ohio is granted.

The statutes referred to are as follows:

LAWS RELATING TO CAMPAIGN CONTRIBUTIONS

(Public 36, Fifty-ninth Congress, approved January 26, 1907; section 118, Criminal Code, March 3, 1909; Public 274, Sixty-first Congress, approved June 25, 1910; Public 32, Sixty-second Congress, approved August 19, 1911; Public 298, Sixty-second Congress, approved August 23, 1912; Public 222, Sixty-fifth Congress, approved October 16, 1918. Printed for the use of the Secretary of the Senate)

[Report, No. 36]

An act to prohibit corporations from making money contributions in connection with political elections

Be it enacted, etc., That it shall be unlawful for any national bank or any corporation organized by authority of any laws of Congress, to make a money contribution in connection with any election to any political office. It shall also be unlawful for any corporation whatever to make a money contribution in connection with any election

at which presidential and vice presidential electors or a Representative in Congress is to be voted for or any election by any State legislature of a United States Senator. Every corporation which shall make any contribution in violation of the foregoing provisions shall be subject to a fine not exceeding $5,000, and every officer or director of any corporation who shall consent to any contribution by the corporation in violation of the foregoing provisions shall upon conviction be punished by a fine of not exceeding $1,000 and not less than $250, or by imprisonment for a term of not more than one year, or both such fine and imprisonment in the discretion of the court.

Approved, January 26, 1907.

SECTION 118 OF THE CRIMINAL CODE

(Political contributions not to be solicited by officers named.—Volume 22, page 406)

SEC. 118. No Senator or Representative in or Delegate or Resident Commissioner to Congress, or Senator, Representative, Delegate, or Resident Commissioner elect, or officer or employee of either House of Congress, and no executive, judicial, military, or naval officer of the United States, and no clerk or employee of any department, branch, or bureau of the executive, judicial, or military or naval service of the United States, shall, directly or indirectly, solicit or receive, or be in any manner concerned in soliciting or receiving, any assessment, subscription, or contribution for any political purpose whatever, from any officer, clerk, or employee of the United States, or any department, branch, or bureau thereof, or from any person receiving any salary or compensation from moneys derived from the Treasury of the United States.

[Public, No. 274]

An act (H. R. 2250) providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected

Be it enacted, etc., That the term "political committee" under the provisions of this act shall include the national committees of all political parties and the national congressional campaign committees of all political parties, and all committees, associations, or organizations which shall in two or more States influence the result or attempt to influence the result of an election at which Representatives in Congress are to be elected.

SEC. 2. That every political committee as defined in this act shall have a chairman and a treasurer. It shall be the duty of the treasurer to keep a detailed and exact account of all money or its equivalent received by or promised to such committee or any member thereof, or by or to any person acting under its authority or in its behalf, and the name of every person, firm, association, or committee from whom received, and of all expenditures, disbursements, and promises of payment or disbursement made by the committee or any member thereof, or by any person acting under its authority or in its behalf, and to whom paid, distributed, or disbursed. No officer or member of such committee, or other person acting under its authority or in its behalf, shall receive any money or its equivalent, or expend or promise to expend any money on behalf of such committee, until after a chairman and treasurer of such committee shall have been chosen.

SEC. 3. That every payment or disbursement made by a political committee exceeding $10 in amount be evidenced by a receipted bill stating the particulars of expense, and every such record, voucher, receipt, or account shall be preserved for 15 months after the election to which it relates.

SEC. 4. That whoever, acting under the authority or in behalf of such political committee, whether as a member thereof or otherwise, receives any contribution, payment, loan, gift, advance, deposit, or promise of money or its equivalent shall, on demand, and in any event within five days after the receipt of such contribution, payment, loan, gift, advance, deposit, or promise, render to the treasurer of such political committee a detailed account of the same, together with the name and address from whom received, and said treasurer shall forthwith enter the same in a ledger or record to be kept by him for that purpose.

SEC. 5. That the treasurer of every such political committee shall, within 30 days after the election at which Representatives in Congress were chosen in two or more States, file with the Clerk of the House of Representatives at Washington, D. C., an itemized, detailed statement, sworn to by said treasurer and conforming to the requirements of the following section of this act. The statement so filed with the Clerk of the House of Representatives shall be preserved by him for 15 months, and shall be a part of the public records of his office, and shall be open to public inspection.

SEC. 6. That the statements required by the preceding section of this act shall state:

First. The name and address of each person, firm, association, or committee who or which has contributed, promised, loaned, or advanced to such political committee, or any officer, member, or agent thereof, either in one or more items, money or its equivalent of the aggregate amount or value of $100 or more.

Second. The total sum contributed, promised, loaned, or advanced to such political committee, or to any officer, member, or agent thereof, in amounts less than $100.

Third. The total sum of all contributions, promises, loans, and advances received by such political committee or any officer, member, or agent thereof.

Fourth. The name and address of each person, firm, association, or committee to whom such political committee, or any officer, member, or agent thereof, has disbursed, distributed, contributed, loaned, advanced, or promised any sum of money or its equivalent of the amount or value of $10 or more, and the purpose thereof.

Fifth. The total sum disbursed, distributed, contributed, loaned, advanced, or promised by such political committee, or any officer, member, or agent thereof, where the amount or value of such disbursement, distribution, loan, advance, or promise to any one person, firm, association, or committee in one or more items is less than $10.

Sixth. The total sum disbursed, distributed, contributed, loaned, advanced, or promised by such political committee or any officer, member, or agent thereof.

SEC. 7. That every person, firm, association, or committee, except political committees as hereinbefore defined, that shall expend or promise any sum of money or other thing of value amounting to $50 or more for the purpose of influencing or controlling, in two or more States, the result of an election at which Representatives to the Congress of the United States are elected, unless he or it shall contribute the same to a political committee as hereinbefore defined, shall file the statements of the same under oath, as required by section 6 of this act, in the office of the Clerk of the House of Representatives at Washington, D. C., which statements shall be held by said Clerk in all respects as required by section 5 of this act.

SEC. 8. That any person may in connection with such election incur and pay from his own private funds for the purpose of influencing or controlling, in two or more States, the result of an election at which Representatives to the Congress of the United States are elected, all personal expenses for his traveling and for purposes incidental to traveling, for stationery and postage, and for telegraph and telephone service without being subject to the provisions of this act.

SEC. 9. That nothing contained in this act shall limit or affect the right of any person to spend money for proper legal expenses in maintaining or contesting the results of any election.

SEC. 10. That every person willfully violating any of the foregoing provisions of this act shall, upon conviction, be fined not more than $1,000 or imprisoned not more than one year, or both.

Approved, June 25, 1910.

[Public, No. 32]

An act (H. R. 2958) to amend an act entitled "An act providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected" and extending the same to candidates for nomination and election to the offices of Representative and Senator in the Congress of the United States, and limiting the amount of campaign expenses

Be it enacted, etc., That sections 5, 6, and 8 of an act entitled "An act providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected," approved June 25, 1910, be, and the same are hereby, amended to read as follows:

"SEC. 5. That the treasurer of every such political committee shall, not more than 15 days and not less than 10 days next before an election at which Representatives in Congress are to be elected in two or more States, file in the office of the Clerk of the House of Representatives at Washington, D. C., with said Clerk, an itemized detailed statement; and on each sixth day thereafter until such election said treasurer shall file with said Clerk a supplemental itemized detailed statement. Each of said statements shall conform to the requirements of the following section of this act, except that the supplemental statement herein required need not contain any item of which publicity is given in a previous statement. Each of said statements shall be full and complete, and shall be signed and sworn to by said treasurer.

"It shall also be the duty of said treasurer to file a similar statement with said Clerk within 30 days after such election, such final statement also to be signed and sworn to by said treasurer and to conform to the requirements of the following section of this act. The statements so filed with the Clerk of the House shall be preserved by him for 15 months and shall be a part of the public records of his office and shall be open to public inspection.

"SEC. 6. That the statements required by the preceding section of this act shall state:

"First. The name and address of each person, firm, association, or committee who or which has contributed, promised, loaned, or advanced to such political committee, or any officer, member, or agent

thereof, either in one or more items, money or its equivalent of the aggregate amount or value of $100 or more, and the amount or sum contributed, promised, loaned, or advanced by each.

"Second. The aggregate sum contributed, promised, loaned or advanced to such political committee, or to any officer, member, or agent thereof, in amounts of less than $100.

"Third. The total sum of all contributions, promises, loans, and advances received by such political committee, or any officer, member, or agent thereof.

"Fourth. The name and address of each person, firm, association, or committee to whom such political committee, or any officer, member, or agent thereof, has distributed, disbursed, contributed, loaned, advanced, or promised any sum of money or its equivalent of the amount or value of $10 or more, stating the amount or sum distributed, disbursed, contributed, loaned, advanced, or promised to each, and the purpose thereof.

"Fifth. The aggregate sum distributed, disbursed, contributed, loaned, advanced, or promised by such political committee, or any officer, member, or agent thereof, where the amount or value of such distribution, disbursement, loan, advance, or promise to any one person, firm, association, or committee in one or more items is less than $10.

"Sixth. The total sum disbursed, distributed, contributed, loaned, advanced, or promised by such political committee, or any officer, member, or agent thereof.

"SEC. 8. That any person may in connection with such election incur and pay from his own private funds for the purpose of influencing or controlling, in two or more States, the results of an election at which Representatives to the Congress of the United States are elected, all necessary personal expenses for his traveling, for stationery and postage, and for telegraph and telephone service without being subject to the provisions of this act."

SEC. 2. That section 8, as above amended, and sections 9 and 10 of said act be renumbered as sections 9, 10, and 11, and that a new section be inserted after section 7 of the said original act, to read as follows:

"SEC. 8. The word 'candidate' as used in this section shall include all persons whose names are presented for nomination for Representative or Senator in the Congress of the United States at any primary election or nominating convention, or for indorsement or election at any general or special election held in connection with the nomination or election of a person to fill such office, whether or not such persons are actually nominated, indorsed, or elected.

"Every person who shall be a candidate for nomination at any primary election or nominating convention, or for election at any general or special election, as Representative in the Congress of the United States, shall, not less than 10 nor more than 15 days before the day for holding such primary election or nominating convention, and not less than 10 nor more than 15 days before the day of the general or special election at which candidates for Representatives are to be elected, file with the Clerk of the House of Representatives at Washington, D. C., a full, correct, and itemized statement of all moneys and things of value received by him or by anyone for him with his knowledge and consent, from any source, in aid or support of his candidacy, together with the names of all those who have furnished the same in whole or in part; and such statement shall contain a true and itemized account of all moneys and things of value given, contributed, expended, used, or promised by such candidate, or by his agent, representative, or other person for and in his behalf with his knowledge and consent, together with the names of all those to whom any and all such gifts, contributions, payments, or promises were made, for the purpose of procuring his nomination or election.

"Every person who shall be a candidate for nomination at any primary election or nominating convention, or for indorsement at any general or special election, or election by the legislature of any State, as Senator in the Congress of the United States, shall, not less than 10 nor more than 15 days before the day for holding such primary election or nominating convention, and not less than 10 nor more than 15 days before the day of the general or special election at which he is seeking indorsement, and not less than 5 nor more than 10 days before the day upon which the first vote is to be taken in the two houses of the legislature before which he is a candidate for election as Senator, file with the Secretary of the Senate at Washington, D. C., a full, correct, and itemized statement of all moneys and things of value received by him or by anyone for him with his knowledge and consent, from any source, in aid or support of his candidacy, together with the names of all those who have furnished the same in whole or in part; and such statement shall contain a true and itemized account of all moneys and things of value given, contributed, expended, used, or promised by such candidate, or by his agent, representative, or other person for and in his behalf with his knowledge and consent, together with the names of all those to whom any and all such gifts, contributions, payments, or promises were made for the purpose of procuring his nomination or election.

"Every such candidate for nomination at any primary election or nominating convention, or for indorsement or election at any general or special election, or for election by the legislature of any State, shall, within 15 days after such primary election or nominating convention, and within 30 days after any such general or special election, and within 30 days after the day upon which the legislature shall have elected a Senator, file with the Clerk of the House of Representatives or with the Secretary of the Senate, as the case may be, a full, correct, and itemized statement of all moneys and things of value received by him or by anyone for him with his knowledge and consent, from any source, in aid or support of his candidacy, together with the names of all those who have furnished the same in whole or in part; and such statement shall contain a true and itemized account of all moneys and things of value given, contributed, expended, used, or promised by such candidate, or by his agent, representative, or other person for and in his behalf with his knowledge and consent, up to, on, and after the day of such primary election, nominating convention, general or special election, or election by the legislature, together with the names of all those to whom any and all such gifts, contributions, payments, or promises were made for the purpose of procuring his nomination, indorsement, or election.

"Every such candidate shall include therein a statement of every promise or pledge made by him, or by anyone for him with his knowledge and consent or to whom he has given authority to make any such promise or pledge, before the completion of any such primary election or nominating convention or general or special election or election by the legislature, relative to the appointment or recommendation for appointment of any person to any position of trust, honor, or profit, either in the county, State, or Nation, or in any political subdivision thereof, or in any private or corporate employment, for the purpose of procuring the support of such person or of any person in his candidacy, and if any such promise or pledge shall have been made the name or names, the address or addresses, and the occupation or occupations, of the person or persons to whom such promise or pledge shall have been made, shall be stated, together with a description of the position relating to which such promise or pledge has been made. In the event that no such promise or pledge has been made by such candidate, that fact shall be distinctly stated.

"No candidate for Representative in Congress or for Senator of the United States shall promise any office or position to any person, or to use his influence or to give his support to any person for any office or position for the purpose of procuring the support of such person, or of any person, in his candidacy; nor shall any candidate for Senator of the United States give, contribute, expend, use, or promise any money or thing of value to assist in procuring the nomination or election of any particular candidate for the legislature of the State in which he resides, but such candidate may, within the limitations and restrictions and subject to the requirements of this act, contribute to political committees having charge of the disbursement of campaign funds.

"No candidate for Representative in Congress or for Senator of the United States shall give, contribute, expend, use, or promise, or cause to be given, contributed, expended, used, or promised, in procuring his nomination and election, any sum, in the aggregate, in excess of the amount which he may lawfully give, contribute, expend, or promise under the laws of the State in which he resides: *Provided*, That no candidate for Representative in Congress shall give, contribute, expend, use, or promise any sum, in the aggregate, exceeding $5,000 in any campaign for his nomination and election; and no candidate for Senator of the United States shall give, contribute, expend, use, or promise any sum, in the aggregate, exceeding $10,000 in any campaign for his nomination and election: *Provided further*, That money expended by any such candidate to meet and discharge any assessment, fee, or charge made or levied upon candidates by the laws of the State in which he resides, or for his necessary personal expenses, incurred for himself alone, for travel and subsistence, stationery and postage, writing or printing (other than in newspapers) and distributing letters, circulars, and posters, and for telegraph and telephone service, shall not be regarded as an expenditure within the meaning of this section, and shall not be considered any part of the sum herein fixed as the limit of expense and need not be shown in the statements herein required to be filed.

"The statements herein required to be made and filed before the general election, or the election by the legislature at which such candidate seeks election, need not contain items of which publicity is given in a previous statement, but the statement required to be made and filed after said general election or election by the legislature shall, in addition to an itemized statement of all expenses not theretofore given publicity, contain a summary of all preceding statements.

"Any person, not then a candidate for Senator of the United States, who shall have given, contributed, expended, used, or promised any money or thing of value to aid or assist in the nomination or election of any particular member of the legislature of the State in which he resides, shall, if he thereafter becomes a candidate for such office, or if he shall thereafter be elected to such office without becoming a candidate therefor, comply with all of the provisions of

this section relating to candidates for such office, so far as the same may be applicable; and the statement herein required to be made, verified, and filed after such election shall contain a full, true, and itemized account of each and every gift, contribution, expenditure, and promise whenever made, in any wise relating to the nomination or election of members of the legislature of said State, or in any wise connected with or pertaining to his nomination and election of which publicity is not given in a previous statement.

"Every statement herein required shall be verified by the oath or affirmation of the candidate, taken before an officer authorized to administer oaths under the laws of the State in which he is a candidate, and shall be sworn to or affirmed by the candidate in the district in which he is a candidate for Representative, or the State in which he is a candidate for Senator in the Congress of the United States: *Provided*, That if at the time of such primary election, nominating convention, general or special election, or election by the State legislature said candidate shall be in attendance upon either House of Congress as a Member thereof, he may at his election verify such statements before any officer authorized to administer oaths in the District of Columbia: *Provided further*, That the depositing of any such statement in a regular post office, directed to the Clerk of the House of Representatives or to the Secretary of the Senate, as the case may be, duly stamped and registered within the time required herein shall be deemed a sufficient filing of any such statement under any of the provisions of this act.

"This act shall not be construed to annul or vitiate the laws of any State not directly in conflict herewith relating to the nomination or election of candidates for the offices herein named, or to exempt any such candidate from complying with such State laws."

Approved, August 19, 1911.

[Public, No. 298]

An act (H. R. 26278) amending paragraph 10 of section 8 of an act entitled "An act providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected," approved June 25, 1910, as amended by section 2 of an act entitled "An act to amend an act entitled 'An act providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected' and extending the same to candidates for nomination and election to the offices of Representative and Senator in the Congress of the United States and limiting the amount of campaign expenses," approved August 19, 1911

Be it enacted, etc., That paragraph 10 of section 8 of an act entitled "An act providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected," approved June 25, 1910, as amended by section 2 of an act entitled "An act to amend an act entitled 'An act providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected,' and extending the same to candidates for nomination and election to the offices of Representative and Senator in the Congress of the United States and limiting the amount of campaign expenses," approved August 19, 1911, be, and the same is hereby, amended so as to read as follows:

"Every statement herein required shall be verified by the oath or affirmation of the candidate, taken before an officer authorized to administer oaths; and the depositing of any such statement in a regular post office, directed to the Clerk of the House of Representatives, or to the Secretary of the Senate, as the case may be, duly stamped and registered, within the time required herein, shall be deemed a sufficient filing of any such statement under any of the provisions of this act."

Approved, August 23, 1912.

[Public, No. 222, Sixty-fifth Congress]

An act (S. 3438) to prevent corrupt practices in the election of Senators, Representatives, or Delegates in Congress

Be it enacted, etc., That whoever shall promise, offer, or give, or cause to be promised, offered, or given, any money or other thing of value, or shall make or tender any contract, undertaking, obligation, gratuity, or security for the payment of money or for the delivery or conveyance of anything of value to any person, either to vote or withhold his vote or to vote for or against any candidate, or whoever solicits, accepts, or receives any money or other thing of value in consideration of his vote for or against any candidate for Senator or Representative or Delegate in Congress at any primary or general or special election, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

Approved, October 16, 1918.

Mr. ROBINSON. The amendment submitted by the Senator from Idaho requires publicity as to the names of contributors. That information would not be adequate and it ought to be accompanied with a requirement as to residence and official position, if any, of the contributor. I shall move at the proper time an amendment to that effect, but let me now point it out for the consideration of the Senator from Idaho and perhaps he will accept it.

In one State that I know of every postmaster who has been selected during the last three years has been required—get the word now, "required"—in violation of the spirit of the law by a political committee to make contribution to the campaign fund of the political organization with which he is affiliated.

Mr. CARAWAY. And he must do that before he gets his job.

Mr. ROBINSON. And if he refuses to do it after he has been promised the post office, in a number of instances he has been denied the appointment. That, Mr. President, is one of the worst of abuses. That applies to the appointment of postmasters, and it has not been confined to postmasters alone, but every political appointee has been required to make contributions in advance of receiving appointment to office. Some have been assessed a fixed sum according to the value of their office, and a percentage of the estimated earnings of the office or the salary has been extorted from them in consideration of receiving the office.

Mr. STERLING. That is true, irrespective of what party is in power.

Mr. ROBINSON. I do not understand that that is the case. I am not speaking now from a partisan standpoint. I did not anticipate that anyone would raise a partisan issue because this subject is of very great importance to the public as a whole. It relates to the integrity of the Government. At various times these contributions have been solicited by some one who is forbidden by law to solicit campaign contributions. I could give many instances, and my colleague can do the same thing, in one State where postmasters now in office were informed in advance of appointment that they were expected to pay a certain amount.

Mr. CARAWAY. Mr. President——

Mr. ROBINSON. I yield to my colleague.

Mr. CARAWAY. I merely wish to call the attention of my colleague to one case where a man who had been promised the office of postmaster neglected to make his contribution. He was in a barber shop getting shaved one Saturday afternoon, and the collector went in there and made him quit in the midst of that operation and go out and raise the money. He said if he did not he was going to let another man have the office. As I understand it, he went out with half his whiskers off.

Mr. ROBINSON. This practice is general and it is wrong, Mr. President. If it has been indulged in by both political parties or organizations, it ought to be stopped and prevented, if it be in the power of those who legislate to accomplish that end.

Mr. FESS. Mr. President, will the Senator yield to me?

Mr. ROBINSON. I yield to the Senator from Ohio with pleasure.

Mr. FESS. Is it not a fact that it is against the law for a postmaster to solicit any contributions?

Mr. ROBINSON. I made that statement a moment ago.

Mr. FESS. I beg pardon.

Mr. ROBINSON. Not only is it contrary to law to solicit contributions from postmasters, but the party in interest whom I have in mind who made the solicitation was expressly forbidden by law to solicit campaign contributions because of an official position which he held; but if we shall put into the amendment of the Senator from Idaho a provision requiring to be given not only the name of the contributor but also his residence and the official position that he occupies, so that it shall be made plain, for instance, that the contributor is John Smith, postmaster at Birmingham, Ala., we shall get information that is of value.

Of course there are methods of evading even such provisions as that which I am suggesting. They will occur to those who are in the habit of applying evasive processes, but——

Mr. KENDRICK rose.

Mr. ROBINSON. I shall yield to the Senator from Wyoming in just one moment.

But it would, in my opinion, add to the value of the amendment to require that the residence of the contributor and his official position, if he holds one, be also stated, so that the public could know the sources of campaign contributions and the relationship of the contributors to the committees to which they make contributions. Now I yield to the Senator from Wyoming.

Mr. KENDRICK. In view of the fact that the Senator from Arkansas has stated that these collections are often made in advance, I wonder if the contributor would be described in that event as the "would-be postmaster"?

Mr. ROBINSON. No; I apprehend, though, that if he made a contribution and it subsequently appeared that he received

an office, it would at least be inferential that his contribution did not prevent him from obtaining official recognition, not to say that it assisted him in doing so. The publicity which would result would be of increased value.

Mr. DIAL. Mr. President——

Mr. ROBINSON. I yield to the Senator from South Carolina.

Mr. DIAL. What would the Senator do in the kind of case where a trade is made for an office, and a sum of money is paid, and the negotiations are instituted for additional payments, and the statement is made that nothing can be done unless more is paid? There are cases of that kind.

Mr. ROBINSON. Perhaps the question of public policy would arise if an action were brought for the breach of such a contract. Some one has humorously suggested that a suit for "specific performance" might be instituted, all of which goes to show the difficulty in dealing with this subject effectively so as to prevent the evasions of the statute.

Mr. SMITH. Mr. President——

Mr. ROBINSON. I yield to the Senator from South Carolina.

Mr. SMITH. I have some knowledge of rumors, which perhaps could be proven, along the line indicated by the Senator from Arkansas and by my colleague, but, as the matter appears to me, if it be unlawful for the postmasters to contribute under certain circumstances and for others to solicit, if they are already performing an unlawful act, would they not find a means to cover up their practices?

Mr. ROBINSON. Yes; the contributions might be taken from the wife of the postmaster.

Mr. SMITH. Exactly.

Mr. ROBINSON. Or, for further instance, the grandmother of the postmaster, or the niece of the postmaster.

Mr. SMITH. They might take contributions from the postmaster himself. What I was thinking about was they might find some other individual in the community who would make the collections and return them. I should like to see the law so amended that we might find out the source of the contribution.

The PRESIDENT pro tempore. The time of the Senator from Arkansas on the amendment has expired.

Mr. EDGE. Mr. President, I am in entire sympathy with the object sought to be attained by this amendment, but the discussion which has followed it and the various suggestions which have been made, it seems to me, demonstrate very conclusively that the amendment now before the Senate is not perfected to the extent that it could be perfected if more time and consideration were given to it, and that it should not be attached to the pending bill.

Some reference has been made to the beneficial effects of a committee appointed four years ago to investigate contributions and expenditures of candidates for the Presidency. I happened to be a member of that committee, and I am glad to hear expressions to the effect that the committee accomplished good; I myself likewise think it had such a result. I think the object sought to be covered by the amendment is very important if we are going to attempt to legislate on the question of corrupt practices, but certainly it does not belong to a postal salary increase bill. It is all right as the subject for an hour or so of discussion, or many hours discussion, because of its importance, which no one minimizes; but the facts are the parliamentary situation which would naturally result if this amendment were adopted and attached to the pending bill would hardly be advantageous to the bill itself. The bill, I assume, will have to go to conference, inasmuch as the House considered and passed quite a different postal salary measure than that reported to the Senate, and the addition of the proposed amendment would put the conferees of the two Houses in the position of considering the very involved subject of corrupt practices as well as the meritorious increases in the salaries of the post-office employees. While in full sympathy with a proper, strong, and sound amendment or a new statute covering this most important question, I certainly do not think it should be made a part of the postal salary increase bill.

Mr. McKELLAR. Mr. President, I am in very hearty sympathy with the proposal of the Senator from Idaho to have publicity of campaign contributions. I think that the amendment ought to be adopted, and I do not think that the Senator from New Jersey is correct in stating that it has no place on this bill. I remember well after I became a Member of the House of Representatives a number of years ago that on the post office appropriation bill were enacted some of the best pieces of legislation that have ever been passed by Congress. This amendment is in order on this bill; the session is growing very late; and if we are going to have publicity of campaign contributions something must be done at a very early date.

I was delighted to hear the Senator from Idaho, who is chairman of the subcommittee considering a bill which I introduced some time ago limiting campaign contributions, say that he thought the committee would report that bill within a few days. I am gratified to hear that; and I hope the bill may be reported to the Senate and that it may be enacted into law.

Mr. McKINLEY. Mr. President——

Mr. McKELLAR. I yield to the Senator from Illinois.

Mr. McKINLEY. The population of the State of Idaho is about 420,000 and of the State of New York about 11,000,000. The bill of the Senator from Tennessee provides that the same amount may be expended for campaign purposes in New York as may be expended in Idaho. Does the Senator think that is fair?

Mr. McKELLAR. Perhaps not; but if the committee that has it in charge or the Senator from Illinois can show any element of unfairness about it, I have no pride of authorship in the bill at all, and I will be glad to accept an amendment which will make it fair and just to all the States of the Union as well as those who may be concerned.

The truth is, Mr. President, that in the last national campaign one of the political parties expended a gross amount of $9,700,000, and another one of the political parties spent $2,500,000. Both of those sums are tremendously in excess of what any political party ought to spend in an election. The proposal which I have submitted to the Senate limits the amount that may be expended by a political party in the national campaign to $1,000,000. I think that is enough. If we are going to have honesty in elections and honesty in Government, some method of limiting campaign contributions ought to be devised and put into effect.

I am not going to discuss this afternoon the proposal which I have submitted to the Senate; but I do wish to say that publicity such as is proposed in the amendment of the Senator from Idaho will be one of the most potent factors in producing honesty in campaign expenditures. It will, to a tremendous degree, reduce the amount spent corruptly, and it should be adopted. We ought not to take any chances on it. I hope the Senator from New Jersey will withdraw his objection to the amendment, for we ought to do something in this regard. If the plan of those on both sides of the Chamber shall mature, we have only about two weeks in which to pass this much-needed legislation. This is the year of the presidential election and we ought to pass this legislation. I hope that the amendment of the Senator from Idaho will be agreed to.

Mr. SMOOT. Mr. President, I read over the amendment of the Senator from Idaho very hurriedly, but was immediately called out of the Chamber and did not have the pleasure of hearing the Senator from Idaho explain the details of the amendment. I asked him if it applied to primary elections and he replied that it did not. It seems to me, Mr. President, if we are going to have any publicity of campaign contributions at all, that publicity ought to apply all along the line.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. SMOOT. Yes.

Mr. McKELLAR. The Senator understands that in the Newberry case the Supreme Court of the United States, whose decisions are final and binding on us, held that Congress has no authority under our Constitution to regulate primary elections.

Mr. SMOOT. I knew of the decision of the Supreme Court in the Newberry case, but I thought, notwithstanding that decision, a measure could be drawn in some other form than that in which the previous act was drawn and presented to the Supreme Court that would be constitutional. If expenditures made in a primary election are not to be made public to the people of the United States, what is the use of having the publication merely of the expenditures in the elections themselves? Practically everywhere in the South the primary is equivalent to the election; the battle is fought in the primary; and that is where the money is expended, and not in the election at all.

Mr. McKELLAR. That is not correct in my State, and I happen to be from a Southern State. We have a right hot fight there occasionally in the election following the primary.

Mr. SMOOT. There may be a very few spots in Tennessee and perhaps in Kentucky where there is money spent in the election as well as in the primary.

Mr. McKELLAR. I greatly regret to have to make the humiliating statement that considerable money was spent in Ten-

nessee by the Republicans in the last national election. So the Senator from Utah is not correct in his statement.

Mr. SMOOT. I said there were probably a few spots in Tennessee and also in Kentucky where money is expended in election campaigns because of the fact that there is a real election in those States, but the Senator knows that in all the other Southern States the primary is equivalent to the election.

Mr. OVERMAN. It is not so in my State.

Mr. SMOOT. I do not know, of course, how much money may be spent in North Carolina, but very little, I imagine, including both the Republican and the Democratic Parties.

Mr. OVERMAN. Two hundred thousand Republican votes are cast in the State.

Mr. SMOOT. But it is a Democratic State. When the Senator is nominated in the primary of North Carolina he knows he is as good as elected. Perhaps it may happen once in a lifetime, by some accident, that the primary does not settle the election, but such instances are very rare.

So, Mr. President, it seems to me that if this amendment shall be adopted, a third of the United States will not be affected in any way, shape, or form by it. If some kind of a law could be passed so worded as to require the publication of expenses in both primary and election campaigns it would be much fairer to all political parties.

I do not know whether that can be done or not, and I do not know whether the Senator from Idaho has undertaken to work out a plan along that line, or whether it would be constitutional; but no one can say that a comparison between the amount of money expended by the Republican Party and the amount of money expended by the Democratic Party in connection with the election of a President of the United States is a fair comparison.

Mr. CARAWAY. No; it always takes more to elect a Republican.

Mr. OVERMAN. The Republicans have to pay the expenses of the delegates from the South.

Mr. CARAWAY. And there is a reason for that.

Mr. SMOOT. Oh, certainly; the Senator can give his reasons and so can I. I have already stated one of the reasons, and that is that nobody knows what is expended in the primaries, and that is where the election is made in the Southern States. If some law that would be constitutional could be passed to cover that, I think it ought to be done.

Mr. LODGE. Mr. President, before the Senator from Utah takes his seat let me say that surely our existing law in regard to expenditures covers primaries as well as elections. There is a great deal of money spent in primaries, and there ought to be returns from primaries everywhere in the country just the same as from elections.

Mr. SMOOT. I agree with the Senator; and as far as the State of Utah is concerned it does not make any difference whether a President is running on the ticket or is being voted for or not. Every dollar of contributions is made public, and the source from which it is received. The fact that somebody has given $100 or $200 toward electing a certain President does not bar the committee in the State of Utah from making that contribution public, and it is always done.

Mr. WADSWORTH. Mr. President, let me say at the outset that I am very much in favor of the general tenor of this amendment; but I desire to call the attention of the Senator from Idaho [Mr. BORAH] and other Senators who take an interest in it to a situation which has never yet been covered by a Federal statute.

Our statute as it reads to-day, as I recollect it, for example, provides a limitation upon the amount of money which may be spent to secure an election, and there are provisions of State laws which limit the amount of money which may be spent by a political committee in furtherance of the election of a candidate; but very few States have any law which limits the amount of money which can be spent in opposition to a candidate, and time and time again groups of people organize themselves for the purpose not of advancing the election of a candidate but of defeating a certain candidate. The thing has grown into an abuse, and considerably so because by that device all limitation is avoided.

Perhaps Senators will forgive me the relation of a personal experience. The last time I was a candidate for office a certain organization which under the provisions of the corrupt practices act, we will say, of the State of New York did not fall within the definition of a political committee, by its own announcement flooded the State of New York with 10,000,000 circulars not favoring any person for a certain office, but denouncing a certain person and demanding his defeat, and no obligation rested upon them to make any accounting for the money spent for the 10,000,000 circulars or for any other kind of expenditure. It is the easiest thing in the world to beat this game by those tactics.

Mr. BORAH. Mr. President, what amendment does the Senator suggest?

Mr. WADSWORTH. I would express the idea that not only shall these reports be made for contributions received in furtherance of a candidacy but for contributions received in opposition to a candidacy.

Mr. BORAH. I think the language of the amendment at present will cover that.

Mr. WADSWORTH. I am not certain about that.

Mr. BORAH. If it does not, I shall be glad to change it.

Mr. WADSWORTH. It reads:

That all committees—

And the committee is not defined—

local, State, or National, and all persons or parties—

I am not clear as to whether "persons or parties" would cover it or not—

having any part or share in the election or in the campaign for the election of Members of Congress—

These people will say that they are taking no part in electing a Member of Congress. They will say that they are simply taking part in preventing the election of a Congressman, and that is what they do.

Mr. BORAH. I shall be very glad to change the amendment so as to cover the matter. The words "having any part or share in the election" would cover it, but if the Senator wants it made fuller I shall be glad to make it so.

Mr. CARAWAY. Mr. President, I find myself in hearty sympathy with the idea suggested by the Senator from New York. Why not have the provision apply to any party or group of people or organization that attempts to influence public opinion?

Mr. WADSWORTH. That is the sort of language that should be inserted in a corrupt practices act.

Mr. WALSH of Massachusetts. Mr. President, that is the language of the present law. The exact words are "to influence the result."

Mr. WADSWORTH. I think the Senator will find that it says "in furtherance of a candidacy."

Mr. WALSH of Massachusetts. The first paragraph of the general law, passed June 10, 1910—it has been somewhat amended since—says:

That the term "political committee" under the provisions of this act shall include the national committees of all political parties and the national congressional campaign committees of all political parties and all committees, associations, or organizations, which shall, in two or more States——

Mr. WADSWORTH. Two or more States!

Mr. WALSH of Massachusetts. It has to be committees influencing elections in two or more States.

Mr. WADSWORTH. There you fall down.

Mr. WALSH of Massachusetts. I continue reading:

Which shall in two or more States influence the result or attempt to influence the result of an election at which Representatives in Congress are to be elected——

Mr. WADSWORTH. Yes; but the "two or more States" vitiates the whole thing.

Mr. WALSH of Massachusetts. I agree the Federal authority is limited. I believe the best way to reach the election abuses is through State legislation, because it is doubtful if you can pass a Federal law unless it applies to committees interested in elections being held in more than one State. You have to have it apply to political committees taking part in the election in two or more States. Of course, we can pass corrupt practices laws that apply to the elections of Senators and Representatives only.

Mr. WADSWORTH. Then this amendment is not in order. This amendment does not contain the implication that it shall apply only to persons operating in two or more States.

Mr. WALSH of Massachusetts. It applies to organizations or committees that are receiving contributions for the election of Federal officials. It attempts to get a public record of all contributions. It certainly will be construed by the public as requiring public information from national political organizations.

Mr. WADSWORTH. Mr. President, for the purpose of clarification, may I ask the Senator from Idaho about this particular phrase:

The amendment says that these committees—

Shall publish at the end of each 10 days a financial report.

When does the first 10 days start?

Mr. BORAH. It would start as soon as the committee was organized.

Mr. WADSWORTH. Yes; but persons do not have to be organized. When do they start?

Mr. BORAH. They would necessarily have to start 10 days after they began to do business for a candidate.

Mr. STANLEY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Kentucky?

Mr. WADSWORTH. I yield.

Mr. STANLEY. I wish to ask the Senator from Idaho [Mr. BORAH] a question. In the case cited by the Senator from New York, where he was a candidate for the Senate, and money was spent to secure his defeat, in the event those contributions were made by citizens of New York to committees organized within the State of New York, does the Senator's amendment reach them?

Mr. BORAH. Yes; if they have to do with the election of a Federal officer.

Mr. BROUSSARD. But, Mr. President, if the Senator will allow me to ask a question, does this amendment cover organizations that are not engaged in the election of Members of the Senate and of the House?

Mr. BORAH. It covers, in my opinion, all that we can cover under the decision in the Newberry case. It covers the election of all Federal officials. It does not cover, of course, the election of State officials nor can it do so.

Mr. BROUSSARD. No; I think the Senator misunderstood my question. I am asking whether this amendment would cover the case stated by the Senator from New York, where an organization becomes interested in the defeat of a candidate. It is not urging any candidacy, nor is it a political party.

Mr. BORAH. This does not limit it. It refers to any committee—it does not have to be a political committee—or any individual:

That all committees—local, State, or National—and all persons or parties having any part or share in the election or in the campaign for the election——

Mr. BROUSSARD. I have never seen the amendment.

Mr. BORAH. I think that language covers it, but I should be very glad to have fuller language.

Mr. WADSWORTH. They are very adroit people, and I imagine they would contend that taking part in the election of a Member of Congress meant furthering the election of a Member of Congress.

Mr. BORAH. They could not contend that, because this amendment says "taking part in the election," and these people certainly are taking part in the election.

Mr. WADSWORTH. We have had a little experience with them in New York, because they attempted to declare themselves out from under the New York State corrupt practices act, and they had to be haled into court, and the decision is now, I think, still waited for as to whether or not they were a political committee or a group of persons engaged in a political activity under the meaning of the New York statute. The thing has grown up into a very great abuse; and there is more spending of money in that way these days, I believe, on the quiet, where it can not be gotten after, than in many a legitimate channel of political expenditure.

Mr. BORAH. If they were opposing a candidate, they could not successfully contend that they were not taking part in his election.

Mr. WADSWORTH. And may I add that they make no returns under the present statutes.

Mr. BORAH. I should want to cover that situation. I think I have, but if I have not I should be glad to have the proper amendment suggested.

Mr. EDGE. Mr. President, does not the Senator realize, in view of these suggestions, which are intended to be very helpful, that his amendment—which has not even been printed, and can not be familiar to the Senators—needs further consideration, rather than being tacked on to a bill for conference consideration?

Mr. BORAH. No; I do not realize that. Others may, but I have given considerable time to the amendment, and I think it covers what is desired.

Mr. EDGE. The Senator probably has.

Mr. BORAH. If the Senate feels as the Senator indicates, they can vote down the amendment.

I understand that the Senator from Massachusetts [Mr. WALSH] has an amendment to offer.

Mr. WALSH of Massachusetts. Mr. President, I think the field in which the National Government can legislate on this subject is somewhat limited. It is my opinion that the State governments have very nearly absolute control over the manner of electing presidential electors, Senators, and Members of the House of Representatives. I think it is largely, if not solely, a State function. Most of the States have passed corrupt practices acts dealing with the question, but these laws are not uniform and apparently are rarely enforced.

But the National Government has attempted to regulate the manner in which money shall be raised and spent for the electing of Senators and of Members of the House of Representatives. These laws are chaotic, if not unconstitutional, and it is a serious question whether we now have any law that the courts would uphold.

I think the amendment offered by the Senator from Idaho [Mr. BORAH] will certainly do no harm, and should do a great deal of good. It will be notice to political organizations on the eve of a presidential election that Congress desires the public to know the amount of money that is contributed for the election of officers of the Federal Government, and who is contributing it. I believe great good will result from the enactment of this amendment at the present time, especially in view of the uncertainty of the present law. It will be a clear pronouncement by Congress that publicity is expected and required in the use of money in national campaigns.

In order that the amendment may be strengthened somewhat, I suggest that in the last line of section 1, after the word "statements," the following words be added—

together with copies of circulars used in soliciting contributions and the names of all solicitors of campaign funds, shall be filed with the Clerk of the House of Representatives and the Secretary of the Senate, and—

So that the last sentence of the section shall read:

Such reports and financial statements, together with copies of circulars used in soliciting contributions and the names of all solicitors of campaign funds, shall be filed with the Clerk of the House of Representatives and the Secretary of the Senate, and shall be opened to inspection by the public.

Mr. BORAH. I accept the amendment.

Mr. FESS. I notice the wording is "together with copies of circulars used in soliciting contributions." Suppose a committee addresses a personal letter to the list of contributors they might have in the office. The letter is personal, stating the general situation, and so on. There may be one letter, followed by a second in a week or two weeks, and followed by a third, and the third letter would be the one that would ask for the contribution. How would this cover that?

Mr. WALSH of Massachusetts. This would not require the filing of all letters, only those that solicited contributions. The general amendment aims to give publicity to the names of all contributors, and the amounts which they contribute. I suggest that the circulars sent forth for the purpose of soliciting funds be also published, together with the names of all individuals authorized to solicit campaign funds.

Mr. FESS. Would that mean that every letter sent out requesting contributions should be published?

Mr. WALSH of Massachusetts. Every committee that collects funds must make it known that they have collected funds, from whom they have collected, and the amounts. I add, as an amendment, that the appeal circulars which committees send out shall be opened to public inspection. The courts would not experience difficulty in determining the difference between a letter that solicited funds and other political literature.

The PRESIDENT pro tempore. The Chair desires to remind the Senate that it has agreed that no Senator shall speak more than once upon any amendment.

The Senator from Idaho has accepted the modification proposed by the Senator from Massachusetts, and the question is upon the amendment offered by the Senator from Idaho, as modified.

Mr. ROBINSON. Pending that, I proposed an amendment, which was discussed some minutes ago, on line 7, after the word "name," to insert a comma and the words "residence, and official position, if any."

Mr. BORAH. I accept that amendment.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment proposed by the Senator from Idaho, as modified, to the amendment of the committee.

Mr. BORAH. Upon that I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. JONES of New Mexico (when his name was called). I transfer my general pair with the Senator from Maine [Mr. FERNALD] to the Senator from West Virginia [Mr. NEELY], and vote "yea."

Mr. LODGE (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. UNDERWOOD], but I am informed that if present he would vote as I shall vote, and I vote "yea."

Mr. McKELLAR (when his name was called). I have a general pair with the senior Senator from Ohio [Mr. WILLIS], but I have been informed that if present he would vote as I shall vote on this question, and therefore I vote "yea."

Mr. TRAMMELL (when his name was called). I transfer my general pair with the senior Senator from Rhode Island [Mr. COLT] to the junior Senator from Maryland [Mr. BRUCE], and vote "yea."

The roll call was concluded.

Mr. BAYARD. I have a general pair with the junior Senator from Pennsylvania [Mr. REED]. I do not know how he would vote if present, and in his absence I transfer that pair to the junior Senator from Rhode Island [Mr. GERRY], and vote "yea."

Mr. PITTMAN. The senior Senator from Florida [Mr. FLETCHER] is unavoidably absent. He is paired with the senior Senator from Delaware [Mr. BALL]. If the Senator from Florida were present, he would vote "yea."

Mr. CURTIS. I desire to announce the following general pairs:

The Senator from West Virginia [Mr. ELKINS] with the Senator from Oklahoma [Mr. OWEN];

The Senator from Indiana [Mr. WATSON] with the Senator from Colorado [Mr. ADAMS];

The Senator from Connecticut [Mr. BRANDEGEE] with the Senator from Tennessee [Mr. SHIELDS]; and

The Senator from Connecticut [Mr. McLEAN] with the Senator from Virginia [Mr. GLASS].

I am informed, however, that on this vote all the Senators whose pairs I have announced would vote "yea," if present.

The result was announced—yeas 55, nays 0, as follows:

YEAS—55

Ball	Dill	Jones, Wash.	Robinson
Bayard	Edwards	Kendrick	Sheppard
Borah	Fess	Keyes	Shipstead
Brookhart	Frazier	Ladd	Simmons
Broussard	George	Lodge	Smith
Bursum	Gooding	McKellar	Stanley
Cameron	Hale	McKinley	Stephens
Capper	Harreld	McNary	Sterling
Caraway	Harris	Norris	Swanson
Copeland	Harrison	Oddie	Trammell
Cummins	Heflin	Overman	Walsh, Mass.
Curtis	Johnson, Calif.	Pittman	Walsh, Mont.
Dale	Johnson, Minn.	Ralston	Wheeler
Dial	Jones, N. Mex.	Ransdell	

NAYS—0

NOT VOTING—41

Adams	Fletcher	Moses	Spencer
Ashurst	Gerry	Neely	Stanfield
Brandegee	Glass	Norbeck	Underwood
Bruce	Greene	Owen	Wadsworth
Colt	Howell	Pepper	Warren
Couzens	King	Phipps	Watson
Edge	La Follette	Reed, Mo.	Weller
Elkins	Lenroot	Reed, Pa.	Willis
Ernst	McCormick	Shields	
Fernald	McLean	Shortridge	
Ferris	Mayfield	Smoot	

So Mr. BORAH's amendment, as modified, to the amendment of the committee was agreed to, as follows:

SEC. —. That all committees, local, State, or National, and all persons or parties having any part or share in the election or in the campaign for the election of Members of Congress and all officers or officials of the Government of the United States shall publish at the end of each 10 days a financial report of the contributions received by or for the account of the committee, or person, or party, or candidate, directly or indirectly, with the name, residence, and official position, if any, of each contributor and the amount of his contribution, directly or indirectly, and at the end of each campaign for the election of such Members of Congress or officers or officials of the Government of the United States shall publish a complete and detailed financial statement, giving the name of each contributor and the amount of his contribution, together with the amount of any deficit incurred in the campaign, and such committee or party shall thereafter publish at the end of each month the amounts received by it from each contributor, directly or indirectly, to make up the deficit. Such reports and financial statements, together with copies of circulars used in soliciting contributions and the names of all solicitors of campaign funds, shall be filed with the Clerk of the House of Representatives and the Secretary of the Senate, and shall also be opened to inspection by the public.

SEC. —. Every person, including every member of the committee, offending against the foregoing section shall be deemed guilty of a misdemeanor and shall upon conviction thereof be imprisoned not more than one year or fined not to exceed $5,000, or by both such fine and imprisonment.

The PRESIDENT pro tempore. The question now is upon agreeing to the substitute as amended.

Mr. LODGE. Mr. President, I am not sure of the parliamentary situation at this moment. Are we considering a substitute for the entire bill?

The PRESIDENT pro tempore. The question is on the substitute for the bill as amended.

Mr. LODGE. I move to strike out, on line 22, page 27, beginning with the word "*Provided*," the following:

Provided further, That watchmen, messengers, and laborers, after three years in the Postal Service as regular employees, shall be eligible for promotion to first-grade clerical and carrier positions upon passing a noncompetitive examination on recommendation of the Post Office Department.

All the men and women in the first grade clerical and carrier positions have reached their places by the competitive examination system. They have all been in the classified service. This is a proposal to take watchmen, messengers, and laborers after three years, who have never passed any of the examinations required of the higher grades, and promote them to those higher grades with only a noncompetitive examination, which is no examination at all.

Mr. EDGE. Mr. President, will the Senator yield?

Mr. LODGE. I yield to the Senator.

Mr. EDGE. So far as I am concerned, I am entirely ready to accept the amendment. It was suggested by the department and accepted by the committee simply because of the provision that there must be more or less qualification and the applicant must be recommended by the Post Office Department. I am rather inclined to agree with the argument presented by the Senator and am entirely satisfied with his suggestion.

Mr. LODGE. If the Senator in charge of the bill accepts it, I have nothing further to say. I do not care to take time except to point out that the effect of it would be to shake and impair the entire organized service as it exists to-day.

The PRESIDENT pro tempore. The Clerk will report the amendment proposed by the Senator from Massachusetts.

The READING CLERK. On page 27, line 23, after the numeral "1" and the colon, strike out the following additional proviso:

Provided further, That watchmen, messengers, and laborers, after three years in the Postal Service as regular employees, shall be eligible for promotion to first-grade clerical and carrier positions upon passing a noncompetitive examination on recommendation of the Post Office Department; and,

Mr. ROBINSON. I inquire of the Senator in charge of the bill whether the provision which the Senator from Massachusetts seeks to strike out was recommended by the Post Office Department?

Mr. EDGE. I made that statement a moment ago. It was recommended by the Post Office Department, and for that reason was accepted by the committee, with some question, however. I personally questioned it seriously.

Mr. ROBINSON. Did the committee look into the purpose and effect of the provision or did the committee just accept it merely because it was recommended by the Post Office Department?

Mr. EDGE. As I recall, there was no particular statement in connection with it. The Post Office Department prepared a bill which they submitted in its entirety to the committee. That bill contained many features different from the bill now before the Senate. This was one of them. I do not recall any particular discussion about it.

Mr. PHIPPS. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield to the Senator from Colorado.

Mr. PHIPPS. I might say as a member of the joint committee that this particular item was under discussion by members of the joint committee and there was a difference of opinion. It was resolved in favor of the proposed permission for the reason that it had been recommended by the Post Office Department. The thought of the Post Office Department was that any employees who had given three years' satisfactory service, although not in a clerical grade, might be granted a preference when they were capable of passing an examination which the Post Office Department would prescribe. It would be merely an admission to the entrance grade.

Mr. ROBINSON. It would permit the admission to clerical positions and carrier positions of any number of persons whom the Post Office Department might desire to admit, without any competitive examination whatever.

Mr. LODGE. Absolutely.

Mr. PHIPPS. After examination and recommendation of the department.

Mr. ROBINSON. The examination would be noncompetitive, and that means that anyone might be admitted whom the Post Office Department saw fit to admit.

Mr. LODGE. It turns it into an examination which would amount to nothing. Anybody could be let in whom the Post Office Department chose to take in.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Massachusetts to the amendment.

The amendment to the amendment was agreed to.

Mr. WALSH of Massachusetts. Mr. President, in connection with the debate on the pending measure, the postal employees' salaries bill, and lest no opportunity to speak is presented later, I ask that a statement made by me, together with a letter printed in the CONGRESSIONAL RECORD on December 15 last, and also editorials ably and convincingly supporting the bill from the Christian Science Monitor and the Boston Daily Globe may be printed in the RECORD. There appears to be such general approval by the press and the public of an increased salary for postal employees that prolonged debate seems unnecessary.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

POSTAL EMPLOYEES' SALARIES

SPEECH OF HON. DAVID I. WALSH, OF MASSACHUSETTS, IN THE SENATE OF THE UNITED STATES, DECEMBER 15, 1923

Mr. WALSH of Massachusetts. Mr. President, I doubt if the Members of Congress or the general public realize the threatening demoralization of the Postal Service of the country by reason of the inadequate salaries paid our postal employees. Only a fine spirit of public service and the conviction that Congress would soon readjust the present niggardly salaries has prevented a condition developing which would seriously cripple the Postal Service.

As it is, the labor turnover in the clerical branch of this service is larger than in any other branch of the Government.

The postal carrier has to face all kinds of weather, bear the consciousness of being charged with an important trust, and endure the physical strain of carrying a heavy pack while traveling his route day after day year in and year out. For all this the Postal Service pays a minimum of $26.92 and a maximum of $34.61 per week after three years. These salaries make it increasingly difficult to recruit capable postal employees. We can not afford to let the Postal Service deteriorate, for delay, inaccuracy, and carelessness in the service are ruinous.

The very efficient postmaster of Boston, Mr. Roland M. Baker, recently made an investigation as to the cost of living for a postal employee with a small family—not over four persons. The result of that investigation shows that the monthly expenditures amounted to $203, while the maximum salary is $150 per month. I ask, Mr. President, that the postmaster's letter and statement showing the result of his investigation be printed in the RECORD and referred to the Committee on Post Offices and Post Roads and treated in the nature of a petition. It is very brief but illuminating.

There being no objection, the letter and accompanying table were referred to the Committee on Post Offices and Post Roads and ordered to be printed in the RECORD, as follows:

OFFICE OF THE POSTMASTER,
Boston, Mass., December 4, 1923.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR WALSH: I inclose you an itemized expense account which I am sure will interest you as being the minimum amount a month, and also per annum, on which a postal employee with a small family of not over four persons (many of them have families greater than this) can live in a normal, healthy, self-respecting manner in the Boston postal district to-day.

I have investigated the matter as carefully as I possibly can and am personally quite shocked at the amount which I find, as a result of the investigation, is necessary for the above purpose.

Will you kindly look over the items or, perhaps better still, have some one investigate the matter; and if you find same is based upon facts, interest yourself, which I am sure you will be only too glad to do, in a manner that we trust will result in correcting the situation.

Unless the employees of the Government are paid an adequate compensation it will be found an impossibility to secure a satisfactory type of individual for entrance into this service. I know you will agree with me that the situation calls for immediate correction, and I am sure that you will take great satisfaction in looking into the matter, as I say, not only in the interest of the employees themselves but in the interest of the service, both of which spell, in my own opinion, the protection of the best interests of the Government of the United States and its people.

Faithfully yours,

ROLAND M. BAKER, *Postmaster.*

Itemized expense account for man, wife, and two children

	Per month	Per annum
Rent	$37.50	$450.00
Food	65.00	780.00
Clothing	30.00	360.00
Fuel and light	12.50	150.00
Carfare and lunches	15.00	180.00
Household equipment upkeep	8.50	102.00
Recreation	8.50	102.00
Insurance and savings	12.50	150.00
Doctor	2.50	30.00
Dentist	2.50	30.00
Papers, magazines, and incidentals	5.00	60.00
Laundry	2.50	30.00
Church	1.00	12.00
	203.00	2,436.00

[From the Christian Science Monitor, March 8]

THE POSTAL WORKER AND HIS JOB

Evidence has been presented which has convinced the people of the United States that an unnecessary hardship is being inflicted upon the great mass of Government postal employees who bear the burdens of that service. So concerned have the people been over appalling expenditures in other departments that they have striven penuriously, but perhaps unconsciously, to stop the scanty dripping from the Postal Service spigot. There, it has been assumed, real economies might be practiced. But in the effort to economize they have perpetrated a great wrong upon thousands of faithful workers and their dependent families. They have willingly accepted the benefits of the far-reaching Parcel Post System which can not be economically maintained at the rates established, cheerfully agreeing that whatever deficit might exist should be made up from appropriations of the public funds. But they have thus far denied to the clerks and carriers, who have brought this service to the point of practical perfection, a decent living wage.

The public, standing in the place of an employer, is estopped in the present instance from falling back upon the abused theory that if the worker doesn't like his job or the pay offered he should surrender his place to another. Those employed in the Postal Service, whether in clerical positions or in the carrier force, have passed through long and somewhat tedious periods of apprenticeship and training. They are better qualified to do the work assigned them than others who have been trained along different lines, no matter what their general capabilities. These men and women are likewise under the civil-service rule and because of this are entitled to adequate protection in return for more or less highly specialized service rendered.

Specious and vain promises have been made to these employees in behalf of the Government. In 1920 an effort was made in Congress to authorize the reclassification of the salaries paid in the Postal Service. Action was deferred at that time because of the possibility that living costs were about to be materially reduced. That hope was not realized, and as a result some 350,000 servants of the public are still compelled to work for less than a fair living wage. It is shown conclusively by figures presented that the salaries paid to clerks and carriers, which range from $1,400 to $1,800 a year and which average in the neighborhood of $31 a week, are inadequate for the simplest needs of a family in the United States.

Concerted effort is being made throughout the country to enlist official and popular support for a measure now pending in Congress, known as the Kelly-Edge bill, providing for the reclassifying of all salaries paid in the Post Office Department. This reclassification will call for a larger postal appropriation, but this the people should be only too willing to grant. It is not expected that the Postal Service will return a profit, and those who calmly accept the benefits offered and perpetuated through generous subsidies should quickly agree that those who bear the ceaseless burdens incident to such a public service are entitled to an adequate living wage.

[From the Boston Daily Globe, Friday, February 8, 1924]

THE MAILMAN

There must be something wrong with a business where regular employees of high standing find themselves obliged to seek odd jobs here and there in order to make both ends meet. Serving two masters is at best difficult, and holding two jobs belongs in the same class. When an enormous concern employing 330,000 men and women pays so little for a day's work that about a quarter of the help are ready to usher at prize fights, sell from door to door, play in orchestras, or do about anything that promises an extra dollar, it might seem that popular resentment would be aroused. Unfortunately this is

not yet the case. Perhaps the reason that the public is slow to indignation is that the public owns the concern.

The business in question is the United States Postal Service, where pay has remained the same for the past four years. The inevitable has happened to the working force. Men who took the civil-service examinations years ago with the idea of remaining in the service for life have become discouraged and accepted opportunities in other lines. The labor turnover has risen to an average of 20 per cent a year for the entire country. In Detroit jobs in the post office look so poor as compared with jobs outside that it has been 14 months since an examination has been held for clerks or carriers. Instead of interviewing applicants the Detroit post office calls up the employment bureaus from time to time and asks that men "willing to do anything" be sent around. There are some cities where the postmaster is quick to send out recruiting scouts when he hears of an industrial strike. In that way he can obtain temporary help until the strike is settled and the strikers go back. The postmaster must then run short handed until another strike.

The present maximum for carriers and clerks, who begin at $1,400 a year, is $1,800. This means that the man who brings your mail, if he has been a regular in the service for four years, receives, after he has made his payment to the retiring fund, a weekly wage of $33.75. Postmaster Baker, of Boston, has been asking the men in his office how much it actually costs a family of four—father, mother, and two children—to live. The average of the replies he has received works out to $46.86 a week. This means that such a family must find $13.11 each week somewhere outside of the service. That is why many a clerk or carrier is perpetually on the lookout for part-time work.

Naturally the service suffers. In order to do his Government task well a carrier must be master of an 800-page book of regulations. He must keep a log of removal addresses, must hold in his memory several thousand names. He is also a collection agency for C. O. D. packages, and carries a book in which mail may be registered. So exacting a position requires a man of considerable ability. The trouble with the service is that it is not now attracting men of the caliber absolutely necessary for efficiency. The result is poor service. That is one reason why letters go astray and are delivered late. That is why the postmaster finds it so often necessary to shift experienced men from one route to another and put unqualified substitutes in the vacant places.

In several bills now before Congress a remedy is sought for this intolerable situation. A measure reported to the House sets a new maximum of $2,400, which works out to $46.15 a week. If some such relief as this is granted, the post office will take on new life. The time may come when the curve which shows the cost of living will bend downward again, but it has been up for a number of years, and there seems no present prospect of a great reduction. It is quite evident that the employees of the post office have decided not to wait for it.

The Postal Service can not be mechanical. No machine has ever been invented, or ever will be, which will read the addresses on letters and parcels. Human brains and faithfulness are required all through it. Emphatically it is a human service. For that reason the men and women who compose it must be treated with fairness. They can not live on dignity, and to oblige them to seek extra money elsewhere after doing exacting tasks for Uncle Sam for eight hours is sheer folly. The quality of the service can only be maintained if the conditions are made sufficiently attractive to draw into it the type of human ability that it must have.

The public, the owner of the post office, is also its patron. If, as owner, it permits starvation pay it must expect, as patron, to receive indifferent service. The people of this country do not want to be in the position of skin-flint employers. They wish and need the best postal system in the world. As they learn the truth they will become hearty supporters of a square deal for the gray uniforms.

UNCLE DUDLEY.

Mr. LODGE. I have another amendment that I desire to offer, but I would rather not offer it now unless the Senator expects to finish the bill to-night.

Mr. EDGE. I would like to finish the bill to-night, but it has been brought to my attention that some Senators interpreted the unanimous-consent agreement, which reads "not later than 1 o'clock," to mean that we would not vote until to-morrow. With that understanding, if any Senator so interpreting it has left the Chamber, of course, I would not ask for a vote before that hour.

Mr. ROBINSON. It was distinctly understood that the vote would not be taken to-day. Some Senators went away with the understanding that they would return to-morrow in time to vote at 1 o'clock.

Mr. EDGE. I was going to state that if the Senator had permitted me to do so. Under the circumstances I am not going to ask for a vote until to-morrow.

Mr. LODGE. Then I will allow my other amendment to go over until to-morrow, and shall offer it then.

Mr. WALSH of Massachusetts. Is there objection to taking a recess until 11 o'clock to-morrow?

Mr. EDGE. If there are no further amendments and no further discussion on the bill, I would be very glad to make a motion that the Senate take a recess until 12 o'clock to-morrow, unless there is some reason for meeting an hour earlier.

Mr. PHIPPS. It was my desire to see if we could not take up the District of Columbia appropriation bill to-night, if the Senator from New Jersey is willing to lay aside the postal salaries bill. I would like to get started on the District appropriation bill, because it is an important one and will probably require quite a little time in conference.

Mr. ROBINSON. If that bill is to be taken up, I think we should have the absence of a quorum suggested, as Senators are out of the Chamber who are very much interested in the District appropriation bill.

Mr. PHIPPS. There has been such a recent call that I thought perhaps that might not be necessary. I did not intend to go very far with the bill to-night.

Mr. WALSH of Massachusetts. If the amendment offered by the senior Senator from Massachusetts will take any time we ought to take a recess until 11 o'clock to-morrow morning instead of 12.

Mr. EDGE. Very well. At this time I ask unanimous consent that when the Senate concludes its business for the day it shall take a recess until 11 o'clock to-morrow morning.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. EDGE. If it is the desire of the Senator from Colorado to take up the District of Columbia appropriation bill, I will gladly ask to have the unfinished business laid aside temporarily.

Mr. PHIPPS. I will defer my request for consideration of the District appropriation bill until a later time.

WAR DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT

Mr. WADSWORTH submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 15, 18, 20, 27, 28, 33, 34, 44, 46, 58, and 94.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 5, 6, 9, 16, 17, 19, 24, 26, 35, 36, 37, 42, 45, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, and 93, and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: " : *Provided*, That hereafter upon the presentation of satisfactory evidence as to his age and upon application for discharge by his parent or guardian presented to the Secretary of War within 60 days after the date of his enlistment, any man enlisted after July 1, 1924, in the Army, under 21 years of age who was enlisted without the written consent of his parent or guardian, if any, shall be discharged with the form of discharge certificate and the travel and other allowances to which his service, after enlistment, shall entitle him"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended as follows: On page 13 of the bill, in line 14, after the word "who" insert the following: ", having been retired before reaching the age of 64"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$16,500,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "None of the funds appropriated or made available under this act or any of the unexpended balances of any other act shall be used for the purchase of motor-propelled passenger or freight carrying vehicles for the Army except those that are purchased solely for experimental purposes, and except one automobile for the official use of the Secretary of War, and

with the further exception that not to exceed $50,000 may be used as part payment in exchange of motor-propelled passenger or freight carrying vehicles"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "$120,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$45,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement of the Senate numbered 25, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "For procurement of forage, bedding, and so forth, for animals used by the National Guard, $1,607,642. For compensation of help for care of material, animals, and equipment, $2,350,000."; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the House numbered 29, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,850,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,000,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$397,666"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,798,132"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$725,000"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 8, 13, 14, 21, 38, 39, 40, 41, 78, 91, and 92.

J. W. WADSWORTH, Jr.,
W. L. JONES,
SELDEN P. SPENCER,
DUNCAN U. FLETCHER,
WM. J. HARRIS,
Managers on the part of the Senate.

D. R. ANTHONY, Jr.,
L. J. DICKINSON,
BEN JOHNSON,
Managers on the part of the House.

Mr. WADSWORTH. I move the adoption of the report.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

Mr. WADSWORTH. I move that the Senate further insist upon its amendments still in disagreement, and that the Chair appoint conferees.

The motion was agreed to.

The PRESIDENT pro tempore. The Chair appoints the same conferees on the part of the Senate to consider the matters still in disagreement.

PROTECTION OF ALASKAN FISHERIES

Mr. JONES of Washington. Mr. President, I have just sent for the Senator from Utah [Mr. KING], who is absent from the Chamber. I have been hoping to be able to call up the Alaskan fisheries bill for some little time. The Senator from Utah wants to take a little time in discussing it. I do not think he has any objection to the bill, and I thought if I could get him here I might probably take up the bill and pass it inside of half an hour or such a matter. I do not want to take it up in his absence.

Mr. ROBINSON. What is the bill?

Mr. JONES of Washington. It is Calendar No. 472, the bill (H. R. 8143) for the protection of the fisheries of Alaska, and for other purposes.

Mr. ROBINSON. I think the Senator might have the bill read.

Mr. JONES of Washington. Yes; we might have the bill read, and possibly the Senator from Utah will be here by that time.

The PRESIDENT pro tempore. The Senator from Washington asks unanimous consent that the Senate proceed to the consideration of House bill 8143. Is there objection?

Mr. JONES of Washington. I do that with the understanding that if I can not get the Senator from Utah here this evening I shall not ask for the passage of the bill, because I know he wants to speak a little while on it. I do not think he has any objection to it.

There being no objection, the Senate, as in Committee of the Whole, proceeded to the consideration of the bill (H. R. 8143) for the protection of the fisheries of Alaska, and for other purposes, which had been reported from the Committee on Commerce with an amendment.

The reading clerk read the bill.

Mr. McKELLAR. Mr. President, will the Senator from Washington explain why the provision beginning in line 17, on page 4, and going down to and including line 2, on page 5, is proposed to be stricken out of the bill? Apparently that is a very excellent provision.

Mr. JONES of Washington. Yes; I will explain that. Those two provisions were put in on the floor of the House of Representatives without the matter having been gone into very carefully.

Mr. ROBINSON. To what provision does the Senator from Washington refer?

Mr. JONES of Washington. I refer to the provision, beginning in line 17, on page 4, which the committee proposes to strike out. I ask that the amendment be stated.

The PRESIDENT pro tempore. The committee amendment will be stated.

The READING CLERK. In section 3, page 4, line 17, after the word "appliance," it is proposed to strike out the following clause:

> It shall be unlawful to drive, construct, set, or fish with any fixed or floating trap, weir, or pound net, or fish with purse seines in any bay, inlet, or estuary in Alaska, the width of which at its entrance is 3 miles or less, or within any channel or passage connecting larger bodies of water, where the width of said channel or passage is 3 miles or less, or within 1 mile of the entrance to any bay, inlet, or estuary which is 2 miles or less in width at its entrance, or within 1 mile of the mouth of any stream into which salmon are accustomed to run.

Mr. JONES of Washington. There are two provisions in the clause proposed to be stricken out, one involving fish traps and the other involving purse seines. There is quite a controversy with reference to the use of traps and the use of purse seines, but the committee of the House, in going into the matter, did not deem it advisable to prohibit the use of traps or of purse nets and left their control entirely to the Secretary of Commerce.

There are some places in Alaska, I think, where traps may properly be used, and there are other places where purse seines may properly be used. To prohibit the use of traps now would involve a loss of many hundreds of thousands of dollars, and to stop the use of purse seines as is proposed here would be a very great injury and detriment. Our committee felt that that action should not be taken without the most careful consideration, and it would require very extensive hearings. Those interested would insist upon hearings, and they would have a perfect right to be heard where so much in the way of property interests is involved and, furthermore, where the development and care of the fisheries is so greatly involved. There are so many other good things in the bill and so many very desirable things in it that our committee concluded rather than have the delay that would be occasioned by the necessity of holding hearings with reference to these provisions, which were put in, as I have stated, on the floor of the other House, we struck the provisions out.

Let me say that this seems to be as satisfactory a measure as could be obtained for all interests under the present condition of affairs.

The Delegate from Alaska is very much opposed to traps but is very much in favor of purse seines. He recognizes the situation, and, while he would like to have the traps prohibited and the purse seines retained, he is very anxious that this legis-

lation, because of the conditions up there, shall pass as it is now framed, and then the question with reference to traps and purse seines can be fought out in subsequent legislation. What I have stated is about the situation with reference to these two provisions.

Mr. McKELLAR. I will suggest to the Senator that a reading of the bill and the statement of his reasons for moving to strike out the provisions would seem to indicate that it is going to be a very difficult thing to enforce this law, is it not? Is it not going to require a great many men to enforce it?

Mr. JONES of Washington. Oh, no; it will not.

Mr. McKELLAR. Could the Senator give us some idea as to how many men it will require to enforce the law?

Mr. JONES of Washington. No; I can not tell how many; but the traps, of course, are definitely located; they are in fixed positions. There might be a little more difficulty about the purse seines; and yet, as Senators may know, some of the purse seines are a thousand feet long, or 1,800 feet long, or 3,000 feet long, so that they could not be used very surreptitiously. I do not think, therefore, that it would take very much extra force to enforce these provisions should they become law.

Mr. ROBINSON. Mr. President, I myself wish to take the floor for a moment, if the Senator from Washington has concluded.

Mr. JONES of Washington. Very well.

Mr. ROBINSON. Mr. President, anyone who is familiar with the history of salmon fisheries in Pacific waters on the western coast of the United States and the streams that enter the Pacific there, and who has also some familiarity with the conditions now existing respecting Alaskan fisheries will at once realize the importance of legislation upon this subject. Salmon fishing in the waters of the western United States has about terminated because of the depletion of the supply of fish, and it is astonishing to know that in certain portions of the Alaskan waters the supply of salmon has been almost completely exhausted, so that the canneries located in certain communities have been compelled to suspend operations. Unless there shall be some effective legislation on the subject, this source of riches for the Alaskan people will disappear. It is in the fisheries rather than in the agricultural or even in the mineral prospects of Alaska that her prosperity, in all probability, is to be found. This bill does accomplish substantial results. Under the system which has heretofore prevailed, or which prevailed at least until the comparatively recent past, the fisheries have been unrestricted and the methods employed have left the fish with no prospect of survival.

I presume every Senator is familiar somewhat with the habits of the salmon fish. They spawn in fresh-water streams and after a certain time the young fish go out to sea, disappear for a long period, and then when they are ready to spawn they return to the waters where they originated, and after spawning die. Their habits are such that by placing traps and seines or nets across the mouth way or in the channel of the runs the entire run may be caught or captured.

This bill provides for escapement and for closed days or periods when no fishing may be done, and it gives, as I understand, the Secretary of Commerce the power to regulate both the places of fishing and the methods of fishing which may be employed.

I myself, in making a study of the subject some months ago, became rather prejudiced against the trap because the processes which it contemplates give the fish little or no chance for escape, but in view of the fact that discretion is vested in the Secretary and periods of escapement are provided, and places may be reserved where no fish may be caught for any purpose, I am pleased with the bill and should like to see it passed.

Mr. JONES of Washington. Mr. President, I ask that the amendment on page 4 may be agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the committee on page 4.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, I have two or three other amendments that have been arranged by those who are interested in the matter, and especially the Delegate from Alaska, who has been consulted in this entire matter. I have tried to put the bill in such shape that he would be satisfied with it. I repeat the statement that I made awhile ago that he would like very much to have traps all prohibited, but, realizing the situation that exists, he is perfectly willing to let that question go over for future adjustment. The three amendments which I desire to offer have been submitted to him, and are agreeable to him. I send them to the desk and ask for their adoption.

The PRESIDENT pro tempore. The first amendment proposed by the Senator from Washington will be stated.

The READING CLERK. On page 6, line 1, after the words "dog feed," it is proposed to insert:

Whenever the Secretary of Commerce shall find that conditions in any fishing area make such action advisable, he may advance, not more than 12 hours, both the opening and ending time of the closed period herein stipulated.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

Mr. KING. May I inquire of the Senator whether that amendment has been agreed to by the Delegate from Alaska?

Mr. JONES of Washington. It has; in fact, all the amendments I am now submitting have been submitted to the Delegate from Alaska.

Mr. KING. Are they in furtherance of the purpose which he has in view or, rather, do they conserve the interests of the canners as against the interests of the fish and the people of Alaska?

Mr. JONES of Washington. They are really in the interest of all.

Mr. FESS. Have they been submitted to the Secretary of Commerce?

Mr. JONES of Washington. They have.

Mr. FESS. And they meet his approval?

Mr. JONES of Washington. They do.

The PRESIDENT pro tempore. The question is on agreeing to the amendment submitted by the Senator from Washington.

The amendment was agreed to.

The PRESIDENT pro tempore. The Secretary will state the next amendment proposed by the Senator from Washington.

The READING CLERK. On page 2, after line 25, it is proposed to insert:

It shall be unlawful to import or bring into the Territory of Alaska, for purposes other than personal use and not for sale or barter, salmon taken from waters outside the jurisdiction of the United States, and adjacent to any fishing area during any closed period during which fishing is prohibited within said fishing area.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, I present an amendment to come in as a new section. I will say that I do not believe that it is necessary, but the Delegate from Alaska, in order to be sure that this bill will not have a contrary effect to that suggested by the amendment, is very anxious to have the amendment adopted, and I have no objection to it.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 7, after line 19, it is proposed to insert a new section, as follows:

SEC. 8. Nothing in this act contained, nor any powers herein conferred upon the Secretary of Commerce, shall abrogate or curtail the powers granted the Territorial Legislature of Alaska to impose taxes or licenses, nor limit or curtail any powers granted the Territorial Legislature of Alaska by the act of Congress approved August 24, 1912, "To create a legislative assembly in the Territory of Alaska, to confer legislative power thereon, and for other purposes."

The amendment was agreed to.

Mr. DILL. Mr. President, I should like to ask my colleague a question. As I understand, the situation in Alaska has been very unsatisfactory as it has been handled up to this time, and those who object to the conditions which have prevailed there charge them largely to the Secretary of Commerce, claiming that he has not treated them fairly. As I understand, the bill gives the Secretary of Commerce practically absolute power.

Mr. ROBINSON. May I interrupt the Senator?

Mr. DILL. I yield.

Mr. ROBINSON. The Secretary of Commerce sought to give exclusive right to fish in certain Alaskan water, and out of his attempt to give exclusive rights to fish, thus depriving a large number of the people of the right to pursue their usual vocation, great complaint arose. This bill, however, denies to the Secretary of Commerce any power to grant an exclusive right to fish and requires him to give everyone equal rights within the areas where fishing is permitted.

Mr. DILL. That is what I wanted to have made clear—as to whether this is an enlargement of his power or whether it is a limitation of his powers.

Mr. JONES of Washington. The bill removes the principal cause of complaint with reference to the exercise of power

by the Secretary of Commerce, just as the Senator from Arkansas has stated. Within the two reservations that were created by Executive order a year or two ago the Secretary of Commerce has seen fit to make regulations under which outsiders might not go in order to fish. In other words, those who are already located there, if he thought they took all the fish that should be taken, were given the full rights, and nobody else could go in there and take fish.

Mr. KING. They were given exclusive rights.

Mr. JONES of Washington. They may be called exclusive rights, but I want to say this in justice to the Secretary of Commerce:

When I came back this fall, and came down here, and we were considering matters of this kind, the Delegate from Alaska and I talked over the matter with reference to those exclusive rights, and I saw the Secretary of Commerce, and the Secretary of Commerce himself said that he would be glad to have that discretion taken away, that certainly he was not in favor of that policy, but those who were on the ground and who had been dealing with the matter especially and who might be considered to be experts had recommended and urged that that policy be pursued. I will say, in justice to him, that he said frankly that he would prefer not to have that absolute power, so I can say for him that he is glad that this provision is put in the bill prohibiting him from granting exclusive rights within the fishing areas up there.

Mr. DILL. Mr. President, I notice that there is a limitation as to taking not to exceed 50 per cent of the fish out of the water. What is the limitation now?

Mr. JONES of Washington. There is no limitation now.

Mr. DILL. That is what I thought. To that extent, then, this bill is a restriction.

Mr. JONES of Washington. I want to say, however, that the Secretary of Commerce—within the discretion that is placed in him with reference to these reservations established by Executive order, in two or three cases where he has gotten fish traps or measuring devices in a stream—has imposed a regulation that 50 per cent of the fish must be allowed to go up; so the provision in this bill, as a matter of fact, is only carrying out what the Secretary of Commerce has established.

Mr. FESS. Mr. President, will the Senator yield?

Mr. JONES of Washington. I yield.

Mr. FESS. I became interested in this particular bill from reading an editorial, which I thought was rather hypercritical of the Secretary of Commerce, and I went into the matter. Is it not a fact that the law that is now in existence was passed in 1906 and gave the Secretary of Commerce no further authority than he now is operating under, and has he not been urging this particular legislation for three years?

Mr. JONES of Washington. He has been urging legislation along these lines.

Mr. ROBINSON. Mr. President——

Mr. JONES of Washington. I will yield to the Senator from Arkansas in just a minute.

I want to say that the President, by Executive order, established two reservations. There is very serious question as to whether or not he had a legal right to do it; but he did it, with the approval of the Secretary of Commerce—in fact, I think upon his recommendation—for the very purpose of saving the fish supply there. That is embodied in this bill, and legislative authority is given.

Mr. FESS. And the recommendation came originally from Doctor Smith; did it not?

Mr. JONES of Washington. I assume so, although I do not know. He was the Commissioner of Fisheries.

Mr. ROBINSON. Mr. President, the Senator has stated in part one thing that it was my purpose to say when I rose, and that is that no authority of law exists now for the Secretary of Commerce to create reservations. I have been unable to find any authority for him to grant exclusive rights of fishery. It was about that alleged abuse of authority that most of the complaint arose; namely, that the Secretary in some instances had created reservations, and in others had granted in certain waters the exclusive right to fish, usually to large corporations or packing concerns, which deprived the fishermen of the opportunity to pursue their occupations; and they desired very much the provision that is in this bill, which secures to every citizen of the United States the right to fish in Alaskan waters upon equal terms and without discrimination. The bill deprives the Secretary of any power, if he has it—and I do not think he has the power—to grant exclusive rights to fish in Alaskan waters. It affirmatively denies to him that power, and it is very wholesome in that respect.

Mr. JONES of Washington. I want to say that I had the pleasure of visiting Alaska last summer. I spent two months there. I visited practically all of these fishing grounds and fishing sites, and so on; and without saying whether the Secretary's policy was the best or not, I will say that, taking everything into consideration, there is very great justification for the action that the Secretary took.

I am satisfied that whatever action the Secretary did take was taken with the honest purpose and intention of preserving the fish supply in Alaska, and that if what he did was wrong it was simply an error of judgment, rather than any desire to favor any interest of any kind or character. That is my judgment.

Mr. ROBINSON. I was speaking of the question of legal authority. It never has been pointed out to me by anyone that such authority existed in the Secretary. Of course, in all probability his reason for granting exclusive rights to fish was to make it easier to regulate the catch and to preserve the supply. With everyone fishing, and with no means of policing the waters, it would seem much more probable that the supply would be completely exhausted than if a single concern were relied upon to control the fishing within a given area. Aside from the question of motive, however, he could exercise legally only such authority as the statute of Congress conferred upon him, and it did not confer that authority. Therefore it would appear that his act in assuming to grant exclusive rights to fish was unauthorized.

In addition to that, unquestionably it was necessary and is necessary to establish reservations. I think the Secretary justified his action in that particular as one of extreme necessity, rather than as one based upon express authorization of statute. He felt that to wait until Congress legislated upon the subject would be to suffer great loss and destruction of the supply of fish, and he took the chances involved in exercising an authority which is very doubtful, to say the least, and established certain reservations.

Mr. JONES of Washington. The Senator is right in that statement, and I think it is a very just statement to the Secretary.

Mr. FESS. Mr. President, I saw a letter written by the Secretary of Commerce in which he raised the question of the wisdom of the reservation, in that in a way it created a monopoly which he thought was unwise, and asked for legislation in order to relieve the situation. I understood in going over the hearings that there were at least 400 different companies and individuals fishing in those waters, and that unless the right was limited, and not expanded beyond the limit fixed, there would be danger of exhaustion of the fish. I have become greatly interested in the matter, just as the Senator from Arkansas has, somewhat incidentally, because of the peculiar character of the situation that obtains up there.

Mr. JONES of Washington. Oh, we must have some restrictive measures there or the salmon supply of Alaska will be gone.

Mr. President, that completes the amendments to the bill.

Mr. KING. Mr. President, I was just going to suggest, with the permission of the Senator, that I think the statement submitted by the able Senator from Arkansas is not only generous but more than generous in his treatment of the Secretary of Commerce. I am afraid the facts rather indicate that the Secretary of Commerce urged the President to do what I conceive to be an illegal act, much the same as it was illegal to transfer the oil lands and their control from the Navy Department to the Interior Department; and so soon as these reserves were established the Secretary of Commerce perpetuated in control various monopolies, and the manner in which they have operated has further depleted the fish supply.

Moreover, he has already granted permits for the coming year to the same canneries that have created a monopoly. If he had been so interested in conserving the rights of the people of Alaska and free fishing and proper fishing, I submit that he would not again have granted permits to these monopolies.

However, Mr. President, I expect to speak upon this bill tomorrow, if I can get the floor, at the earliest possible moment, because while the bill is not satisfactory to me, and I am sure is not satisfactory to many who understand the situation, it is better than the existing legislation; and therefore, I shall aid the Senator in securing its passage. Indeed, I have tried for several weeks to have the bill called up for passage when I perceived that it was impossible to get the kind of legislation that was needed. This bill gives too much authority to the Department of Commerce, and the conduct of the department in the past is not an assurance of a policy in the future that

will conserve the fish supply and be conductive to the best interests of the American people.

Mr. JONES of Washington. The Senator feels that he would not be prepared to dispose of the bill to-day?

Mr. KING. It is so late now——

Mr. JONES of Washington. The Senator has been very considerate; I appreciate that; and I know that he wants to take some little time in discussing the bill. I had hoped that I could get it through to-night, but if the Senator says he would not like to take it up now I will await my opportunity further.

Mr. KING. I should much prefer, if it suits the Senator, not to go on to-night. I will join with the Senator to-morrow in trying to pass the bill.

Mr. JONES of Washington. I know the Senator has been very kind.

Mr. DILL. Mr. President, this bill has nothing to do with the sanitary regulation of the canneries in Alaska, has it?

Mr. JONES of Washington. No; it has not anything to do with that matter.

Mr. DILL. The Senator, of course, is familiar, as all of us are, with the grand jury report on the sanitary conditions in those canneries.

Mr. JONES of Washington. Yes.

Mr. DILL. Somebody in this Government ought to have authority to clear up that situation. If it is one-tenth as bad as described in that grand jury report, it is a disgrace to American civilization that it is allowed to continue.

Mr. JONES of Washington. That should be dealt with by another committee and through another bill. I think bills have been introduced dealing with that phase of the matter.

Mr. President, if there is nothing further about this bill, of course I will defer to the wishes of the Senator from Utah [Mr. KING] and not press the bill for passage now, and will let it rest until to-morrow.

ANNE C. SHYMER

Mr. COPELAND. Mr. President, I should like permission to bring up Senate bill 2793, Order of Business 417, which was objected to the other night by the Senator from Arkansas [Mr. ROBINSON] under a misapprehension. This was thought to be a claim under the *Lusitania* commission, but it is not. It is a case of a woman who died on the *Lusitania*. Her body was recovered the same day, and the jewels were put in the possession of the consul at Cork, and were then sent on to the State Department in London and were lost. Here we have a unanimous report from the committee asking that relief in the amount of $3,900 be given to this estate.

The PRESIDENT pro tempore. The Senator from New York asks unanimous consent that the Senate proceed to the consideration of Senate bill 2793. Is there objection?

Mr. KING. Mr. President, I do not object, with the understanding that immediately upon the disposition of this bill the Senate will take a recess or an adjournment.

Mr. JONES of Washington. A brief executive session is desired.

Mr. RANSDELL. Mr. President, I have here a matter which will not lead to any debate. I am not going to object to the consideration of this bill, but I trust the Senator from Utah will not insist upon that understanding.

Mr. DIAL. Mr. President, will the Senator yield to me?

The PRESIDENT pro tempore. It is utterly impossible for the Chair to hear when several Senators are claiming attention. Does the Senator from Utah object?

Mr. KING. Mr. President, I made a conditional objection, which I appreciate would be unfair. Therefore I will not object, but I will say that my understanding was that with the disposition of the bill in which the Senator from Washington [Mr. JONES] is interested the Senate would take a recess.

Mr. JONES of Washington. After a brief executive session.

The PRESIDENT pro tempore. The Senate has already agreed to take a recess. The Secretary will report the bill in order that the Chair may ascertain whether there is objection.

The bill was read.

Mr. ROBINSON. I do not object to the consideration of this bill. It grows out of very unusual circumstances. It was the peculiar circumstance surrounding the case that prompted me to object on a former occasion, rather than any misapprehension as to the terms or effect of the bill. I have no objection to its present consideration.

The Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, to strike out "$12,000" and to insert in lieu thereof "$3,900," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay to the legal representatives of the estate of Anne C. Shymer, out of any money in the Treasury not otherwise appropriated, the sum of $3,900, as full compensation for the loss of jewelry, the property of the aforesaid Anne C. Shymer, who was lost in the sinking of the *Lusitania*, which jewelry was transmitted to the State Department and was lost in transit.

The amendment was agreed to.

The bill was reported to the Senate as amended, ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF COTTON FUTURES LAW

Mr. DIAL. Mr. President, some time ago I introduced a bill (S. 3197) to amend section 5 of the United States cotton futures act to enable the buyer of a cotton-futures contract to demand actual delivery in fulfillment thereof prior to the close of the delivery month, which was referred to the Committee on Agriculture and Forestry. I conferred with the chairman of the committee to-day, and he says it will be impossible for them to take the bill up and consider it and report it out. He thought it would be a good plan, and I agreed with him, to move that the committee be discharged and that the bill be placed on the calendar. I realize that that motion will have to go over one day, and I desire to make the motion now.

Mr. ROBINSON. What is the nature of the bill?

Mr. DIAL. It is in regard to the amendment of the future contract law in a special particular. It is not my main bill, but it is one about which I think the southern Senators can agree.

The PRESIDENT pro tempore. The Senator from South Carolina gives notice of a motion to discharge the Committee on Agriculture and Forestry from the further consideration of the bill he has indicated.

EXECUTIVE SESSION

Mr. JONES of Washington. I understand the unfinished business will be before the Senate when we meet to-morrow without any further action now, so I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock and 55 minutes p. m.) the Senate took a recess until to-morrow, Tuesday, May 27, 1924, at 11 o'clock a. m.

CONVENTION WITH GERMANY TO PREVENT THE SMUGGLING OF INTOXICATING LIQUORS

In executive session this day, the following convention was ratified, and on motion of Mr. LODGE the injunction of secrecy was removed therefrom:

To the Senate:

To the end that I may receive the advice and consent of the Senate to ratification, I transmit herewith a convention between the United States and Germany to aid in the prevention of the smuggling of intoxicating liquors into the United States, signed at Washington on May 19, 1924.

CALVIN COOLIDGE.

THE WHITE HOUSE, *May 20, 1924.*

THE PRESIDENT:

The undersigned the Secretary of State has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, a convention between the United States and Germany to aid in the prevention of the smuggling of intoxicating liquors into the United States, signed at Washington on May 19, 1924.

CHARLES E. HUGHES.

DEPARTMENT OF STATE,
Washington, May 19, 1924.

The President of the United States of America and the President of the German Empire being desirous of avoiding any difficulties which might arise between them in connection with the laws in force in the United States on the subject of alcoholic beverages have decided to conclude a convention for that purpose, and have appointed as their plenipotentiaries:

The President of the United States of America; Mr. Charles Evans Hughes, Secretary of State of the United States of America; and

The President of the German Empire; Dr. Otto Wiedfeldt, German Ambassador to the United States of America;

Who, having communicated their full powers found in good and due form, have agreed as follows:

ARTICLE I

The High Contracting Parties declare that it is their firm intention to uphold the principle that 3 marine miles extending from the coast line outward and measured from low-water mark constitute the proper limits of territorial waters.

ARTICLE II

(1) The President of the German Empire agrees that Germany will raise no objection to the boarding of private vessels under the German flag outside the limits of territorial waters by the authorities of the United States, its territories or possessions, in order that enquiries may be addressed to those on board and an examination be made of the ship's papers for the purpose of ascertaining whether the vessel or those on board are endeavoring to import or have imported alcoholic beverages into the United States, its territories or possessions, in violation of the laws there in force. When such enquiries and examinations show a reasonable ground for suspicion, a search of the vessel may be initiated.

(2) If there is reasonable cause for belief that the vessel has committed or is committing or attempting to commit an offense against the laws of the United States, its territories or possessions, prohibiting the importation of alcoholic beverages, the vessel may be seized and taken into a port of the United States, its territories or possessions, for adjudication in accordance with such laws.

(3) The rights conferred by this article shall not be exercised at a greater distance from the coast of the United States, its territories or possessions, than can be traversed in one hour by the vessel suspected of endeavoring to commit the offense. In cases, however, in which the liquor is intended to be conveyed to the United States, its territories or possessions, by a vessel other than the one boarded and searched, it shall be the speed of such other vessel and not the speed of the vessel boarded which shall determine the distance from the coast at which the right under this article can be exercised.

ARTICLE III

No penalty or forfeiture under the laws of the United States shall be applicable or attach to alcoholic liquors or to vessels or persons by reason of the carriage of such liquors, when such liquors are listed as sea stores or cargo destined for a port foreign to the United States, its territories or possessions, on board German vessels voyaging to or from ports of the United States, or its territories or possessions, or passing through the territorial waters thereof, and such carriage shall be as now provided by law with respect to the transit of such liquors through the Panama Canal, provided that such liquors shall be kept under seal continuously while the vessel on which they are carried remains within said territorial waters and that no part of such liquors shall at any time or place be unladen within the United States, its territories or possessions.

ARTICLE IV

Any claim by a German vessel for compensation on the grounds that it has suffered loss or injury through the improper or unreasonable exercise of the rights conferred by Article II of this treaty or on the ground that it has not been given the benefit of Article III shall be referred for the joint consideration of two persons, one of whom shall be nominated by each of the high contracting parties.

Effect shall be given to the recommendations contained in any such joint report. If no joint report can be agreed upon the claim shall be referred to the Permanent Court of Arbitration at The Hague, described in the convention for the pacific settlement of international disputes, concluded at The Hague October 18, 1907. The arbitral tribunal shall be constituted in accordance with article 87 (Chapter IV) and with article 59 (Chapter III) of the said convention. The proceedings shall be regulated by so much of Chapter IV of the said convention and of Chapter III thereof (special regard being had for articles 70 and 74, but excepting articles 53 and 54) as the tribunal may consider to be applicable and to be consistent with the provisions of this agreement. All sums of money which may be awarded by the tribunal on account of any claim shall be paid within 18 months after the date of the final award without interest and without deduction, save as hereafter specified. Each Government shall bear its own expenses. The expenses of the tribunal shall be defrayed by a ratable deduction of the amount of the sums awarded by it, at a rate of 5 per cent on such sums or at such lower rate as may be agreed upon between the two Governments; the deficiency, if any, shall be defrayed in equal moieties by the two Governments.

ARTICLE V

This treaty shall be subject to ratification and shall remain in force for a period of one year from the date of the exchange of ratifications.

Three months before the expiration of the said period of one year either of the high contracting parties may give notice of its desire to propose modifications in the terms of the treaty.

If such modifications have not been agreed upon before the expiration of the term of one year mentioned above, the treaty shall lapse.

If no notice is given on either side of the desire to propose modifications, the treaty shall remain in force for another year, and so on automatically, but subject always in respect of each such period of a year to the right on either side to propose, as provided above three months before its expiration, modifications in the treaty, and to the provision that if such modifications are not agreed upon before the close of the period of one year the treaty shall lapse.

ARTICLE VI

In the event that either of the high contracting parties shall be prevented either by judicial decision or legislative action from giving full effect to the provisions of the present treaty, the said treaty shall automatically lapse, and on such lapse or whenever this treaty shall cease to be in force each high contracting party shall enjoy all the rights which it would have possessed had this treaty not been concluded.

The present convention shall be duly ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by the President of the German Empire in accordance with the requirements of the German constitution, and the ratifications shall be exchanged at Washington as soon as possible.

In witness whereof the respective plenipotentiaries have signed the present convention in duplicate and have thereunto affixed their seals.

Done at the city of Washington this 19th day of May, A. D. 1924.

(Signed) CHARLES EVANS HUGHES. [SEAL.]
(Signed) DR. OTTO WIEDFELT. [SEAL.]

CONVENTION WITH SWEDEN TO PREVENT SMUGGLING OF INTOXICATING LIQUORS

In executive session this day, the following convention was ratified, and on motion of Mr. LODGE the injunction of secrecy was removed therefrom:

To the Senate:

To the end that I may receive the advice and consent of the Senate to ratification, I transmit herewith a convention between the United States and Sweden signed at Washington on May 22, 1924, to aid in the prevention of the smuggling of intoxicating liquors into the United States.

CALVIN COOLIDGE.

THE WHITE HOUSE, *May 23, 1924.*

THE PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, a convention between the United States and Sweden to aid in the prevention of the smuggling of intoxicating liquors into the United States, signed at Washington on May 22, 1924.

Respectfully submitted.

CHARLES E. HUGHES.

DEPARTMENT OF STATE,
Washington, May 22, 1924.

The President of the United States of America and His Majesty the King of Sweden being desirous of avoiding any difficulties which might arise between them in connection with the laws in force in the United States on the subject of alcoholic beverages have decided to conclude a convention for that purpose, and have appointed as their plenipotentiaries:

The President of the United States of America, Mr. Charles Evans Hughes, Secretary of State of the United States;

His Majesty the King of Sweden, Mr. V. Assarsson, counselor of his legation at Washington;

Who, having communicated their full powers found in good and due form, have agreed as follows:

ARTICLE I

The high contracting parties respectively retain their rights and claims, without prejudice by reason of this agreement, with respect to the extent of their territorial jurisdiction.

ARTICLE II

(1) His Majesty agrees that he will raise no objection to the boarding of private vessels under the Swedish flag outside the limits of territorial waters by the authorities of the United States, its territories or possessions, in order that inquiries may be addressed to those on board and an examination be made of the ship's papers for the purpose of ascertaining whether the vessel or those on board are endeavoring to import or have imported alcoholic beverages into the United States, its territories or possessions, in violation of the laws there in force. When such inquiries and examination show a reasonable ground for suspicion a search of the vessel may be initiated.

(2) If there is reasonable cause for belief that the vessel has committed or is committing or attempting to commit an offense against the laws of the United States, its territories or possessions, prohibiting the importation of alcoholic beverages, the vessel may be seized and taken into a port of the United States, its territories or possessions, for adjudication in accordance with such laws.

(3) The rights conferred by this article shall not be exercised at a greater distance from the coast of the United States, its territories or possessions, than can be traversed in one hour by the vessel suspected of endeavoring to commit the offense. In cases, however, in which the liquor is intended to be conveyed to the United States, its territories or possessions, by a vessel other than the one boarded and searched, it shall be the speed of such other vessel and not the speed of the vessel boarded which shall determine the distance from the coast at which the right under this article can be exercised.

ARTICLE III

No penalty or forfeiture under the laws of the United States shall be applicable or attach to alcoholic liquors or to vessels or persons by reason of the carriage of such liquors, when such liquors are listed as sea stores or cargo destined for a port foreign to the United States, its territories or possessions, on board Swedish vessels voyaging to or from ports of the United States, or its territories or possessions, or passing through the territorial waters thereof, and such carriage shall be as now provided by law with respect to the transit of such liquors through the Panama Canal, provided that such liquors shall be kept under seal continuously while the vessel on which they are carried remains within said territorial waters and that no part of such liquors shall at any time or place be unladen within the United States, its territories or possessions.

ARTICLE IV

Any claim by a Swedish vessel for compensation on the grounds that it has suffered loss or injury through the improper or unreasonable exercise of the rights conferred by Article II of this treaty or on the ground that it has not been given the benefit of Article III shall be referred for the joint consideration of two persons, one of whom shall be nominated by each of the high contracting parties.

Effect shall be given to the recommendations contained in any such joint report. If no joint report can be agreed upon, the claim shall be referred to the Permanent Court of Arbitration at The Hague described in the convention for the pacific settlement of international disputes, concluded at The Hague, October 18, 1907. The arbitral tribunal shall be constituted in accordance with article 87 (Chapter IV) and with article 59 (Chapter III) of the said convention. The proceedings shall be regulated by so much of Chapter IV of the said convention and of Chapter III thereof (special regard being had for articles 70 and 74, but excepting articles 53 and 54) as the tribunal may consider to be applicable and to be consistent with the provisions of this agreement. All sums of money which may be awarded by the tribunal on account of any claim shall be paid within 18 months after the date of the final award without interest and without deduction, save as hereafter specified. Each Government shall bear its own expense. The expenses of the tribunal shall be defrayed by a ratable deduction of the amount of the sums awarded by it, at a rate of 5 per cent on such sums, or at such lower rates as may be agreed upon between the two Governments; the deficiency, if any, shall be defrayed in equal moieties by the two Governments.

ARTICLE V

This treaty shall be subject to ratification and shall remain in force for a period of one year from the date of the exchange of ratifications.

Three months before the expiration of the said period of one year, either of the high contracting parties may give notice of its desire to propose modifications in the terms of the treaty.

If such modifications have not been agreed upon before the expiration of the term of one year mentioned above, the treaty shall lapse.

If no notice is given on either side of the desire to propose modifications, the treaty shall remain in force for another year, and so on automatically, but subject always in respect of each such period of a year to the right on either side to propose as provided above three months before its expiration modifications in the treaty, and to the provision that if such modifications are not agreed upon before the close of the period of one year the treaty shall lapse.

ARTICLE VI

In the event that either of the high contracting parties shall be prevented either by judicial decision or legislative action from giving full effect to the provisions of the present treaty, the said treaty shall automatically lapse, and on such lapse or whenever this treaty shall cease to be in force each high contracting party shall enjoy all the rights which it would have possessed had this treaty not been concluded.

The present convention shall be duly ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by His Majesty the King of Sweden, and the ratifications shall be exchanged at Washington as soon as possible.

In witness whereof the respective plenipotentiaries have signed the present convention in duplicate in the English and Swedish languages and have thereunto affixed their seals.

Done at the city of Washington this 22d day of May, A. D 1924.

[SEAL.] CHARLES EVANS HUGHES.
[SEAL.] V. ASSARSSON.

NOMINATIONS

Executive nominations received by the Senate May 26, 1924

PROMOTIONS IN THE CONSULAR SERVICE

FROM CONSUL GENERAL OF CLASS 4 TO CONSUL GENERAL OF CLASS 3

Marion Letcher, of Georgia.

FROM CONSUL OF CLASS 3 TO CONSUL GENERAL OF CLASS 4

Samuel T. Lee, of Michigan.

FROM JAPANESE SECRETARY OF THE EMBASSY TO JAPAN TO CONSUL GENERAL OF CLASS 4

John K. Caldwell, of Kentucky.

FROM CONSULS OF CLASS 4 TO CONSULS OF CLASS 3

Arthur C. Frost, of Massachusetts.
Dana G. Munro, of New Jersey.
Leon Dominian, of New York.
Charles M. Hathaway, jr., of Pennsylvania.

FROM CONSULS OF CLASS 5 TO CONSULS OF CLASS 4

Leslie E. Reed, of Minnesota.
John K. Davis, of Ohio.
O. Gaylord Marsh, of Washington.
John W. Dye, of Minnesota.
Hasell H. Dick, of South Carolina.
Leland B. Morris, of Pennsylvania.

FROM CONSUL OF CLASS 6 TO CONSUL OF CLASS 5

Joseph F. McGurk, of New Jersey.
William P. Blocker, of Texas.
Jay C. Huston, of California.
Charles J. Pisar, of Wisconsin.
John Randolph, of New York.
Parker W. Buhrman, of Virginia.
William R. Langdon, of Massachusetts.

FROM CONSUL OF CLASS 7 TO CONSUL OF CLASS 6

Egmont C. von Tresckow, of South Carolina.
Harry E. Carlson, of Illinois.
Samuel R. Thompson, of California.
Orsen N. Nielsen, of Wisconsin.
Damon C. Woods, of Texas.
Robert B. Macatee, of Virginia.
Hugh S. Fullerton, of Ohio.
Richard F. Boyce, of Michigan.
Digby A. Willson, of New York.
Raleigh A. Gibson, of Illinois.
Ilo C. Funk, of Colorado.

FROM VICE CONSUL OF CAREER OF CLASS 1 TO CONSUL OF CLASS 7

Harold Shantz, of New York.
Frederick L. Thomas, of New York.
Robert R. Patterson, of Michigan.
Harold S. Tewell, of North Dakota.
Hiram A. Boucher, of Minnesota.
E. Talbot Smith, of Connecticut.
William I. Jackson, of Illinois.
Robert Y. Jarvis, of California.

FROM SENIOR INTERPRETER AT $3,000 TO CONSUL OF CLASS 7

Maxwell M. Hamilton, of Iowa.

TO CONSUL OF CLASS 7 FROM THE ELIGIBLE LIST

Augustin W. Ferrin, of New York.

MEMBER OF THE FEDERAL TRADE COMMISSION

Charles W. Hunt, of Iowa, to be a member of the Federal Trade Commission for the term expiring September 25, 1925, vice Victor Murdock, resigned.

MEMBER OF THE MISSISSIPPI RIVER COMMISSION

Edward Flad, of St. Louis, Mo., to be a member of the Mississippi River Commission, vice J. A. Ockerson, deceased.

PRESIDING JUDGE OF THE COURT OF CUSTOMS APPEALS

William J. Graham, of Illinois, to be presiding judge of the Court of Customs Appeals, vice George E. Martin, who has been appointed chief justice of the Court of Appeals, District of Columbia.

PROMOTIONS IN THE REGULAR ARMY

To be colonel

Lieut. Col. Godwin Ordway, Coast Artillery Corps, from May 16, 1924.

To be lieutenant colonel

Maj. Robert Davis, Signal Corps, from May 16, 1924.

To be major

Capt. Charles Wolcott Ryder, Infantry, from May 16, 1924.

To be captains

First Lieut. Morris Handley Forbes, Infantry, from May 14, 1924.

First Lieut. Dorsey Jay Rutherford, Coast Artillery Corps, from May 16, 1924.

To be first lieutenants

Second Lieut. Joseph Alfred Cranston, jr., Infantry, from May 14, 1924.

Second Lieut. Willard Leslie Isaacs, Infantry, from May 16, 1924.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

FIELD ARTILLERY

Second Lieut. Walter Howard DeLange, Air Service, with rank from January 5, 1923.

AIR SERVICE

Capt. Karl Hartman Gorman, Cavalry (detailed in Air Service), with rank as prescribed by the act of June 30, 1922.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 26, 1924

PROMOTIONS IN THE NAVY

To be captain

William S. Pye.

To be commanders

Leslie E. Bratton.
Emanuel A. Lofquist.

To be lieutenant commander

Edward J. O'Keefe.

To be lieutenant

Robert Anderson.

To be lieutenants (junior grade)

Harold J. McNulty.
John A. Pennington.
Rutledge B. Thompkins.
Campbell H. Minckler.
William A. Gorry.
John W. Harris.
Harry A. Brandenburger.

To be assistant surgeons

John S. Harlow, jr.
Ora M. Holman.
Clifton A. Young.
Walter B. Wolfe.
John M. Rachulus.
David C. Elliott.
Harry D. Templeton.
Cleveland E. Branner.
Charles Stewart.
William H. Turnley.
William A. Strauss.
Walter F. J. Karbach.
Charlie H. Allman.
Elmer T. Cure.
John F. Moriarty.
John M. Barnes.
Richard B. Talbott.
Leon D. Carson.
Victor W. Hart.
Arthur J. Hamilton.
George C. Main.
Harold B. Rae.
Donald E. Dement.
William E. Pinner.
Dwight J. Wharton.
Henry G. Backer.
Merrill R. Fox.
John W. Parent.
Arthur P. Morton.
Howard E. Hill.
Oliver R. Nees.
John L. Thornton.
Claude L. Taylor.
Robert E. Baker.
Horace E. Brown.
Harvey E. Robins.
Robert K. Y. Dusinberre.
John L. Emenhiser.
Carl D. Middlestadt.
Beryl C. Shearer.
Charles H. Bitner.
Charles C. Yanquell.
John Q. Owsley, jr.
John F. Luten.
Roy L. Mullins.
Arra B. Chesser.
Lloyd R. Newhouser.
Joseph I. Porter.
Israel Levin.
Henry M. Weber.
Harold E. List.
Francis J. Vurpillat.
Max E. Wonders.
John R. Smith.
Henry J. Winkler.
Harold D. Fritz.
Thomas F. Cooper.
John M. Beall.
Walter A. Hornaday.
George C. Thomas.
Leonard L. Wilson.
John M. Woodward.
David W. Truscott.
Fay H. Falconer.
Wilbur J. Cox.
Harold W. Gillen.
John R. Lynas.

To be civil engineer

James T. Mathews.

To be chief gunners

Frank W. Dunning.
Edwin V. Wilder.

To be chief carpenters

Claude M. Joseph.
Wyatt E. Fitzgerald.
James Sanders.
Charles H. Langenstein.
Frank M. Rogers.
Roy R. Wells.

MARINE CORPS

Eli K. Cole to be major general (temporary).
Dion Williams to be brigadier general.
Harold C. Reisinger to be assistant paymaster, with rank of colonel.

To be first lieutenants

Edgar G. Kirkpatrick.
Clarence H. Yost.
John D. O'Leary.
Clyde H. Hartsel.
Grover C. Darnall.
Delmar Byfield.
Charles Connette.
Arthur C. Small.
James Ackerman.
Henning F. Adickes.
Ralph C. Alburger.
Benjamin W. Atchison
William L. Bales.
Ralph C. Battin.
Frederick C. Biebush.
Edmond McC. Callaway.
Gale T. Cummings.
Roy W. Conkey.
Terrell J. Crawford.
Howard B. Enyart.
George Esau.
Edwin J. Farrell.
Augustus H. Fricke.
Julian N. Frisbie.
Carl Gardner.
Gordon Hall.
Guy B. Hall.
Frank W. Hanlon.
William S. Fellers.
James B. Hardie.
George L. Hollett.
Herbert S. Keimling.
Ralph D. Leach.
George W. McHenry.
William L. McKittrick.
Charles W. Pohl.
Bernard W. Pravitz.
Stanley E. Ridderhof.
Edward A. Robbins.
Thomas McK. Schuler.
Morris L. Shively.
Max D. Smith.
David A. Stafford.
William J. Stamper.
Jay D. Swartwout.
George H. Towner, jr.
Leslie H. Wellman.
Walter W. Wensinger.
Ervin R. Whitman.
Marvin V. Yandle.

POSTMASTERS

ARKANSAS

Bertha E. Millian, Lexa.
Nellie V. Gilbert, Millville.
Elmer B. Wacaster, Mount Ida.
Maud Jackson, Sherrill.
Maida W. Russell, Star City.
Robert A. Choate, Tuckerman.
Robert E. Jeter, Wabbaseka.

COLORADO

Cora M. Northup, Fountain.
Oscar L. Morris, La Salle.
Charles V. Engert, Lyons.

FLORIDA

Jefferson Gaines, Bocagrande.
John B. Carlin, St. Cloud.

ILLINOIS

Joseph D. Robertson, Barrington.
Guy A. Meyers, Milledgeville.
Minor S. Miller, Pearl City.
LeRoy Gammon, Thebes.
Arthur Justus, Warren.

MASSACHUSETTS

Albert S. Hopkins, Norton.

MISSOURI

Edgar A. Crandell, Wyaconda.

MONTANA

Lee Jellison, Hobson.

NEBRASKA

Harry C. McClellan, Arlington.
Elmer H. Doering, Battle Creek.
Guy W. Green, Bloomington.
Stanley E. Hemenway, Clearwater.
Robert L. Hart, Cozad.
Anton B. Helms, Randolph.
Otto J. Zuelow, Schuyler.
Margaret M. Anderson, Stromsburg.

NEW YORK

Arthur J. Lytle, Angelica.
E. DeLancy Walters, Bolivar.
Ettie M. Babcock, Canaan.

NORTH CAROLINA

William B. Ward, Concord.

PENNSYLVANIA

Howard S. Kiess, Blossburg.

TEXAS

James D. Heaton, Barry.
Alois J. Skarda, Bloomington.
Mike O. Sharp, Denison.
George F. Bates, Lyons.
Dunn R. Emerson, Marlin.
Clara C. White, Megargel.
Edgar W. Hargett, Richards.
Lillie M. Ragsdale, Richardson.
William H. Tarter, Roxton.
Jesse P. Smith, Smiley.
William M. Willis, Timpson.
Minerva M. F. Cowart, Turkey.
James A. Morgan, Vega.
Oliver P. Maricle, Wichita Falls.

HOUSE OF REPRESENTATIVES

MONDAY, *May 26, 1924*

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, our Father, what a comfort is ours in the consciousness that Thou art always near to bestow wisdom and lead us on our way. Frail and helpless though we are, yet in Thee do we put our trust and Thou wilt never fail us. Be near us this day and we shall have no fear; let Thy light be about us and we shall see no darkness; rule over us and sin shall lose its power. O be our ground of faith and our sky of hope. May the words of our mouth and the meditations of our hearts be acceptable in Thy sight O Lord, our strength and our Redeemer. Amen.

The Journals of Saturday, May 24, and Sunday, May 25, 1924, were severally read and approved.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make the point of order that there is no quorum present.

Mr. GREEN of Iowa. I hope the gentleman will not insist on that.

Mr. SNYDER. Will the gentleman withhold his point of order in order that I may make a unanimous-consent request?

Mr. RANKIN. I think we need a quorum present, but I will withhold it in order that the gentleman from New York may make his unanimous-consent request.

INTERSTATE COMMERCE ACT

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on train control.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD on train control. Is there objection? [After a pause.] The Chair hears none.

Mr. SNYDER. Mr. Speaker, I secured unanimous consent to extend my remarks that I may place before Congress a brief statement regarding my bill, H. R. 9436, which is a bill to amend section 26 of the interstate commerce act as amended.

The purpose of this bill is the enforcement of orders made by the Interstate Commerce Commission making certain railroads equip sections of their lines with train-control or life-saving devices. It simply demands that the railroads carry out the orders of the commission and increases the penalty to $1,000 for each day that any common carrier refuses or neglects to comply with any order of the commission, and further provides that any person in whom has been vested by appropriate action of the board of directors or president of the carriers the duty to cause compliance of such order shall be fined not more than $5,000 or imprisoned for not more than five years if an accident involving a loss of human life occurs upon the railroad of such carrier, or if such accident is attributable to the nonfulfillment of the order, or if such director, officer, employee, or other person willfully or negligently failed to cause such compliance.

This bill has been introduced at this time in the interest of humanity and the saving of human life in railroad travel, both for employees and the traveling public.

The question of train control has been a subject of consideration by both the Interstate Commerce Commission and the railroads for several years. Nearly a year and a half ago the development of a device or devices for the purpose of train control was brought to such a state of efficiency that the Interstate Commerce Commission, noting the necessity for curbing to the greatest possible extent the loss of human life in passenger traffic, and after exhaustive investigation, determined that one or more of these systems had become of sufficient merit to warrant the issuance of an order in an endeavor to force the principal railroads to at least test out the merits of the subject.

An order issued by the Interstate Commerce Commission directing 49 of the principal carriers to equip at least one full division on each of these railroads with train control. Later on a second order was issued to these same roads. And later on a further order was issued to 46 of the remaining smaller roads.

To the present moment, as far as is known, no major effort has been made on the part of either of these roads, with one possible exception, to carry out that order; and, as set forth in the thirty-second annual report of the Interstate Commerce Commission dated December 1, 1923, there were killed and injured, in the year 1923, in accidents upon these railroads, which would have been wholly preventable had the order of the Interstate Commerce Commission been carried out, the following number of people: One hundred and eighty-nine people killed in preventable accidents and 1,299 injured in preventable accidents, saying nothing with reference to the millions of dollars which would have been saved to these companies and to the public in the matter of equipment destroyed.

Recently a combination of railroad presidents or managers attempted to prevail upon the Interstate Commerce Commission to withdraw or extend the time of these orders, calling for this equipment to be installed on or before January 1, 1925, and January 1, 1926. After careful hearings and full investigation, the Interstate Commerce Commission declined to withdraw the order or to extend the period.

The proponent of this bill having given the matter full and careful consideration, and having no interest in it other than to assist, in any way he can, in bringing about the compliance of the order which he believes the Interstate Commerce Commission would not have issued unless it had positive knowledge of the fact that there was a device suitable for the purpose which could be applied to all passenger railroads at a moderate rate per mile, therefore is presenting the bill which has for its function the enforcement of these orders and makes no change in the law except to increase the penalty for nonfulfillment of same.

The only reason why the railroads have not adopted this life-saving device is the fact that the public has not been advised that there is such an appliance, as it is firmly believed public sentiment would almost immediately force the railroads to give the traveling public the benefit of this invention.

Surely everyone who steps on a railroad train feeling that because of the tremendous number of accidents which are taking place daily, owing to the defects of the human body and mind, would be at once relieved if they knew they would be protected by a mechanical device which would insure them perfect safety.

A case in point: For more than three years the Rock Island Railroad has had in operation 44 miles, and since December 1, 1922, has equipped 330 miles, of its great system of roads with a device known as the Regan train control. More than 100 of its engines have been connected with this device, and recently the vice president of this road, as well as its engineers, stated in their testimony before the Interstate Commerce Commission that the system was working perfectly.

So there can be no good reason why the traveling public should not have the benefit of the thought of real security when they retire for the night upon a railroad train or start out for a day ride to some objective.

It is well known that all great railroads hesitate for many reasons to install new systems upon their roads with an endeavor by their own ingenuity to work out devices which would accomplish the same purposes in, perhaps, another way. But it is believed there has been time sufficient for the experiments and efforts on the part of the separate railroad companies to accomplish this desire, and sufficient human lives have been lost during that period of experiment, to the end that from now on the railroads should be forced to carry out the direction of the Interstate Commerce Commission when human life is so largely involved.

CALL OF THE HOUSE

Mr. HOWARD of Nebraska. Mr. Speaker, while they are conferring with the gentleman from Mississippi [Mr. RANKIN], may I ask a question for information?

The SPEAKER. Will the gentleman from Mississippi withhold his point of order in order that the gentleman from Nebraska may ask a question?

Mr. RANKIN. Yes; for a question, Mr. Speaker.

Mr. HOWARD of Nebraska. Not being overly familiar with the practice, I desire to ask what is the practice in the absence of the chairman of a committee and one being desirous of propounding a question to the chairman? Would it be in order to ask the next in line to the chairman?

The SPEAKER. The Chair does not think that is a parliamentary inquiry.

Mr. RANKIN. Mr. Speaker, I insist on my point of order.

Mr. HOWARD of Nebraska. Mr. Speaker, I did not ask it as a parliamentary inquiry.

The SPEAKER. That is the only kind of an inquiry which can properly be made.

Mr. HOWARD of Nebraska. I know of nowhere else to go for information.

The SPEAKER. The gentleman from Mississippi makes the point of order that there is no quorum present. It is evident there is no quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

Abernethy	French	Mooney	Sabath
Aldrich	Fulmer	Morin	Sanders, N. Y.
Anderson	Graham, Ill.	Mudd	Sears, Nebr.
Bacharach	Harrison	Nelson, Wis.	Stalker
Boies	Howard, Okla.	Nolan	Sullivan
Bowling	Kahn	O'Brien	Swoope
Buckley	Kunz	Park, Ga.	Taylor, Colo.
Byrnes, S. C.	Langley	Patterson	Temple
Clark, Fla.	Lehlbach	Perlman	Valle
Cole, Ohio	Lilly	Phillips	Wainwright
Collins	Little	Porter	Ward, N. Y.
Curry	Logan	Ransley	Wertz
Dominick	Madden	Reed, N. Y.	White, Me.
Drane	Michaelson	Reed, W. Va.	Winter
Drewry	Miller, Ill.	Rogers, Mass.	Wright
Edmonds	Milligan	Rogers, N. H.	Yates
Fleetwood	Montague	Rosenbloom	Zihlman

The SPEAKER. Three hundred and sixty-five Members have answered to their names; a quorum is present.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were reopened.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Welch, one of its clerks, announced that the Senate had passed the following resolutions:

Senate Resolution 236

Resolved, That the Senate has heard with deep sorrow of the death of Hon. H. GARLAND DUPRÉ, late a Representative from the State of Louisiana.

Resolved, That the business of the Senate be now suspended in order that fitting tribute may be paid to his high character and distinguished public services.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Senate Resolution 237

Resolved, That the Senate has heard with deep sorrow of the death of Hon. BENJAMIN G. HUMPHREYS, late a Representative from the State of Mississippi.

Resolved, That the business of the Senate be now suspended in order that fitting tribute may be paid to his high character and distinguished public services.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That, as a further mark of respect to the memory of the deceased, the Senate do now adjourn.

The message also announced that the Senate had passed the following resolution:

House Concurrent Resolution 25

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House is authorized and directed, in enrolling the bill (H. R. 8350) entitled "An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes," to amend the language of the first paragraph of Title IV of said bill under the captions "Title IV, Department of Labor, Office of the Secretary," so as to read as follows: Salaries: Secretary of Labor, $12,000; Assistant Secretary, Second Assistant Secretary, and other personal services in the District of Columbia in accordance with the classification act of 1923, $171,900; in all, $183,900.

ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 6715. An act to reduce and equalize taxation, to provide revenue, and for other purposes;

H. R. 8350. An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes;

H. R. 6355. An act to authorize the Secretary of the Interior to issue certificates of citizenship to Indians;

H. R. 2713. An act to transfer certain lands of the United States from the Rocky Mountain National Park to the Colorado National Forest, Colo.;

H. R. 1475. An act for the relief of Luke Ratigan;

H. R. 2884. An act providing for the reservation of certain lands in Utah for certain bands of Paiute Indians;

H. R. 7113. An act to establish a dairy bureau in the Department of Agriculture, and for other purposes;

H. R. 5416. An act to authorize the setting aside of certain tribal lands within the Quinaielt Indian Reservation in Washington for lighthouse purposes;

H. R. 169. An act to amend an act entitled "An act to amend section 73 of an act entitled 'An act to codify, revise, and amend the laws relating to the judiciary,' approved June 12, 1916," and for other purposes;

H. R. 498. An act providing for a recreational area within the Crook National Forest, Ariz.;

H. R. 8050. An act to detach Reagan County, in the State of Texas, from the El Paso division of the western judicial district of Texas, and attach said county to the San Angelo division of the northern judicial district of said State;

H. R. 1442. An act authorizing issuance of patent to Charles Swanson;

H. R. 6628. An act to change the name of Jewett Street west of Wisconsin Avenue to Cathedral Avenue;

H. R. 656. An act to add certain lands to the Plumas and to the Lassen National Forests in California;

H. R. 2875. An act to provide for the addition of the names of certain persons to the final roll of the Indians of the Flathead Indian Reservation, Mont.;

H. R. 4981. An act to authorize the Secretary of War to grant permission to the city of Philadelphia, Pa., to widen Haines Street in front of the national cemetery, Philadelphia, Pa.;

H. R. 2882. An act to provide for the reservation of certain land in Utah as a school site for Ute Indians;

H. R. 5136. An act for the relief of Eva B. Sharon;

H. R. 8070. An act authorizing preliminary examinations and surveys of sundry streams with a view to the control of their floods;

H. R. 4481. An act authorizing the Secretary of Commerce to exchange land formerly used as a site for the Point of Woods Range Lights, Mich., for other lands in the vicinity;

H. R. 6857. An act to provide for the addition of the names of Chester Calf and Crooked Nose Woman to the final roll of the Cheyenne and Arapaho Indians, Seger jurisdiction, Oklahoma;

H. R. 714. An act to amend section 101 of the Judicial Code;

H. R. 7500. An act to authorize the sale of certain lands at or near Adger, Ada County, Idaho, for railroad purposes;

H. R. 4445. An act to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary";

H. R. 3236. An act to regulate the practice of optometry in the District of Columbia;

H. R. 2879. An act to provide for the disposal of homestead allotments of deceased allottees within the Blackfeet Indian Reservation, Mont.;

H. R. 4437. An act to quiet titles to land in the municipality of Flomaton, State of Alabama;

H. R. 5218. An act granting the consent of Congress to the Pittsburgh Coal, Land & Railroad Co. to construct a bridge across the Tug Fork of Big Sandy River at or near Nolan, in Mingo County, W. Va., to the Kentucky side, in Pike County, Ky.;

H. R. 5169. An act authorizing the Secretary of the Interior to grant a patent to certain lands to Johann Jacob Lutsch;

H. R. 7109. An act to authorize acquisition of unreserved public lands in the Columbia or Moses Reservation, State of Washington, under acts of March 28, 1912, and March 3, 1877, and for other purposes;

H. R. 4460. An act authorizing payment to certain Red Lake Indians, out of the tribal trust funds, for garden plats surrendered for school-farm use;

S. 946. An act for the relief of Amy L. Fallon, mother of Lieut. Henry N. Fallon, retired; and

S. J. Res. 105. A joint resolution authorizing the President to detail an officer of the Corps of Engineers as Director of the Bureau of Engraving and Printing, and for other purposes.

REVENUE ACT OF 1924—CONFERENCE REPORT

Mr. GREEN of Iowa. Mr. Speaker, I call up conference report on the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

The SPEAKER. The gentleman from Iowa calls up a conference report on H. R. 6715, which the Clerk will report by title.

The Clerk read the title of the bill.

Mr. GREEN of Iowa. Mr. Speaker, under the ordinary arrangement I would take an hour, and the gentleman from Texas [Mr. GARNER], on the other side, would take an hour; but I ask unanimous consent, after consulting with the gentleman from Texas, that debate on the conference report be limited to one hour and a half, that time to be controlled one-half by myself and one-half by the gentleman from Texas, and at the expiration of the hour and a half the previous question on the conference report be considered as ordered.

The SPEAKER. The gentleman from Iowa asks unanimous consent that on the conference report there be an hour and a half of debate, one-half to be controlled by himself and one-half to be controlled by the gentleman from Texas, and at the end of the hour and a half the previous question be considered as ordered. Is there objection? [After a pause.] The Chair hears none.

Mr. GARRETT of Tennessee. Of course, the gentleman intends to have the report read?

Mr. GREEN of Iowa. Yes. I was just about to say that usually we read the statement instead of the report. In this particular instance, however, the statement is about twice as long as the report; so, unless some gentleman asks that the statement be read, we will have the report read.

The SPEAKER. The Clerk will read the report.

The Clerk read the report, as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 13, 14, 15, 18, 19, 21, 22, 23, 25, 26, 27, 28, 30, 31, 32, 33, 34, 35, 36, 48, 53, 69, 71, 72, 76, 77, 80, 81, 82, 83, 89, 90, 92, 93, 95, 123, 127, 128, 129, 132, 136, 137, 140, 141, 143, 144, 145, 146, 147, 148, 149, 150, 153, 157, 158, 159, 161, 162, 163, 164, 166, 167, 168, 169, 171, 172, 174, 176, 181, 183, 184, 188, 189, 190, 191, 192, 195, 196, 197, 198, 199, 203, 205, 206, 207, 208, 209, 210, 211, 215, 222, 223, 224, 225, 229, 253, 254, and 260.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 16, 17, 20, 24, 29, 37, 38, 40, 42, 43, 45, 46, 49, 50, 52, 54, 55, 57, 58, 59, 60, 64, 65, 66, 67, 68, 70, 73, 74, 75, 78, 84, 85, 86, 87, 94, 97, 98, 99, 100, 102, 103, 104, 105, 106, 107, 108, 109, 112, 113, 115, 116, 118, 119, 120, 121, 124, 125, 126, 130, 131, 133, 134, 135, 138, 139, 142, 151, 156, 160, 165, 170, 173, 175, 177, 178, 180, 182, 185, 193, 200, 201, 202, 204, 213, 214, 217, 218, 219, 220, 221, 226, 227, 231, 232, 233, 234, 235, 236, 237, 238, 239, 241, 242, 243, 244, 245, 246, 247, 248, 249, 251, 252, 255, 256, 257, 258, and 259, and agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: Restore the matter proposed to be stricken out by the Senate amendment and on page 16 of the House bill strike out all after "shall" in line 9 down to and including the comma in line 10; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(b) In the case of an individual the tax shall, in addition to the credits provided in section 222, be credited with 25 per cent of the amount of tax which would be payable if his earned net income constituted his entire net income; but in no case shall the credit allowed under this subdivision exceed 25 per cent of his tax under section 210" and a period.

And the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows: On page 5 of the Senate engrossed amendments, line 18, strike out "Two" and insert "2"; and on page 5 of the Senate engrossed amendments, line 19, strike out "attributed" and insert "attributable"; and on page 6 of the Senate engrossed amendments, line 1, strike out "Four" and insert "4"; and on page 6 of the Senate engrossed amendments, line 6, strike out "Six" and insert "6"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(A) If by the terms of such contract the tax imposed by this title is to be paid out of the proceeds from the operation of such public utility, prior to any division of such proceeds between the person and the State, Territory, political subdivision, or the District of Columbia, and if, but for the imposition of the tax imposed by this title, a part of such proceeds for the taxable year would accrue directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, then a tax upon the net income from the operation of such public utility shall be levied, assessed, collected, and paid in the manner and at the rates prescribed in this title, but there shall be refunded to such State, Territory, political subdivision, or the District of Columbia, (under rules and regulations to be prescribed by the commissioner with the approval of the Secretary) an amount which bears the same relation to the amount of the tax as the amount which (but for the imposition of the tax imposed by this title) would have accrued directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, bears to the amount of the net income from the operation of such public utility for such taxable year.

"(B) If by the terms of such contract no part of the proceeds from the operation of the public utility for the taxable year would, irrespective of the tax imposed by this title, accrue directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, then the tax upon the net income of such person from the operation of such public utility shall be levied, assessed, collected, and paid in the manner and at the rates prescribed in this title."

And on page 40 of the House bill, line 1, strike out the comma at the end of the line and insert a dash.

And the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows: On page 12 of the Senate engrossed amendments strike out line 11 and down to and including "continued" in line 12; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows: On page 13 of the Senate engrossed amendments, line 3, strike out "or community chest" and the comma following such words; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: On page 15 of the Senate engrossed amendments, line 10, strike out all after "to" down to and including the comma in line 12, and insert "$2,500"; and on page 15 of the Senate engrossed amendments, line 13, strike out "had such status" and insert "was a married person living with husband or wife or was the head of a family"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert a comma and the following: "or for the prevention of cruelty to children or animals or for the establishment, acquisition, maintenance, or operation of a public cemetery not operated for profit"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: On page 16 of the Senate engrossed amendments, line 11, after "person," insert "not a beneficiary of the trust"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows: On page 16 of the Senate engrossed amendments, line 19, after "person," insert "not a beneficiary of the trust"; and the Senate agree to the same.

Amendment numbered 79: That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment as follows: On page 76 of the House bill, line 7, strike out "Farmers'" and insert "Benevolent life insurance associations of a purely local character, farmers'"; and the Senate agree to the same.

Amendment numbered 88: That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "taxes imposed by sections 230 and 700"; and the Senate agree to the same.

Amendment numbered 91: That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "taxes imposed by sections 230 and 700"; and the Senate agree to the same.

Amendment numbered 96: That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment and restore the matter proposed to be stricken out by the Senate amendment with the following changes: On page 103 of the House bill, line 16, after "Treasury," insert "for"; and on page 103 of the House bill, line 17, after "furnish," insert a comma; and on page 104 of the House bill, line 24, strike out all after "the," down to and including "district," in line 2, on page 105, and insert "name and the post-office address of each person making an income-tax return in such district, together with the amount of the income tax paid by such person"; and the Senate agree to the same.

Amendment numbered 101: That the House recede from its disagreement to the amendment of the Senate numbered 101, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment and restore the matter proposed to be stricken out by the Senate amendment, and on page 113 of the House bill, line 16, strike out all after the period, down to and including the period in line 21, and insert "No part of the amount determined as a deficiency by the commissioner but disallowed as such by the board shall be assessed, but a proceeding in court may be begun, without assessment, for the collection of any part of the amount so disallowed. The court shall include in its judgment interest upon the amount thereof at the rate of 6 per centum per annum from the date prescribed for the payment of the tax to the date of the judgment" and a period; and the Senate agree to the same.

Amendment numbered 110: That the House recede from its disagreement to the amendment of the Senate numbered 110, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at"; and the Senate agree to the same.

Amendment numbered 111: That the House recede from its disagreement to the amendment of the Senate numbered 111, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at"; and the Senate agree to the same.

Amendment numbered 114: That the House recede from its disagreement to the amendment of the Senate numbered 114, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment and restore the matter proposed to be stricken out by the Senate amendment and on page 122 of the House bill, line 20, strike out "5 per centum" and insert "6 per centum"; and on page 123 of the House bill, line 5, strike out "5 per centum" and insert "6 per centum"; and the Senate agree to the same.

Amendment numbered 117: That the House recede from its disagreement to the amendment of the Senate numbered 117, and agree to the same with an amendment as follows: On page 33 of the Senate engrossed amendments, line 21, after "claim" insert "or, if no claim was filed, then during the four years immediately preceding the allowance of the credit or refund"; and the Senate agree to the same.

Amendment numbered 122: That the House recede from its disagreement to the amendment of the Senate numbered 122, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment and restore the matter proposed to be stricken out by the Senate amendment with the following changes: On page 128 of the House bill strike out line 13 and insert the following heading in capitals: "Title III" and a period; and on page 128 of the House bill, after line 13, insert the following heading in small capitals: "Part I.—Estate Tax" and a period; and on page 128 of the House bill, line 14, after "in" insert "Part I of"; and on page 128 of the House bill, line 17, strike out "trator" and insert "trator appointed, qualified, and acting within the United States, then"; and on page 131 of the House bill, line 24, before "this" insert "Part I of"; and on page 132 of the House bill, line 10, strike out all after "held" down to and including "son" in line 12 and insert "as joint tenants by the decedent and any other person, or as tenants by the entirety by the decedent and spouse"; and on page 133 of the House bill strike out lines 2, 3, and 4 and line 5 through "thereof" and insert "by the entirety by the decedent and spouse, then to the extent of one-half of the value thereof, or, where so acquired by the decedent and any other person as joint tenants and their interests are not otherwise specified or fixed by law, then to the extent of the value of a fractional part to be determined by dividing the value of the property by the number of joint tenants"; and on page 133 of the House bill, line 20, strike out "right" and insert "rights"; and on page 134 of the House bill strike out lines 21 to 25, inclusive, and lines 1 to 11, inclusive, on page 135, and insert: "(2) An amount equal to the value of any property (A) forming a part of the gross estate situated in the United States of any person who died within five years prior to the death of the decedent, or (B) transferred to the decedent by gift within five years prior to his death, where such property can be identified as having been received by the decedent from such donor by gift or from such prior decedent by gift, bequest, devise, or inheritance, or which can be identified as having been acquired in exchange for property so received. This deduction shall be allowed only where a gift tax or an estate tax under this or any prior act of Congress was paid by or on behalf of the donor or the estate of such prior decedent as the case may be, and only in the amount of the value placed by the commissioner on such property in determining the value of the gift or the gross estate of such prior decedent, and only to the extent that the value of such property is included in the decedent's gross estate and not deducted under paragraph (1) or (3) of this subdivision" and a semicolon; and on page 135 of the House bill, line 24, strike out all after "trustee or" down to and including "and" in line 2 on page 136, and insert "trustees, or a fraternal society, order, or association operat-

ing under the lodge system, but only if such contributions or gifts are to be used by such trustee or trustees, or by such fraternal society, order, or association, exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. If the tax imposed by section 301, or any estate, succession, legacy, or inheritance taxes, are, either by the terms of the will, by the law of the jurisdiction under which the estate is administered, or by the law of the jurisdiction imposing the particular tax, payable in whole or in part out of the bequests, legacies, or devises otherwise deductible under this paragraph, then the amount deductible under this paragraph shall be the amount of such bequests, legacies, or devises reduced by the amount of such taxes; and"; and on page 136 of the House bill strike out lines 14 to 25, inclusive, and lines 1 to 6, inclusive, on page 137, and insert: "(2) An amount equal to the value of any property (A) forming a part of the gross estate situated in the United States of any person who died within five years prior to the death of the decedent, or (B) transferred to the decedent by gift within five years prior to his death, where such property can be identified as having been received by the decedent from such donor by gift or from such prior decedent by gift, bequest, devise, or inheritance, or which can be identified as having been acquired in exchange for property so received. This deduction shall be allowed only where a gift tax or an estate tax under this or any prior act of Congress was paid by or on behalf of the donor or the estate of such prior decedent as the case may be, and only in the amount of the value placed by the commissioner on such property in determining the value of the gift or the gross estate of such prior decedent, and only to the extent that the value of such property is included in that part of the decedent's gross estate which at the time of his death is situated in the United States and not deducted under paragraph (1) or (3) of this subdivision; and"; and on page 137 of the House bill strike out line 20 and line 21 through "States" and insert "trustees, or a fraternal society, order, or association operating under the lodge system, but only if such contributions or gifts are to be used within the United States by such trustee or trustees, or by such fraternal society, order, or association, exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. If the tax imposed by section 301, or any estate, succession, legacy, or inheritance taxes, are, either by the terms of the will, by the law of the jurisdiction, under which the estate is administered, or by the law of the jurisdiction imposing the particular tax, payable in whole or in part out of the bequests, legacies, or devises otherwise deductible under this paragraph, then the amount deductible under this paragraph shall be the amount of such bequests, legacies, or devises reduced by the amount of such taxes"; and on page 138 of the House bill, line 3, after "of" insert "Part I of"; and on page 138 of the House bill, line 17, after "of" insert "Part I of"; and the Senate agree to the same.

Amendment numbered 152: That the House recede from its disagreement to the amendment of the Senate numbered 152, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "308"; and the Senate agree to the same.

Amendment numbered 154: That the House recede from its disagreement to the amendment of the Senate numbered 154, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at"; and the Senate agree to the same.

Amendment numbered 155: That the House recede from its disagreement to the amendment of the Senate numbered 155, and agree to the same with an amendment as follows: On page 59 of the Senate engrossed amendments, line 23, strike out "315" and insert "310"; and the Senate agree to the same.

Amendment numbered 179: That the House recede from its disagreement to the amendment of the Senate numbered 179, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"PART II.—GIFT TAX

"SEC. 319. For the calendar year 1924 and each calendar year thereafter, a tax equal to the sum of the following is hereby imposed upon the transfer by a resident by gift during such calendar year of any property wherever situated, whether made directly or indirectly, and upon the transfer by a nonresident by gift during such calendar year of any property situated within the United States, whether made directly or indirectly:

"One per cent of the amount of the taxable gifts not in excess of $50,000;

"Two per cent of the amount by which the taxable gifts exceed $50,000 and do not exceed $100,000;

"Three per cent of the amount by which the taxable gifts exceed $100,000 and do not exceed $150,000;

"Four per cent of the amount by which the taxable gifts exceed $150,000 and do not exceed $250,000;

"Six per cent of the amount by which the taxable gifts exceed $250,000 and do not exceed $450,000;

"Nine per cent of the amount by which the taxable gifts exceed $450,000 and do not exceed $750,000;

"Twelve per cent of the amount by which the taxable gifts exceed $750,000 and do not exceed $1,000,000;

"Fifteen per cent of the amount by which the taxable gifts exceed $1,000,000 and do not exceed $1,500,000;

"Eighteen per cent of the amount by which the taxable gifts exceed $1,500,000 and do not exceed $2,000,000;

"Twenty-one per cent of the amount by which the taxable gifts exceed $2,000,000 and do not exceed $3,000,000;

"Twenty-four per cent of the amount by which the taxable gifts exceed $3,000,000 and do not exceed $4,000,000;

"Twenty-seven per cent of the amount by which the taxable gifts exceed $4,000,000 and do not exceed $5,000,000;

"Thirty per cent of the amount by which the taxable gifts exceed $5,000,000 and do not exceed $8,000,000;

"Thirty-five per cent of the amount by which the taxable gifts exceed $8,000,000 and do not exceed $10,000,000;

"Forty per cent of the amount by which the taxable gifts exceed $10,000,000.

"SEC. 320. If the gift is made in property, the fair market value thereof at the date of the gift shall be considered the amount of the gift. Where property is sold or exchanged for less than a fair consideration in money or money's worth, then the amount by which the fair market value of the property exceeded the consideration received shall, for the purpose of the tax imposed by section 319, be deemed a gift, and shall be included in computing the amount of gifts made during the calendar year.

"SEC. 321. In computing the amount of the gifts subject to the tax imposed by section 319, there shall be allowed as deductions:

"(a) In the case of a resident—

"(1) An exemption of $50,000;

"(2) The amount of all gifts or contributions made within the calendar year to or for the use of the United States, any State, Territory, any political subdivision thereof, or the District of Columbia, for exclusively public purposes, or to or for the use of any corporation organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, including the encouragement of art and the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private stockholder or individual, or to a trustee or trustees, or fraternal society, order, or association operating under the lodge system, but only if such gifts or contributions are to be used by such trustee or trustees or by such fraternal society, order, or association, exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, and the amount of all gifts or contributions made within the calendar year by such corporations, trustee, or fraternal society, order, or association for a religious, charitable, scientific, literary, or educational purpose, or for the prevention of cruelty to children or animals, and the amount of all gifts or contributions made within the calendar year to the special fund for vocational rehabilitation authorized by section 7 of the vocational rehabilitation act;

"(3) Gifts the aggregate amount of which to any one person does not exceed $500;

"(4) An amount equal to the value of any property transferred by gift within the calendar year, which can be identified (A) as having been received by the donor within five years prior to the time of his making such gift, either from another person by gift or from a decedent by gift, bequest, devise, or inheritance, or (B) as having been acquired in exchange for property so received. This deduction shall be allowed only where a gift tax or an estate tax under this or any prior act of Congress was paid by or on behalf of the donor or the estate of such decedent, as the case may be, and only in the amount of the value placed by the commissioner on such property in determining the value of the gift or the gross estate of such decedent, and only to the extent that the value of such property is included in the total amount of gifts made within the calendar year and not deducted under paragraph (2) or (3) of this subdivision.

"(b) In the case of a nonresident—

"(1) The amount of all gifts or contributions made within the calendar year to or for the use of the United States, any State, Territory, any political subdivision thereof, or the District of Columbia, for exclusively public purposes or to or for the use of any domestic corporation organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, including the encouragement of art and the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private stockholder or individual, or to a trustee or trustees, or fraternal society, order, or association, operating under the lodge system, but only if such gifts or contributions are to be used within the United States by such trustee or trustees or by such fraternal society, order, or association, exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, and the amount of all gifts or contributions made within the calendar year by such corporation, trustee, or fraternal society, order, or association for a religious, charitable, scientific, literary, or educational purpose, or for the prevention of cruelty to children or animals, and the amount of all gifts or contributions made within the calendar year to the special fund for vocational rehabilitation authorized by section 7 of the vocational rehabilitation act;

"(2) Gifts the aggregate amount of which to any one person does not exceed $500;

"(3) An amount equal to the value of any property situated in the United States transferred by gift within the calendar year, which can be identified (A) as having been received by the donor within five years prior to the time of his making such gift, either from another person by gift or from a decedent by gift, bequest, devise, or inheritance, or (B) as having been acquired in exchange for property so received. This deduction shall be allowed only where a gift tax or an estate tax under this or any prior act of Congress was paid by or on behalf of the donor or the estate of such decedent, as the case may be, and only in the amount of the value placed by the commissioner on such property in determining the value of the gift or the gross estate of such decedent, and only to the extent that the value of such property is included within the total amount of gifts made within the calendar year of property situated in the United States and not deducted under paragraph (1) or (2) of this subdivision.

"SEC. 322. In case a tax has been imposed under section 319 upon any gift, and thereafter upon the death of the donor, the amount thereof is required by any provision of Part I of this title to be included in the gross estate of the decedent, then there shall be credited against and applied in reduction of the estate tax, which would otherwise be chargeable against the estate of the decedent under the provisions of section 301, an amount equal to the tax paid with respect to such gift; and in the event the donor has in any year paid the tax imposed by section 319 with respect to a gift or gifts which upon the death of the donor must be included in his gross estate and a gift or gifts not required to be so included, then the amount of the tax which shall be deemed to have been paid with respect to the gift or gifts required to be so included shall be that proportion of the entire tax paid on account of all such gifts which the amount of the gift or gifts required to be so included bears to the total amount of gifts in that year.

"SEC. 323. Any person who within the year 1924 or any calendar year thereafter makes any gift or gifts in excess of the deductions allowed by section 321 shall on or before the 15th day of March file with the collector a return, under oath, in duplicate, listing and setting forth therein all gifts and contributions made by him during such calendar year (other than the gifts specified in paragraph (3) of subdivision (a) and in paragraph (2) of subdivision (b) of section 321) and the fair market value thereof when made, and also all sales and exchanges of property owned by him made within such year for less than a fair consideration in money or money's worth, stating therein the fair market value of the property so sold or exchanged and that of the consideration received by him, both as of the date of such sale or exchange.

"SEC. 324. The tax imposed by section 319 shall be paid by the donor on or before the 15th day of March and shall be assessed, collected, and paid in the same manner and subject in so far as applicable to the same provisions of law as the tax imposed by section 301" and a period.

And the Senate agree to the same.

Amendment numbered 186: That the House recede from its disagreement to the amendment of the Senate numbered 186, and agree to the same with an amendment as follows: On page 68 of the Senate engrossed amendments strike out lines 18 to 22, inclusive, and insert in lieu thereof a subdivision as follows: "(3) Tires, inner tubes, parts, or accessories for any of the articles enumerated in subdivision (1) or (2), sold to any person other than a manufacturer or producer of any of the articles enumerated in subdivision (1) or (2), 2½ per cent. This subdivision shall not apply to chassis or bodies for automobile trucks, automobile wagons, or other automobiles" and a semicolon; and the Senate agree to the same.

Amendment numbered 187: That the House recede from its disagreement to the amendment of the Senate numbered 187, and agree to the same with an amendment as follows: On page 69 of the Senate engrossed amendments, line 1, strike out "10" and insert "5," and on page 69 of the Senate engrossed amendments, line 4, strike out "10" and insert "5"; and the Senate agree to the same.

Amendment numbered 194: That the House recede from its disagreement to the amendment of the Senate numbered 194, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "$30"; and the Senate agree to the same.

Amendment numbered 212: That the House recede from its disagreement to the amendment of the Senate numbered 212 and agree to the same with an amendment as follows: On page 72 of the Senate engrossed amendments, line 19, after "Board" insert "appointed for a term beginning after the expiration of two years after the enactment of this act"; and on page 73 of the Senate engrossed amendments, line 2, strike out "313, and 317" and insert "279, 308, and 312"; and the Senate agree to the same.

Amendment numbered 216: That the House recede from its disagreement to the amendment of the Senate numbered 216, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "(h) Notice and an opportunity to be heard shall be given to the taxpayer and the commissioner and a decision shall be made as quickly as practicable. Hearings before the board and its divisions shall be open to the public. The proceedings of the board and its divisions shall be conducted in accordance with such rules of evidence and procedure as the board may prescribe. It shall be the duty of the board and of each division to make a report in writing of its findings of fact and decision in each case, and a copy of its report shall be entered of record and a copy furnished the taxpayer. If the amount of tax in controversy is more than $10,000 the oral testimony taken at the hearing shall be reduced to writing and the report shall contain an opinion in writing in addition to the findings of fact and decision. All reports of the board and its divisions and all evidence received by the board and its divisions (including, in cases where the oral testimony is reduced to writing, the transcript thereof) shall be public records open to the inspection of the public. The board shall provide for the publication of its reports at the Government Printing Office in such form and manner as may be best adapted for public information and use, and such authorized publication shall be competent evidence of the reports of the board therein contained in all courts of the United States and of the several States without any further proof or authentication thereof. Such reports shall be subject to sale in the same manner and upon the same terms as other public documents. The principal office of the board shall be in the District of Columbia, but the board or any of its divisions may sit at any place within the United States. The times and places of the meetings of the board, and of its divisions, shall be prescribed by the chairman with a view to securing reasonable opportunity to taxpayers to appear before the board or any of its divisions, with as little inconvenience and expense to taxpayers as is practicable" and a period; and the Senate agree to the same.

Amendment numbered 228: That the House recede from its disagreement to the amendment of the Senate numbered 228, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "(b) No tax shall be levied, assessed, or collected under the provisions of Title VI of this act on any article sold or leased by the manufacturer, producer, or importer, if at the time of the sale or lease there was an existing ruling, regulation, or Treasury decision holding that the sale or lease of such article was not taxable, and the manufacturer, producer, or importer parted with possession or ownership of such article, relying upon the ruling, regulation, or Treasury decision" and a period; and the Senate agree to the same.

Amendment numbered 230: That the House recede from its disagreement to the amendment of the Senate numbered 230, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "assessed, or a proceeding in court for the collec-

tion of such tax may be begun without assessment, at"; and the Senate agree to the same.

Amendment numbered 240: That the House recede from its disagreement to the amendment of the Senate numbered 240, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "(b) The exemption provided in paragraph (10) of subdivision (a) of section 11 of the revenue act of 1916, and in subdivision (10) of section 231 of the revenue act of 1918, and in subdivision (10) of section 231 of the revenue act of 1921, shall be granted to farmers' or other mutual hail, cyclone, or fire insurance companies (if otherwise exempt under such paragraphs), whether or not such organizations were of a purely local character. Any taxes assessed against such organizations shall, subject to the statutory period of limitations properly applicable thereto, be abated, credited, or refunded" and a period; and the Senate agree to the same.

Amendment numbered 250: That the House recede from its disagreement to the amendment of the Senate numbered 250, and agree to the same with an amendment as follows: On page 85 of the Senate engrossed amendments, after line 5, insert the following heading in small capitals: "Special deposits" and a period; and on page 85 of the Senate engrossed amendments, line 21, strike out all after "taxes" down to and including "law" in line 22, and insert "and revenues received under the provisions of this act, and collections of whatever nature received or collected by authority of any internal-revenue law"; and on page 86 of the Senate engrossed amendments, line 9, strike out "offered" and insert "offered"; and the Senate agree to the same.

W. R. GREEN,
W. C. HAWLEY,
ALLEN T. TREADWAY,
JNO. N. GARNER,
J. W. COLLIER,
Managers on the part of the House.

REED SMOOT,
GEO. P. MCLEAN,
CHARLES CURTIS,
F. M. SIMMONS,
A. A. JONES,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House, at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report.

On amendment No. 1: The House bill provided that corporate earnings or profits accumulated or increase in value of property accrued before March 1, 1913, may be distributed exempt from tax after the earnings and profits accumulated after February 28, 1913, have been distributed. The Senate amendment adds to the list of tax-free distributions "capital paid in" before March 1, 1913; and the Senate recedes.

On amendment No. 2: The House bill provided that the gain from a liquidating dividend, to the extent of the earnings and profits accumulated by the corporation since March 1, 1913, should be treated as a dividend and subject to the surtax rates. The Senate amendment strikes out this provision, with the result that a liquidating dividend is to be treated as a sale of stock and taxable as a gain from the sale of property; and the House recedes.

On amendment No. 3: This amendment makes a clerical change; and the House recedes.

On amendment No. 4: This amendment provides that there shall be included within the provisions of subdivision (d) of section 201 amounts distributed by corporations out of depletion reserves based upon the discovery value of mines. As contained in the House bill the provision includes distributions made out of depletion and depreciation reserves based upon the cost of the property depreciated or depleted, but, under the House bill, distributions out of depletion reserves based upon discovery value are treated as ordinary dividends. The Senate amendment applies only to depletion reserves based upon the discovery value of mines; and the House recedes.

On amendment No. 5: This amendment is to clarify the wording of the House bill; and the House recedes.

On amendment No. 6: The House bill provided that certain expenditures "properly chargeable" with respect to property should be taken into consideration in determining gain or loss. The Senate amendment limits such expenditures to those "previously allowed"; and the House recedes.

On amendment No. 7: This amendment allows the exchange of common stock in a corporation for other common stock in the same corporation and of preferred stock in a corporation for other preferred stock in the same corporation, even though the exchange is not made in connection with the reorganization of the corporation; and the House recedes.

On amendment No. 8: This amendment makes a clerical change; and the House recedes.

On amendments Nos. 9, 10, and 11: These amendments are designed to clarify the provisions of the House bill and to show clearly that the types of transactions described in paragraphs (7) and (8) of subdivision (a) of section 204 are not within the provisions of paragraph (6) and are not subject to rules laid down therein, even though the particular transaction, because of the date of its occurrence or for some other reason, may not be within the provisions of paragraphs (7) or (8); and the House recedes.

On amendment No. 12: The House bill provided that where a person transfers assets to a corporation after December 31, 1920, in exchange for stock of the corporation in such a manner that no gain or loss to the transferor is recognized or that only a part of the gain or loss to the transferor is recognized, the basis of the assets in the hands of the corporation shall be the same as it would have been in the hands of the transferor, adjustment being made for any gain or loss recognized to the transferor upon the exchange. The Senate amendment strikes out this provision. The House recedes with an amendment restoring the language of the House bill but omitting the phrase "notwithstanding the provisions of paragraph (6) of this subdivision," for the reasons explained in connection with amendment No. 9.

On amendments Nos. 13, 14, and 15: These amendments make changes in the numbering of the paragraphs; and the Senate recedes.

On amendment No. 16: This amendment provides that in determining the fair market value of stock in a corporation as of March 1, 1913, due regard shall be given to the fair market value of the assets of the corporation as of that date; and the House recedes.

On amendment No. 17: This amendment makes a clerical change; and the House recedes.

On amendment No. 18: Subdivision (c) of section 204 of the House bill provided the basis upon which depletion, exhaustion, wear and tear, and obsolescence are to be allowed in respect of any property. The Senate amendment adds a sentence to the effect that discoveries, upon which depletion is based in certain cases, shall include minerals discovered or proven in an existing mine or mining tract by the taxpayer after February 28, 1913, not included in any prior valuation; and the Senate recedes.

On amendments Nos. 19, 21, 22, 23, 25, 26, 27, 28, 30, 31, 32, 33, 34, 35, 36, and 69: The House bill provided that in the case of any taxpayer (other than a corporation) who for any taxable year sustains a capital net loss, there shall be levied, collected, and paid in lieu of the taxes imposed by sections 210 and 211 a tax determined as follows: A partial tax shall first be computed upon the ordinary net income at the rates and in the manner provided in sections 210 and 211, and the total tax shall be this amount minus 12½ per cent of the capital net loss; but in no case shall the tax so computed be less than the tax imposed by sections 210 and 211 computed without regard to the provisions of this section. Senate amendment No. 30 struck out this provision and the other amendments struck out other provisions of the bill with reference to capital losses. The Senate recedes on amendment No. 30, which necessitates the restoration of all the provisions of the House bill with reference to capital losses, and consequently the Senate recedes with reference to the other amendments.

On amendment No. 20: This amendment makes a clerical change necessitated by the action of the conferees upon amendment No. 54; and the House recedes.

On amendments Nos. 21, 22, and 23: The effect of these amendments and the action of the conferees thereon has been explained in connection with amendment No. 19.

On amendment No. 24: This amendment makes a clerical change; and the House recedes.

On amendments Nos. 25, 26, 27, and 28: The effect of these amendments and the action of the conferees thereon has been explained in connection with amendment No. 19.

On amendment No. 29: The House bill provided that there should not be included within the term "capital assets" stock received as a stock dividend by the taxpayer, or by the donor if

the taxpayer acquired the stock by gift. The Senate amendment strikes out this provision; and the House recedes.

On amendments Nos. 30, 31, 32, 33, 34, 35, and 36: The effect of these amendments and the action of the conferees thereon has been explained in connection with amendment No. 19.

On amendment No. 37: This amendment makes clerical changes; and the House recedes.

On amendment No. 38: The House bill limited the amount which might be considered as earned net income to $20,000. The Senate amendment changes this amount to $10,000; and the House recedes.

On amendment No. 39: The House bill provided for a credit against the income tax of an individual of 25 per cent of an amount bearing the same relation to the total amount of the tax as the amount of the earned net income bears to the total amount of the net income. The Senate amendment provides for the crediting against the tax of 25 per cent of the amount of tax which would be payable by the taxpayer on a total ordinary net income equal in amount to his earned net income. The House recedes with clerical amendments and with an amendment limiting the amount of the credit to 25 per cent of the normal tax of the taxpayer.

On amendment No. 40: This amendment makes a clerical change in the lettering of the subdivision; and the House recedes.

On amendment No. 41: The House bill provided for a normal tax at the rate of 6 per cent except that in the case of the first $4,000 the tax was at the rate of 2 per cent, and upon the next $4,000 the tax was at the rate of 5 per cent. The Senate amendment provides that the tax upon the second $4,000 shall be at the rate of 4 per cent; and the House recedes with an amendment making clerical changes.

On amendment No. 42: The House bill provided for surtax rates ranging from 1½ per cent of the amount by which the net income exceeds $10,000 and does not exceed $12,000, to 37½ per cent of the amount by which the net income exceeds $200,000. The Senate amendment provides for surtax rates ranging from 1 per cent of the net income in excess of $10,000 and not in excess of $14,000, to 40 per cent of the net income in excess of $500,000; and the House recedes.

On amendment No. 43: The House bill provided that items of gross income should be considered to be received in the taxable year in which they are unqualifiedly made subject to the demands of the taxpayer. This provision was designed to require dividends, bond interests, and salaries such as drawing accounts, to be included in income when subject to demand by the taxpayer even though not actually received in cash by him. Since this is the rule which is and should be followed in such cases in the absence of a statutory provision, the Senate amendment strikes out the provision; and the House recedes.

On amendment No. 44: The House bill provided that whenever any State, Territory, political subdivision, or the District of Columbia, prior to September 8, 1916, entered in good faith into a contract with any person, the object and purpose of which is to acquire, construct, operate, or maintain a public utility, the tax upon the income from the operation of such public utility shall be collected and paid in the manner and at the rates prescribed in this title, but there shall be refunded to such State, Territory, political subdivision, or the District of Columbia, a part of such tax equal to the amount by which the share of income from the operation of such public utility accruing to such State, Territory, political subdivision thereof, or the District of Columbia, was reduced by the imposition of such tax. The Senate amendment provides that in the case of such a contract no tax shall be levied under the provisions of this title upon the income derived from the operation of such public utility, so far as the payment thereof will impose a loss or burden upon such State, Territory, District of Columbia, or political subdivision; but that the provision is not intended and shall not be construed to confer upon such person any financial gain or exemption or to relieve such person from the payment of the tax as provided for in this title, upon the part or portion of such income to which such person is entitled under such contract. The House recedes, with an amendment providing that: (1) If by the terms of such contract the tax imposed by this title is to be paid out of the proceeds from the operation of such public utility, prior to any division of such proceeds between the person and the State, Territory, political subdivision, or the District of Columbia, and if, but for the imposition of the tax imposed by this title, a part of such proceeds for the taxable year would accrue directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, then a tax upon the net income from the operation of such public utility shall be levied, assessed, collected, and paid in the manner and at the rates prescribed in this title, but there shall be refunded to such State, Territory, political subdivision, or the District of Columbia (under rules and regulations to be prescribed by the commissioner with the approval of the Secretary), an amount which bears the same relation to the amount of the tax as the amount which (but for the imposition of the tax imposed by this title) would have accrued directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, bears to the amount of the net income from the operation of such public utility for such taxable year; and (2) if by the terms of such contract no part of the proceeds from the operation of the public utility for the taxable year would, irrespective of the tax imposed by this title, accrue directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, then the tax upon the net income of such person from the operation of such public utility shall be levied, assessed, collected, and paid in the manner and at the rates prescribed in this title.

On amendment No. 45: This paragraph of the House bill exempts from gross income certain amounts received as compensation or allowances under the war risk insurance and vocational rehabilitation acts. The amendment adds to the list of these acts "World War veterans' act, 1924," under which certain compensation and allowances will be paid in the future; and the House recedes.

On amendment No. 46: The Senate amendment adds to the items enumerated as exempt from taxation a State pension for services rendered by the beneficiary or another for which the State is paying a pension; and the House recedes.

On amendment No. 47: The House bill provided that there shall be allowed as deductions in computing net income of an individual all interest paid or accrued within the taxable year on indebtedness. The Senate amendment added to this provision "except on indebtedness incurred or continued for the purpose of evading the payment of taxes and also except indebtedness incurred or continued to purchase or carry obligations or securities (other than obligations of the United States issued after September 24, 1917, and originally subscribed for by the taxpayer) the interest upon which is wholly exempt from taxation under this title;". The House, in view of the action of the conferees on amendment No. 54, recedes, with an amendment which restores the language of the existing law, striking out of the provision added by the Senate amendment the words "incurred or continued for the purpose of evading the payment of taxes and also except indebtedness."

On amendments Nos. 48 and 80: The Senate amendments add a provision to the effect that taxes or assessments levied to pay the cost of construction or maintenance of works to protect property from damage or destruction by floods, or annual or periodical taxes assessed against construction or repair of levees or drainage improvements, may be deducted in computing net income; and the Senate recedes.

On amendment No. 49: The Senate amendment adds religious, charitable, scientific, literary, or educational trusts to the list of organizations contributions to which are deductible in computing net income under the act; and the House recedes.

On amendment No. 50: This amendment makes a clerical change; and the House recedes.

On amendment No. 51: This amendment allows the deduction of contributions to a fraternal society, order, or association, operating under the lodge system, or community chest, but only if such contributions or gifts are to be used exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. The House recedes with an amendment striking out the words "or community chest."

On amendment No. 52: The House bill limits to 15 per cent of the taxpayer's net income the amount which he can deduct, in computing net income, for contributions to charity. The Senate amendment provides that this limitation shall not apply if the taxpayer has in each of the 10 preceding years, as well as the year in question, contributed an amount equal to or exceeding 90 per cent of his income for each such year to the organizations and for the purposes specified in this paragraph; and the House recedes.

On amendment No. 53: The Senate amendment adds two paragraphs to subdivision (a) of section 214, which sets forth the deductions allowed in computing net income, which paragraphs make special provision for computing net income and deductions in the case of lands managed for the production of crops of timber; and the Senate recedes.

On amendment No. 54: The House bill provided that the deduction for interest paid on indebtedness (except indebtedness incurred in connection with the trade or business of the taxpayer) and the deduction for nonbusiness losses should be al-

lowed as deductions in computing net income only, if and to the extent that the sum of these amounts exceeds the income of the taxpayer from tax-exempt securities. The Senate amendment strikes out this provision; and the House recedes.

On amendment No. 55: The House bill provided a personal exemption in the case of a single person of $1,000, or in the case of the head of a family or a married person living with husband or wife, of $2,500, unless the net income is in excess of $5,000, in which case the personal exemption shall be $2,000. The Senate amendment provides a personal exemption in the case of a single person of $1,000, or in the case of the head of a family or a married person living with husand or wife, of $2,500; and the House recedes.

On amendment No. 56: The House bill retained the provisions of the existing law to the effect that the personal exemption and the credit for dependents should be determined by the status of the taxpayer on the last day of the period for which the return of income is made. The Senate amendment provides that in case the status of the taxpayer changes during his taxable year personal exemption should be prorated according to the number of months during which the taxpayer occupied each status. The House recedes with a clerical amendment made necessary by the action taken on amendment No. 55.

On amendments Nos. 57, 58, and 59: These amendments make clerical changes; and the House recedes.

On amendment No. 60: This amendment excepts from the general provisions of the subdivision, which provides the general method of taxing the incomes of estates and trusts, subdivisions (g) and (h) of section 219, which provide a method for taxing the incomes of estates and trusts in specific cases; and the House recedes.

On amendment No. 61: The Senate amendment provides for the deduction in computing the net income of a trust of any part of the gross income which, pursuant to the terms of the will or deed creating the trust, is paid by the trustee or permanently set aside for the prevention of cruelty to children or animals, or for a public cemetery not operated for profit. The House recedes with an amendment making clerical changes.

On amendment No. 62: The House bill provided that where the grantor of a trust reserves the power to revoke the trust the income of the trust shall be included in computing the net income of the grantor. The Senate amendment provides for the taxation to the grantor of the income of a trust, if he, either alone or in conjunction with any person, has the power during the taxable year to revoke the trust. The House recedes with an amendment providing for the taxation to the grantor of the income of a trust if the grantor, either alone or in conjunction with any person not a beneficiary of the trust, has the power during the taxable year to revoke the trust.

On amendment No. 63: The House bill provided that where any part of the income of a trust may, in the discretion of any person, including the grantor of the trust, be distributed to the grantor or be held or accumulated for future distribution to him, or where any part of the income of the trust is or may be applied to the payment of premiums upon policies of insurance on the life of the grantor, whether payable to his estate or otherwise, such part of the income of the trust should be included in computing the net income of the grantor. The Senate amendment provides that where any part of the income of a trust may, in the discretion of the grantor of the trust, either alone or in conjunction with any person, be distributed to the grantor or held or accumulated for future distribution to him, or applied to the payment of premiums upon policies of insurance on his life, except policies payable to benevolent organizations specified in section 214 (a) (10), the income shall be included in computing the net income of the grantor. The House recedes with an amendment limiting the application of the subdivision to cases where the income of the trust may, in the discretion of the grantor of the trust, either alone or in conjunction with any person not a beneficiary of the trust, be distributed to the grantor, accumulated for future distribution to him, or so used in the payment of premiums upon policies of insurance on his life.

On amendment No. 64: The House bill provided that if any corporation is formed or availed of for the purpose of preventing the imposition of surtaxes upon its shareholders by permitting its gains and profits to accumulate instead of being distributed, there should be levied, collected, and paid for each taxable year upon the net income of such corporation a tax equal to 25 per cent of the amount of the earnings in addition to the tax imposed by section 230. The Senate amendment changes the rate of the tax from 25 to 50 per cent; and the House recedes.

On amendment No. 65: The House bill provided that if all the shareholders of a corporation formed or availed of for the purpose of preventing the imposition of the surtax upon its shareholders should agree thereto, the commissioner might, in lieu of all income taxes imposed upon the corporation for the taxable year, tax the shareholders of such corporation upon their distributive shares in the net income of the corporation for the taxable year in the same manner as provided in subdivision (a) of section 218 in the case of members of a partnership. The Senate amendment strikes out this provision; and the House recedes.

On amendments Nos. 66, 67, and 68: These amendments make clerical changes; and the House recedes.

On amendment No. 69: The effect of this amendment and the action of the conferees thereon has been explained in connection with amendment No. 19.

On amendment No. 70: The House bill provided that partnership and fiduciary returns on which no tax is shown to be due should be filed with the commissioner. The Senate amendment strikes out this provision, thereby restoring the subdivision to the form in which it appears in the existing law; and the House recedes.

On amendment No. 71: The Senate amendment provides that the shareholders of any corporation may, if they all agree thereto, elect to be taxed in the same manner as the members of a partnership, and, in any such case, the corporation shall be exempt from tax; and the Senate recedes.

On amendment No. 72: The House provided for a tax of 12½ per cent upon the net income of every corporation in excess of the credits provided in sections 236 and 263. The Senate amendment strikes out this provision and inserts in lieu thereof provisions for a normal tax upon the net income of every corporation of 9 per cent, and for surtaxes upon the amount of its surtax net income, as therein defined, based upon the relation between the undistributed net income and the surtax net income; and the Senate recedes.

On amendment No. 73: This amendment makes a clerical change; and the House recedes.

On amendment No. 74: This amendment makes a clerical change; and the House recedes.

On amendment No. 75: The House bill provided that local associations of employees, the membership of which is limited to employees of a designated person or persons in a particular municipality and the net earnings of which are devoted exclusively to charitable, educational, or recreational purposes, whether or not for the benefit of the members and their families, should be exempt from income taxation. The Senate amendment strikes out the words "whether or not for the benefit of the members and their families"; and the House recedes.

On amendments Nos. 76 and 79: The House bill provided for the exemption of benevolent mutual life insurance associations not operated for profit, whose business is purely local and wholly for the benefit of its members. Senate amendment No. 79 strikes out this provision, but amendment No. 76 provides for the exemption of mutual life insurance companies if 85 per cent or more of the income consists of amounts collected from members for the sole purpose of meeting losses and expenses. The Senate recedes on amendment No. 76, and the House recedes on amendment No. 79, with an amendment providing for the exemption of benevolent life insurance associations of a purely local character, if 85 per cent or more of the income consists of amounts collected from members for the sole purpose of meeting losses and expenses.

On amendment No. 77: The Senate amendment provides for the exemption under certain conditions of casualty or fire reciprocal or interinsurance exchanges; and the Senate recedes.

On amendment No. 78: The House bill provided for the exemption of certain specified mutual companies if substantially all the income consists of amounts collected from members for the sole purpose of meeting losses and expenses; the Senate amendment provides for the exemption of such organizations if 85 per cent or more of the income consists of such amounts; and the House recedes.

On amendment No. 79: The effect of this amendment and the action of the conferees thereon has been explained in connection with amendment No. 76.

On amendment No. 80: The effect of this amendment and the action of the conferees thereon has been explained in connection with amendment No. 48.

On amendments Nos. 81, 82, and 83: These amendments make certain changes carrying out the action of the Senate in making amendment No. 72; and, in accordance with the action of the conferees on amendment No. 72, the Senate recedes.

On amendment No. 84: This amendment makes a clerical change; and the House recedes.

On amendments Nos. 85 and 86: The House bill provided that two or more corporations shall be deemed to be affiliated if one corporation owns at least 85 per cent of the voting stock of the other, or if at least 85 per cent of the voting stock of two or more corporations is owned by the same interests. The Senate amendment changes these percentages to 95; and the House recedes.

On amendment No. 87: The House bill provided that the commissioner shall consolidate the gains of related trades and businesses in certain cases. The Senate amendment provides that the commissioner may, and at the request of the taxpayer shall, consolidate the accounts in certain specified cases; and the House recedes.

On amendments Nos. 88 and 91: The House bill provides that there shall be levied, collected, and paid for each taxable year upon the net income of certain specified insurance companies a specified tax, in lieu of the tax imposed by sections 230 and 800. The Senate amendments strike out the words "taxes imposed by sections 230 and 800," and insert in lieu thereof "tax imposed by section 230"; and the House recedes with amendments restoring the language of the House bill with clerical amendments.

On amendments Nos. 89 and 92: The House bill provided for a tax upon certain insurance companies of "the same percentage of its net income as is imposed upon other corporations by section 230." The Senate amendment changes the language of the House bill to provide for a tax at the rate of 12½ per cent; and the Senate recedes.

On amendments Nos. 90 and 93: The House bill provided for a tax upon certain foreign insurance companies of "the same percentage of its net income from sources within the United States as is imposed upon the net income of other corporations by section 230." The Senate amendment provides that the tax shall be at the rate of 12½ per cent; and the Senate recedes.

On amendments Nos. 91, 92, and 93: The effects of these amendments and the action of the conferees thereon has been explained in connection with amendments Nos. 88, 89, and 90, respectively.

On amendment No. 94: This amendment makes a clerical change; and the House recedes.

On amendment No. 95: This amendment makes a clerical change; and the Senate recedes.

On amendment No. 96: The House bill provided that returns upon which the tax has been determined shall be open to inspection only upon order of the President and under rules and regulations prescribed by the Secretary and approved by the President; with special provisions for the inspection of returns by, and the furnishing of information to, the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, a special committee of the Senate or House, the proper officers of any State, and bona fide shareholders of record of a corporation. The Senate amendment strikes out these provisions and in lieu thereof provides that returns upon which the tax has been determined by the commissioner shall constitute public records and shall be open to examination and inspection as other public records under the same rules and regulations as may govern the examination of public documents generally; and that all claims for abatement or refund of taxes, including decisions, shall likewise be subject to inspection under similar rules. The House recedes with amendments restoring the provisions of the House bill with clerical changes, and with an amendment providing that there shall be available for public inspection in the collectors' offices, in addition to the names and addresses of income taxpayers, the amounts of income taxes paid by such taxpayers.

On amendments Nos. 97 and 98: These amendments make clerical changes; and the House recedes.

On amendments Nos. 99, 102, 103, 107, 125, 138, 139, 160, and 247: The House bill provided that the rate of interest upon amounts the payment of which has been extended, upon deficiencies, and upon credits and refunds, should be 5 per cent. The Senate amendment changes the rate to 6 per cent; and the House recedes.

On amendment No. 100: This amendment makes a clerical change; and the House recedes.

On amendment No. 101: The House bill provided in subdivision (b) of section 274 that if the Board of Tax Appeals determines that there is a deficiency, the amount so determined shall be assessed and shall be paid upon notice and demand from the collector. The Senate amendment strikes out subdivision (b) and inserts in lieu thereof provisions to the effect that if the board determines that there is a deficiency, the amount so determined shall be assessed and the taxpayer shall be notified of the assessment; that within 30 days after the mailing of such notice, the taxpayer may file with the commissioner a written statement showing the amount of the deficiency, if any, admitted by him to be due, and the amount of tax so admitted shall be paid upon notice and demand from the collector; that if the deficiency determined by the board is in excess of the amount so admitted by the taxpayer, the amount of such excess may be collected only by a civil suit brought in the name of the United States in the district court. The House recedes, with an amendment restoring the provisions of the House bill, and providing that if the board determines that there is a deficiency the amount so determined shall be assessed and shall be paid upon notice and demand from the collector; that no part of the amount determined as a deficiency by the commissioner but disallowed by the board shall be assessed, but a proceeding in court may be begun without assessment for the collection of any part of the amount so disallowed; and that the court shall include in its judgment interest upon the amount thereof at the rate of 6 per centum per annum, from the date prescribed for the payment of the tax to the date of judgment.

The Senate amendment alters the provisions of subdivisions (c) and (d) of section 274 to correspond with the changes made in subdivision (b). By the action of the conferees the provisions of subdivisions (c) and (d) of the House bill are restored without change.

On amendments Nos. 102 and 103: The effect of these amendments, and the action of the conferees thereon, has been explained in connection with amendment No. 99.

On amendments Nos. 104 and 105: These amendments make clerical changes; and the House recedes.

On amendment No. 106: The Senate amendment adds a specific provision for interest at the rate of 1 per cent a month upon deficiencies prorated to unpaid installments of the tax which are not paid when due; and the House recedes.

On amendment No. 107: The effect of this amendment and the action of the conferees thereon has been explained in connection with amendment No. 99.

On amendments Nos. 108 and 109: The Senate amendments add a provision requiring suit for the collection of income taxes on the income of a decedent received during his lifetime to be brought within one year after written request therefor filed after the return is made, by the representative of the estate; and the House recedes.

On amendments Nos. 110, 154, and 230: The Senate amendments provide that a proceeding in court for the collection of the tax may be begun without assessment at any time if a false or fraudulent return is made with intent to evade the tax or if no return is filed. The House recedes with clerical amendments.

On amendment No. 111: The Senate amendment provides that a deficiency attributable to a change in a deduction tentatively allowed under section 214(a) (9) or section 234(a) (8) of the revenue act of 1918 or the revenue act of 1921 may be collected by a proceeding in court, begun without assessment, at any time. The House recedes with a clerical amendment.

On amendments Nos. 112, 155, and 231: The House bill authorized the collection at any time by distraint or by a proceeding in court of a tax assessed within the prescribed period. The Senate amendment placed a limitation of six years after the assessment of the tax upon proceedings in court and distraint for its collection; and the House recedes on amendments Nos. 112 and 231 and recedes on amendment No. 155 with an amendment making a clerical change.

On amendments Nos. 113 and 232: The Senate amendment rewords these subdivisions in order to make it clear that the section does not extend to assessments, distraints, or proceedings already barred by the existing law, or to assessments, distraints, or proceedings already made or begun under the existing law before the enactment of this act; and the House recedes.

On amendment No. 114: The House bill provided that if a jeopardy assessment has been made under subdivision (d) of section 274, the taxpayer may file with the collector a claim for the abatement of such deficiency, subject to specified requirements. The Senate amendment strikes out subdivisions (a), (b), and (c), of section 279, and part of subdivision (d), so that the section as amended would read: "No claim in abatement shall be filed in respect of any assessment made after the enactment of this act in respect of any income, war-profits, or excess-profits tax." The House recedes with an amendment restoring the provisions of the House bill but changing the interest rate upon the amount of the claim denied and upon delinquent amounts in the case of estates of incompetent, deceased, or insolvent persons, from 5 per cent per annum to 6 per cent.

On amendments Nos. 115 and 116: These amendments make clerical changes; and the House recedes.

On amendment No. 117: The Senate amendment rewords subdivision (b) of section 281, in order to restrict the amount of a credit or refund to the portion of the tax paid during the four years immediately preceding the filing of a claim therefor. The House recedes with an amendment providing that if no claim was filed the amount of the credit or refund shall not exceed the portion of the tax paid during the four years immediately preceding the allowance of the credit or refund.

On amendment No. 118: The House bill provided that where any provision of any income tax act, or its application to any person or circumstances has been held by the Supreme Court of the United States to be invalid, any amount of income, war-profits or excess-profits tax illegally collected pursuant to such provision shall be credited or refunded if a claim therefor is filed by the taxpayer within four years after the decision, notwithstanding the period of limitation provided in subdivision (b) has expired. The Senate amendment strikes out this provision; and the House recedes.

On amendment No. 119: This amendment makes a clerical change; and the House recedes.

On amendment No. 120: The Senate amendment provides that if the taxpayer has (1) within five years from the time his return for 1917 was due filed a waiver of his right to have the taxes due for that year determined and assessed within five years after his return was filed, or if he has (2) filed such a waiver on or before June 15, 1924, in respect to the taxes due for 1918, a credit or refund may be allowed if claim therefor is filed on or before April 1, 1925, or within four years after the tax was paid; and the House recedes.

On amendment No. 121: The House bill provided for the allowance of a claim in respect of a tax for the taxable year 1919 if such claim is filed within five years from the date the return was due. The Senate amendment provides for similar treatment of claims in respect of a tax for the taxable year 1920; and the House recedes.

On amendment No. 122: The House bill provided for an estate tax. The Senate amendment strikes out sections 300 to 304, inclusive, of the House bill, providing for the estate tax, and inserts in lieu thereof provisions for an inheritance tax. The House recedes with an amendment restoring the provisions of the House bill with the following changes in addition to clerical changes: In section 300, in the definition of the term "executor," the House bill provided: "if there is no executor or administrator, any person in actual or constructive possession of any property of the decedent"; this clause is amended to read: "if there is no executor or administrator appointed, qualified, and acting within the United States, then any person in actual or constructive possession of any property of the decedent." The provision of the House bill with reference to that part of the gross estate made up of property held by the decedent as a joint tenant or as a tenant by the entirety has been reworded for purposes of clarity. There has been added to the provision for the deduction of bequests, legacies, devises, or transfers for certain benevolent purposes in paragraph (3) of subdivision (a), and in paragraph (3) of subdivision (b), of section 303, a provision permitting the deduction of bequests, legacies, devises, or transfers to fraternal beneficiary societies operating under the lodge system for use for specified benevolent purposes. An additional sentence has been added to these paragraphs to provide that the amount deductible under such paragraphs on account of bequests, legacies, devises, or transfers for the specified benevolent purposes shall be the net amount distributable for such purposes after estate, legacy, or inheritance taxes imposed in respect thereof have been deducted therefrom.

On amendment No. 123: This amendment makes a change in the numbering of the section; and the Senate recedes.

On amendment No. 124: This amendment makes a clerical change; and the House recedes.

On amendment No. 125: The effect of this amendment and the action of the conferees thereon has been explained in connection with amendment No. 99.

On amendment No. 126: The Senate amendment provides that the time for the payment of the estate tax imposed by the revenue act of 1921 may be extended for not to exceed five years; and the House recedes.

On amendment No. 127: The Senate amendment provides that each person shall be liable to the executor for the inheritance taxes upon transfers to such person. In view of the action of the conferees upon amendment No. 122, the Senate recedes.

On amendments Nos. 128 and 129: These amendments make clerical changes in the numbering of the sections; and the Senate recedes.

On amendments Nos. 130 and 131: These amendments make clerical changes; and the House recedes.

On amendment No. 132: This amendment makes a clerical change in the numbering of the section; and the Senate recedes.

On amendments Nos. 133 and 134: These amendments make clerical changes; and the House recedes.

On amendment No. 135: This amendment makes a clerical change, and also changes the rate of interest from 5 per cent to 6 per cent; and the House recedes.

On amendments Nos. 136 and 137: These amendments make clerical changes in the numbering of the sections; and the Senate recedes.

On amendments Nos. 138 and 139: The effect of these amendments and the action of the conferees thereon has been explained in connection with amendment No. 99.

On amendment No. 140: The Senate amendment changes the word "estate" to "inheritance"; and the Senate recedes.

On amendment No. 141: This amendment makes a clerical change in the numbering of the section; and the Senate recedes.

On amendment No. 142: This amendment makes a clerical change; and the House recedes.

On amendments Nos. 143, 144, 145, 146, 147, 148, 149, and 150: These amendments make clerical changes; and the Senate recedes.

On amendment No. 151: This amendment makes a clerical change; and the House recedes.

On amendment No. 152: This amendment makes a clerical change; and the House recedes with a further clerical amendment.

On amendment No. 153: This amendment makes a clerical change in the numbering of the section; and the Senate recedes.

On amendments Nos. 154 and 155: The effect of these amendments and the action of the conferees thereon is explained in connection with amendments Nos. 110 and 112.

On amendment No. 156: The Senate amendment provides that this section shall not affect (1) the assessment or collection of a tax in case such assessment, distraint, or proceeding for collection was barred at the time of the enactment of this act, or (2) any assessment made or distraint or proceeding begun before the enactment of this act; and the House recedes.

On amendments Nos. 157, 158, and 159: These amendments make clerical changes in the numbering of the sections; and the Senate recedes.

On amendment No. 160: The effect of this amendment and the action of the conferees thereon has been explained under amendment No. 99.

On amendments Nos. 161, 162, 163, and 164: These amendments make clerical changes; and the Senate recedes.

On amendment No. 165: Subdivision (c) of section 313 of the House bill provides for the preservation of the lien for estate taxes upon the assets of the estate, except as to such part as has passed into the hands of bona fide purchasers for value. The Senate amendment is a revision of this subdivision of section 313 of the House bill to provide further that if any part of the gross estate passes to a bona fide purchaser for value, the lien shall attach to the consideration received from such purchaser by the beneficiary of the estate; and the House recedes.

On amendment No. 166: This amendment makes a clerical change; and the Senate recedes.

On amendment No. 167: The Senate amendment strikes out subdivision (b) of section 314 of the House bill with reference to the collection of the estate tax. In view of the action of the conferees on amendment No. 122 the Senate recedes.

On amendments Nos. 168 and 169: These amendments make clerical changes; and the Senate recedes.

On amendment No. 170: This amendment makes a clerical change; and the House recedes.

On amendments Nos. 171 and 172: These amendments make clerical changes; and the Senate recedes.

On amendment No. 173: This amendment makes a clerical change; and the House recedes.

On amendment No. 174: This amendment makes a clerical change; and the Senate recedes.

On amendment No. 175: This amendment makes a clerical change; and the House recedes.

On amendment No. 176: This amendment makes a clerical change; and the Senate recedes.

On amendments Nos. 177 and 178: These amendments make clerical changes; and the House recedes.

On amendment No. 179: The Senate amendment strikes out the provisions of the House bill with reference to the gift tax and inserts in lieu thereof other provisions for a gift tax at different rates and with different exemptions. The House recedes with amendments restoring the provisions of the House

bill contained in sections 319 to 324, inclusive, with the following changes in addition to certain clerical changes:

(1) The provisions of section 321 allowing the deduction of certain contributions have been revised in order to enumerate specifically and not by reference the type of organizations gifts to which are deductible, and in addition to provide for the deduction of gifts made by certain specified benevolent institutions for religious, charitable, scientific, educational, or literary purposes.

(2) Provision is made for the exemption from the gift tax of any property given away within the taxable year which was received by the donor by gift or by inheritance within the preceding five years and on which a gift or estate tax was paid.

(3) Section 323 is changed to provide that a return for purposes of the gift tax shall be made by any person whose taxable gifts during the calendar year exceed $50,000.

On amendment No. 180: The Senate amendment amends section 3392 of the Revised Statutes to provide that cigars may be put up in packages containing three and seven cigars, as well as in the other numbers already specified in that section; and the House recedes.

On amendment No. 181: This amendment makes a clerical change; and the Senate recedes.

On amendment No. 182: The Senate amendment adds a proviso requiring tobacco growers' cooperative associations to keep available records of all purchases and sales of tobacco, such records to be open to inspection by the agents of the Government; and the House recedes.

On amendments Nos. 183 and 184: These amendments make clerical changes; and the Senate recedes.

On amendment No. 185: The Senate amendment provides that the excise taxes upon sales by the manufacturer imposed by section 600 shall take effect on and after the expiration of 30 days after the enactment of this act; and the House recedes.

On amendment No. 186: In section 600(1) of the House bill the tax upon the sale of automobile trucks or wagons was limited to trucks and wagons the selling price of the chassis of which is in excess of $1,000. The Senate amendment makes clerical changes and adds a provision exempting from the tax truck and wagon bodies selling for an amount not in excess of $200. The Senate amendment also eliminates the tax on automobile parts and accessories. The House recedes, with an amendment restoring parts and accessories to the list of articles subject to tax.

On amendment No. 187: The House bill imposed a tax upon the sale of automatic slot-device vending machines of 5 per cent, and a tax of 10 per cent upon the sale of automatic slot-device weighing machines. The Senate amendment strikes out this provision and inserts a tax of 10 per cent upon coin-operated devices, coin-operated machines, and devices and machines operated by any substitute for a coin, and also a tax of 10 per cent on mah-jongg and similar tile sets and component parts thereof. The House recedes with an amendment making the rate of tax 5 per cent upon the coin-operated devices, etc.

On amendment No. 188: The Senate amendment strikes out the provisions of the House bill imposing a tax upon sales, by any persons other than the artist, of paintings, statuary, art porcelains, and bronzes; and the Senate recedes.

On amendments Nos. 189, 190, and 191: These amendments make clerical changes in the numbering of the sections; and the Senate recedes.

On amendments Nos. 192 and 195: The House bill exempts eyeglasses and spectacles from the jewelry tax imposed by section 604. Amendment No. 192 strikes out this exemption, and amendment No. 195 exempts eyeglasses and spectacles sold or leased for an amount not in excess of $30; and the Senate recedes on both these amendments.

On amendment No. 193: The Senate amendment adds to the articles exempted from the tax imposed on jewelry under subdivision (a) of section 604 of the House bill articles used for religious purposes; and the House recedes.

On amendment No. 194: The House bill provided that the jewelry tax imposed by subdivision (a) of section 604 should not apply to articles sold or leased for an amount not in excess of $40. The Senate amendment changes this amount to $25; and the House recedes with an amendment changing the amount to $30.

On amendment No. 195: The effect of this amendment and the action of the conferees thereon has been explained in connection with amendment No. 192.

On amendments Nos. 196 and 197: These amendments make clerical changes in the numbering of the sections; and the Senate recedes.

On amendment No. 198: The Senate amendment strikes out the provisions of the House bill imposing a capital stock tax; and the Senate recedes.

On amendment No. 199: This amendment makes a clerical change; and the Senate recedes.

On amendment No. 200: The Senate amendment alters the occupational tax imposed upon brokers in two respects: (1) Brokers exclusively engaged in negotiating purchases or sales of produce or merchandise are exempted from the $50 tax imposed upon other brokers; and the tax in respect to membership in a stock or produce exchange or board of trade is amended to provide that if the seat or membership in such exchange or board has an average value of from $2,000 to $5,000, the tax shall be $100; if the average value is $5,000 to $10,000, the tax shall be $150; if the value is in excess of $10,000, the tax shall be $250; and the House recedes.

On amendment No. 201: The House bill reduced the occupational tax upon proprietors of bowling alleys and billiard rooms from $10 to $5 for each alley or table. The Senate amendment restores the tax to $10; and the House recedes.

On amendment No. 202: The Senate amendment strikes out the provision inserted by the House for the prorating of certain taxes on brokers, which prorating is already provided for by the Revised Statutes; and the House recedes.

On amendment No. 203: This amendment makes a clerical change; and the Senate recedes.

On amendment No. 204: This amendment makes a clerical change; and the House recedes.

On amendments Nos. 205, 206, 207, 208, 209, and 210: These amendments make clerical changes; and the Senate recedes.

On amendment No. 211: The Senate amendment provides that the stamp tax upon packs of playing cards shall take effect upon the approval of this act. Under the House bill this stamp tax would take effect on and after the expiration of 30 days after the enactment of this act; and the Senate recedes.

On amendment No. 212: The House bill provided for a Board of Tax Appeals, to be composed of from 7 to 28 members, appointed by the President with the advice and consent of the Senate. The Senate amendment is a revision of subdivisions (a) and (b) of section 900 of the House bill, with the following changes in addition to clerical changes: Instead of a board varying in number from 7 to 28 in the discretion of the President, the Senate amendment provides for a board of 28 members for two years and of 7 members after the expiration of two years. In lieu of the provision of the House bill that no member of the board shall be permitted for two years after ceasing to be a member to practice before the board or the Treasury Department, or to be connected with any firm so practicing, the Senate amendment provides that no member of the board shall be permitted to practice before the board or any official of the Bureau of Internal Revenue for two years after leaving office. The House recedes with an amendment making clerical changes and providing that no member of the board appointed for a term beginning after the expiration of two years after the enactment of this act shall be permitted to practice before the board or any official of the Bureau of Internal Revenue for a period of two years after leaving office.

On amendments Nos. 213 and 214: These amendments make clerical changes; and the House recedes.

On amendment No. 215: This amendment makes a clerical change in the numbering of the section; and the Senate recedes.

On amendment No. 216: The House bill provided that the opinions of the board other than findings of fact should not be in writing unless the chairman so orders. The Senate amendment provides that the hearings before the board shall be open to the public, that the proceedings of the board shall be in accordance with such rules of evidence and procedure as the board may prescribe, that the testimony taken at the hearings shall be reduced to writing, that the board shall make a report in writing of its findings of fact and its opinion and decision in each case, that such report and all evidence received by the board shall be public records open to the inspection of the public, and shall be published at the Government Printing Office, and sold in the same manner as other public documents. The House recedes with an amendment limiting the cases in which the oral testimony shall be reduced to writing and in which the board shall write an opinion to those cases in which the amount of tax in controversy exceeds $10,000.

On amendment No. 217: This amendment empowers the board to require the answer in writing under oath to any question of fact submitted, provides for the reduction to writing of depositions taken, and makes the usual provision for fees and mileage allowances for witnesses; and the House recedes.

On amendment No. 218: This amendment makes a clerical change; and the House recedes.

On amendment No. 219: This amendment reduces the allowance for traveling expenses in the case of employees of the board from $7, as provided in the House bill, to $4; provides for the classification in accordance with the classification act of 1923 of employees of the board, and prescribes that the expenditures of the board shall be paid upon the presentation of itemized vouchers therefor, signed by the chairman of the board, out of any moneys appropriated for the collection of internal-revenue taxes and allotted to the board, or out of any moneys specifically appropriated for the purposes of the board. In addition, it provides that the board shall be an independent agency in the executive branch of the Government. The House recedes.

On amendment No. 220: The House bill provided that the rules and regulations prescribed by the commissioner, with the approval of the Secretary, for the enforcement of this act should not enlarge or modify any provisions of this act and of any other law, and all such rules and regulations, and all amendments thereto, should be annually reported to Congress. The Senate amendment strikes out this provision; and the House recedes.

On amendment No. 221: The Senate amendment inserts a specific provision that oaths required by the provisions of this act may be administered by any officer authorized to administer oaths for general purposes under laws of the jurisdiction wherein such oath is administered; and the House recedes.

On amendment No. 222: This amendment makes a clerical change; and the Senate recedes.

On amendments Nos. 223 and 224: The House bill provided, as does the existing law, that if the commissioner and the taxpayer should agree in writing that a determination and an assessment in any case should be final the case should not be reopened or the determination or assessment set aside in the absence of fraud, malfeasance, or misrepresentation of fact. The Senate amendments provide that if after a determination and assessment the taxpayer has paid the tax or penalty or accepted the abatement, credit, or refund without protest, then the case should not be reopened or the determination or assessment set aside in the absence of fraud, malfeasance, or misrepresentation of fact; and the Senate recedes.

On amendment No. 225: The Senate amendment provides that if any part of an excise tax has been refunded to the taxpayer by the Government, such refund not being required by a decision of a court of competent jurisdiction, and if the articles the sale of which was taxed have passed from the possession of the taxpayer, the taxpayer should not again be assessed or taxed, or if he has been reassessed and taxed, the amount of the tax should be abated or refunded; and the Senate recedes.

On amendment No. 226: The House bill provides that the decision of the commissioner upon the merits of a claim under the internal revenue laws, shall not, except as provided in section 900, be subject to review by any other administrative officer or employee or agent of the United States. The Senate adds the words "or accounting" after the word "administrative"; and the House recedes.

On amendment No. 227: This amendment makes a clerical change; and the House recedes.

On amendment No. 228: The Senate amendment provides that where, at the time of the sale or lease of an article, there was an existing ruling, regulation, or Treasury decision, holding that the article or its lease or sale was not taxable, and if the manufacturer, purchaser, or importer parted with possession, relying upon such ruling, regulation, or decision, then no excise tax shall later be collected; and the House recedes with clerical amendments.

On amendment No. 229: This amendment makes clerical changes in the numbering of the sections; and the Senate recedes.

On amendment No. 230: The effect of this amendment and the action of the conferees thereon has been explained in connection with amendment No. 110.

On amendment No. 231: The effect of this amendment and the action of the conferees thereon has been explained in connection with amendment No. 112.

On amendment No. 232: The effect of this amendment and the action of the conferees thereon has been explained in connection with amendment No. 113.

On amendment No. 233: This amendment makes a clerical change; and the House recedes.

On amendment No. 234: The Senate amendment provides that in the case of offenses involving the defrauding of or attempting to defraud the United States the period of limitation shall be six years, except as to acts, offenses, or transactions barred by law at the time of the enactment of this act; and the House recedes.

On amendments Nos. 235, 236, 237, 238, and 239: These amendments make clerical changes; and the House recedes.

On amendment No. 240: This amendment provides for the exemption from the income tax imposed by the revenue act of 1916, the revenue act of 1917, the revenue act of 1918, and the revenue act of 1921, of farmers' or other mutual hail, cyclone, or fire insurance companies (if otherwise exempt under the provisions of such acts) whether or not such organizations are of a purely local character. The House recedes with an amendment making clerical changes.

On amendment No. 241: The House bill repeals section 3225 of the Revised Statutes. The Senate amendment makes it clear that this repeal shall be retroactive to all revenue acts since 1916; and the House recedes.

On amendment No. 242: The Senate amendment provides a complete system of penalties in lieu of those contained in section 1017 of the House bill. Subdivisions (a) and (b) correspond to subdivision (a) of this section of the House bill with the following changes: The penalty provided in subdivision (a) of the Senate amendment applies to a willful failure to comply with the requirements of the law therein set forth; in the House bill the penalty applied to a willful refusal. Willful failure to collect, account for, and pay over any tax imposed by the act, or a willful attempt to evade such tax, is made a felony, with a fine of not over $10,000 or imprisonment for not over five years, or both, instead of a misdemeanor, as in the House bill. A willful attempt to defeat the tax or the payment thereof has been added to the list of offenses specified in subdivision (b). Subdivision (c), which was not contained in the House bill, provides a penalty for the offense of aiding in the preparation, presentation, procurement, counseling, or advising of a false or fraudulent return, affidavit, claim, or document authorized or required by the internal revenue laws. The House recedes.

On amendments Nos. 243, 244, and 245: Subdivision (d) of section 1017 as amended by the Senate corresponds to subdivision (b) of section 1017 of the House bill, except that, as in subdivision (a), the penalty attaches to a willful failure to perform the required acts rather than to a willful refusal, and a willful attempt to evade or defeat the tax or its payment has been specifically added to the list of offenses. The House recedes.

On amendment No. 246: This amendment makes a clerical change; and the House recedes.

On amendment No. 247: The effect of this amendment and the action of the conferees thereon has been explained under amendment No. 99.

On amendment No. 248: This amendment makes a clerical change; and the House recedes.

On amendment No. 249: The Senate amendment changes section 3207 of the Revised Statutes, to afford to a holder of a lien prior in time to that of the United States for taxes a method of procedure for clearing the title to the property by giving notice to the commissioner and by undertaking prescribed procedure in court; and the House recedes.

On amendment No. 250: The Senate amendment provides that sums offered in compromise under section 3229 of the Revised Statutes and section 35 of Title II of the national prohibition act, sums offered for the purchase of real estate under section 3208 of the Revised Statutes and surplus proceeds in any distraint sales shall be deposited with the Treasurer of the United States in a special deposit account. If the offer in compromise or offer for the purchase of real estate is accepted, the amount so accepted shall be transferred from the special deposit account into the Treasury of the United States as internal revenue collections; if such offers are rejected, the amount of the offer shall be refunded to its maker. The House recedes with an amendment making clerical changes.

On amendments Nos 251 and 252: The House bill provided that section 900 of the revenue act of 1921 should be repealed, effective upon the enactment of this act. The Senate amendments provide that section 900 shall be repealed, effective on the expiration of 30 days after the enactment of this act; and the House recedes.

On amendments Nos. 253 and 254: The Senate amendment provides that the stamp tax on playing cards imposed by the existing law shall be repealed upon the enactment of this act. The House bill provides that this tax as well as the other stamp taxes shall be repealed, effective on the expiration of 30 days after the enactment of this act; and the Senate recedes.

On amendment No. 255: The Senate amendment provides that the legislative drafting service shall hereafter be known as the office of the legislative counsel; that the positions of the two legislative counsel shall be allocated by the President of the Senate and the Speaker of the House under the schedules of the classification act, and that the legislative counsel shall have the privilege of free transmission of official mail; and the House recedes.

On amendment No. 256: The Senate amendment provides that the salary of the Government Actuary, so long as the position is held by the present incumbent, shall be at the rate of $7,500 a year; and the House recedes.

On amendment No. 257: The Senate amendment strikes out a section of the House bill providing specifically for an allowance for subsistence for officers and employees of the Bureau of Internal Revenue, while traveling on official business, in an amount not to exceed $7 per day; and the House recedes.

On amendments Nos. 258 and 259: These amendments make clerical changes in the numbering of the sections; and the House recedes.

On amendment No. 260: This amendment provides for a reduction of the postal rates in the case of the portion of publications devoted to advertisements; and the Senate recedes.

W. R. GREEN,
W. C. HAWLEY,
ALLEN T. TREADWAY,
JNO. N. GARNER,
J. W. COLLIER,
Managers on the part of the House.

The SPEAKER. The gentleman from Iowa [Mr. GREEN] is recognized. [Applause.]

Mr. GREEN of Iowa. Mr. Speaker, the managers of the conference on the part of the House come back to the House with great pleasure, reporting that they return this bill to the House substantially as it left it, the Senate having receded in the most important particulars. [Applause.] They also report to the House a bill which I can assure the country will not create a deficit. [Applause.] I hold in my hand the last estimate made by the Actuary of the Treasury with reference to the Treasury conditions under this bill in the fiscal year of 1925. This morning I talked with the Actuary of the Treasury over the telephone with reference to the balance remaining in the Treasury at the end of the fiscal year 1924—that is, the balance on June 30, next. The House will remember I told them a few days ago that there would be sufficient surplus for the fiscal year 1924 to pay the bonus twice over. [Applause.] The Actuary of the Treasury assures me this morning that I was well within the limits of accuracy so far as that part is concerned. This statement which I hold in my hand, coming from him, also shows that the surplus for the fiscal year 1925, without including the bonus, which can be taken care of out of the previous surplus, will be $138,000,000. [Applause.] It also shows—and I want to particularly call the attention of the House to this point—that the difference between the present bill as now returned to you and what is commonly denominated as the Mellon plan is only a comparatively small amount.

Mr. GARNER of Texas. Twenty-two million dollars.

Mr. GREEN of Iowa. Twenty-two million dollars, of which $10,000,000 is in the individual income and corporation taxes and the balance in the excise taxes, from which the House will remember we took off more than did the original Mellon plan. This bill will bring into the Treasury $22,000,000 less than the Mellon plan.

I think this is all I care to say in opening the debate, and I reserve the balance of my time.

Mr. MAPES. Will the gentleman yield for one question?

Mr. GREEN of Iowa. I fear we will not get through in an hour and a half if I start yielding.

Mr. MAPES. My question is very short.

Mr. GREEN of Iowa. What is it?

Mr. MAPES. In giving the Actuary of the Treasury as your authority, does that mean that the Treasury Department sustains and approves the figures which you have stated?

Mr. GREEN of Iowa. It means that the Treasury admits these figures to be correct.

Mr. MAPES. The department?

Mr. GREEN of Iowa. The Treasury Department; yes. I will say to the gentleman from Michigan that, of course, the returns under the present law for this fiscal year are very much larger than was anticipated last fall.

Mr. SNYDER. Will the gentleman yield for one question?

Mr. GREEN of Iowa. Yes.

Mr. SNYDER. In stating $138,000,000 as the surplus that would be on hand at the close of this fiscal year, does the gentleman mean that that would be after the 25 per cent tax that is remitted for this year has been taken care of?

Mr. GREEN of Iowa. One hundred and thirty-eight million dollars is the surplus in the fiscal year 1925, out of which one-half of the reduction is taken. The other one-half comes out of this fiscal year, 1924, and the statement I made that we would have sufficient to pay the bonus twice over out of the surplus for the year 1924 makes due allowance for the payment of the 25 per cent reduction.

Mr. SNYDER. I just wanted the gentleman to make that clear, because I did not think it was clear in his original statement.

Mr. GREEN of Iowa. And it is the same way with reference to the surplus for the fiscal year 1925.

Mr. LAGUARDIA. Will the gentleman yield for one short question? In reference to the inquiry of the gentleman from Michigan, the figures submitted by the distinguished chairman do not come from the same source that announced two years ago we would have a deficit of $500,000,000 when we found a surplus of $325,000,000?

Mr. GREEN of Iowa. I can not go into matters of that kind. I want to yield now to the gentleman from New York [Mr. MILLS] five minutes.

Mr. ANDREW. Will the gentleman from Iowa yield merely for a question?

Mr. GREEN of Iowa. What is the question of the gentleman?

Mr. ANDREW. You said that the difference between the reduction contemplated by this bill and the Mellon plan was a difference of $22,000,000. Does that mean that this bill reduces the taxes by $22,000,000 more or $22,000,000 less?

Mr. GREEN of Iowa. Twenty-two million dollars more. It reduces the taxes $22,000,000.

Mr. RICHARDS. Will the gentleman yield?

Mr. GREEN of Iowa. I am sorry I can not yield further.

Mr. RICHARDS. Does the gentleman intend putting that statement in the RECORD?

Mr. GREEN of Iowa. Yes; I will.

The statement referred to is as follows:

Estimated revenue, fiscal year 1925

(Revenue act of 1924 as agreed to in conference)

Source	Mellon plan	Present law	Revenue act of 1924
Customs	$500,000,000	$500,000,000	$500,000,000
Internal revenue:			
Individual income and corporation tax	1,662,000,000	1,900,000,000	1,650,000,000
Miscellaneous taxes	824,000,000	925,000,000	814,000,000
Total internal revenue taxes	2,486,000,000	2,825,000,000	2,464,000,000
Miscellaneous receipts	473,000,000	473,000,000	473,000,000
Total ordinary receipts	3,459,000,000	3,798,000,000	3,437,000,000
Expenditures chargeable against ordinary receipts (Budget estimate of December 3, 1923, not including additional expenditures authorized or to be authorized since that date)	3,298,100,000	3,298,100,000	3,298,100,000
Excess of ordinary receipts over total expenditures chargeable against ordinary receipts	160,900,000	499,900,000	138,900,000

To this surplus should be added whatever taxes are collected by the department in excess of $200,000,000 on account of income and profits taxes for previous years.

Mr. GREEN of Iowa. I yield now to the gentleman from New York [Mr. MILLS] five minutes.

Mr. GARNER of Texas. Mr. Speaker, I also yield five minutes to the gentleman from New York [Mr. MILLS].

Mr. MILLS. Mr. Speaker and gentlemen of the House, there is nothing to be gained by discussing the main provisions of the bill. The House did that very thoroughly and, as the chairman of the Ways and Means Committee has stated, this bill is substantially the bill that passed the House except in two very important particulars.

Let me state now that I am not one of those who holds that a vote against a conference report is a vote against the bill, and it seems to me that men who voted for the bill may very well vote against this conference report in protest as to the two matters which I am about to call the attention of the House to.

This bill aside from being a measure to reduce taxes was a measure to improve the administration of the tax laws and to give some measure of relief to the taxpayers who, for four or five or six or seven years, have never known what their tax liability was. It was to give them some relief inside of the Treasury Department and not make them in all cases, in order to get justice, ultimately have to rely on the courts.

With that end in view it was originally proposed by the Treasury, and this House passed a bill providing for the creation of a board of appeals, so that if the taxpayer was notified that his tax would be increased before the tax was assessed he had a right to go before that board of appeals, which was appointed by the President and was not a part of the Treasury Tax Bureau but was an administrative body nevertheless. He would sit down with them, one member if necessary, and adjust his tax liability expeditiously and justly; and if the Government disagreed with the findings, the Government could go to court; and if the taxpayer was aggrieved, he could go to court. To-day there is existing in the Treasury Department what is known as a committee on review, composed of 24 members, to which the taxpayer goes for final adjustment of his case before going to court.

This bill contemplates doing away with the committee on review and to substitute for it a board of appeals. Now, what the Senate did was to change the board of appeals, which was an administrative body sitting informally to adjust tax cases, into a court of record, and the House conferees have agreed to that. In all cases over $10,000 the testimony must be taken in writing, the rules of evidence apply, a written opinion is to be given, and all of the testimony in the proceedings is to be a public record.

Gentlemen, cases are coming to the present board of review at the rate of 200 a week. There are 35,000 cases still without adjustment. Tax returns for 1918 and 1919 are still undecided, with all that implies in the way of hardship to the taxpayer. The committee on review to-day is an informal body. One member can settle and adjust a case. This bill provides that it shall take three members to decide a case. Do you suppose a new court with all formal court procedure can dispose of 200 cases a week? Instead of improving the administrative machinery you have wrecked it. You have taken away the administration committee of review and you have told the taxpayer not to adjust his case in the Treasury Department, but to go to a new tax court with all the formalities of procedure. To-day it takes four or five years to adjust a case and we were trying to eliminate this delay. An administrative reform has been transformed into administrative obstruction. I suggest that in the new court it will take 10 years.

Now let me point out another matter. No one who knows anything about it thinks that the taxpayer is treated with leniency by the United States Government to-day. We all know that after the statute of limitations has run, or is about to run, the Treasury comes to Congress and gets an extension for another year. That has been done two or three times so that they can keep the tax liability open for six or seven years. If Congress will not do it, the Treasury slaps on an arbitrary assessment without taking the trouble to audit the taxpayer's return. We want not only to give the taxpayer a tax reduction but decent administration. [Applause.] We want to give him relief from these arbitrary governmental methods. We want to expedite the settlement of claims, and the Senate instead of doing that has given us a court with all of the delays incident to court procedure.

Why, the one thing that amazes any new Member—and I do not longer fall within that class—is the amazing knowledge on a great variety of subjects displayed on the floor of the House when matters of public importance come up. And yet when it comes to this question of tax administration and procedure this House seems to be willing to legislate without any knowledge whatever. I state without fear of contradiction that there is not a single Member in this House that has thoroughly investigated the question of tax administration and collection, and I venture to say there is not a single Member on the other side of the Capitol that has done so. And yet without investigation, without knowledge, in the face of the strongest protest on the part of those who are called on to administer the law, we are willing to wreck a carefully thought-out scheme which they prepared to improve the administration of the law.

The taxpayer to-day has a hard enough time in getting justice from the Government, and here you are going to place additional burdens on him. The Government comes along four or five years after he has paid his tax and says, "I am going to slap on an additional assessment." The taxpayer wants to protest. He wants to fight it, the Government now says "Yes; you may fight it, but in addition to the old burden that rested on you we are going to compel you to disclose to the public every one of your business transactions during that particular year." Is not the taxpayer in many cases going to hesitate? Is not he in many cases going to say, "All right, take my money, it is better for me and my business after having had a bad year in business to let the money go rather than to disclose to all my competitors and creditors my situation?"

You are placing in the hands of the Government an additional club to compel this taxpayer to come across, irrespective of justice or equity.

The ridiculous provision which the conferees have agreed to with reference to the publication of the name of every income taxpayer, together with the amount of his tax, needs no comment. There is not a man on this floor, there is not a man anywhere, who can suggest how the publication of the amount of the tax paid by an individual will facilitate the collection of the tax. I wish some of the conferees would explain to the House how the publication of that information can be of any conceivable public benefit. Everyone knows that the sole purpose it can serve is to satisfy the curiosity of individuals as to what taxes their neighbors are paying. It is an invasion of privacy unjustified by any public good. It is impossible to justify it, and I think that you gentlemen, if you vote for this conference report, will find it mighty difficult to go home to your districts and explain to the income-tax payers, whom you represent, why you voted to post their names, together with the tax paid. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

Mr. MILLS. Mr. Speaker, in that connection I ask unanimous consent to extend my remarks in the RECORD by including therein an article which appeared in The Nation of May 28, 1924, by William Hard.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. GREEN of Iowa. Mr. Speaker, I have no objection to the gentleman putting in his own remarks, but if that article goes in, there are some articles that ought to go in controverting it.

Mr. MILLS. The article does not deal strictly with tax matters, but is a comment on the present tendency in this country to invade privacy.

Mr. GARNER of Texas. Mr. Speaker, the gentleman from New York does not intend to extend the entire Mellon book in the RECORD.

Mr. MILLS. I think it would be of great public benefit if it could be done, but I do not propose to do that. I hope the gentleman from Iowa will not object to my request.

Mr. GREEN of Iowa. Just for the moment I shall object, until I can see the gendeman later.

Mr. GARNER of Texas. Mr. Speaker, I ask unanimous consent, in view of the limited time for debate, that each Member may have five legislative days in which to extend his own remarks in the RECORD on the conference report.

The SPEAKER. The gentleman from Texas asks unanimous consent that all Members may have five legislative days within which to extend their own remarks in the RECORD.

Mr. SNELL. Is that entirely their own remarks?

Mr. GARNER of Texas. Yes.

The SPEAKER. Is there objection?

There was no objection.

Mr. SCHNEIDER. Mr. Speaker, once more Congress will be coming into its own when it passes the revenue bill that is now before us, the conference report of the House and Senate. Not long ago Congress in passing the soldiers' bonus over the President's veto by the overwhelming vote of 313 to 78 demonstrated that it can and will exercise its constitutional powers and uphold the trust the Nation has bestowed upon it. That it will now again decisively demonstrate the same kind of independence and good sense of judgment by passing this bill I have no doubt in my mind.

But only a short time ago the efforts on the part of the progressives to bring about a genuine, scientific, and equitable solution of our tax problems seemed to be resigned to the fate of certain failure. It, indeed, was a valiant fight, and we won.

For many months this Congress and the country was harassed by the persistent and strongly organized propaganda campaign put forth by the friends of the Mellon tax plan in Wall Street. Newspapers gave daily accounts and statements about it in a most conspicuous fashion. Full-page paid advertise-

ments were carried by nearly every paper. Every scheme was devised to put this bill across. We were warned of the disastrous effect it would have on our country should this bill be rejected. Congressmen were literally flooded with propaganda. The theater-going public was constantly being imposed upon by an extra reel of moving pictures in which Mr. Mellon played the rôle of hero in the Mellon tax, you all, me not, plan. President Coolidge, Mr. Mellon, and big business were out to sell this plan to you and the public. Some Congressmen proposed to do a little changing in its make-up, but you were told by its sponsors, "You must take it as it is." Not an "i" to be dotted nor a "t" to be crossed.

The progressives, however, in their determined fight against this infamous measure soon were able to reveal the true nature of the bill. We now were no longer alone in this fight, and with the aid of the Democrats this widely heralded bill known as the Mellon plan met its fate. It should have been scrapped from the very start, and Congress should not even have given this veiled attempt upon the Treasury of the United States by big business the dignity of such long and protracted consideration!

I would like to review the main provisions of the Mellon plan in order to compare that scheme for tax reduction with the plan now before us.

But I will not take the time of this body at present. I have on a previous occasion discussed this bill in greater detail. It is a matter of record, and if you will you can refer to my remarks in the CONGRESSIONAL RECORD of March 6, page 3376, where its workings are clearly shown.

The rates under the present bill, which is about to be acted upon by this body, as compared with the old law now in effect can be illustrated as follows:

Income	Present law	Conference schedule
$3,000	$20.00	$7.50
$4,000	60.00	22.50
$5,000	100.00	37.50
$6,000	160.00	57.50
$7,000	250.00	87.50
$8,000	430.00	167.50
$10,000	520.00	207.50
$14,000	940.00	477.50
$20,000	1,720.00	1,017.50
$26,000	2,740.00	1,737.50
$36,000	4,660.00	3,297.50
$50,000	8,640.00	6,137.50
$100,000	30,140.00	22,617.50
$500,000	144,640.00	129,617.50
$1,000,000	550,640.00	429,617.50

It is indeed gratifying to see the many important proposals of the progressives now embodied in a truly scientific and good bill.

While many do not receive incomes large enough to benefit from the reduction on income-tax rates, it can truthfully be said, however, that even as to them this bill is of vital concern. The burdensome taxes on consumers' articles have been lifted, the amusement taxes are abolished, and all other such nuisance taxes directly affecting the interests of the common man have all been materially reduced or abolished by this new bill.

The inheritance and the gift tax feature, too, are indeed significant changes in the tax policy of this Nation. But perhaps no single feature stands out so distinctly a departure from the orthodox policy in our scheme of taxation as does the publicity feature on incomes. This, indeed, will be a shock to those who have been able to evade paying their fullest share of taxes by falsifying on their income figures.

This virtually means millions of dollars for our Treasury in income taxes heretofore uncollectible because it was possible for such unscrupulous individuals to falsify as to their actual incomes without a chance for the Government to look into the records of such individuals. These income-tax dodgers can no longer take refuge under a secrecy clause. The publicity feature will then not only bring more money into the Treasury but naturally will make for greater honesty in income-tax reports, and fraud upon the Government by falsification of the amounts of their incomes will be less possible.

While, to be sure, there are many features in the bill that could still be materially improved upon and many provisions that I would like to have included, yet under the circumstances I think this is very meritorious legislation.

With this bill assured of its passage, and the tax problem solved to the satisfaction of the vast majority, we should now turn our energies with unrelentless zeal to the task of passing the child labor amendment, the Howell-Barkley railroad labor bill, and a really and truly beneficial farm-relief measure like the Norris-Sinclair bill. With this kind of legislation enacted into law, you who will favor these measures can return to your respective constituencies and point with pride to the accomplishments of this Congress. To fail in passing these, those of you who will oppose this kind of remedial legislation will continue to foster the evil of child labor and oppose the interests of the struggling farmers and workers of this country.

Mr. GARNER of Texas. Mr. Speaker, I yield five minutes to the gentleman from Nebraska [Mr. HOWARD.]

Mr. HOWARD of Nebraska. Mr. Speaker and gentlemen, I am highly complimented in being permitted to follow one of my colleagues among the "unalterable eight" who voted against this bill when it passed the House. I am opposed to the conference report, but not along the lines of the opposition of the gentleman from New York. He asked a question here a moment ago, quite directly, of any member of the Committee on Ways and Means, and all of them were silent. He asked what public good would be accomplished by the publication of the income-tax returns. None of you gave any answer to him. I think I can give him an answer, and he is deserving every good thing. Here is my answer, in the form of an illustration. In my own State we have a statute authorizing the publication of personal-tax returns, authorizing the county commissioners to direct it if they please. They do it in some counties, and in others they do not. I could present the gentleman from New York with evidence showing that in many counties where the personal-tax returns have been published the publication resulted sometimes in almost doubling the amount of the personal-tax returns the next year. I think that is sufficient to prove the value of publicity, and I apprehend that this new provision with reference to publicity of income-tax returns should be just as salutary in digging up and putting on the books income tax returns that have not been there hitherto.

I am all mixed up here, but I am told that this new conference report is a great victory for those of us who supported the Garner tax figures, and yet here comes the chairman of the Committee on Ways and Means and tells us that the conference report as now presented is practically the same as the original Mellon figures.

Mr. GREEN of Iowa. Oh, no. I said practically the same as the House bill that we passed before by such an enormous majority.

Mr. HOWARD of Nebraska. I am delighted to have the gentleman reverse himself, or correct himself, as it will be easier for me now to vote for the bill.

Mr. GREEN of Iowa. I am not doing either one. I am neither reversing myself nor correcting myself, but I am stating just what I said.

Mr. HOWARD of Nebraska. Ah, but the gentleman is correcting himself in my ear. It would be very difficult for me to vote for this conference report for any other reason. I understand that in your agreement you kept in the bill that infamous provision which gives the taxpayer the privilege of going to the Treasury now and taking out one-quarter of the tax that he has already paid on the 1923 returns. I think that is wicked. I paid some of that tax, and members of my own family have paid it, and I figured up the other day and discovered that if I should vote for this conference report now, it would be equivalent to voting in favor of permission for EDGAR HOWARD and various members of his family connections to reach down into the Treasury and lift out almost $2,000 of taxes, money already earned by the Government, which we have paid. I think that is wicked. I do not wish to vote for it for that reason, and will try to have the report recommitted for the purpose of striking out that 1923 refund.

The gentleman from New York [Mr. MILLS], one of my colleagues among the "eight unalterables," and sometimes I understand that we have been referred to as the "eight undesirables," opposes this conference report on entirely different lines from me. He opposes it because of its good features, and I oppose it because of its bad features, which he holds to be good.

I have been earnestly hoping that the rules might permit me to move to recommit the report of the conferees, my best hope being that a new report might provide for the most just of all taxing provisions—the excess-profits tax—and also that the conferees might be persuaded to remove from their agreement that bad provision for refund of one-fourth of the 1923 income tax. But indications are clear that there will be no chance for recommittal, and so I must either vote for or against the bill as a whole. I can not vote against it for, indeed, it is so much better than I had dreamed of getting, bad as it is, and so far removed from the original Mellon plan of iniquity that I feel I must vote for it, the while giving my thanks to that magnificent Democrat, JOHN GARNER, of Texas,

and that superb Republican, WILLIAM R. GREEN, of Iowa, for the rebuke their reorganized bill administers to an occupant of the White House and to an arrogant Secretary of the Treasury, both of whom have signally failed to bluff the legislative arm of the Republic into obedience to the will of the executive arm.

The SPEAKER. The time of the gentleman from Nebraska has expired.

Mr. HOWARD of Nebraska. I am glad of it. [Laughter and applause.]

Mr. GREEN of Iowa. Mr. Speaker, I yield five minutes to the gentleman from Wisconsin [Mr. FREAR].

Mr. GARNER of Texas. Mr. Speaker, as I understand it, the gentleman from Iowa yields five minutes to the gentleman from Wisconsin, and I yield him five minutes. [Applause.]

Mr. FREAR. Mr. Speaker, the gentleman who preceded me, the gentleman from New York [Mr. MILLS], complained about the publicity proposition in the tax conference bill before us and that it is calculated to make people curious as to incomes paid by taxpayers generally. It will enable every Member on the floor of this House to know what influence is behind propositions when a Member proposes an amendment here or passes his judgment upon an income tax bill. The public will see his personal interest, and they will discover quickly from the record whether his personal interest reaches $100,000 or $1,000,000, or whatever the amount may be, or whether his interest is purely in behalf of the taxpayers of the country. We would then know what influences Mellon bill advocates and how much is involved in taxes on them.

Mr. CAREW. Will the gentleman yield?

Mr. FREAR. I can not, I am sorry to say. Mr. Speaker, this bill, in my judgment, is the most scientific bill that has ever been offered in the nature of a revenue bill in the history of this country. It takes not only the income tax and places it on a 40 per cent graduating basis, which is far more honest and fair than existing law or the Mellon plan.

The inheritance tax is also graduated to 40 per cent. The gift tax is also graduated to 40 per cent, and then under the bill the public has the right to know how men are evading their taxes so that Congress may legislate to avoid tax-dodging pitfalls. In this bill the normal tax is equitably graduated, the earned income is limited to reasonable exemptions, and the nuisance or excise taxes are far better adjusted than under the present law or Mellon bill. Therefore I say it is the most comprehensive and most scientific bill that has ever been presented and that will be passed by Congress. Two Washington morning papers have declared repeatedly Congress, in tax legislation, is engaged in politics because we are endeavoring to pass a bill that is for the benefit of the country rather than for a handful of multimillionaires for whom the Mellon bill was drawn. Remember, gentlemen, that both of these papers are owned by multimillionaires, and it makes a big difference to them whether we adopt the Mellon plan or the plan of the House. Hundreds of thousands annually would have been saved each of them by the Mellon plan. [Applause.] Both of these papers and practically all interests supporting the Mellon plan sought to place on the people a vicious consumption tax last session. That plan was defeated. The country, it has been said, has now had sold to it the Mellon plan. It has had sold to it a Mellon brick, and it is a gold brick, as we know, but the House and Senate, the Congress of the United States, have been wise enough not to accept that gold brick, and have repudiated it. [Applause.]

I congratulate the chairman of the committee, Judge GREEN, who is still chairman of the committee, and has not yet been deposed or overridden by the House. I congratulate the Republican leader, Mr. LONGWORTH, who still is the House leader, and has not been overridden by Mellon plan advocates, but is supported by the House, and I congratulate my friends on the Democratic side who helped, practically unanimously, to put through the former tax bill, which bill has been here adopted with slight modifications. All these, with the conferees, deserve credit for the bill before us. And I say to my Republican colleagues it is not necessary, but I thank you for what you have done, because I believe you now appreciate the bill here agreed to and reported is for the best interest of the country. It reduces the taxes of the small taxpayer over 60 per cent and gives some relief to all.

I call attention to the gentleman who said, "You are wrecking this bill." The gentleman from New York [Mr. MILLS] previously declared the bill to be unworkable and denounced it on the floor. Seven comrades were with him as against 408 who supported the measure when the bill passed the House before. We have also been told for months that the bill before us would cause a great Treasury deficit. Mr. Mellon was quoted in the press constantly to that effect. He knowingly or ignorantly repeated the statement so often the country came to believe it to be true. It was untrue. You were told by Mr. Mellon that it would cause a deficit of $100,000,000 or $200,000,000 annually, that it could not safely be passed, and yet, as we have been repeatedly advised by Chairman GREEN of the committee as late as this morning, and by Senator SMOOT, in charge of the bill over in the Senate, that there can be a tax reduction of over $400,000,000 annually as provided in the bill, and also it will permit the passage of the $2,000,000,000 soldiers' bonus bill and leave a Treasury balance over all. [Applause.]

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. FREAR. I will; certainly.

Mr. GREEN of Iowa. Some of the papers have carried the statement it would create a deficit of $600,000,000.

Mr. FREAR. Unquestionably, nothing was too wild and false for irresponsible Mellon tax agencies in order to put over the sale of the Mellon plan to the public. Many millions of dollars were spent in propaganda for that discredited plan. Yet, as a matter of fact, the Mellon plan was prepared we know not when nor where nor how, but in the interest of a comparative handful of people of large wealth out of the 6,000,000 income taxpayers that this bill will relieve. I can name half a dozen people—the chairman of this committee, Judge GREEN; the distinguished Republican leader, Mr. LONGWORTH; the leader of the Democratic side, Mr. GARNER; Mr. HULL of Tennessee; and gentlemen in the Senate, like Senator SIMMONS, and others who are tax experts with years of experience equal to any in the country who agree to this bill. All tax experts surely equal to the gentleman who presides over the Treasury Department, Secretary Mellon, who now tells Congress what we shall do and what we shall not do. "You must pass it as written by me; you must pass my bill; you can not pass the soldiers' bonus bill; you can not pass a bill for the relief of the soldiers or taxpayers except the Mellon plan," that was his command in plain English, but we have rejected the Mellon rates because they were unjust and unfair and in the interest of men of great wealth to the exclusion of the great masses. Gentlemen, I submit that the Congress of the United States has some powers of its own that it will exercise. [Applause.]

Mr. Speaker, we sat here at the beginning of the session while we were denounced by gentlemen on my left with statements that we were irregular because we saw before us the situation presented to-day. It was said that we were independent. Yes, we were. We were trying to secure a needed liberalization of the rules of the House. [Applause.] Members had sat here for years gagged and tied and could not vote any amendments to bills. There was put through the House last session the 1921 revenue bill carrying over $3,500,000,000 without a single amendment being permitted to be offered. It repealed the excess-profits tax of $450,000,000, and no vote was permitted on that great item. We cut down the surtax in committee $50,000,000 in that bill and you sat here handcuffed, bound, and gagged, and could only vote on the bill as reported from the committee. We as self-respecting Members resented that indefensible practice and we refused to consent to it longer. On this side independent Republicans were for liberalizing the rules so that amendments could be offered the same as in the Senate. This bill before us is the result of amendments placed in the committee bill by the House. [Applause.]

For the first time in recent history the House has written a tax bill. Heretofore the Senate has written the tax bill. It is common knowledge that the Senate claimed it wrote all important bills, and the press so stated with much truth. To-day you have come into your own, and if we have done nothing more I can say we have done nothing better in the history of this Congress when to-day the House has assumed its constitutional functions. [Applause.]

The gentleman who sits in the Treasury Department at the other end of the Avenue has denounced us repeatedly and has advised the chief administrative officer over in the White House what to do. He has told the President, and constantly told you, that we could not pass a bonus bill and a tax bill in this session of Congress. You must make your choice he declared where he opposed the bonus bill. Through the press we have been repeatedly told what he intended Congress should do about taxes and the soldiers' bonus. What a wonderful seer he has been. He had better hereafter confine his duties to the administration of the law.

We will attend to the legislation, and we can do it with full information and better understanding of the subject. If he is opposed, as he says he is, to the bonus bill, which we passed over the President's veto; if he is opposed to this tax bill, which gives relief of $400,000,000 annually to 6,000,000 taxpayers, as he says he is, and if he can not administer it fairly and justly, he ought to resign and let some one be placed in the Treasury

who can and who will. [Applause.] We need some one who has an understanding and some sympathy for the ex-soldiers, the general public, and the legislative branch of the Government. The people of this country are tired of having one man in the Treasury Department telling the American Congress, as well as the President, constantly what we must do. Have we no rights and no responsibilities at all? Gentlemen, under the Constitution this House has the sole right, the sole power, to inaugurate legislation, and yet we had a bill placed upon our desks by Secretary Mellon at the beginning of the session, and from the beginning to the present day practically every paper in the country controlled by favored interests or which could be controlled denounced us because we would not pass the Mellon plan, which the Secretary demanded. Well, we have passed it up, and the bill before us is better many times for the country as a whole and will be overwhelmingly passed by the House, as it was by the Senate.

Now, Mr. Speaker, I do not want to take the time of the House unnecessarily, but I say that the House of Representatives to-day has before it a tax bill which ought to be approved by the House and by the President. I would have had more publicity to insure needed legislation, and I would like to have a graduated tax on corporations. We ought to have both; but this bill is so infinitely better than the existing law or the Mellon tax bill that it ought to be passed practically unanimously. It is immaterial to me whether the bill is vetoed by the President like the bonus bill, as threatened, or not. If so, we will pass it over any veto. I believe we have a constitutional duty to perform, and we have now come to the final act. Let us pass the bill irrespective of party lines quickly and unanimously. [Applause.]

Mr. GARNER of Texas. Mr. Speaker, I yield two minutes to the gentleman from New York [Mr. GRIFFIN]. [Applause.]

Mr. GRIFFIN. Mr. Speaker, in this solemn hour, when the Mellon bill is hanging in the balance, I consulted the oracle at the foot of Mount Parnassus as to its fate and received this enigmatical reply, entitled:

ODE TO A MELLON

When first thou wert seen
Thou wert quite a melon—
So fresh and so green—
With so pleasant a smell on;
But wert not so long worth
Face value, or nearly,
Tho' MILLS tried to save thee,
And FREAR tried to shear thee.
When GARNER had garnered thee
Wert cured of thine ills,
But came out a LONGWORTH
Quite stripped of thy frills.
As flat as a pancake,
Not at all like a Mellon,
Unhappiest halfbake
That eyes ever fell on.

Then away to the Senate
Thy troubles near ended;
There doomed for thine "altimate"
Whilst hung there suspended.
Amidst the press rappings
Wert given some "trimmin's"
And stripped of thy trappings
By Senator SIMMONS.

Now the question that irks us
Is what thou wilt be
When thou comest from conference
On Mr. GREEN'S knee!
Will they spank thee and yank thee
And lay thee prostrate,
GARNER thee nicely
With rates and a date—
Topped off with persimmons
Upon a tin plate—
And hand thee to Coolidge
In elegant state?

[Laughter and applause.]

That fairly describes the legislative history of the Mellon bill up to this good hour.

But it has had a career entirely aside from the tribulations it has gone through in Congress.

No public measure in recent times has provoked more controversy or aroused so great a propaganda in its behalf.

When the Mellon plan was proposed it was characterized as a tax-reduction measure. That, of course, had a euphonious and welcome sound, and, even before knowing the details of the plan, there was a general chorus of public approval. Chambers of commerce, trade and industrial organizations hailed it with loud acclamation.

When the bill was finally prepared, under the supervision of Mr. Mellon, it was found to be a document of nearly 300 pages containing many intricate provisions.

It was then revealed for the first time that the gist of Mr. Mellon's scheme of tax reduction was to cut, with one fell blow of the ax, 50 per cent from the taxes of persons in the so-called upper brackets—that is, taxpayers deriving incomes in excess of $25,000 per year—while it only reduced the taxes of the little fellows about 25 per cent.

Notwithstanding this invidious distinction in the bestowal of tax reduction—perhaps on account of that unfair discrimination—the chorus of approval rang out more loudly than ever. The men of big incomes, who were to be benefited, saw their opportunity to scrimp fading away, and immediately inaugurated a propaganda through the medium of every art known to the new and ingenious "science of publicity."

There were just 39,915 persons in the United States whose incomes were above $25,000 per year, while there were 6,195,312 taxpayers whose incomes were under that figure.

But among the 39,915 were to be found the big financial, commercial, and industrial elements of the Nation. They would benefit most by the Mellon plan, and I presume it was natural enough for them to be swayed by their own selfish interest. They had the press at their disposal—they are heavy advertisers. That is how newspapers are bribed and public opinion prostituted. Those who ought to have told the truth—that being the chief essential of their calling—deliberately kept the truth hidden or garbled the facts so as to mislead over 6,000,000 people into the belief that their interests would be best promoted by reducing the taxes on big incomes 50 per cent and reducing taxes on little incomes 25 per cent.

For instance, a person having an income of $5,000 per year, now paying a tax of $100, would have his tax reduced $25, or 25 per cent, while a person with a $100,000 income had his tax reduced from $30,140 to $19,840—a saving of $10,300, or over 30 per cent.

But it was in the higher incomes that the discrimination was most pronounced. For instance, the multimillionaires drawing an income of $1,000,000 per year, were presented with a tax bonus of $250,000.

The so-called Garner plan took this invidious and unfair discrimination into account and, by a graduated surtax up to 44 per cent, attempting to apportion the benefits of tax reduction, so that the people of small incomes would derive some material benefit. This was called the Democratic plan and is set out in the following table, which shows, by the "deadly parallel," just what the Mellon plan would do to or for the small taxpayers:

This comparative table shows the total tax payable by a married person without dependents

Income	Present law tax	Mellon plan tax	Democratic plan tax
$3,000	$20	$15	
$4,000	60	45	$20
$5,000	100	75	40
$6,000	160	120	80
$7,000	250	180	120
$8,000	340	240	160
$9,000	430	300	200
$10,000	520	360	240
$11,000	620	430	300
$12,000	720	500	360
$13,000	830	580	420
$14,000	940	660	500
$15,000	1,060	750	580
$16,000	1,180	840	660
$17,000	1,310	940	750
$18,000	1,440	1,040	840
$19,000	1,580	1,150	940
$20,000	1,720	1,260	1,040
$25,000	2,580	1,900	1,600
$30,000	3,520	2,660	2,340
$35,000	4,530	3,550	3,180
$40,000	5,840	4,540	4,140
$45,000	7,180	5,690	5,230
$50,000	8,640	6,960	6,440
$60,000	11,340	8,988	9,240
$70,000	15,740	11,440	12,750
$80,000	20,040	14,080	16,860
$90,000	24,840	16,880	21,450
$94,000	26,900	18,040	23,430
$100,000	30,140	19,840	26,430

Then came the critical moment when the courage of Congress was to be tested. They stood the test. They were not "panicked" into slavish submission to newspaper domination.

Both sides of the aisle got together and without partisanship agreed on the so-called Longworth compromise, making the maximum surtax 37½ per cent.

Then the bill went to the Senate, where the Longworth compromise was rejected and the maximum rates put at 40 per cent.

Of course, the newspaper clamor continued and will perhaps continue until the President signs the bill. Then the clamor will cease, and those who have been fathering the propaganda will laugh up their sleeves and take the benefactions of the conference bill without further grumbling.

I do not want to close without pointing out a serious flaw in the reasoning of the Mellon bill advocates. That flaw is due to a difference in the methods of comparison between the Mellon bill and its substitute.

It is only candid to say that there are two methods of comparison and we will have to leave to the individual conscience the logic and ethics of the respective methods.

In my analysis I have maintained that if there is any reduction in taxes all grades of taxpayers should be proportionally benefited.

The friends of the Mellon plan hold that it is unfair to tax the rich man 40 per cent of his income while taxing the poor man only 1 per cent.

At first blush this would seem a reasonable objection; but it invokes a theory of comparison utterly at variance with all recognized systems of taxation, and particularly that system which we were compelled to adopt to meet the exigencies of the war.

Thus, it errs in confusing "surtaxes" with "taxes." The 40 per cent income tax complained of is a surtax and not a tax.

In the lower grades or brackets all incomes are treated alike. On the first $10,000 of income the millionaire pays exactly the same percentage as any other wage earner. He pays neither more nor less than his humblest neighbor.

When, however, the taxpayer begins to draw a higher income above $10,000 per year, he begins to pay what is called a "surtax."

The surtax begins at 1 per cent on earnings above $10,000 and increases gradually as the surplus earnings increase. When that surplus, above the normal $10,000, reaches $25,000 he is required to pay a surtax of about 10 per cent; but that surtax is imposed only on the excess earnings above $10,000.

On all below the $10,000 he pays exactly the same as any other taxpayer.

The theory of the surtax is that those who profited by the war, or who continue to profit out of the economic plight of the country, should be willing to give up a part of their excess earnings in order to maintain the Government which fosters and protects them.

If they do not like to make this contribution, they can cease making these annoying excess profits by sharing them with the consumers of the land and lowering by so much the high cost of living.

The bill as now presented is a fair compromise, and I intend to vote for the conference report, which will have the effect of enacting it into law, if it receives, as I believe it ought to, the Executive approval.

Mr. GREEN of Iowa. Mr. Speaker, I yield seven minutes to the gentleman from Massachusetts [Mr. TREADWAY]. [Applause.]

Mr. TREADWAY. In consideration of a conference report, the merits of the original bill are not actually a factor. The question to-day is a comparison between this bill (H. R. 6715) as it passed the House and as it passed the Senate. I desire, therefore, to call attention to a few of the points of difference between the two bodies and the final action of the conferees.

The most far-reaching amendment in which the House receded was the adoption of the Senate normal and surtax rates rather than the rates as adopted by the House. The Senate bill will produce less revenue from surtaxes; the House would have produced less on normal tax. The net loss by adoption of the Senate provision is about $15,000,000.

The major concessions on the part of the Senate conferees, however, made at the insistence of the House conferees, were, to my mind, of very much greater importance. The method of computing capital gains and losses, allowing 12½ per cent for each, was a distinct advantage for the House conferees. If the Senate provision had been adopted, full losses on capital assets could have been charged off and the Government would thus have lost large sums.

Another major provision upon which the House insisted was the removal of the so-called Jones amendment taxing corporate gains on a sliding scale similar to that in the estate and gift taxes. The inclusion of this tax into as high brackets as was necessary to secure equal revenue with the House bill would have totally destroyed opportunity for expansion of business by corporations, as the rates were prohibitive.

To tax profits simply because they were not distributed and prevent their use in business would absolutely curtail enterprise and development.

The adoption of the House system of an estate tax rather than an inheritance tax was another marked victory for the House conferees.

A great deal has been said about the publicity of income-tax returns. In my opinion the House bill offered as much opportunity for publicity of returns as was consistent with furnishing information to those having right of access. The Senate amendment made the lists absolutely public property. The House conferees agreed to an amendment to their provision whereby the amount of the income tax paid should be included on the published lists.

I was personally opposed to the item as passed by the House, but I think the House item went as far as it was necessary to go in providing information through the channels where it was rightfully to be had. [Applause.] However, in order to secure an agreement with the Senate it was necessary to add the provision whereby the total amount of individual tax reports should be made public. That is not a serious drawback, and it will not convey information beyond the scope of what may be rightfully known. If, however, the Senate provision for complete publicity had been agreed to, we would have had a saturnalia of inquisitorial publicity, used either for blackmailing, revenge, or for the gratification of pure Yankee inquisitiveness.

The item to which the gentleman from New York [Mr. MILLS] has referred is not, in my opinion, quite as serious as he has stated it. It is true we accepted a provision making all contested cases of assessments of $10,000 or over a matter of court record, but is it not fair to assume that if there is a dispute to the extent of $10,000 between the taxpayer and the Government it is sufficiently large to have the information made in the form of a report and actual court proceedings held? The board of 28 men can function and will function very materially for the benefit of the taxpayers. The provision that the House conferees removed whereby the 21 men who leave the board at the end of the two-year period could not appear before the board of appeals as counsel was a very wise removal of a serious drawback to the functioning of the board. I therefore think the board will be of direct benefit to the taxpayer and to the general public. [Applause.]

These are, very briefly, the main points of difference adjudicated in conference. On the whole, it seems to me the bill is very materially improved. I do not hesitate to say I could not have voted for the bill as passed by the Senate, but I shall support the present bill. My reasons briefly are:

It is a much better bill than the Senate sent to conference.

It is a tax-reduction measure, and it will afford some relief to the people.

The administrative features are materially better than the present law.

There are fewer loopholes for escaping taxation.

I still object to the bill, however, on the general ground that it is not in conformity with the recommendations of the administration, and that it will not be as beneficial to general business as the original bill.

It is not as good a bill as the Republican members of the Ways and Means Committee reported to this body, but it is a better bill than the present law, and it is the best bill this Congress will pass under existing circumstances, where the membership of both branches is such that there is no party responsibility.

I take exception to the statement made by the gentleman from Wisconsin, my good friend Mr. FREAR, wherein he asserts that 21 so-called independent radicals are the people who have written the good legislation in this Congress. You can not write legislation in that way, my friends, and the poor features of this tax bill are the result of the very sort of thing in which the gentleman from Wisconsin takes such great pride.

I shall vote for the conference report. If the President in his examination of the bill finds that its deficiencies offset its merits and vetoes the measure, I shall certainly support him in such action. [Applause.]

Mr. GREEN of Iowa. Mr. Speaker, I yield three minutes to the gentleman from Connecticut [Mr. TILSON].

Mr. TILSON. Mr. Speaker, I am sorry that I can not get the same degree of satisfaction out of this conference report that the gentleman from Wisconsin [Mr. FREAR] has expressed, and not even quite so much as my good friend the gentleman from Massachusetts [Mr. TREADWAY].

True, the conferees on the part of the House did some good work and deserve the gratitude of the country for it. The bill is nothing like so objectionable, in my judgment, as it was when it left the Senate. However, most of the defects that were in it when it left the House are still in it and some additional ones have been added. I did not feel justified in voting for the bill when it passed the House and I can not bring myself now, although it has reached a later stage, to vote to accept the conference report with its additional objectionable features, such as the publicity feature. The conference report should be rejected, a new conference with the Senate asked, and the conferees on the part of the House should insist upon the disagreement to the Senate action without amendment.

Mr. GARNER of Texas. Will the gentleman yield?

Mr. TILSON. I hope that my friend will excuse me, as I have only three minutes and can not say all that I wish to say in so short a time.

So, regardless of the state we have reached, it seems to me that in view of the fact that there is no way in which we can vote to recommit this bill with instructions and that there is no way in which we can protest against the objectionable features that have been added, the only means left by which we can voice a protest is to vote against the whole conference report, and therefore I shall not hesitate to do it. If the conference report should be voted down a new conference may be asked for and new instructions given to the House conferees.

I consider the publicity feature a very serious matter. It can not be defended upon any ground of public interest. It is an unwarranted, entirely unnecessary violation of the right of privacy in private affairs, the rights of the public being fully protected by the Treasury Department under the present laws. It is more than this; it will be a constant menace to the peace of the community and to the security and safety of the people. While serving no useful purpose whatever, it will lend convenient aid to the tongue of the meddlesome busybody, the pen of the blackmailer, and to the hand of the kidnaper.

The board of appeals as first proposed would have proved a great convenience and relief to the taxpayer and a valuable adjunct to the Treasury. The bill as agreed to by the conferees will probably make entirely unworkable this very valuable feature of the bill.

I am not satisfied that the bill as it now stands will produce sufficient revenue beyond the first fiscal year. The first year, the law being in full operation only one-half of the time, it will probably bring in enough revenue to meet the expenses, but beyond that neither the chairman of the committee nor anyone else has explained how it can fail to produce a deficit thereafter.

Gentlemen, we lost a great opportunity when we failed to pass the bill usually referred to as the Mellon bill, which the Ways and Means Committee brought into this House. It was founded on sound scientific taxation principles. It was a bill that undertook to reform our income-tax system. It would have brought about a considerable measure of genuine tax reform. It would have put our tax laws upon a basis that would have been beneficial to all the people alike. Instead of that, this bill at best only reduces the taxes of a few moderately well-to-do people, but leaves what will prove to be, as it has in the past, an oppressive burden of taxation upon productive enterprise, which ultimately means the other 107,000,000 people whom the reductions in this bill do not and can not reach. [Applause.]

Mr. GREEN of Iowa. Mr. Speaker, I yield two minutes to the gentleman from Pennsylvania [Mr. GRAHAM].

Mr. GRAHAM of Pennsylvania. Mr. Speaker and gentlemen, I fear I am suffering with such a cold I can not use my two minutes either to your benefit or to my own satisfaction.

I wish to record myself as opposed to the adoption of the conference report. My views are ably presented by the gentleman from New York [Mr. MILLS], and I concur in the conclusions which he has stated. [Applause.]

This is a pernicious bill in a number of particulars, and it is fraught with evil and peril, so that the business community will suffer from it until they clamor for its repeal.

I yield back the balance of my time, Mr. Speaker.

The SPEAKER. The gentleman from Pennsylvania yields back one minute.

Mr. GREEN of Iowa. Mr. Speaker, I yield two minutes to the gentleman from Maryland [Mr. HILL].

Mr. HILL of Maryland. Mr. Speaker and gentlemen of the House, I voted for this bill as it passed the House of Representatives, having previously voted consistently for all of the provisions of the Mellon plan as they were offered; but I shall vote against this conference report, and I hope the President will veto the bill because of certain things that have been done since this bill left the House of Representatives, and thus by his veto cause the elimination of certain of its provisions.

I agree with what the gentleman from New York [Mr. MILLS] said, with what the gentleman from Connecticut [Mr. TILSON[said, with what the gentleman from Pennsylvania [Mr. GRAHAM] said, and, gentlemen, I want to watch the faces of the Members of this House when next year the list of your personal incomes is published.

Already newspapers are preparing to publish the pittances we pay to the Government as income-tax returns. Already the Paul Prys of this Nation are curious to know how much the individual Members of the House pay, as well as what their next-door neighbors pay. I am against government by Paul Pryism.

The tendency at the present time is for the Government to stick its fingers into the private life of every individual. I voted for this bill, as the best we could then get, when it passed this House; but as a protest, if nothing more, against this publicity feature I shall vote against this conference report, and I hope others will vote against it with me. There is nothing sacred in a conference report, and this one should go back to conference for further consideration. [Applause.]

Mr. GREEN of Iowa. Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman from Iowa has used 30 minutes and has 15 minutes remaining, and the gentleman from Texas has used 17 minutes.

Mr. GARNER of Texas. Mr. Speaker, I yield two minutes to the gentleman from Montana [Mr. EVANS].

Mr. EVANS of Montana. Mr. Speaker, I am for this conference report.

I think, Mr. Speaker, the country is clamoring for relief from taxes, and I do not anticipate this bill or any bill that the Congress of the United States could pass is quite going to satisfy the people on the question of the reduction of taxes. I think the people for the moment forget that the burden of their taxes does not rest in the taxes paid into the Treasury of the United States but goes for the conduct of their domestic and home affairs. I know in my State, which I have the honor in part to represent, we pay a per capita tax into the Federal Treasury of only $7, while for local affairs, for our State government and county government and municipal government and for our school government, we pay between $60 and $70 per capita. I do not think in other States the proportion is quite so great, but I am sure this bill will not bring to the people the relief they think they will get; and yet I think it will bring to them more relief than any other bill that has been proposed during the present Congress.

A concerted effort has been made to make the people believe that no reduction of taxes could be had unless Congress passed the Mellon bill. Probably not in the history of the Government has there been such a campaign carried on by the Treasury Department and the rich people of the country, who control the metropolitan press, to mislead the people on the question of tax legislation, and that campaign could have but one purpose in view, and that was to induce the Congress to pass a law in the interests of the people who were spending their money in that propaganda.

This bill as it now comes from the conference is practically the Garner bill as it appeared in the House. It was first alleged the bill would not reduce taxes as much as the Mellon plan; when the bill was passed and went to the Senate the spokesman for the administration set up the cry that if the bill became a law it would create a deficit and the Government could not run on the revenue produced by it. This morning we are advised by the gentleman from Iowa [Mr. GREEN] that under the bill there would be a handsome surplus this year and a surplus of $138,000,000 next year after the expenses for the bonus for that year have been paid. These figures, the chairman of the committee assures us, were furnished him this morning by the actuary of the Treasury Department.

Mr. Speaker, one of the lamentable things about the tax question is the unreliability of the statements given out by the Secretary of the Treasury on the subject. The American people have a right to be furnished fair, just, and accurate information upon a question so vital as that of taxes. They surely, however, can not have much faith in the accuracy of information given them by the Secretary of the Treasury when one considers the many inaccurate statements given out during the past two years.

Less than two years ago President Harding vetoed the soldier bonus bill because he was advised by the Secretary of the Treasury that there would be a deficit for that year of more than $600,000,000. When the year closed the same Secretary of the Treasury gave to the public a statement that

there was not a deficit but a surplus of $325,000,000. When this Congress convened the country was told by the Secretary of the Treasury that the only way in which taxes might be reduced would be the passage of the Mellon bill, and that it would be impossible to reduce taxes if a soldiers' bonus bill was passed. Now, the Congress has passed a soldiers' bonus bill and refused to pass the Mellon bill, and the actuary from the Treasury Department informs us that the bill which we will this day pass will reduce taxes more than $400,000,000 a year and still leave a surplus in the Treasury. It is little short of criminal, Mr. Speaker, that the American people are deceived by their constituted authorities on questions so vital to them, and it is but little less reprehensible that the privileged class who control the press of this country should poison the minds of the people by carrying to them false information about their Government.

For weeks and months the metropolitan press of the country has been filled with criticism for Congress on the question of tax legislation—not because the Congress was not proceeding to reduce taxes but because it hesitated about passing the Mellon bill which had been drawn in secret and thrown into this House with the course demand that it be passed without the crossing of a "t" or the dotting of an "i." To the credit of the Congress and the American people this body exercised its constitutional function of initiating revenue laws and to-day we will pass this bill regardless of the wishes of Mr. Mellon or any other spokesman for special privilege.

Mr. Speaker, special privilege seems to be in the saddle in this country, and I hope it is riding for a fall. This country never saw a more brazen attempt at the intimidation of the Congress than has been carried on in the recent months by big business, special interests, and their spokesmen. The Literary Digest recently quoted Judge Gary, of the Steel Trust, as saying:

> The worst thing we have is our American Congress—

And Mr. Orrin Lester, of the Bowery Savings Bank of New York, as saying:

> With such agencies at work in the country as Bolshevism and the present United States Congress we have some job on our hands to maintain the integrity of the Nation and the security of her institutions.

These gentlemen are angry because Congress has not been subservient and obeyed orders. They are not angry because we did not reduce taxes, but they are angry because the Congress would not pass the Mellon bill, when they and the whole world knew the bill was written in the interests of the rich and against the interests of the average taxpayer.

Mr. Speaker, the age-old fight goes on; the demand for power and privilege is insatiable; it is not confined to any nation or any State—it exists in Europe as it exists in America; it exists in Montana as it exists in New York and every other State in the Union—and the legislator, whether State or national, who condemns it is called a charletan, a demagogue, a faker, or worse. If he attempts to equalize taxes and make the rich and special-privileged class pay their share, he is lashed by the press, controlled by these same interests, and, if possible, driven from public office.

The passage of this bill should be notice that the American people demand that special privilege shall keep its hands from the legislative bodies, and should be notice that the people demand that those who have heretofore avoided and evaded their just share of taxes shall do so no longer, and that people and not special privilege must rule in State and Nation.

Mr. GREEN of Iowa. Mr. Speaker, I yield two minutes to the gentleman from Oregon [Mr. HAWLEY].

Mr. HAWLEY. Mr. Speaker, I have given very careful consideration to the provisions of this bill as contained in the conference report, especially from the standpoint of efficiency. I am convinced of two things: First, that it is a workable bill and will greatly reduce the losses to the Treasury through the loopholes of escape now open in the law, materially reduce taxation to the taxpayers, improve the administrative provisions of the law, and that it will provide adequate funds for the conduct of the business of the Government. [Applause.] I have not the time in two minutes to state the ground or figures or computations upon which these conclusions are based, but of the correctness of these conclusions I am confident.

I hope no Member of the House will be misled concerning the publication of the amount of money paid by any taxpayer. Under the present law the collector posts in his office a list of the names and addresses and amounts of refunds paid, and also the names and addresses of those who pay taxes. We added one additional thing, so that he will post in his office the taxes paid by each taxpayer as well as the refunds made. It was that or all the records of the Government would be open to the widest investigation and publicity, so that every return would be open to those who desired to learn the business methods and plans of any taxpayer. Such inspection would not affect beneficially the collector of taxes, but would prove a source of serious injury.

I wish to say one thing concerning the tax board appeals. It has been stated that it would be a board greatly handicapped by the provision contained in the conference report. I believe the House provision is the better. When originally proposed the board was to consist of 28 members for two years, but after that period the Treasury thought that 7 members would be all that were necessary. The board is to be segregated into divisions consisting of 3 members each, which will then make nine separate bodies who will consider and determine the questions before them on appeal. Since only cases involving a dispute of $10,000 or more are to be of record, this will greatly diminish the number of cases in which records must be made, as provided in the conference report, as it will affect only revenues of $50,000 or over. I think the provision is workable and that the board can dispatch the business before it in a reasonable time. [Applause.]

Mr. GREEN of Iowa. Mr. Speaker, will the Chair kindly notify me when I have occupied three minutes? Mr. Speaker, the American Congress, in answer to the charge that it was not willing to reduce taxation, will shortly present to the people of the United States a bill that will reduce taxes on individual and corporate incomes $232,000,000 and excise taxes $56,000,000 this calendar year [applause], about $400,000,000 the next calendar year, and over $400,000,000 the following calendar year. [Applause.] In taking these figures, it should be kept in mind that the calendar year is different from the fiscal year.

We bring to the American people a bill which I believe—in fact, am satisfied—is more scientific than any other bill ever presented in the history of this country since we began the heavy taxation which has been made necessary by the war.

For the first time we have put estate taxes on a scientific basis, where every estate throughout the whole breadth of the country will pay the same tax on a like amount. We have made the income tax so light on the smaller taxpayers that no man who does not have an income greater than $10,000 has any reason to complain about the amount he pays to the Federal Government. We have given to the American people this great reduction without levying any unjust burden upon anyone. We have brought to the Nation a bill that upon its final examination, when the people understand all its provisions, I believe will receive the fullest commendation from the taxpayers of the country. [Applause.]

Mr. Speaker, this bill has been utterly misrepresented in the propaganda that has gone out against it, but the American taxpayer will learn the truth when he makes his next income-tax return.

Mr. GREEN of Iowa. Mr. Speaker, I yield the remainder of my time to the gentleman from Ohio [Mr. LONGWORTH]. [Prolonged applause.]

Mr. LONGWORTH. Mr. Speaker, my genial friend from Texas has complained because I reversed my position on the bonus. Well, so did he. [Laughter and applause.] But the gentleman had already been guilty of an inconsistency of which I never could be charged. He has voted both ways on the tariff. Certainly I have never reversed myself on that. [Laughter and applause.]

Some of you, my colleagues, may remember that the first time I took the floor, a day or so after I had been honored by election as the leader of this side of the House, I stated that in my judgment an opportunity was offered us at this session of Congress to put the House of Representatives back on the legislative map. [Applause.] I made the confident prediction that we would do it, and I am proud to say that it has been done, and that to-day the House of Representatives is the dominant body in the Congress of the United States. [Applause.]

We not only have legislated, but we know how to legislate and how to carry out a program, and we have carried our legislative program so far and so consistently that I say to you, without any possible fear of contradiction, that this House will be ready to adjourn on the 7th of June. [Applause.] If by any chance an adjournment is not taken then, it will not be the fault of any of us here.

If I may be pardoned another personal allusion, during the process of consideration of this bill and afterwards I was considerably criticized for what was termed "spineless leadership," because, forsooth, I did not insist that, so far as I was

concerned, we were to have the Treasury tax bill or nothing. I thought then and I think now that it would have been mighty poor leadership to have taken that position. [Prolonged applause.] It seemed to me that no one who had in mind the experience of Congress in the last session in tax reduction, and particularly with the action of the Senate, could think it possible, even if desirable, to reduce the high surtaxes 50 per cent at one fell swoop. It could not be done, gentlemen [applause], particularly if you only reduced the normal taxes 25 per cent. [Applause.]

Out of approximately 175 Members upon this side of the House who had voted last year for 32 per cent, only to be overridden by the Senate, 73 of them did not come back to the Congress, and there was a nucleus of only 100 men returned to the House that could be confidently relied upon to vote for 32 per cent or possibly 25 per cent. I felt it my duty, in so far as my party leadership was concerned, to try if at all possible to unite my party on this question [applause], and I think that course is justified by what we have seen of the actions of another body. There is not a particle of question, gentlemen, that had we insisted upon the Treasury plan or nothing, we would to-day be voting on the Garner plan or worse. [Laughter and applause.]

The bill before us to-day in its essentials is practically identical with the bill as it passed the House. The changes in the taxes on incomes are so insignificant that it seems almost farcical to have gone through the motions they did in the Senate. The conferees agreed on the Senate income-tax rates, but for all practical purposes they might just as well have agreed on the House rates. For instance, the Senate rate on the first $4,000 of income was 2 per cent, and the House rate 2 per cent. On incomes between $4,000 and $8,000 the Senate rate was 4 per cent and the House 5 per cent. Above $8,000 the Senate rate was 6 per cent and the House the same. From then up to incomes of $200,000 the difference between the House and Senate rates varied not to exceed one-half of 1 per cent. Take for instance the typical incomes on $10,000, the Senate rate was 1 per cent and the House rate 1½ per cent; on $50,000 the Senate rate was 17 per cent and the House 17½ per cent; on $100,000 the Senate rate was 37 per cent and the House 36½ per cent; on $200,000 the Senate rate was 38 per cent and the House 37½ per cent. Above that point in the House there was no increase of the rates, but the Senate went as high as 40 per cent on incomes of $500,000 and above. In other words, the actual difference is so insignificant that it seemed hardly worth while to take all the time and trouble that was taken in the Senate to attempt to acquire authorship of these rates, and I don't think that the country will be fooled upon this proposition.

I have a good deal of sympathy for my friend from Texas, for where, oh where, is the Garner plan, the child of his brain? I thought at the beginning that this bill ought to have been made a nonpartisan measure. I so acted in the beginning, but my friend from Texas, who is first a statesman and then a politician, sometimes gets so energetic in the latter capacity that he outstrips himself in the former. [Laughter and applause.] So he sat down and he figured out a surtax of 44 per cent. There is no conceivable reason for 44 per cent unless it is based on the first two prime requisites for 44, 4 and 11 [laughter]; no earthly reason for it, but the gentleman from Texas refused to even discuss the question of any change from that 44 per cent. I said to him, "There is no fetish in 44 per cent." He said, "Well, the trouble about it is that I have been so successful in selling my plan to my party and to the country that I would not be justified in changing that figure." He said, "It would not be fair to the great party for which I am the spokesman or to the people of America whom I have the honor to represent."

Therefore we had to go ahead on this side and write a sensible tax bill that would raise the necessary revenue. [Applause.] We did so without inviting any assistance from that side of the House. That is all I have to say, gentlemen. I am ready to vote on this proposition. I think it is a fair and just tax bill. It may have some defects that I would prefer to have remedied, but the general proposition to reduce the tax by 50 per cent on the little fellow and 25 per cent on the big fellow can be justified anywhere in America. [Applause.]

The SPEAKER. The question is on agreeing to the conference report.

Mr. GARNER of Texas. And on that, Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The quesction was taken; and there were—yeas 377, nays 9, not voting 47, as follows:

YEAS—377

Abernethy	Dyer	Larsen, Ga.	Rubey
Ackerman	Eagan	Larson, Minn.	Sabath
Aldrich	Elliott	Lazaro	Salmon
Allen	Evans, Iowa	Lea, Calif.	Sanders, Ind.
Allgood	Evans, Mont.	Leatherwood	Sanders, N. Y.
Almon	Fairchild	Leavitt	Sandlin
Andrew	Fairfield	Lee, Ga.	Schall
Anthony	Faust	Lindsay	Schneider
Arnold	Favrot	Linthicum	Scott
Aswell	Fish	Little	Sears, Fla.
Ayres	Fisher	Longworth	Sears, Nebr.
Bacharach	Fitzgerald	Lowrey	Seger
Bacon	Foster	Lozier	Shallenberger
Bankhead	Frear	Luce	Sherwood
Barbour	Fredericks	Lyon	Simmons
Barkley	Free	McClintic	Sinclair
Beck	Freeman	McDuffie	Sinnott
Beedy	French	McKenzie	Sites
Beers	Frothingham	McKeown	Smith
Begg	Fulbright	McLaughlin, Mich.	Smithwick
Bell	Fuller	McLaughlin, Nebr.	Snell
Berger	Fulmer	McLeod	Snyder
Bixler	Funk	McNulty	Speaks
Black, N. Y.	Gallivan	McReynolds	Spearing
Black, Tex.	Garber	McSwain	Sproul, Ill.
Bland	Gardner, Ind.	McSweeney	Sproul, Kans.
Blanton	Garner, Tex.	MacGregor	Steagall
Bloom	Garrett, Tenn.	MacLafferty	Stedman
Box	Garrett, Tex.	Madden	Steagle
Boyce	Gasque	Magee, N. Y.	Stephens
Boylan	Geran	Magee, Pa.	Stevenson
Brand, Ga.	Gibson	Major, Ill.	Strong, Kans.
Brand, Ohio	Gifford	Major, Mo.	Strong, Pa.
Briggs	Gilbert	Manlove	Summers, Wash.
Britten	Glatfelter	Mansfield	Summers, Tex.
Browne, N. J.	Goldsborough	Mapes	Swank
Browne, Wis.	Green, Iowa	Martin	Sweet
Browning	Greene, Mass.	Mead	Swing
Brumm	Greenwood	Michener	Swoope
Buchanan	Griest	Miller, Ill.	Taber
Buckley	Griffin	Miller, Wash.	Tague
Bulwinkle	Hadley	Milligan	Taylor, Tenn.
Burdick	Hammer	Minahan	Taylor, W. Va.
Burtness	Hardy	Montague	Thatcher
Burton	Harrison	Moore, Ga.	Thomas, Ky.
Busby	Hastings	Moore, Ill.	Thomas, Okla.
Butler	Haugen	Moore, Ohio	Thompson
Bryns, Tenn.	Hawes	Moore, Va.	Tillman
Cable	Hawley	Morehead	Timberlake
Campbell	Hayden	Morgan	Tincher
Canfield	Hersey	Morris	Tinkham
Cannon	Hickey	Morrow	Treadway
Carew	Hill, Ala.	Murphy	Tucker
Carter	Hill, Wash.	Nelson, Me.	Tydings
Casey	Hoch	Newton, Minn.	Underhill
Celler	Holaday	Newton, Mo.	Underwood
Chindblom	Hooker	Nolan	Upshaw
Christopherson	Howard, Nebr.	O'Connell, N. Y.	Vaile
Clague	Huddleston	O'Connell, R. I.	Vare
Clancy	Hudson	O'Connor, La.	Vestal
Clarke, N. Y.	Hudspeth	O'Connor, N. Y.	Vincent, Mich.
Cleary	Hull, Morton D.	O'Sullivan	Vinson, Ga.
Cole, Iowa	Hull, William E.	Oldfield	Vinson, Ky.
Cole, Ohio	Hull, Iowa	Oliver, Ala.	Voigt
Collier	Hull, Tenn.	Oliver, N. Y.	Ward, N. C.
Collins	Humphreys	Paige	Wason
Colton	Jacobstein	Parker	Watkins
Connally, Tex.	James	Parks, Ark.	Watres
Connery	Jeffers	Peavey	Watson
Connolly, Pa.	Johnson, Ky.	Peery	Weaver
Cook	Johnson, S. Dak.	Perkins	Wefald
Cooper, Ohio	Johnson, Tex.	Perlman	Weller
Cooper, Wis.	Johnson, Wash.	Porter	Welsh
Corning	Johnson, W. Va.	Pou	White, Kans.
Cramton	Jones	Pratt	Williams, Ill.
Crisp	Jost	Purnell	Williams, Mich.
Crool	Kearns	Quayle	Williams, Tex.
Crosser	Keller	Quin	Williamson
Crowther	Kelly	Ragon	Wilson, Ind.
Cullen	Kendall	Rainey	Wilson, La.
Cummings	Kent	Raker	Wilson, Miss.
Dallinger	Kerr	Ramseyer	Wingo
Darrow	Ketcham	Rankin	Winslow
Davey	Kiess	Rathbone	Wolff
Davis, Minn.	Kincheloe	Rayburn	Wood
Davis, Tenn.	Kindred	Reece	Woodruff
Dempsey	King	Reed, Ark.	Woodrum
Denison	Knutson	Reid, Ill.	Wright
Dickinson, Iowa	Kopp	Richards	Wurzbach
Dickinson, Mo.	Kurtz	Roach	Wyant
Dickstein	Kvale	Robinson, Iowa	Young
Doughton	LaGuardia	Robsion, Ky.	Zihlman
Dowell	Lampert	Rogers, Mass.	
Doyle	Lanham	Romjue	
Driver	Lankford	Rouse	

NAYS—9

Fenn	Merritt	Moores, Ind.	Tilson
Hill, Md.	Mills	Phillips	Wainwright
McFadden			

NOT VOTING—47

Anderson	Drane	Kunz	Morin
Boies	Drewry	Langley	Mudd
Bowling	Edmonds	Lehlbach	Nelson, Wis.
Byrnes, S. C.	Fleetwood	Lilly	O'Brien
Clark, Fla.	Graham, Ill.	Lineberger	Park, Ga.
Curry	Graham, Pa.	Logan	Patterson
Deal	Howard, Okla.	Michaelson	Ransley
Dominick	Kahn	Mooney	Reed, N. Y.

Reed, W. Va.	Schafer	Taylor, Colo.	White, Me.
Rogers, N. H.	Shreve	Temple	Winter
Rosenbloom	Stalker	Ward, N. Y.	Yates
Sanders, Tex.	Sullivan	Wertz	Robinson, Iowa

So the conference report was agreed to.

The following pairs were announced:

On this vote:

Mr. Edmonds (for) with Mr. Graham of Pennsylvania (against).

General pairs:

Mr. Shreve with Mr. Sullivan.
Mr. Boies with Mr. Dominick.
Mr. White of Maine with Mr. Bowling.
Mr. Fleetwood with Mr. Kunz.
Mr. Kahn with Mr. Clark of Florida.
Mr. Morin with Mr. Park of Georgia.
Mr. Ransley with Mr. Drewry.
Mr. Reed of New York with Mr. Logan.
Mr. Stalker with Mr. Taylor of Colorado.
Mr. Graham of Illinois with Mr. Mooney.
Mr. Lehlbach with Mr. Sanders of Texas.
Mr. Michaelson with Mr. Lilly.
Mr. Winter with Mr. Byrnes of South Carolina.
Mr. Mudd with Mr. Deal.
Mr. Ward of New York with Mr. Howard of Oklahoma.
Mr. Patterson with Mr. Drane.
Mr. Yates with Mr. O'Brien.
Mr. Curry with Mr. Rogers of New Hampshire.

Mr. OLIVER of Alabama. Mr. Speaker, my colleague, Mr. BOWLING, is sick and confined to the hospital. If present, he would vote "aye."

Mr. CAREW. Mr. Speaker, I have just had a communication from Mr. SULLIVAN in which he says he is confined to his home by illness, but if here he would vote "aye."

The result of the vote was announced as above recorded.

On motion of Mr. GREEN of Iowa, a motion to reconsider the vote whereby the conference report was agreed to was laid on the table.

REVENUE ACT OF 1924

Mr. LAGUARDIA. Mr. Speaker, the tax bill as now reported by the conference and which is now before us is a splendid, constructive, scientific tax measure. It is not the opinion of any one individual. The bill is the result of months of serious study by tax experts in the House and Senate, and has the approval, I am certain, of the majority Members of both branches of Congress. This bill was approved by the Senate on Saturday last by an overwhelming vote. When the bill left the House it received the affirmative vote of 408, while only 8 votes were recorded against it. I predict that this conference report will be approved by this House by an overwhelming vote and that it will soon be on its way to the White House. I consider this bill a real, equitable tax reduction bill. May I be pardoned for taking a bit of personal pride in the bill? Some of the features that are now in the bill were originally sponsored by the progressives of this House.

Our efforts commenced when we fought for a modification of the rule, which it must be admitted resulted in the possibility of offering amendments to this bill, as was pointed out by my distinguished colleague from Wisconsin, one of the best tax experts in Congress, the Hon. JAMES A. FREAR. Had there not been difference of opinion on the income-tax schedule, I venture to state that in all likelihood there would not have been much discussion and debate on the bill.

The schedule on income tax presented to Congress by the Secretary of the Treasury, which was first advertised throughout the country as the only scientific tax bill, as the only hope of saving the country, as the real panacea to promote and develop business, was first presented to this Congress, with an ultimatum to take the schedule which became known as the Mellon plan and not to make the slightest change. The progressive group gave this important measure the careful study that it gives every important measure upon which we take a stand. I am happy, and may I be pardoned if I say proud, to-day to see that the result of the labor of our distinguished colleague, the gentleman from Wisconsin [Mr. FREAR], and individual members of the progressive group and the suggestions which we brought before the House and offered to our colleague in the way of amendments, the spirit of cooperation and the willingness of the progressive group to do everything to assist in the drafting of a real constructive measure, regardless of whose name it may bear or who might receive the credit, has resulted in the bill which has been passed by the House and Senate and which will be approved to-day. Gentlemen, the bill as it stands to-day is the living proof that the progressive Republicans of the House are not obstructionists, are not selfish, but are rendering real useful service and are cooperating in the fullest sense of the word with our colleagues on this side of the House and, if necessary, on the other side of the House as well for the sole purpose of rendering useful public service.

It is now history that when it seemed this House was in a deadlock on this bill after many hours of general debate, after the bill had been read under the five-minute rule and amendments were adopted, and on the eve of the final vote the progressive group came forward with a compromise, sacrificing some of the features which we had hoped to write into law, offered the majority of this House a schedule of income-tax rates which represented a substantial reduction and yet maintaining the purpose and spirit of an income tax law, and dividing the reduction in an equitable manner, with the least reduction on those best able to pay and who derive the greatest benefit from the Government. May I at this time read a letter to the Secretary of the Treasury which I wrote on February 20, 1924:

Hon. ANDREW W. MELLON,
Secretary of the Treasury, Washington, D. C.

MY DEAR MR. SECRETARY: You are by this time convinced. I am sure, that there is a decided difference of opinion in the House as to reduced income-tax rates.

The line-up in the committee and the preliminary skirmish on the floor indicate the attitude of the House toward this very important measure. It is time, I venture to say, for complete and frank statement as to the condition of the Treasury. Every honest and sincere friend of the bonus, as well as declared opponent, must admit that the bonus question and tax reduction can not be separated. They must be considered together.

It has been repeatedly stated that your tax-reduction plan reported by the majority of the committee did not allow sufficient resources out of which to pay the bonus. It is likewise charged that the rate schedule adopted yesterday will not raise sufficient funds.

We have had a flood of conclusions and a dearth of actual figures.

Considering the present situation and the overwhelming sentiment in the House in favor of a bonus, will you be good enough to inform me, regardless of your personal feeling toward the bonus, the maximum tax reduction possible, assuming that a bonus is to be paid our ex-service men and women? To be specific, will a 2 per cent and 5 per cent normal tax, respectively, and surtax graduating up to 40 per cent raise sufficient funds which, together with the other revenue of the Government, will permit the paying of a bonus along the lines of the bill passed by the last Congress and vetoed by the President? If not, what rate will do it?

A definite official statement, with figures, from you would be of great assistance to a great many of us.

Yours very truly, F. LAGUARDIA.

To this letter I received the following reply, dated February 21, 1924, to which reference was made by the Secretary of the Treasury several times thereafter, the contents of which was known to my colleagues in the House:

MY DEAR CONGRESSMAN: I have your letter of February 20. I am inclosing herewith Treasury estimates of the effect of my recommendations for tax reduction in the form originally submitted by me to Mr. GREEN, and a statement showing the effect of the Garner plan as originally proposed. In the report of the Ways and Means Committee to the House there appears the estimate by the Treasury of the effect of the tax reduction in the form in which the bill was presented to the House. I may summarize the loss of revenue to the Government under the various plans as follows:

	Mellon plan	Garner plan	Ways and Means Committee recommendations
Personal income	$232,900,000	$511,977,000	$233,400,000
Special taxes	100,000,000	108,040,000	108,040,000
Total	332,900,000	620,017,000	341,440,000

The estimated surplus as appears in the Budget message of the President to Congress for the fiscal year 1924 is $329,639,624 and for the fiscal year 1925, $395,681,634. The estimated cost of the bonus bill in the form vetoed by President Harding is shown in my letter of December 18, 1923, to Representative ANDREW, copy of which is inclosed.

From these figures it is obvious that the bonus can not be paid within the estimated surplus if any of the three plans is adopted, nor would the estimated surplus justify the payment of such a bonus if any of the three plans were changed in the respect of making the normal tax rates 2 per cent and 5 per cent and the surtax rates graduated up to 40 per cent, which are the figures specifically mentioned by you.

You ask me what rate would have to be adopted in order to pay this bonus. You have the estimated figures before you. It is obvious that if all tax reductions be foregone a certain amount of revenue would be

available to the Government for such purposes as might be determined. If any plan of tax reduction be adopted and additional taxes of other character be imposed, the effect on the Government revenue could only be determined when the specific nature of the proposed taxes was given. I regret that unless you can present some comprehensive plan by which you propose to raise the necessary money, or in what particular you propose the taxes shall not be reduced, I am unable to give you specific figures.

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

Hon. F. H. LAGUARDIA,
House of Representatives, Washington, D. C.

His reply, obviously, evaded a direct answer to my inquiry. However, estimates from the Treasury Department quoted to-day by the distinguished chairman of the committee, Mr. GREEN, and by the senior minority member, Mr. GARNER, and by the distinguished gentleman from Wisconsin, Mr. FREAR, contradict the conclusions contained in this letter.

The income-tax rates now before us are substantially those suggested by the progressive group of this House and finally accepted by the majority and maintain what I do not hesitate to say, the social tax feature of the law.

The inheritance tax and gift tax amendments offered by the gentleman from Wisconsin [Mr. FREAR] and now written into law becomes part of the tax policy of this Republic. I am glad to see that an amendment which I offered and which was accepted in the House preventing members of the board of appeals to practice before the department and its own board within two years after leaving the service has been retained in the bill. I do not share the fears expressed by one or two gentlemen who have addressed the House to-day of the great danger of the tax-return publicity features contained in the bill. I believe that the publicity features as contained in the bill are wholesome, are necessary, and while it may cause embarrassment and inconvenience, perhaps, to an individual here and there, it is for the good of all the taxpayers and the protection of all the honest taxpayers. No fault can seriously be found in the provision which requires the proceedings of the board of appeals to be public. Let us be frank about that. The purpose of the board of appeals is to afford a taxpayer who complains against his assessment the opportunity of a hearing and to show cause why his taxes should be reduced or payment made owing to overassessment should be refunded. The board of appeals and the publicity placed upon its activities are the result of the vicious secrecy system which has grown up in the Treasury Department under the present law.

We hear of enormous refunds being made—we know of certain cases where refunds were made—and yet the law to-day is such that it is impossible to obtain any facts or figures to ascertain why refunds were made and to whom. The provision, therefore, in the present bill making public the proceedings of this board is the inevitable result of providing the remedy for curing an existing evil.

A great deal of propaganda has been broadcast throughout this country on this measure. I venture the statement that there has been more misinformation officially sent out concerning this bill than has ever been sent out on any question in the history of this country. Letters, resolutions, official statements, moving-picture propaganda, paid advertisements, and organized protests have been marshaled in making the people of this country believe that the Mellon tax bill would save the country—would bring real tax reduction—and that any other plan was destructive, would create a deficit, and would ruin business. I have had people talk to me against this bill and for the Mellon plan, who were convinced by the arguments furnished them in favor of the Mellon plan, who simply gasped when given the correct figures.

The same brazen effrontery that permitted an official statement to be made a little over two years ago, at the time of the consideration of the bonus bill, that this country would face a deficit of $500,000,000 in 1923–24, and then from the same source a statement in 1923, in support of the Mellon plan, that this country was now blessed with a surplus of over $300,000,000, is an example of the recklessness that statistics and figures were furnished to the American people in support of the Mellon plan and against the bonus.

This tax bill will become known as the congressional tax bill. It is the result of the best thought and careful study of the majority of both Houses of this Congress. This bill reduces the taxes of wage earners, professional men, and small business men 50 per cent. In addition to that, it provides for a further reduction of 25 per cent on earned incomes.

Under the provision of the present law the tax on a married man without dependents, with a net income of $5,000, is 2 per cent of his net income. Secretary Mellon recommended that it be reduced to 1.125 per cent of his net income. The pending act actually reduces the tax to three-fourths of 1 per cent of the net income. Upon a like taxpayer with an income of $10,000 these rates are as follows: Present law, 5.20 per cent; Mellon recommendation, 3.38 per cent; pending act, 2.08 per cent. Upon a like taxpayer with a net income of $3,000 the rates of tax are as follows: Present law, two-thirds of 1 per cent; Mellon plan, thirty-eight one-hundredths of 1 per cent; pending act, one-fourth of 1 per cent.

Taxpayers returning net incomes of less than $10,000 constitute over 97 per cent of all those that make returns for income tax, while about fifteen one-hundredths of 1 per cent of our total population have net incomes in excess of $10,000. A similar taxpayer with a net income of $100,000 would pay the following rates of tax upon his net income: Present law, 30.14 per cent; Mellon plan, 19.82 per cent; pending act, 22.62 per cent.

This shows that while the Mellon plan reduced the tax on the $500,000 man 34 per cent, and the pending act about 25 per cent, the Mellon plan reduced the tax on the $3,000 man fully 43 per cent; on the $5,000 man, 43¾ per cent; and on the $10,000 man 35 per cent, while the pending act reduced these taxes on the $3,000 man 62 per cent; on the $5,000 man 62½ per cent; and on the $10,000 man 60 per cent.

What do these reductions mean? The $3,000-a-year man receives wages at the rate of $57.70 a week. Under the present law his total income tax is a little less than 39 cents a week; the Mellon proposal would have made it a little less than 22 cents a week; the pending bill will make it a little less than 14½ cents per week.

The $5,000 man receives a trifle over $96 a week. His total income tax under the present law is about $1.92½ per week. Under the Mellon plan it would be about $1.08 per week; and under the pending act, about 72 cents per week, a reduction from the Mellon plan of 36 cents per week.

As I have just stated, 97 per cent of the taxpayers earning net incomes less than $10,000, the present bill gives these taxpayers a substantial reduction.

According to the last available figures from the Treasury Department, we find that there are just 21 taxpayers whose yearly incomes are over $1,000,000 each, and in the next bracket there are just 84 taxpayers whose yearly incomes are over $500,000 each. Therefore, it would seem that all of this clamor, all of this protest has been inspired, encouraged, and paid for in the interest of 105 individuals. We are told that if the Mellon plan is not enacted into a law, which particularly favors the 105 multimillionaires, that business will come to a standstill, that there will be no industrial development, that we will have hard times. It is a sad day for America if the commercial and industrial future depends upon the dissatisfaction and personal rancor of 105 men. There is hardly a Member on the floor of this House but that could name the 105 taxpayers. We have heard their names prominently mentioned in the organized campaign of propaganda against our work on this bill. One of them recently made a speech against our very system of government, urging the abolition of Congress unless it happened to be a Congress which he and his money could control. If a speech such as was made by this multimillionaire was made by an alien in this country, he would have been deported as an anarchist in no time. Banks have advertised seeking to create dissension among our people, giving misleading information because they are controlled by these 105 men, and that was part of the propaganda to put through their pet measure sponsored by the Secretary of the Treasury.

Anyone familiar with the industrial and commercial development of this country knows that this country was developed, the big industries created, and the railroads built before we had these multimillionaires. The multimillionaires did not make America. The multimillionaires did not build our railroads and factories and mills and develop our commerce. Not at all. The multimillionaires came after our industries and commerce were founded, established, and developed. The multimillionaires were made by our industries and commerce, not by their own efforts but by the exploitation of the work of the pioneers and the small savings of hundreds of thousands of hard-working Americans. To say that the future prosperity of our country and industrial and business development depends on 105 multimillionaires is to ignore the financial, industrial, and commercial history of America.

It will be indeed unfortunate if the President follows the advice of a few individuals and vetoes this splendid congressional tax bill. It is suggested that it will create an issue. It certainly will. And once the real facts are explained to the American people there is not the slightest doubt as to what the

decision will be. It will be very unfortunate, I repeat, if this bill is vetoed, for in all likelihood Congress will accept the challenge and refuse the 25 per cent reduction for the present year, inasmuch as such reduction is contained in the present bill.

It is the function of Congress to fix rates. That is not an Executive function. If the individual viewpoint of Mr. Mellon is accepted and the congressional bill rejected, it will be at the expense of the present and future welfare of the country. Let us hope that the President will approve of this splendid, constructive tax bill.

Mr. HARDY. Mr. Speaker, I want to make a few observations about this revenue bill which has just passed the Congress and is now the law of the land.

No tax bill was ever written that satisfied everybody who pays the tax. This bill is no exception to the rule, as there are no exceptions to this rule. This bill does not satisfy everybody in the Congress. It is not exactly what any individual Member would have had it. That is just about as impossible to get as a tax bill that would please all those from whom it takes money. With 435 Members of the House and 96 Members of the Senate representing as they do districts and States far apart and interests widely diversified it may well be imagined that there have been strong differences of opinion regarding the merits of several provisions of this bill.

The bill naturally represents the composite ideas of many and is the result of some compromises on several points.

But this bill just passed by the Congress, which will be known as the revenue act of 1924, does reduce taxes by a substantial amount. It will save the people who pay the taxes approximately $472,000,000 next year and more in years to come.

Mr. Mellon asked for the defeat of the soldiers' bonus and a reduction of $323,000,000 in the taxes.

The Congress has worked things out so as to give the soldiers a reasonable and beneficial bonus, payable in 20-year endowment insurance policies, and has reduced the taxes considerably more than Mr. Mellon asked for. And the Congress has gone still further than Mr. Mellon at first suggested by reducing the income tax for 1923 and payable this year by 25 per cent. You will get a credit for 25 per cent of the amount of your income tax shown payable on the return which you should have filed on or before March 15, 1924. This will be a saving of approximately $232,750,000 to the taxpayers of income tax this year.

The elimination and reductions of taxes for the next year and succeeding years is spread out so as to cover and benefit practically every person, young and old, in the land. The tax comes under two general heads—income tax and miscellaneous internal revenue.

On income tax, surtax, earned income, and so forth, the reductions will be about $379,000,000 with a new item of $25,000,000 added on capital losses, making a net saving to the people in this class of taxes of $354,000,000.

The income tax has been reduced substantially and the reductions are relatively greatest to those paying tax on incomes of $10,000 and under.

The present law provides for a normal tax of 4 per cent on the first $4,000 of net income and 8 per cent upon the remainder of net income. The new law provides for a normal tax of 2 per cent upon the first $4,000 net income, then 4 per cent upon the next $4,000 net income, and 6 per cent upon the amount of net income in excess of $8,000. A married man may take an exemption of $2,500 and $400 for each child.

A provision allowing 25 per cent additional reduction from the normal tax on individual incomes earned by personal service will be of benefit to many, especially those who work for wages or salaries—professional men and women and others—where the income is earned through personal activities. This deduction applies to all earned incomes up to $10,000. And all incomes up to $5,000 will be considered as earned and entitled to this 25 per cent deduction anyway. This provision with the reductions in normal and surtax reduces the taxes upon people with incomes under $10,000 very considerably, indeed; to nearly one-third of the former tax, in fact.

The illustrations and comparisons given here between the tax under the old law and the new are figured for a married man without children and taking credit for "earned income" only on the first $5,000. Each child or additional dependent will make an additional deduction, and the man who can establish his entire income up to $10,000 as earned by personal service will have still less to pay.

For example, on an income of $3,000 the tax has been $20. Under this new law it will be $7.50.

On a $4,000 income the tax has been $60. It will now be $22.50.

On a $5,000 income the tax has been $100. It will now be $37.50.

Here is a table for comparison:

Amount of income	Tax under present law	Tax under new law
$3,000	$20.00	$7.50
$4,000	60.00	22.50
$5,000	100.00	37.50
$6,000	160.00	57.50
$7,000	240.00	87.50
$9,000	430.00	167.50
$10,000	520.00	207.50
$12,000	720.00	337.50
$14,000	940.00	477.50
$16,000	1,180.00	657.50
$20,000	1,720.00	1,017.50

On an income of $100,000 the tax has been $30,140. It will now be $22,617.50.

The surtax has been reduced considerably. It will begin at 1 per cent on incomes of from $10,000 to $14,000 and goes gradually up to 40 per cent on incomes in excess of $500,000.

So much for the income tax, which interests usually only those who have an income sufficiently large to be taxed.

Under the title of "Miscellaneous internal revenue" the Government has been collecting $932,784,000. From this list items have been cut out or reduced, saving the people about $134,470,000. These items include the tax on a number of items which most people use and are interested in.

The tax on candy, for instance, has been removed, and this will benefit about every man, woman, and child in the country. Its removal saves the people $13,000,000. The tax on telegraph and telephone messages has been considered a burden on business. It has been removed and saves the people $34,000,000. The tax on motion-picture shows and other admission up to 50 cents has been cut off. This and other reductions in dues and admissions will benefit a lot of people in a small way and saves the people's recreation funds $33,000,000. Tax on trucks costing up to $1,000 has been removed, saving $5,000,000; and the tax on tires, tubes, auto parts, and accessories has been cut in half, saving car owners $20,000,000. These two items should be glad news to auto dealers and users. Tax on theaters and circuses removed, saving $1,600,000; and on carpets and rugs, saving $1,800,000. Tax on eyeglasses and spectacles entirely removed, and on jewelry, clocks, and so forth, reduced by about $11,000,000.

These and other items in this class of taxes come pretty nearly benefiting everybody in the country old enough to eat candy.

Here are the items cut off or in which reductions are made and the amount of taxes saved by the taxpayers:

Telegraph and telephones	$34,000,000
Beverages	10,000,000
Admissions and dues	33,000,000
Trucks and bodies	5,000,000
Tires, tubes, parts, and accessories—cut in half	20,000,000
Candy	13,000,000
Knives, liveries, hunting garments, etc	350,000
Yachts, motor boats—sale	319,000
Carpets, rugs, etc	1,800,000
Jewelry, etc., reduced	11,000,000
Sale of produce on exchange	4,000,000
Theaters, circuses, shows	1,600,000
Brokers in provisions and produce	400,000

An honest effort has been made to cut off those items which have been a nuisance, hard to collect, and were more or less of a burden on a great number of people.

A few new items of tax were added. Estate taxes are increased to produce about $12,000,000. A tax on gifts in excess of $50,000, which will probably net $2,000,000, perhaps more. The tax is increased on playing cards about $700,000. On coin-operated machines about $150,000, and a new tax placed on mah jong sets, which will yield about $1,000,000.

All of which indicate that the people of the country in the next calendar year may keep in their own pockets and spend as they would best enjoy spending about $472,000,000 which last year was required for paying taxes. A very considerable sum indeed—nearly a half billion dollars. And that later this year, 1924, they will receive credits on their tax returns already made out and filed 25 per cent of their income tax—a summer gift from Congress of about $232,750,000.

The new act is a general rewriting of the revenue act of 1921 and subsequent acts. It contains many details not gone into here, some of which will require a lawyer to explain.

The Congress is the economical branch of the Government. The other branches are the spenders. As a rule they are seeking to enlarge and extend their activities, and as a rule are

urging increased appropriations. Many of these activities and enterprises for which money is sought may be worthy and probably would be beneficial. Many big demands for big appropriations and increases in appropriations and for big enterprises costing big sums of money come in from the people. These are often backed by great organizations and movements, by lobbies and propaganda. Many of these suggestions may have much merit and probably would be good for the country, but there is a limit to the amount of money the Congress can appropriate if taxes are to be reduced and the national debt paid.

As a member of the most important committee in the House of Representatives, the Committee on Appropriations, during this Congress I have had an opportunity of observing the great and insistent demands for new and greater appropriations all along the line—for greater appropriations and for lower taxes.

A large class of people—a very large class, in fact—seem to assume that if the Government does it, or builds it, or buys it, or pays for it, that it costs nothing. They seem to think that Government money grows on bushes to be gathered at our own sweet will, or is provided by the good Lord after the manner of manna from heaven. But it does not and it is not. Every dollar appropriated for any purpose is reflected somewhere in the taxes.

The Congress is necessarily the economical branch of the Government. The Congress created the Bureau of the Budget, which is working successfully and proves to be a healthy check. The House of Representatives is the economical branch of the Congress. The Appropriations Committee of the House analyzes all appropriation bills, squeezes them down to the safest possible limit, and reports them to the House. The Congress, however, has the final word. It stands between the Treasury and the multitudes who would raid it. It rarely gives as much money as is desired. It stands between the people's desires and their pocketbooks. It is forced sometimes to protect the people against themselves.

It may not be unnatural, then, that the Congress, which will not give the people all the money and all the benefits which they desire and does persist in passing tax bills which never meet with popular approval, does not stand overhigh in the estimation of the people nor get much praise back home.

The last Congress cut the annual taxes about $640,000,000, and this year again about $472,000,000 is lopped off. Gradually the tax burden is being reduced. In fact, the reductions in Federal taxes and appropriations have been rather rapid in the past few years.

Since the Republican Congress was elected in 1918, appropriations and annual expenditures have been reduced very considerably. Appropriations for 1920 were $7,046,000,000, and for 1924 they were only $4,013,000,000.

Here are the yearly appropriations made since the Republican Congress was elected in 1918, which indicates the manner in which expenditures have been cut down from year to year by the Republican Congresses:

Appropriations for fiscal years:	
1920	$6,454,596,640
1921	4,780,829,510
1922	4,066,376,366
1923	3,940,579,067
1924	3,706,777,163

While the taxes and expenditures of the cities, counties, and States have been increasing rapidly and substantially, the taxes and expenditures of the National Government have been reduced to just about one-half what they were six years ago.

Mr. DICKINSON of Missouri. Mr. Speaker, under the leave given to extend my remarks on the conference report on the revenue bill, I desire to say that six months ago tax reduction by the Mellon plan and no adjusted compensation for the ex-service men filled the press. That the two could not stand together was boldly stated. The country was flooded with propaganda in favor of the Mellon plan and against the so-called soldier bonus. The adjusted compensation insurance plan has become a law over the veto of the President and the Secretary of the Treasury, Mr. Mellon, who now tells the country he can readily handle it, and now a great revenue bill with tax reduction greater by $22,000,000 than proposed by the Mellon plan has passed both Houses of Congress, and the conference report has been adopted in the Senate by a vote of 60 for to 6 against, and in the House by a vote of 376 for and 9 against, nearly 30 to 1, as against the original Mellon plan, which Mr. Mellon six months ago demanded should be passed by Congress in the shape proposed by him, the central feature of which plan was that the taxes on the very large incomes should be reduced by 50 per cent and on the smaller incomes by only 25 per cent. The bill as it finally passed provides for a reduction of 25 per cent of the larger surtax incomes and 50 per cent for the smaller incomes, a reversal of the proposals in the Mellon plan. The revenue bill as passed will be approved by the President or passed over his veto, and we are now told by the Secretary that he can take care of both the soldiers' adjusted compensation bill and the revenue tax reduction bill and have a large and increasing surplus over and above the other demands of the Government.

What think you now of Mellon—with all his predictions of dire calamity, if his plan failed. A great progressive revenue bill has been approved by an overwhelming vote of Congress, and it shows that of the 6,662,172 income-tax payers of the United States as taken from the latest available returns of 1921 that only 6,109 would be more benefited under the Mellon plan while 6,656,067 would be more benefited under the Democratic plan, adopted with enthusiasm by Congress and will be approved by the country. In the State of Missouri, of the 172,519 making income-tax returns for the same year, 172,413 will be benefited more under this Democratic plan as passed, while only 106 in the State would be more benefited under the Mellon plan—the large income-tax payers.

The chairman of the Ways and Means Committee assures the House and the country that this bill as approved by the conferees will not create a deficit and that the statement of the Actuary of the Treasury shows that the surplus for the fiscal year 1925, without including the bonus, which will be taken care of out of the previous surplus, will be $138,000,000, and that this bill will reduce taxes on individual and corporate incomes $232,000,000 and excise taxes $56,000,000 this calendar year, a scientific bill worthy of approval by the American people, though utterly misrepresented by propaganda that went out against it. This bill made possible by Democratic and progressive Republican votes is far more worthy than the far-famed Mellon plan, deservedly defeated by the courage of those Representatives who would not yield to the domination and pressure exerted through the influence of the Secretary of the Treasury, and it is to the credit of Congress that it refused to accept the Mellon plan and had the courage to discharge its duty under the Constitution and enact a revenue law far more just and beneficial to all the people. It is conceded that this measure containing many new provisions is an improvement on the existing law.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that, on May 22, 1924, they had presented to the President of the United States for his approval the following bills:

H. R. 8905. An act to authorize the settlement of the indebtedness of the Kingdom of Hungary to the United States of America;

H. R. 8262. An act to fix the compensation of officers and employees of the legislative branch of the Government;

H. R. 6207. An act authorizing and directing the Secretary of War to transfer to the jurisdiction of the Department of Justice all that portion of the Fort Leavenworth Military Reservation which lies in the State of Missouri, and for other purposes;

H. R. 6357. An act for the reorganization and improvement of the foreign service of the United States, and for other purposes;

H. R. 5855. An act to fix the salaries of officers and members of the Metropolitan police force, the United States park police force, and the fire department of the District of Columbia;

H. R. 8350. An act making appropriations for the Departments of State and Justice, and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes; and

H. R. 6715. An act to reduce and equalize taxation, to provide revenue, and for other purposes.

READING BY EDWIN MARKHAM

Mr. REED. Mr. Speaker, I ask unanimous consent for the Clerk to read an invitation to the House.

The SPEAKER. The gentleman from Maine asks unanimous consent that the Clerk may read to the House an invitation. Is there objection?

There was no objection.

The Clerk read as follows:

HOUSE OF REPRESENTATIVES,
Washington, D. C.

All Members of the House of Representatives, their families and friends, are cordially invited to attend the public readings by our great American poet, Edwin Markham, to be given at the First Congrega-

tional Church, under the auspices of the International Longfellow Society.

Monday afternoon, May 26, at 4.45, "The Man With the Hoe" and other poems will be given. The same evening at 8 o'clock "Lincoln" and other poems.

These readings are given in aid of the preservation of the birthplace of the poet Longfellow and in furtherance of the centenary of Lafayette's last visit to America.

The French ambassador will preside and introduce Mr. Markham.

ARTHUR C. JACKSON,
President the International Longfellow Society.

QUESTION OF PERSONAL PRIVILEGE

Mr. MACLAFFERTY. Mr. Speaker, I ask unanimous consent to address the House for five minutes on a question of personal privilege.

The SPEAKER. The gentleman from California asks unanimous consent to address the House for five minutes on a matter of personal privilege. Is there objection?

There was no objection.

Mr. MACLAFFERTY. Mr. Speaker and gentlemen, I desire to correct a report which went out in the press concerning alleged actions of my own here in the House of Representatives on May 20. It is so palpably an error that perhaps it is not necessary, but I do it in justice to myself. I call attention to the article which appeared in the press, and I read from a copy of the San Francisco Examiner. It is as follows:

CONGRESSMEN IN NEAR FIGHT

WASHINGTON, May 20—(By International News Service).—Excitement was occasioned in the House to-day by a near-fistic encounter between Congressmen MACLAFFERTY (Republican), of California, and HOWARD (Democrat), of Nebraska. HOWARD was criticized by MACLAFFERTY for offering objections to procedure. HOWARD replied in a manner to which MACLAFFERTY took exception, and he rushed toward the Nebraskan. The latter rose to meet the charge, but other Congressmen intervened and the angered men were held apart.

HOWARD was formerly secretary to William Jennings Bryan and resembles the commoner physically, and in his dress and general appearance. The remark that irritated MACLAFFERTY was spoken in an undertone and was not understood by Members who sat near him.

When the two Congressmen started to come together there was an immediate rush to their vicinity and cries of "Sit down!"

First, let me say that I am a minister's son, and was taught never to fight except when I was attacked. Mr. HOWARD is a friend of mine and our families are friends. If there was any fighting to be done where Mr. HOWARD was concerned, let me assure you that I would fight only to defend Mr. HOWARD. [Applause.] The facts are these: Gentlemen will remember that a conference report on the naval appropriation bill was being considered. In that conference report was an item of $500,000 for the construction of a very much-needed Marine Corps warehouse at San Francisco. Because my colleague, Mr. KAHN, of California, was away on account of illness, I had been asked if I would kindly look after that item as much as I could. Also I was asked to do so by the San Francisco Chamber of Commerce. My friend, Mr. HOWARD, as a champion of the agricultural interests of this country, was asking for a roll call and insisting then on making the point that there was no quorum present, and I was afraid the delay would jeopardize the naval bill. Several gentlemen were gathered around him trying to persuade him from insisting upon that point, and I came over and joined the merry throng and urged my friend from Nebraska not to insist upon his point of order at that time, and then I turned and walked away. I came no nearer having a fight with my good friend than I am at the present moment. He is my friend, and though I have never asked him whether it is true or not, yet I believe he would say that I am his friend. I rose to correct the mistaken press statement, which does an injustice to both of us. [Applause.]

Mr. HOWARD of Nebraska. Mr. Speaker, responding to the gracious statement of my friend from California [Mr. MACLAFFERTY], I might dismiss it all as I did with the gentleman when I met him the next morning and he told me that he had not dreamed of giving me offense. I told him, taking his extended hand, that I had blotted the incident from my memory, and that I still held him as my friend. In the confusion of the moment he felt that I was jeopardizing legislation in which his own California was peculiarly interested, and I regarded his action as inimical to the promotion of legislation conducive to the welfare of the people of my own Nebraska. I did not at the moment approve the manner of his advocacy of his own legislative program, but I do approve and commend his loyalty to the interests of the people of his Golden State.

JAPANESE IMMIGRATION

Mr. HILL of Maryland. Mr. Speaker, I ask unanimous consent to address the House for one minute upon the subject of a communication from the Federal Council of the Churches of Christ in America.

The SPEAKER. Is there objection?

There was no objection.

Mr. HILL of Maryland. Mr. Speaker and gentlemen of the House, it is always a very great pleasure for any Member of this House to find his views on pending legislation coincide with the views of the Federal Council of the Churches of Christ in America. I received on May 8 the following letter from the council:

FEDERAL COUNCIL OF THE CHURCHES
OF CHRIST IN AMERICA (INC.),
May 8, 1924.

To Members of the House of Representatives:

DEAR SIR: We are informed that an agreement has been reached in the suggested legislation on Japanese immigration modifying the original action of the House.

Our committee believes that said modification will alleviate the situation and earnestly hopes it may have your support.

By action just taken by our committee, I am directed to send you this information.

Sincerely yours, JOHN H. FINLEY, *Chairman.*

To that I replied as follows:

MAY 21, 1924.

Dr. JOHN H. FINLEY,
Chairman Federal Council of the Churches of Christ in America,
105 East Twenty-second Street, New York City.

DEAR SIR: I have not before had an opportunity to answer your circular letter of May 8.

I voted for modification of the immigration act which would permit the action desired by the President on the Japanese immigration question, but we were defeated.

Yours very truly,

JOHN PHILIP HILL,
Member of Congress.

[Applause.]

VENEREAL DISEASES IN THE DISTRICT OF COLUMBIA

Mr. ZIHLMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 491, for the prevention of venereal diseases in the District of Columbia, and for other purposes.

The motion was agreed to.

Acordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 491, with Mr. SANDERS of Indiana in the chair.

The Clerk reported the title of the bill.

Mr. ZIHLMAN. Mr. Chairman, this bill was the special business of the Committee of the Whole House on the state of the Union at the time the District Committee last considered bills on the Union Calendar. A part of the bill has been read, and I take it that the reading will be continued from where it was left off.

The CHAIRMAN. The gentleman is correct and the Clerk will read.

The Clerk read as follows:

SEC. 2. That the judge of the juvenile court and the judge of any court of criminal jurisdiction, when any person is brought before him for trial or investigation, who believes and has reasonable grounds to believe that any such person is afflicted with syphilis, gonorrhea, or chancroid, shall immediately report said fact to the health officer as herein provided.

Mr. GILBERT. Mr. Speaker, I move to strike out the last word. It is so long since we had this bill under consideration that I wish to take this opportunity to inform the House of the general nature of the bill.

The bill follows the general text of laws in more than 40 States in the Union affecting venereal diseases. All during last session there were before our committee several bills on this matter. The committee felt that those bills were too drastic, and a subcommittee, of which I was a member, authorized me to draw a bill along the lines suggested by the committee. As a result of that I prepared this bill. This bill is less drastic on the subject than the laws of the States.

When the war broke out and our boys were inducted into the service, the alarming situation developed that between 27 and 28 per cent of the young men were infected with some

venereal disease to a distinguishable extent. The ravages of this disease are not fully appreciated by the public, because of the fact of the secretiveness of the disease and its loathsomeness. I want now to read for you just for a moment a portion of the report of the State Board of Health of Indiana upon this subject.

Syphilis is the greatest destroyer of mankind.

The investigations of the most competent experts show that an alarmingly large per cent of our population is syphilitic, either active or latent.

It is estimated that 8 to 12 per cent of all deaths are caused by syphilis. Most of such deaths are reported as stillbirths, inanition, heart disease, apoplexy, paralysis, locomotor ataxia, insanity, disease of the arteries, kidney diseases, liver diseases, etc.

Syphilis is the one racial poison, reducing the race standard by the breeding of delinquents, moral and physical degenerates. It is probably the greatest causative factor in inefficiency, insanity, pauperism, and crime.

Syphilis causes nearly one-half of all abortions, miscarriages, and stillbirths. Most of the children of syphilitic parents die in very early life.

Gonorrhea is directly responsible for a majority of the appallingly great number of abdominal operations on women, and for a very large percentage of all so-called female troubles. The woman is usually an innocent victim of the husband's earlier indiscretions and his incomplete cure. In men gonorrhea causes sterility, rheumatism, heart disease, bladder trouble, stricture, and other complications.

Syphilis and gonorrhea actually cause more suffering and deaths than smallpox, diphtheria, infantile paralysis, and tuberculosis combined. Death returns usually cloak the true cause.

This bill is an effort to do what can be done along that line. Recently, as a member of a subcommittee investigating the alley situation in the District of Columbia, I visited a lot of places, and in one of these alleys I saw, and I think the other members of the subcommittee will bear me out, a woman who was evidently reeking with venereal disease. Upon inquiry as to what she did for a living, we learned that she was working in a restaurant downtown in the preparation of food. I have not the time nor the information to go into the details of this bill, but I can say that it is indorsed by the military service, by the public health boards, by the civic organizations all over the United States, and the only complaints that have been made against the bill have come from medical authorities in that it is not quite drastic enough. I can say that the bill is not as drastic as the laws of any State on the subject with which I am familiar, and I have read in the preparation of this legislation the laws in some 40 of the States. As Members read the bill it may impress them perhaps as being somewhat drastic in its provisions, but those provisions are necessary by reason of the tendency, and the natural tendency, of any person afflicted with a disease of that kind to conceal the fact.

One may have any other contagious disease and gladly report it to the health authorities, but if he has a disease of this kind, as it carries the odium and suggestion of immorality, it is very natural that he will attempt to conceal it, and a greater invasion into the privacies of the lives of the people is granted in this bill than is generally true in bills affecting other communicable diseases. But, as I have said, this is less drastic than the bills of any other State with which I am familiar.

One more suggestion. I have given this subject a great deal of care and investigation, and I want to say to you I have the decision——

The CHAIRMAN. The time of the gentleman has expired.

Mr. GILBERT. I ask unanimous consent to proceed for one minute.

The CHAIRMAN. Is there objection?

Mr. BLANTON. Mr. Chairman, the gentleman has given quite a good deal of study to this subject, and I ask unanimous consent that the gentleman be allowed to proceed for five additional minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. GILBERT. At this point I will only take just a minute or so, but I want to say to the gentlemen of the committee if they care to call upon me when any section of this bill is read I can cite them to the decision either of the Supreme Court of the United States or of some Federal court upholding its constitutionality and validating every section of this bill. There has not been a section that has not been validated by the courts in other States and upheld by the Federal court as well. There is, I am told from sources and conversations I would not like to repeat to the committee, a growing necessity for some legislation of this kind in the District. I did not introduce this bill to begin with. The gentleman from California [Mr. RAKER] introduced a bill on this subject which was referred to the committee and it was in the course of the discussion of his bill, which was excellently drawn, which was a splendid bill and very much more drastic than my bill, and the committee came to the conclusion that bill was more drastic than was necessary. Doctor McCormack, the chief officer of the Board of Health of the State of Kentucky, who had charge of cleaning up of this situation in Panama during the war, and it was rather the exception than the rule among some classes there to be free from this disease, though he complained of my bill at the start as not giving authority enough, after a good deal of study he has come to the conclusion and has written me that he knows of no situation which this bill, if properly administered, will not cover.

Mr. RAKER. Mr. Chairman, I desire to be recognized.

Mr. Chairman and gentlemen of the committee, I want just to take a moment of the time of the committee to corroborate what the gentleman from Kentucky [Mr. GILBERT] has said. Some three years ago after consultation with Doctor Kober, of the District of Columbia, who is a man of exceptional ability and experience, and Colonel Owens, and others of the District of Columbia, I presented to the Committee of the District of Columbia a bill on this subject which is in general language like that in many of the States, some 44 in number. (H. R. 15822, Sixty-sixth Congress, third session. Introduced on January 20, 1921.) Quite an extensive hearing was had at which the authorities that approved the bill appeared before the committee. This hearing was had on H. R. 4118, Sixty-seventh Congress, first session. Introduced April 18, 1921. Hearings were had on June 9, 1921, on H. R. 4118, which was the same as H. R. 15822 of the Sixty-sixth Congress. A subcommittee was appointed, and the gentleman from Kentucky [Mr. GILBERT] was the chairman of that committee. The subcommittee reported out H. R. 11021, Sixty-seventh Congress, second session, Report 864, which is practically the same as the present H. R. 491, Sixty-eighth Congress. At the beginning of the present session of the Sixty-eighth Congress I introduced H. R. 127, on December 5, 1923. The committee reported out the present bill. Relief is what we desired. While the present bill is not so comprehensive as H. R. 127, it is in the right direction. There is some question as to the provisions of the original bill being a little more drastic than this legislation, although upheld by the various courts of the several States in which a similar law had been enacted. The public health officer from Kentucky, who had extended experience not only in his own State, but over the United States, as well as on the Canal Zone, appeared before the committee and the subcommittee. The subcommittee invited me to appear, which I did. The record shows, as has been presented here, the absolute necessity for this kind and character of legislation. At the beginning of this Congress, to expedite the matter the committee took up this bill as one of its first bills and reported out this legislation, and I find there can be no objection to it. The only objection, as the gentleman from Kentucky said, is that some think it is not quite strong enough, but it is in the right direction, and it will bring results. The record shows some 12 per cent of infection as existing by noncontact.

Think of what that means and the others, that at least 60 per cent yield to proper care and proper attention, and by taking charge of these diseases like you take charge of those who have smallpox, scarlet fever, diphtheria, and other contagious diseases. Why, if we just stop to think, a man or a woman infected doing laundry work, waiting on the table, and where infection may occur—and it has occurred—and think of the dreadful, dire effect that it has on the rising generation, for, having once permeated the blood, it is then not capable of being eradicated, and how easy it is to do it now and to prevent this being spread. It seems as though it ought to have been done many, many years ago in the District of Columbia, and I want to join in what has been done and ask that this legislation receive favorable and prompt action by the Congress because of its real necessity and the good it will accomplish, and delay ought not to be permitted.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAKER. I ask unanimous consent that I may revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. RAKER. The bill, H. R. 4118, Sixty-seventh Congress, first session, upon which extensive hearings were held, and the bill H. R. 127, Sixty-eighth Congress, first session, are identical. The last bill referred to is in words and figures as follows:

EXHIBIT A

A bill (H. R. 127) for the prevention of venereal diseases in the District of Columbia, and for other purposes

Be it enacted, etc., That every person in the District of Columbia having syphilis, gonorrhea, or chancroid, and who is not at the time under the treatment of a licensed physician in the said District, shall within three days after becoming aware of the existence of the disease report the circumstance to the health officer or his proper representative in the manner prescribed by section 4 of this act.

SEC. 2. That every physician, dentist, nurse, midwife, or other person who professionally attends, calls to visit, examines, prescribes for, or administers or advises treatment to or for any person having syphilis, gonorrhea, or chancroid shall immediately upon becoming aware that such person is so diseased report the circumstances to the health officer in the manner and subject to the conditions set forth in section 4 of this act.

SEC. 3. That every chief administrative officer for the time being of every hospital or dispensary, whether it be or be not devoted to charitable purposes, and of every penal institution, in which, or in attendance upon which, there is a person having syphilis, gonorrhea, or chancroid shall immediately upon becoming aware of that fact report the circumstances to the health officer in the manner and subject to the conditions set forth in section 4 of this act.

SEC. 4. That every report required by this act shall be legibly written in ink, or on a form provided by the health officer for that purpose, shall be signed by the person himself who makes the report, and shall be inclosed in a sealed envelope and sent or delivered sealed to the health officer or his proper representative.

Every report required by sections 1, 2, and 3 of this act shall state the disease from which the diseased person is suffering; his age, sex, color, occupation, and marital state; the date of the onset of the disease as nearly as can be determined; and the probable source of infection; and shall state whether to the knowledge of the person reporting the case it has or has not been previously reported, and, if so, the circumstances of such previous report.

Every report required by sections 1, 2, and 3 of this act shall show name and address of the diseased person unless he be under the professional care of a physician duly authorized to practice medicine in the District of Columbia, or be an inmate of or in attendance upon a hospital or dispensary or a penal institution in said District, in which event a case or record number may be substituted for the name and address, provided the following conditions are complied with: (1) The physician or the chief administrative officer for the time being of said hospital, dispensary, or penal institution, required to report the case, shall keep a systematic and permanent record of every person having syphilis, gonorrhea, or chancroid coming under his professional or official notice, and assign to each a case or record number, and (2) such physician or chief administrative officer, as the case may be, shall, in writing, assume responsibility for compliance by the diseased person with all the requirements of this act.

SEC. 5. That if any person having syphilis, gonorrhea, or chancroid fail to present himself for examination and treatment at the time appointed for that purpose by the physician who last examined or treated him, or within 10 days after that time; or if, being an inmate of or in attendance upon any hospital, dispensary, or penal institution, he absent himself therefrom and fail to return at the time appointed for that purpose, or within 10 days thereafter; and if, furthermore, he fail to submit to such physician or chief administrative officer, as the case may be, within the period stated, satisfactory evidence to prove that he will present himself or return within a reasonable time, definitely stated, then and in any such event it shall be the duty of such physician or chief administrative officer to report the circumstances immediately over his own signature to the health officer or his proper representative, in writing in ink, under cover, and in every such case the name and last known address of the diseased person shall be stated, except when the diseased person has submitted satisfactory evidence that he is under treatment by some competent physician for syphilis, gonorrhea, or chancroid, in which case the name and address of such physician may be stated in lieu thereof.

SEC. 6. That if any person having syphilis, gonorrhea, or chancroid, and being under treatment by a physician, or being an inmate of or in attendance upon any hospital, dispensary, or penal institution, fails or refuses to obey or carry out the reasonable instructions given by such physician or by the chief administrative officer for the time being of such hospital, dispensary, or penal institution, to prevent the spread of disease, then and in that event it shall be the duty of such physician or chief administrative officer to report the circumstances to the health officer or to his proper representative in the manner before stated, including the name and last known address of the diseased person; and if the case has been previously reported by number only, and the physician or chief administrative officer has previously assumed responsibility for compliance by the patient with the requirements of this act, then the reporting of such delinquency on the part of the diseased person shall relieve such physician or chief administrative officer from any future liability under the obligations previously assumed by him.

SEC. 7. That any person having symptoms that so resemble the symptoms of syphilis, gonorrhea, or chancroid as to be indistinguishable therefrom shall, pending diagnosis, adopt such measures against the spread of the disease from which he is apparently suffering as he would be required by this act to adopt were he known to be suffering from that disease: *Provided, however*, That it shall be the duty of any physician in attendance upon any person aforesaid and of the person himself promptly and effectively to adopt such physical and laboratory measures for diagnosis as may be necessary to determine as expeditiously as is possible the exact nature of the disease.

SEC. 8. That every physician in attendance upon any person having syphilis, gonorrhea, or chancroid shall, when such person becomes no longer capable of infecting others, report that fact to the health officer or his proper representative: *Provided*, That a person suffering from syphilis, gonorrhea, or chancroid shall be deemed no longer capable of infecting others under the following conditions:

In the case of gonorrhea, after a lapse of not less than six weeks from the date of infection and the demonstrated freedom from gonococci of two successive smears taken not less than 48 hours apart, and in the case of males from pus cells in the prostatic secretion.

In the case of syphilis, after the lapse of not less than two years from the date of infection, the healing of all lesions, and at least two successive negative Wassermann tests, not less than three months apart.

In the case of chancroid, after all lesions have completely healed.

All specimens for examination shall be taken and submitted in accordance with methods approved by the health officer, and all examinations shall be made in the laboratory of the health department.

SEC. 9. That every physician who examines or treats a person having syphilis, gonorrhea, or chancroid, or suspected of having any such disease, shall instruct him as to measures to be adopted to prevent its spread, and as to the necessity for treatment until cured.

SEC. 10. That every person having syphilis, gonorrhea, or chancroid, or suspecting or believing that he may have any such disease, shall keep himself under competent medical treatment until the nature of the disease from which he is suffering has been determined and, if he has any such disease, until he is known to be incapable of spreading the same.

SEC. 11. That no person having syphilis, gonorrhea, or chancroid shall do anything liable to spread the disease from which he is suffering, or shall refrain from taking any reasonable precautions to limit or prevent the spread of such disease.

SEC. 12. That no person suffering from syphilis, gonorrhea, or chancroid shall work as a barber, dentist, masseur, cook, baker, or other producer or handler of food or drink, or in any profession, trade, or occupation in which by reason of the disease from which he is suffering endangers the public health.

SEC. 13. That upon receipt of evidence by the health officer showing to his satisfaction the necessity for isolation of any person suffering from syphilis, gonorrhea, or chancroid in the interest of public health, the health officer shall designate and define the limits within which the diseased person and his immediate attendant are to be isolated and the precautions to be taken to prevent the spread of the disease during such isolation, and no person other than the attending physician shall enter or leave the area prescribed for such isolation without the permission of the health officer, and then only in accordance with such conditions as the health officer may prescribe. No one but the health officer may terminate such isolation, nor shall such isolation be terminated until the diseased person has become noninfective, as determined by the health officer through physical examinations and all necessary laboratory tests, unless satisfactory evidence has been given the health officer that such isolation may, conditionally or unconditionally, be terminated without danger to the public health.

SEC. 14. That no person not a physician authorized to practice medicine in the District of Columbia shall prescribe or recommend to any other person any drug, medicine, or other substance to be used for the cure or alleviation of syphilis, gonorrhea, or chancroid.

SEC. 15. That no person shall compound any drug or medicine for the cure or alleviation of syphilis, gonorrhea, or chancroid from any written formula, order, or prescription not written for the person for whom the drugs or medicines are to be compounded, or from any written formula, order, or prescription not signed by a physician authorized to practice medicine in the District of Columbia.

In the event of the sale of anything for the treatment, alleviation, or cure of syphilis, gonorrhea, or chancroid, and before the delivery of the article sold, the person selling the same shall record in a book kept for that purpose the name of the article, the quantity delivered, the purpose for which it was to be used, the date of delivery, the name and address of the person for whom it is procured, and the name of the individual person selling the same; and said book shall be preserved by the owner thereof for at least three years after the date of the last

entry therein; but this requirement shall not apply to articles dispensed upon the written orders of persons believed by the dispenser to be lawfully authorized practitioners of medicine. The record of sale and delivery above mentioned shall not be required of manufacturers and wholesalers who sell any of the substances named at wholesale to licensed pharmacists. The record so made shall be open at any time to inspection of the health officer or his proper representative.

SEC. 16. That the health officer, and other employees in the service of the health department duly authorized by him, are hereby empowered and directed to make such examinations of persons reasonably suspected of having syphilis, gonorrhea, or chancroid as may be necessary to carry out this act, and every person reasonably suspected of having syphilis, gonorrhea, or chancroid shall submit to such examinations: *Provided*, That every person convicted of fornication or other unlawful sexual misconduct and every person convicted of any crime or misdemeanor and sentenced to imprisonment in the workhouse or jail shall be examined under the provisions of this act: *Provided further, however*, That examinations of women shall, in so far as may be practicable, be made exclusively by women physicians.

SEC. 17. That the health officer shall use every available means to ascertain the existence of syphilis, gonorrhea, and chancroid and to discover and eliminate the sources of infection. No person shall hinder or interfere with any officer, employee, or agent of the health department in the discharge of any duty arising out of this act.

SEC. 18. That no person shall make, give, or issue any certificate of freedom from syphilis, gonorrhea, or chancroid, or from venereal diseases generally, or any like certificate, unless he states distinctly on the face thereof the true purpose for which it has been issued, and no such certificate shall be made, given, or issued for the purpose of facilitating the solicitation of sexual intercourse.

SEC. 19. That no person shall give any false name or address, or make any false statement, or submit for examination any unfair or unreasonable specimen for the purpose of evading or nullifying the force of this act.

SEC. 20. That whenever any duty is imposed by this act upon any person and the person upon whom such duty is imposed or would ordinarily fall is a minor child, then the parents or guardian of such minor child shall enforce compliance by him with all the requirements of this act: *Provided*, That if such minor child has attained the age when he is answerable to the criminal laws for his acts, the responsibility herein imposed upon his parents or guardian shall not relieve such minor child of responsibility on his own account.

SEC. 21. That this act shall not be construed as authorizing or requiring the disclosing of any information concerning the identity or condition of any person diseased by syphilis, gonorrhea, or chancroid, except in so far as may be necessary to carry the act into effect; but no physician or other person shall be civilly or criminally liable for any statement made in good faith under the provisions of this act.

Wherever the word "he" or any other word of masculine gender is used it shall be construed as meaning also the word "she" or the corresponding words of the feminine gender.

SEC. 22. That any person who violates any of the provisions of this act shall on conviction thereof be punished for the first offense by a fine not exceeding $100, and for the second or any subsequent offense by a fine not exceeding $300 or by imprisonment in the workhouse for not exceeding 60 days, or by both such fine and imprisonment, in the discretion of the court.

Showing that H. R. 127, as well as the present bill of Judge GILBERT, is clearly within the right and power of Congress, I present the following:

EXHIBIT B

TREASURY DEPARTMENT,
BUREAU OF THE PUBLIC HEALTH SERVICE,
Washington, January 28, 1924.

(Memorandum for Congressman WM. E. RAKER)

In accordance with your request to Mr. Willard C. Smith, I am sending you herewith additional papers and citations relating to legislation for the control of venereal diseases.

During the past few years there have been several State supreme court decisions upholding the provisions of venereal-disease-control laws and regulations. The courts have shown a generous disposition to sustain health officers in their efforts to restrain persons infected with venereal disease and to keep such persons in quarantine or under proper treatment until rendered noninfectious. In all these cases, with one exception, the person whose liberty has been denied was actually diseased. The exception is a recent California case entitled "Ex Parte Clements," reported on page 698, volume 215, of Pacific Reporter, in which the court denied an application for a writ of habeas corpus solely on the ground that the petitioner was an inmate of a house of prostitution and that the health officer was therefore justified in holding her as a reasonable venereal-disease suspect and in insisting that she submit to an examination to determine whether in fact she was diseased. No direct evidence was offered to prove that she was infected. The authority under which the health officer exercised this control is rule 5 of the California State Board of Health regulations for the prevention of syphilis and gonococcus infections, which reads:

Local health officers are hereby directed to make examinations of persons reasonably suspected of having syphilis in the infectious stages or gonococcus infection (owing to the prevalence of such diseases among all prostitutes, all such persons may be considered within the above class) to isolate such persons whenever, in the opinion of said local health officer, the State board of health, or its secretary, isolation is necessary to protect the public.

Section 3, chapter 194 of the laws of 1918, State of Mississippi, provides that "any person suspected of being afflicted with any such infectious venereal disease shall be subject to physical examination and inspection by any representative of the State board of health, and for failure or refusal to allow such inspection or examination such person may be punished as for a misdemeanor. This law differs from the California regulation in two respects. (1) Under the California regulations, the health officers are authorized to examine persons reasonably suspected of having a venereal disease. In the Mississippi law nothing is said about the reasonableness of the suspicion. A reasonable exercise of the power might be presumed or implied, of course, although the courts are ever mindful that the proper exercise of all police power which includes all laws for the promotion and preservation of the public health must be reasonable, and if the law leaves any opportunity for arbitrary or unreasonable exercise of power it is violative of the usual constitutional prohibitions against unreasonable searches and seizures as well as repugnant to the underlying principles of the police power of the State. (2) The California regulations authorize the health officer to isolate infected persons whenever it is necessary to protect the public health. The Mississippi law makes the failure to submit to an examination a crime. It it true that courts as well as legislative bodies have not always distinguished clearly between criminal legislation and legislation based on the police power of the State. The power of the health officer to detain anyone rests upon the existence of facts making such detention necessary to protect the public health, hence he is given summary jurisdiction to quarantine and isolate if the circumstances warrant such procedure. Since being infected with a venereal disease is not a crime, a person who is infected or reasonably suspected of being infected ought only be restrained in his liberty by quarantine or isolation which are strictly control measures in the interest of public health. A person may, obviously through willful and deliberate defiance of proper health regulations, make himself liable to criminal prosecution, but whether refusal to submit to a physical examination simply upon suspicion of being infected can be stigmatized as a crime is no doubt open to grave constitutional objections. The service has found one case, In re Walter McGee (185 Pac. 14), in which the following dicta appear:

> "The rules of the State board of health and the city ordinance are assailed as unreasonable. In this instance only those provisions of the rules of the State board of health and of the city ordinance are involved which relate to isolation of persons who have been examined and have been found to be diseased. Reasonableness of provisions relative to discovery and to examination of suspects need not be determined. It may be observed, however, that while provisions of the latter class cut deeply into private personal right the subject is one respecting which a mincing policy is not to be tolerated. It affects the public health so intimately and so insidiously that considerations of delicacy and privacy may not be permitted to thwart measures necessary to avert the public peril. Only those invasions of personal privacy are unlawful which are unreasonable, and reasonableness is always relative to gravity of the occasion. Opportunity for abuse of power is no greater than in other fields of governmental activity, and misconduct in the execution of official authority is not to be presumed."

As stated, there have been a number of decisions by State supreme courts respecting venereal-disease-control law. One dealing particularly with the constitutional phases of the problem was reprinted in Venereal Disease Information, Volume IV, No. 6 (June 20, 1923). The case is that of Ex parte Company, Northeastern Reporter, volume 139, copy of which is inclosed. It contains a rather comprehensive review of the authorities on the subject on personal restraint as a health measure. Other cases involving legislation for the control of venereal diseases are:

> "The State of Washington on the relation of J. S. McBride, plaintiff, *v.* The Superior Court for King County, respondent (174 Pac. 973); Ex parte Emma Hardcastle (208 S. W. p. 531); Ex parte Grace Brooks (212 S. W. 956); Ex parte Brown (172 N. W. p. 522); Dowling, Health Officer, *v.* Harden (88 Southern, p. 217); Dowling, Health Officer, *v.* Glass (88 Southern, p. 218); Application of Travers (192 Pac. 454); Wragg *v.* Griggin (170 N. W. 400); Ex parte Dillon (186 Pac. 170); Ex parte Johnston (180 Pac. 644); Duncan *v.* City of Lexington (244 S. W. 60)."

M. J. WHITE,
Assistant Surgeon General.

As has so well been said by Bowers:

EXHIBIT C.

From the time of Fracastorius until the present day the literature of medicine has chronicled the disasters and catastrophes wrought by that master of disease, syphilis. The victims of this plague outnumber, no doubt, those of any other single ailment to which the human flesh is heir. During the sixteenth and seventeenth centuries it swept Europe as an almost inextinguishable fire, strewing the Old World with its putrid dead, maiming and disfiguring those who escaped its lethal attacks. By the beginning of the eighteenth century the fury of the epidemic form of syphilis had spent itself; nevertheless its direful assaults upon mankind have continued since that time in subtle and insidious fashions, impairing the functions of the liver and kidneys, affecting the heart and blood vessels with incurable maladies, blinding the eyes, stopping the ears, crippling the limbs, and destroying mind and life itself.

There is no organ or tissue of the body that syphilis does not attack and destroy; there is no disease that has so tremendously affected and altered the course of human destiny as has syphilis. As a killer Osler ranked it third or fourth in the category of disease, and his profound knowledge of medicine in general led him to say, "Know syphilis in all its manifestations and all else clinically will be revealed unto you."

The extent of the prevalence of syphilis can not be accurately stated in figures. We can only make estimates, because the secrecy which surrounds this disorder makes it impossible for us to compile accurate records. Many apparently healthy persons suffer with it unknowingly until some accident or acute illness causes them to seek the aid of a physician, who discovers their luetic infection in the course of his routine examination. Many persons who suffer with this malady refuse or neglect examination. A searching physical examination is always necessary, for the earmarks of syphilis are elusive and likely to be overlooked.

There are a few sources of accurate information. We do know from the reports of Army and Navy examinations, hospital statistics, mortuary tables of life insurance companies, and the findings of careful physicians in private practice that from 10 to 20 per cent of the persons figuring in these statistics suffer from syphilitic infection.

This disease numbers its countless victims among the immoral, the unmoral, the moral, the innocent, the guilty, the infants in the cradle, the aged by the fireside, the rich and the poor, for it is no respecter of persons. At every turn in life we meet its victims. They may serve us our food, make our beds, and take care of our linen in our best hotels; may use the same drinking glasses at public fountains and handle other public utensils. In the industrial world they may drive our locomotives, our street cars, and other public conveyances. They may pass in and out of the sacred portals of our homes. Never are we so serenely safe from possible attack that we can pharisaically and smugly say, "It does not concern us. We are not our brother's keeper."

We are all the guardians of the health and happiness of this great Nation and the enemies of this social plague which wars day and night, without truce or remission, against the progress of humanity.

SOCIOLOGICAL ASPECTS OF LUES

Diseases do not exist alone nor do they affect only the patient who is afflicted with them. Behind every ill to which mankind is heir there lies a sociological background, which has its ramifications in the biological, racial, economic, and political conditions of life. We have been too prone to forget that man is a gregarious creature, and in assuming a too narrow community attitude we have forgotten or ignored the humanistic and social elements of sickness, and in so doing have failed to use all the weapons available against disease.

No disease has so defaced its sociological background with wreck and ruin as has syphilis. Its tentacles reach into all our social institutions, grasping, strangling, and destroying the life of the social unit, the family.

Space permits only the most synoptical discussion of lues in its social relations, and these remarks will be grouped under the following heads: The child, the family, and the State.

The child: Morally every child is entitled to be born of healthy and respectable parents into healthy and respectable surroundings. This should be the normal and natural heritage of every child, but it is regrettable to say that millions have been denied this birthright. Syphilis often denies the child its right to be born, and very often its right to live after it has come into being.

Fournier remarked, apropos of the homicides of lues, "Syphilis is the essential murderer of those young in years; it is the veritable tomb of infants; it is the cause of death before birth, at the moment of birth, after birth, within the first week of birth, or it may await the first year. Syphilis, alcoholism, and tuberculosis constitute the triad of contemporaries."

If the infant escapes with his life at birth, he may endure ills which are worse than death itself, in the form of different manifestations incident to this disease.

In quite a number of instances children born of syphilitic parents appear to be healthy infants, pass through the period of childhood in an uneventful manner, then, at the age of puberty, when their lives are in the bud and full of promise, they develop cerebrospinal syphilis, juvenile tabes, juvenile paresis, and certain types of epilepsy. The symptoms of these forms of inherited syphilis are no different from the manifestations of acquired neuro-syphilis as it is encountered in the adult, except that the symptoms may be slightly more profound. The prognosis in juvenile paresis is hopeless.

While it is impossible to say with mathematical exactness just what relationship lues bears to feeble-mindedness, we can say, and still be very conservative, that at least 5 per cent of all congenital mental defectiveness is due to syphilis.

Probably none of the tragedies of this monster of evil is more woeful or hideous than the one it visits upon the unoffending, innocent, and helpless second generation.

The family: No disease is so disastrous to the welfare of the family unit as syphilis. In many instances its presence forever precludes the possibility of marriage, for there are earnest, conscientious persons who, having acquired this infection, feel themselves forever barred from matrimony, no matter how vigorously they may have pursued treatment and no matter how apparently free they are from infection. Like Damocles, they feel that the sword is ever suspended above their heads by the hair of uncertainty. Others who do not feel so keenly about the luetic catastrophe, yet are mindful of the disasters that active luetic infection may bring to their mates and offspring, postpone marriage for long periods of time.

If the syphilitic individual enters matrimony in the contagious state, or if a person acquires this infection after marriage, a very serious train of events is likely to follow. The innocent mate is most certain to be infected; if pregnancies take place, abortions, miscarriages, and stillbirths will follow in a very large number of instances. If children are born after the virus has become somewhat attenuated and the parents have developed a condition of relative immunity, the future may be dark for the children and full of the terrors with which we are all familiar.

Occasionally nature, in her warfare against syphilis, fortunately brings about a condition of sterility. Various obstetricians have estimated that from 45 to 75 per cent of sterility is caused by syphilis.

The syphilitic is quite likely to spread his infection to others during the contagious state through the use of household articles and utensils. Records of these sad occurrences are all too frequent. Many a wayward son has, through his carelessness, unwittingly infected his mother, brother, or sister. Medical literature is replete with examples of this sort.

The knowledge that one of the marital partners has acquired lues changes the atmosphere of the home. If the disease is acquired after marriage, divorce is a common result; or, if the individual had this infection before marriage and in spite of the knowledge that he had it, and in an infectious state, entered into matrimony, divorce usually follows when the deceived mate learns the real state of affairs. Very recently, in one of our courts, the innocent mate was given financial damages because of her infection, and the guilty partner was given a penal sentence. It is suggested that it would be a wise procedure for all our courts to recognize that it is decidedly criminal for one individual deliberately or knowingly to subject another to infection with venereal disease. To the writer's personal knowledge in four different instances murder was committed because unfaithful wives infected their husbands. However, we know from statistics that it is usually the wife who is the innocent sufferer.

Phobias are nearly always present in the minds of intelligent parents who have been infected with lues. They fear that every ill their children may have may be due to this dread disease, and the torment of these fears is often terrific.

Many homes are broken up by death, or the wage earner of the family becomes a chronic invalid, using for treatment the earnings or savings which should have been spent in caring for his family. In the early stages of the disease the earning power of the luetic may be temporarily reduced during the period of active treatment, and later on in life, if curative treatment has not been secured, be permanently reduced or cut off entirely by the existence of diseases which may be dependent on lues. Those families who are not blessed with an abundance of financial means soon have their purses depleted and are thrown upon public or private charity. The financial operations of the paretic, rich or poor, have in many instances reduced his family to bankruptcy, just as his antisocial and criminal behavior has frequently brought it into disgrace.

In the last analysis, to the members of the family syphilis means illness, mental or physical incapacity, sorrow, and financial and social ruin unless medical and social relief is promptly and efficiently rendered to prevent such a catastrophe.

The State: Whatever agencies make havoc on the child or the family are destructive to the welfare of the State. Whenever the children of the State are blinded, crippled, paralyzed, and reduced to imbecility and incapacity, the State is robbed of citizens who

should have been self-supporting and useful and in addition is compelled to build and maintain institutions for human derelicts. Every institution for the feeble-minded, the blind, the deaf and dumb, the insane, and the epileptic, is a monument, in some degree, to our carelessness and wastefulness of human life, to our indifference and to our ignorance of the vast ramifications of the great venereal-disease problem.

In the past we have paid too little attention to the extragenital infection of lues. We have exhibited a pharisaical inqiffernce, being inclined to look upon lues as a punishment for sexual immorality. This attitude is neither scientific nor moral. It can be said without fear of contradiction and with the full support of those who are informed, that 10 per cent of all syphilitics acquire this disease in an innocent manner. In many instances the innocent sufferer from the infection is unaware of his condition until he is suddenly stricken down with an illness of a serious character. These same innocent sufferers from lues unknowingly, but none the less disastrously, spread their infection to the public.

The histories of luetic persons coming into our clinics show that at least 35 per cent of them are engaged in occupations which bring them in immediate contact with the public. It is frightful and appalling to know that a very large group of them are handlers of our food, laundry workers, barbers, servants in our homes, masseurs, tailors, and others who render very personal services. Fortunately for us all, the contagious period passes fairly promptly in many of them because of treatment and the evolution of the disease.

When the public and the captains of industry open their eyes more widely to the enormous cost of syphilis in money there will be a sweeping endeavor to remove luetics from industry and from social activities that endanger the public interest. The histories in our hospitals for the insane show that an alarming percentage of paretics have been chauffeurs, motormen, conductors, engineers, firemen, and policemen, and have filled other positions in which they were responsible for the safety of the public. This clearly indicates that our lax methods of medical examination and license must give way to systematic and searching methods of physical examination and diagnosis.

The loss to industry is enormous in a number of ways. When an ataxic luetic receives an injury because of his clumsiness in the performance of his work, he very often is placed upon the pension rolls of the company for an indefinite period through the operation of our compensation laws, because of the prolonged convalescence which these individuals usually undergo, and the company pays out considerable money for which there is no return. As we all know, the most trivial injuries may incapacitate the luetic for long periods of time. We can easily surmise the losses such individuals cause to industry.

Cost of late syphilis to the State: According to the United States census of the year 1910, there were at the beginning of the year 1916, 147 State hospitals for the insane, caring for 199,340 persons at a total cost of $36,312,662. These figures are not now correct, for since that time many new State hospitals have been built and are filled to overflowing and the States are endeavoring to build more.

Conservative psychiatrists of the country have frequently estimated that no less than 25 per cent of all the admissions to our State institutions are due to syphilis. At that rate the cost of syphilis alone for State hospital care in 1916 was nearly $10,000,000. This same census states that there were 423 other State institutions in existence for the same period of time. We can be quite certain that lues contributed very largely to their population also, and we can conservatively estimate that the total cost of luetics for institutional care during 1916 was at least $15,000,000 more. In these figures the cost of private and public charity and the loss to industry were not considered.

Williams in his study of 100 cases of syphilis in the State hospitals of Massachusetts, basing his estimate on the weekly cost of only $6 (which is far too low) estimated that these same luetics cost the State of Massachusetts $39,312 for a period covering a little more than a year. Doctor Pollock estimated that the syphilitics in the State hospitals of the State of New York cost that Commonwealth $417,918 in the year 1917. The cost of the care of syphilitics in State hospitals in the State of Indiana for the year 1919, according to the secretary of the State board of health, was nearly $1,000,000. The State Board of Health of California has reported that insane syphilitics cost that State $160,000 for the years 1918 and 1919.

These figures convey but very faintly the enormous economic cost of syphilis. When we stop to think that all the States of the Union are paying sums in proportion for the cost of syphilis, the aggregate transcends the limits of the imagination. We probably spend more money each year on the direct and indirect effects of syphilis than we do for the maintenance of our Army and Navy in times of peace. The time has long since arrived when we should have acted upon the maximum of Benjamin Franklin that "Public health is public wealth." All students of the sociological aspect of syphilis perforce agree with Herbert Spencer when he says, "To be a good animal is the first requisite to success in life, and to be a nation of good animals is the first condition to national prosperity."

Dealing with venereal-disease problem: The time-honored adage that "An ounce of prevention is worth a pound of cure" has no more fitting application than to the great public-health problem of syphilis. The inertia of the public must be overcome and unreasoning prejudice must be supplanted by accurate information. The moralistic misconception of the venereal-disease problem is responsible for a tremendous amount of social damage. The idea that every syphilitic is a roué and a social outcast is as fallacious as it is unkind. These erroneous ideas prevent the proper appreciation of the fact that no less than 10 per cent of all luetics suffer from congenital and innocent types, that thousands of innocent women suffer from lues, and that thousands are syphilitic because of the laws of heredity and congenital transmission. The belief that it is a visitation for sexual immorality has retarded the control and prevented in a very large measure the eradication of the venereal plague. We must place syphilis on the same level as we do other diseases and fight it in a safe, sane, and scientific manner, free from metaphysical conceptions and dicta.

The public must be so educated in the matter of eugenics that the laws with regard to venereal disease which now exist as dead letters on our statute books will be enforced; that health certificates will really be required before marriage; that the physician will be permitted to give to the marriage-license clerk information that will prevent the marriage of a contagious luetic without being haled into court on the ground that he has given away confidential information; that marriages may be annulled when a luetic deliberately enters matrimony, deceiving his mate as to the presence of his venereal disorder.

Sex hygiene should be taught the child, the youth, and the adult. The dangers of venereal disease must be brought again and again to the attention of the public until it is so aroused concerning the matter that it will take the necessary steps to correct the evils resulting from prostitution.

There is a group of persons within the social organism which is governed in its sexual life by idealism and not by fear. Therefore a positive idealism must always be taught concerning sex life. There is another group whose conduct is entirely regulated by fear, and to this group must be preached in forceful terms the dangers of illicit sexual relations. There is a third group that is not controlled either by fear or sexual idealism and responds to the sexual urge, irrespective of the possible consequences to themselves or to others. It is therefore imperative that physicians, health departments, and communities use all agencies in their power for the relief and prevention of venereal diseases.

Our social institutions are by no means perfect. Society continually places temptations in the way of the morally and mentally weak. We are responsible at least to some degree for the existence of environments which stimulate vice and furnish the facilities for its successful progress, and it is obvious that these conditions very effectually reduce the effects of our moral preachments.

The Clerk read as follows:

SEC. 8. That the chief health officer is authorized and directed to order to quarantine any person who is found under the provisions of this act to have syphilis, gonorrhea, or chancroid, and to adopt for the protection of public health such precautionary measures as are found necessary to prevent the spread of any other highly contagious or infectious disease.

Mr. UNDERHILL. Mr. Chairman, I offer the following amendment: Page 3, lines 19 and 20, after the word "authorized," strike out "and directed." I ask the gentleman if he will accept that amendment?

Mr. GILBERT. I think when we authorize, that is all that is needed; and, although the language follows the laws in the States, I will accept the amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. UNDERHILL: Page 3, lines 19 and 20, strike out the words "and directed."

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 13. That any physician who professionally attends any person having syphilis, gonorrhea, or chancroid shall, in addition to treating such person for his improvement and cure, advise said person as to the proper means to prevent the spread of said disease, and shall so order him isolated as to prevent any spread therefrom, and it shall be the duty of said physician, upon the willful failure or refusal of such patient to comply with the directions of said physician to prevent the spread of said disease, to report said person to the health officer as herein prescribed by this act.

Mr. UNDERHILL. Mr. Chairman, I offer an amendment. On page 5, line 9, after the word "and," insert "if necessary."

I ask the gentleman from Kentucky [Mr. GILBERT] whether he will accept that amendment?

Mr. GILBERT. Along the same line that was suggested as to the amendment to the other section, not giving them a positive direction but when it is necessary giving them authority, I can not see any objection.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. UNDERHILL: Page 5, line 9, after the word "and," insert the words "if necessary."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk concluded the reading of the bill.

Mr. ZIHLMAN. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SANDERS of Indiana, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (H. R. 491) for the prevention of venereal diseases in the District of Columbia, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as agreed to do pass.

Mr. ZIHLMAN. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is now on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion by Mr. ZIHLMAN, a motion to reconsider the vote whereby the bill was passed was laid on the table.

PARK AND PLAYGROUND SYSTEM OF THE NATIONAL CAPITAL

Mr. ZIHLMAN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of S. 112, a bill providing for a comprehensive development of the park and playground system of the National Capital. Pending that motion, I would like to submit the unanimous-consent request that general debate be limited to two hours, one half to be controlled by myself and the other half to be controlled by the gentleman from Texas [Mr. BLANTON].

The SPEAKER. The gentleman from Maryland asks unanimous consent that general debate be limited to two hours, one-half to be controlled by himself and one-half to be controlled by the gentleman from Texas [Mr. BLANTON]. Is there objection? [After a pause.] The Chair hears none.

The question is now on the motion of the gentleman from Maryland that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill S. 112.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill S. 112, with Mr. CRAMTON in the chair.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read the title of the bill.

Mr. ZIHLMAN. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Maryland asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

Mr. BLANTON. Mr. Chairman, reserving the right to object, the bill is very short, and the 25 or 30 interested Members who have stayed here to transact District business would be enlightened by hearing it read. I think it ought to be read and I insist on its being read.

The CHAIRMAN. Objection is heard, and the Clerk will read the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That to preserve the flow of water in Rock Creek, to prevent pollution of Rock Creek and the Potomac and Anacostia Rivers, to preserve forests and natural scenery in and about Washington, and to provide for the comprehensive, systematic, and continuous development of the park, parkway, and playground system of the National Capital, there is hereby constituted a commission, to be known as the National Capital Park Commission, composed of the Chief of Engineers of the Army, the Engineer Commissioner of the District of Columbia, the Director of the National Park Service, and the Chief of the Forest Service, the officer in charge of public buildings and grounds and the chairmen of the Committees on Public Buildings and Grounds of the Senate and House of Representatives. At the close of each Congress the Presiding Officer of the Senate and the Speaker of the House of Representatives shall appoint, respectively, a Senator elect and a Representative elect to the succeeding Congress to serve as members of this commission until the chairmen of committees of the succeeding Congress shall be chosen. The officer in charge of public buildings and grounds shall be the executive and disbursing officer of said commission.

SEC. 2. Said commission or a majority thereof is hereby authorized and directed to acquire such lands as in its judgment shall be necessary and desirable in the District of Columbia and adjacent areas in Maryland and Virginia, within the limits of the appropriations made for such purposes, for suitable development of the National Capital park, parkway, and playground system. That said commission is hereby authorized to acquire such lands by purchase when they can be acquired at prices reasonable in the judgment of said commission, otherwise by condemnation proceedings, such proceedings to acquire lands within the District of Columbia to be in accordance with the provisions of the act of Congress approved August 30, 1890, providing a site for the Government Printing Office (U. S. Stat. L. vol. 26, chap. 837), the Chief of Engineers of the Army being, for the purposes of this act, hereby clothed with all the power vested by the said act of August 30, 1890, in the board created by that act. Said commission is hereby authorized to acquire such lands, located in Maryland or Virginia, either by purchase or condemnation proceedings, by such arrangements as to acquisition and payment for the lands as it shall determine upon by agreement with the proper officials of the States of Maryland and Virginia. In the selection of lands to be acquired the advice of the Commission of Fine Arts shall be requested. The designation of all lands to be acquired by condemnation, all contracts for purchase of lands, and all agreements between said commission and the officials of the States of Maryland and Virginia shall be subject to the approval of the President of the United States.

SEC. 3. That there is authorized to be appropriated, each year hereafter, in the annual District of Columbia appropriation act, a sum not exceeding 1 cent for each inhabitant of the continental United States as determined by the last preceding decennial census, to be available until used, said sum to be used by said commission for the acquisition of the lands herein authorized to be acquired by said commission for the purposes named, the compensation for the land, the expense of surveys, ascertainment of title, condemnation proceedings, if any, and necessary conveyancing to be paid from said appropriations. That three-fourths of all the funds so appropriated shall be used by said commission for the acquisition of lands within the District of Columbia and the funds so used to acquire property within the District shall be paid from the revenues of the District of Columbia and the general funds of the Treasury in the same proportion as other expenses of the District of Columbia. The land so acquired within the District of Columbia shall be a part of the park system of the District of Columbia and be under control of the Chief of Engineers of the United States Army; that areas suitable for playground purposes may, in the discretion of said commission, be assigned to the control of the Commissioners of the District of Columbia for playground purposes. That the land so acquired outside the District of Columbia shall be controlled as determined by agreement between said commission and the proper officers of the States of Maryland and Virginia, such agreements to be subject to the approval of the President.

SEC. 4. That said commission shall report to Congress annually on the first Monday of December the lands acquired during the preceding fiscal year, the method of acquisition, and the cost of each tract. It shall also submit to the Bureau of the Budget on or before September 15 of each year its estimate of the total sum to be appropriated for expenditure under the provisions of this act during the succeeding fiscal year.

MESSAGE FROM THE SENATE

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, had further insisted on its amendments, had asked further conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. WADSWORTH, Mr. JONES of Washington, Mr. SPENCER, Mr. FLETCHER, and Mr. HARRIS as the conferees on the part of the Senate.

DEVELOPMENT OF THE PARK AND PLAYGROUND SYSTEM OF THE NATIONAL CAPITAL

The committee resumed its session.

Mr. ZIHLMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Vermont [Mr. GIBSON].

The CHAIRMAN. The gentleman from Vermont is recognized for 10 minutes. [Applause.]

Mr. GIBSON. Mr. Chairman and gentlemen, I will explain this bill very briefly. Its object is to provide for a comprehensive development of the park and playground system of the National Capital.

It constitutes a commission, to be known as the national park commission, composed of the Chief Engineer of the Army, the engineer commissioner of the District of Columbia, the Director of the National Park Service, the Chief of the Forest Service, the officer in charge of public buildings and grounds, the chairman of the House District Committee, and the chairman of the Senate District Committee. It provides further in that connection for the designation of some newly elected Member of the House or the Senate, who will be in the next Congress, to act on this park commission when Congress is not in session.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. GIBSON. Yes.

Mr. HILL of Maryland. As I understand from the report of the committee, this bill is based on the orderly development of the city and its parks as a continuation and extension of the L'Enfant plan.

Mr. GIBSON. The L'Enfant plan, of course, was only for 100 years and we have outgrown that plan; in fact, we outgrew it a great many years ago. But it may well be called a continuation of that plan.

Mr. HILL of Maryland. It is a sort of necessary extension of the spirit of that excellent plan?

Mr. GIBSON. That is the idea.

Mr. HILL of Maryland. I want to say to the gentleman that to me it seems a very excellent plan and I am entirely for it.

Mr. GIBSON. I will say to the gentleman in that connection that it also includes a development in Virginia, territory contiguous to the District of Columbia, and in your own State of Maryland.

Mr. HILL of Maryland. I thank the gentleman.

Mr. GIBSON. At the outset let me say that this does not create a commission with salaries. All of the members of the commission are officers of the Government and draw salaries.

The bill provides that this commission is authorized and directed to acquire lands, as to its judgment may seem necessary, in the District of Columbia, in Maryland, and in Virginia for the suitable development and extension of the park system and playgrounds. These lands are to be acquired by purchase, if possible, and if not possible, by condemnation. The lands in Virginia and Maryland are to be acquired under some proceedings agreed upon between this commission and the regularly constituted officers of the State of Maryland and of the State of Virginia. It authorizes an appropriation to be made not to exceed 1 cent for every inhabitant of the United States. This would give something over $1,000,000 a year for the orderly and proper development of the park system of the District of Columbia.

The gentleman from Maryland [Mr. HILL] has referred to the L'Enfant plan, which was the original plan, Major l'Enfant being a distinguished engineer officer of the French Army who was engaged by Washington and Jefferson and acted under their direction in laying out the plan of the city of Washington. This plan provided for some parks, but those parks are the little triangular spaces, the circular spaces, or the square spaces that you find at the intersection of our avenues and streets. This plan was made in 1791. Since that time we have acquired some land for park purposes in the District, but not an acre was acquired outside of Florida Avenue from the time this plan was conceived up to 1890. Since then we have acquired 2,058 acres at a cost of $3,589,998.

In extent and value of the park system the city of Washington is at the foot of the list of cities of the United States with a population of 300,000 or more. For instance, in comparison with Chicago, that city has a wonderfully extensive system of city parks and connecting boulevards and has acquired a forest reserve of 24,000 acres outside of the city and is now proceeding to acquire 10,000 acres more. At one time the city had a bond issue of $30,000,000 for park extension purposes. San Francisco had expended, before 1912, $7,500,000 on one park alone, Golden Gate Park, and it has 33 other parks. Boston has expended over $21,000,000 in the extension of its park system between 1892 and 1920; during that time Washington expended a little over $3,000,000.

Statistics showing the value of park property in the various cities having over 300,000 people for 1916 and 1919 are as follows:

New York, value of park property in 1916, $649,000,000; 1919,. $687,000,000.

Chicago, in 1916, $59,695,000; in 1919, $60,462,000.

Philadelphia, in 1916, $30,000,000; and in 1919, $43,000,000.

St. Louis, $13,000,000 in 1916; and in 1919, $15,000,000.

Boston, in 1916, $69,209,000; and in 1919, $69,300,000.

Cleveland, in 1916, $28,000,000; and in 1919, $29,000,000.

Los Angeles, in 1916, $10,000,000; and in 1919, $11,000,000.

And so on through the list down to the city of Washington, which shows a park property value of $4,745,660 in 1916; and in 1919, $5,168,477.

I have just given the round figures and will insert in the RECORD, if there is no objection, the complete table giving the figures in detail.

Mr. TILSON. Will the gentleman yield for a question?

Mr. GIBSON. Yes.

Mr. TILSON. Is it the plan to buy these old Civil War forts on the ridges surrounding the city here?

Mr. GIBSON. As I understand it, that is included in the plan.

Mr. TILSON. If that is not done pretty soon, they will be built over, will they not?

Mr. GIBSON. That is very true, and one object of this bill is to take care of just such situations by a regularly constituted commission with power to act, so that when the opportunity presents itself to acquire good park property it may be acquired. We have had many experiences in the city of Washington where valuable property for park purposes was commenced to be built over and it was necessary in order to get action to come to Congress, to go to the Budget to get a recommend of appropriation, and in the meantime they have been built over and thereby have been lost.

Mr. TILSON. Will this bill give power to the commission to take options and tie up property so that they may secure it after an appropriation has been made?

Mr. GIBSON. That is my understanding of the scope of the authority.

The CHAIRMAN. The time of the gentleman from Vermont has expired.

Mr. ZIHLMAN. Mr. Chairman, I yield the gentleman five minutes additional.

Mr. GIBSON. Recurring to the point as to value of park property, let us bear in mind that the average value of the park property of all of the cities of over 300,000 population, outside the city of New York, is $22,000,000, while that of the city of Washington is only a little over $5,000,000.

I will say in further answer to the gentleman from Connecticut that there is an unfinished plan of park development for the city of Washington. In 1901 we had a park commission that consisted of many men eminent in their lines of work, including Augustus St. Gaudens, a very distinguished artist. They made a very careful study of this situation, taking the L'Enfant plan as the basis, and worked out a comprehensive scheme of development for the future, and that report now stands as a working plan ready for use. This plan includes the acquiring of the forest-covered valleys and springs tributary to Rock Creek, the widening of Piney Branch parkway to the northeast from Tiger Bridge, the acquirement of Klingle Ford Valley, the Patterson tract, and tracts of land on the outskirts at proper intervals for parks and playgrounds. It also included the development of the valley of Rock Creek northward from the District line on both banks of the Potomac to Great Falls and the development of park boulevards down the Potomac to Mount Vernon on the Virginia side and to Fort Washington on the Maryland side.

This plan also calls for cooperation with the city of Baltimore, in boulevard development, the acquiring of the Civil War forts which the gentleman from Connecticut has referred to. It also includes the boulevard development from the Virginia terminal of the Memorial Bridge and other places. This work can all be taken care of without coming to Congress and troubling Congress for every little park area needed, if we constitute this commission. At the present time there is no department, no bureau, no commission, or official, either of Federal or of the District government, authorized to study the situation and work out any systematic plan. There is no existing law for park development of land or any Budget estimate; no official authority invited to select and submit estimates for additional parks. The present method is a failure. We must pass a bill after weeks of work in a committee and weeks of delay, and subsequently

get an appropriation. When available park areas are needed there is not time to get the necessary appropriation in time to stop the devastation, and the result is that we have lost many valuable parks on that account.

This is indorsed by the Commissioners of the District, and, Mr. Chairman, I ask leave to insert in the RECORD a letter from the District Commissioners to the chairman of the Senate committee, Senator BALL.

The CHAIRMAN. The gentleman from Vermont asks unanimous consent to extend his remarks in the RECORD by inserting a letter from the District Commissioners. Is there objection?

There was no objection.

The following is the letter referred to:

FEBRUARY 23, 1924.

Hon. L. HEISLER BALL,
Chairman Committee on the District of Columbia,
United States Senate.

SIR: The Commissioners of the District of Columbia have the honor to submit the following on Senate 112, Sixth-eighth Congress, first session, entitled "A bill providing for a comprehensive development of the park and playground system of the National Capital," which you referred to them for report as to the merits of the bill and the propriety of its passage.

The object of the bill is to provide for a comprehensive park and playground system in the District of Columbia and its environs, which include adjacent parts of Maryland and Virginia. The commissioners are heartily in favor of the purpose of the bill, as it is believed that the need for the acquisition of additional park and playground areas is urgent. Such areas must and will be provided eventually, and it is in the interests of economy to make the necessary purchases while the land is unimproved. Moreover, some of the areas desired will be lost forever unless obtained soon.

The commissioners submitted a copy of this bill to the Director of the Bureau of the Budget in accordance with the provisions of Circular No. 49 of that bureau.

On February 5, 1924, a meeting was held in the office of the Director of the Bureau of the Budget, at which there were present representatives of the Commissioners of the District of Columbia, of the committee of 100 appointed to develop a comprehensive system of National Capital parkways, of the Washington Board of Trade, of the Washington Chamber of Commerce, of the Federation of Citizens' Associations, and other various citizens' associations. At that meeting the Director of the Bureau of the Budget suggested that it was the general tendency to decrease rather than to increase the number of commissions, and he requested consideration of the question whether, in view of the fact that the so-called Rock Creek and Potomac Parkway Commission was in existence under the statute of 1913, it would not be practical, if the other terms of Senate bill 112 were satisfactory, to enlarge the existing Rock Creek and Potomac Parkway Commission and give to it the powers and duties included in the proposed legislation. After extended discussion it was unanimously agreed that it might be desirable to amend the pending bill by striking out section 1 thereof and by substituting a section along the lines of the proposed section 1 given below. This substitute section proposes to enlarge the existing commission so as to include the chairmen of the Committee on Public Buildings and Grounds of the Senate and the Committee on Public Buildings and Grounds of the House of Representatives and the engineer commissioner of the District of Columbia. It proposes to give to the commission as created the name of the National Capital Park Commission, vest in it all the powers, obligations, and functions now held by the so-called Rock Creek and Potomac Parkway Commission, and all powers, obligations, and functions included in Senate bill No. 112. The executive officer of the Rock Creek and Potomac Parkway Commission was unable to be present at the conference on February 5, but the proposed amendment has been submitted to him and has received his approval.

The substitute for section 1 of the bill reads as follows:

"*Be it enacted, etc.,* That to preserve the flow of water in Rock Creek, to prevent the pollution of Rock Creek and the Potomac and Anacostia Rivers, to preserve forests and natural scenery in and about Washington, and to provide for the comprehensive and continuous development of the park, parkway, and playground system of the National Capital, the commission created by section 22 of the public buildings act approved March 4, 1913 (Stat. L. vol. 37, p. 885), commonly called the Rock Creek and Potomac Parkway Commission, shall hereafter be composed of the Secretary of the Treasury, the Secretary of War, the Secretary of Agriculture, the chairman of the Committee on Public Buildings and Grounds of the Senate, the chairman of the Committee on Public Buildings and Grounds of the House of Representatives, and the engineer commissioner of the District of Columbia. At the close of each Congress the Presiding Officer of the Senate and the Speaker of the House of Representatives shall appoint, respectively, a Senator elect and a Representative elect to the succeeding Congress to serve as members of this commission until the chairman of the committees of the succeeding Congress shall be chosen. The officer in charge of Public Buildings and Grounds shall be the executive and disbursing officer of said commission. From and after the passage of this act the said commission shall be known as the National Capital Park Commission, hereinafter referred to as the "commission," and it is hereby vested with and shall assume and exercise all the powers, obligations, and functions conferred upon said Rock Creek and Potomac Parkway Commission by said act approved March 4, 1913, and all subsequent acts and court proceedings."

The commissioners are informed by the Director of the Bureau of the Budget that the bill as so amended is not in conflict with the financial program of the President.

Very respectfully,

THE BOARD OF COMMISSIONERS OF THE
DISTRICT OF COLUMBIA,
By CUNO H. RUDOLPH, *President.*

Mr. ZIHLMAN. The following table gives the value of park properties in all the cities of the United tSates exceeding 300,000 in population in 1916 and of the same cities in 1919, as stated in the United States Census Bureau publications, General Statistics of Cities, 1916, on page 87, and Financial Statistics of Cities of 1919, on page 291. (Last available statistics.)

Value of park properties in cities exceeding 300,000 population in 1916 and 1919

	Value of park property in 1916	Value of park property in 1919
New York	$649,220,675	$287,402,447
Chicago	59,695,473	60,462,151
Philadelphia	30,613,964	43,400,017
St. Louis	13,597,814	15,908,828
Boston	69,209,900	69,306,903
Cleveland	28,972,354	29,583,500
Baltimore	7,253,984	7,960,304
Pittsburgh	18,189,776	18,654,047
Detroit	29,312,620	33,070,137
Los Angeles	10,619,177	11,324,733
Buffalo	12,531,350	11,277,121
San Francisco	34,145,000	40,926,886
Milwaukee	5,156,231	7,354,550
Cincinnati	7,393,354	8,189,371
Newark	14,076,998	14,511,724
New Orleans	6,297,300	7,561,515
Minneapolis	7,998,282	8,792,010
Seattle	9,456,923	9,728,141
Washington, D. C	4,745,660	5,168,477

Mr. BLANTON. Mr. Chairman, I ask leave to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD. Is there objection?

Mr. CLARKE of New York. Are they the gentleman's own remarks?

Mr. BLANTON. Yes.

There was no objection.

Mr. BLANTON. Mr. Chairman, a few hours ago we had 385 Members of Congress present.

Mr. SPROUL of Illinois. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. SPROUL of Illinois. We can have 385 Members here again in a few minutes, and I make the point of order that there is no quorum.

Mr. BLANTON. Oh, do not do that; we want to occupy this time.

Mr. SPROUL of Illinois. If the gentleman will take out of the RECORD the statement that we had 385 Members present and only 25 now, I will withdraw my objection.

Mr. BLANTON. That is a part of my argument and I must leave it in the RECORD.

Mr. SPROUL of Illinois. I do not think it is a very good argument and I insist on the point of order.

The CHAIRMAN. The gentleman from Illinois makes the point of no quorum, and the Chair will count. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Aldrich	Butler	Crowther	Drewry
Anderson	Byrnes, S. C.	Curry	Driver
Ayres	Carter	Davis, Minn.	Edmonds
Boies	Clague	Dempsey	Fairfield
Bowling	Clancy	Denison	Faust
Brand, Ohio	Clark, Fla.	Dominick	Fenn
Britten	Cooper, Ohio	Dowell	Fish
Buckley	Corning	Doyle	Frear
Burdick	Crosser	Drane	Fredericks

Frothingham	Lilly	O'Connor, La.	Stalker
Geran	Lindsay	O'Connor, N. Y.	Steagall
Graham, Ill.	Little	O'Sullivan	Strong, Pa.
Graham, Pa.	Logan	Oliver, Ala.	Sullivan
Greenwood	Longworth	Park, Ga.	Sweet
Hawley	Lowrey	Parker	Swoope
Hayden	McLaughlin, Nebr.	Parks, Ark.	Taylor, Colo.
Heisey	MacGregor	Phillips	Temple
Howard, Okla.	Madden	Prall	Tincher
Hull, Tenn.	Magee, Pa.	Quayle	Treadway
Hull, William E.	Martin	Rainey	Tydings
Johnson, Ky.	Merritt	Ramseyer	Vare
Johnson, Wash.	Michaelson	Ransley	Vinson, Ga.
Kahn	Miller, Ill.	Rathbone	Voigt
Kent	Mooney	Rayburn	Ward, N. Y.
Kerr	Moore, Ill.	Reed, N. Y.	Wertz
Kincheloe	Morgan	Reed, W. Va.	White, Me.
Kindred	Morin	Richards	Wingo
Kunz	Mudd	Rogers, N. H.	Winslow
Langley	Nelson, Wis.	Rosenbloom	Winter
Lea, Calif.	Newton, Mo.	Scott	Wurzbach
Leatherwood	Nolan	Smithwick	Wyant
Lehlbach	O'Brien	Spearing	

The committee rose; and the Speaker having resumed the chair, Mr. CRAMTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill S. 112, providing for a comprehensive development of the park and playground system of the National Capital; and finding itself without a quorum he had directed the roll to be called, whereupon 305 Members answered to their names, a quorum, and he handed in a list of absentees for printing in the Journal.

The committee resumed its session.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. BLANTON. Mr. Chairman, when the distinguished gentleman from Illinois [Mr. SPROUL] made the point of order, I had just called attention to the fact that a half hour previous we had 385 Members on the floor to vote on the tax reduction bill, while at that particular time we had only 25 Members left on the floor to pass on this bill involving an annual appropriation of $1,100,000; and that is illustrative of the condition that still prevails here in the District of Columbia with regard to tax matters, to the detriment of the people of the United States who pay much of the bill. That is the reason why there has been no change in the existing law in that respect.

We thus have one of the strangest situations imaginable here in the District of Columbia. This is a city, according to the last census, of 437,000 people, exclusive of transients and exclusive of Members of the House and Senators and their employees, who maintain their residences in their home States. At one time this was a very small city. It was nothing more than a big town, and the people who then owned the real property remember that its value was a very low figure, indeed; but the Government of the United States has expended millions of dollars here in the construction of magnificent buildings, and securing and maintaining magnificent grounds in this Capital, and besides its own property has given $215,000,000 to Washington for civic purposes. Property values have soared upward until now in many instances you find lots that at one time were worth no more than a hundred dollars now are worth, with their improvements, a million dollars.

For instance, our colleague from New York [Mr. BLOOM], who is present on the floor at this time, according to the paper yesterday, indicated that he is willing to give this Government the stupendous sum of $5,000,000 for the block of land upon which stands the Patent Office.

Mr. LINTHICUM. Ten million dollars.

Mr. BLOOM. Eight million dollars. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BLOOM. I said that the property was worth $10,000,000, but that I was willing to give $8,000,000 for it.

Mr. BLANTON. And the distiguished gentleman from New York [Mr. BLOOM] is an expert on property values in the country because he is an extensive real-estate owner in the metropolitan city of New York. I mention this to show you what property values are now, and the Government's expenditures and pay roll have caused it, for, as I said, in addition to the great sums of money that this Government has expended upon its own buildings and grounds here in this great city, gentlemen should remember that this Government, out of the Public Treasury, has already given the city of Washington for civic purposes wholly the great sum of $215,000,000, which has also been expended here. And what is the tax rate in this great city? One dollar and twenty cents on the hundred dollars, and at a very low valuation, assessed at not much over 50 per cent valuation in most cases, and we are continuing that in a ridiculous fiscal policy that yet requires the taxpayers of the United States to pay 40 per cent of all of the local civic expenditures here in the city of Washington. Until 1922 these same taxpayers paid every year 50 per cent of these expenses of this great city. Why is it that that is permitted? It must be because the membership of this House have not yet all found it out. It is because the membership of this Congress have not all given close investigation to the subject.

Mr. UNDERHILL. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. UNDERHILL. The Members of the House seem to be pretty well aware of it and a short time ago adopted a proposition for a lump-sum appropriation of $8,000,000.

Mr. BLANTON. Yes.

Mr. UNDERHILL. The gentleman should convince the other end of the Capitol.

Mr. BLANTON. I am going to call attention to that. Just about as many men as are present now were present when we adopted that $8,000,000 fixed-contribution amendment. The distinguished gentleman from Michigan [Mr. CRAMTON], who now occupies the chair, presiding over this body, was the author of that amendment, which changes the present policy of 60–40 that is now the fiscal relation to a fixed contribution toward local civic expenses to be made by the Government of $8,000,000 a year, and what do we find concerning that proposed change in the vigilant Washington newspapers?

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BLANTON. In just a moment. I read from the Washington Post——

Mr. LAGUARDIA. Is that a daily paper?

Mr. BLANTON. It is the mouthpiece of the administration, published for us every morning. I read from the Washington Post of yesterday—Sunday—and it says in the following big headlines:

Three million four hundred and forty-nine thousand three hundred and twenty-two dollars is added to the District bill by Senate committee—$28,102,019 is total carried in measure.

And this article then recites:

Carrying appropriations amounting to $28,102,019, which is $3,449,322 more than provided by the House, the District appropriation bill for the fiscal year 1925 was favorably reported to the Senate yesterday by the Committee on Appropriations.

A further increase in the appropriation may be made when the bill is considered on the floor of the Senate this week, as Senator LAWRENCE C. PHIPPS, of Colorado, in charge of the measure, has been authorized by the committee to offer amendments which would add $1,062,000 to the bill.

If the Phipps amendments authorizing appropriations of $762,000 for enlarging the park system and $300,000 toward the construction of a $735,000 fireproof addition to the courthouse are adopted the bill will go to conference carrying appropriations amounting to $29,164,019, the largest amount ever authorized in a District supply bill.

Mr. UNDERHILL. Will the gentleman yield?

Mr. BLANTON. In just a moment. I want to get before you these facts connectedly. Now listen while I read the balance of this article from yesterday's Washington Post:

Senator PHIPPS is expected also to offer as an amendment to the bill, his bill, recently passed by the Senate, making the District surplus fund, amounting to $4,438,154, available for expenditures. With the adoption of this amendment the bill would carry $33,602,173, which is more than the commissioners and the people of Washington ever expected in the wildest flights of fancy.

Mr. UNDERHILL. Now will the gentleman yield?

Mr. BLANTON. I will yield gladly.

Mr. UNDERHILL. Then if the Congress shall adopt this $8,000,000 proposition, it would not matter a snap of the finger how much the Senate or the House put on this bill?

Mr. BLANTON. Why, of course not, so far as the taxpayers of the United States are concerned.

Mr. UNDERHILL. As far as the other taxpayers of the country are concerned.

Mr. BLANTON. Except, of course, as to the $8,000,000, which is more than they should pay. I will tell my friend what it will amount to, so far as the people of Washington are concerned—a mere bagatelle so far as taxes will be increased, but it will stop to some little extent this everlasting growing drain on the Treasury for the city of Washington. It is absurd to think of even $8,000,000 a year for this Government to contribute in taxes to this city when the Government's property is daily enjoyed by all the people, and it owns the main water conduit here. It owns it, and it paid every dollar for it, and the people of Washington have never yet paid one red cent on that main water conduit, and every piece of Government property in this city is daily enjoyed by all the people of Washington.

Mr. McKEOWN. Will the gentleman yield?

Mr. BLANTON. I want to speak for 30 minutes without yielding, and then I will yield. I want to put these facts before my colleagues and before the country. I do not want to tire my colleagues, and if you would prefer to go to the baseball, why go; but I want to get these facts in the RECORD.

Mr. O'CONNELL of New York. The gentleman will not have a roll call in their absence?

Mr. BLANTON. I hope there will be no more roll calls until the final passage of the bill. I was not responsible for the last one.

Mr. O'CONNELL of New York. I know that.

Mr. BLANTON. Washington people now pay only $1.20 on the $100 taxes. This $8,000,000 proposition passed by the House is a fixed contribution to be paid annually by the Government, and it would require the people of Washington to pay not more than $1.30 or $1.35 on the $100 at the most, while the people of Baltimore, right over here 40 miles away from this Capitol, are now paying a tax rate of $3.27 a hundred.

Mr. LINTHICUM. That includes State taxes.

Mr. BLANTON. Yes; but that $3.27 per $100 is the tax rate people in Baltimore pay. The little $1.20 per $100 here in Washington includes every tax that the people of Washington pay. It is their total taxes. Now, all the people of Washington are not interested in or connected with this Government. We have 65,000 employees here, a great percentage of whom are young ladies unmarried.

Mr. O'CONNELL of New York. How does the gentleman know it?

Mr. BLANTON. I have investigated and found out. [Laughter.]

Mr. O'CONNELL of New York. That is a misfortune.

Mr. BLANTON. Do you know that there are many people living here in this District who were born here, whose fathers and grandfathers were born here in this city, and neither they nor any of their family connections have had any connection whatever with this Government, none in the world except to get the benefits of this low tax rate in this beautiful city in which they live? Is not that a wonderful situation? The people in my State, from one side of it to the other, counting their total taxes, pay all the way from $2.75 to $4 or more on the $100 in taxes. Write back home and ask your people what they pay. They will tell you they do not enjoy this ridiculous low rate of only $1.20 on the $100 enjoyed by Washingtonians, and yet not long ago when the commissioners attempted to relieve themselves and the people of Washington of a property tax on automobiles we stopped their little game and passed that bill with the property tax in it, and forced it through Congress just like the House wanted it, with the property tax left intact, and these various citizens' organizations went down to the commissioners and before the conferees and tried their dead-level best to get the property tax stricken out; and when they could not do it, they then tried to get the President to veto the bill. Why? To escape taxes on automobiles. And now they have had meeting after meeting against this Cramton amendment, and have influenced the Senate committee to wipe out this proposed Cramton plan, which is just one small step in the right direction on this tax subject, and the Senate committee has put back that 60–40 plan in the bill; and your people at home and mine, if we allow it, will continue to pay 40 per cent of all the local civic expenses of these 437,000 people of this District of Columbia. It is not right. It is not just.

Mr. MOREHEAD. Will the gentleman yield for a brief question?

Mr. BLANTON. I yield.

Mr. MOREHEAD. The gentleman seems to be thoroughly posted. May I ask how many, if any, of the Members of the House or the Senate own real estate in Washington?

Mr. BLANTON. I will tell the gentleman quite a number of them.

Mr. MOREHEAD. I do not ask for their names.

Mr. BLANTON. I am not going to call names, because I like my colleagues too well.

Mr. MOREHEAD. I thought that might have something to do with the liberal appropriations for the District.

Mr. BLANTON. I will tell you some pertinent facts along that line in a moment. Do you know what this bill now before us proposes to do? Did our friend from Vermont [Mr. GIBSON], our able and distinguished colleague, tell you altogether what this was going to cost you and your people? No. I will tell you what it is going to cost you. By this bill you are authorizing—and an authorization is a direction to the Appropriations Committee—the Appropriations Committee every year in the District supply bill to bring in a fixed annual appropriation of $1,100,000 for parks and playgrounds. Our friend from Vermont did not tell you that this $1,100,000 is to be given them every year from now to eternity, and yet you ought to know that when you vote for this bill.

Mr. GIBSON. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. GIBSON. Does not the gentleman remember that I stated it called for an appropriation of a little more than $1,000,000?

Mr. BLANTON. But did the gentleman say that was to be permanent law and would provide $1,100,000 each and every year for all time and eternity?

Mr. GIBSON. The bill speaks for itself.

Mr. BLANTON. But I want you colleagues of ours, who are not on this committee, to understand that. This bill is an every-year affair. You are not just appropriating $1,100,000 for this year, but you are authorizing that sum to be appropriated each and every year from now on, as long as the Congress lasts and the Government stands. You would have to change this law to stop it; you would have to repeal this law to stop it, otherwise it keeps on annually, just like the sun rises every day.

Mr. LINTHICUM. Could you not put a limitation in the bill as to the number of years it shall be in effect?

Mr. BLANTON. Of course you could if you had enough votes; but with only a handful of Members here on the floor, the committee will not let you; the committee will not let you change their bill. Let me tell you what else you are doing, if you pass this bill. You are not only providing for buying parks and playgrounds in the District of Columbia, but you are authorizing them to go over across the Potomac River into the State of Virginia and buy some there. You are authorizing them to cross this District line over into the State of Maryland and buy some there.

Mr. LINTHICUM. Why should you not if Maryland has something good?

Mr. BLANTON. Why should they not extend on down and buy some playgrounds in Texas?

Mr. LINTHICUM. I suspect they do own some in Texas.

Mr. WEFALD. And in Minnesota.

Mr. BLANTON. Yes; in Minnesota. For Texas and Minnesota children to play on. Why do they not go up in Massachusetts and do the same thing?

Mr. UNDERHILL. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. UNDERHILL. Does not the gentleman know that in Wyoming there is a great national park, in Montana is another, another in California and Washington, and that all over this country there are national parks?

Mr. BLANTON. Oh, yes. I will let the gentleman argue that in his own time. This is Washington, D. C., though, we are now discussing.

Mr. UNDERHILL. The Capital of the Nation.

Mr. BLANTON. The Capital of the Nation; that is right. But we already have numerous playgrounds here bought out of the Federal Treasury 100 per cent, many of them, and scattered all over this city. Go out here on Sixteenth Street NW., called the Avenue of the Presidents, out there across from Mrs. Henderson's residence, and there you will see that magnificent Meridian Hill playgrounds of about 10 acres that cost this Government approximately $490,000 as the initial cost, and yet not one penny was paid by the people of the District of Columbia. Every dollar of it came out of the Federal Treasury, and we have spent several thousand dollars upon it in fixing it up since then. Almost every year we have spent some money on it. Let me mention what this Government paid when buying a few of the parks:

Zoological Park, 170 acres, costing $200,000; Rock Creek Park, 1,640 acres, $1,200,000; Potomac River flats, addition, $26,684; Piney Branch parkway, 22 acres, $76,980; Montrose Park, 16 acres, $110,000; Fort Davis and Fort Dupont, 41 acres, $21,334; Rock Creek and Potomac parkway, 159 acres, $1,300,000.

Mr. SPROUL of Kansas. Will the gentleman yield?

Mr. BLANTON. Yes; gladly.

Mr. SPROUL of Kansas. Does the gentleman contend that the Government furnishes a million or more dollars every year to purchase and maintain the parks in this city and then gives to the District $8,000,000 or $10,000,000 besides?

Mr. BLANTON. Oh, yes; far more than that. I am going to tell you about some other bills this committee will call up for passage. I want to get some facts before you and then you will understand better what I am driving at. There is a bill already reported on this committee's calendar, and there is a similar one over in the Senate which it passed without debate, and the newspapers to-day say that Senator PHIPPS, of Colorado, is going to attach such legislation as a rider on the

District of Columbia appropriation bill to take $4,438,154 out of the Public Treasury and give it to the District of Columbia as a so-called surplus due the District.

That is going to be given to them if the Senate passes it, and if that is given to them automatically, you know, it lowers the taxes of every taxpayer in this city pro tanto, for this sum of $4,438,154 they would otherwise have to get out of the people in taxes.

Let me call your attention to that proposition. Let me read you the act of Congress on that subject. The act of Congress passed June 29, 1922, provided:

A joint select committee, composed of three Senators, to be appointed by the President of the Senate, and three Representatives, to be appointed by the Speaker of the House of Representatives, is created, and is authorized and directed to inquire into all matters pertaining to the fiscal relations between the District of Columbia and the United States since July 1, 1874—

Please note that they were to go back to July 1, 1874—

with a view of ascertaining and reporting to Congress what sums have been expended by the United States and by the District of Columbia, respectively, whether for the purpose of maintaining, upbuilding, or beautifying the said District, or for the purpose of conducting its government or its governmental activities and agencies, or for the furnishing of conveniences, comforts, and necessities to the people of said District.

And so on.

Now, our former colleague from Nebraska, Mr. Evans, was a House member of that commission, and he filed one of the most comprehensive minority reports in connection with that proposition that I have ever read. I wish you would get it and read it. It is conclusive against this so-called surplus. I want to quote one or two excerpts from it to show you what he held.

He says, and I quote from Mr. Evans's minority report, the following:

The undersigned is unable to agree with the findings and conclusions of the majority of the committee for the following reasons:

(1) The construction of the act raising the committee as made by the majority report is erroneous, and the same objection lies as to the construction or effect of other acts bearing upon or affecting the matter investigated by the committee.

(2) The investigation made by the committee has covered neither the period nor the extent that Congress directed.

That is what your Representative in this House declared in his minority report. Listen:

(3) The finding by the majority of a balance or surplus of $4,438,154.92 as due to the District of Columbia is not supported by facts or law.

That is what your House commissioner, Mr. Evans, said in his minority report. He also says:

The alleged surplus reported by the majority of the committee is not based on such facts or information so gathered, because not all of such facts or information was gathered or searched for.

He further said:

The purpose Congress had in creating the joint select committee was to discover and report to Congress all facts bearing on the fiscal relations between the District of Columbia, hereinafter called the District, and the United States, hereinafter called the Government, in order that Congress might be able to determine the exact state of such fiscal relations.

Listen:

Such a discovery and report has not been made. * * * The act "authorizes and directs" inquiry into all matters pertaining to the fiscal relations between the District and the Government since July 1, 1874.

First. There is no question but that the act is mandatory. It is not left to the choice or desire of the committee, or a majority of the committee, to determine whether it is best, proper, or just to go into the subject matter presented for inquiry, and the act is equally specific as to the extent. It covers "all matters" pertaining to the fiscal relations * * * since July 1, 1874.

And he says they only went back to 1911 instead of going back to 1874, as the Congress directed, and yet that $4,438,154 is to be put on the District appropriation bill to-day as a legislative rider in another body and we are going to be called upon to swallow it without any investigation at all. That is not just to the taxpayers of the United States.

Let me call your attention to another thing. Just as soon as our friend from Maryland, or I should say our two friends from Maryland, pass this bill—and they can pretty nearly pass anything when they get together, because they are men of such prominence and influence. They can pass almost any kind of bill, and when they pass this bill they are not going to stop. Do you know what else they are going to do? They are not satisfied with this $1,100,000 annually for parks. They are going to immediately call up another park bill, and here is the other one. It just embraces $762,000 for more parks; that is all. For the Klingle Road valley park, $200,000; for the Piney Branch valley park, $155,000; for the area for widening the Piney Branch valley park west of Sixteenth Street, $107,000; and for a portion of the Patterson tract, $300,000; making $762,000 in that bill which they are going to pass. You are going to be called on to vote for it. Now, I went out and investigated these little park ends, and I want to show you something about them.

They claim that this particular $762,000 is necessary because after 6 o'clock in the afternoon this gate here [indicating by large photograph] is closed to the Zoo Park and they can not get from Rock Creek Park on the north through Zoo Park on the south and they must have an opening out of the west there in order to get through, as they want to have a park driveway clear through after 6 o'clock at night. You will notice this second photograph which I have had taken, and you will note that that gate could be kept open instead of closed, and I am going to show you that it can be kept open and not hurt anything at all. They say they have to lock this gate because they must keep people away from the animals in the Zoo Park. After you go into this gate, you go into this driveway [indicating by photograph] that follows Rock Creek down to the Mount Pleasant entrance of the Zoo Park, and in this second picture you see a high fence that runs along on the right fencing off the animals to the right until you get right down to this main Mount Pleasant entrance.

This is the second picture. You will notice that you go into that gate and they have a big iron fence on the right. If they will extend that iron fence 100 yards or 150 yards farther to where you see this junction of roads [indicating by photograph] and fence across this road off to the right, you would still have two roads off to the left, with all the animals fenced off to the right, and you would have two exits from the Zoo Park, one to the east up on Mount Pleasant Street and the other up by the residence of the superintendent of the Zoo Park, open all night long. If you will look at these three pictures, you will see that you can do that very thing without spending this money, buying $762,000 worth of park lands.

Let me show you the other little $200,000 item.

Mr. LINTHICUM. Will the gentleman yield? Do you know why you are asked to pay that much money for these tracts of land—because we did not do this 10 years ago.

Mr. BLANTON. We do not need it now.

Mr. LINTHICUM. We did not look far enough into the future.

Mr. BLANTON. We do not need it now. We can get through there without it. This is to benefit realtors who want to sell. If you will go out there and look at the physical facts, you will see that is true.

Mr. BOYLAN. Will the gentleman yield?

Mr. BLANTON. I regret; not just now. My time is running, and I want to get some more facts before you.

Here is a picture of the Klingle Valley Park. This is what they used to have in view. I would be in favor of buying, but Mr. Wardman has bought that property and has graded it and is fixing to build houses all over it. It is not contemplated to purchase that now at all. Here is what they are contemplating buying, this little point up here [indicating on picture]. It takes in just a little knob, and they are fixing to buy that. When I went out there and looked at that knob and then looked across the boulevard there, I saw this big, fine residence, and I said to myself, "The man who owns that mansion would like to see this knob fixed up as a park," and he would, and he is one of our particular friends who is putting both of these propositions through. The rules of the House prevent my mentioning his name.

Mr. MOREHEAD. Just name the State he lives in.

Mr. BLANTON. He hails from Colorado. He is not a Member of this body, and the rules do not let me mention his name. Here is the entrance to his magnificent residence out there on this avenue, and he is the one who is pushing both of these bills through, the surplus bill and the $762,000 park bill, so the Washington Post has stated. He is the main father of the surplus bill, you might say, and I find out that he owns and has $95,000 worth of property assessed to him here in the District of Columbia.

He has this fine residence and grounds facing 100 feet on Cathedral Avenue, and on Twenty-ninth Street northwest he has

543 feet frontage that could be cut off of the main residence grounds and not damage them any. The 543-foot frontage on Twenty-ninth Street are not needed for his residence grounds, and if you go out you will see the 543 feet has already been graded up apparently for building houses thereon. He could build 21 residences with 25 feet frontage each on Twenty-ninth Street and have some frontage on Twenty-ninth Street left over and not hurt his main residence grounds which front 100 feet on Cathedral Avenue. That property is assessed at $95,010; the residence part at $81,010, the tax upon the same being $972.12. Another portion is assessed at $7,000, and the tax on same is $84. Another portion is assessed at $7,000 and the tax upon that is $84. It makes a total assessment of $95,010 and he pays this year a tax of $1,140.12. These figures are correct, as they were given me by Mr. Richards, tax assessor of the District. If he paid the same tax rate that the people out in Denver, Colo., pay instead of paying the above tax, he would pay $2,622.27, or $1,482 more than he pays here this year. If he paid the same tax that the people in Baltimore pay, he would pay $3,106.82, or the sum of $1,966 more than he pays in Washington. This illustrates what a great saving it is to own your property in Washington, where the rate is $1.20 on the $100, than to own it elsewhere.

I want to say this to you: I am for making Washington the most beautiful city in the world. I am for taking every million dollars out of the Treasury of the United States for the Government to spend to do it that is justly needed, but I am not willing to continue taxing the already tax-burdened people of this country who have to pay their own large taxes at home to pay the civic expenses here and then let these specially favored, petted, pampered, selfish, spoiled people in Washington pay only $1.20 on the hundred and enjoy all the benefits of this great city at the expense of our constituents back home.

Take this magnificent $6,000,000 Congressional Library that would cost at least $15,000,000 now—is not it enjoyed by every citizen of the District? Take the magnificent Smithsonian Institution, the magnificent museums here, the art gallery, the magnificent parks, the magnificent playgrounds. Are not the people of the District of Columbia getting the benefit? And yet they want to tax the Government of the United States more than $8,000,000 a year, which the Cramton amendment offers them, for the very property that they enjoy hourly here in this District.

THE OLD SLOGAN HAS WORN THREADBARE

Whenever a Member of Congress seeks to change the unjust system of allowing the people of Washington to pay the ridiculous tax rate of only $1.20 on the $100, the newspapers and citizens' associations immediately resort to their old battle cry—

That Washington is the Nation's Capital and must be made the most beautiful city in the world; that the Government should pay a big part of the local city expenses because it owns so much property here.

Washington is the Nation's Capital and should be made the most beautiful city in the world, and I will go just as far as any other man through all legitimate and proper means to make it the most beautiful city in the world. Before the Government built all of its fine institutions here Washington was a mere village. Property here was of little value. It is because of the fact that the United States has spent its millions here that has caused some lots to jump in value from $100 to $100,000. Every piece of property owned by the Government in Washington is daily enjoyed by the people of Washington.

The local pay roll of the Government is a bonanza to the merchants and business enterprises of Washington. The Government pays its nearly 100,000 employees in Washington their wages promptly every two weeks in new money that has never been spent before. Chicago, or any other big city in the United States, would gladly exempt the Government from paying all taxes on its property to get it to move its capital to such city.

Because we want to make it the most beautiful city in the world is no reason why the Government should pay for building million-dollar school buildings and employing 2,500 teachers and buying the schoolbooks for the 70,000 school children of the thousands of families living in Washington who have no connection whatever with the Government except to bleed it on all occasions and to grow rich on the Government pay rolls expended here.

Because we want to make Washington the most beautiful city in the world is no reason why the Government should pay for the army of garbage gatherers, the army of ash gatherers, the army of trash gatherers, the army of street cleaners and sprinklers, the army of tree pruners and sprayers, and the street-lighting system for the several hundred miles of private residences owned by rich tax dodgers who have no connection whatever with the Government; nor is it any reason why the Government should pay for their water system, their sewer system, their police protection, their fire protection, for playgrounds for their children, for parks for their enjoyment, for their municipal golf grounds, for their numerous public tennis courts, for their bathing beaches, for their skating ponds, for their cricket grounds, for their baseball and football grounds, for their horseback riding paths, for paving the streets in front of their residences and maintaining and keeping them in repair, for building their million-dollar bridges, furnishing million-and-a-half-dollar market houses, their municipal trial and appellate courts, their jails and houses of correction, their municipal hospitals, asylums for their insane, special asylum schools for their deaf and dumb, asylums for their orphans, a university for their 110,000 colored people, their municipal libraries, their municipal community-center facilities, salaries of all their municipal officers, employees, buildings, furnishings, equipments, sanitary and health departments, and the hundreds of other things that all other cities of the United States must furnish and pay for themselves, but a very substantial part of which the people of Washington have been getting out of the Federal Treasury for years.

The magnificent Capitol and its beautiful grounds are daily enjoyed by Washington people. The Congressional Library, which cost $6,032,124, in addition to the sum of $585,000 paid for its grounds, and for the upkeep of which Congress annually spends a large sum of money, is daily enjoyed by the people of Washington. The Government furnished and maintains the magnificent Botanic Garden here for the pleasure and enjoyment of Washington people. The Government furnished and maintains the wonderful Zoo Park with all of its interesting animals, for the instruction and amusement of Washington children. The Government furnished and maintains the extensive and most beautiful Rock Creek Park, with its picturesque picnic grounds, its miles of wonderful boulevards, its incomparable scenery, all for the pleasure of Washington people. Congress has spent millions of dollars reclaiming and purchasing the lands now embraced in the Potomac Parks and Speedway, daily used and enjoyed by Washington people. The Government has spent several million dollars building the various bridges spanning the Potomac River and huge sums for the bridges spanning the Anacostia River, and spent $1,000,000 building the beautiful "million-dollar bridge" on Connecticut Avenue. The Government has spent millions of dollars on the Lincoln Memorial, grounds, and reflecting pools, the Washington Monument Grounds, Lincoln Park, on East Capitol Street, and the numerous beautiful little parks scattered all over the city, all for the pleasure and benefit of Washington people.

During the recess of Congress I wrote to the mayor of every city of any size in the United States and asked them to advise us of their local tax rates, of the charges for water, sewer, paving, and so forth, and what rate, in their judgment, they thought Washington people should pay as a minimum. I want to insert just a few in this report. The consensus of opinion was that the rate here should be at least $2.50 per $100, and there was a large per cent who were in favor of it being much higher, and the rates for taxation ranged from $2.75 to over $6.50, and in all these cities the people were charged more for water, sewer, and paving.

Let me again quote a few excerpts from the letter sent me by the mayor of the city of Peoria, Ill.:

[City of Peoria, Ill. Mayor's office. Edward N. Woodruff, mayor]
NOVEMBER 1, 1923.

Hon. THOMAS L. BLANTON,
Representative, Washington, D. C.

DEAR SIR: Answering your questionnaire of October 15, concerning relative tax rates of the cities of Washington and Peoria:

The tax rates on each $100 taxable valuation levied against the real and personal property of the citizens of Peoria for the year 1922 is itemized as follows:

City corporate tax, including library, tuberculosis, garbage, and police and fire pension fund	$1.94	
Street and bridge	.24	
School district	2.70	
Park district	.41	
		$5.29
State	.45	
County	.59	
County highway	.25	
		1.29
Total, all purposes		6.58

Unless there is a tremendous revenue derived from sources other than from taxes, the rate of $1.20 for Washington is ridiculous. While I have never had my attention called to this disparity, I am amazed that

the light has not been let into financial affairs of the Capital City long before this time.

You should be supported by every colleague in your effort to compel the citizens of Washington to do theirs, even as every citizen outside the District is doing his.

Wishing you success, I am,

Very truly yours, E. N. WOODRUFF, *Mayor.*

The foregoing statement from the mayor of Peoria, Ill., fairly indicates the sentiment of the people over the United States. It might be enlightening to quote from a few of the letters received the tax rates of some of the cities over the United States as certified to me by the mayors of such cities.

When I speak of the tax rate of these cities I, of course, mean their total tax—State, county, school, and municipal—which is the total tax citizens of those respective cities have to pay on their property, as compared with the $1.20 on the $100 rate Washington people have to pay in the District of Columbia.

The tax rate paid by the people in Baltimore, Md., $3.27 on the $100; in New Orleans, La., $3.16½ on the $100; in Portland, Oreg., $4.52 on the $100; in my birthplace, Houston, Tex., $4.29½ on the $100; in Ogden, Utah, $3.33 on the $100; in Cheyenne, Wyo., $3.75 on the $100; in Fort Smith, Ark., $3.32 on the $100; in New Bedford, Mass., $3.13; in Burlington, Vt., $3.10 on the $100; in Pittsburgh, Pa., $3.22 on the $100; in St. Louis, Mo., which is a distinct political subdivision of the State, the city tax is $2.43 on the $100; in Boston, Mass., $2.47 on the $100; in Rochester, N. Y., $3.36 on the $100; in Portland, Me., $3.40 on the $100; in Boise City, Idaho, $4.29 on the $100; in Mobile, Ala., $3.40 on the $100; in Detroit, Mich., $2.75 per $100; in Duluth, Minn., $5.79 on the $100; in Atlanta, Ga., $3.15 on the $100; in Kansas City, Mo., $2.93 on the $100; in Minneapolis, Minn., $6.52 on the $100; in Salt Lake City, Utah, $3.18 on the $100; in Oakland, Calif., $4.02 on the $100; in Austin, the capital of Texas, $3.54 on the $100; in Denver, Colo., $2.76 on the $100; in Trenton, N. J., $3.22 on the $100; in Racine, Wis., $2.87 on the $100; in Nashville, Tenn., $2.80 on the $100; in Charlottesville, Va., $2.85. And let me illustrate as the tax rate runs generally over Texas: In Paris, Tex., $4.10 on the $100; in Port Arthur, Tex., $3.54 on the $100; in Tyler, Tex., $4.61 on the $100; in Denison, Tex., $3.32 on the $100; in Waco, Tex., $3.03 on the $100; in Amarillo, Tex., $3.55 on the $100; in Temple, Tex., $3.15; in Wichita Falls, Tex., $5.05 on the $100; in Beaumont, Tex., $4.04.

Mr. Edward F. Bryant, tax collector for San Francisco, Calif., has sent me a statement certifying that the following is the tax rate paid by the citizens in the following cities: In Seattle, Wash., $8.80 on the $100; Chicago, Ill., $8 on the $100; in Reno, Nev., $7.38 on the $100; in New York, N. Y., $5.48 on the $100; in Philadelphia, Pa., $6 on the $100; in Detroit, Mich., $4.48 on the $100; in San Francisco, Calif., $3.47 on the $100; in Los Angeles, Calif., $3.89 on the $100.

What excuse have we to offer to our constituents back at home who are paying the above tax rates for permitting by our votes here the 437,000 people in Washington, D. C., to continue paying the measly little pittance of only $1.20 on the $100, based on a half to two-thirds valuation, when our constituents have to pay all the balance of the expenses of this great city?

Numerous millionaires live in Washington, having no connection with the Government, merely to get the benefit of the low taxes. You may offer all the excuses available, but we are responsible, for we could change this system, but we do not do it. Some of you will claim that "this is not the time." But it is the time, if you so ordained it, and voted now to change it.

Some of the finest people in the world live in Washington; they are selfish, but still they are fine people. [Laughter.] You can not hardly blame them; they have been sponging on the Government for years. They are making a strenuous fight now to continue the 60-40 system. They must have these hand-outs from the Government. I am in favor of making them pay not what our people pay but $2.75 or $2.50 per $100 at least. I would be satisfied with $2.50. Let them pay $2.50 on the $100 like they used to pay, and let them pay on a full valuation instead of half, and then take every bit of the balance of the expense out of the Federal Treasury, and I am then willing to go the limit with you. I only want them to pay a decent, reasonable, fair tax.

Let me call your attention to another photograph I have had taken. Here is what they want you to pay $155,000 for—a little hole in the ground out there under the Tiger Bridge on Sixteenth Street. Do you know why? They have built new houses all around it. They now want the Government to spend $155,000 for it, and then fix it up into a beautiful park for the benefit of these people who have bought these new residences. It is a real-estate proposition.

Go out here to the Tiger Bridge and look to the right at that sink hole. They want the Government to spend thousands of dollars fixing it up so that it will not look so unsightly to all those people who have paid big prices for residences around it. That is what you are doing or are going to do in the second park bill that comes up here with $762,000 appropriation in it.

I want now to call your attention to how unfairly anyone is treated who makes a fight on these propositions. When we had a hearing before our committee on May 7, 1924, they were going to vote out this so-called surplus bill without any hearing. I insisted upon a hearing, and they provided for it, but said that it must be reported back to the committee by the following Wednesday. The next committee meeting was the 14th, and the subcommittee did not meet to begin this hearing until the 12th of May, which was just two days before we had to report. We were thus given only an hour and a half or two hours before the House met on two days to have this hearing. I went before the subcommittee to produce some of the evidence that I wanted to introduce against this $4,438,154 bill. I knew that I could not go into the matter very thoroughly, but I did want to show that the matter had not been properly investigated and that no surplus was due. I had not been speaking for five minutes before some member said he did not want one member of the committee taking up all of the time and insisted on somebody else having some time. As I was the only one voting against it, I saw immediately that there was not a chance on earth to get the facts in there, and I said, "Gentlemen, I will place my facts in a minority report; I will not try to fight it out here, because there is not a chance to get the evidence in." But I had already made the following remarks, and I quote from the hearings:

There is a Texas man with large southern interests who owns the Meridian Mansions, at 2400 Sixteenth Street, which is assessed at something over $1,400,000—less than $1,500,000. I have a statement from Mr. Kirby Smith, who owns it, that he gave $2,250,000 for it, and that he has spent quite a large sum in improving that property, and that the improvements alone could not be placed there for $3,000,000, let alone the land, and yet he is assessed at less than $1,500,000.

After I left the room the following, among other things, occurred. The only witness on earth they heard was Mr. Donovan, the auditor at the District Building, who is a District of Columbia man, working for this proposition, favorable to this proposition, a taxpayer in the District, and was there seeking to have this surplus allowed. He was not against it. He said:

Mr. Chairman, with permission I would like to make one short statement for the record to answer a statement made by Mr. BLANTON; yesterday regarding the valuation of Meridian Mansions at 2400 Sixteenth Street. You will recall one statement made by Mr. BLANTON, and if you do not object, I would like to make a reply from our assessor's end of it.

Mr. KUNZ. A gentleman from Texas owns that place?

Mr. DONOVAN. I understand Mr. Kirby Smith, the present owner of the property, is from Louisiana and not Texas.

Mr. KUNZ. He said he expended $2,000,000 on the property and is only paying taxes on $800,000.

Get that, gentlemen. He claimed that I had said that Mr. Smith had put $2,000,000 in improvements on the property and was paying taxes on only $800,000. That is not my statement. My statement was that he had given $2,250,000 for it; that he had spent some money in improving it; and that the improvements, all of the improvements, not merely what he put on it, were worth $3,000,000, exclusive of the land, and that it was taxed at less than $1,500,000. I also stated that I had a letter from Mr. Kirby Smith, and I want to read you one or two excerpts from that letter. The letter is dated at Meridian Mansions, 2400 Sixteenth Street, Washington, D. C., February 1, 1924, and is addressed to me:

MY DEAR MR. BLANTON: In the Washington Daily News of January 28, under the heading of "Properties underassessed," I note that you list Meridian Mansions Hotel at 2400 Sixteenth Street. This is property purchased by me on January 1 of last year. The writer is at this time the president of the Louisiana Society of Washington, and for six years I was a director in the Federal reserve bank at Dallas—

You gentlemen know where Dallas is, do you not? It is in Texas.

To continue, I read further from his letter the following:

The usual assessment on property is 50 per cent of the valuation. This property could not be replaced for less than $3,000,000, in addition to the land, but on account of the operations of the Rent Commission and the low rental value of property, it was sold to me for $2,250,000. I have spent quite a fortune refurnishing and building over the place to make it attractive.

Then, after some other things, he signs his name E. Kirby Smith; and yet after I was misquoted in the committee room the various afternoon papers said that I had claimed that Mr. Smith had spent $3,000,000 on this property in improvements, and that it was assessed for only $600,000. The newspapers thus misrepresented me.

I said that Mr. E. Kirby Smith was from Texas. He was for six years a Federal reserve bank director at Dallas, Tex. The paper said I claimed him from Texas, when, as a matter of fact, he was from Louisiana. In that way they tried to discredit me. That is the way these Washington newspapers do when you oppose them. If you fight this thing, that is the way they treat you, but I do not pay any attention to them. I do not get up here like my friend from California [Mr. MACLAFFERTY] and call them to time every time they make a statement about me. I let them go on.

Let me tell you this about the newspapers: They are good fellows if they like you, but just you stand between them and something that they want and they will knife you, they will hound you, they will tell lies about you, they will misconstrue you, they will misrepresent you every chance they get. That is their business. They could not exist if they did not do that. They are working for the people of Washington. I am for making the people of Washington pay a fair tax rate of at least $2.50 on the hundred, instead of just $1.20 on the $100. The people of Washington do not want to pay it, and they and their newspapers are trying to hound me to keep me from fighting for the things that I believe are right. You know it works on some fellows. Just keep hounding them and they will quit, but I am not a quitter.

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield for a question?

Mr. BLANTON. I yield.

Mr. LINTHICUM. It is a rather long one. The gentleman has made several allusions to the tax rate in Baltimore I have often wondered why the gentleman does not take up another proposition in the District of Columbia. Baltimore spent $35,000,000 upon the construction of a sewerage system and a plant so that not one quart of water should go into the Patapsco River that had not passed through this system, and yet here in the District of Columbia you have a sewerage system dumping into the Potomac River raw sewage, destroying all the food fish and the oysters of the lower river.

Mr. BLANTON. Oh, I did not yield for a speech.

Mr. LINTHICUM. I do not know why the gentleman does not touch on that subject.

Mr. BLANTON. I will touch on that. I wish you would investigate like I have and get the figures on the amount of money your taxpayers contribute every year for this sewer system in Washington. Do you know back home they pay so much per month for sewer connections in most of the States? Here you get sewer connection for a nominal sum. I have Mr. Donovan's—the auditor—statement that the people here pay only a small per cent of the actual cost, that they pay $1.50 a front foot; that is all. If they own 20 feet, they pay $30 and nothing after that for sewer connection. The service is furnished free thereafter for life. And so with water. They get it for $2 per front foot. They get it lots cheaper here because the people pay very little of the expense of it. It is paid out of the Treasury. Let me tell you another thing. Do you know there is pending now before the committee and probably will be called up pretty soon, or it will be reported and probably called up because you can not stop it—there is a bill here for damming the Potomac River and spending $44,000,000 so that the people here can obtain cheaper lighting? You are going to be called upon to vote for that, and they will stick it on an appropriation bill some time as a rider. You have just given away that splendid Muscle Shoals plant which was considered a white elephant on our hands. I did not vote to give it away, however.

Mr. LAGUARDIA. It has not been given away yet.

Mr. BLANTON. By the action of the House it has been given to Henry Ford for 100 years, and now we are to be called upon to build a $44,000,000 plant up here that some of the expert engineers of this city assure me instead of costing $44,000,000 will cost at least $75,000,000 or $80,000,000 before the Government can get out of it. Let me call your attention to the fact that when the Army first attempted to build Muscle Shoals they estimated that all three dams would cost only $19,500,000, and then after we appropriated the first few million dollars for them they came back with the next estimate that the Wilson Dam, No. 2, alone would cost $25,000,000, and then the next estimate was the Wilson Dam, No. 2, would cost $35,000,000, and the latest estimate we have now is that the Wilson Dam, No. 2, alone will cost $45,000,000, while the original estimate of the War Department engineers was that all three dams, all told, would cost only $19,500,000. So you see you can not depend upon these War Department estimates. You are going to be called upon soon to vote for this $44,000,000. These newspapers here are hounding you about it already, with editorials and articles in the paper furthering that cause, and, incidentally, sticking me with pins and needles, pricking me because I am fighting it.

Mr. WEFALD. It does not hurt the gentleman any.

Mr. BLANTON. It does not hurt me with people who know me, not the people at home who know me; it does not hurt me at all.

Mr. WEFALD. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. WEFALD. On this question of publicity, is it not a fact that a man who gets very much favorable publicity from these newspapers in some way, directly or indirectly, pays for it?

Mr. BLANTON. Possibly so. I will tell the gentleman what I would like. You know I wish every one of these boys here in the gallery was my friend. I would lots rather have complimentary notices from them than such notices as I sometimes get.

I would like to be their friend. I am simply doing my duty here. If I did not stand in the way of something they want they would be my friends, for personally they are all nice fellows. Why, they come in my office and sit down and we have a nice friendly discussion. I show them every courtesy possible, but they give me the very old Nick every time I fight their projects.

Mr. WEFALD. And the gentleman gives it back.

Mr. BLANTON. But I do not get mad. I am still in a good humor with them. Now, I want to say this in conclusion, for I have taken up more time than I intended. This is a matter we must determine, and we can not determine it properly until we get the Members to know the facts, because most of our colleagues are off somewhere else. You 40 men now on the floor this afternoon have the information about this bill, and these problems, but others are away. Men think the committee members have passed on these bills, and vote for a bill and do not know what it is about half the time. I hope that when the Senate sends an appropriation bill back here with an improper rider on it that keeps up this pernicious 60–40 system in the way it has been going on, every Member here ought to stick like a stone wall until we remove such rider from the appropriation bills and let these legislative matters come up on their merits.

I am going to offer an amendment here to this park bill to provide that those funds shall come out of the District of Columbia. There is where it ought to come from. The Government has spent enough already for this park service and for these District playgrounds. If they want additional parks and playgrounds over in Maryland or Virginia let them take the money out of the District funds to pay for them and not take it out of the money of the people of the United States. Gentlemen, I submit the question to you. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. ZIHLMAN. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. UNDERHILL.]

Mr. UNDERHILL. Mr. Chairman, the gentleman from Texas [Mr. BLANTON] has gone rather far afield in discussing this bill. He has an obsession—and I do not know that I quarrel with him on it—regarding the tax rate in the District of Columbia. In spite of myself I find myself in accord with the gentleman from Texas more than 90 per cent of the time, and he is rather unfortunate that his methods are such that his hard work and his research do not meet with greater approval from the membership of the House. That is his lookout, however, and not mine. The taxes of the District have nothing to do with this bill or his personal quarrel. The gentleman from Colorado who owns a residence out here has nothing to do with this bill. There is no use in appealing to the prejudices or the passions of Members of Congress in order to drive home a point, nor is this bill the place for it.

If the gentleman from Texas [Mr. BLANTON] will bring in a bill or if he will attach some sort of a rider to an appropriation bill fixing the tax rate for the District of Columbia I will be with him, but we can not take a proposition such as this and adjudicate or settle the tax problem of the District of Columbia. That is not what it is drawn for. Nor can the Members of the House who are engaged in committee work on other important subjects follow all of the hearings and all of the business that comes before the District of Columbia Committee. We are serving as a board of aldermen to hear these various questions and to give our best judgment on them. As I said before, I find my-

self in accord with the gentleman from Texas on about 90 per cent of the bills that come before us. What is this bill and what does it do? This bill is for the preservation of the flood waters in Rock Creek and to prevent the pollution of water in Rock Creek, the Potomac and Anacostia Rivers. It is partially a health measure. It is for the protection of the Congressmen and the Congressmen's guests who come here to visit them, just as much as it is for the people of the District of Columbia.

And may I say that this $8,000,000 which is contemplated and embodied in the amendment of the gentleman from Michigan [Mr. CRAMTON] is based upon the valuation of the property which the Government owns in the District of Columbia. In other words, a fair inventory has been made, I suppose, of the property of the Government in the District of Columbia, and then under the tax rate which is assessed upon the people who live in the District of Columbia, the private individuals, the Government, if it were assessed at a fair valuation, would pay about $8,000,000 to the District of Columbia. Now, if we can get that through, I will support it. I will support the gentleman from Texas on such a proposition as I have supported the gentleman from Michigan. Then it makes no difference to us or to our constituents how much money they spend in the District for local improvements. But these propositions here are more than local improvements.

I do not know how many of you have guests who come to this Capital, but ever since the snows of last winter disappeared, the streets and the hotels have been crowded with people from all over the United States who have come here to visit this beautiful city and to learn what we do here and what there is to see here.

Now, the policy of the Government is to go down into Texas, if they have something particularly beautiful down there or particularly strange or unique, and to make reservations for the people of the whole Nation. We have gone into Wyoming, and those of you who have not had an opportunity to visit Yellowstone Park have lost a wonderful thrill. We go into Montana and establish Glacier Park; we go out into California and preserve the great trees. It is true they have no such unique things here in Washington, but they have a number of beautiful valleys, a number of beautiful ravines, a number of beautiful knolls, wooded, with little streams trickling down through them, beautiful recrention places for the people who come to Washington just as they are for the people who live in Washington. Now, those knolls are being dug down by gigantic steam shovels; the earth is being moved and the ravines are being filled, and you have remaining a flat, unattractive, clay-colored country in place of the beautiful, picturesque, and delightful places which you once had.

You are drying up the sources of those little creeks by cutting off the woodland, and day after day and day after day you find what the realty men would call the improvement of these tracts. I do not consider them improvements. If you are going to preserve them for the generations that are to come, and if you are going to conserve the health and happiness of the people of the city of Washington, who are citizens in spite of the fact that they have not the vote; if you are going to have a beautiful city in Washington for your constituents to visit and enjoy and be proud of, you have got to take the chance now, get this land and preserve it before it is covered with buildings, necessary as they may be in some portions of the city of Washington.

Now, it is hardly fair to misrepresent the situation. It made an impression upon the gentleman from Minnesota; it made an impression upon other Members, but just read the bill and see what the bill provides. It is to preserve the forests and natural scenery in and around Washington. Is there any reason why we should not do that because the people of Washington pay a tax rate of only $1.20? Not a bit. We might raise the taxes of the people of the city of Washington, but we should not deprive the whole Nation of the opportunity to preserve the forest and natural scenery about the city of Washington.

It is to provide for a systematic and continuous development of the park, parkway, and playground system of the National Capital. Is that any different from what they do in your own State? The States have taken it up as a necessary part of their functions and activities. In every progressive State in the Nation, including the State of Texas, they are providing playgrounds for their children and parks for their people.

Do you know what it does further? The commission is authorized and directed to acquire such lands as in its judgment shall be necessary and desirable in the District of Columbia and adjacent areas in Maryland and Virginia, within the limits of the appropriations made for such purposes, for suitable development of the National Capital park, parkway, and playground system, and that is a perfectly sound proposition. Why confine the bill to the very limited area of the District of Columbia? You have got to go further out. You must provide playgrounds for the people who are going to occupy these great houses and great apartment houses, cooped up, in one, two, or three little rooms. Do you not think that is a good proposition for the future health and prosperity of the people of this Nation? You have got to provide some place for them to play, some place for recreation, and some place where they can go out and breathe God's pure air that has not been used over and over again as the air in this room has been used, and you go home night after night, with headaches because of the vileness of the atmosphere.

The more parks and the more playgrounds we can get now the cheaper it is going to be for the Nation, the cheaper it is going to be for the District, and the more beneficial it is going to be for the people as a whole.

It is not fair to draw a distinction between your home and my home where we pay, as we do in my own city, $3.50 tax on $100 instead of the $1.20 paid here. The situation is different. I have had hundreds of guests in Washington during this spring and to the last man, woman, and child they are proud of the Nation's Capital, and you are only asking 1 cent from each and every one of those people to support the playgrounds and parks, to extend them, and to protect them.

Mr. BLANTON. Will my colleague yield?

Mr. UNDERHILL. I yield.

Mr. BLANTON. I just want the gentleman to answer one question. What particular halo is there about the heads of Garfinkle, Woodward & Lothrop, and John Poole, the man I do my banking business with, the president of the Federal American National Bank, who have no connection with this Government, that they should live here and enjoy all these pleasant surroundings and pay a tax of only $1.20 when our people have to pay three times that much.

Mr. UNDERHILL. The gentleman and I have no quarrel on that at all, but he brings it in at the wrong place.

Mr. BLANTON. Well, where is the right place?

Mr. UNDERHILL. The right place is to introduce a bill covering that proposition and not try to defeat every proposition for the improvement of the Nation's Capital by bringing that in and repeating the same statements over and over again and putting them in the RECORD.

Mr. BLANTON. Did not my colleague make a point of order against an amendment I have offered proposing to change the tax rate to $2.50?

Mr. UNDERHILL. Yes; because it was not the place for it.

Mr. BLANTON. It was on a legislative bill dealing with taxation.

Mr. UNDERHILL. It was on this bill, and it is no place for it. If the gentleman would pay a little less attention to the RECORD—I do not want to criticize him unjustly, but if he would pay less attention to the RECORD, and if he would get all this data together, as he has, and the gentleman has spent an immense amount of time and effort in doing it, and then present it in a concrete form to the Members of the House, I believe he would have the support of practically every Member.

Mr. BLANTON. I tried to do that this evening.

Mr. UNDERHILL. But the gentleman selects the wrong place and the wrong time. That is the trouble about it.

Mr. BLANTON. It is always the wrong time.

Mr. UNDERHILL. And he is all the time bringing it up at the wrong time. Why does he not go about this matter as he does other matters and bring in a bill covering the proposition instead of trying to defeat legislation like this which is of real value not only to the people of the District but to the people of the Nation.

I want to commend the work of the gentleman from Texas. I have tried to pay him a little tribute. There is no harder worker on the floor of the House or in committee, but the trouble is he never sticks to one line. He never brings in his arguments in the right place. He is trying to get something into the RECORD which has no connection whatever with the bill under discussion.

Mr. BEGG. Will the gentleman yield?

Mr. UNDERHILL. I yield.

Mr. BEGG. I notice the bill provides an appropriation of $1,000,000 a year indefinitely—100 years, for instance.

Mr. UNDERHILL. Yes.

Mr. BEGG. Is that necessary?

Mr. UNDERHILL. Not at all. The gentleman can offer an amendment providing a limit of 20 years or any subsequent Congress, when they find this development has gone far enough, can cut it off altogether. We had to have some appropriation authorized.

Mr. BEGG. I am serious about it.

Mr. UNDERHILL. I know the gentleman is serious about it.

Mr. BEGG. If we appropriate $1,000,000 a year to buy land, it will not be very long before we own one-half of the State of Virginia and one-half of the State of Maryland.

Mr. UNDERHILL. This amount is necessary just now and I am sure the gentleman would not have us put it at $100,000.

Mr. BEGG. Why do you not make it $1,000,000 for five years?

Mr. UNDERHILL. All right; offer that as an amendment and I am willing to consider it.

Mr. BEGG. I think it is wrong the way it is.

Mr. UNDERHILL. Let us have constructive criticism. Let us have suggestions offered to limit the length of time, but let us not condemn the whole bill because, forsooth, Garfinkle, or Wardman, or somebody else only pays $1.20 a hundred taxes in the city of Washington.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. ZIHLMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Maryland [Mr. LINTHICUM].

Mr. LINTHICUM. Mr. Chairman and gentlemen of the committee, I am heartily in favor of this bill. I think, perhaps, there ought to be some amendment by which the appropriation is limited to a certain number of years so that the aggregate amount would be sufficient to purchase the necessary land for parks. I feel just at this time it is a very important matter for the city of Washington and for the United States, it being the capital thereof, to acquire sufficient grounds in and about the District of Columbia to provide proper parks.

The gentleman from Texas mentioned a bill which is to come up, I hope, soon after this bill, appropriating certain funds for the purchase of land to extend the present park system. The amount of money provided in that bill is rather large. It is large because the very bill now under discussion was not passed some 10 years ago. If the bill under discussion had been passed some 10 years ago, the very land that we propose to purchase in the other bill could have been bought for at least one-fifth or perhaps at the highest one-third the amount which is now proposed.

We all have heard in years passed about the old Tweed ring in New York, and we remember how it was said they robbed the city of New York, but everybody will recognize the fact that the purchase of the great Central Park in the city of New York by the Tweed ring officials outnumbers in millions of dollars in value and advantages to the city of New York all the money that the Tweed ring ever filched from its treasury. Think of what New York would be without Central Park.

The passage of this bill will provide for the city of Washington protection of its water supply, sufficient land for a park system, sufficient for playgrounds, and it will be a well-thought-out plan, which we have never had. If anyone will go out here to the Anacostia River below Bennings Bridge and see what can be done with an old stream, nothing but mud flats before it was dredged and walled, they will realize the great importance of a properly thought-out park system and the advantages of systematic extension work. It will eventually provide a beautiful water front park and playground for the city.

The gentleman from Texas mentioned the fact that they are going into Maryland. It is almost impossible to go anywhere in the District of Columbia where there are no houses, and it is necessary to go into Maryland and Virginia, for the District is almost filled. You can not go from Chevy Chase Circle to the Chevy Chase Club without going into Maryland, and you can not go far beyond Bennings Bridge without going into Maryland. Maryland is not anxious for the District of Columbia to purchase land within her borders, because every mite of land that the District purchases makes so much less taxable land for Maryland and results proportionately in more taxes for the people of Maryland to pay. Maryland is interested in the city of Washington just as if it was a part of the State of Maryland.

In and about the District of Columbia at this time there are 100,000 acres of land, much of which can be bought at a mighty low rate. If a park system is devised, and if this land was purchased, in 10 years, if Congress should change its mind, it would receive five times as much as it will pay to-day. But if you delay for a few years—towns are springing up all around the District—the advantages of living near the Capital of the United States, such as the advantages derived by being at the educational center, the libraries, galleries, legislative halls, and so forth—all these things are bringing hundreds of people to and around the District of Columbia. This vast territory, beautiful in scenery, magnificent waterfalls, great woodlands, wonderful streams, wonderful views, can be purchased to-day at a very cheap price, indeed. As I have said, if we propose to wait we will have to pay a tremendously large sum for it. Why, gentlemen, this city is growing; it is the Capital of the world's great democracy; it is visited by thousands of American citizens. Shall we provide less for them than did the old monarchies and empires? It would be a crime to let these wonderful woodlands be despoiled and this scenery obliterated.

I belong to what is known as the Southern Maryland Society, composed of men who were raised around the District of Columbia, people who know southern Maryland, people who know the District of Columbia, people who know the possibilities in and around the District of Columbia for park purposes.

Mr. William M. Ellicott, one of our foremost advocates of a national park about Washington, addressed the Southern Maryland Society on the subject, as result of which the president, Mr. Alexander H. Robertson, appointed a committee, consisting of Messrs. Robert Crain, J. Spence Howard, T. Howard Duckett, William L. Marbury, R. Keith Compton, George Weems Williams, T. Rowland Thomas, and myself, to consider and to advocate its adoption. These gentlemen have studied this question thoroughly, and they approve this bill, because they believe it to be a great thing for the city of Washington to have a proper park system.

Look at other countries. Take France, with parks of thousands of acres, beautiful scenery, wonderful roads, and what a great advantage the people of France and the people of that great metropolis, Paris, receive from its wonderful parks in and around Paris. Just for a botanical garden. Look at Rio de Janeiro. There they have 2,000 acres; New York has 400 acres; Rhodesia, South Africa, 400 acres; Kew Gardens, London, 288 acres; Calcutta, India, 272 acres, and so on. Just for botanical gardens. The great cities of the world, older by hundreds of years than we are, realize the fact that the purchase of land in and around great cities for recreation purposes and for health and the protection of water supply is a most important object. England has seen proper to lay out and beautify her wonderful park of 90,000 acres, the pride of the empire.

The bill which we have does not fall very heavily on anybody. It is to be appropriated out of the funds of the District of Columbia in the Treasury on the same basis as other appropriations are provided for.

While I agree with the gentleman from Texas that perhaps taxes in the District of Columbia are not high enough, and the people ought to pay a larger proportion of this fund, that is no reason why we should not appropriate for a park system and for facilities for children and grown-ups.

Mr. BLANTON. Will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. BLANTON. If you will do one thing, if you will raise the rates of taxation to $2.50, which is less than $3.27 that you people pay, you will never hear another word from me against the District.

Mr. LINTHICUM. It is not a question of paying $2.50. I think the Government property in the District of Columbia ought to be appraised; we ought to know what it is worth just as we know what the Wardman property is worth and the property of other people the gentleman has referred to, and then the United States Government should pay a proper tax on the property owned, and the expenses of other Federal activities and operations, and then let the people pay the balance, whether it is $1.20 or $2.20 or $2.50. There is no reason why they should pay any more than is necessary for the District. What we pay has nothing to do with it.

Mr. BLANTON. Does the gentleman think the Government ought to pay taxes on this great Rock Creek Park, enjoyed by everybody?

Mr. LINTHICUM. I think the Government ought to pay a substantial part just as the gentleman from Massachusetts, who spoke previous to me, said. Hundreds of people from all over the country have flocked into Washington this spring. The hotel where I stop has been crowded, and every hotel in the city has been crowded by people from every section of the United States who come here to visit the National Capital. I think these things can be properly worked out, but that is no reason why we should not have these parks and woods and the beautiful scenery to protect our water supply—that is no reason why we should not do it at this time and take advantage of the present situation.

I look upon this bill as the most progressive piece of legislation passed in the interest of the city of Washington and District of Columbia for many years. It will provide a systematic park planning for the future, which can be gradually worked out as the appropriations become available. I feel, as my

friend Mr. Ellicott has said, that there should be a great park stretching from Washington to the Patapsco River near Baltimore, taking in those beautiful branches of the Little and Big Patuxent Rivers, embracing at Savage what is known as the Little and Middle Patuxent. The Great Falls of the Potomac and the Palisades of the Potomac should become a part of this park system. There should be a cooperation between Maryland, the city of Baltimore, and the District of Columbia through which the beautiful scenery of not alone the Patuxent and Potomac Rivers should be protected but likewise those lovely stretches along the Patapsco River. This park could be wide or narrow, as the topographical conditions might dictate. The greater part of it would embrace land useless for other than park purposes; some parts should be reforested, and as the timber matures the park could be made self-sustaining largely through the sale of timber, which should be cleared and new trees planted. We must realize that since the advent of automobiles and the great motor busses citizens can resort to the recesses of the forest and stream without much difficulty, to their great advantage from a health and recreation standpoint. With the present congestion of traffic, small parks become areas of pleasure. The increase of population, the advance in prices for farm and forest lands require immediate action. The bill before us is that progressive action which I believe will mean so very much for the District of Columbia. Washington, the Capital of the Nation, should not alone be beautiful but it should be the model of all American cities. Through its example our people should be led to great things in city planning. We are building for the future as well as the present.

As I have said, Mr. William M. Ellicott, at Baltimore, has been a great advocate for a National Capital forest and has been a great supporter of the measure now under consideration. It gives me great pleasure, therefore, with the consent of this House, to insert his article on the subject:

A NATIONAL CAPITAL FOREST

(By William M. Ellicott)

The object of this paper is to recommend the creation of a national forest for demonstration and experiment and as a setting for the United States Capital. Such a forest would be a fitting background, worthy of the dignity of the Nation's seat of government, and would give continuity and variety to the impression gained from the magnificence of buildings, boulevards, and monuments of the city proper.

Some of the Western States are happy in having areas set aside as national forests and national parks, and national forests are now to be established in the East, in the northern and southern Appalachian Mountains. We look also to Biltmore, in North Carolina, as a great achievement, and should view it as an object lesson in practical application of the principles of forestry to private lands. All these examples, however, are unfortunate in one respect—their remoteness from the main traveled routes, rendering them inaccessible to the vast majority of our people, for whom they exist but as shadows, exerting the minimum of influence in their daily life.

The necessities of the present time are such as to demand a full and thorough demonstration of the possibilities of the management of forests and their rehabilitation.

The experience of European nations illustrates, first, the dangers arising from denudation and, second, the commercial value of reforestation when it is done under scientific management.

The use of forests by the people becomes a habit which inures to the benefit of the whole population, adding to its vigor and zest of life.

Agricultural expansion in America has left certain areas unconquered because of their unfitness for cultivation, and in some of these rests the hope of future generations. One of these tracts, though sadly mutilated, has remained to our day a vast forest useful for no other purpose. Providentially also, it exists in a place which above all others should recommend it for protection and improvement to the people of the United States. It forms the background of the National Capital, beginning at the bounding line of the District of Columbia at Bladensburg and extending northeast nearly 20 miles until it crosses the Patuxent River, a tract of 41,000 acres, while separated from it by a narrow strip between Washington and Laurel, there is another body of 16,000 acres. Beyond the Patuxent it swings eastward, touching the Severn and South Rivers, and reaching the outskirts of Annapolis, the seat of the United States Naval Academy, and thereby adds another area of 43,000 acres.

Another forest district of vital importance to the Nation's Capital, containing some grand scenery which, though separated from the main bodies by the breadth of Montgomery County should be included in the purchase, borders the banks of the Potomac River from the District line to a point beyond the Great Falls, an area of 10,000 acres. Conditions here are distressing in the extreme, as no effort has so far been made to care for it, and year by year injury to the landscape is done. Surely devotion to the public welfare should prompt Congress to protect this great possession.

The value of the lands in question is comparatively small, but as the pressure of population increases this will not continue, and it is not wise to defer provision for its purchase. Altogether these areas cover 110,000 acres. The Forest Service should ascertain the merits of the various districts for forest purposes and study the replanting of certain parts, and a commission should plan for the maximum of beauty and utility, which are lost for want of skillful and intelligent handling.

Watercourses should be improved and artificial lakes could be made as beautiful as natural ones, and the attraction of the woods may be enhanced by the erection of suitable buildings properly located. A structure of the character of a small chateau to serve the traveling public as an inn or automobile club would not be out of keeping.

Here, then, at the gateway to the Capital lies a splendid domain such as the kings of the earth from the earliest time have taken for themselves and jealously guarded as among their dearest possessions. We see it in the New Forest in England, with its 90,000 acres—established by the Conqueror—in Fontainbleau also, and in that one which existed in the shadowy past within the present borders of the city of Paris, of which the Louvre retains the name of the king's hunting lodge of that day.

Many other forests might be mentioned, as, for instance, that proud possession of the city of Zurich, given to it by Charlemagne.

Looking, then, for a moment at the forest through the silver birches among the laurels and into the hemlocks beyond, or turning about and gazing across a lake over the receding hills at sunset, you may in spirit visualize what you have many times seen with the eye of the flesh and thus discern what the people may do for themselves and why they should do it for their own well-being and for the benefit of generations to come.

At the southern apex of the territory indicated is the old town of Bladensburg and neighboring hamlets. Here are found historic specimens of colonial architecture—the Calvert mansion, the inn at which General Washington used to rest when he was planning the great city, and Parthenon Heights, a quaint old house of Revolutionary days. It is here that the two main branches of the Anacostia River meet, the one stream coming down from Tacoma Park, near the northern corner of the District of Columbia, and the other, or Northeastern Branch, emerging from the principal forest areas with which we have to do. The road leaving Bladensburg crosses the Anacostia Bridge and arrives soon at the border of the forest, and after traversing several miles of interesting country the line of the Pennsylvania Railroad is reached. It then turns north and enters the forest again, passing through spruce, pine, oak, and poplar, all of which under present ownership is kept thinned out as it becomes of commercial value in the local market for timber, railroad ties, pulp, or firewood.

Reference to the accompanying map, which is made from detailed charts of the forest areas of the Maryland Forest Department, will show that the District is approached by numerous electric and steam railways as well as by county and turnpike roads.

On approaching the height of land between Anacostia and the Patuxent watersheds there are hills of considerable height. Thence one descends rapidly to the Patuxent River Valley, across which the forest still continues, reaching out toward the Patapsco, whose 20 miles of lovely nature extend from the harbor of Baltimore to Relay, thence to Ellicott City, 6 miles, and continues beyond between Baltimore and Howard Counties, which is a part of the parking system of Baltimore.

To render the forest available for use as a pleasure ground it must be opened to access. Intersecting alleys should be planned, concentrating, perhaps, at some quiet pool or pretty refuge, and the roads which traverse it should be improved and the system extended to connect by way of the Potomac, the Anacostia, and Rock Creek with the parking system of the District of Columbia, and with that future pantheon of American greatness, the Mall, which will one day rival the most splendid examples of formal landscape design of the Old World.

The undertaking of such a scheme will not only be the glory of our beautiful Capital but it will offer to a dense urban population and to countless transient visitors every form of sylvan pleasure which the inheritance of past ages can suggest from periods when the joy of life and pleasure in beauty went hand in hand.

For these reasons the purchase of a large tract of forest land at a cost of from two to three million dollars by the United States Government is advocated. Had another site been chosen for the Capital, it is likely that the problem of its surroundings would have been entirely different, because the existing conditions are unique, and the suggestion of a forest background might have been chimerical and impracticable. It is this condition which arrests the attention both of the practical man and the artist.

Fortunately, however, for this project, both as to its direct bearing upon the adornment of the Capital and its value in assisting in the promotion of forest cultivation and protection, whether private, State,

or National, all the circumstances illustrate the wisdom and even necessity of prompt provision for the need of the people.

Its value for experimental and demonstration purposes can hardly be overestimated. The product of an average acre of such land planted in forest, at a cost of $8, and cared for at an almost negligible annual expense, at the end of a period of 40 years is about $200, which represents a handsome profit from otherwise valueless property.

Large tracts in private hands throughout the Eastern States are available for this purpose only, and their almost universal neglect constitutes at once a great menace through their injurious influence upon climate and water supply and an immense financial loss, while to demonstrate the possibilities of this branch of agricultural industry and science should be a great advantage to the Nation.

If the United States Government desires to regard it simply as an object lesson it may look forward to a handsome revenue without contemplating such extensive cutting as to materially diminish its beauty and attraction.

Nearly all the great forests of Europe pay large profits, and the example of some of our great railroads in reforesting tracts to produce railway ties, telegraph poles, and other timber shows that the time has come when the original forests must be replaced by artificial means. The plan here outlined has been widely approved by societies interested in the public welfare and by the press. For the sake of brevity an editorial of the New York Evening Post, which appeared also in the Nation, is quoted, as follows:

> "Probably the first impulse of nine persons out of ten on reading the proposal that the Government shall create a national forest of 100,000 acres immediately adjacent to Washington City will be to say that it is nonsense. But it is anything but nonsense. * * * That there is a considerable forest area in a primitive state in the region bordering on Washington must strike everyone at all acquainted with that section. * * * If the tract is all Mr. Ellicott thinks it is there is probably no investment of a few million dollars that would be better worth while. To preserve in perpetuity a genuine national forest of 150 square miles in extent within a stone's throw of the National Capital would be an invaluable achievement."

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD and also leave to extend as a part of those remarks a little article by Mr. William M. Ellicott on the national park system. The article is not very long.

The CHAIRMAN. The gentleman from Maryland asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman further asks unanimous consent to extend his remarks in the RECORD by inserting the article referred to. Is there objection?

There was no objection.

Mr. ZIHLMAN. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. When the opportunity came to me to introduce in the House a bill identical with the Senate bill before you, I grasped it eagerly because of the pleasure I felt in the chance to have even some slight connection with this program. In my judgment it will, in the course of time, bring more happiness to more thousands of persons than any other matter that we are considering at this session. Longer ago than I like to recollect I was a member of a college class in which one of my fellow students was a modest, retiring, unassertive youth, the son of the president of the college. I doubt if at that time anyone of his 200 fellow students would have picked him out as the man destined to confer a greater boon upon his fellow men than anyone else in the class. He was not spared for long life. The other day the graduates of that institution and many others honored the ninetieth birthday of his father, the foremost private citizen in the Union. Yet sometimes I wonder if all that President Eliot ever did for his fellow men would outweigh the service rendered it by his son, Charles, my classmate, who became the father of the metropolitan park system of Boston and its surroundings. At the time he began his work for this system there were remonstrances at such expenditure of money, like those you may hear nowadays whenever any public progress of the sort is contemplated. We have acquired now in the creation of that system, I see by the report before you, property worth $69,000,000. I do not believe there is a man or woman in the more than a million people making up greater Boston who would to-day express regret at the expenditure of $1 of that money or who would consent to part with 1 acre of that land. If this summer by chance any of you are in Boston, I should deem it a personal kindness if you would hunt me up and let me show you what we think is the chief glory of our community. I should take you through these parks, and I am sure that you would leave them with recollections of a happier day than any of sight-seeing in all your life.

The same thing ought to be done for Washington and on the same scale.

Yesterday I took the people's limousine, the electric car, and rode out to Great Falls, or nearly there, to Glen Echo. It has been my lot to travel more or less about the world and to see most of its capitals, and as I looked out of the window of the car I tried to recollect another with a spot more capable of delight to the senses than the palisades on the river and the groves that adorn its banks.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Yes.

Mr. BLANTON. Has the gentleman ever gone up the river on the other side, on the Virginia side, toward Great Falls?

Mr. LUCE. Only in the people's limousine.

Mr. BLANTON. Well, you go over one of the roughest kind of roads. If the Government should buy that land over there and build a magnificent boulevard, then the constituents of my friend from Virginia [Mr. MOORE] would not have to build that road themselves. There is method in this madness of buying Virginia land and Maryland land, to fix it up for the people of those two States. I have been over that road and it is an awfully rough road.

Mr. ZIHLMAN. Mr. Chairman, I think the gentleman from Texas used 55 or 57 minutes and has 2 or 3 minutes left. I think he could yield the gentleman from Massachusetts one of those minutes.

Mr. BLANTON. Oh, I have 10 minutes left.

The CHAIRMAN. The gentleman from Texas has no time remaining.

Mr. BLANTON. There must be some mistake about that.

The CHAIRMAN. The time of the gentleman from Massachusetts is running. Does he yield?

Mr. LUCE. I have little more to say. After I had left the car yesterday I climbed up to Glen Echo Heights and if any of you have never enjoyed that walk in between the Conduit Road and the River Road through the woods, I advise you to take it. For an hour I walked among the trees and over the fields, and came back with a strengthened conviction that it would be a crime if the Nation neglected the opportunity to acquire a reasonable part of the suburbs of the city for the delight, not of ourselves alone, but of the generations yet to come.

This bill is drawn to put into effect the system under which our Boston parks were developed. The suggestion has been made that the time should be limited. It is now more than 30 years since we began these Boston developments, and we continue them and they will be continued indefinitely, because the community is always growing and there is more and more need for the extension of the facilities for play, recreation, and the pleasures of the open. While I see no great harm in restricting the time, yet it will inevitably be extended through the years as the people become more and more appreciative of these opportunities for health and enjoyment.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. ZIHLMAN. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, while I am not a member of the District Committee, I have heard so much during the last few years about the question of local taxes and the cost of the District government that it seems to me that we are overdoing it. To support the plan repeatedly presented by the gentleman from Texas [Mr. BLANTON] is to ignore the theory of local government under which the Capital was brought to the District of Columbia. Imagine what it would be to have the Capital in any city other than where it is now, with the District set aside for that purpose. Imagine the executive departments and Congress being embarrassed and annoyed by municipal ordinances and municipal regulations. It seems to me that this cry of the people at home objecting to the cost of the local government here is somewhat exaggerated. I come from a part of the country where we pay a great deal of the Federal taxes and I have never heard any complaint on that score.

It is just part of the overhead cost of government. Why, police protection, fire protection, education are necessarily part of the cost in having our National Capital here. I think we would do better to spend our time on matters of greater importance than to be eternally trying to economize in a ridiculous way about the cost of government in the District of Columbia. We must bear in mind that Congress passes on all District municipal activities. The District was purposely set aside as the site for the Capital, so that there should be no municipal or State interference. Of course, it costs money; but really there is no need of all this alarm that is being sounded continually by the gentleman from Texas.

I am not so sure that the arrangement suggested by the amendment of the gentleman from Michigan is the right thing to do. It seems to me that the cost of running the District of Columbia ought to be borne in fair proportion by the National Treasury. Now, on this question of parks, I want to congratulate the committee in coming in here with bills for the acquisition of parks. Gentlemen, you can not look at this project with a provincial viewpoint. I had some experience in municipal government in my city. The time to acquire parks is at least 25 or 50 years before you need them. If you permit your city to grow beyond park limits, it is too late. When there is real need of parks and playgrounds you may find yourself in a condition where you can not buy any ground within distance suitable for that purpose when you need them. In my city if the municipal government had looked forward, as they did to Central Park, for other places on the island of Manhattan, we would not have the densely congested tenement districts all over the city. So during my time at the city hall we went out and bought land here and there, waiting for the city to build up, as it naturally will, and then find the parks awaiting the growth. To take the time of Congress in seeking to economize on parks and schools or anything that tends to beautify this city, I say it is just overplaying for the folks at home. For my part, I can assure you there will be no complaint from the taxpayers of my State, and that State pays a great part of the taxes, if we spend the money judiciously to beautify this city and make it the most beautiful capital in the whole world. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. ZIHLMAN. I believe I have seven minutes remaining?

The CHAIRMAN. Yes; the gentleman has seven minutes.

Mr. ZIHLMAN. I yield that to the gentleman from Kentucky [Mr. GILBERT].

Mr. GILBERT. Mr. Chairman and gentlemen of the committee, in my opinion this is a good bill having a proper view to the future and it should pass. Whenever man has attempted to create anything beautiful he has failed except where he has followed the examples of God. His efforts to paint or carve a woman is worth while just in proportion to the accuracy with which he traces the human form; his effort to paint a landscape is a success in proportion to his ability to faithfully reproduce some natural view. Man-made parks with flower beds and close-cut grass and terrace upon terrace leave a sense of labor and fatigue. Around the city of Washington there are many beautiful natural parks, God-made woods and streams, that are rapidly becoming dissipated. Beautiful Rock Creek has diminished in volume of flow one-half within the last 8 or 10 years, due to the destruction of the timber on its headwater slopes. The stream itself is being polluted by sewage leading into it from property not owned by the Government. It is certainly wise and proper for this Congress to take a step forward in matters of constructive legislation for the future of the District. No other city in the United States with 400,000 or 500,000 people, as this city, but has provided for its future beauty in some such way. I think the Congress will make a mistake of putting a time limit, as suggested by the gentleman from Ohio. Future Congresses can repeal the bill if necessary, and this amount of money is needed, and the citizens of the District, and of the entire country as well, will get no greater enjoyment from any other source. The remarks of the gentleman from Texas [Mr. BLANTON] are very proper, although they have no special relation to this bill. I also want to take this time to discuss a matter along the same line and equally as inapplicable to this bill. I have been on the District of Columbia Committee for three years, and I will say I have conscientiously worked, and I find that we are gradually falling behind in constructive municipal legislation. Not only in the lack of a comprehensive park system but in many other constructive measures the District is falling behind other cities and States.

We have not in the District of Columbia any adequate insurance code. We have no comprehensive banking system. We have no fraudulent securities law or blue sky law. We have no workman's compensation law. We have no venereal disease bill, and our transportation system is confused, resulting in exorbitant street-car fare, and the reason for it is that Congress has not time to legislate in these matters. Just the other day I was astonished to find that it was necessary for an act of Congress to move the bodies of two children from a cemetery in the District of Columbia over to a cemetery in Maryland where their relatives have been buried. Something has to be done, and we might as well face the situation. Something has to be done toward a legislative system properly functioning for the Government of the United States and also for the District. The Members of Congress can give their serious attention this summer to a proper solution of this problem. The gentleman from Oklahoma [Mr. MCKEOWN] discussed legislation along the line which would take from Congress the necessity of passing on all of these unimportant and purely local matters and placing them in the legislative control of the District and yet retain in the Congress the power of vetoing any act. As the gentleman from New York [Mr. LAGUARDIA] just suggested, it certainly would be unwise for the District to be in the control of any local government. I call his attention to the fact that the Congress itself was chased through the streets of the city of Philadelphia when it was under local control there. It ought not to be under local control, and yet it ought not to have the exclusive control of all local matters. The result of this situation——

Mr. GIBSON. Will the gentleman yield?

Mr. GILBERT. I will.

Mr. GIBSON. Does the gentleman think there would be any danger of a similar proceeding at the present time if Congress were located in some sections under local control?

Mr. GILBERT. Well, it could be harassed considerably by ordinances and local restraint. It ought to have the privilege of exclusive control and yet not be annoyed by having to consider every little act of detail that might come up in city government as it is now.

I took this time just to make these few observations for the benefit of the record and the consideration of Members of Congress during the summer because we might as well face the fact that something has to be done here in the District, and neither my remarks on this subject nor the remarks of the gentleman from Texas on insufficient taxation can be considered as having special applicability to this bill. This bill ought to pass——

Mr. TILSON. Will the gentleman yield?

Mr. GILBERT. I will.

Mr. TILSON. As I understand, the gentleman favors the Government retaining absolute control over the District in which it is established?

Mr. GILBERT. Yes. Madison, in his comments on that matter before the Constitutional Convention of 1787, used the thought that it would be unwise for the Government of the United States to be under the control or subject to the limitations of local jurisdictions.

Mr. TILSON. I think he was entirely sound in that, and we ought never to permit ourselves to deviate from it.

Mr. GILBERT. And certainly 110,000,000 people ought to be able to have a home somewhere, and at the same time an act of Congress ought not to be required for every executive or administrative function as, for instance, to remove a body, like we had before us the other day.

The CHAIRMAN. The time of the gentleman from Kentucky has expired. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That to preserve the flow of water in Rock Creek, to prevent pollution of Rock Creek and the Potomac and Anacostia Rivers, to preserve forests and natural scenery in and about Washington, and to provide for the comprehensive, systematic, and continuous development of the park, parkway, and playground system of the National Capital, there is hereby constituted a commission, to be known as the national capital park commission, composed of the Chief of Engineers of the Army, the Engineer commissioner of the District of Columbia, the Director of the National Park Service, the Chief of the Forest Service, the officer in charge of public buildings and grounds, and the chairmen of the Committees on Public Buildings and Grounds of the Senate and House of Representatives. At the close of each Congress the Presiding Officer of the Senate and the Speaker of the House of Representatives shall appoint, respectively, a Senator elect and a Representative elect to the succeeding Congress to serve as members of this commission until the chairmen of committees of the succeeding Congress shall be chosen. The officer in charge of public buildings and grounds shall be the executive and disbursing officer of said commission.

Mr. BEGG. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BEGG: Page 2, line 3, after the word "on," strike out the words "Public Buildings and Grounds" and insert in lieu thereof the words "the District of Columbia."

Mr. BEGG. Mr. Chairman, all there is to that is to make the chairmen of the Committees on the District of Columbia of the Senate and House of Representatives members of this commission instead of the chairmen of the Committees on Public Build-

ings and Grounds. I believe the District of Columbia Committee is the proper committee to be represented on this commission, as that committee knows more about the affairs of the District than any other committee, not even excepting the Committee on Public Buildings and Grounds. That is the only purpose I have in offering the amendment.

Mr. ZIHLMAN. Mr. Chairman, I accept the amendment.

Mr. CHINDBLOM. Mr. Chairman, I rise to support the amendment offered by the gentleman from Ohio. I observe that this bill itself has been reported to the House by the Committee on the District of Columbia. I am a little surprised that they were so generous——

Mr. UNDERHILL. So modest.

Mr. CHINDBLOM. The gentleman from Massachusetts suggests modest. I was not prepared to use that exact word in this connection; but I will be glad to accept his suggestion and to say that I am a little surprised they were so modest and so generous as to provide for the membership upon this commission of chairmen of committees other than their own.

In this connection, and along the line of the testimonials which have been made by representatives of other large communities of the country, I want to say, coming from the second largest city in the Union, that I am very much pleased that we have embarked upon this plan of providing further park space and recreation space for the people of the District of Columbia. In Chicago we not only have, as everybody knows, a large number of very spacious parks which have been established within the city, but outside of the city we have established a forest preserve which contains lands at this time amounting to 34,000 acres, which are devoted to recreation grounds for the public. It is a movement which ought to be encouraged throughout the entire country.

Mr. MOORE of Virginia. Mr. Chairman, a while ago some gentleman made a remark in reference to this bill which seemed to be based on the assumption that the plan which it embodies is instigated by the States lying nearest to the District—the State of Maryland and the State of Virginia. This is a complete misapprehension, so far as my own State is concerned. The State of Virginia has had nothing to do with the origination of this proposed legislation. I personally have had nothing to do with it. While, of course, living as near as I do to the city of Washington, I perhaps know more about conditions surrounding the District than some of the other Members, I can view the subject in an impartial and unprejudiced way if I am capable of taking that attitude in respect to any subject.

It strikes me that gentlemen should have no difficulty in concluding, from what has been stated in general terms here, that the people of the entire country are interested in the Capital City; that they should have no difficulty in believing that whatever we can fairly do should be done to make the Capital City still more attractive and beautiful than it is now. And it can hardly be doubted by anyone that the outlying country in proximity to the city should receive the attention of Congress, so that the city itself may not suffer from any failure to look after the situation in Maryland and Virginia so far as it is closely related to the matter of the future of Washington. Reference has been made to the shores of the Potomac. The State of New York has taken steps to safeguard, by park extension, the beautiful palisades of the Hudson.

Here is one of the most notable rivers of the world. Those who have not traversed it from its source in the mountains to its mouth at Chesapeake Bay hardly know how noble and picturesque is the Potomac as it winds its way from West Virginia down to Point Lookout. Is it thinkable that Congress should not concern itself to protect the palisades of the Potomac, and I am mentioning only one of the matters which is had in mind by the friends of this bill? That is inconceivable, and yet the palisades are being defaced and broken down by blasting processes that have been going on for several years, and that will continue unless there is Government intervention.

I do not know of any sentiment in Virginia that favors the passage of this bill, except the same patriotic sentiment which all other States share with Virginia. I do not know of a solitary landowner in Virginia who has suggested that he will be benefited by it, and I wish to repel the suggestion, so often made here, that when the gentleman representing a Maryland district [Mr. ZIHLMAN] and I, representing a Virginia district, participate in the enactment of legislation relative to the District of Columbia that in some manner involves Maryland and Virginia that we are actuated by selfish motives.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word. May I ask permission to speak out of order? I did not get an opportunity to proceed in general debate, and this is a matter of great importance.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to proceed out of order. Is there objection?

Mr. ZIHLMAN. For how long?

Mr. McKEOWN. I would like to ask for consent to proceed 10 minutes.

Mr. ZIHLMAN. I will have to object to the gentleman having 10 minutes. We would like to finish this bill, and I hope the gentleman will not insist on having 10 minutes. I would not object to his having 5 minutes.

Mr. McKEOWN. I can not proceed with this matter in five minutes.

Mr. ZIHLMAN. It is now 5 o'clock, and we have a number of sections to read. I hope the gentleman will let us finish the bill.

Mr. McKEOWN. I hope the gentleman will be patient with me.

Mr. ZIHLMAN. Suppose the gentleman renews his request a little later or asks for five minutes.

Mr. McKEOWN. It is on a very important matter.

Mr. ZIHLMAN. I would not object later on when we get a little further along with the bill.

Mr. McKEOWN. Then I will ask for permission to speak out of order for five minutes, Mr. Chairman.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to speak for five minutes out of order. Is there objection? [After a pause.] The Chair hears none.

Mr. McKEOWN. Mr. Chairman and gentlemen of the House, I desire to call the attention of the Congress to the invasion or threatened invasion of the power of the Executive by the judiciary of this country.

Very recently two judges of the United States court have held that the President of the United States does not have the right to pardon or to issue pardons in contempt cases. I want to call the attention of the Congress to the fact that in the very earliest history of our Government it was conceded that the President of the United States had such power; in fact, the power in the President to grant pardons and paroles is contained in that section of the Constitution which gives him the greatest power of all, and that is the power to be a dictator in time of war. In that very section is contained the power, "and he shall have power to grant reprieves and pardons for offenses against the United States, except in cases of impeachment."

There is only one exception. It is contended that in contempt cases it is not a criminal proceeding, and for that reason the President of the United States can not grant pardons or reprieves. Let me show you where this will lead. If that remains the law it will be so that every newspaper editor in America will be in danger of being imprisoned. Free speech and free press will depart from a free country.

I call your attention to a decision in the very early history of our country by a Federal judge in the State of New York in which he held that—

> where a fine was imposed upon a person by this court as a punishment for contempt of this court committed by violating an injunction issued by the court, and it is ordered he shall stand committed until the fine shall be paid, and he applied to this court for discharge from imprisonment on the ground he was unable to pay the fine, held that this court would not exercise the power invoked, at least until the President should disclaim the power to relieve the applicant by a pardon. Contempt of this court is an offense against the United States. An adjudication by the court that the contempt has been committed is a conviction, and a commitment thereon is execution.

In face of that decision they perhaps rely upon the famous Debs decision in which it was held that in civil cases a contempt was not a criminal offense; but, gentlemen, the press of this country will be alarmed, the people of this country will be alarmed when they know they are now threatening to invade the power of the Executive.

Every one of the Attorneys General prior to 1860—and I have found no decisions to the contrary since—held that contempt of court was a case in which the President could exercise the power of pardon. The act of two Federal judges in the early history of this Nation brought about congressional action. After Kentucky was admitted into the Union as a State, it passed a law against imprisonment for debt and the Federal courts in Kentucky, having no Federal statute under which execution could issue, proceeded under rules of their own making to imprison judgment debtors in Kentucky. This

brought about the most violent excoriation upon these judges by the Congress. Now we behold a more serious invasion of the Executive's rights and the arbitrary setting aside of the Constitution. I hope the new and able Attorney General will resist to the utmost this invasion.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. McKEOWN. Will not the gentleman let me conclude?

Mr. BEGG. Will not the gentleman extend his remarks? It is 5 o'clock, and let us finish the bill. I can see no reason why the gentleman should not extend his remarks and let us go on with the bill.

Mr. McKEOWN. I have been very patient and I have not imposed on this House and I think everybody knows that I have not imposed on it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. BEGG].

Mr. ZIHLMAN. I accept the amendment, Mr. Chairman.

The amendment was agreed to.

The Clerk read as follows:

SEC. 3. That there is authorized to be appropriated, each year hereafter, in the annual District of Columbia appropriation act, a sum not exceeding 1 cent for each inhabitant of the continental United States as determined by the last preceding decennial census, to be available until used, said sum to be used by said commission for the acquisition of the lands herein authorized to be acquired by said commission for the purposes named, the compensation for the land, the expense of surveys, ascertainment of title, condemnation proceedings, if any, and necessary conveyancing to be paid from said appropriations. That three-fourths of all the funds so appropriated shall be used by said commission for the acquisition of lands within the District of Columbia and the funds so used to acquire property within the District shall be paid from the revenues of the District of Columbia and the general funds of the Treasury in the same proportion as other expenses of the District of Columbia. The land so acquired within the District of Columbia shall be a part of the park system of the District of Columbia and be under control of the Chief of Engineers of the United States Army; that areas suitable for playground purposes may, in the discretion of said commission, be assigned to the control of the Commissioners of the District of Columbia for playground purposes. That the land so acquired outside the District of Columbia shall be controlled as determined by agreement between said commission and the proper officers of the States of Maryland and Virginia, such agreements to be subject to the approval of the President.

Mr. GIBSON and Mr. BLANTON rose.

Mr. BLANTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Vermont, in charge of the bill, is entitled to preferential recognition.

Mr. GIBSON. The chairman of the committee, before he assumed the chair, had some amendments which I am very glad to offer in my own name, and I am sure they will be accepted.

The CHAIRMAN. The gentleman from Vermont offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr GIBSON: Page 3, line 23, after the word "census" strike out "to be available until used."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont.

The amendment was agreed to.

Mr. BLANTON. Mr. Chairman——

The CHAIRMAN. The gentleman from Vermont has a series of amendments.

Mr. BLANTON. Mr. Chairman, I have been here eight years——

The CHAIRMAN. The gentleman from Vermont is in charge of the bill. The gentleman from Vermont offers an amendment, which the Clerk will report.

Mr. BLANTON. Mr. Chairman, I make the point of no quorum, if we are not going to have the usual rules followed here.

The CHAIRMAN. The gentleman from Texas makes the point that there is not a quorum present. The Chair will count.

Mr. BLANTON. I withdraw it, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas withdraws his point of order, and the Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. GIBSON: Page 3, line 24, after the word "commission," insert "for the payment of its expenses and."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont.

The amendment was agreed to.

The CHAIRMAN. The gentleman from Vermont offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 4, line 4, after the word "appropriation," strike out all to and including the word "Columbia" in line 7.

Mr. BLANTON. Mr. Chairman, I offer a substitute.

The CHAIRMAN (Mr. SNYDER). The gentleman offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON as a substitute for the amendment offered by Mr. GIBSON: Page 4, line 9, after the word "Columbia," strike out the balance of line 9 and all of line 10.

Mr. BLANTON. Mr. Chairman, if my amendment is adopted these funds hereafter will be appropriated wholly out of the funds of the District of Columbia for additional parks and playground purposes. I do not see why we should continue to appropriate for these purposes out of the Federal Treasury. Under the bill we appropriate one-quarter of the whole sum out of the Treasury, and the remaining three-quarters come out of the District and Government 60–40. I think that is a bad practice.

The only reason I mentioned the land in Virginia is that the bill authorizes it. I meant no reflection on our good friend from Virginia [Mr. MOORE], but here in his district all along the Potomac River on the other side. All of these funds we have been spending there inure to the benefit of his people. When we built the several million dollar Key Bridge his people did not have to spend a cent for it, but they use it every day. If we buy the parkway from here to Great Falls on the Virginia side and supplement that by a road with a fine boulevard, his people will get the benefit of it. If we appropriate $44,000,000 to build the dams at Great Falls and all that fine reservoir and park system, his people will enjoy it. He can not get around it. It is no reflection on him, it is advertising him and his ability in getting that out of the Federal Treasury.

The next park bill is to appropriate $762,000 out of the Treasury. I am not reflecting on the gentleman from Maryland [Mr. ZIHLMAN]. I am advertising him as being able to get this money out of the Federal Treasury. This House bill was introduced by him. If we spend $44,000,000 out at Great Falls, his people living in Maryland will get the benefit of it. This amendment of mine ought to pass. We ought to stop taking this money out of the Federal Treasury. We have spent enough money here already.

Mr. CRAMTON. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CRAMTON. The two amendments of the gentleman from Vermont has offered, one pending and the other not before the House, do this. They provide that all the expenditures under this bill shall be borne as other expenses of the District.

Mr. BLANTON. That is 60–40.

Mr. CRAMTON. At present that is 60–40, as the bill provides three-quarters come in that way and one-quarter exclusively from the Treasury. The amendment the gentleman has offered does away with that.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. I ask for one minute more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLANTON. I had this in mind. In view of the fact that we have spent $490,000 to buy playgrounds out on Sixteenth Street, wholly out of the Treasury, and the District did not contribute to it at all, and we have spent 100 per cent out of the Treasury to buy several park grounds, I thought it was only fair that additional park places should be paid for wholly out of the District appropriation. But if my colleagues do not agree to it, I can not help it.

Mr. ZIHLMAN. Mr. Chairman, I hope the committee will vote down the substitute offered by the gentleman from Texas. I think I speak for the entire committee when I say that the amendment proposed by the gentleman from Vermont, which provides that these expenses for park purposes shall be borne 60 per cent by the District and 40 per cent by the Federal Government, is entirely satisfactory to the committee. We should not attempt in this legislation to change the fiscal relationship and policy existing between the District of Columbia and the Federal Government. That is entirely another proposition and should be met upon its merits at some other time. It has no place on this bill, and I hope the substitute offered by the gentleman from Texas will be voted down.

Mr. MOORE of Virginia. Mr. Chairman, I think the way in which my friend from Texas [Mr. BLANTON] presents his views is a little ungenerous. The gentleman, if he will stop to consider a moment, will, of course, realize that many improvements of advantage to the city of Washington, and which are necessary, as, for instance, the construction of bridges across the Potomac, are, of course, at the same time advantageous to the State of Virginia, without regard to what we Virginians may say or do. I am frequently surprised to hear my friend speak so ungenerously on this subject. I think he might now and then reflect upon what the State of Virginia has done for his own State. From my country across the Potomac and from other sections of Virginia young men went out to participate in the war with Mexico, the result of which meant so much to Texas. It happens that a kinsman whose name I bear was one of them. He and many others gave their lives in battle against those who questioned the right of Texas to be free. After a while a Virginia President signed the resolution which authorized the annexation of Texas to the Union, and placed the star of Texas on the flag along with the stars of the older States. Before that a Virginia President had insisted upon the application of the Monroe doctrine with respect to Texas when two of the great powers of Europe were greedily asserting their right to establish colonies in Texas. But why elaborate the history of the past with which he is so familiar? I hope hereafter that my friend will be more considerate. I hope he will bear in mind the fact that while I have introduced several bills, some of which are now pending before his committee, I have not been conspicuously successful in securing their enactment, and should receive his support of at least some of them, which, while they will be beneficial to my State, will be primarily and equally beneficial to the District of Columbia.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Texas.

The question was taken, and the substitute was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Vermont.

The amendment was agreed to.

Mr. GIBSON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. GIBSON: Page 4, line 7, after the word "and," strike out "the funds so used to acquire property within the District" and insert in lieu thereof the following: "the funds so appropriated."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BLANTON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 3, line 20, strike out all of lines 20, 21, 22, and that part of line 23 including the word "census," and insert in lieu thereof the following: "not exceeding $600,000 for the next fiscal year of 1925."

Mr. BLANTON. Mr. Chairman, the bill provides every year interminably for an appropriation of $1,100,000. My amendment is to authorize an appropriation for the coming fiscal year of $600,000, and then let the Congress furnish what it desires hereafter. I am not in favor of $1,100,000 every year for all time to come.

Mr. BEGG. Mr. Chairman, I offer the following amendment as a substitute for the amendment offered by the gentleman from Texas.

The Clerk read as follows:

Page 3, line 21, after the word "act," strike out the rest of line 21 and lines 22 and 23 to the comma after the word "census" and insert in lieu thereof "$1,000,000."

Mr. BEGG. Mr. Chairman, it seems to me rather an awkward way to authorize an appropriation to say that we are going to appropriate 1 cent per person in the United States annually. That is approximately $1,100,000. Let us just authorize $1,000,000 and say what it is and not say a certain number of inhabitants.

The CHAIRMAN. The question is on agreeing to the substitute offered by the gentleman from Ohio.

The question was taken; and on a division (demanded by Mr. ZIHLMAN) there were—ayes 10, noes 22.

So the substitute was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Texas [Mr. BLANTON].

Mr. TILSON. Mr. Chairman, I move to strike out the last word. If this amendment be adopted, we may as well reject the entire bill. What purpose does it serve to make large plans for the future and then provide that before you can do anything under them you must go back every year and get an authorization from Congress? It absolutely kills the usefulness of the bill, especially when we realize what difficulties the District Committee has in getting legislation through, even the simplest legislation.

It seems to me that unless we wish to discard this whole legislation, which seems to me to be useful and constructive, we ought to vote down the amendment of the gentleman from Texas.

Mr. McKEOWN. Will the gentleman yield for a question?

Mr. TILSON. Yes; I will yield.

Mr. McKEOWN. Does the gentleman think it is a wise proposition at this time, in view of the statement of the President asking Congress to remain within reasonable bounds in the matter of appropriations? Would the gentleman vote to pass this bill and then have some fellow go out in his district and say that he voted to authorize an appropriation of $10,000,000 or $15,000,000 or $20,000,000?

Mr. TILSON. I think that it is very important to preserve the places around Washington which are so well fitted for a parking system, in fact, far more important than even that the gentleman from Oklahoma or myself be elected at the coming election. It seems to me that the election should cut no figure here whatsoever. This bill is carefully safeguarded, and, after all, Congress must make the appropriation year after year, which is proper. The authorization for a plan of this sort, however, should be made so that we can make the appropriations year after year if we see fit without having to come to Congress year after year for a new authorization.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was rejected.

Mr. BEGG. I have another amendment to offer.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BEGG: Page 3, line 20, after the word "hereafter," insert "for 10 succeeding years."

Mr. BEGG. Now, Mr. Chairman, just a word on this amendment. In the first place, I think it is ridiculous to authorize here an appropriation of a cent a person. It is too big a joke and ridiculous for me to be serious about it, to try to put over on the American people that you are assessing for park purposes in the District of Columbia a cent a person. That has nothing to do with this amendment. The other is a burlesque. This amendment limits the time that this bill applies to a change in the census. Now, 10 years is a long time to appropriate an indefinite sum of money.

Mr. SPROUL of Kansas. Will the gentleman yield?

Mr. BEGG. I will.

Mr. SPROUL of Kansas. Does not the gentleman imagine that the owners of these worthless hills around about here will be chagrined at the knowledge of not being able to get more than $10,000,000 for them?

Mr. BEGG. If the gentleman is asking a serious question I will be glad to answer it. I believe in park purposes, but I also believe in a definite policy, and I also believe in having the courage to come out and say what we are going to authorize, and I think we ought to say for how long. Under the bill as it is to-day we are legislating for the next 500 years. If we put in an amendment limiting it to the next 10 years, certainly there will be a Congress in session with enough intelligence to know whether it will continue to keep on appropriating or not.

Mr. UNDERHILL. In almost every large city where they are undertaking this development it has taken anywhere from 18 to 20 years to carry it out, and I think if the gentleman will refer to the history of the park development of his own city of Cleveland, Ohio, he will find it extended over a period of 22 years. In Boston it extended over a period of 20 years, and you are not going to have some scientific plan if you are only going to extend this over a period of 10 years, that is not sufficient time, but if you will make it a reasonable amount, say 20 years, then you can have a plan of some scientific value and carry out the provisions of the bill.

Mr. BEGG. Well, I am not satisfied——

Mr. UNDERHILL. I move to amend by inserting 20 years.

Mr. BEGG. I will accept the amendment as far as that is concerned. I think we ought to put in something definite, 10 or 20, but the gentleman's amendment is agreeable to me. I have no desire to hurt the bill, but it seems to me that we ought to present a bill in some sort of condition that we will not be ridiculed for what we are turning out. I will accept the amendment of 20 years.

The CHAIRMAN. Is there objection to the modification of the nemndment? [After a pause.] The Chair hears none, and the amendment is so modified.

Mr. McKEOWN. Mr. Chairman, I rise in opposition to the amendment as amended. Gentlemen, I think you are making a mistake. Of course, you can do as you want to do. You are going to put in this bill a million dollars for 10 years, which will make $10,000,000. Every message from the President has been asking the Congress to economize. Now you go out here and put in $10,000,000, or rather authorize such an appropriation. There are people in this country whose businesses are closing up; hard times are stalking in the street. And then it goes out in every direction that the Congress of the Nation is putting in its time appropriating $10,000,000, of which $5,000,000 is to be paid by the taxpayers. And for what? For playgrounds for the people of Washington! Now, do you want that to go out to the country; do you want the information to go out to the country and let all the people know that you do not propose to economize, although you are called upon to do so by the President?

Mr. BEGG. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. BEGG. Is the gentleman in favor of the bill without the amendment?

Mr. McKEOWN. No, sir. I am in favor of the bill if you limit the amount to start with. The Treasury is not in any condition at this time to be making authorizations for large sums of money.

Mr. BEGG. That is what I am trying to do—limit it.

Mr. McKEOWN. The difference between the gentleman's amendment and the bill is that the gentleman is in the open with his amendment and states what he wants to do, while this bill is under a cloud. It says 1 cent on each one of the inhabitants of the United States, and I will not vote for any bill that would put even a cent on my people.

Mr. FITZGERALD. Mr. Chairman, it seems to me that we lose sight of the fact that a great mass of the legislation in this House puts no limitation on amounts to be appropriated. I call the attention of the members of this committee to the fact that one of the great criticisms has been the laxity of Congress in passing appropriate legislation which will legally permit including in appropriation bills amounts for things which the people and Congress desire to provide for and which if a single Member objects must be stricken out of appropriation bills on a point of order, although 434 other Members of Congress approve the item. I recall that the present chairman of this committee by a point of order had stricken out the appropriation for the aerial mail.

I believe it would be just as wise, when we have determined on a proper policy for the District of Columbia, the Capital of the country, to put no limitation in the bill. We are not appropriating any money, but we are putting it within the power and judgment of succeeding Congresses to appropriate the amount which would be thought wise in the judgment of those who come after us and in keeping with the condition of the Treasury from time to time and the needs and the opportunities of the people in extending the growth of this National Capital.

I do not object to the bill in the shape it is now in, but I do object to putting further restrictions upon it, which will show that we are less farsighted than George Washington, who secured the help of Major l'Enfant and planned this glorious Capital. His vision of the destiny of this mighty Republic was real prophecy. We find that we have been shortsighted in our neglect to carry out the original plan. We have blocked the extension of our great avenues and streets. The plans of the Father of his Country have been warped, marred, and crippled. We ought to have a plan for this city and ought to pass legislation now which shows a confidence in our country in future and a general policy looking toward the development of this Capital. This development will be carried out by appropriate appropriations in keeping with the judgment of those Congresses which come after us. We may wisely be satisfied with the limitation provided in the bill, because it is a limitation not carried in many bills which are passed without any criticism.

Let us not seek to tie the hands of future Congresses and create obstacles by limitations in legislative enactments which, while authorizing future appropriations, may, because of our limited vision, dwarf the normal growth in beauty and usefulness of the Capital of the greatest nations. I hope that this amendment will be rejected.

The CHAIRMAN. The time of the gentleman from Ohio has expired. The question is on the amendment offered by the gentleman from Ohio [Mr. BEGG].

The question was taken, and the amendment was rejected.

The Clerk concluded the reading of the bill.

Mr. ZIHLMAN. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CRAMTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (S. 112) providing for a comprehensive development of the park and playground system of the National Capital, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. ZIHLMAN. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The question was taken; and on a division (demanded by Mr. McKEOWN) there were—ayes 37, noes 0.

So the previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is now on the third reading of the bill.

The bill was read a third time.

The SPEAKER. The question is on the passage of the bill.

Mr. BLANTON. Mr. Speaker, I have a motion to recommit, and may I make a parliamentary inquiry? The previous question having been ordered, if the House should adjourn before we take the final vote on the motion to recommit, then the bill would come up the first thing in the morning?

The SPEAKER. Certainly.

Mr. BLANTON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. The gentleman from Texas offers a motion to recommit, which the Clerk will report.

The Clerk read as follows:

Mr. BLANTON moves to recommit the bill to the Committee on the District of Columbia with instructions to report the same back to the House forthwith amended as follows: "On page 3, line 20, after the word 'hereafter,' insert 'for five years,' and in line 21, after the word 'exceeding,' strike out the balance of line 21 and all of line 22 and line 23 down to and including the word 'census' and insert in lieu thereof '$1,000,000.'"

POSTAL SALARY BILL

Mr. PAIGE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the postal bill.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. PAIGE. Mr. Speaker, under leave given me to extend my remarks, I desire to present some information regarding the pending postal salary bill (H. R. 9035) and to make some observations on the question of parcel post and other postage rates, although there is nothing incorporated in the bill which will be presented to the House for action within a few days contemplating an adjustment of rates on any class of mail matter.

In the present Congress a large number of bills have been introduced proposing increases in salaries of postal employees. At least one of these bills contains a provision for raising the revenue to meet the increased cost in salaries by increasing the postage rates on parcel post. A number of bills have also been introduced proposing changes in postage rates on the different classes of mail matter.

The Committee on the Post Office and Post Roads has very carefully studied all these measures, and in reporting to the House this increased salary bill—H. R. 9035—points out as its conclusion that a revenue-producing measure should not be presented for the consideration of Congress at this time. The question of a proper postage rate is one which can be determined only upon information which it is peculiarly within the province of the Post Office Department to ascertain and furnish to Congress. No commission or committee or any other body without the cooperation of the department could possibly make a survey of the Postal Service and an ascertainment

of the cost of transportation and handling and the revenues from the several classes of mail.

The question of a proper compensation for the services of postal employees is another question, information concerning which, based on living costs, working conditions, wages, and salaries in other occupations and industries or activities is readily available to Congress from other sources. The Committee on the Post Office and Post Roads, before whom appeared nearly 300 Members of the House and Senate who testified at great length as to the needs of the service for more adequate salaries and better working conditions, also received information from more than 50 representatives of the groups or organizations of these employees, as well as official information on the subject from the Civil Service Commission, the Department of Labor, and others, and also thousands of letters and petitions from patrons of the service, urging Congress to increase the salaries of the postal employees—to which they are entitled.

Adverting again to the question of increasing postage rates, in a letter to the committee under date of February 29, 1924, the Postmaster General said:

> There never was an ascertainment of the cost of carrying and handling the several classes of mail matter and performing the special services, excepting once, in the history of the department. In 1907 Congress authorized certain weighings and counts of mails for such purpose and the department concluded an estimate in 1909. That estimate was thereafter reviewed by the Hughes Commission in 1911–12. The findings made at that time are inapplicable to the conditions of service to-day, which conditions have changed materially in many respects. Realizing the importance of an ascertainment brought up to date in dealing with all postal questions, the Congress wisely, through the efforts of the Joint Postal Commission and later by an appropriation of $500,000 to be expended by the Postmaster General, authorized such an ascertainment. The department made comprehensive and elaborate preparation for securing the data, which data is now in hand and being checked, arranged, and tabulated for the purpose of use in the final ascertainment. The undertaking is a large one, involving a vast amount of work, and the results are not yet available. It is believed, however, that they will be ready within a few months.
>
> No readjustment of postage rates or fees for special services can be made intelligently until this ascertainment has been made.

There are four classes of mail. The first class includes letters, post cards, and sealed matter which yields a profit; the second class includes newspapers and periodicals. That the revenue from this class of mail does not cover the cost of transportation and handling is generally accepted. Whether or not the rates should be increased or decreased, can not be readily determined. Upon the completion of the ascertainment of cost referred to by the Postmaster General, Congress will be able to act. The third class consists of miscellaneous printed matter, circulars, and so forth. The revenue from this class of mail is very small, comparatively, and even if the rates were doubled the additional revenue derived would be inconsiderable. The fourth class, which is parcel post, has been in operation but a few years. Its growth has been tremendous, until to-day practically all small freights and express matter are carried in the mails as parcel post.

The act of Congress establishing the parcel-post system (37 Stat. L. 558) provides as follows:

> The classification of articles mailable as well as the weight limit, the rates of postage, zone or zones, and other conditions of mailability under this act, if the Postmaster General shall find on experience that they or any of them are such as to prevent the shipment of articles desirable, or to permanently render the cost of the service greater than the receipts or the revenue therefrom, he is hereby authorized, subject to the consent of the Interstate Commerce Commission after investigation, to reform from time to time such classification, weight limit, rates, zone or zones, or conditions, or either, in order to promote the service to the public or to insure the receipt of revenue from such service adequate to pay the cost thereof.

Under this provision the Postmaster General has the authority, among other things, to change the rates of postage to insure the receipt of revenue from such service adequate to pay the cost thereof, subject to the approval of the Interstate Commerce Commission. It requires no act of Congress to make the adjustment. The determination as to what the rates should be rests upon the conditions as the Postmaster General shall find them by investigation from time to time, and it is no answer to the demand for an increased wage to the employees, that the consideration of their bill should be postponed pending an ascertainment of the facts necessary to an adjustment of postage rates.

And further, I wish to again point out that the Postal Service is a growing business. The normal growth, based on the experiences of the past, is sufficient to absorb a very large amount of the increase asked for by the postal employees in a twelvemonth in actual revenue. What the benefits might be in the way of increased efficiency and improvement in the morale of the personnel can not be overestimated.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bills:

H. R. 2875. An act to provide for the addition of the names of certain persons to the final roll of the Indians of the Flathead Indian Reservation, Mont.;

H. R. 2882. An act to provide for the reservation of certain land in Utah as a school site for Ute Indians;

H. R. 6628. An act to change the name of Jewett Street west of Wisconsin Avenue to Cathedral Avenue;

H. R. 4981. An act to authorize the Secretary of War to grant permission to the city of Philadelphia, Pa., to widen Haines Street in front of the national cemetery, Philadelphia, Pa.;

H. R. 1442. An act authorizing issuance of patent to Charles Swanson;

H. R. 656. An act to add certain lands to the Plumas and to the Lassen National Forests in California;

H. R. 8050. An act to detach Reagan County, in the State of Texas, from the El Paso division of the western judicial district of Texas and attach said county to the San Angelo division of the northern judicial district of said State;

H. R. 498. An act providing for a recreational area within the Crook National Forest, Ariz.;

H. R. 169. An act to amend an act entitled "An act to amend section 73 of an act entitled 'An act to codify, revise, and amend the laws relating to the judiciary,' approved June 12, 1916," and for other purposes;

H. R. 5416. An act to authorize the setting aside of certain tribal lands within the Quinaielt Indian Reservation in Washington for lighthouse purposes;

H. R. 7113. An act to establish a dairy bureau in the Department of Agriculture, and for other purposes;

H. R. 2884. An act providing for the reservation of certain lands in Utah for certain bands of Paiute Indians;

H. R. 1475. An act for the relief of Luke Ratigan;

H. R. 2713. An act to transfer certain lands of the United States from the Rocky Mountain National Park to the Colorado National Forest, Colo.; and

H. R. 6355. An act to authorize the Secretary of the Interior to issue certificates of citizenship to Indians.

PARK AND PLAYGROUND SYSTEM OF THE NATIONAL CAPITAL

The SPEAKER. The question is on the motion to recommit.

The question was taken, and the Speaker announced that the noes seemed to have it.

Mr. BLANTON. Mr. Speaker, I ask for a division, and, pending that, I make the point of no quorum.

The SPEAKER. Will the gentleman withhold that to allow certain routine business?

Mr. BLANTON. I withhold it for that purpose, Mr. Speaker.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted—

To Mr. WINTER, for two days, on account of very important business.

To Mr. CASEY, for two weeks, on account of illness in family.

To Mr. MCSWAIN, for four days, from May 28 to May 31, on account of important business.

MEMORIAL DAY, 1924

Mr. LOWREY. Mr. Speaker, I ask unanimous consent to extend my remarks and in extending my remarks to include the speech by our colleague, Mr. WILSON of Mississippi, made at the decoration of Confederate graves yesterday afternoon, and to include newspaper quotations from President Coolidge's very kindly and wholesome address on the same occasion.

The SPEAKER. The gentleman from Mississippi asks unanimous consent to extend his remarks in the RECORD for the purpose indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. LOWREY. Mr. Speaker, it is fitting that we set aside a day to celebrate the services of our heroic dead and to pay loving tribute to their memory. This ought to be a time when thoughts indulged and things said should bind all our people into a closer brotherhood and tender the hearts of true Americans toward all humanity. God forbid that we should make this sacred occasion an opportunity for stirring up prejudice and hatred.

Three years ago, at this season, I had the honor to deliver the address on Confederate Memorial Day at Arlington. I spoke, not in a controversial tone, on the life and character of Jefferson Davis, the first and only President of the Confederacy, one of the greatest and one of the most misunderstood of all Americans. I believe the most appreciated compliment I received on that speech was from Mr. Osborne, of California, then the only old Union soldier in the House. He said that in "the tragic war of the sixties" he had fought for an unbroken and indissoluble Union, and that he now wanted to see it a real union of the hearts of the people. And he very kindly added that the content and tone of my speech would help to that end. Since that time the loved and honored Henry Z. Osborne has gone to his reward. May his benevolent spirit brood over the country he loved.

At this same season three years ago the now lamented Warren G. Harding said:

> There is no longer a sign of conflict. We are united in the sweetest concord that ever united men.

And Secretary Denby, in a great speech made down South, said:

> I am a northerner, but first I am an American. You can not take from me my pride in Lee and Jackson and Pickett, and your own immortal Forrest.

This is as it should be. Surely we have gotten far enough from the bitter days of the Civil War to honor every brave soldier, whether he wore the blue or the gray, and to admire every feat of valor on either side, rejoicing in it as American valor.

On the afternoon of the 25th of this month many of the good people of Washington again gathered in sacred Arlington to decorate the Confederate graves and attend the reunion of that thin line of aged and heroic men in gray. My brilliant young colleague, T. WEBBER WILSON, of Mississippi, delivered an able and inspiring address and our honored President, Calvin Coolidge, though a New Englander, spoke kind and candid words, which the people of the South will hear with deep appreciation.

Under permission to extend my remarks, I have the honor to place quotations from both these addresses in the RECORD:

MR. WILSON'S ADDRESS

Every day is Memorial Day in the heart of every loyal son and daughter of the South. But we come again on this Sabbath day to this historic spot to remember again those brave men who in 1861 followed the Stars and Bars.

The South did not fight, as some people mistakenly believe, to keep the negro in bondage, but we fought for as holy a principle as ever engaged the hearts of men. We fought in order that the world might know and understand that every State in this American Union was a sovereign State and as such it had a right to work out its own destiny. Some people have referred to the cause for which the South fought as the "lost cause." I resent such a statement with every fiber of my being. No cause that was just was ever lost. I remember what Woodrow Wilson once said:

> "I had rather fail in a cause that will ultimately triumph than to triumph in a cause that will ultimately fail."

The South did not fight for a lost cause, because the very principle for which they offered up their lives and fortunes has been enshrined in the hearts of men.

PROUD OF DAVIS

I am proud of the fact that my State, the great Commonwealth of Mississippi, had the honor to give to the Confederate States of America their first, last, and only President. A truer type of southern manhood never lived than Jefferson Davis, the man who was indeed a martyr to a sacred cause. We regard him as one of the greatest citizens whose names enrich and adorn the annals of Mississippi. It is with deep regret that I have heard some of his own countrymen question the motives that moved and directed his great life. Many of our people have seen fit to criticize this good man—many times have the shafts of criticism been directed at him—but when the mists of prejudice have finally been wafted away upon the winds of reason we will behold the same great and noble man, Jefferson Davis, standing serene and unharmed. A great Mississippian said of him—and I believe it with all my heart—"E'er another century has rolled by no intelligent voice can fail to praise him and no patriotic hand will refuse to place a laurel wreath upon his radiant brow."

THEIR MEMORY SACRED

I hope the day will never come when we will cease to honor the memory of Jefferson Davis and all those who followed him and his leadership in the dark days between 1861 and 1865. Would that I possessed the mystic power to wipe from your minds all recollections of that awful struggle that drenched our beloved land with the blood of our brethren, but had I that power I would not erase from your minds the memory of those brave and courageous men who spilled their blood in order that the principles near and dear to every southerner's heart might not perish from the earth.

I wish that I possessed the gift of eulogy in order that I might pay just tribute to their memory. I feel almost persuaded to break Emerson's law of self-reliance and call to the matchless pen of some Shakespeare or the silver tongue of some Prentiss to proclaim their services to their country; but even if I were possessed of the gift of eulogy the bravery, fortitude, and courage of these immortal souls need no eulogy. Long after they have all crossed over the river where rest Lee and Jackson and their comrades under the shade of the trees; long after the marble shafts that mark their resting place have crumbled back to dust, their memory will be green and fresh within the heart of every true American. Their matchless acts and deeds of heroism are truly the everlasting monuments of their blessed memory.

THE GREATEST SOLDIERS

Some historians have said that the greatest soldiers the world ever saw were those who stood upon the banks of the Marne River in the recent world upheaval and barred the gateway of a Christian civilization against the onrushing hordes of Germany, but I desire to avail myself of this opportunity to say that the world never saw a braver or more courageous body of men than those who fought beneath my Southland's flag from 1861 to 1865. Their deeds of valor made glorious many a battle field and their devotion to a great principle will quicken the heartbeat of generations yet unborn when they are privileged to read the pages of impartinl history.

A truer, more perfect type of manhood can not be found in all of the periods of the world's history than that which followed Lee and Jackson and the other southern chieftains, and who when the bloody conflict was at an end came home and drained the fields that were running red with the blood of their countrymen, rebuilt their desolated places, and set about the work of man.

HATE AND ILL WILL GONE

And I thank God that in the rebuilding of our devastated places we did not use one particle of the mortar of hate nor a single brick of ill will. Every true southerner to-day thanks God that we have a united country, and that the Mason-Dixon line is not any more a yawning chasm of death and destruction, but it is merely a red scar of honor across the heart of this Republic, binding us together forever with unbreakable ties of friendship and of love. To use the words of Benjamin Hill, "There was a South of slavery and secession. That South is dead. There is a South of union and freedom. That South, thank God, is living, breathing, and growing every hour."

And I know if the Confederate soldiers, both living and dead, could speak to us on this occasion that they would say to us that the most acceptable service we can render upon this occasion is to extol the glories of a common country. Of course, I love my Dixieland better than any other section of God's green earth, but I am proudest of the fact that I can stand this day tiptoe upon the horizon of civilization and declare to all mankind that I am an American citizen.

THE PRESIDENT'S SPEECH

If I am correctly informed by history it is fitting that the Sabbath should be your Memorial Day. This follows from the belief that, except for the forces of Oliver Cromwell, no army was ever more thoroughly religious than that which was commanded by General Lee.

Moreover, these ceremonies necessarily are expressive of a hope and a belief that rise above the things of this life. It was Lincoln who pointed out that both sides prayed to the same God.

When that is the case, it is only a matter of time when each will seek a common end.

We can now see clearly what that end is.

It is the maintenance of our American form of government, of our American institutions, and of our American ideals, beneath a common flag, under the blessings of Almighty God.

It was for this purpose that this Nation was brought forth. Our whole course of history has been proceeding in that direction. Out of a common experience, made more enduring by a common sacrifice, we have reached a common conclusion.

On this day we pause in memory of those who made their sacrifice in one way. In a few days we shall pause again in memory of those who made their sacrifice in another way. They were all Americans, all contending for what they believed were their rights.

On many a battle field they sleep side by side. Here, in a place which is set aside for the resting place of those who have performed military duty, both make their final bivouac. But their country lives.

The bitterness of conflict is passed. Time has softened, discretion has changed it.

Your country respects you for cherishing the memory of those who wore the gray. You respect others who cherish the memory of those who wore the blue. In the mutual respect may there be a firmer friendship and a stronger and more glorious Union.

When I delivered the address dedicating the great monument to General Grant in the city of Washington, General Carr was present with others of his comrades, and responded for the Confederacy with a

most appropriate tribute. He has lately passed away, one of the last of a talented and gallant corps of officers.

To the memory of him whom I had seen and heard and knew as the representative of that now silent throng, whom I did not know, I now offer my tribute. We know that it is Providence that would have it so. We see and we obey.

A mightier force than ever followed Grant or Lee has leveled their hosts, raised up an united Nation, and made us all partakers of a new glory. It is not for us to forget the past, but to remember it, that we may profit by it.

But it is gone, we can not change it. We must put our emphasis on the present and put into effect the lessons the past has taught us.

All about us sleep those of many different beliefs and many divergent actions. But America claims them all. Her flag floats over them. Her Government protects them. They all rest in the same divine peace.

TRANSFER OF CERTAIN LANDS AT CAMP JACKSON, S. C.

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on House bill 490.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. FULMER. Mr. Speaker and gentlemen of the House, permission having been given me to extend my remarks in the RECORD in connection with the passage of H. R. 490 as an amendment to H. R. 9124, I would like to say: In the summer of 1917 a number of citizens of Columbia subscribed to a fund for the purchase of a tract of land containing 1,192 acres near the city of Columbia, S. C., and gave same to the Government of the United States as a camp site. Upon this site Camp Jackson was located, and thereafter the United States Government acquired additional lands to the extent of 20,000 acres in round numbers. This tract of land was conveyed to the United States Government on the 16th day of November, 1917, by J. Edwin Belser, as trustee, in behalf of the subscribers to the fund through which the 1,192 acres had been purchased, and the deed was accepted by the United States Government and was duly recorded in the office of the registrar of deeds, Richland County, S. C.

The heart of the camp was located upon the 1,192 acres. Street-car tracks, railroad tracks, and concrete streets and roads were built across it. On January 10, 1922, a subcommittee of the Military Affairs Committee, in making its report to the Committee on Military Affairs regarding lands owned by the Government and under the control of the War Department, recommended that all lands that had been given to the Government for war purposes by a State, municipality, society, or individual, on which no valuable improvements had been constructed by the Government, that a conveyance back to the State, municipality, society, or individual could very properly be made without pecuniary consideration.

However, it was impossible to reconvey this tract of land to the original subscribers who numbered about 150—according to testimony given to the committee by Mr. Frank Pierson, secretary Columbia Chamber of Commerce—as some of them were of a corporation which has been dissolved, and in other instances subscribers to this fund have since died, and so forth. Therefore, in order to accomplish a desirable and practical proposition, the original subscribers, either in person or by their heirs of law or personal representatives, have signed a formal written instrument confirming, requesting, and directing that the United States Government reconvey the said 1,192 acres of land as set forth in the bill H. R. 490.

Desiring to hold on to the original camp site and other adjacent lands for future use of the Federal Government, the Secretary of War consented to reconvey to this board of trustees certain other two tracts of land containing 1,192 acres in lieu of the original 1,192 acres as designated in said bill. A list of those subscribing to said fund and who are now requesting the conveyance of said lands to these certain trustees is as follows:

Now, therefore, we, the subscribers to the said fund and citizens of the city of Columbia, S. C., hereby express our desire to cooperate to the end aforesaid and our hearty approval of the said effort and purposes of the said Chamber of Commerce of the City of Columbia; and we hereby consent to such reconveyance of such land and buildings, or any part thereof, as the chamber of commerce shall request and the said United States Government be pleased to make, and, upon and in event of such reconveyance, we jointly and severally covenant to, and do hereby, release and relinquish unto the grantee thereof, his or its successors, heirs, and assigns, any and all right, title, interest, or estate, present or future, which we, or any of us, have, or may be or become entitled to, of and to the said tract of land and the appurtenances thereto belonging.

Witness our hands and seals, this 31st day of May, 1922.

W. S. Nelson; Jno. J. Cain; James L. Tapp Co., by J. L. Tapp, president; James H. McIntosh; T. A. W. Elmgren; C. M. Lide; S. T. Carter; Wm. Elliott; Central Drug Co. (Inc.), by W. E. Caughman, manager; Jno. W. Lillard (Inc.), by Jno. W. Lillard, president and treasurer; the Carolina National Bank of Columbia, by W. A. Clark, president; Robt. Moorman; Ruff Hardware Co., by T. D. Ruff, president; Perry-Mann Electric Co. (Inc.), by W. M. Perry, president; Lorick & Lowrance (Inc.), by Lee A. Lorick, secretary and treasurer; Lorick Bros.; Copeland Co. (Inc.); C. M. Asbill; E. A. Jenkins; W. H. Guimarin & Co.; R. M. Caldwell; The Marshall-Frost Co.; T. D. Hook; F. G. Swaffield; The National State Bank of Columbia; Wm. Barnwell; Alex. McDougan; E. P. & F. A. Davis (Inc.); The Taylor Drug Co.; M. B. DuPre Co.; Overland-Columbia Co.; DuPre Auto Co.; W. E. Avery; J. D. Miot; The Peoples National Bank; Liberty National Bank of South Carolina; J. B. S. Lyles; Columbia Grain & Provision Co.; J. L. Mimnaugh; Richard H. Sullivan; M. R. Rustin; C. C. Townsend; St. John Hotel; P. H. Lachicotte & Co.; T. C. Pope, jr.; Southern States Supply Co.; Southern States Supply Corporation; W. L. Blanchard; Cementile Roofing Co.; C. F. Williams; Carolina Bond & Mortgage Co.; E. C. McGregor; J. W. St. John; L. A. Emerson; E. J. Brennen; Wingfield Drug Store; Lipscomb Drug Store; Sylvan Bros.; Carolina Life Insurance Co.; T. M. Quattlebaum; The Murray Drug Co.; P. B. Bearden & Son; A. Patterson, jr.; Thomas J. Robertson; W. S. Mullins; T. M. DuBose, sr.; William H. Ingleshy; F. B. Shackleford; J. W. McCormick; W. D. Lever; The Columbia Savings Bank & Trust Co.; Young & Germany; J. D. Dial; Perry M. Teeple; City Development Co.; W. S. Reamer; H. Muller & Sons; Francis H. Weston; Benet Shand & McGowan; The Cantonment Realty Co.; The Columbia Railway, Gas & Electric Co.; Edwin W. Robertson; J. Edwin Belser; William W. Arthur; F. William Cappelmann; John J. Earle; William D. Melton; August Kohn; George E. Lafaye; J. C. Townsend; W. G. Belser; David G. Ellison; W. T. Aycock; John E. Black Co.; Willie Jones; M. Ehrlich & Sons; The State Co.; E. O. Black; W. B. Summersett; J. Hughes Cooper; C. B. Owens; J. S. Pinkussohn Cigar Co.; Monroe Mayer; Hunger A. Gibbes; C. C. Pearce & Co.; Columbia Lumber & Manufacturing Co.; The McCreery Land & Investment Co.; The McCreery Pressley Co.; C. W. McCreery; Irvine F. Belser; R. B. Herbert; Walter L. Love; A. W. Fogle & Co.; John R. McIntosh; W. A. Holman; The Bank of Columbia; R. Beverley Sloan; Habenicht McDougall Co.; H. Gordon Kenna; S. S. Hardin; J. Pope Mathews; Palmetto National Bank; Clarence Richards; National Loan & Exchange Bank; William H. Lyles; John P. Thomas, jr.; Record Publishing Co.; R. Carlton Wright; Morton Visanski; R. S. Patterson; Kirkland Distributing Co.; Powell Fuel Co.; George W. Waring; Walter Ravenel Co.; The Shandon Annex Co.; Columbia Supply Co.; Joseph M. Bell; James A. Cathcart; C. Fitzsimons; Frank G. Tompkins; G. M. Berry; Turvin-Child Electric Co.; T. B. Stackhouse; R. J. Bialock; E. W. Parker; E. F. P. Leaphart.

Section 1 of the bill or amendment authorizes the Secretary of War to convey by appropriate quitclaim deed to nine trustees and their successors to be selected by the Chamber of Commerce of Columbia, S. C., to be known as "Trustees of Columbia Cantonment Lands," the said 1,192 acres and also gives boundaries, and so forth.

Section 2 sets forth the rights and privileges of the Federal Government and of the trustees respecting roads, streets, street railway and railroad tracks, and so forth.

Section 3 provides that the said trustees shall hold, use, manage or sell or convey these lands or any portion thereof, and of the proceeds and revenues of the same for the following purposes: Agricultural, educational, industrial, and charitable, with a proviso that no sale or conveyance shall be made until the Secretary of War shall have given his consent thereto in each instance.

Section 4 outlines the selection and procedure of the trustees in connection with these lands or the proceeds therefrom.

The transfer of these lands to said trustees as requested by said subscribers for purposes as set forth in said bill has the

further indorsement either by letter or telegram of the following:

Columbia Retail Merchants Association, by James McDonald, president; Columbia Automotive Association, by James M. Green, secretary; Columbia Wholesale Credit Association, by T. C. Cross, secretary; Plumbers and Fitters Local Union (Columbia), by George Nafer, secretary; Rotary Club (Columbia), by C. F. Williams, president; Kiwanis Club (Columbia), by G. T. Pressley, president; Focus Club (Columbia), by Isadore Schayer; Lions Club (Columbia), by C. C. Campbell, president; Richland Post No. 6, American Legion (Columbia), by George W. Bogle, commander; City Federation of Trade (Columbia), by A. A. Gerald, president; Chamber of Commerce (Columbia), by C. E. Boineau, president; Business & Professional Women's Club (Columbia), by Miss Florence Olvey; Columbia Civic League; League of Women Voters of Columbia and Richland County, by Mrs. J. A. Cain; Industrial Bureau (Columbia), by Hon. M. S. Whaley, chairman; League of Women Voters (Columbia), by Mrs. Ida Salley Reamer, district chairman Richland County delegation, South Carolina Legislature; Hon. Tom B. Pearce, Hon. Jeff D. Bates, Hon. W. D. Barnett, Hon. A. A. Gerald, Hon. George B. Ellison, Hon. C. N. Sapp, Hon. J. M. Rawlinson; W. A. Coleman, mayor, city of Columbia; F. William Cappelmann, attorney, Columbia, S. C., and A. C. Moore, professor of biology, University of South Carolina, Columbia, S. C.

EXTENSION OF REMARKS

Mr. ZIHLMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting resolutions adopted by the Silver Spring Post of the American Legion.

The SPEAKER. The gentleman from Maryland asks unanimous consent to extend his remarks in the RECORD by printing certain resolutions. Is there objection?

Mr. CRAMTON. Mr. Speaker, I am obliged to object.

WORKMEN'S COMPENSATION

Mr. KENT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon the workmen's compensation legislation now pending before the District of Columbia Committee.

The SPEAKER. Is there objection? [After a pause]. The Chair hears none.

Mr. KENT. Mr. Speaker, recently I had the pleasure of addressing the House upon the subject of increased salaries for school-teachers in the District of Columbia. At that time I stated that a powerful indictment could be made against the United States Congress, and thus against our Government, for failure to provide for essential legislation of the most extreme importance. Aside from compensation providing for the governmental employees here, there is no workmen's compensation law to protect those engaged in lines of business other than governmental activities.

At the last session of Congress this legislation failed because the contention arose in the Committee on the District of Columbia, and later on the floor of the House, as to the kind of workmen's compensation law which should be enacted for the District. The mere fact that there is no compensation law here because of such contention and because of the neglect of Congress constitutes one of the strongest arguments in favor of greater autonomy in the government of this District by its people.

No person in our country to-day, whether he be an employer or employee, has sufficient hardness of heart to repudiate all workmen's compensation. It is essential legislation of the highest possible type. The men or women who devote themselves to the interests of the Nation and its industrial life have a vested interest in the future welfare of our country. They are building its industries. They are extending our national growth. They are making our country the greatest industrial empire within the history of man. It is reasonable, therefore, to demand of the industries which consume the man power of the Nation that a carrying charge be fixed upon such industry for the protection of those engaged in the course of their employment as well as their dependents.

Let us not quibble at the outset upon the kind of workmen's compensation insurance we will establish here, but since a bill has been reported out of the Committee on the District of Columbia let us insist that the House consider this essential and humanitarian legislation and thus have some protection to the workmen of the District. The Congress, by amendment and substitution, can determine the kind that the Congress wants.

Is this important? The answer to that question is found in stating another inquiry. Is it not important that we conserve the health and strength of future generations by protecting the lives and limbs of those engaged in the work of this generation? This legislation is designed to protect workmen and their dependents engaged principally in physical labor, when death, disease, and injury occurring in the course of employment are visited upon the families of this generation, thereby depriving those families of some of the nurture and sustenance necessary in this age. Now, who can say that this deprivation does not weaken this generation, and hence, those to follow after it? It is almost axiomatic that this legislation should be passed; and no fears should be entertained by anyone that an injustice will be done if any reasonable law is passed by this Congress. The legislation should not suffer merely because men disagree. And in this connection it is interesting to know why essential and humanitarian legislation of this kind should be deferred while Congress considers matters affecting fisheries along the Atlantic seaboard and changes alleged to be necessary in certain Federal judicial districts.

The bill reported out of committee provides for an exclusive governmental insurance feature. It is contended on the one hand that this is detrimental and that the Government should not go into private enterprise, and upon the other hand that the maiming of the human body or its disintegration by disease should not be permitted, in this enlightened age, to become the subject of private gain and profit.

If this legislation shall occupy any of the time of the House in this session, and I earnestly hope it will, I shall call the attention of the House to several features which I believe to be important. Complaints are reaching me from employers who say that they are carrying a necessary but small amount of insurance for the protection of their workmen and that private insurance companies are canceling these policies, stating frankly that the business is not profitable to the companies. That is a reprehensible situation. No company should dare to refuse workmen's compensation insurance to any employer, and all insurance written upon this class of business should receive close scrutiny from the Government. Contentions are also being made that private companies, in order to make profits out of this class of insurance, become very litigious and attempt to drive down the cost of compensation insurance for the employers by defeating claims wherever possible. It is argued that the defeat of these claims take two courses—first, by fine and specious argument in the courts in the interpretation of workmen's compensation statutes; and, second, by tiring the injured employees and their dependents by protracted litigation, which the employees and their dependents are unable to conduct through lack of funds. The latter situation, if continued on the part of private insurance companies, will drive employees eventually and universally into organizations which will have for their object the protection of poor claimants in distress. This means increases in the cost of wages to take care of the additional expense.

I want to vote for a workmen's compensation bill in this session of Congress and sincerely trust that the Committee on the District of Columbia will have the hearty cooperation of all the Members of the House in bringing this to pass.

PARK AND PLAYGROUND SYSTEM IN THE NATIONAL CAPITAL

Mr. BLANTON. Mr. Speaker, I insist on a division.

The SPEAKER. The gentleman from Texas demands a division on the motion to recommit.

The committee divided; and there were—ayes 6, noes 35.

Mr. BLANTON. Mr. Speaker, I make the point of no quorum and object to the vote.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum. It is clear there is no quorum present.

Mr. BEGG. Mr. Speaker, do we understand that if we adjourn now the vote will come to-morrow morning?

The SPEAKER. Yes; the vote would come to-morrow morning, but it would not be a no-quorum vote.

Mr. BEGG. But this would come up the first thing after the reading of the Journal.

The SPEAKER. Certainly.

Mr. ZIHLMAN. I can not understand what the gentleman's idea is.

Mr. BLANTON. I want a record vote on it.

ADJOURNMENT

Mr. BEGG. Mr. Speaker, I move the House do now adjourn. It is 15 minutes to 6.

The question was taken, and the Chair being in doubt, the committee divided, and there were—ayes 30, noes 22.

The motion was agreed to; accordingly (at 5 o'clock and 45 minutes p. m.) the House adjourned until to-morrow, Tuesday, May 27, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speakers' table and referred as follows:

515. A letter from the chairman of the Personnel Classification Board, transmitting schedule of grades and salaries for field-service positions, and tabulations showing, by services and in the aggregate, the difference between the present and proposed rates of compensation; to the Committee on Civil Service.

516. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Hudson River Channel, along with the water front of Weehawken and Edgewater, N. J., with a view to providing a depth of 40 feet at mean low water or such lesser depth as may be necessary to serve the interests of navigation and extending in a straight line in front of the dock of Edgewater about three-quarters of a mile farther north (H. Doc. No. 313); to the Committee on Rivers and Harbors and ordered to be printed.

517. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the legislative establishment of the United States for the fiscal year ending June 30, 1925, salaries, officers and employees, Senate, $94,053.30 (H. Doc. No. 314); to the Committee on Appropriations and ordered to be printed.

518. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the legislative establishment of the United States for the fiscal year ending June 30, 1925, salaries of employees under the Architect of the Capitol, $24,785.80 (H. Doc. No. 315); to the Committee on Appropriations and ordered to be printed.

519. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment of the United States for the fiscal year ending June 30, 1924, miscellaneous items, contingent expenses, House of Representatives, $37,596.04 (H. Doc. No. 316); to the Committee on Appropriations and ordered to be printed.

520. A communication from the President of the United States, transmitting a communication from the Secretary of Agriculture submitting an estimate of appropriation in the sum of $2,545.89 to pay eight claims for damages to or losses of privately owned property, which he has adjusted and which require an appropriation for their payment (H. Doc. No. 317); to the Committee on Appropriations and ordered to be printed.

521. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the United States Veterans' Bureau for the fiscal years 1924 and 1925, amounting to $127,817,898, to defray the cost of adjusted compensation for veterans of the World War, and for other purposes, pursuant to the act of Congress of May 19, 1924 (H. Doc. No. 318); to the Committee on Appropriations and ordered to be printed.

522. A communication from the President of the United States, transmitting a communication from the Director of the United States Veterans' Bureau submitting an estimate of appropriation in the sum of $374.03, to pay seven claims for damages to or loss of privately owned property, which he has adjusted and which require an appropriation for their payment (H. Doc. No. 319); to the Committee on Appropriations and ordered to be printed.

523. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the legislative establishment of the United States for the fiscal year ending June 30, 1925, salaries, officers and employees, House of Representatives, $172,553.90 (H. Doc. No. 320); to the Committee on Appropriations and ordered to be printed.

524. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment of the United States, for the fiscal year ending June 30, 1925, contingent expenses, Senate, kitchen and restaurant, $20,000 (H. Doc. No. 321); to the Committee on Appropriations and ordered to be printed.

525. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the United States Housing Corporation for the fiscal year ending June 30, 1925, for rent of ground owned by the Baltimore & Ohio Railroad Co. which is occupied by the Government hotel for Government workers, $74,315 (H. Doc. No. 322); to the Committee on Appropriations and ordered to be printed.

526. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Agriculture for the fiscal year ending June 30, 1925, for the purpose of enabling the Secretary of Agriculture to carry into effect the provisions of the act of March 3, 1923, $10,000 (H. Doc. No. 323); to the Committee on Appropriations and ordered to be printed.

527. A communication from the President of the United States, transmitting two drafts of proposed legislation affecting existing appropriations of the War Department (H. Doc. No. 324); to the Committees on Appropriations and Military Affairs and ordered to be printed.

528. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the improvement and care of public buildings, District of Columbia, fiscal year 1924, for the construction of a bathing beach and bath house for the colored population of the city of Washington and the care and maintenance of the same, to remain available until June 30, 1925, $50,000 (H. Doc. No. 325); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 1468. A bill to increase the salary of the warden of the United States penitentiary at McNeil Island, Wash.; without amendment (Rept. No. 845). Referred to the Committee of the Whole House on the state of the Union.

Mr. ZIHLMAN: Committee on the Judiciary. H. R. 9364. A bill granting a pension to deputy United States marshals of the United States District Court of the Western District of Arkansas who rendered special service prior to the admission of the State of Oklahoma into the Union; without amendment (Rept. No. 846). Referred to the Committee of the Whole House on the state of the Union.

Mr. STALKER: Committee on the District of Columbia. S. 2265. An act to provide for a rearrangement of the public alley facilities in square 616 in the District of Columbia, and for other purposes; without amendment (Rept. No. 847). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAMMER: Committee on the District of Columbia. S. 2430. An act to create a commission to procure a design for a flag for the District of Columbia, and for other purposes; without amendment (Rept No. 848). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. EDMONDS: Committee on Claims. S. 698. An act for the relief of the Great Lakes Engineering Works; without amendment (Rept. No. 849). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 827. An act for the relief of Jessie M. White; with an amendment (Rept. No. 850). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 831. An act for the relief of H. B. Stout; without amendment (Rept. No. 851). Referred to the Committee of the Whole House.

Mr. McREYNOLDS: Committee on Claims. S. 1763. An act to validate certain payments made to George M. Apple and to authorize the General Accounting Office to allow credit to certain disbursing officers for payments of salaries made on properly certified and approved vouchers; without amendment (Rept. No. 852). Referred to the Committee of the Whole House.

Mr. BOX: Committee on Claims. S. 1894. An act for the relief of the owners of the steamship *Kiu-Dave;* without amendment (Rept. No. 853). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 1975. An act for the relief of the Commercial Union Assurance Co. (Ltd.), Federal Insurance Co., American & Foreign Marine Insurance Co., Queen Insurance Co. of America, Fireman's Fund Insurance Co., United States Lloyds, and the St. Paul Fire & Marine Insurance Co.; without amendment (Rept. No. 854). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 1976. An act for the relief of the Commercial Union Assurance Co. (Ltd.), Federal Insurance Co., American & Foreign Marine Insurance Co., Queen Insurance Co. of America, Fireman's Fund Insurance Co., St. Paul Fire & Marine Insurance Co., and the United States Lloyds; without amendment (Rept. No. 855). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 2609. An act for the relief of J. R. King; without amendment (Rept. No. 856). Referred to the Committee of the Whole House.

Mr. BULWINKLE: Committee on Claims. H. R. 5752. A bill for the relief of George A. Petrie; without amendment (Rept. No. 857). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 6695. A bill authorizing the owners of the steamship *Malta Maru* to bring suit against the United States of America; without amendment (Rept. No. 858). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 7118. A bill for the relief of the Mechanics & Metals National Bank, successor to the New York Produce Exchange Bank; without amendment (Rept. No. 859). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 1699. A bill for the relief of B. G. Oosterbaan; without amendment (Rept. No. 860). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 1824. A bill for the relief of estate of Anne C. Shymer; without amendment (Rept. No. 861). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. DICKSTEIN: A bill (H. R. 9452) to amend the Judicial Code of the United States; to the Committee on the Judiciary.

Also, a bill (H. R. 9453) to supplement the jurisdiction of the Interstate Commerce Commission and prescribe a method for the fixing of rates of public utilities employed in interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. CANFIELD: A bill (H. R. 9454) to repeal schedule 2 of the act entitled "An act to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes," approved September 21, 1922, and for other purposes; to the Committee on Ways and Means.

Also, a bill (H. R. 9455) to repeal schedule 3 of the act entitled "An act to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes," approved September 21, 1922, and for other purposes; to the Committee on Ways and Means.

My Mr. ROBSION of Kentucky: A bill (H. R. 9456) to grant the consent of Congress to the Cincinnati, New Orleans & Texas Pacific Railway Co. to construct, maintain, and operate a new bridge across the Cumberland River, in Pulaski County, Ky., near the town of Burnside; to the Committee on Interstate and Foreign Commerce.

By Mr. STEAGALL: A bill (H. R. 9457) to authorize the States of Alabama and Georgia, through their respective highway departments, to construct and maintain a bridge across the Chattahoochee River at or near Alaga, Ala., connecting Houston County, Ala., and Early County, Ga.; to the Committee on Interstate and Foreign Commerce.

By Mr. WATKINS: A bill (H. R. 9458) to provide for the development of navigation and power, the irrigation and reclamation of arid lands, the fixation of nitrogen on the Columbia River, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WINGO: A bill (H. R. 9459) granting the consent of Congress to the city of Fort Smith, Sebastian County, Ark., and the Fort Smith waterworks district of said city, to construct, maintain, and operate a dam across the Poteau River; to the Committee on Interstate and Foreign Commerce.

By Mr. KVALE: Joint resolution (H. J. Res. 270) authorizing and requesting the Postmaster General to design and issue a special postage stamp to commemorate the arrival in New York on October 9, 1825, of the sloop *Restaurationen*, bearing the first shipload of immigrants to the United States from Norway, and in recognition of the Norse-American centennial celebration in 1925; to the Committee on the Post Office and Post Roads.

By Mr. TABER (by request): Joint resolution (H. J. Res. 271) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. BEGG: Concurrent resolution (H. Con. Res. 26) to print 50,000,000 additional copies of an article entitled "The peril of narcotics—A warning to the people of America," by the International Narcotics Education Association; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ARNOLD: A bill (H. R. 9460) granting a pension to Caroline Marlow; to the Committee on Invalid Pensions.

By Mr. BRITTEN: A bill (H. R. 9461) for the relief of Lieut. Richard Evelyn Byrd, jr., United States Navy; to the Committee on Naval Affairs.

By Mr. BURTON: A bill (H. R. 9462) granting a pension to Mary E. Marks; to the Committee on Invalid Pensions.

By Mr. COOPER of Wisconsin: A bill (H. R. 9463) granting an increase of pension to Caroline Riley; to the Committee on Invalid Pensions.

By Mr. DICKINSON of Missouri: A bill (H. R. 9464) granting a pension to Hannah Spring; to the Committee on Pensions.

By Mr. FISH: A bill (H. R. 9465) granting an increase of pension to Charlotte A. Sheeley; to the Committee on Invalid Pensions.

By Mr. GLATFELTER: A bill (H. R. 9466) granting an increase of pension to Mary Oaster; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9467) granting an increase of pension to Josephine Overbaugh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9468) granting an increase of pension to Margaret E. Sanders; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9469) granting an increase of pension to Sara A. Zeigler; to the Committee on Invalid Pensions.

By Mr. GREENE of Massachusetts: A bill (H. R. 9470) to admit free of duty a certain chime of 18 bells to be imported for the Church of Notre Dame de Lourdes at Fall River, Mass.; to the Committee on Ways and Means.

By Mr. JAMES: A bill (H. R. 9471) for the relief of Henry T. Hill; to the Committee on War Claims.

By Mr. LAMPERT: A bill (H. R. 9472) for the relief of Paine Lumber Co. (Ltd.); to the Committee on Claims.

By Mr. LINTHICUM: A bill (H. R. 9473) granting a pension to Annie Donaldson; to the Committee on Pensions.

By Mr. MACGREGOR: A bill (H. R. 9474) for the relief of Fred A. Bradley, disbursing agent of the Treasury Department at Buffalo, N. Y.; to the Committee on Claims.

By Mr. PARKER: A bill (H. R. 9475) granting a pension to Christella B. Lawrence; to the Committee on Invalid Pensions.

By Mr. PATTERSON: A bill (H. R. 9476) granting an increase of pension to Mary Ryland; to the Committee on Invalid Pensions.

By Mr. PURNELL: A bill (H. R. 9477) granting a pension to Sallie Hart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9478) granting an increase of pension to Kezia Tiller; to the Committee on Invalid Pensions.

By Mr. SHREVE: A bill (H. R. 9479) granting a pension to John Heller; to the Committee on Pensions.

Also, a bill (H. R. 9480) granting a pension to Adelle Parker; to the Committee on Invalid Pensions.

By Mr. TILLMAN: A bill (H. R. 9481) for the relief of Porter Johnson; to the Committee on Claims.

Also, a bill (H. R. 9482) granting a pension to Asa Brown; to the Committee on Invalid Pensions.

By Mr. TINCHER: A bill (H. R. 9483) granting an increase of pension to Ava L. Stephens; to the Committee on Invalid Pensions.

By Mr. WASON: A bill (H. R. 9484) granting an increase of pension to Mary J. Hildreth; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9485) granting an increase of pension to Anna V. Skinner; to the Committee on Invalid Pensions.

By Mr. WURZBACH: A bill (H. R. 9486) to reinstate Charles McKee Krausse as a first lieutenant in the Marine Corps; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2896. By the SPEAKER (by request): Petition of Natural Gas Association of America, opposing the proposed taxation of undistributed surplus in the hands of corporations; to the Committee on Ways and Means.

2897. Also (by request), petition of committee of citizens at Blanchard, N. Dak., urging the immediate passage of the McNary-Haugen bill; to the Committee on Agriculture.

2898. Also (by request), petition of commander of National Disabled Soldiers' League, favoring an amendment to Senate bill 2257, section 19; to the Committee on World War Veterans' Legislation.

2899. Also (by request), petition of Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, Chicago, Ill., favoring House bills 4107 and 2953; to the Committee on Interstate and Foreign Commerce.

2900. By Mr. CORNING: Petition of the Common Council of the City of Troy, N. Y., on May 15, 1924, protesting against the passage of the McNary-Haugen bill; to the Committee on Agriculture.

2901. By Mr. GALLIVAN: Petition of Boston Typographical Union, No. 13, Boston, Mass., urging modification of the Volstead Act; to the Committee on the Judiciary.

2902. Also, petition of Arthur W. Nichols, president Massachusetts State Rural Letter Carriers' Association, Burlington, Mass., recommending early and favorable action on House bill 9035; to the Committee on Rules.

2903. By Mr. GARBER: Petition of the Tonkawa Chamber of Commerce, Tonkawa, Okla., indorsing the national defense act and urging adequate appropriations to maintain the Regular Army at the strength designated therein; to the Committee on Ways and Means.

2904. By Mr. HUDSON: Petition of the Common Council of the City of Flint, Mich., indorsing the LaGuardia bill and urging that it be favorably considered; to the Committee on the Post Office and Post Roads.

2905. By Mr. RAKER: Petition of chamber of commerce, Poplar Bluff, Mo., urging support of House bill 1974, in re national park in the Ozark Mountains; to the Committee on the Public Lands.

2906. Also, petition of William E. Johnson, 1109 Oak Street, Oakland, Calif., urging support of House bill 6484 in retirement of disabled emergency officers; to the Committee on Military Affairs.

2907. Also, petition of National League of Women Voters, Washington, D. C., resolutions in re law enforcement; to the Committee on the Judiciary.

2908. Also, petitions of H. M. Dorland, postmaster Copco, Calif; J. A. Lewis, Carpinteria, Calif.; Albert Norris, Alvarado, Calif.; Charles A. French, Brentwood, Calif.; L. E. Nelson, Herouit, Calif., urging support of House bill 9035, in re increase in salaries for third and fourth class postmasters; to the Committee on the Post Office and Post Roads.

2909. Also, petition of Hilda W. Grinnell, secretary Cooper Ornithological Club, Berkeley, Calif., in re regulation of pollution of national navigable and tide waters; to the Committee on Interstate and Foreign Commerce.

2910. By Mr. ROUSE: Petition of Custer Council of Daughters of America, No. 15, of Bellevue, Campbell County, Ky., favoring the Sterling-Reed educational bill; to the Committee on Education.